

**U-TECH MEDIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

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Notice to Readers

The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Consolidated Financial Statements

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MANAGEMENT REPRESENTATION LETTER

The companies that are required to be included in the combined financial statements of U-Tech Media Corporation as of and for the year ended December 31, 2025, under the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No.10 “Consolidated Financial Statements”. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, U-Tech Media Corporation and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

U-Tech Media Corporation

By

Yang, Wei- Fen

Chairman

March 6, 2026

English Translation of a Report Originally Issued in Chinese

Independent Auditors' Report

To U-Tech Media Corporation:

Audit Opinion

We have audited the accompanying consolidated balance sheets of U-Tech Media Corporation (the “Company”) and its subsidiaries as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and notes to the consolidated financial statements, including the summary of material accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter - Making Reference to the Audits of Component Auditors section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial positions of the Company and its subsidiaries as of December 31, 2025 and 2024, and their consolidated financial performance and cash flows for the years ended December 31, 2025 and 2024, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by 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 the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, 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 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.

Revenue Recognition

The main source of revenue of the Company and its subsidiaries are the sales of pre-recorded optical discs, the provision of food and beverages services and electricity, which amounted to \$1,261,680 thousand for the year ended December 31, 2025. Because of the characteristics of the market industry and the needs of customers, different types of transaction conditions are involved. Therefore, we need to judge and determine the performance obligations and the point at which they are satisfied, so the recognition of contract revenue is determined to be a key audit matter.

Our audit procedures included (but were not limited to) evaluating the appropriateness of management's accounting policies for revenue recognition and perform transaction flow understanding of the revenue recognition process for identified performance obligations; evaluating and testing the effectiveness of the design and implementation of internal controls related to the timing of revenue recognition for performance obligations; performing analytical procedures on selling price, sales volume, cost and gross margin for each product category, and perform analytical procedures for the top ten sales vendors and customers; performing test of details of transaction on selected samples and reviewing the transaction terms in the orders and related sales documents to confirm the appropriateness of the timing of revenue recognition when performance obligations are satisfied; performing revenue cutoff testing and verifies the related certificates for a period before and after the balance sheet date to determine the appropriate period for revenue recognition; performing general journal entry testing.

We have also evaluated the appropriateness of related disclosure in Notes 4 and 6 to the consolidated financial statements.

Allowance for Accounts Receivable

The accounts receivable of the Company and its subsidiaries as of December 31, 2025 amounted to \$123,521 thousand, and had a significant impact on the consolidated financial statements. Since the amount of allowance for accounts receivable is measured by the lifetime expected credit losses, the measurement process shall appropriately distinguish groups of accounts receivable, and judge and analyze the application of related assumptions in the measurement process, including the consideration of appropriate account aging interval, loss rate of each account aging interval and its forward-looking information. As the measurement of expected credit loss involves making judgment, analysis and estimates, and the result will affect the net accounts receivable, we therefore considered this a key audit matter. Our audit procedures included (but were not limited to) confirming whether customer groups with significantly different loss patterns are appropriately grouped; checking the management's evaluation procedure of loss allowance, and randomly selecting delivery orders to check against the account receivable aging schedule to verify the correctness of the account receivable aging interval while performing the internal control review; and testing the preparation matrix, including evaluating whether the determination of each group's aging interval was reasonable and checking the correctness of the original voucher based on the basic information; testing the relevant statistical information of loss rate calculated by roll rate; considering the reasonableness of the forward-looking information included in the loss rate evaluation; evaluating whether the forward-looking information affected the loss rate; in addition, analytical procedure review was performed to evaluate whether there were material abnormality between the comparative changes of the turnover rate for two periods of the accounts receivable. reviewing the subsequent period collection of receivables with respect to clients with higher accounts receivable at end of period and assessing the recoverability of accounts receivable. We have also evaluated the appropriateness of related disclosure in Notes 5, 6 and 12 to the consolidated financial statements.

Other Matter - Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain associates accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of other auditors. These associates under equity method amounted to \$8,067 thousand and \$16,026 thousand, both representing 0% of consolidated total assets as of December 31, 2025 and 2024. The related shares of profit (loss) of associates and joint ventures accounted for using the equity method amounted to \$(7,305) thousand and \$385 thousand, representing (20)% and 0% of the consolidated income before income tax for the years ended December 31, 2025 and 2024, respectively.

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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its 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 consolidated financial statements for 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.

Other

We have audited and expressed an unqualified opinion including an other matter paragraph on the parent company only financial statements of the Company as of and for the years ended December 31, 2025 and 2024.

Hsieh, Sheng-An

Chiu, Wan-Ju

Ernst & Young, Taiwan
March 6, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the financial position and results of operations 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 consolidated financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Financial Statements Originally Issued in Chinese
U-Tech Media Corporation and Subsidiaries
Consolidated Balance Sheets
December 31, 2025 and December 31, 2024
(Expressed in thousands of New Taiwan Dollars)

Code	Assets	Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4 & 6.(1)	\$1,470,749	26	\$1,222,332	22
1110	Financial assets at fair value through profit or loss - current	4 & 6.(2)	15,500	-	151,196	3
1136	Financial assets measured at amortized cost - current	4 & 6.(4) & 8	8,158	-	8,867	-
1150	Notes receivable, net	4 & 6.(5)	381	-	807	-
1170	Accounts receivable, net	4 & 6.(6)	112,150	2	125,558	2
1180	Accounts receivable - related parties, net	4 & 6.(6) & 7	11,371	-	4,916	-
1197	Financing lease payments receivable, net	4, 6.(7) & 8	3,572	-	3,231	-
1220	Current tax assets	4	584	-	386	-
130X	Inventories	4&6.(8)	58,952	1	66,919	1
1470	Other current assets	4 & 7	85,213	2	58,026	1
11XX	Total current assets		<u>1,766,630</u>	<u>31</u>	<u>1,642,238</u>	<u>29</u>
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	4 & 6.(3)	193,935	3	94,638	2
1535	Financial assets measured at amortized cost - non-current	4, 6.(4) & 8	168,742	3	167,957	3
1550	Investments accounted for using the equity method	4 & 6.(9)	146,368	3	163,768	3
1600	Property, plant and equipment	4, 6.(10), 7 & 8	2,689,156	47	2,716,404	49
1755	Right-of-use assets	4 & 6.(20)	279,265	5	275,432	5
1760	Investment property, net	4 & 6.(11)	139,971	2	142,043	2
1780	Intangible assets	4 & 6.(12)	257,654	4	264,880	5
1840	Deferred tax assets	4 & 6.(24)	49,271	1	44,391	1
1900	Other non-current assets	4 & 7	27,836	-	31,281	-
194D	Long-term financing lease payments receivable, net	4, 6.(7) & 8	29,714	1	33,226	1
15XX	Total non-current assets		<u>3,981,912</u>	<u>69</u>	<u>3,934,020</u>	<u>71</u>
1XXX	Total assets		<u>\$5,748,542</u>	<u>100</u>	<u>\$5,576,258</u>	<u>100</u>

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

Note: The Group completed the assessment of the fair value of Ricare Corporation as of the acquisition date in the fourth quarter of 2024 and adjusted the provisional amounts as of September 30, 2024. Please refer to Note 6(25) for related information.

Chairman: Yang, Wei- Fen

General Manager: Lo, Yi-Fu

Chief Accounting Officer: Lai, Shu-Ping

English Translation of Financial Statements Originally Issued in Chinese

U-Tech Media Corporation and Subsidiaries

Consolidated Balance Sheets (Continued)

December 31, 2025 and December 31, 2024

Code	Liabilities and equity		Notes	December 31, 2025		December 31, 2024	
	Accounts			Amount	%	Amount	%
	Current liabilities						
2100	Short-term borrowings	4, 6.(14) & 8		\$227,943	4	\$246,962	4
2150	Notes payable	4		3,034	-	3,496	-
2170	Accounts payable	4		44,104	1	36,328	1
2180	Accounts payable - related parties	4 & 7		39	-	4,937	-
2200	Other payables	4		170,724	3	158,639	3
2220	Other payables - related parties	4 & 7		1,057	-	90,057	2
2230	Current tax liabilities	4		2,035	-	3,230	-
2280	Lease liabilities - current	4 & 6.(20)		68,905	1	63,594	1
2300	Other current liabilities	4, 6.(18) & 7		48,670	1	59,652	1
2322	Current portion of long-term borrowings	4, 6.(15) & 8		288,448	5	303,268	5
21XX	Total current liabilities			854,959	15	970,163	17
	Non-current liabilities						
2540	Long-term borrowings	4, 6.(15) & 8		1,539,886	27	1,304,819	24
2570	Deferred tax liabilities	4 & 6.(24)		103,751	2	98,344	2
2580	Lease liabilities - non-current	4 & 6.(20)		223,116	4	225,296	4
2600	Other non-current liabilities			18,956	-	18,394	-
2640	Net defined benefit liabilities - non-current	4 & 6.(16)		10,108	-	20,692	-
25XX	Total non-current liabilities			1,895,817	33	1,667,545	30
2XXX	Total liabilities			2,750,776	48	2,637,708	47
31XX	Equity attributable to the parent company						
3100	Capital						
3110	Common stock	6.(17)		1,549,845	27	1,549,845	28
3200	Capital Surplus	6.(17)		585,715	10	588,142	11
3300	Retained earnings	6.(17)					
3310	Legal reserve			103,282	2	94,676	2
3320	Special reserve			56,752	1	47,882	1
3350	Unappropriated earnings			219,132	4	305,591	5
	Total retained earnings			379,166	7	448,149	8
3400	Other equity	4					
3410	Exchange differences resulting from translating the financial statements of foreign operations			(25,043)	-	(6,894)	-
3420	Unrealized losses from equity instrument investments measured at fair value through other comprehensive income			(42,059)	(1)	(49,858)	(1)
36XX	Non-controlling interests	6.(17)		550,142	9	409,166	7
3XXX	Total equity			2,997,766	52	2,938,550	53
	Total liabilities and equity			\$5,748,542	100	\$5,576,258	100

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

Note: The Group completed the assessment of the fair value of Ricare Corporation as of the acquisition date in the fourth quarter of 2024 and adjusted the provisional amounts as of September 30, 2024. Please refer to Note 6(25) for related information.

Chairman: Yang, Wei- Fen

General Manager: Lo, Yi-Fu

Chief Accounting Officer: Lai, Shu-Ping

English Translation of Financial Statements Originally Issued in Chinese
U-Tech Media Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2025 and 2024
(Expressed in thousands of New Taiwan Dollars)

Code	Accounts	Notes	2025		2024	
			Amount	%	Amount	%
4000	Operating revenue	4, 6.(18) & 7	\$1,261,680	100	\$1,252,628	100
5000	Operating costs	6.(8), 6.(16), 6.(20), 6.(21) & 7	(842,315)	(67)	(832,315)	(66)
5900	Gross profit		419,365	33	420,313	34
6000	Operating expenses	6.(12), 6.(16), 6.(20), 6.(21) & 7				
6100	Sales and marketing expenses		(33,409)	(3)	(35,904)	(3)
6200	General and administrative expenses		(344,508)	(27)	(346,784)	(28)
6450	Expected Credit Losses	4 & 6.(19)	(2,650)	-	-	-
	Total operating expenses		(380,567)	(30)	(382,688)	(31)
6900	Operating income		38,798	3	37,625	3
7000	Non-operating income and expenses	4, 6.(20), 6.(21), 6.(22) & 7				
7100	Interest income		17,290	1	22,691	2
7010	Other income		52,359	4	47,845	4
7020	Other gains and losses		(11,306)	(1)	52,061	4
7050	Finance costs		(49,703)	(4)	(47,207)	(4)
7060	Share of profit or loss of associates and joint ventures accounted for using the equity method	4 & 6.(9)	(9,772)	(1)	2,034	-
	Total non-operating income and expenses		(1,132)	(1)	77,424	6
7900	Income before income tax		37,666	2	115,049	9
7950	Income tax expense	4 & 6.(24)	(11,367)	(1)	(13,657)	(1)
8200	Net income		26,299	1	101,392	8
8300	Other comprehensive income	4 & 6.(23)				
8310	Not to be reclassified to profit or loss in subsequent periods					
8311	Remeasurements of defined benefit plan	4 & 6.(16)	1,503	-	3,258	-
8316	Unrealized gains from equity instrument investments measured at fair value through other comprehensive income		9,447	1	(3,464)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using the equity method - not reclassified to profit or loss	4 & 6.(9)	(1,103)	-	905	-
8360	To be reclassified to profit or loss in subsequent periods					
8361	Exchange differences resulting from translating the financial statements of foreign operations		(22,686)	(2)	(7,397)	(1)
8399	Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	4 & 6.(24)	4,537	-	1,479	-
	Total other comprehensive (loss) income, net of tax		(8,302)	(1)	(5,219)	(1)
8500	Total comprehensive income		\$17,997	-	\$96,173	7
8600	Net income attributable to:					
8610	Stockholders of the parent		\$6,622		\$84,839	
8620	Non-controlling interests		19,677		16,553	
			\$26,299		\$101,392	
8700	Total comprehensive income attributable to:					
8710	Stockholders of the parent		\$(1,682)		\$79,640	
8720	Non-controlling interests		19,679		16,533	
			\$17,997		\$96,173	
	Earnings per share (in New Taiwan Dollars)	6.(25)				
9750	Basic earnings per share		\$0.04		\$0.55	
9850	Diluted earnings per share		\$0.04		\$0.55	

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

Chairman: Yang, Wei- Fen

General Manager: Lo, Yi-Fu

Chief Accounting Officer: Lai, Shu-Ping

English Translation of Financial Statements Originally Issued in Chinese

U-Tech Media Corporation and Subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars)

Code	Items	Equity attributable to the parent company								Non-controlling interests	Total equity
		Capital	Capital Surplus	Retained earnings			Other equity		Total		
				Legal reserve	Special reserve	Unappropriated earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gains (losses) on financial assets at fair value through other comprehensive income			
3100	3200	3310	3320	3350	3410	3420	31XX	36XX	3XXX		
A1	Balance as at January 1, 2024	\$1,459,845	\$531,482	\$87,515	\$48,244	\$303,826	\$(976)	\$(46,906)	\$2,383,030	\$330,335	\$2,713,365
	Appropriation and distribution of 2023 retained earnings:										
B1	Legal reserve	-	-	7,161	-	(7,161)	-	-	-	-	-
B5	Cash dividends	-	-	-	-	(77,492)	-	-	(77,492)	-	(77,492)
B17	Special reserve reversed	-	-	-	(362)	362	-	-	-	-	-
	Other changes in capital surplus:										
C7	Changes in associates and joint ventures accounted for using the equity method	-	13,508	-	-	(2,454)	-	-	11,054	-	11,054
C17	Other changes in capital surplus	-	92	-	-	-	-	-	92	-	92
D1	Net income for the year ended December 31, 2024	-	-	-	-	84,839	-	-	84,839	16,553	101,392
D3	Other comprehensive income (loss), net of tax for the year ended December 31, 2024	-	-	-	-	3,671	(5,918)	(2,952)	(5,199)	(20)	(5,219)
D5	Total comprehensive income (loss)	-	-	-	-	88,510	(5,918)	(2,952)	79,640	16,533	96,173
E1	Issuance of Common Stock	90,000	45,000	-	-	-	-	-	135,000	-	135,000
M5	The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	(1,940)	-	-	-	-	-	(1,940)	1,940	-
O1	Increase in non-controlling interests	-	-	-	-	-	-	-	-	60,358	60,358
Z1	Balance as at December 31, 2024	\$1,549,845	\$588,142	\$94,676	\$47,882	\$305,591	\$(6,894)	\$(49,858)	\$2,529,384	\$409,166	\$2,938,550
A1	Balance as at January 1, 2025	\$1,549,845	\$588,142	\$94,676	\$47,882	\$305,591	\$(6,894)	\$(49,858)	\$2,529,384	\$409,166	\$2,938,550
	Appropriation and distribution of 2024 retained earnings:										
B1	Legal reserve	-	-	8,606	-	(8,606)	-	-	-	-	-
B3	Special reserve	-	-	-	8,870	(8,870)	-	-	-	-	-
B5	Cash dividends	-	-	-	-	(77,492)	-	-	(77,492)	-	(77,492)
	Other changes in capital surplus:										
C7	Changes in associates and joint ventures accounted for using the equity method	-	(2,209)	-	-	(159)	-	-	(2,368)	-	(2,368)
C17	Other changes in capital surplus	-	35	-	-	-	-	-	35	-	35
D1	Net income for the year ended December 31, 2025	-	-	-	-	6,622	-	-	6,622	19,677	26,299
D3	Other comprehensive income (loss), net of tax for the year ended December 31, 2025	-	-	-	-	1,718	(18,149)	8,127	(8,304)	2	(8,302)
D5	Total comprehensive income (loss)	-	-	-	-	8,340	(18,149)	8,127	(1,682)	19,679	17,997
M5	The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	(253)	-	-	-	-	-	(253)	-	(253)
O1	Increase in non-controlling interests	-	-	-	-	-	-	-	-	121,297	121,297
Q1	Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	328	-	(328)	-	-	-
Z1	Balance as at December 31, 2025	\$1,549,845	\$585,715	\$103,282	\$56,752	\$219,132	\$(25,043)	\$(42,059)	\$2,447,624	\$550,142	\$2,997,766

