HTC CORPORATION

2026 Annual General Shareholders Meeting Minutes

(Translation)

Time and Date：9:00 AM, 18 June, 2026 (Thursday)

Location：Liang Dian (2F, No. 219, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City)

Type of Meeting：Physical Meeting

Attendence：Total shares represented by the shareholders present at the meeting in person and by proxy are 555,124,255 shares (including votes cast electronically: 207,347,287), representing 66.39% of the outstanding shares of the Company (836,065,086 shares).

Directors：HT Cho, Director、Chen-Kuo Lin, Independent Director

Attendees：ChiaTe Lu, General Counsel and the Corporate Governance Officer、Yuh-Ta Chang, Special Assistant of the Chairwoman、Maggie Tseng, Advisor、Jane Jao, Senior Director of Accounting、Shiau-Pan Yang, Counsel of Lexcel Law Offices、Pan-Fa Wang, CPA of Deloitte & Touche

Chairperson：Cher Wang, Chairwoman Clerk：ChiaTe Lu

1. Call Meeting to Order：The number of shares represented by the shareholders present, in person or by proxy, has constituted a quorum. The Chairwoman called the meeting to order.
2. Opening Remarks by the Chairwoman：Omitted
3. Management Presentations：

Item 1：The 2025 Business Report

Explanation：Please refer to supplement 1 for the 2025 business report.

Item 2：The Audit Committee's Review Report

Explanation：Please refer to supplement 2 for the Audit Committee's review report.

Item 3：The distribution of employee compensation (including non-executive employees) and Director compensation for Fiscal Year 2025

Explanation：

(1) In accordance with Article 19 of the Company's Articles of Incorporation, if the Company makes profit for the current year, Company shall have minimum of 4% of such profit distributable as employees' compensation, of which no less than 1% shall be reserved for the non-executive employees, at in the form of stock or in cash as resolved by the board of directors. In addition, the Company may, by resolution of the Board of Directors, to distribute up to maximum of 0.25% of the profit of current year mentioned in preceding paragraph as remuneration to directors. However, if the company has

accumulated loss, the profit shall first be used to offset the loss.

(2) For fiscal year 2025, the Company's net profit before deducting employee compensation amounted to NT$8,294,154,434. After offsetting accumulated losses, and in accordance with Article 19 of the Company's Articles of Incorporation, it is proposed that 4% of the net profit, or NT$168,003,750, be allocated as employee compensation. Within this allocation, 1% (amounting to NT$1,680,038) shall be distributed to non-executive employees and paid entirely in cash. Furthermore, there shall be no distribution of director remuneration for this fiscal year.

Item 4：The 2025 cash dividend distribution

Explanation：

(1) The accumulated distributable earnings as of the end of fiscal year 2025 amount to NT$883,275,334. It is proposed that cash dividends in the total amount of NT$418,032,543 be distributed. Based on 836,065,086 outstanding shares as of the book closure date of April 20, 2026, the proposed cash dividend is NT$0.50 per share. Please refer to supplement 3 of this handbook (page 13) for the earnings distribution table for 2025. Cash dividends shall be calculated and rounded down to the nearest NT dollar. Any fractional amounts less than NT$1 shall be aggregated and recognized as other income of the Company.

(2) It is proposed that the Chairwoman be authorized to determine the record date and payment date for the cash dividends and to make any necessary adjustments in the event that the number of outstanding shares is affected by changes in the Company's share capital, resulting in adjustments to the dividend per share.

(3) The proposal was reviewed by the Audit Committee and approved by the Board of Directors.

4. Proposals for Adoption：

Item 1

The 2025 business report and financial statements. (Proposed by the Board of Directors)

Explanation：

(1) The compilation of the Company's 2025 business report and financial statements are completed and has been approved by the Board of Directors. The financial statements have been audited and certified by Pan-Fa, Wang, CPA, and Kuo-Tyan Hong, CPA, of Deloitte & Touche. The business report and financial statements have been reviewed by the Audit Committee, and are hereby submitted for adoption at Annual General Shareholders' Meeting.

(2) Please refer to supplement 1, supplement 4 and supplement 5 for the 2025 business report, the CPA audit report issued by Deloitte & Touche and the financial statements, respectively.

(3) Adoption requested.

Voting results：555,124,255 shares were represented at the time of voting.
534,380,959 votes representing 96.26% of the total votes represented were cast in favor of the proposal (including 189,548,309 votes cast via electronic voting), 255,283 votes were cast against the proposal (including 255,283 votes cast via electronic voting), 11,000 votes were invalid, and 20,477,013 votes were abstained or not voted (including 17,543,695 votes cast via electronic voting). This proposal was duly approved as proposed.

Item 2

The 2025 earnings distribution. (Proposed by the Board of Directors)

Explanation：

(1) Please refer to supplement 3 for the 2025 statement of earnings appropriation. The proposal was reviewed by the Audit Committee and approved by the Board of Directors.

(2) Adoption requested.

Voting results：555,124,255 shares were represented at the time of voting.
534,238,622 votes representing 96.23% of the total votes represented were cast in favor of the proposal (including 189,402,972 votes cast via electronic voting), 769,716 votes were cast against the proposal (including 769,716 votes cast via electronic voting), 8,000 votes were invalid, and 20,107,917 votes were abstained or not voted (including 17,174,599votes cast via electronic voting). This proposal was duly approved as proposed.

5. Discussion Items：

Item 1

Amendment to the Company's "Procedures for the Acquisition or Disposal of Assets"

(Proposed by the Board of Directors)

Explanation：

(1) In order to enhance operational flexibility and meet practical business needs, the Company proposes to amend certain provisions of its "Procedures for Acquisition or Disposal of Assets." For the before and after revision, please refer to supplement 6 .

(2) Resolution requested.

Voting results：555,124,255 shares were represented at the time of voting.
492,741,247 votes representing 88.76% of the total votes represented were cast in favor of the proposal (including 147,905,597 votes cast via electronic voting), 40,318,048 votes were cast against the proposal (including 40,318,048 votes cast via electronic voting), 8,000 votes were invalid, and 22,056,960 votes were abstained or not voted (including 19,123,642 votes cast via electronic voting). This proposal was duly approved as proposed.

6. Extraordinary Motions：No extraordinary motions from shareholders.

(Summary of shareholders' inquiries and the Company's response)

Question from shareholder number 616652：

Dividend distribution policy; Timeline for returning to profitability; The relationship between Directors' and management's compensation, operating performance, and shareholders' interests.

Response by the Chairwoman's designee：

The Company returned to profitability last year and has therefore distributed earnings this year. Future dividend distributions will depend on the Company's operating results and financial condition. Should the Company continue to maintain profitability, it will prudently evaluate dividend payments in order to protect shareholders' interests.

To further improve profitability, the Company will continue to strengthen its core businesses, actively expand into emerging applications and innovative fields, while maintaining disciplined cost and expense management to enhance overall operational efficiency, with sustainable profitability as its long-term objective.