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

Chairman: Yang, Wei- Fen

General Manager: Lo, Yi-Fu

Chief Accounting Officer: Lai, Shu-Ping

English Translation of Financial Statements Originally Issued in Chinese

U-Tech Media Corporation and Subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars)

Code	Items	2025	2024	Code	Items	2025	2024
		Amount	Amount			Amount	Amount
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Net income before tax	\$37,666	\$115,049	B00010	Acquisition of financial assets at fair value through other comprehensive income	(90,628)	(2,716)
A20000	Adjustments to reconcile profit (loss):			B00020	Disposal of financial assets at fair value through other comprehensive income	3,553	200
A20010	Income and expense adjustments:			B00030	Proceeds from capital return of financial assets at fair value through other comprehensive income	3,021	10,760
A20100	Depreciation and other losses	237,008	222,937	B00040	Acquisition of financial assets measured at amortized cost	(754)	(24,178)
A20200	Amortization	7,458	6,693	B00050	Disposal of financial assets measured at amortized cost	678	34
A20300	Expected Credit Losses	2,650	-	B00100	Acquisition of financial assets at fair value through profit or loss	(16,675)	-
A20400	Net (gain) loss of financial assets and liabilities at fair value through profit or loss	(8,144)	(3,308)	B00200	Proceeds from Disposal of financial assets at fair value through profit or loss	160,515	-
A20900	Interest expense	49,703	47,207	B01800	Acquisition of investments accounted for using the equity method	-	(32,745)
A21200	Interest income	(17,290)	(22,691)	B01900	Disposal of investments accounted for using the equity method	4,065	(49,330)
A21300	Dividend income	(482)	(79)	B02700	Acquisition of property, plant and equipment	(154,633)	(454,721)
A22300	Share of profit or loss of associates joint ventures	9,772	(2,046)	B02800	Disposal of property, plant and equipment	569	2,638
A22500	Losses on disposal of property, plant and equipment	4,384	16,348	B03700	Increase in refundable deposits	-	(2,929)
A22600	Property, plant and equipment transferred to expenses	-	5,161	B03800	Decrease in refundable deposits	2,859	-
A23100	Gain on disposal of investments	(1,315)	(54,355)	B05350	Acquisition of right of use assets	(132)	-
A23700	Impairment losses on non-financial assets	-	6,098	B06100	Decrease in long-term lease receivables	3,171	2,871
A29901	Losses (gain) on lease modification	(31)	(17)	B07600	Cash dividends received	1,981	954
A30000	Changes in operating assets and liabilities:			BBBB	Net cash used in investing activities	(82,410)	(549,162)
A31130	Decrease (increase) in notes receivable	426	(140)				
A31150	Decrease (increase) in accounts receivable	10,758	(8,911)	CCCC	Cash flows from financing activities:		
A31160	Increase in accounts receivable - related parties	(6,455)	(3,980)	C00100	Increase in short-term borrowings	(19,019)	85,329
A31200	Decrease in inventories	7,967	2,889	C01600	Increase in long-term borrowings	1,085,816	601,230
A31240	(Increase) decrease in other current assets	(27,413)	5,275	C01700	Repayments of long-term borrowings	(865,569)	(482,043)
A31990	Increase in other non-current assets	354	(1,844)	C03100	Decrease in deposits received	(349)	(820)
A32130	(Decrease) increase increase in notes payable	(462)	1,303	C04020	Cash payments for principal portion of the lease liabilities	(71,879)	(67,610)
A32150	Increase (decrease) in accounts payable	7,776	(16,056)	C04500	Cash dividends	(77,492)	(77,492)
A32160	(Decrease) increase in accounts payable - related parties	(4,898)	2,607	C04600	Issuance of Common Stock	-	135,560
A32180	Increase in others payables	11,941	9,834	C05400	Acquisition of subsidiary shares	(8,462)	-
A32190	(Decrease) increase in others payables - related parties	(89,000)	87,988	C05800	Changes in non-controlling interests	125,580	(193)
A32230	(Decrease) increase in other current liabilities	(10,982)	12,076	C09900	Recovery of unclaimed dividends	35	92
A32240	Decrease in defined benefit liabilities	(10,584)	(917)	CCCC	Net cash provided by financing activities	168,661	194,053
A32990	Increase in other non-current liabilities	535	1,660	DDDD	Effect of exchange rate changes on cash and cash equivalents	(15,188)	(6,501)
A33000	Cash inflow generated from operations	211,342	428,781				
A33100	Interest received	17,516	22,802	EEEE	Net increase in cash and cash equivalents	248,417	41,099
A33300	Interest paid	(42,596)	(39,855)	E00100	Cash and cash equivalents at beginning of period	1,222,332	1,181,233
A33500	Income tax paid	(8,908)	(9,019)	E00200	Cash and cash equivalents at end of period	1,470,749	1,222,332
AAAA	Net cash provided by operating activities	177,354	402,709				

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

Chairman: Yang, Wei- Fen

General Manager: Lo, Yi-Fu

Chief Accounting Officer: Lai, Shu-Ping

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U-Tech Media Corporation and Subsidiaries
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For the Years Ended December 31, 2025 and 2024
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

1. History and Organization

U-Tech Media Corporation (the “Company”) was established on May 19, 1994. On October 16, 1999, the Company was approved by the competent authorities for a public offering of its shares. The Company’s shares were approved for trading on the Taiwan Stock Exchange (TWSE) on October 29, 2002. Its registered office and principal place of business is at No. 222, Huaya 2nd Road, Guishan District, Taoyuan City 333411, Taiwan (R.O.C.). The Company’s business is mainly the manufacture and sale of pre-recorded optical discs.

Ritek Corporation failed to obtain a majority of the board seats in the third quarter of 2024 and therefore lose the substantial control over the Company. Consequently, Ritek Corporation is no longer the parent company of the Company, nor the ultimate controller of the company to which the Company belongs.

2. Date and Procedure of Authorization of Financial Statements for Issue

The consolidated financial statements of the Company and its subsidiaries (hereinafter referred to as “the Group”) for the years ended December 31, 2025 and 2024 were authorized for issue by the Company’s board of directors (hereinafter “the Board of Directors”) on March 6, 2026.

3. Newly Issued or Revised Standards and Interpretations

- (1) Changes in accounting policies resulting from applying for the first-time certain standards and amendments

The Group applied for the first-time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission (“FSC”) and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Group.

- (2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board (“IASB”) which have been endorsed by FSC, and not yet adopted by the Group as at the date when the Group’s financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 17 “Insurance Contracts”	1 January 2023
b	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
c	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
d	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026

(a) IFRS 17 “Insurance Contracts”

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

(b) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
- (2) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- (3) Clarify the treatment of non-recourse assets and contractually linked instruments.
- (4) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

(c) Annual Improvements to IFRS Accounting Standards – Volume 11

(1) Amendments to IFRS 1

The amendments mainly improve the consistency in wording between first-time adoption of IFRS and requirements for hedge accounting in IFRS 9.

(2) Amendments to IFRS 7

The amendments update an obsolete cross-reference relating to gain or loss on derecognition.

(3) Amendments to Guidance on implementing IFRS 7

The amendments improve some of the wordings in the implementation guidance, including the introduction, disclosure of deferred difference between fair value and transaction price and credit risk disclosures.

(4) Amendments to IFRS 9

The amendments add a cross-reference to resolve potential confusion for a lessee applying the derecognition requirements and clarify the term “transaction price”.

(5) Amendments to IFRS 10

The amendments remove the inconsistency between paragraphs B73 and B74 of IFRS 10.

(6) Amendments to IAS 7

The amendments remove a reference to “cost method” in paragraph 37 of IAS 7.

(d) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify the application of the ‘own-use’ requirements.
- (2) Permit hedge accounting if these contracts are used as hedging instruments.
- (3) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The abovementioned standards and amendments are applicable for annual periods beginning on or after 1 January 2026 and have no material impact on the Group.

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- (3) Standards or interpretations issued, revised or amended, by IASB which have not been endorsed by FSC, and not yet adopted by the Group as at the date when the Group's financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 18 "Presentation and Disclosure in Financial Statements"	1 January 2027 (Note)
c	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027
d	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	1 January 2027

Note: On 25 September 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 in 2028.

- (a) IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

(b) IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

(1) Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities' performance and make it easier to compare entities.

(2) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(3) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

(c) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This new standard and its amendments permit subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

- (d) Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)

The amendments include:

- (1) Clarify that when the entity's functional currency is that of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the entity shall translate its results and financial position using the closing rate at the date of the most recent statement of financial position.
- (2) In the above circumstances, when the presentation currency ceases to be hyperinflationary economy, the entity shall not retranslate amounts that arose before the beginning of the reporting period.
- (3) When the entity's functional currency and presentation currency are the currency of a hyperinflationary economy, the entity shall apply the relevant accounting treatment in accordance with paragraph 34 of IAS 29.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under (b), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. Summary of Material Accounting Policies

- (1) Statement of compliance

The consolidated financial statements of the Group for the years ended December 31, 2025 and 2024 have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations"), IFRSs, IASs, IFRIC and SIC, which are endorsed by FSC (TIFRSs).

- (2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars ("NTD") unless otherwise stated.

(3) Basis of consolidation

Preparation principle of consolidated financial statement

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- A. power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- B. exposure, or rights, to variable returns from its involvement with the investee
- C. the ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- A. the contractual arrangement with the other vote holders of the investee.
- B. rights arising from other contractual arrangements
- C. the Group's voting rights and potential voting rights

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

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Notes to Consolidated Financial Statements (Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

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

If the Group loses control of a subsidiary, it:

- A. derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- B. derecognizes the carrying amount of any non-controlling interest;
- C. recognizes the fair value of the consideration received;
- D. recognizes the fair value of any investment retained;
- E. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss, or transfer directly to retained earnings if required by other IFRSs; and
- F. recognizes any resulting difference in profit or loss.

The consolidated entities are listed as follows:

Investor	Subsidiary	Main business	Percentage of ownership		Note
			December 31, 2025	December 31, 2024	
The Company	Dollars Cultural & Creative Company Limited	Catering	100.00%	100.00%	Note 1
The Company	Jade Investment Services Ltd.	Investment holdings	100.00%	100.00%	
The Company	Chao Fu Co., Ltd.	Wine making	100.00%	100.00%	
The Company	Formosa Sun Energy Corporation	Renewable energy self-powered equipment	70.82%	70.82%	
The Company	Ricare Corporation	Management consulting	92.34%	89.91%	Note 2
Dollars Cultural & Creative Company Limited	ShokuRaku Corporation	Catering	85.71%	85.71%	
Dollars Cultural & Creative Company Limited	Ikari Coffee Co., Ltd.	Catering	96.72%	96.72%	Note 3
Dollars Cultural & Creative Company Limited	Jingle Hot Pot Corporation	Catering	94.90%	94.90%	Note 4
Dollars Cultural & Creative Company Limited	Foodspace Corporation	Catering	-	92.00%	Note 5
Dollars Cultural & Creative Company Limited	Bircle international Trading Limited	Catering	100.00%	100.00%	Note 6

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Investor	Subsidiary	Main business	Percentage of ownership		Note
			December 31, 2025	December 31, 2024	
Dollars Cultural & Creative Company Limited	SHU MI CO., LTD.	Catering	100.00%	-	Note 7
Jade Investment Services Ltd.	Glory Days Services Ltd.	Investment holdings	100.00%	100.00%	
Formosa Sun Energy Corporation	RITEK Solar CORP.	Renewable energy self-powered equipment	100.00%	100.00%	Note 8
Formosa Sun Energy Corporation	RitFast Corporation	Renewable energy self-powered equipment	100.00%	99.18%	Note 9
Formosa Sun Energy Corporation	FD COMPANY	International trade	100.00%	100.00%	Note 10
Ricare Corporation	KEIYOO Co.,Ltd.	Care services	100.00%	100.00%	Note 11
Ricare Corporation	Ricare Services Corporation	Care services	100.00%	100.00%	
Ricare Corporation	Fang Si Advisory Ltd.	Management consulting	100.00%	100.00%	
Ricare Corporation	K.K. RICAREJAPAN	Care services	77.48%	100.00%	Note 12
Ricare Corporation	Ricare International Corporation Ltd.	Management consulting	-	100.00%	Note 13

Note 1: On April 11, 2024, Dollars Cultural & Creative Company Limited's board of directors resolved to cover deficit \$74,290 thousand through the capital reduction. Additionally, a capital injection was conducted with the number of shares being 19,000 thousand and the amount being \$190,000 thousand.

Note 2: On February 1, 2024, the Company completed a capital increase by issuing 9,000 thousand shares of common stock for cash proceeds of \$25,000 thousand, which were exchanged for 6,500 thousand shares of common stock held by the shareholders of Ricare Corporation. As a result, the Company acquired a total of 80.77% equity interest and obtained substantive control over Ricare Corporation and its subsidiaries; therefore, Ricare Corporation and its subsidiaries are included in the Company's consolidated financial statements. Subsequently, on February 20, 2024, pursuant to a resolution of the board of directors of Ricare Corporation, the investee issued 8,125 thousand new shares. The Company acquired all these shares for a total consideration of \$200,000 thousand, increasing its ownership interest to 88.17%. Furthermore, on April 24, 2024, pursuant to another resolution of the board of directors of Ricare Corporation, the investee issued 3,656 thousand new shares. The Company acquired 3,656 thousand shares without maintaining its existing ownership percentage, for a total consideration of \$89,994 thousand, increasing its ownership interest to 89.91%. In addition, on May 7, 2025, pursuant to a resolution of the investee's board of directors, the investee issued 8,125 thousand new shares. The Company acquired 8,125 thousand shares without maintaining its existing ownership percentage, for a total consideration of \$200,000 thousand, thereby increasing its ownership interest to 92.34%.

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(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

- Note 3: On May 24, 2024, pursuant to a resolution of the board of directors of Ikari Coffee Co., Ltd., the company approved a capital increase through the issuance of 3,000 thousand new shares, with June 26, 2024 set as the record date for the capital increase. Dollars Cultural & Creative Company Limited acquired 3,000 thousand shares, not in proportion to its existing shareholding, for a total consideration of \$30,000 thousand, thereby increasing its ownership interest to 96.72%. Ikari Coffee Co., Ltd. completed the registration of the relevant changes on July 22, 2024.
- Note 4: On September 24, 2024, Jingle Hot Pot Corporation resolved to reduce the capital to make good the deficit for 570 thousand shares, thereby Dollars Cultural & Creative Company Limited decreased its shareholding by 494 thousand shares. And issued 1,500 thousand new shares for capital increase. Dollars Cultural & Creative Company Limited did not acquire new shares in proportionate to its percentage of ownership and acquired 1,500 thousand shares in the amount of \$15,000 thousand, increasing its shareholding ratio to 94.90%.
- Note 5: On August 2, 2024, Foodspace Corporation resolved to increase its capital through the issuance of 700 thousand new shares. Dollars Cultural & Creative Company Limited acquired 644 thousand shares in proportion to its existing shareholding, with a total consideration of \$6,440 thousand. Subsequently, on June 13, 2025, Dollars Cultural & Creative Company Limited acquired odd lot shares of Foodspace Corporation totaling 84 thousand shares for a total consideration of \$299 thousand, thereby increasing its ownership interest to 100%. Foodspace Corporation was resolved to be dissolved by a resolution of the board of directors on June 30, 2025, and completed the dissolution registration on July 14, 2025, under Registration No. 1149096540 issued by the competent authority.
- Note 6: On July 25, 2024, Dollars Cultural & Creative Company Limited acquired shares of Bircle International Trading Limited from Ritek Corporation in the amount of \$1,014 thousand.
- Note 7: SHU MI CO., LTD. completed its company incorporation and registration procedures on April 24, 2025. The issued capital amounted to \$233 thousand.
- Note 8: On June 17, 2024, RITEK Solar CORP.'s board of directors resolved to issue new shares for capital increase with the number of shares being 900 thousand and the amount being \$9,000 thousand.
- Note 9: On January 16, 2025, Formosa Sun Energy Corporation acquired odd lot shares of RitFast Co., Ltd. totaling 5 thousand shares for a total consideration of \$150 thousand, increasing its ownership interest to 99.19%. Subsequently, on May 7, 2025, Formosa Sun Energy Corporation acquired additional odd lot shares of RitFast Co., Ltd. totaling 267 thousand shares for a total consideration of \$8,013 thousand, thereby increasing its ownership interest to 100%.
- Note 10: On April 18, 2024, FD COMPANY completed the incorporation procedures and issued 10 thousand shares. Formosa Sun Energy Corporation held 100% ownership of FD COMPANY at a price of \$2,120 thousand and gained substantial control over FD COMPANY, therefore being included in the consolidated financial statements.

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Note 11: On December 10, 2024, Hakuyu Co.,Ltd. changed its name to KEIYOO Co.,Ltd.

Note 12: K.K. RICARE JAPAN conducted cash capital increases on March 12, 2024 and September 5, 2024, issuing 1.5 thousand shares and 0.6 thousand shares, respectively, for total considerations of \$190,350 thousand and \$78,378 thousand, respectively. In addition, on June 20, 2025, K.K. RICARE JAPAN conducted another cash capital increase by issuing 2.4 thousand shares with a total consideration of \$295,113 thousand. The Company acquired 1.4 thousand shares, not in proportion to its existing shareholding, for a total consideration of \$169,533 thousand; as a result, the Company's ownership interest decreased to 77.48%.

Note 13: Ricare International Corporation Ltd. completed its company incorporation and registration procedures on April 17, 2018. Ricare International Corporation Ltd. publicly announced its revocation and dissolution on August 8, 2025, and was dissolved on the same date pursuant to such public announcement.

(4) Foreign currency transactions

The Group's consolidated financial statements are presented in \$, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.

B. Foreign currency items within the scope of IFRS 9 Financial Instruments are accounted for based on the accounting policy for financial instruments.

C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(5) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into \$ at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized. The following partial disposals are accounted for as disposals:

- A. when the partial disposal involves the loss of control of a subsidiary that includes a foreign operation; and
- B. when the retained interest after the partial disposal of an interest in a joint arrangement or a partial disposal of an interest in an associate that includes a foreign operation is a financial asset that includes a foreign operation.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or joint arrangement that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

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(6) Current and non-current distinction

An asset is classified as current when:

- A. The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle
- B. The Group holds the asset primarily for the purpose of trading
- C. The Group expects to realize the asset within twelve months after the reporting period
- D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- A. The Group expects to settle the liability in its normal operating cycle
- B. The Group holds the liability primarily for the purpose of trading
- C. The liability is due to be settled within twelve months after the reporting period
- D. The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

(7) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments (including time deposits that have maturity within 12 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(8) Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 Financial Instruments are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

A. Financial instruments: recognition and measurement

The Group accounts for regular way purchase or sales of financial assets on the trade date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

- (a) the Group's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as notes receivable, accounts receivable, financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

- (a) purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
- (b) financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

- (a) A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
- (b) When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
- (c) Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

- i. Purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
- ii. Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

In addition, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Group made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its accumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment.

Financial assets at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on abovementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

The Group measures expected credit losses of a financial instrument in a way that reflects:

- (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- (b) the time value of money
- (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measured as follows:

- (a) At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Group measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
- (b) At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
- (c) For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.
- (d) For lease receivables arising from transactions within the scope of IFRS 16, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for more details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

- (a) The rights to receive cash flows from the asset have expired.
- (b) The Group has transferred the asset and substantially all the risks and rewards of the asset have been transferred.
- (c) The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

D. Financial liabilities and equity

Classification between liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Financial liabilities

Financial liabilities within the scope of IFRS 9 Financial Instruments are classified as financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(9) Derivative instrument

The Group uses derivative instruments to hedge its foreign currency risks and interest rate risks. A derivative is classified in the balance sheet as financial assets or liabilities at fair value through profit or loss except for derivatives that are designated as and effective hedging instruments which are classified as financial assets or liabilities for hedging.

Derivative instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The changes in fair value of derivatives are taken directly to profit or loss, except for the effective portion of hedges, which is recognized in either profit or loss or equity according to types of hedges used.

When the host contracts are either non-financial assets or liabilities, derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not designated at fair value through profit or loss.

(10) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or

B. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(11) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for as follows:

Raw materials - Purchase cost on a weighted-average method

Finished goods and work in progress - Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(12) Investments accounted for using the equity method

The Group's investment in its associate is accounted for using the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Group has significant influence.

Under the equity method, the investment in the associate is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate. After the interest in the associate is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's related interest in the associate.

When changes in the net assets of an associate occur and not those that are recognized in profit or loss or other comprehensive income and do not affect the Group's percentage of ownership interests in the associate, the Group recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate on a pro rata basis.

When the associate issues new stock, and the Group's interest in an associate is reduced or increased as the Group fails to acquire shares newly issued in the associate proportionately to its original ownership interest, the increase or decrease in the interest in the associate is recognized in capital surplus and investment accounted for using the equity method. When the interest in the associate is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a pro rata basis when the Group disposes the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired in accordance with IAS 28 Investments in Associates and Joint Ventures. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with IAS 36 Impairment of Assets. In determining the value in use of the investment, the Group estimates:

- A. Its share of the present value of the estimated future cash flows expected to be generated by the associate, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or
- B. The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Because goodwill that forms part of the carrying amount of an investment in an associate is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36 Impairment of Assets.

Upon loss of significant influence over the associate, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss.

(13) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria is met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 Property, plant and equipment. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	2-50 years
Machinery and equipment	1-22 years
Transportation equipment	3-6 years
Office equipment	1-10 years
Other equipment	1-10 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(14) Investment property

The Group's owned investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, investment properties are measured using the cost model in accordance with the requirements of IAS 16 Property, plant and equipment for that model. If investment properties are held by a lessee as right-of-use assets and is not held for sale in accordance with IFRS 5, investment properties are measured in accordance with the requirements of IFRS 16.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	25 years
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Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition. The Group transfers to or from investment properties when there is a change in use for these assets.

Properties are transferred to or from investment properties when the properties meet, or cease to meet, the definition of investment property and there is evidence of the change in use.

(15) Leases

The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, has both of the following:

- A. the right to obtain substantially all of the economic benefits from use of the identified asset;
and
- B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price charged by the lessor, or a similar supplier, would charge the Group for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximizing the use of observable information.

The Group as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Group recognizes right-of-use asset and lease liability for all leases which the Group is the lessee of those lease contracts.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- A. fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- B. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- C. amounts expected to be payable by the lessee under residual value guarantees;
- D. the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group measures the lease liability on an amortized cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

- A. the amount of the initial measurement of the lease liability;
- B. any lease payments made at or before the commencement date, less any lease incentives received;
- C. any initial direct costs incurred by the lessee
- D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Group measures the right-of-use asset applying a cost model.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Group accounted for as short-term leases or leases of low-value assets, the Group presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statement of comprehensive income.

For short-term leases or leases of low-value assets, the Group elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

The Group as a lessor

At inception of a contract, the Group classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Group recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Group allocates the consideration in the contract applying IFRS 15.

The Group recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(16) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are recognized in profit or loss when the asset is derecognized.

Trademark rights

Trademark rights are acquired in accordance with the law and are amortized by the straight-line method over the term of the trademark rights (10 years) as a result of a business combination.

Customer relationships

The customer relationships are acquired through a business combination and are amortized on a straight-line basis over the estimated benefit period (9 years).

Licences

Licences are acquired through a business combination and are amortized on a straight-line basis over the period of the licence (6 years).

Other intangible assets

Other intangible assets are acquired through a business combination and are amortized on a straight-line basis over the estimated benefit period (5 years).

Computer software

The cost of computer software is amortized on a straight-line basis over the estimated useful life (3 to 5 years).

(17) Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 Impairment of Assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

A cash generating unit, or groups of cash-generating units, to which goodwill has been allocated is tested for impairment annually at the same time, irrespective of whether there is any indication of impairment. If an impairment loss is to be recognized, it is first allocated to reduce the carrying amount of any goodwill allocated to the cash generating unit (group of units), then to the other assets of the unit (group of units) pro rata on the basis of the carrying amount of each asset in the unit (group of units). Impairment losses relating to goodwill cannot be reversed in future periods for any reason.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(18) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provision for decommissioning, restoration and rehabilitation costs

The provision for decommissioning, restoration and rehabilitation costs arises on construction of a property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

(19) Revenue recognition

The Group's revenue arising from contracts with customers are primarily related to sale of goods. The accounting policies are explained as follows:

Sale of goods

The Group manufactures and sells goods. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main products of the Group are pre-recorded optical discs, sales of electricity and catering; the revenue is recognized based on the consideration stated in the contract.

The credit period of the Group's sale of goods is 30-150 day terms. For most of the contracts, when the Group transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as accounts receivable. The Group usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. For some of the contracts, the Group has transferred the goods to customers but does not have a right to an amount of consideration that is unconditional, these contracts should be presented as contract assets. Besides, in accordance with IFRS 9, the Group measures the loss allowance for a contract asset at an amount equal to the lifetime expected credit losses.

The period between the transfers of contract liabilities to revenue is usually within one year, thus, no significant financing component arose.

Rendering of services

The Group provides day-care and long-care, planning and consulting services. The Group identifies performance obligation of contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Most of the contractual considerations of the Group are collected evenly throughout the contract period after rendering day-care and long-care, planning and consulting service. When the Group has performed the services to customers but does not have a right to an amount of consideration that is unconditional, these contracts should be presented as contract assets. However, for some rendering of services contracts, part of the consideration was received from customers upon signing the contract, and the Group has the obligation to provide the services subsequently; accordingly, these amounts are recognized as contract liabilities.

The period between the transfers of contract liabilities to revenue is usually within one year, thus, no significant financing component arose.

(20) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(21) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the Group receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to the statement of comprehensive income over the expected useful life and pattern of consumption of the benefit of the underlying asset by equal annual installments. Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as additional government grant.

(22) Post-employment benefits

All regular employees of the Company and its domestic subsidiaries are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Company and its domestic subsidiaries, therefore, fund assets are not included in the Group's consolidated financial statements. Pension benefits for employees of the overseas subsidiaries are provided in accordance with the respective local regulations.

For the defined contribution plan, the Company and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries make contribution to the plan based on the requirements of local regulations.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur. Past service costs are recognized in profit or loss on the earlier of:

- A. the date of the plan amendment or curtailment, and
- B. the date that the Group recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

(23) Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the shareholders' meeting.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- A. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

- B. In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- A. Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination ; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
- B. In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

According to the temporary exception in the International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12), information about deferred tax assets and liabilities related to Pillar Two income tax will neither be recognized nor be disclosed.

(24) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred, the identifiable assets acquired and liabilities assumed are measured at acquisition date fair value. For each business combination, the acquirer measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and are classified under administrative expenses.

When the Group acquires a business, it assesses the assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at the acquisition -date fair value. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognized in accordance with IFRS 9 Financial Instruments either in profit or loss or as a change to other comprehensive income. However, if the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured as the amount of the excess of the aggregate of the consideration transferred and the non-controlling interest over the net fair value of the identifiable assets acquired and the liabilities assumed. If this aggregate is lower than the fair value of the net assets acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purpose and is not larger than an operating segment before aggregation.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation. Goodwill disposed of in this circumstance is measured based on the relative recoverable amounts of the operation disposed of and the portion of the cash-generating unit retained.

5. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's consolidated financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(1) Judgment

De facto control without a majority of the voting rights in the investee company

The Group is the largest shareholder of certain investee with less than 50% shareholdings. The Company has no de facto control but only significant influence on certain investee after judgement. Please refer to Note 6.(9) for more details.

(2) Estimates and assumptions

The key assumptions concerning the future and other key sources for estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are discussed below.

A. Fair value of financial instruments categorized within Level 3

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (for example the discounted cash flows model) or market approach. Changes in assumptions about these factors could affect the reported fair value of the financial instruments. Please refer to Note 12 for more details.

B. Trade receivables - estimate of impairment loss

The Group estimates the impairment loss of trade receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows that expects to receive (evaluate forward looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note 6 for more details.

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6. Contents of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand	\$3,813	\$4,471
Demand deposits	1,129,102	750,186
Time deposits	337,834	467,675
Total	<u>\$1,470,749</u>	<u>\$1,222,332</u>

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

	December 31, 2025	December 31, 2024
Mandatorily measured at fair value through profit or loss:		
Stocks	\$15,500	\$-
Funds	-	151,196
Total	<u>\$15,500</u>	<u>\$151,196</u>
Current	\$15,500	\$151,196
Non-current	-	-
Total	<u>\$15,500</u>	<u>\$151,196</u>

None of the abovementioned financial assets at fair value through profit or loss was pledged as collateral.

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

	December 31, 2025	December 31, 2024
Equity instrument investments measured at fair value through other comprehensive income:		
Listed company stocks	\$111,329	\$3,164
Unlisted company stocks	82,606	91,474
Total	<u>\$193,935</u>	<u>\$94,638</u>
Current	\$-	\$-
Non-current	193,935	94,638
Total	<u>\$193,935</u>	<u>\$94,638</u>

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The Group classified certain of its financial assets as financial assets at fair value through other comprehensive income. None of the abovementioned financial assets was pledged as collateral.

In September 2025, the Group sold 92 thousand shares of Aimcore Technology Co., Ltd. at a price of \$2,373 thousand.

On April 26, 2024, the Group sold 20 thousand shares of Chang Hong Energy Technology Co., Ltd. at a price of \$200 thousand.

(4) Financial assets measured at amortized cost

	December 31, 2025	December 31, 2024
Restricted deposits	\$176,900	\$176,824
Current	\$8,158	\$8,867
Non-current	168,742	167,957
Total	\$176,900	\$176,824

Please refer to Note 8 for more details on financial assets measured at amortized cost under pledge and Note 12 for more details on credit risk management.

(5) Notes receivable

	December 31, 2025	December 31, 2024
Notes receivable arising from operating activities (total carrying amount)	\$381	\$807
Less: loss allowance	-	-
Total	\$381	\$807

None of the abovementioned notes receivable was pledged as collateral.

Please refer to Note 6.(19) for more details on the Group's assessment of impairment and loss allowance information in accordance with IFRS 9 and Note 12 for more details on credit risk management.

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(6) Accounts receivable and accounts receivable - related parties

	December 31, 2025	December 31, 2024
Accounts receivable (total carrying amount)	\$115,077	\$125,835
Less: loss allowance	(2,927)	(277)
Subtotal	112,150	125,558
Accounts receivable from related parties (total carrying amount)	11,371	4,916
Less: loss allowance	-	-
Subtotal	11,371	4,916
Total	<u>\$123,521</u>	<u>\$130,474</u>

None of the abovementioned accounts receivable and accounts receivable - related parties was pledged as collateral.