Regarding directors' compensation, all directors possess extensive professional expertise and experience and make significant contributions to corporate governance and business development. Directors' remuneration is determined with reference to industry standards and reviewed by the Compensation Committee in accordance with the Company's corporate governance procedures. There was no separate distribution of Directors' remuneration for this fiscal year, and the Chairwoman did not receive any Directors' remuneration. The Company will continue to focus on sustainable business performance and long-term shareholder value. Thank you.

Question from shareholder number 487016：

1. Does HTC's VIVERSE for Business currently collaborate with NVIDIA through its Omniverse platform on AI and digital twin technologies, such as integrated solutions for smart factories and smart cities? Or are the two platforms gradually becoming competitors? For example, Foxconn has adopted NVIDIA's Physical AI and digital twin technologies to develop smart factories. What commercial partnerships does HTC currently have in this area?
2. What are HTC's competitive advantages in the digital twin field? What is the current progress of its collaborations with World Labs and Dassault Systèmes, and what benefits are expected?
3. The Executive Yuan recently announced its initiative to promote AI in smart healthcare and long-term care, which aligns with HTC's long-term investments in AI healthcare.

Does HTC have the capability to capitalize on this opportunity, and what key role will HTC play?

4. What implications or opportunities does Meta's closure of Horizon Worlds present for VIVERSE Worlds?
5. VRChat continues to grow its user base. Does HTC provide technical support to VRChat? Given HTC's 34% shareholding in VRChat, what are HTC's future plans, and how can VRChat complement VIVERSE?
6. As AI infrastructure continues to advance, how will this benefit HTC's competitiveness in AI inference applications? What strategies does HTC have to compete with Apple and Meta?
7. What role does HTC position itself to play in the AI era? What business opportunities does it expect to capture? Why has this not yet been reflected in revenue performance? Is there a risk of HTC becoming marginalized?
8. HTC VIVE Eagle offers highly practical meeting recording and transcription functions. When will it introduce real-time bidirectional interpretation? We look forward to this feature. Keep up the great work!

Response by the Chairwoman or the Chairwoman's designee：

1. The Company has been engaged in smart city and smart factory development for many years and has successfully completed numerous digital twin projects, including cultural venue and smart factory applications. Through the VIVERSE platform, private 5G networks, and XR technologies, the Company helps customers improve operational efficiency and application value while continuing to evaluate collaboration opportunities with AI technology partners.
2. In the digital twin field, the Company continues to strengthen the technical capabilities of the VIVERSE platform and collaborates with partners such as World Labs to advance 3D content generation and related applications, lowering adoption barriers and improving content creation efficiency. The Company also continues to collaborate with Dassault Systèmes to expand application scenarios.
3. In AI healthcare and long-term care, the Company's subsidiary DeepQ has long collaborated with government agencies and medical institutions to develop smart healthcare and health management solutions. As the government continues to promote AI-driven healthcare initiatives, the Company will actively participate by leveraging its existing technologies and service capabilities.
4. VIVERSE Worlds adopts an open XR platform architecture that supports multiple devices and cross-platform content applications. The Company believes that changes in the market create opportunities to further strengthen the advantages of an open ecosystem and attract more creators and users.

5. The Company will continue to monitor VRChat's growth and operating performance and remain engaged in discussions regarding potential collaboration opportunities that may enhance shareholder value.
6. In response to the advancement of AI infrastructure and increasing market competition, the Company continues to integrate AI technologies into its internal operations and products, while differentiating itself through strong privacy protection, information security, and enhanced user experiences.
7. In the AI era, the Company positions itself as a provider of AI, XR, and immersive platform application services. It continues to develop VIVERSE, DeepQ, and related AI applications. The Company has continued to see growth in user adoption and platform scale, and the Company remains committed to improving operating performance and creating long-term value.
8. HTC VIVE Eagle is planned to incorporate real-time two-way interpretation functionality, which is expected to be launched alongside the product's global rollout to further enhance the user experience.

Question from shareholder number 639522：

The shareholder expressed strong confidence in the Company and its management team, and suggested that the Company consider reinstating a practice adopted in previous years by offering HTC smartphones as shareholder rewards.

Response by the Chairwoman's designee：

The Company expressed its appreciation for the shareholder's continued support and recognition. The Company will continue to consider innovative and practical shareholder attendance gift as a token of appreciation for shareholders' long-term support.

Question from shareholder number 616652：

The shareholder suggested that the Company's employees and management team actively use HTC products to demonstrate confidence in and recognition of the products, believing that internal adoption would help promote the products externally and support market development.

Response from the Chairwoman：

The Company appreciates the shareholder's valuable suggestion. It remains committed to continuously improving its products and user experience, with particular emphasis on enhancing wearing comfort and meeting the needs of different users. As wearable devices must accommodate various facial structures and usage habits, product design and refinement require careful consideration and ongoing optimization. Since their launch, the Company's wearable products have been continuously improved, and future development will proceed in accordance with the Company's global market strategy. The Company will continue striving to enhance product quality and user experience to better meet market demand.

Question from shareholder number 239715：

The shareholder acknowledged that the Company's products offer comprehensive functionality but believed that there is still room for improvement in product appearance and design aesthetics. The shareholder suggested further strengthening product design and visual appeal to enhance overall market attractiveness. The shareholder also noted that smart glasses represent an important future trend and that continuous improvements in product design and user experience would help increase market acceptance and product competitiveness.

Response from the Chairwoman：

The Company appreciates the shareholder's support and valuable suggestions. The Company recognizes the importance of design and aesthetics in enhancing the user experience of wearable devices and will continue to strengthen product design and visual appeal to improve both wearing comfort and market attractiveness. The products recently launched in the European and U.S. markets will also offer additional styles and color options. The shareholder's comments will be taken into consideration in the Company's future product planning.

7. Closure of the Meeting：09:44 AM, 18 June, 2026 (Thursday)

(This 2026 AGM Minutes outlines the summary of the meeting. Video recording of the meeting shall be the sole valid evidence of the meeting, its procedure and the shareholders' statements. The proposals for adoption and discussion items, elections and other proposals were put to the vote after discussion and the voting results were recorded separately in the resolution of each matter.)

王雪紅

Chairwoman: Cher Wang

盧佳德

Clerk: ChiaTe Lu

<u>Please note this document is prepared in accordance with the Chinese version and is for reference only. In the event of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.</u>

Supplement 1

HTC Corporation
The 2025 Business Report

Over the course of its 29-year history, HTC has successfully executed two major strategic transformations, each pioneering new markets, aligning its engineering and design capabilities with evolving market dynamics and emerging opportunities, and redefining how we empower creators and connect people.

The Company is now embarking on a third phase, centered on enabling the future of immersive content. By integrating accessible creation tools, a world-class hosting and discovery platform, and a new generation of intelligent devices, HTC is building a scalable ecosystem designed to enable new forms of engagement, one that unlocks creator potential and establishes a sustainable growth platform within the evolving digital content landscape.