Accounts receivables are generally on 30-150 day terms. The total carrying amounts as at December 31, 2025 and 2024 were \$126,448 thousand and \$130,751 thousand, respectively. Please refer to Note 6.(19) for more details on loss allowance for the years ended December 31, 2025 and 2024. Please refer to Note 12 for more details on credit risk management.

(7) Financing lease payments receivable, net

	December 31, 2025	December 31, 2024
Total investment in leases		
Not later than one year	\$8,092	\$8,173
Later than one year but not later than five years	38,970	39,364
Later than five years	5,875	13,513
Total	52,937	61,050
Less: unearned finance income	(19,651)	(24,593)
Present value of receivable on minimum lease payments	<u>\$33,286</u>	<u>\$36,457</u>
<u>Financing lease payments receivable</u>		
Current	\$3,572	\$3,231
Non-current	29,714	33,226
Present value of receivable on minimum lease payments	<u>\$33,286</u>	<u>\$36,457</u>

The Group has entered into finance lease agreements for certain rental equipment, all of which are denominated in New Taiwan dollars and have an average finance lease term of 20 years. Financing lease payments receivable are discounted by the net cash flows expected to be generated from rental operations.

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As of December 31, 2025, the Group's assessed financing lease payments receivables were neither past due nor impaired. Please refer to Note 6.(19) for more details on loss allowance information for the years ended December 31, 2025 and 2024.

Please refer to Note 8 for financial lease payments receivable under pledge.

(8) Inventories

	December 31, 2025	December 31, 2024
Raw materials	\$44,884	\$46,826
Work in progress	7,713	12,951
Finished goods	5,578	7,032
Merchandises	777	110
Total	<u>\$58,952</u>	<u>\$66,919</u>

The Group's cost of inventories recognized as expense for the years ended December 31, 2025 and 2024 were \$456,643 thousand and \$481,677 thousand, respectively, including gain from price recovery of inventories in the amount of \$278 thousand and \$0 thousand, respectively.

The abovementioned gain from price recovery of inventories is due to the fact that some of the inventory whose valuation declined has been scrapped.

None of the abovementioned inventories was pledged as collateral.

(9) Investments accounted for using the equity method

The investments accounted for using the equity method are as follows:

Investees	December 31, 2025		December 31, 2024	
	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)
Investments in associates:				
Unlisted companies				
ProRit Corporation	\$7,101	0.63	\$7,352	0.63
Ink Design Space Co., Ltd.	3,855	25.00	9,416	25.00
Yi International Co., Ltd.	4,212	20.00	6,610	20.00
Listed companies				
RiTdisplay Corporation	<u>131,200</u>	4.70	<u>140,390</u>	5.50
Total	<u>\$146,368</u>		<u>\$163,768</u>	

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On June 24, 2024 Yi International Co., Ltd. completed the incorporation procedures and issued 4,000 thousand shares. Dollars Cultural & Creative Company Limited obtained 800 thousand shares and held 20% ownership of Yi International Co., Ltd. at a price of \$8,000 thousand.

On July 22, 2025, RiTdisplay Corporation's board of directors resolved to issue 12,500 thousand new shares. The Company did not participate in the capital increase, thus reducing the Company's shareholding ratio to 4.83%.

During December 2025, the Company disposed of 150 thousand shares of RiTdisplay Corporation, thereby reducing its shareholding ratio to 4.70%.

The Group's investments in affiliated companies are not material to the Group. The aggregate carrying amounts of the Group's investments in affiliated companies as of December 31, 2025 and 2024 were \$146,368 thousand and \$163,768 thousand, respectively, and the aggregated financial information based on the Group's share is presented below:

	2025	2024
Profit (loss) from continuing operations	\$(9,772)	\$1,365
Other comprehensive income (post-tax)	(1,103)	(302)
Total comprehensive income	<u>\$(10,875)</u>	<u>\$1,063</u>

The associates had no contingent liabilities or capital commitments and investment in associates were not pledged as at December 31, 2025, and 2024.

On November 7, 2023, the Company's board of directors resolved to issue 9,000 thousand new shares and pay \$25,000 thousand as a consideration, to receive 6,500 thousand common shares. On the record date, February 1, 2024, the number of common shares held by the Company were exchanged for the common shares held by Ricare Corporation at a ratio of one share to 0.609375 share.

(10) Property, plant and equipment

	December 31, 2025	December 31, 2024
Owner occupied property, plant and equipment	<u>\$2,689,156</u>	<u>\$2,716,404</u>

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	Land	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Other equipment	Construction in progress and equipment awaiting examination	Total
Cost:								
January 1, 2025	\$691,310	\$908,194	\$3,473,685	\$21,998	\$14,903	\$151,206	\$137,004	\$5,398,300
Additions	21,885	16,463	10,739	403	29	23,064	82,050	154,633
Disposals	-	(1,413)	(96,397)	(320)	-	(2,745)	-	(100,875)
Transfers	-	-	92,644	-	1,770	4,988	(99,402)	-
Exchange differences	(6,731)	(118)	-	-	-	(20)	(6)	(6,875)
December 31, 2025	<u>\$706,464</u>	<u>\$923,126</u>	<u>\$3,480,671</u>	<u>\$22,081</u>	<u>\$16,702</u>	<u>\$176,493</u>	<u>\$119,646</u>	<u>\$5,445,183</u>
January 1, 2024	\$521,754	\$901,998	\$3,381,520	\$20,987	\$14,981	\$145,876	\$57,195	\$5,044,311
Additions	171,375	108	11,538	1,299	143	15,051	255,207	454,721
Acquisitions through business combinations	-	6,520	-	610	390	2,633	-	10,153
Disposals	-	(419)	(185,915)	(992)	(1,724)	(26,394)	-	(215,444)
Transfers	-	-	169,929	-	-	5,465	(175,394)	-
Exchange differences	(1,819)	(13)	-	-	-	358	(4)	(1,478)
Other changes	-	-	96,613	94	1,113	8,217	-	106,037
December 31, 2024	<u>\$691,310</u>	<u>\$908,194</u>	<u>\$3,473,685</u>	<u>\$21,998</u>	<u>\$14,903</u>	<u>\$151,206</u>	<u>\$137,004</u>	<u>\$5,398,300</u>
Depreciation and impairment:								
January 1, 2025	\$-	\$739,740	\$1,806,928	\$19,848	\$12,937	\$102,443	\$-	\$2,681,896
Depreciation	-	8,504	133,059	1,222	1,097	26,200	-	170,082
Disposals	-	(228)	(92,974)	(320)	-	(2,400)	-	(95,922)
Other changes	-	(14)	-	-	-	(15)	-	(29)
December 31, 2025	<u>\$-</u>	<u>\$748,002</u>	<u>\$1,847,013</u>	<u>\$20,750</u>	<u>\$14,034</u>	<u>\$126,228</u>	<u>\$-</u>	<u>\$2,756,027</u>
January 1, 2024	\$-	\$731,159	\$1,760,199	\$19,043	\$12,674	\$82,461	\$-	\$2,605,536
Depreciation	-	9,382	124,563	1,104	709	23,326	-	159,084
Disposals	-	(411)	(174,447)	(987)	(1,554)	(19,059)	-	(196,458)
Other changes	-	(390)	96,613	688	1,108	15,715	-	113,734
December 31, 2024	<u>\$-</u>	<u>\$739,740</u>	<u>\$1,806,928</u>	<u>\$19,848</u>	<u>\$12,937</u>	<u>\$102,443</u>	<u>\$-</u>	<u>\$2,681,896</u>
Net carrying amount as at:								
December 31, 2025	<u>\$706,464</u>	<u>\$175,124</u>	<u>\$1,633,658</u>	<u>\$1,331</u>	<u>\$4,462</u>	<u>\$48,471</u>	<u>\$119,646</u>	<u>\$2,689,156</u>
December 31, 2024	<u>\$691,310</u>	<u>\$168,454</u>	<u>\$1,666,757</u>	<u>\$2,150</u>	<u>\$1,966</u>	<u>\$48,763</u>	<u>\$137,004</u>	<u>\$2,716,404</u>

Please refer to Note 8 for the property, plant and equipment under pledge.

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(11) Investment property

The Group's investment properties includes both owned investment properties and investment properties held by the Group as right-of-use assets. The Group has entered into commercial property leases on its owned investment properties with terms of 2 years. These leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

	Land	Buildings	Total
Cost:			
January 1, 2025	\$110,110	\$51,783	\$161,893
Additions from acquisitions	-	-	-
Additions from subsequent expenditure	-	-	-
December 31, 2025	<u>\$110,110</u>	<u>\$51,783</u>	<u>\$161,893</u>
January 1, 2024	<u>\$110,110</u>	<u>\$51,783</u>	<u>\$161,893</u>
Additions from acquisitions	-	-	-
Additions from subsequent expenditure	-	-	-
December 31, 2024	<u>\$110,110</u>	<u>\$51,783</u>	<u>\$161,893</u>
Depreciation and impairment:			
January 1, 2025	\$-	\$19,850	\$19,850
Depreciation	-	2,072	2,072
December 31, 2025	<u>\$-</u>	<u>\$21,922</u>	<u>\$21,922</u>
January 1, 2024	<u>\$-</u>	<u>\$17,778</u>	<u>\$17,778</u>
Depreciation	-	2,072	2,072
December 31, 2024	<u>\$-</u>	<u>\$19,850</u>	<u>\$19,850</u>
Net carrying amount as at:			
December 31, 2025	<u>\$110,110</u>	<u>\$29,861</u>	<u>\$139,971</u>
December 31, 2024	<u>\$110,110</u>	<u>\$31,933</u>	<u>\$142,043</u>
		2025	2024
Rental income from investment property		\$3,945	\$3,657
Less:			
Direct operating expenses from investment property not generating rental income		(2,071)	(2,072)
Direct operating expenses from investment property not generating rental income		-	-
Total		<u>\$1,874</u>	<u>\$1,585</u>

None of the abovementioned investment property was pledged.

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The Group's investment properties are not measured at fair value for which the fair value is disclosed, instead. The fair value measurements of the investment properties are categorized within Level 3. The fair value of investment properties both amounted to \$171,833 and \$171,760 thousand as at December 31, 2025 and 2024, respectively. The fair values were appraised based on the most recent actual transaction prices in the current year, as well as the market transaction prices of comparable properties in nearby areas.

(12) Intangible assets

	Trademark	Customer relationship	Goodwill	Licence	Other intangible assets	Total
Cost:						
January 1, 2025	\$18,833	\$54,538	\$212,914	\$187	\$777	\$287,249
Addition	-	-	-	-	-	-
December 31, 2025	<u>\$18,833</u>	<u>\$54,538</u>	<u>\$212,914</u>	<u>\$187</u>	<u>\$777</u>	<u>\$287,249</u>
January 1, 2024	\$16,617	\$5,635	\$15,737	\$-	\$-	\$37,989
Addition	-	-	-	-	-	-
Acquired through business combinations	2,216	48,903	197,177	187	777	249,260
December 31, 2024	<u>\$18,833</u>	<u>\$54,538</u>	<u>\$212,914</u>	<u>\$187</u>	<u>\$777</u>	<u>\$287,249</u>
Amortization and impairment:						
January 1, 2025	\$7,616	\$2,035	\$11,769	\$187	\$762	\$22,369
Amortization	1,662	5,558	-	-	6	7,226
December 31, 2025	<u>\$9,278</u>	<u>\$7,593</u>	<u>\$11,769</u>	<u>\$187</u>	<u>\$768</u>	<u>\$29,595</u>
January 1, 2024	\$3,739	\$1,409	\$5,671	\$-	\$-	\$10,819
Amortization	3,877	626	-	187	762	5,452
Impairment losses	-	-	6,098	-	-	6,098
December 31, 2024	<u>\$7,616</u>	<u>\$2,035</u>	<u>\$11,769</u>	<u>\$187</u>	<u>\$762</u>	<u>\$22,369</u>
Net carrying amount as at:						
December 31, 2025	<u>\$9,555</u>	<u>\$46,945</u>	<u>\$201,145</u>	<u>\$-</u>	<u>\$9</u>	<u>\$257,654</u>
December 31, 2024	<u>\$11,217</u>	<u>\$52,503</u>	<u>\$201,145</u>	<u>\$-</u>	<u>\$15</u>	<u>\$264,880</u>

Amortization expense of intangible assets under the statements of comprehensive income:

	2025	2024
Sales and marketing expenses	<u>\$-</u>	<u>\$-</u>
General and administrative expenses	<u>\$7,226</u>	<u>\$5,452</u>

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(13) Impairment testing of goodwill with indefinite lives

Goodwill acquired through business combinations have been allocated to the cash-generating unit, the catering department.

The carrying amount of goodwill allocated to the cash-generating unit:

	Catering department cash-generating unit		Care service department cash-generating unit	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Goodwill	\$3,968	\$3,968	\$197,177	\$197,177

Cash-generating unit - catering department

The recoverable amount of the catering department a cash-generating unit, was \$3,968 thousand in December 31, 2025, has been determined based on a value in use and calculated by using cash flow projections from financial budgets approved by management within a five-year period. The projected cash flows have been updated to reflect the change in demand for products and services. The discount rate applied to cash flow projections were both 12.86% as at December 31, 2025 and 2024. As a result of this analysis, management has recognized an impairment loss of \$10,066 thousand against goodwill previously carried at \$6,098 thousand.

Key assumptions used in value-in-use calculations

The calculation of value-in-use for catering department cash-generating unit is most sensitive to the following assumptions:

A. Gross margin

B. Discount rates

C. Growth rate used to extrapolate revenue beyond the budget period

Gross margins - Gross margins are estimated based on average values in the recent years preceding the start of the budget period and with reference to future market trends.

Discount rates - Discount rates reflect assessment of the risks specific to each cash generating unit (including the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted) in the current market. The discount rate was estimated based on the weighted average cost of capital (WACC) for the Group, taking into account the particular situations of the Group and its operating segments. The WACC includes both the cost of liabilities and cost of equities. The cost of equities is derived from the expected returns of the Group's investors on capital, where the cost of liabilities is measured by the interest-bearing loans that the Group has obligation to settle.

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Estimate of revenue growth rate - The growth rate is based on historical experience, and the Company's estimated long-term average growth rate has been adjusted to take into account the rate of product innovation and the overall economic environment.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the cash-generating unit, the Company believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

Cash-generating unit – care service department

The recoverable amount of the care service cash-generating unit is \$554,463 for the period ended December 31, 2025. This recoverable amount has been determined based on the value in use, which was calculated using cash flow forecasts from a five-year financial budget approved by management. The cash flow forecasts have been updated to reflect changes in demand for the relevant products. The discount rate used in the cash flow forecasts was 7.07% as of December 31, 2025.

Key assumptions used in value-in-use calculations

The calculation of value-in-use for care services cash-generating unit is most sensitive to the following assumptions:

A. Gross margin

B. Discount rates

C. Growth rate used to extrapolate revenue beyond the budget period

Gross margins - Gross margins are estimated based on average values in the recent years preceding the start of the budget period and with reference to future market trends.

Discount rates - Discount rates reflect assessment of the risks specific to each cash generating unit (including the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted) in the current market. The discount rate was estimated based on the weighted average cost of capital (WACC) for the Group, taking into account the particular situations of the Group and its operating segments. The WACC includes both the cost of liabilities and cost of equities. The cost of equities is derived from the expected returns of the Group's investors on capital, where the cost of liabilities is measured by the interest-bearing loans that the Group has obligation to settle.

Estimate of revenue growth rate - The growth rate is based on historical experience, and the Company's estimated long-term average growth rate has been adjusted to take into account the rate of product innovation and the overall economic environment.

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Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the cash-generating unit, the Company believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

(14) Short-term borrowings

	December 31, 2025	December 31, 2024
Unsecured bank loans	\$227,943	\$176,962
Secured bank loans	-	70,000
Total	<u>\$227,943</u>	<u>\$246,962</u>
Interest rate interval (%)	<u>1.975-2.909</u>	<u>1.878-2.909</u>

The Group's unused short-term lines of credits amounted to \$406,297 thousand and \$430,793 thousand as at December 31, 2025 and 2024, respectively.

Please refer to Note 8 for more details on property, plant and equipment pledged as security for short-term borrowings.

(15) Long-term borrowings

	December 31, 2025	December 31, 2024
Financial institutions borrowings-Syndicated bank loans	\$980,000	\$-
Financial institutions borrowings-General	852,518	1,608,087
Total	<u>\$1,832,518</u>	<u>\$1,608,087</u>
Less: Syndicated Bank Loan Expenses	(4,184)	-
Less: current portion	(288,448)	(303,268)
Net	<u>\$1,539,886</u>	<u>\$1,304,819</u>
Interest rate interval (%)	<u>2.200-2.525</u>	<u>1.978-2.525</u>

- (a) In September 2025, the Company entered into a guaranteed loan facility and commitment agreement in the amount of \$1,600,000 thousand with a banking consortium, including Taiwan Cooperative Bank. Under this credit facility, the Company is subject to the following principal financial covenants as stipulated in its annual consolidated financial statements: (1) a current ratio of not less than 130%; (2) a debt-to-equity ratio not exceeding 150%; (3) an interest coverage ratio of not less than three times; and (4) total equity of not less than \$2.2 billion.

- (b) In July 2025, the Company entered into a line of credit and commitment agreement with O-Bank in the amount of \$150,000 thousand. The main commitments under the above credit facility are that the annual and semi-annual consolidated financial statements shall not have (1) net tangible value less than \$2.2 billion and (2) financial liabilities/net tangible worth greater than 100%.
- (c) In March 2025, the Company entered into a credit line and commitment agreement with Far Eastern International Bank in the amount of \$100,000 thousand. The main commitments under the above credit facility are that the semi-annual consolidated financial statements shall not have (1) the current ratio lower than 120% and (2) the debt ratio more than 150%.
- (d) In May 2023, the Company entered into a credit line and commitment agreement with CTBC Bank Co., Ltd. in the amount of \$100,000 thousand. The main commitments under the above credit facilities are that the quarterly consolidated financial statements shall not have (1) net tangible value less than \$2.15 billion, (2) current ratio lower than 150%, and (3) total liabilities/net tangible value more than 100%.
- (e) The Group's borrowings are repayable by instalments from 2014 to 2036.
- (f) Please refer to Note 8 for more details on long-term borrowings.

(16) Post-employment benefits

Defined contribution plan

The defined contribution plan adopted by the Company and its domestic subsidiaries is in accordance with the "Labor Standards Act of the R.O.C." According to the Labor Pension Act, the Company and its domestic subsidiaries' will make monthly contributions of no less than 6% of the employees' monthly salaries. The Company and its domestic subsidiaries appropriate 6% of their employees' salaries to the personal pension accounts at the Labor Insurance Bureau each month in accordance with the Labor Pension Act.

The Group's other foreign subsidiaries make pension contributions to the related pension management business in accordance with local laws and regulations.

Pension expenses under the defined contribution plan for the years ended 2025 and 2024 were \$13,863 thousand and \$16,108 thousand, respectively.

Defined benefits plan

The Company and its domestic subsidiaries adopt a defined benefit plan in accordance with the Labor Standards Act of the R.O.C. The pension benefits are disbursed based on the units of service years and the average salaries in the last month of the service year. Two units per year are awarded for the first 15 years of services while one unit per year is awarded after the completion of the 15th year. The total units shall not exceed 45 units. Under the Labor Standards Act, the Company and its domestic subsidiaries contribute an amount equivalent to 2% of the employees' total salaries and wages on a monthly basis to the pension fund deposited at the Bank of Taiwan in the name of the administered pension fund committee. Before the end of each year, the Company and its domestic subsidiaries assess the balance in the designated labor pension fund. If the amount is inadequate to pay pensions calculated for workers retiring in the same year, the Company and its domestic subsidiaries will make up the difference in one appropriation before the end of March the following year.

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The Ministry of Labor is in charge of establishing and implementing the fund utilization plan in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund. The pension fund is invested in-house or under mandatary, based on a passive-aggressive investment strategy for long-term profitability. The Ministry of Labor establishes checks and risk management mechanism based on the assessment of risk factors including market risk, credit risk and liquidity risk, in order to maintain adequate manager flexibility to achieve targeted return without over-exposure of risk. With the regard to utilization of the pension fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. Treasury Funds can be used to cover the deficits after the approval of the competent authority. As the Company does not participate in the operation and management of the pension fund, no disclosure on the fair value of the plan assets categorized in different classes could be made in accordance with paragraph 142 of IAS 19. The Group expects to contribute \$9,390 thousand to its defined benefit plan during the 12 months beginning after December 31, 2025.

The average duration of the defined benefits plan obligation as at December 31, 2025 and 2024 were 1-11.3 years and 3-14.7 years, respectively.

Pension costs recognized in profit or loss for the years ended December 31, 2025 and 2024:

	2025	2024
Current service cost	\$-	\$-
Net interest on the net defined benefit liabilities (assets)	309	299
Total	<u>\$309</u>	<u>\$299</u>

The reconciliation to the present value of defined benefit obligation and the fair value of planned assets are as follows:

	December 31, 2025	December 31, 2024
Present value of defined benefit obligation	\$59,037	\$57,680
Fair value of plan assets	<u>(48,929)</u>	<u>(36,988)</u>
Other non-current liabilities -		
Net defined benefit liabilities	<u>\$10,108</u>	<u>\$20,692</u>

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Reconciliation to the net defined benefit liabilities (assets):

	Defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities (assets)
January 1, 2024	\$58,357	\$(33,490)	\$24,867
Current service cost	-	-	-
Net interest expense (income)	701	(402)	299
Subtotal	59,058	(33,892)	25,166
Remeasurements of the net defined benefit liabilities (assets):			
Actuarial gain or loss arising from change in demographic assumptions	-	-	-
Actuarial gain or loss arising from change in financial assumptions	(613)	-	(613)
Experience adjustments	311	-	311
Remeasurements of the defined benefit assets	-	(2,956)	(2,956)
Subtotal	(302)	(2,956)	(3,258)
Payments from the plan	(1,076)	1,076	-
Contributions by employer	-	(1,216)	(1,216)
December 31, 2024	57,680	(36,988)	20,692
Current service cost	-	-	-
Net interest expense (income)	862	(553)	309
Subtotal	58,542	(37,541)	21,001
Remeasurements of the net defined benefit liabilities (assets):			
Actuarial gain or loss arising from change in demographic assumptions	-	-	-
Actuarial gain or loss arising from change in financial assumptions	222	-	222
Experience adjustments	866	-	866
Remeasurements of the defined benefit assets	-	(2,591)	(2,591)
Subtotal	1,088	(2,591)	(1,503)
Payments from the plan	(593)	593	-
Contributions by employer	-	(9,390)	(9,390)
December 31, 2025	\$59,037	\$(48,929)	\$10,108

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The following main assumptions are used to determine the defined benefit plan of the Group:

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	December 31, 2025	December 31, 2024
Discount rate	1.22%	1.49%
Expected rate of salary increases	1.00%	1.00%

Subsidiary Ikari Coffee Co., Ltd.

	December 31, 2025	December 31, 2024
Discount rate	1.45%	1.70%
Expected rate of salary increases	2.00%	2.00%

Sensitivity analysis of each significant actuarial assumption:

	2025		2024	
	Increase in defined benefit obligation	Decrease in defined benefit obligation	Increase in defined benefit obligation	Decrease in defined benefit obligation
Discount rate increased by 0.5%	\$-	\$(385)	\$-	\$(944)
Discount rate decreased by 0.5%	416	-	1,024	-
Expected salary increased by 0.5%	483	-	1,098	-
Expected salary decreased by 0.5%	-	(449)	-	(1,019)

The sensitivity analysis above is to analyze the possible effect on the benefit obligations under the assumption that a single actuarial assumption (such as discount rate or expected salary) reasonably changes while other assumptions remain unchanged. Because some actuarial assumptions are related to each other, in practice there are few circumstances where only one single actuarial assumption changes, so this analysis has its limitations.

The method and assumption used in this sensitivity analysis are not different from those in the previous period.

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(17) Equity

A. Common stock

The Company's authorized capital were both \$3,700,000 thousand and issued capital were \$1,549,845 thousand and \$1,549,845 thousand, respectively, as of December 31, 2025 and 2024, divided into 154,984 thousand and 154,984 thousand shares with par value of \$10 per share. Each share has one voting right and a right to receive dividends.

The Company is diversified and issued 9,000 thousand new shares and pay \$25,000 thousand as a consideration, to receive 6,500 thousand common shares on February 1, 2024. On the record date, February 1, 2024, the number of common shares held by the Company were exchanged for the common shares held by Ricare Corporation at a ratio of one share to 0.609375 share.

B. Capital surplus

	December 31, 2025	December 31, 2024
Additional paid-in capital	\$196,652	\$196,652
Treasury share transactions	329,746	329,746
Share of changes in net assets of associates and joint ventures accounted for using the equity method	55,208	57,417
Difference between consideration given/received and carrying amounts of interests in subsidiaries	1,744	1,997
Other - unclaimed dividends	2,365	2,330
Total	<u>\$585,715</u>	<u>\$588,142</u>

According to the Company Act, the capital surplus shall not be used except for offsetting prior years' operating losses of the company. When a company incurs no losses, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

C. Retained earnings and dividend policies

According to the Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

- (a) Payment of all taxes and dues;
- (b) Offset prior years' operation losses;
- (c) Set aside 10% of the remaining amount after deducting items (a) and (b) as legal reserve, unless such reserve has reached the paid-in capital of the company;
- (d) Set aside or reverse special reserve in accordance with law and regulations; and
- (e) The distribution of the remaining portion, if any, will be recommended by the Board of Directors and resolved in the shareholders' meeting.

According to the Company's Articles of Incorporation, the industry environment in which the Company operates is changing rapidly. Considering the Company's future capital needs, long-term financial planning and the growth of the Company's earnings, when dividends are distributed to shareholders, they are based on the above retained earnings with cash dividends distributed at 10% to 100% of the total dividends and stock dividends distributed at 0% to 90% of the total dividends.

According to the Company Act, the Company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total paid-in capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

According to existing regulations, when the Company distributes earnings, it shall set aside special reserve, an amount equal to "other net deductions from shareholders" equity for the current fiscal year. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed from the special reserve.

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The FSC on March 31, 2021 issued Order No. Jin-Guan-Cheng-Fa-Zi-1090150022, which sets out the following provisions for compliance:

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the Company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent uses, disposal or reclassification of related assets, the Company may reverse the special reserve in proportion to the special reserve set aside.

The Company did not incur any special reserve upon the first-time adoption of IFRSs.

Details of the 2025 and 2024 earnings distribution and dividends per share as approved and resolved by the board of Director's meeting and shareholders' meeting on March 6, 2026 and June 17, 2025, respectively, were as follows:

	<u>Appropriation of earnings</u>		<u>Dividend per share (\$)</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Legal reserve	\$851	\$8,606		
Special reserve	10,350	8,870		
Common stock - cash dividends (note)	38,746	77,492	\$0.25	\$0.50

Note : As stipulated in the Articles of Incorporation, a special resolution was passed at a Board of Directors meeting held on March 11, 2025, to distribute the 2024 common stock dividend in cash amounted to \$77,492 thousand, which was included in shareholders' meeting.

Please refer to Note 6.(21) for more details on employees' compensation and remuneration to directors and supervisors.

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D. Non-controlling interests

	2025	2024
Beginning balance	\$409,166	\$330,335
Profit attributable to non-controlling interests	19,677	16,553
Other comprehensive income, attributable to non-controlling interests, net of tax:		
Remeasurements of defined benefit plans	2	(20)
Unrealized gains (losses) from equity instrument investments measured at fair value through other comprehensive income	6,121	(224)
Non-controlling interest acquired through business combinations	-	61,538
Acquisition of issued shares of subsidiaries	(8,462)	-
Cumulative translation adjustments	(2,558)	(1,043)
Subsidiaries' cash capital increase	125,580	560
Cash dividends	-	(193)
Others	616	1,660
Ending balance	<u>\$550,142</u>	<u>\$409,166</u>

(18) Operating revenue

	2025	2024
Revenue from contracts with customers		
Sale of goods	\$364,129	\$447,824
Revenue from electricity sales	340,118	327,804
Catering revenue	318,480	282,766
Care services	174,961	158,562
Others	63,992	35,672
Total	<u>\$1,261,680</u>	<u>\$1,252,628</u>

Analysis of revenue from contracts with customers for the years ended December 31, 2025 and 2024 were as follows:

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A. Disaggregation of revenue

	2025	2024
Sale of goods	\$364,129	\$447,824
Electricity sales	340,118	327,804
Catering	318,480	282,766
Care services	174,961	158,562
Other revenue	63,992	35,672
Total	<u>\$1,261,680</u>	<u>\$1,252,628</u>
Timing of revenue recognition:		
At a point in time	<u>\$1,261,680</u>	<u>\$1,252,628</u>

B. Contract balances

Contract liabilities – current

	December 31, 2025	December 31, 2024	January 1, 2024
Sales of goods	<u>\$42,317</u>	<u>\$55,187</u>	<u>\$44,491</u>

The significant changes in the Group's balances of contract liabilities for the years ended December 31, 2025 and 2024 were as follows:

	2025	2024
The opening balance transferred to revenue	\$(47,981)	\$(76,845)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	33,390	87,541

C. Assets recognized from costs to fulfil a contract

None.

(19) Expected credit (losses) gains

	2025	2024
Operating expenses - expected credit (losses) gains		
Notes receivable	\$-	\$-
Accounts receivable	2,650	-
Financing lease payments receivable	-	-
Total	<u>\$2,650</u>	<u>\$-</u>

Please refer to Note 12 for more details on credit risk management.

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The Group measures the loss allowance of its receivables (including notes receivable, accounts receivable and financing lease payments receivable) at an amount equal to lifetime expected credit losses. The Group considers the grouping of trade receivables by the counterparties' geographical region, credit rating and industry sector and its loss allowance is measured by using a provision matrix. The assessment of the Group's loss allowance is as follows:

December 31, 2025

	Not yet due	Overdue					Total
	(note)	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	
Gross carrying amount	\$154,408	\$455	\$303	\$376	\$379	\$4,194	\$160,115
Loss rate (%)	-	1	2	5	10	20-100	
Lifetime expected credit losses	(72)	(5)	(6)	(19)	(37)	(2,788)	(2,927)
Carrying amount	<u>\$154,336</u>	<u>\$450</u>	<u>\$297</u>	<u>\$357</u>	<u>\$342</u>	<u>\$1,406</u>	<u>157,188</u>

December 31, 2024

	Not yet due	Overdue					Total
	(note)	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	
Gross carrying amount	\$167,744	\$42	\$23	\$2	\$-	\$204	\$168,015
Loss rate (%)	-	1	2	5	10	20-100	
Lifetime expected credit losses	(72)	-	(1)	-	-	(204)	(277)
Carrying amount	<u>\$167,672</u>	<u>\$42</u>	<u>\$22</u>	<u>\$2</u>	<u>\$-</u>	<u>\$-</u>	<u>\$167,738</u>

Note: Neither the Group's notes receivable nor financing lease payments receivable was overdue.

The movement in the provision for impairment of notes receivable, accounts receivable and financing lease payments receivable for the years ended December 31, 2025 and 2024 were as follows:

	Notes receivable	Accounts receivable	Financing lease payments receivable
January 1, 2025	\$-	\$277	\$-
Addition/(reversed) for the current period	-	2,650	-
Write-off	-	-	-
December 31, 2025	<u>\$-</u>	<u>\$2,927</u>	<u>\$-</u>

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	Notes receivable	Accounts receivable	Financing lease payments receivable
January 1, 2024	\$-	\$277	\$-
Addition/(reversed) for the current period	-	-	-
Write-off	-	-	-
December 31, 2024	<u>\$-</u>	<u>\$277</u>	<u>\$-</u>

(20) Leases

A. The Group as a lessee

The Group leases various properties, including real estates such as land, buildings and other equipment. The lease terms range from 1 to 20 years.