As part of this strategy, we completed the transfer of some of the VR team to Google in early 2025, reinforcing HTC’s objective of accelerating the growth of the XR ecosystem while further concentrating resources on the highest-priority growth areas through a more streamlined product portfolio and greater financial flexibility. This in turn will help boost adoption of immersive technologies around the world, and serves to strengthen our commitment to building the VIVE brand around the world.

Business Operations

VIVERSE

In 2025, VIVERSE advanced its “build, play, and share” strategy, evolving into a web-first ecosystem that accelerates immersive content creation, publishing, and discovery. It launched VIVERSE Worlds, a cross-device hosting and discovery platform supporting engine-agnostic WebXR development, and introduced VIVERSE Studio with broad support for tools such as Unity WebGL and Three.js. Creation workflows expanded with AI tools, Polygon Streaming upgrades, and enhanced avatar commerce. The platform reached 1 million monthly active users, surpassed 23,000 Worlds, and supported 140+ Creator Program projects, reflecting a scalable and growing creator economy.

HTC introduced the VIVE AI platform in 2025, a central core integrating LLMs and AI Agents for advanced semantic and visual intelligence. Through "privacy-by-design" architecture and optimized firmware, HTC maintains total harmony between its hardware and software. Following its initial rollout on VIVE Eagle, HTC is scaling the platform in 2026 to encompass VIVERSE, led by the VIVERSE Persona and other AI initiatives.

VIVERSE strengthened partnerships across culture, gaming, and education, launched monetization tools with a creator-first revenue share model and expanded into subscriptions and one-time purchases. In Location-Based Entertainment, VIVERSE scaled synchronized XR deployments through GEM, highlighted by The Little Prince: Call to Adventure. Looking ahead, VIVERSE will deepen AI-powered workflows, expand monetization models, and reinforce its open, cross-device immersive ecosystem across cultural, educational, and commercial sectors.

G REIGNS

In 2025, G REIGNS sustained strong growth in the global 5G private network market, leveraging its independently developed O-RAN architecture to deliver high-performance, flexible, and cost-effective solutions for enterprise and government clients. The company advanced its core technologies while expanding internationally, particularly into defense and strategic technology sectors across Europe and North America. In Europe, G REIGNS became an authorized supplier to a German manufacturer after meeting stringent certification standards and successfully deployed a ruggedized 5G private network. In North America, it partnered with a global defense leader to co-develop a 5G Pixel Streaming Kit enabling ultra-low-latency, real-time remote control applications.

As 5G drives growth in smart factories, ports, remote control, and AR/VR applications, the enterprise private network market is entering a rapid expansion phase. G REIGNS will continue prioritizing technological innovation, strengthening its role within the O-RAN ecosystem, and focusing on high-value vertical markets. Building on its proven reliability and strategic partnerships, the company aims to expand defense and industrial applications while supporting digital transformation and sustainable growth.

VIVE Intelligent Systems

In 2025, VIVE Intelligent Systems introduced VIVE Eagle, its first AI-powered smart glasses and the newest milestone in its Spatial Computing strategy. Weighing approximately 49 grams, VIVE Eagle integrates Qualcomm processing, edge AI architecture, Zeiss optics, immersive open-ear audio, and multilingual large language model (LLM) support including Google Gemini and OpenAI GPT. Designed with privacy-by-design security and modular scalability, it balances high-performance computing with everyday wearability. As HTC’s latest product line, VIVE Eagle represents the company’s transition from immersive headsets to AI-native wearables, establishing a long-term foundation for its intelligent device ecosystem.

Centered on the VIVE AI Platform, VIVE Eagle’s multiple LLMs enable deep semantic understanding, real-time visual analysis, and multilingual translation. With a modular software design, VIVE Eagle establishes an extensible smart wearable technology foundation that can rapidly adapt to diverse use cases, ranging from everyday assistance to professional and industrial applications.

Alongside this new category, HTC continued advancing its established VIVE VR product line through ongoing hardware and software updates that remain central to professional and enterprise applications. In partnership with Axon, HTC delivers immersive VR training solutions for law enforcement and public safety, combining high-precision 6DoF tracking, realistic controllers, and scenario-based simulations. Widely deployed across North America under a subscription model, VIVE VR continues to generate stable B2B revenue while reinforcing HTC's leadership in professional XR solutions.

VIVE Arts

VIVE Arts, launched by HTC in 2017, advances artistic creation and access through immersive technologies. With over 75 global museum and cultural partnerships, 2025 marked a major expansion year, doubling deployments from 2024 and debuting three flagship Paris collaborations. At the Palace of Versailles, *Versailles: Lost Gardens of the Sun King* revived vanished royal sites in interactive VR. *La Magie Opéra* at Palais Garnier celebrated its 150th anniversary through a multi-user operatic journey, while *Playing with Fire* at Philharmonie de Paris offered a mixed-reality concert experience with renowned pianist Yuja Wang.

Beyond Paris, VIVE Arts expanded globally through licensing and touring immersive works. In China, *Terracotta Warriors: Secrets of the First Emperor's Mausoleum* brought Qin Shi Huang's tomb to life in VR. We also toured major experiences including *Horizon of Khufu*, *Eternal Notre-Dame*, *Le Bal de Paris de Blanca Li*, and *Gaudí: The Atelier of the Divine*. Looking ahead to 2026, VIVE Arts will deepen innovation across XR, blockchain, and Web3, partnering with leading artists and institutions to shape the future of immersive digital art worldwide.

VIVE ORIGINALS

HTC VIVE ORIGINALS produces original XR works and virtual entertainment IP using volumetric capture, blockchain, and immersive technologies. Since 2016, it has created eleven award-winning projects showcased at major international festivals, and has pioneered new revenue models through broadcast licensing and digital art editions, with collaborations spanning museums and film festivals. Its BEATDAY holographic platform further expanded into immersive concerts and metaverse dramas, leveraging 6DoF motion capture and interactive virtual performance formats.

BEATDAY has advanced virtual idol entertainment with interactive concerts, and upgraded to a WebGL browser-based platform in 2025, lowering access barriers while expanding commercial performances in partnership with TAICCA. Looking toward 2026, VIVE ORIGINALS will deepen virtual idol IP development, talent management, and music publishing through initiatives such as *VPOP ASIA*, Asia's first virtual idol TV talent show. It will also expand VR location-based entertainment, including a VTuber-focused LBE project and a culturally adapted VR LBE version of *Gloomy Eyes* in collaboration with Atlas V.

HTC DeepQ
In 2025, HTC DeepQ achieved significant advancements in public health technology with its Disease Control Butler (DCB) platform. The system expanded its health education efforts by launching targeted Q&A campaigns covering measles, influenza, COVID-19, and pneumococcal vaccines, strengthening public awareness of infectious disease prevention. A major technological milestone was the introduction of a next-generation semantic retrieval engine based on embedding models, enabling a vector-based knowledge repository for more accurate intent recognition and semantic analysis. This upgrade allowed real-time synchronization with global epidemic data sources, improving the speed and accuracy of public responses. By the end of 2025, the DCB had reached 10.56 million users, demonstrating its critical role in disseminating public health information and supporting national health policy communication.