The Group's leases effect on the financial position, financial performance and cash flows are as follows:

(a) Amounts recognized in the balance sheet

i. Right-of-use assets

The carrying amount of right-of-use assets

	December 31, 2025	December 31, 2024
Land	\$49,401	\$63,408
Buildings	223,321	204,464
Machinery and equipment	3,133	2,684
Transportation equipment	3,410	4,876
Total	<u>\$279,265</u>	<u>\$275,432</u>

The significant changes in the Group's balances of right-of-use assets for the years ended December 31, 2025 and 2024 were \$77,791 thousand and \$28,108 thousand, respectively.

ii. Lease liabilities

	December 31, 2025	December 31, 2024
Lease liabilities	<u>\$292,021</u>	<u>\$288,890</u>
Current	\$68,905	\$63,594
Non-current	223,116	225,296

Please refer to Note 6.(22)D. for the interest on lease liabilities recognized for the years ended December 31, 2025 and 2024 and refer to Note 12.(5) on liquidity risk management for the maturity analysis for lease liabilities.

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(b) Amounts recognized in the statement of comprehensive income

Depreciation for right-of-use assets

	2025	2024
Land	\$14,007	\$14,007
Buildings	49,656	46,804
Machinery and equipment	-	391
Transportation equipment	1,191	579
Total	<u>\$64,854</u>	<u>\$61,781</u>

(c) Profit and losses relating to leasing activities

	2025	2024
The expenses relating to short-term leases	<u>\$3,482</u>	<u>\$2,959</u>

As at December 31, 2025 and 2024, the portfolio of short-term leases committed at the end of the reporting period was similar to the lease expenses of short-term leases disclosed above.

(d) Cash outflows relating to leasing activities

For the years ended December 31, 2025 and 2024, the Group's total cash outflows for leases amounted to \$75,361 thousand and \$70,569 thousand, respectively.

(e) Other information relating to leasing activities

i. Variable lease payments

Some of the Group's property rental agreements contain variable payment terms that are linked to certain percentages of sales generated from the leased stores, which is very common in the industry of the Group.

As such variable lease payments do not meet the definition of lease payments, those payments are not included in the measurement of the assets and liabilities. The Group expects that, for every sales increase of \$100 thousand for the years ended December 31, 2025 and 2024, the rental payments will increase by \$0 to \$26 thousand.

ii. Extension and termination options

Some of the Group's property rental agreements contain extension and termination options. In determining the lease terms, the non-cancellable period for which the Group has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. These options are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group.

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After the commencement date, the Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the lessee and affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

B. The Group as a lessor

Please refer to Note 6.(11) for details on the Group's owned investment properties. Leases of owned investment properties are classified as operating leases as they do not transfer substantially all the risks and rewards incidental to ownership of underlying assets.

	2025	2024
Lease income for operating leases		
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	\$3,482	\$2,959

For operating leases entered by the Group, the undiscounted lease payments to be received and a total of the amounts for the remaining years as at December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
Not later than one year	\$22,607	\$7,276
Later than one year but not later than two years	18,956	1,100
Later than two years but not later than three years	4,291	314
Later than three years but not later than four years	262	314
Later than four years but not later than five years	-	262
Later than five years	-	-
Total	\$46,116	\$9,266

(21) Summary statement of employee benefits, depreciation and amortization expenses by function during the years ended December 31, 2025 and 2024:

	2025				2024			
	Operating costs	Operating expenses	Non-operating expenses	Total amount	Operating costs	Operating expenses	Non-operating expenses	Total amount
Employee benefits expense								
Salaries	\$200,036	\$144,905	\$-	\$344,941	\$204,516	\$137,768	\$-	\$342,284
Labor and health insurance	15,642	14,330	-	29,972	15,323	12,619	-	27,942
Pension	6,840	7,332	-	14,172	6,745	9,662	-	16,407
Other employee benefits	8,568	6,167	-	14,735	8,647	6,408	-	15,055
expense								
Depreciation	166,697	66,594	3,717	237,008	156,476	62,643	3,818	222,937
Amortization	-	7,458	-	7,458	674	6,019	-	6,693

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According to the Company's Articles of Incorporation, when there is profit in current year, the Company shall set 3% to 10% of the profit as employees' compensation, of which not less than 1.5% shall be allocated to salary adjustments or compensation distributions for non-executive employees, which shall be distributed in shares or cash by the board resolution to employees who meet certain criteria. The Company may set aside no more than 5% of the profit as remuneration to directors and supervisors by resolution. The employees' compensation and remuneration to directors and supervisors should be reported to the shareholders' meeting. However, profit should be used to offset any accumulated deficit prior to the aforementioned compensation and remuneration. Information on the board's resolution regarding the employees' compensation and remuneration to directors and supervisors can be obtained from the "Market Observation Post System" on the website of the TWSE.

For the year ended December 31, 2025, based on the Company's profitability, the employees' compensation and remuneration to directors and supervisors were estimated at 3% and 3%, respectively, and the employees' compensation and remuneration to directors and supervisors amounted to both \$198 thousand, which were recognized as employee benefits expense. If the Board of Directors resolves to distribute employees' compensation in shares, the closing price on the day before the date of the Board's resolution is used as the basis for calculating the number of shares to be distributed. On March 6, 2026, the Board of Directors resolved to distribute employees' compensation and remuneration to directors and supervisors for the year ended December 31, 2025 both in the amount of \$198 thousand in cash, which were not materially different from the amount recorded as expenses in the financial statements for the year ended December 31, 2025.

(22) Non-operating income and expenses

A. Interest income

	2025	2024
Financial assets measured at amortized cost	\$17,290	\$22,691

B. Other income

	2025	2024
Rental income	\$24,196	\$19,257
Dividend income	482	79
Others	27,681	28,509
Total	\$52,359	\$47,845

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C. Other gains and losses

	2025	2024
Losses on disposal of property, plant and equipment	\$(4,431)	\$(16,406)
Gains on disposal of investments	2,142	54,355
Foreign exchange (losses) gains, net	(10,654)	22,095
Impairment losses - goodwill	-	(6,098)
Gains (losses) on financial assets at fair value through profit or loss (note)	8,144	3,308
Others	(6,507)	(5,193)
Total	<u><u>\$(11,306)</u></u>	<u><u>\$52,061</u></u>

Note: The balances arose from financial assets mandatorily measured at fair value through profit or loss.

D. Finance costs

	2025	2024
Interest on bank borrowings	\$42,740	\$37,954
Interest on lease liabilities	6,963	7,360
Total finance costs	<u><u>\$49,703</u></u>	<u><u>\$47,207</u></u>

(23) Components of other comprehensive income (loss)

For the year ended December 31, 2025

			Income tax relating to components of		
		Reclassification n adjustments	Other comprehensive	other comprehensive	Other comprehensive
	Arising during the period	during the period	income (loss), before tax	income (expense)	income (loss), net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurement of defined benefit plans	\$1,503	\$-	\$1,503	\$-	\$1,503
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	9,447	-	9,447	-	9,447
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(1,103)	-	(1,103)	-	(1,103)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of foreign operations	(22,686)	-	(22,686)	4,537	(18,149)
Total	<u><u>\$12,839</u></u>	<u><u>\$-</u></u>	<u><u>\$12,839</u></u>	<u><u>\$4,537</u></u>	<u><u>\$(8,302)</u></u>

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For the year ended December 31, 2024

			Income tax relating to components of		
		Reclassification n adjustments	Other comprehensive income (loss), before tax	other comprehensive income (expense)	Other comprehensive income (loss), net of tax
	Arising during the period	during the period			
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurement of defined benefit plans	\$3,258	\$-	\$3,258	\$-	\$3,258
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	(3,464)	-	(3,464)	-	(3,464)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	905	-	905	-	905
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of foreign operations	(7,397)	-	(7,397)	1,479	(5,918)
Total	<u>\$ (6,698)</u>	<u>\$-</u>	<u>\$ (6,698)</u>	<u>\$ 1,479</u>	<u>\$ (5,219)</u>

(24) Income tax

The major components of income tax expense for the years ended December 31, 2025 and 2024 are as follows:

Income tax expense recognized in profit or loss

	2025	2024
Current income tax expense:		
Current income tax charge	\$6,299	\$8,518
Adjustments in respect of current income tax of prior periods	4	(3,430)
Deferred tax expense:		
Deferred tax expense relating to origination and reversal of temporary differences	5,064	8,569
Total income tax expense	<u>\$11,367</u>	<u>\$13,657</u>

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Income tax related to components of other comprehensive income (loss)

	2025	2024
Deferred tax income:		
Exchange differences resulting from translating the		
financial statements of foreign operations	\$(4,537)	\$(1,479)
Income tax related to components of other comprehensive		
income (loss)	\$(4,537)	\$(1,479)

The amount of income tax expense and accounting profit multiplied by the applicable income tax rate are adjusted as follows:

	2025	2024
Net profit before tax from continuing operations	\$37,666	\$115,049
Income tax payable at the statutory rate applied to the parent	\$7,533	\$23,010
company		
Tax effect of tax-exempted income	(7,241)	(6,734)
Tax effect of non-deductible expenses for tax purposes	2,356	307
Tax effect of deferred tax assets/liabilities	(11,051)	5,900
Corporate income surtax on undistributed retained earnings	163	-
Effects of different tax rates applicable to individuals		
operating in other tax jurisdictions	19,603	(5,396)
Adjustment in respect of current income tax of prior periods	4	(3,430)
Other adjustments according to the tax law	-	-
Total income tax expenses recognized in profit or loss	\$11,367	\$13,657

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Balance of deferred income tax assets (liabilities) related to:

For the year ended December 31, 2025

	Opening	Recognized in	Recognized in other comprehensive	From business	Ending
	balance	profit or loss	income (loss)	combinations	balance
Temporary differences					
Loss allowance for inventory valuation					
and obsolescence	\$694	(54)	\$-	\$-	\$640
Loss allowance for office supplies					
valuation and obsolescence	1,076	-	-	-	1,076
Depreciation difference for tax purpose	(81,822)	(7,321)	-	-	(89,143)
Unrealized asset impairment losses	2,831	(104)	-	-	2,727
Exchange differences resulting from					
translating the financial statements of					
foreign operations	17,626	-	4,537	-	22,163
Unrealized foreign exchange gains or					
losses	(505)	471	-	-	(34)
Unused tax losses	22,164	501	-	-	22,665
Gain recognized in bargain purchase	(3,276)	-	-	-	(3,276)
Fair value adjustments resulting from					
business combination	(12,741)	1,443	-	-	(11,298)
Deferred tax expenses (income)		<u>\$ (5,064)</u>	<u>\$ 4,537</u>	<u>\$-</u>	
Net deferred income tax assets (liabilities)	<u>\$ (53,953)</u>				<u>\$ (54,480)</u>
The information presented on the balance					
sheet is as follows:					
Deferred tax assets	<u>\$44,391</u>				<u>\$49,271</u>
Deferred tax liabilities	<u>\$ (98,344)</u>				<u>\$ (103,751)</u>

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For the year ended December 31, 2024

			Recognized in other		
	Opening	Recognized in	comprehensive	From business	Ending
	balance	profit or loss	income (loss)	combinations	balance
Temporary differences					
Loss allowance for inventory valuation					
and obsolescence	\$694	\$-	\$-	\$-	\$694
Loss allowance for office supplies					
valuation and obsolescence	1,076	-	-	-	1,076
Depreciation difference for tax purpose	(73,792)	(8,030)	-	-	(81,822)
Unrealized asset impairment losses	2,949	(118)	-	-	2,831
Exchange differences resulting from					
translating the financial statements of					
foreign operations	16,147	-	1,479	-	17,626
Unrealized foreign exchange gains or					
losses	473	(978)	-	-	(505)
Unused tax losses	22,065	99	-	-	22,164
Gain recognized in bargain purchase	(3,276)	-	-	-	(3,276)
Fair value adjustments resulting from					
business combination	(3,419)	458	-	(9,780)	(12,741)
Deferred tax expenses (income)		<u>\$ (8,569)</u>	<u>\$ 1,479</u>	<u>\$ (9,780)</u>	
Net deferred income tax assets (liabilities)	<u>\$ (37,083)</u>				<u>\$ (53,953)</u>
The information presented on the balance					
sheet is as follows:					
Deferred tax assets	<u>\$ 43,405</u>				<u>\$ 44,391</u>
Deferred tax liabilities	<u>\$ (80,488)</u>				<u>\$ (98,344)</u>

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The following table contains information of the unused tax losses of the Group:

U-Tech Media Corporation

Year	Tax losses for the period	Unused tax losses as at		Expiration year
		December 31, 2025	December 31, 2024	
2018	389,149	\$328,544	\$334,912	2028
Total		<u>\$328,544</u>	<u>\$334,912</u>	

Subsidiary - Dollars Cultural & Creative Company Limited

Year	Tax losses for the period	Unused tax losses as at		Expiration year
		December 31, 2025	December 31, 2024	
2016	\$3,783	\$-	\$-	2026
2017	4,392	-	-	2027
2018	3,216	90	-	2028
2019	5,275	4,135	4,219	2029
2021	5,878	5,878	5,878	2031
2023	52	52	52	2033
2024	43,577	43,577	43,577	2034
2025	55,164	55,164	-	2035
Total		<u>\$118,896</u>	<u>\$53,726</u>	

Subsidiary - Ikari Coffee Co., Ltd.

Year	Tax losses for the period	Unused tax losses as at		Expiration year
		December 31, 2025	December 31, 2024	
2016	\$22,133	\$22,133	\$22,133	2026
2017	9,350	9,350	9,350	2027
2018	8,598	8,598	8,598	2028
2019	22,669	22,669	22,669	2029
2020	42,499	42,499	42,499	2030
2021	29,614	29,614	29,614	2031
2022	30,931	30,932	30,932	2032
2023	18,657	18,657	18,657	2033
2024	13,003	13,003	13,003	2034
2025	512	512	-	2035
Total		<u>\$197,967</u>	<u>\$197,455</u>	

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Subsidiary - ShokuRaku Corporation

Year	Tax losses for the period	Unused tax losses as at		Expiration year
		December 31, 2025	December 31, 2024	
2021	\$139	\$139	\$139	2031
2022	7,457	7,457	7,457	2032
2023	958	958	958	2033
2024	4,299	4,299	4,299	2034
2025	5,636	5,636	-	2035
Total		<u>\$18,489</u>	<u>\$12,853</u>	

Subsidiary - Jingle Hot Pot Corporation

Year	Tax losses for the period	Unused tax losses as at		Expiration year
		December 31, 2025	December 31, 2024	
2023	\$5,645	\$5,645	\$5,645	2033
2024	12,751	12,751	12,751	2034
2025	4,596	4,596	-	2035
Total		<u>\$22,992</u>	<u>\$18,396</u>	

Subsidiary - RitFast Corporation

Year	Tax losses for the period	Unused tax losses as at		Expiration year
		December 31, 2025	December 31, 2024	
2015	202,405	\$-	202,405	2025
2016	168,792	168,792	168,792	2026
2017	160,907	160,906	160,906	2027
2018	381,544	381,543	381,544	2028
2019	52,311	52,311	52,311	2029
2020	5,294	5,294	5,294	2030
2021	1,182	1,182	1,182	2031
Total		<u>\$770,028</u>	<u>\$972,434</u>	

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Subsidiary – Ricare Corporation

Year	Tax losses for the period	Unused tax losses as at		Expiration year
		December 31, 2025	December 31, 2024	
2017	\$5,080	\$2,829	\$5,080	2027
2018	5,263	5,263	5,263	2028
2019	2,092	2,092	2,092	2029
2020	2,520	2,520	2,520	2030
2021	5,204	5,204	5,204	2031
2022	9,452	9,452	9,452	2032
2023	6,970	6,970	6,970	2034
Total		<u>\$34,330</u>	<u>\$36,581</u>	

Unrecognized deferred tax assets

As of December 31, 2025 and 2024, the Group's unrecognized deferred tax assets totaled \$338,730 thousand and \$324,821 thousand, respectively.

The assessment of income tax returns

As of December 31, 2025, the assessment of the income tax returns of the Company and its domestic subsidiaries was as follows:

	<u>The assessment of income tax returns</u>
The Company	Assessed and approved up to 2023
Subsidiary - Dollars Cultural & Creative Company Limited	Assessed and approved up to 2023
Subsidiary - Ikari Coffee Co., Ltd.	Assessed and approved up to 2023
Subsidiary - Chao Fu Co., Ltd.	Assessed and approved up to 2023
Subsidiary - Formosa Sun Energy Corporation	Assessed and approved up to 2023
Subsidiary - RITEK Solar CORP.	Assessed and approved up to 2023
Subsidiary - RitFast Corporation	Assessed and approved up to 2023
Subsidiary - Ricare Corporation	Assessed and approved up to 2023
Subsidiary - ShokuRaku Corporation	Assessed and approved up to 2023
Subsidiary - Jingle Hot Pot Corporation	Assessed and approved up to 2023

(25) Earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

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Diluted earnings per share are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity (after adjusting for interest on convertible bonds) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	2025	2024
A. Basic earnings per share		
Profit attributable to ordinary equity holders of the parent entity (in thousands)	\$6,622	\$84,839
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	154,984	154,222
Basic earnings per share (in \$)	\$0.04	\$0.55
B. Diluted earnings per share		
Profit attributable to ordinary equity holders of the parent entity (in thousands)	\$6,622	\$84,839
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	154,984	154,222
Effect of dilution:		
Employees' compensation - stock (in thousands)	45	287
Weighted average number of ordinary shares outstanding after dilution (in thousands)	155,029	154,509
Diluted earnings per share (in \$)	\$0.04	\$0.55

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

(26) Business combinations

Acquisition of Ricare Corporation

On 1 February 2024, the Company conducted a capital increase with 9,000 thousand common shares issued and \$25,000 thousand in cash, in exchange of 6,500 shares held by the shareholders of Ricare Corporation, with the shareholding ratio being 80.77%. Ricare Corporation is based in Taiwan, specializing in the long-term care planning and consulting services. The Company has acquired Ricare Corporation because it significantly promotes the diversified development of the Group.

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The Company has elected to measure the non-controlling interest in the acquiree at fair value.

The fair value of the identifiable assets and liabilities of Ricare Corporation as at the date of acquisition were:

	<u>Fair value recognized on the acquisition date</u>
Assets	
Cash and cash equivalents	\$69,696
Accounts receivables	32,745
Prepayments	1,260
Other current assets	1,824
Financial assets at fair value through other comprehensive income	
- non-current	2,216
Property, plant and equipment	7,367
Right-of-use assets	41,046
Intangible assets	52,222
Other non-current assets	8,785
Subtotal	<u>217,161</u>
Liabilities	
Contract liabilities - current	196
Other payables	16,267
Current tax liabilities	3,448
Lease liabilities	43,706
Other current liabilities	9,079
Deferred tax liabilities	9,780
Other non-current liabilities	991
Subtotal	<u>83,467</u>
Identifiable net assets	<u><u>\$133,694</u></u>

Goodwill of Ricare Corporation is as follows:

Purchase consideration	\$160,000
Add: shares held at fair value	98,462
Add: non-controlling interests at fair value	25,709
Less: identifiable net assets at fair value	<u>(133,694)</u>
Goodwill	<u><u>\$150,477</u></u>

The goodwill comprises the value of expected synergies arising from the acquisition, revenue growth, future market development, and employee value. However, these benefits do not meet the criteria for recognition as intangible assets, and therefore are not recognized separately.

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Cash flow analysis for acquisition:

Cash transaction cost of acquisition	\$25,000
Net cash received from subsidiary- Ricare Corporation	(4,028)
Transaction costs attributable to the issuance of shares	27,954
Net cash outflow from acquisition	<u>\$48,926</u>

The purchase consideration for the acquisition of Ricare Corporation is \$258,462 thousand, and the full consideration has been paid in February, 2025.

The net asset amount recognized in the financial statements as of June 30, 2024, is measured by provisional fair value. The Company has sought an independent appraisal for the assets held by Ricare Corporation. The assessment of the aforementioned intangible assets has been completed. The results indicated that their fair value on the acquisition date was \$48,902 thousand, increasing by \$48,902 thousand in comparison with the provisional assessment. This resulted in an increase in deferred tax liabilities by \$9,780 thousand and a reduction in non-controlling interests by \$35,830 thousand, which correspondingly reduced goodwill by \$26,182 thousand. Therefore, the goodwill arising from the acquisition is \$150,477 thousand.

The valuation of the fair value was completed in the fourth quarter of 2024 and showed that the fair value at the date of acquisition was in the amount of \$42,442 thousand, an decrease of \$34,639 compared to the provisional value.

The comparative information of the Company for the period from January 1 to December 31, 2024 has been retrospectively adjusted as set forth below to reflect the aforementioned increase in amounts.

The fair value adjustment at the date of acquisition below:

	Provisional fair value	Differences adjustment	Fair value after measurement
Asset			
Intangible assets	\$83,846	\$(31,624)	\$52,222
Subtotal	<u>83,846</u>	<u>(31,624)</u>	<u>52,222</u>
Liabilities			
Deferred income tax liabilities	6,765	3,015	9,780
Subtotal	<u>6,765</u>	<u>3,015</u>	<u>9,780</u>
Identifiable net assets	<u>\$77,081</u>	<u>\$(34,639)</u>	<u>\$42,442</u>

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The adjustment indicated that goodwill decreasing by \$26,182 thousand in comparison with the provisional assessment by \$176,659 thousand, the goodwill arising from the acquisition is \$150,477 thousand, the amount changes are listed below:

	Provisional fair value	Differences adjustment	Remeasurements of the fair value
Purchase consideration	\$160,000	\$-	\$160,000
Add: shares held at fair value	98,462	-	98,462
Add: non-controlling interests at fair value	61,539	(35,830)	25,709
Less: identifiable net assets at fair value	(143,342)	9,648	(133,694)
Goodwill	<u>\$176,659</u>	<u>\$(26,182)</u>	<u>\$150,477</u>

(27) Changes in the Group's ownership interests in subsidiaries

Acquisition of issued shares of subsidiaries

On December 26, 2024, the Group resolved to acquire the remaining equity interest in RitFast Technology Co., Ltd. Subsequently, the Group acquired 5 thousand shares and 267 thousand shares on January 16, 2025 and May 7, 2025, respectively, representing increases of 0.01% and 0.81% in its equity interest. The cash consideration paid to the non-controlling interest shareholders amounted to \$150 thousand and \$8,013 thousand, respectively. The carrying amount of the net assets of RitFast Corporation was \$357,451 thousand. The additional equity interests acquired in RitFast Corporation resulted in the following changes in non-controlling interests:

Cash consideration paid to non-controlling shareholders	\$8,163
Increase (Decrease) to non-controlling interests	<u>(3,016)</u>
Difference recognized in capital surplus within equity	<u>\$(5,147)</u>

On June 13, 2025, the Group acquired the remaining 84 thousand shares of Foodspace Corporation, thereby increasing its equity interest by 8%. The cash consideration paid to the non-controlling interest shareholders amounted to \$299 thousand, and the carrying amount of the net assets of Foodspace Corporation was \$3,793 thousand. The additional equity interest acquired in Foodspace Corporation resulted in the following change in non-controlling interests:

Cash consideration paid to non-controlling shareholders	\$299
Increase (Decrease) to non-controlling interests	<u>(309)</u>
Difference recognized in capital surplus within equity	<u>\$(10)</u>

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Acquisition of new shares in a subsidiary not in proportionate to shareholding ratio

Ricare Corporation issued new shares on May 31, 2024. The Group purchased all of the new shares of Ricare Corporation and increased its shareholding ratio by 1.74%. The Group acquired additional capital in the amount of \$0 thousand, and the carrying amount of net assets (originally acquired and excluding goodwill) of Ricare Corporation was \$602,009 thousand. The increase in the Group's equity in Ricare Corporation including non-controlling interests, was as follows:

Additional cash received from the issuance of new shares	\$-
Increase to non-controlling interests	(55)
Difference recognized in capital surplus within equity	<u><u>\$(55)</u></u>

Ikari Coffee Co., Ltd. issued new shares on June 26, 2024. The Group purchased all of the new shares of Ikari Coffee Co., Ltd. and increased its shareholding ratio by 1.87%. The Group acquired additional capital in the amount of \$0 thousand, and the carrying amount of net assets of Ikari Coffee Co., Ltd. was \$23,514 thousand. The increase in the Group's equity in Ikari Coffee Co., Ltd., including non-controlling interests, was as follows:

Additional cash received from the issuance of new shares	\$-
Increase to non-controlling interests	(845)
Difference recognized in capital surplus within equity	<u><u>\$(845)</u></u>

Jingle Hot Pot Corporation issued new shares on October 11, 2024. The Group purchased part of the new shares of Jingle Hot Pot Corporation and decreased its shareholding ratio by 7.9%. The Group acquired additional capital in the amount of \$0 thousand, and the carrying amount of net assets of Jingle Hot Pot Corporation was \$11,217 thousand. The increase in the Group's equity in Jingle Hot Pot Corporation, including non-controlling interests, was as follows:

Additional cash received from the issuance of new shares	\$-
Increase to non-controlling interests	(1,076)
Difference recognized in capital surplus within equity	<u><u>\$(1,076)</u></u>

Ricare Corporation issued new shares on June 4, 2025, which were fully subscribed by the Group, resulting in an increase of 2.43% in equity. The cash paid by the Group for the capital increase was \$0. The net book value of Ricare Corporation's net assets was \$610,381 thousand. The additional related interests acquired in Ricare Corporation include the increase (decrease) in non-controlling interests as follows:

Additional cash received from the issuance of new shares	\$-
Increase to non-controlling interests	(303)
Difference recognized in capital surplus within equity	<u><u>\$(303)</u></u>

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K.K. RICARE JAPAN issued new shares on June 20, 2025. The Group purchased part of the new shares of which the Group subscribed to 1,350 shares, resulting in a decrease of 22.52% in equity. The cash paid by the Group for the capital increase was \$125,580 thousand. The net book value of K.K. RICARE JAPAN's net assets was \$536,495 thousand. The additional related interests acquired in K.K. RICARE JAPAN include the increase in non-controlling interests as follows:

Additional cash received from the issuance of new shares	\$125,580
Increase to non-controlling interests	(121,910)
Difference recognized in capital surplus within equity	<u>\$3,670</u>

7. Related Party Transactions

Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

Name and nature of relationship of the related parties

<u>Name of the related parties</u>	<u>Nature of relationship of the related parties</u>
Ritek Corporation	Associate (Note 1)
RiTdisplay Corporation	Associate
ProRit Corporation	Associate
Ricare Corporation	Subsidiary (Note 2)
Bircle international Trading Limited	Subsidiary (Note 3)
AimCore Technology Co., Ltd.	Investment accounted for using the equity method
Ritwin Corporation	The Company's chairman is the same as the director of the company
Welltech Energy Inc.	The Company's chairman is the same as the director of the company
Kunshan Kunloi Trading Co., Ltd.	Subsidiary of the Company's Associate
Advanced Media Inc.	Subsidiary of the Company's Associate
RITEK VIETNAM CO.LTD	Subsidiary of the Company's Associate
Rih Rih Sin Company	The subsidiary's director and person in charge are the same individual.
Newrit Asset Co.,Ltd.	Same chairman as the Company
FINESIL TECHNOLOGY INC.	Same chairman as the Company
Ritek Foundation	The Company's chairman is the same as the

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Name of the related parties	Nature of relationship of the related parties
	chairman of the foundation
Ink Design Space Co., Ltd.	The Company's chairman is the same as the director of the foundation
Universe-Cloud Central Kitchen Co., Ltd.	Same chairman as the Company's subsidiary
VG The Seafood Bar Co.,Ltd.	Same chairman as the Company's subsidiary
SpeedRun Co.,Ltd.	Same chairman as the Company's subsidiary
Li De An Co., Ltd.	Same director as the Company's subsidiary (Note 5)
Technology Island Management Consulting Co., Ltd.	Same director as the Company's subsidiary (Note 5)
Yi International Co., Ltd.	Same director as the Company's subsidiary
Tongan Co.,Ltd.	Same director as the Company's subsidiary
Tongan Zhongshan Co.,Ltd.	Same director as the Company's subsidiary
Tongan Shuanghe Co.,Ltd.	Same director as the Company's subsidiary
Tongan Zhongyi Co.,Ltd.	Same director as the Company's subsidiary
Big Brother Investment Co., Ltd.	Same director as the Company's subsidiary
VG Cafe	The Subsidiary's director is the same as the chairman of the partnership
Leading Edge Limited	The subsidiary's supervisor and person in charge are the same individual.
AI Investments Limited	The reinvestment company of the Company's related party
Social welfare corporation Hakuyukai	The reinvestment company of the Company's related party
Li, Po-Heng	The former key management personnel of the Company's subsidiary (Note 4)

Note 1: Ritek Corporation failed to obtain a majority of the board seats in the third quarter of 2024. Therefore, Ritek Corporation lost the substantial control over the Company and is no longer the parent company of the Company.

Note 2: As from February 1, 2024, the entity has been a subsidiary of the Company.

Note 3: As from November 1, 2024, the entity has been a subsidiary of the Company.

Note 4: Serving as the key management personnel of the Company's subsidiary before February 14, 2024.

Note 5: The directors of the Company's subsidiary are the same as the chairman of the company before July 8, 2025.

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Significant transactions with the related parties

(1) Sales

	2025	2024
Subsidiary	\$-	\$21
Associates	6,065	7,880
Other related parties	75,104	70,429
Total	<u>\$81,169</u>	<u>\$78,330</u>

The sales price to the above related parties was determined through mutual agreement based on the market rates. The collection period for domestic sales to related parties was month-end 90 days, while the terms for overseas sales were approximately 90-120 days from FOB shipping point. The collection period for third party domestic sales was month-end 30-150 days, while the terms for overseas sales were 30-150 days from FOB shipping point. The outstanding balances as at December 31, 2025 and 2024 were unsecured, non-interest bearing and must be settled in cash. The receivables from the related parties were not guaranteed.

(2) Purchases

	2025	2024
Subsidiary	\$-	\$29
Associate	1,753	8,163
Other related parties	391	-
Total	<u>\$2,144</u>	<u>\$8,192</u>

The purchase price to the above related parties was determined through mutual agreement based on the market rates. The payment terms from the related party suppliers were comparable with third party suppliers and were between 1-4 months.

(3) Accounts receivable - related parties, net

	December 31, 2025	December 31, 2024
Associates		
Ritek Corporation	1,645	571
RiTdisplay Corporation	85	1
Other related parties		
AimCore Technology Co., Ltd.	-	2,322
Ritek Foundation	3,786	2,013
Tongan Co.,Ltd.	1,229	-
Tongan Zhongshan Co.,Ltd.	1,286	-
Tongan Shuanghe Co.,Ltd.	1,158	-
Social welfare corporation Hakuyukai	1,716	-
Others	466	9
Net	<u>\$11,371</u>	<u>\$4,916</u>

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(4) Other current assets (non-financing)

	December 31, 2025	December 31, 2024
Associates		
Ritek Corporation	\$48	\$46
Other related parties		
Others	1,133	-
Total	<u>\$1,181</u>	<u>\$46</u>

(5) Accounts payable - related parties

	December 31, 2025	December 31, 2024
Associates		
Total	<u>\$39</u>	<u>\$4,937</u>

(6) Other payables - related parties (non-financing)

	December 31, 2025	December 31, 2024
Associate		
Ritek Corporation	\$198	\$481
RiTdisplay Corporation	-	13,928
Other related parties		
Newrit Asset Co., Ltd.	56	19,999
Aimcore Technology Co., Ltd.	5	55,071
Others	798	578
Total	<u>\$1,057</u>	<u>\$90,057</u>

(7) Other current liabilities

	December 31, 2025	December 31, 2024
Associates		
Ritek Corporation	\$3,376	\$16
RiTdisplay Corporation	-	27
Other related parties		
Welltech Energy Inc.	-	10
Total	<u>\$3,376</u>	<u>\$53</u>

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(8) Property transactions

Property, plant and equipment

Assets of related parties acquired by the Group

	Account details	2025	2024
Associates			
Ritek Corporation	House and Buildings	\$44	\$-
	Machinery equipment	126	-
	Leasehold improvement	-	32
RiTdisplay Corporation	Machinery equipment	-	66,914
Other related parties			
Finesil Technology Inc.	Transportation equipment	-	143
Aimcore Technology Co., Ltd.	Machinery equipment	-	65,000
Newrit Asset Co., Ltd.	Machinery equipment	17,524	23,610
Ink Design Space Co., Ltd.			
	Leasehold improvement	3,969	5,033
	Construction in progress	3,704	1,794
Others	Transportation equipment	29	-
	Catering equipment	708	-
	Leasehold improvement	1,342	-
	Machinery equipment	764	-
Total		<u>\$28,210</u>	<u>\$162,526</u>

Assets disposed of by the Group to related parties

	Account details	2025	2024
Associate			
RiTdisplay Corporation	Office equipment and Other equipment	\$-	\$1
Other related parties			
Ritek Foundation	Miscellaneous equipment	-	183
Li, Po-Heng	Transportation equipment	-	150
Total		<u>\$-</u>	<u>\$334</u>

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Equity trading

On January 31, 2024, the Group sold Shine Services Inc. to the associate of the Group's ultimate parent company, Advanced Media Inc., at a price of 157 thousand. The equity transaction was completed and paid on February 1, 2024, thereby losing control over Shine Services Inc.