More broadly, these 2025 developments reflect HTC DeepQ's continued leadership in integrating AI-driven solutions into healthcare systems. Leveraging advanced AI to improve accessibility, responsiveness, and trust in public health services with its ongoing ecosystem of AI platforms, hospital chatbots, and medical technologies, HTC DeepQ has reinforced its position as a key innovator in digital health, delivering scalable, intelligent solutions that improve healthcare efficiency, patient engagement, and overall public health outcomes.

Financial Performance

Revenue remained broadly in line with last year at NT$2.9 billion in 2025, compared to $3.08 billion in 2024, reflecting resilient core performance amid a year of portfolio optimization. Despite a challenging environment, the company maintained a gross margin of 35.9% and recorded an operating loss of NT$3.45 billion (with operating margin of -119.0%). Over the year, we completed the transfer of some of the VR team to Google and disposed of certain Taoyuan factory buildings as part of our strategic realignment. These actions have streamlined our operations and strengthened our balance sheet. As a result of improved cost structure, disciplined execution, and focused investment, the Company achieved a net profit of NT$6.03 billion, resulting in an EPS of NT$7.21.

At the same time, we continue to prioritize resource efficiency and operational excellence across the organization. By optimizing processes, enhancing asset utilization, and embedding greater financial discipline into day-to-day decision-making over the last few years, we have been building a leaner and more agile operating model. Our teams remain focused on improving productivity, reducing waste, and aligning investments with long-term strategic priorities. This disciplined approach ensures that we are not only strengthening near-term financial performance, while also creating a more resilient foundation for sustainable growth in the years ahead.

Environmental, Social and Governance (ESG)

In the first half of 2025, HTC strengthened its sustainability leadership through major global recognitions and continued progress in climate strategy, value chain responsibility, and ESG transparency. The company maintained top CDP Supplier Engagement Assessment ratings, earned repeated EcoVadis distinctions, and was included in leading ESG indices, including the FTSE4Good TIP Taiwan ESG Index. HTC also advanced its climate disclosures aligned with TCFD and leveraged Microsoft Cloud for Sustainability to complete verified greenhouse gas inventories and product carbon footprints, reinforcing its data-driven, accountable approach to environmental management.

HTC further deepened its ESG commitment through multiple prestigious awards, including four Taiwan Corporate Sustainability Awards, a TRIPs 1.5°C “EXCELLENT” rating by CommonWealth Magazine, ISS STOXX Prime status, and three ESG for Culture Impact Awards recognizing its immersive cultural initiatives. The launch of an Internal Carbon Pricing mechanism marked another milestone, embedding climate accountability into strategic and financial decision-making. Together, these achievements demonstrate HTC’s integrated approach to sustainability—combining governance, innovation, cultural impact, and measurable climate action to advance its long-term net-zero target.

In 2025, we strengthened our foundation, advanced our innovation roadmap, and moved decisively toward sustainable profitability. The energy and strategic thinking behind our innovation ensures that we will be well positioned to seize the opportunities ahead. I would like to thank shareholders from the bottom of my heart for your unwavering trust and commitment to our vision of VIVE Reality.

HTC Corporation

Chairwoman：Cher Wang

CEO：Cher Wang

Chief Accountant：Jane Jao

Supplement 2

HTC Corporation

Audit Committee Review Report

The Board of Directors has prepared the Company's 2025 business report, financial statements and earnings distribution proposal. HTC Corporation's financial statements have been audited and certified by Pan-Fa, Wang, CPA, and Kuo-Tyan Hong, CPA, of Deloitte & Touche and an audit report relating to the Financial Statements has been issued. The Business Report, Financial Statements and Earnings Distribution Proposal have been reviewed and considered to be complied with relevant rules by the undersigned, the Audit Committee of HTC Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

To HTC Corporation 2026 General Shareholders' Meeting

HTC Corporation

Chairman of the Audit Committee: Chen-Kuo Lin

May 05, 2026

Supplement 3

HTC Corporation

The 2025 Statement of Earnings Appropriation

UNIT: NT$

Item	Amount
Deficits to be compensated at the beginning	(4,000,000,000)
Add : Net income	6,025,405,845
Add : Remeasurement of defined benefit plan	63,951,669
Less : Disposal of investments in equity instruments at fair value through other comprehensive income	(115,400,313)
Less : 10% Legal reserve	(197,395,720)
Less : Special reserve	(893,286,147)
Retained Earnings Available for Distribution	883,275,334
Less：Cash dividends to common share holders (NT$0.5 per share)	(418,032,543)
Unappropriated Retained Earnings at the end	465,242,791

Note: The number of shares used for calculating shareholders' dividends is based on the actual outstanding shares of 836,065,086 as of April 20, 2026.

Chairwoman：Cher Wang　　CEO：Cher Wang　　Accounting Officer：Jane Jao

Supplement 4

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
HTC Corporation

Opinion

We have audited the accompanying parent company only financial statements of HTC Corporation, which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of HTC Corporation as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the parent company only financial statements for the year ended December 31, 2025 are as follows:

Revenue Recognition

HTC Corporation rely primarily on sales revenue generated from virtual reality products as their main source of operating revenue. In 2025, management made selective adjustments to sales strategies for certain products in response to macroeconomic shifts and advancements within the virtual reality ecosystem. Recognizing that the revenue derived from these products has a material impact on the consolidated financial statements, the occurrence of revenue recognition for such products was identified as a key audit matter.

Our principal audit procedures performed in respect of the above key audit matter included the following:

1. Assessed the design and implementation of the internal control system governing the ordering and shipping processes of the aforementioned sales products, executing tests to evaluate its operating effectiveness.

2. Sampled and examined orders, shipping documents, invoices, and payment records associated with the revenue details of these products to verify the occurrence of revenue.

3. Reviewed for any significant abnormal occurrences of sales returns for these products subsequent to the reporting period.

Responsibilities of Management and those Charged with Governance for the Parent Company Only Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of HTC Corporation's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on HTC Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause HTC Corporation to cease to continue as a going concern.

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

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within HTC Corporation to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Pan-Fa Wang and Kuo-Tyan Hong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 10, 2026

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

The accompanying parent company only financial statements are intended only to present the 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 audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only 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' report and parent company only financial statements shall prevail.

HTC CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	$ 1,050,270	3	$ 3,818,748	8
Financial assets at fair value through profit or loss - current (Notes 7 and 30)	40,729	-	47,620	-
Notes and trade receivables (Note 10)	79,982	-	194,510	1
Trade receivables - related parties (Notes 10 and 31)	259,434	1	33,814	-
Other receivables (Notes 10 and 31)	42,175	-	26,092	-
Current tax assets (Note 26)	22,879	-	19,843	-
Inventories (Note 11)	304,251	1	623,628	1
Prepayments (Notes 12 and 31)	102,005	-	305,910	1
Other current financial assets (Notes 9 and 32)	-	-	688,590	2
Other current assets	35,324	-	29,128	-
Total current assets	1,937,049	5	5,787,883	13
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 7 and 30)	26,516	-	13,667	-
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 30)	78,231	-	101,410	-
Investments accounted for using equity method (Note 13)	26,643,418	70	28,125,116	61
Property, plant and equipment (Notes 14, 31 and 32)	5,932,704	16	6,178,732	14
Right-of-use assets (Note 15)	-	-	295	-
Investment properties, net (Note 16)	948,134	2	1,906,095	4
Intangible assets (Note 17)	323,601	1	190,512	-
Deferred tax assets (Note 26)	1,001,885	3	2,613,292	6
Refundable deposits (Note 33)	337,522	1	350,887	1
Net defined benefit assets - non-current (Note 22)	640,113	2	560,229	1
Other non-current financial assets (Notes 9 and 32)	53,429	-	81,975	-
Other non-current assets (Note 12)	589	-	720	-
Total non-current assets	35,986,142	95	40,122,930	87
TOTAL	$ 37,923,191	100	$ 45,910,813	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	$ 1,000,000	2	$ 3,400,000	7
Financial liabilities at fair value through profit or loss - current (Notes 7 and 30)	9,441	-	91,224	-
Notes and trade payables (Notes 19 and 31)	4,810,087	13	5,189,271	11
Other payables (Notes 20 and 31)	2,612,305	7	3,106,054	7
Current tax liabilities (Note 26)	4,950	-	5,452	-
Provisions - current (Note 21)	257,538	1	349,548	1
Lease liabilities - current (Note 15)	-	-	301	-
Other current liabilities (Notes 20 and 24)	294,045	1	340,210	1
Total current liabilities	8,988,366	24	12,482,060	27
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 18 and 32)	2,200,000	6	11,800,000	26
Deferred tax liabilities (Note 26)	92,033	-	67,634	-
Guarantee deposits received (Note 30)	46,101	-	132,850	-
Total non-current liabilities	2,338,134	6	12,000,484	26
Total liabilities	11,326,500	30	24,482,544	53
EQUITY (Note 23)				
Share capital - ordinary shares	8,360,211	22	8,335,340	18
Capital surplus	16,340,444	43	16,277,565	36
Retained earnings				
Legal reserve	815,365	2	2,490,682	5
Special reserve	2,390,621	7	3,080,480	7
Unappropriated earnings (accumulated deficits)	1,973,957	5	(6,365,177)	(14)
Total retained earnings	5,179,943	14	(794,015)	(2)
Other equity	(3,283,907)	(9)	(2,390,621)	(5)
Total equity	26,596,691	70	21,428,269	47
TOTAL	$ 37,923,191	100	$ 45,910,813	100

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

HTC CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 31)	$ 1,908,507	100	$ 1,915,513	100
OPERATING COSTS (Notes 11, 25 and 31)	1,580,595	83	1,548,553	81
GROSS PROFIT	327,912	17	366,960	19
UNREALIZED GAIN	(24,211)	(1)	(50,588)	(3)
REALIZED GAIN	50,588	3	70,517	4
REALIZED GROSS PROFIT	354,289	19	386,889	20
OPERATING EXPENSES (Notes 25 and 31)				
Selling and marketing	1,033,716	54	1,130,377	59
General and administrative	857,771	45	874,006	45
Research and development	1,546,905	81	2,354,069	123
Total operating expenses	3,438,392	180	4,358,452	227
OPERATING LOSS	(3,084,103)	(161)	(3,971,563)	(207)
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 25)	132,820	7	119,623	6
Other income (Notes 25 and 31)	666,154	35	1,247,663	65
Other gains and losses (Note 25)	11,390,698	597	(451,643)	(23)
Finance costs (Note 25)	(204,016)	(11)	(335,523)	(17)
Share of profit or loss of subsidiaries	(775,402)	(41)	(183,745)	(10)
Total non-operating income and expenses	11,210,254	587	396,375	21
INCOME (LOSS) BEFORE INCOME TAX	8,126,151	426	(3,575,188)	(186)
INCOME TAX (EXPENSE) BENEFIT (Note 26)	(2,100,745)	(110)	156,900	8
INCOME (LOSS) FOR THE YEAR	6,025,406	316	(3,418,288)	(178)

(Continued)

HTC CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME AND LOSS, NET OF INCOME TAX				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 22)	$ 72,673	4	$ 47,593	2
Unrealized loss on investments in equity instruments designated as at fair value through other comprehensive income	(57,149)	(3)	(833)	-
Share of other comprehensive income of subsidiaries	(600,934)	(32)	490,916	26
Income tax relating to items that will not be reclassified to profit or loss (Note 26)	(8,721)	-	(5,711)	-
	(594,131)	(31)	531,965	28
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(350,603)	(19)	1,487,575	77
Other comprehensive income and loss for the year, net of income tax	(944,734)	(50)	2,019,540	105
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	$ 5,080,672	266	$ (1,398,748)	(73)
EARNINGS (LOSS) PER SHARE (Note 27)				
Basic	$ 7.21		$ (4.11)	
Diluted	$ 7.15		$ (4.11)	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

HTC CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Share Capital		Retained Earnings			Other Equity		
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	(Accumulated Deficits) Unappropriated Earnings	Exchange Differences on Differences on Translating Foreign Operations	Unrealized Losses on Financial Assets at Fair Value through Other Comprehensive Income	Total Equity
BALANCE, JANUARY 1, 2024	$ 8,320,380	$ 16,270,636	$ 5,828,987	$ 3,080,480	$ (7,338,305)	$ (2,408,195)	$ (948,855)	$ 22,805,128
Legal reserve in covering accumulated deficits	-	-	(3,338,305)	-	3,338,305	-	-	-
Other changes in capital surplus								
Changes in equity of associates accounted for using equity method	-	(30,881)	-	-	-	-	-	(30,881)
Net loss for the year ended December 31, 2024	-	-	-	-	(3,418,288)	-	-	(3,418,288)
Other comprehensive income and loss for the year ended December 31, 2024	-	-	-	-	43,545	1,487,575	488,420	2,019,540
Total comprehensive income and loss for the year ended December 31, 2024	-	-	-	-	(3,374,743)	1,487,575	488,420	(1,398,748)
Issuance of shares due to exercise of employee share options	14,960	37,778	-	-	-	-	-	52,738
Share-based payments	-	32	-	-	-	-	-	32
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	1,009,566	-	(1,009,566)	-
BALANCE, DECEMBER 31, 2024	8,335,340	16,277,565	2,490,682	3,080,480	(6,365,177)	(920,620)	(1,470,001)	21,428,269
Legal reserve in covering accumulated deficits	-	-	(1,675,317)	-	1,675,317	-	-	-
Reversal of special reserve	-	-	-	(689,859)	689,859	-	-	-
Net income for the year ended December 31, 2025	-	-	-	-	6,025,406	-	-	6,025,406
Other comprehensive income and loss for the year ended December 31, 2025	-	-	-	-	63,952	(350,603)	(658,083)	(944,734)
Total comprehensive income and loss for the year ended December 31, 2025	-	-	-	-	6,089,358	(350,603)	(658,083)	5,080,672
Issuance of shares due to exercise of employee share options	24,871	62,958	-	-	-	-	-	87,829
Share-based payments	-	(79)	-	-	-	-	-	(79)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	(115,400)	-	115,400	-
BALANCE, DECEMBER 31, 2025	$ 8,360,211	$ 16,340,444	$ 815,365	$ 2,390,621	$ 1,973,957	$ (1,271,223)	$ (2,012,684)	$ 26,596,691

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

HTC CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Gain (loss) before income tax	$ 8,126,151	$ (3,575,188)
Adjustments for:		
Depreciation expense	144,413	158,274
Amortization expense	2,028	1,921
Expected credit loss recognized (reversed) on trade receivables	632	(17,778)
Loss on financial assets at fair value through profit or loss	2,967	1,465
Finance costs	204,016	335,523
Interest income	(132,820)	(119,623)
Dividends income	(382)	-
(Reversal of) compensation costs of employee share-based payments	(79)	32
Share of the loss of subsidiaries	775,402	183,745
Net (gain) loss on disposal of property, plant and equipment and investment properties	(4,164,743)	163
Net gain on disposal of intangible assets	-	(155,492)
Net gain on disposal of assets and licensing income (Note 25)	(7,512,927)	-
Impairment loss on non-financial assets	394,928	132,190
Unrealized gain on sales	24,211	50,588
Realized gain on sales	(50,588)	(70,517)
Gain from lease modifications	(1)	(14)
Changes in operating assets and liabilities		
Increase in financial assets mandatorily classified as at fair value through profit or loss	(74,892)	(2,346)
Decrease in notes and trade receivables	113,896	110,335
(Increase) decrease in trade receivables - related parties	(225,620)	97,080
(Increase) decrease in other receivables	(26,457)	4,325
Increase in inventories	(75,551)	(12,752)
Decrease in prepayments	203,905	8,256
(Increase) decrease in other current assets	(6,196)	19,075
Increase in other non-current assets	(7,211)	(3,862)
Decrease in notes and trade payables	(480,395)	(641,713)
Decrease in other payables	(465,189)	(514,739)
Decrease in provisions	(92,010)	(198,667)
(Decrease) increase in other current liabilities	(46,165)	73,257
Cash used in operations	(3,368,677)	(4,136,462)
Interest received	143,194	111,997
Interest paid	(223,137)	(331,419)
Income tax paid	(375,987)	(14,659)
Net cash used in operating activities	(3,824,607)	(4,370,543)

(Continued)

HTC CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ (33,970)	$ -
Purchase of financial assets at fair value through profit or loss	(15,816)	(15,132)
Payments for property, plant and equipment	(309,114)	(36,676)
Proceeds from disposal of property, plant and equipment and investment properties	5,524,359	1,146
Increase in refundable deposits	-	(344,341)
Decrease in refundable deposits	13,365	-
Payments for intangible assets	(135,117)	-
Proceeds from disposal of intangible assets	-	733
Increase in other financial assets	-	(107,098)
Decrease in other financial assets	717,136	-
Dividends received	4,387,701	1,104
Proceeds from disposal of assets and licensing income (Note 25)	7,512,927	-
Net cash generated from (used in) investing activities	17,661,471	(500,264)
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	(2,400,000)	(300,000)
Increase in long-term borrowings	-	2,800,000
Decrease in long-term borrowings	(9,600,000)	-
Decrease in guarantee deposits received	(86,749)	(80)
Repayment of the principal portion of lease liabilities	(239)	(2,735)
Employee share options executed	87,829	52,738
Acquisition of additional in interests subsidiaries	(5,696,119)	-
Net cash inflow on disposal of subsidiaries	-	5,000
Capital reduction of subsidiaries	1,089,936	3,285,250
Net cash (used in) generated from financing activities	(16,605,342)	5,840,173
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(2,768,478)	969,366
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	3,818,748	2,849,382
CASH AND CASH EQUIVALENTS, END OF THE YEAR	$ 1,050,270	$ 3,818,748

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

Supplement 5

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
HTC Corporation

Opinion

We have audited the accompanying consolidated financial statements of HTC Corporation and subsidiaries, which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of HTC Corporation and subsidiaries as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the consolidated financial statements for the year ended December 31, 2025 are as follows:

Revenue Recognition

HTC Corporation and its subsidiaries rely primarily on sales revenue generated from virtual reality products as their main source of operating revenue. In 2025, management made selective adjustments to sales strategies for certain products in response to macroeconomic shifts and advancements within the virtual reality ecosystem. Recognizing that the revenue derived from these products has a material impact on the consolidated financial statements, the occurrence of revenue recognition for such products was identified as a key audit matter.

Our principal audit procedures performed in respect of the above key audit matter included the following:

1. Assessed the design and implementation of the internal control system governing the ordering and shipping processes of the aforementioned sales products, executing tests to evaluate its operating effectiveness.

2. Sampled and examined orders, shipping documents, invoices, and payment records associated with the revenue details of these products to verify the occurrence of revenue.

3. Reviewed for any significant abnormal occurrences of sales returns for these products subsequent to the reporting period.

Other Matters

We have also audited the parent company only financial statements of HTC Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing HTC Corporation and subsidiaries' financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of HTC Corporation and subsidiaries' internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on HTC Corporation and subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause HTC Corporation and subsidiaries to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Pan-Fa Wang and Kuo-Tyan Hong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 10, 2026

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

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For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.

HTC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	$ 2,909,535	8	$ 14,239,209	31
Financial assets at fair value through profit or loss - current (Notes 7 and 31)	7,105,995	18	47,620	-
Financial assets at fair value through other comprehensive income - current (Notes 8 and 31)	206,397	1	327,194	1
Notes and trade receivables (Notes 10 and 32)	506,730	1	497,008	1
Other receivables (Note 10)	2,604,460	7	115,617	-
Current tax assets (Note 27)	309,661	1	198,952	-
Inventories (Note 11)	450,243	1	870,049	2
Prepayments (Note 12)	193,044	1	405,868	1
Other current financial assets (Notes 9 and 33)	113,036	-	10,265,324	22
Other current assets	30,371	-	29,908	-
Total current assets	14,429,472	38	26,996,749	58
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 7 and 31)	7,936,746	21	346,342	1
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 31)	4,731,637	12	4,425,214	10
Investments accounted for using equity method (Note 14)	862,292	2	998,315	2
Property, plant and equipment (Notes 15, 32 and 33)	6,326,356	16	6,609,865	14
Right-of-use assets (Note 16)	38,545	-	67,012	-
Investment properties, net (Notes 17 and 33)	1,539,993	4	2,725,278	6
Intangible assets (Note 18)	414,134	1	326,394	1
Deferred tax assets (Note 27)	1,067,262	3	2,684,316	6
Refundable deposits	345,162	1	365,625	1
Net defined benefit assets - non-current (Note 23)	640,113	2	560,464	1
Other non-current financial assets (Notes 9 and 33)	121,338	-	124,473	-
Other non-current assets (Note 12)	1,659	-	1,423	-
Total non-current assets	24,025,237	62	19,234,721	42
TOTAL	$ 38,454,709	100	$ 46,231,470	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 19)	$ 1,000,000	3	$ 3,400,000	8
Financial liabilities at fair value through profit or loss - current (Notes 7 and 31)	9,441	-	91,224	-
Notes and trade payables (Notes 20 and 32)	4,783,207	12	5,188,610	11
Other payables (Notes 21 and 32)	2,716,734	7	3,087,289	7
Current tax liabilities (Note 27)	172,777	1	110,189	-
Provisions - current (Note 22)	285,207	1	383,925	1
Lease liabilities - current (Notes 16 and 32)	15,930	-	27,928	-
Other current liabilities (Notes 21 and 25)	480,261	1	450,191	1
Total current liabilities	9,463,557	25	12,739,356	28
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 19 and 33)	2,200,000	6	11,800,000	26
Deferred tax liabilities (Note 27)	104,435	-	69,907	-
Lease liabilities - non-current (Notes 16 and 32)	26,000	-	41,820	-
Guarantee deposits received	64,026	-	152,118	-
Total non-current liabilities	2,394,461	6	12,063,845	26
Total liabilities	11,858,018	31	24,803,201	54
EQUITY (Note 24)				
Share capital - ordinary shares	8,360,211	22	8,335,340	18
Capital surplus	16,340,444	43	16,277,565	35
Retained earnings				
Legal reserve	815,365	2	2,490,682	5
Special reserve	2,390,621	6	3,080,480	7
Unappropriated earnings (accumulated deficits)	1,973,957	5	(6,365,177)	(14)
Total retained earnings	5,179,943	13	(794,015)	(2)
Other equity	(3,283,907)	(9)	(2,390,621)	(5)
Total equity	26,596,691	69	21,428,269	46
TOTAL	$ 38,454,709	100	$ 46,231,470	100

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

HTC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 25 and 32)	$ 2,900,662	100	$ 3,080,984	100
OPERATING COSTS (Notes 11, 26 and 32)	1,859,721	64	1,827,140	60
GROSS PROFIT	1,040,941	36	1,253,844	40
OPERATING EXPENSES (Notes 26 and 32)				
Selling and marketing	1,671,109	58	2,031,182	66
General and administrative	1,169,580	40	1,213,489	39
Research and development	1,652,458	57	2,648,510	86
Total operating expenses	4,493,147	155	5,893,181	191
OPERATING LOSS	(3,452,206)	(119)	(4,639,337)	(151)
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 26)	439,178	15	893,172	29
Other income (Notes 26 and 32)	790,581	27	1,318,277	43
Other gains and losses (Note 26)	11,231,430	387	(474,525)	(15)
Finance costs (Notes 26 and 32)	(206,294)	(7)	(339,004)	(11)
Share of profit or loss of associates and joint ventures (Note 14)	(360,711)	(12)	(175,368)	(6)
Total non-operating income and expenses	11,894,184	410	1,222,552	40
INCOME (LOSS) BEFORE INCOME TAX	8,441,978	291	(3,416,785)	(111)
INCOME TAX EXPENSE (Note 27)	(2,416,572)	(83)	(1,503)	-
INCOME (LOSS) FOR THE YEAR	6,025,406	208	(3,418,288)	(111)

(Continued)

HTC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME AND LOSS, NET OF INCOME TAX				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 23)	$ 72,673	2	$ 49,256	1
Unrealized (loss) gain on investments in equity instruments designated as at fair value through other comprehensive income	(658,083)	(23)	488,420	16
Income tax relating to items that will not be reclassified to profit or loss (Note 27)	(8,721)	-	(5,711)	-
	(594,131)	(21)	531,965	17
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(350,603)	(12)	1,487,575	49
Other comprehensive income and loss for the year, net of income tax	(944,734)	(33)	2,019,540	66
TOTAL COMPREHENSIVE INCOME AND LOSS FOR THE YEAR	$ 5,080,672	175	$ (1,398,748)	(45)
EARNINGS (LOSS) PER SHARE (Note 28)				
Basic	$ 7.21		$ (4.11)	
Diluted	$ 7.15		$ (4.11)	

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

HTC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Share Capital		Retained Earnings			Other Equity		
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	(Accumulated Deficits) Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Losses on Financial Assets at Fair Value through Other Comprehensive Income	Total Equity
BALANCE, JANUARY 1, 2024	$ 8,320,380	$ 16,270,636	$ 5,828,987	$ 3,080,480	$ (7,338,305)	$ (2,408,195)	$ (948,855)	$ 22,805,128
Legal reserve in covering accumulated deficits	-	-	(3,338,305)	-	3,338,305	-	-	-
Other changes in capital surplus								
Changes in equity of associates and joint ventures accounted for using equity method	-	(30,881)	-	-	-	-	-	(30,881)
Net loss for the year ended December 31, 2024	-	-	-	-	(3,418,288)	-	-	(3,418,288)
Other comprehensive income and loss for the year ended December 31, 2024	-	-	-	-	43,545	1,487,575	488,420	2,019,540
Total comprehensive income and loss for the year ended December 31, 2024	-	-	-	-	(3,374,743)	1,487,575	488,420	(1,398,748)
Issuance of shares due to exercise of employee share options	14,960	37,778	-	-	-	-	-	52,738
Share-based payments	-	32	-	-	-	-	-	32
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	1,009,566	-	(1,009,566)	-
BALANCE, DECEMBER 31, 2024	8,335,340	16,277,565	2,490,682	3,080,480	(6,365,177)	(920,620)	(1,470,001)	21,428,269
Legal reserve in covering accumulated deficits	-	-	(1,675,317)	-	1,675,317	-	-	-
Reversal of special reserve	-	-	-	(689,859)	689,859	-	-	-
Net income for the year ended December 31, 2025	-	-	-	-	6,025,406	-	-	6,025,406
Other comprehensive income and loss for the year ended December 31, 2025	-	-	-	-	63,952	(350,603)	(658,083)	(944,734)
Total comprehensive income and loss for the year ended December 31, 2025	-	-	-	-	6,089,358	(350,603)	(658,083)	5,080,672
Issuance of shares due to exercise of employee share options	24,871	62,958	-	-	-	-	-	87,829
Share-based payments	-	(79)	-	-	-	-	-	(79)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	(115,400)	-	115,400	-
BALANCE, DECEMBER 31, 2025	$ 8,360,211	$ 16,340,444	$ 815,365	$ 2,390,621	$ 1,973,957	$ (1,271,223)	$ (2,012,684)	$ 26,596,691

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

HTC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	$ 8,441,978	$ (3,416,785)
Adjustments for:		
Depreciation expense	207,627	233,346
Amortization expense	17,349	20,781
Expected credit loss recognized (reversed) on trade receivables	908	(8,021)
(Gain) loss on financial assets at fair value through profit or loss	(236,094)	120,372
Finance costs	206,294	339,004
Interest income	(439,178)	(893,172)
Dividend income	(53,468)	(5,440)
(Reversal of) compensation costs of employee share-based payments	(79)	32
Share of the loss of associates and joint ventures accounted for using the equity method	360,711	175,368
Net (gain) loss on disposal of property, plant and equipment and investment properties	(4,160,767)	695
Net gain on disposal of intangible assets	-	(155,492)
Net gain on disposal of assets and licensing income (Note 26)	(8,045,926)	-
Impairment loss on non-financial assets	564,681	188,690
Gain from lease modifications	(53)	(17)
Changes in operating assets and liabilities		
Increase in financial assets mandatorily classified as at fair value through profit or loss	(74,892)	(2,346)
(Increase) decrease in notes and trade receivables	(10,630)	301,856
(Increase) decrease in other receivables	(29,504)	12,428
Decrease in inventories	99,090	112,755
Decrease (Increase) in prepayments	213,280	(2,055)
Increase in other current assets	(463)	(26,943)
(Increase) decrease in other non-current assets	(7,795)	1,512
(Decrease) increase in notes and trade payables	(506,101)	251,875
Decrease in other payables	(341,995)	(242,194)
Decrease in provisions	(98,718)	(206,642)
Increase in other current liabilities	30,070	105,012
Cash used in operations	(3,863,675)	(3,095,381)
Interest received	540,808	913,063
Interest paid	(225,415)	(334,900)
Income tax paid	(724,318)	(20,715)
Net cash used in operating activities	(4,272,600)	(2,537,933)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(909,879)	(160,445)
Proceeds from disposal of financial assets at fair value through other comprehensive income	4,728	1,113,373

(Continued)

HTC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
Return of investments accounted for at fair value through other comprehensive income	$ -	$ 7,018
Purchase of financial assets at fair value through profit or loss	(35,798,294)	(164,278)
Proceeds from disposal of financial assets at fair value through profit or loss	19,347,172	-
Acquisition of investments accounted for using equity method	(134,658)	(186,842)
Payments for property, plant and equipment	(304,505)	(55,113)
Proceeds from disposal of property, plant and equipment and investment properties	5,525,648	23
Increase in refundable deposits	-	(345,606)
Decrease in refundable deposits	20,463	-
Payments for intangible assets	(135,305)	(11,939)
Proceeds from disposal of intangible assets	-	733
Payments for investment properties	(833)	(5,987)
Decrease in other financial assets	10,155,423	556,194
Dividends received	53,468	5,440
Proceeds from disposal of assets and licensing income (Note 26)	8,045,926	-
Net cash generated from investing activities	5,869,354	752,571
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	(2,400,000)	(300,000)
Increase in long-term borrowings	-	2,800,000
Repayments of long-term borrowings	(9,600,000)	-
Increase in guarantee deposits received	-	2,052
Decrease in guarantee deposits received	(88,092)	-
Repayments of the principal portion of lease liabilities	(24,708)	(29,589)
Employee share options executed	87,829	52,738
Net cash (used in) generated from financing activities	(12,024,971)	2,525,201
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(901,457)	1,060,007
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(11,329,674)	1,799,846
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	14,239,209	12,439,363
CASH AND CASH EQUIVALENTS, END OF THE YEAR	$ 2,909,535	$ 14,239,209

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

Supplement 6

HTC Corporation

Procedures for the Acquisition or Disposal of Assets Before and After Revision

Article	Original article	Amended article	Notes
Article 4	Operating procedures (omitted) 2. Amount limits (1) The total amount of any real property or right-of-use assets thereof purchased by the Company not for use in business operations may not exceed 20 percent of the Company's net worth; the total amount of any real property or right-of-use assets thereof purchased by a subsidiary of the Company not for use in business operations may not exceed 20 percent of the Company's net worth, and may not exceed the subsidiary's net worth. (2) Unless with the approval of a shareholders meeting, the total amount of investment by the Company in securities may not exceed its net worth; the total amount of investment in securities by a subsidiary of the Company may not exceed the subsidiary's net worth. (3) Unless with the approval of a shareholders meeting, the amount of the Company's investment in any single security may not exceed 50 percent of its net worth; the amount of investment by a subsidiary of the Company in any single security may not exceed 50 percent of	Operating procedures (omitted) 2. Amount limits (1) The total amount of any real property or right-of-use assets thereof purchased by the Company not for use in business operations may not exceed 20 percent of the Company's net worth; the total amount of any real property or right-of-use assets thereof purchased by a subsidiary of the Company not for use in business operations may not exceed 20 percent of the Company's net worth, and may not exceed the subsidiary's net worth. (2) Unless with the approval of a shareholders meeting, the total amount of investment by the Company in securities may not exceed <u>150 percent of</u> its net worth; the total amount of investment in securities by a subsidiary of the Company may not exceed <u>150 percent of</u> the subsidiary's net worth. (3) Unless with the approval of a shareholders meeting, the amount of the Company's investment in any single security may not exceed 50 percent of its net worth; the amount of investment by a subsidiary of the Company in any single security may not exceed 50 percent of	To accommodate the Company's operational flexibility and practical business needs of the Company.

HTC Corporation

Procedures for the Acquisition or Disposal of Assets Before and After Revision

Article	Original article	Amended article	Notes
	the Company's net worth and may not exceed the subsidiary's net worth. (4) Securities acquired by the Company or a subsidiary for the purpose of short-term allocation of funds, or acquired through the conduct of M&A activities such as mergers, demergers, acquisitions, or share transfers carried out in accordance with relevant domestic or foreign laws, shall not be subject to the restrictions on amounts in (2) and (3) above. 3. Units executing transactions (1) For acquisition or disposal of securities: the financial unit or related unit. (2) For acquisition or disposal of real property, equipment, or right-of-use assets thereof: the corporate management office, financial unit, or other related unit. 4. Transaction procedures Procedures and operations in relation to the acquisition or disposal of assets shall be carried out in accordance with relevant provisions of laws and regulations and the internal rules of the Company.	the Company's net worth and may not exceed the subsidiary's net worth. (4) Securities acquired by the Company or a subsidiary for the purpose of short-term allocation of funds, or acquired through the conduct of M&A activities such as mergers, demergers, acquisitions, or share transfers carried out in accordance with relevant domestic or foreign laws, shall not be subject to the restrictions on amounts in (2) and (3) above. 3. Units executing transactions (1) For acquisition or disposal of securities: the financial unit or related unit. (2) For acquisition or disposal of real property, equipment, or right-of-use assets thereof: the corporate management office, financial unit, or other related unit. 4. Transaction procedures Procedures and operations in relation to the acquisition or disposal of assets shall be carried out in accordance with relevant provisions of laws and regulations and the internal rules of the Company.	