On July 25, 2024, the Group acquired shares of Bircle international Trading Limited from the ultimate parent company, Ritek Corporation, in the amount of 1,014 thousand. The Group made full payment on that date.

On June 13, 2025, the Group repurchased the equity interests in Foodspace Corporation from related parties, namely Li De An Co., Ltd. and Technology Island Management Consulting Co., for a total cash consideration of \$299 thousand. The consideration was settled in full on the same date, resulting in the Group's ownership interest in Foodspace Corporation increasing to 100%. Foodspace Corporation completed the liquidation process on September 9, 2025.

(9) Operating costs

	Account details	2025	2024
Subsidiary	Miscellaneous fees	\$-	\$159
	Repairment and		
Associates	maintenance expense and		
	miscellaneous fees	845	742
Other related parties	Utilities expense and		
	miscellaneous fees	1,246	764
Total		<u>\$2,091</u>	<u>\$1,665</u>

(10) Operating expenses

	Account details	2025	2024
Subsidiary	Miscellaneous fees	\$-	\$138
	Professional service fees,		
Associates	repairment and		
	maintenance expenses and		
Other related parties	miscellaneous fees	3,944	7,568
	Utilities expense,		
Total	donations and		
	miscellaneous fees	14,133	11,464
		<u>\$18,077</u>	<u>\$19,170</u>

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(11) Lease - related parties

Rental income

	Account details	2025	2024
Subsidiaries	Buildings	\$-	\$96
Associates	Buildings	900	6
Other related parties	Buildings	12	-
Total		<u>\$912</u>	<u>\$102</u>

The lease term and rent collection method are based on the contract. Generally, the lease term was 2 to 3.7 years, and the rent was mainly charged on a monthly basis.

Rental expenses

	Account details	2025	2024
Associate	Buildings	\$500	\$846
Other related party	Buildings and Miscellaneous equipment	9,021	7,371
Total		<u>\$9,521</u>	<u>\$8,217</u>

The lease term and rent collection method are based on the contract. Generally, the lease term was 2.5 years, and the rent was mainly charged on a monthly basis.

(12) Non-operating income and expenses - other income

	2025	2024
Associate	\$568	\$548
Other related parties	2,851	1,401
Total	<u>\$3,419</u>	<u>\$1,949</u>

(13) Key management personnel compensation

	2025	2024
Short-term employee benefits	\$31,789	\$35,560
Post-employment benefits	569	592
Total	<u>\$32,358</u>	<u>\$36,152</u>

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8. Assets Pledged as Security

The following table lists assets of the Group pledged as security:

Items	Carrying amount		Secured liabilities
	December 31, 2025	December 31, 2024	
Financial assets measured at amortized cost (including non-current)	\$176,900	\$176,824	Lease deposits, tariff bonds, long-term borrowings, undertaking collateral and trust property funds
Financing lease payments receivable (including non-current)	33,286	36,457	Long-term borrowings and undertaking collateral
Property, plant and equipment - land and buildings	677,233	683,233	Long-term borrowings
Property, plant and equipment - machinery equipment	1,487,780	1,575,496	Short-term notes and bills payable, long-term borrowings and undertaking collateral
Total	<u>\$2,375,199</u>	<u>\$2,472,010</u>	

9. Commitments and Contingencies

(a) The issued guarantee notes are as follows:

Currency	December 31, 2025	Applications
NTD	\$3,648,288	Long-term and short-term borrowings, letter of credit loans, commercial paper and financial instruments transactions
USD	1,698	

(b) The option premium contracts signed by the Group for the production of CD-Audio, VIDEO CD DISC and DVD DISCS are listed below:

Object	Items	Contract period	Royalty calculation method
Company A	DVD DISCS technical license	January 1, 2001 onwards	Quantity of products sold according to the contracted specifications
Company B	DVD DISCS technical license	June 1, 2001 onwards	Quantity of products sold according to the contracted specifications
Company C	DVD DISCS technical license	From July 1, 2004 to October 1, 2029	Quantity of products sold according to the contracted specifications
Company D	BD ROM DISCS technical license	December 1, 2012 onwards	Quantity of products sold according to the contracted specifications
Company E	BD ROM DISCS technical license	January 1, 2011 onwards	Quantity of products sold according to the contracted specifications
Company F	BD ROM DISCS technical license	March 12, 2014 onwards	Quantity of products sold according to the contracted specifications

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(c) The amounts guaranteed by banks for the Group's import of raw materials are listed below:

	December 31, 2025	December 31, 2024
Imported material guarantee	\$3,000	\$3,000

10. Losses due to Major Disasters

None.

11. Significant Subsequent Events

None.

12. Others

(1) Categories of financial instruments

Financial assets

	December 31, 2025	December 31, 2024
Financial assets at fair value through profit or loss:		
Mandatorily measured at fair value through profit or loss	\$15,500	\$151,196
Financial assets at fair value through other comprehensive income	193,935	94,638
Financial assets measured at amortized cost:		
Cash and cash equivalents (excluding the cash on hand)	1,466,936	1,217,861
Financial assets measured at amortized cost	176,900	176,824
Notes receivable	381	807
Accounts receivable (including related parties)	123,521	130,474
Financing lease payments receivable (including non-current)	33,286	36,457
Other receivables (recorded as other current assets)	4,537	5,134
Subtotal	1,805,561	1,567,557
Total	\$2,014,996	\$1,813,391

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Financial liabilities

	December 31, 2025	December 31, 2024
Financial liabilities at amortized cost:		
Short-term borrowings	\$223,759	\$246,962
Notes payable	3,034	3,496
Accounts payable (including related parties)	44,143	41,265
Other payables (including related parties)	171,781	248,696
Long-term borrowings (including due within one year)	1,832,518	1,608,087
Lease liabilities	292,021	288,890
Total	<u>\$2,567,256</u>	<u>\$2,437,396</u>

(2) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and the Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk, interest rate risk and other price risk (such as equity risk).

In practice, it is rarely the case that a single risk variable will change independently from other risk variable, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take the interdependencies between risk variables into account.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. The Group also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for USD and JPY. The information of the sensitivity analysis is as follows:

- A. When NTD strengthens/weakens against USD by 1%, the profit for the years ended December 31, 2025 and 2024 is decreased/increased by \$1,836 thousand and \$3,172 thousand, respectively, the equity is decreased/increased by \$1,836 thousand and \$3,172 thousand, respectively.
- B. When NTD strengthens/weakens against JPY by 1%, the profit for the years ended December 31, 2025 and 2024 is decreased/increased by \$5,415 thousand and \$3,125 thousand, respectively, the equity is decreased/increased by \$5,415 thousand and \$3,125 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt instrument investments at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable loans and borrowings. Hedge accounting does not apply to these swaps as they do not qualify for it.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit for the years ended December 31, 2025 and 2024 to increase/decrease by \$1,884 thousand and \$1,678 thousand, respectively.

Equity price risk

The fair value of the Group's listed and unlisted equity securities is susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed and unlisted equity securities are classified under financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, a change of 1% in the price of the listed equity securities measured at fair value through profit or loss could increase/decrease the Group's profit for the years ended December 31, 2025 and 2024 by \$155 thousand and \$1,512 thousand, respectively.

At the reporting date, a change of 1% in the price of the listed companies stocks classified as equity instrument investments measured at fair value through other comprehensive income could have an effect of \$1,113 thousand and \$32 thousand on the equity attributable to the Group for the years ended December 31, 2025 and 2024, respectively.

Please refer to Note 12.(9) for sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3.

(4) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for accounts and notes receivable and financing lease payments receivable) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to credit risk management. Credit limits are established for all counter parties based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria etc. Certain counter parties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment.

As of December 31, 2025 and 2024, trade receivables from top ten customers accounted for 72% and 78% respectively of the total trade receivables of the Group. The credit concentration risk of other trade receivables is insignificant as well.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

The Group adopted IFRS 9 to assess the expected credit losses. Except for trade receivables, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories.

The Group makes an assessment at each reporting date as to whether the debt instrument investments are still considered low credit risk, and then further determines the method of measuring the loss allowance and the loss rates.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

When the credit risk on debt instrument investment has increased, the Group will dispose that investment in order to minimize the credit losses. When assessing the expected credit losses, the evaluation of the forward-looking information (available without undue cost and effort) is mainly based on the macroeconomic information and the credit loss ratio is further adjusted if there is significant impact from forward-looking information.

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, highly liquid equity investments and bank borrowings. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as at the end of the reporting period.

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Non-derivative financial liabilities

	Less than 1 year	2-3 years	4-5 years	> 5 years	Total
December 31, 2025					
Borrowings	\$547,494	\$720,652	\$1,449,179	\$75,162	\$2,792,487
Trade and other payables	218,958	-	-	-	218,958
Lease liabilities	74,819	103,488	49,363	90,029	317,699

	Less than 1 year	2-3 years	4-5 years	> 5 years	Total
December 31, 2024					
Borrowings	\$573,994	\$703,310	\$454,621	\$180,414	\$1,912,339
Trade and other payables	293,457	-	-	-	293,457
Lease liabilities	64,654	100,184	51,203	102,169	318,210

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the year ended December 31, 2025:

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (including due within one year)	Other liabilities	Leases liabilities	Total liabilities from financing activities
January 1, 2025	\$246,962	\$-	\$1,608,087	\$6,545	\$288,890	\$2,150,484
Cash flows	(19,019)	-	220,247	(349)	(71,879)	129,000
Amortization of						
interest expense	-	-	-	-	6,963	6,963
Non-cash changes	-	-	-	-	68,047	68,047
Acquisitions through						
business						
combinations	-	-	-	-	-	-
December 31, 2025	\$227,943	\$-	\$1,828,334	\$6,196	\$292,021	\$2,354,494

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Reconciliation of liabilities for the year ended December 31, 2024:

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (including due within one year)	Other liabilities	Leases liabilities	Total liabilities from financing activities
January 1, 2024	\$161,633	\$-	\$1,488,900	\$6,434	\$278,192	\$1,935,159
Cash flows	85,329	-	119,187	(820)	(67,610)	136,086
Amortization of interest expense	-	-	-	-	7,360	7,360
Non-cash changes	-	-	-	-	23,372	23,372
Acquisitions through business combinations	-	-	-	931	47,576	48,507
December 31, 2024	<u>\$246,962</u>	<u>\$-</u>	<u>\$1,608,087</u>	<u>\$6,545</u>	<u>\$288,890</u>	<u>\$2,150,484</u>

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

- (a) The carrying amount of cash and cash equivalents, trade and other receivables, restricted assets and trade and other payables approximate their fair value due to their short maturities.
- (b) For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates and bonds etc.) at the reporting date.
- (c) Fair value of equity instruments without market quotations are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information.

- (d) Fair value of debt instruments without market quotations, bank loans and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument.

B. Fair value of financial instruments measured at amortized cost

The Group's financial assets and liabilities measured at amortized cost whose carrying amount approximate their fair value.

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12.(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivative financial instruments

As of December 31, 2025 and 2024, the Group did not hold any derivative instruments that not qualified for hedge accounting and not yet settled.

(9) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date

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

Level 3 - Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

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B. Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Stocks	\$15,500	\$-	\$-	\$15,500
Funds	-	-	-	-
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	111,329	-	82,606	193,935

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Stocks	\$-	\$-	\$-	\$-
Funds	151,196	-	-	151,196
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	3,164	-	91,474	94,638

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Transfers between Level 1 and Level 2 during the period

During the years ended December 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

Details of changes in the third level of the measured at fair value on a recurring basis

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

	At fair value through other comprehensive income
	<u>Stocks</u>
Beginning balances as at January 1, 2025	\$91,474
Total gains and losses recognized for the year ended December 31, 2025:	
Amount recognized in OCI (presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income”)	(15,441)
Acquisition/issues for the year ended December 31, 2025	10,000
Disposal/settlements for the year ended December 31, 2025	(3,427)
Proceeds from capital reduction	-
Transfer in/(out) of Level 3	-
Ending balances as at December 31, 2025	<u>\$82,606</u>
	At fair value through other comprehensive income
	<u>Stocks</u>
Beginning balances as at January 1, 2024	\$102,966
Total gains and losses recognized for the year ended December 31, 2024:	
Amount recognized in OCI (presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income”)	(1,232)
Acquisition/issues for the year ended December 31, 2024	500
Disposal/settlements for the year ended December 31, 2024	-
Proceeds from capital reduction	(10,760)
Transfer in/(out) of Level 3	-
Ending balances as at December 31, 2024	<u>\$91,474</u>

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Total gains and losses recognized in profit or loss for the years ended December 31, 2025 and 2024 in the table above contained gains and losses related to assets on hand as at December 31, 2025 and 2024 in the amount of \$(15,441) thousand and \$(1,232) thousand, respectively.

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

December 31, 2025

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
Financial assets at fair value through other comprehensive income					
Stocks	Market approach	discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by \$996 thousand

December 31, 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
Financial assets at fair value through other comprehensive income					
Stocks	Market approach	discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by \$1,143 thousand

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Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group's investment department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

C. Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value is disclosed

December 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties, net (please refer to Note 6)	\$-	\$-	\$171,833	\$171,833

December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties, net (please refer to Note 6)	\$-	\$-	\$171,760	\$171,760

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(10) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

	December 31, 2025		
	Foreign currencies	Foreign exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$6,130	31.4000	\$192,496
JPY	2,696,790	0.2008	541,504
<u>Financial liabilities</u>			
Monetary items:			
USD	\$284	31.4000	\$8,917
JPY	273	0.2008	55
	December 31, 2024		
	Foreign currencies	Foreign exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$9,842	32.7550	\$322,381
JPY	1,498,459	0.2091	313,341
<u>Financial liabilities</u>			
Monetary items:			
USD	157	32.7550	5,132
JPY	4,067	0.2091	850

As the Group has a large variety of foreign currencies, it is not possible to disclose the foreign currency exchange gains or losses information of monetary financial assets and financial liabilities on each foreign currency's exposure to major impact. The Group's foreign exchange gains (losses) for the years ended December 31, 2025 and 2024 were \$(10,654) thousand and \$22,095 thousand, respectively.

The above information is disclosed based on the carrying amount of foreign currency (after conversion to functional currency).

(11) Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Notes for Disclosures

(1) Information related to significant transactions

A. Financings provided to others: None.

B. Endorsements/guarantees provided to others: Table 1.

C. Material Securities Held at the End of the Period (Excluding Investment in a Subsidiary or an Associate and Interest in a Joint Venture): Table 2.

D. Individual securities acquired or disposed of with accumulated amount exceeding NTD 300 million or 20% of the capital stock: None.

E. Receivables due from related parties amounting to at least NTD 100 million or 20% of the paid-in capital: None.

F. Business, relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and accounts of any significant transactions between them: None.

(2) Information on investees

For investee companies outside mainland China over which the Company has significant influence, control, or joint control, the related information: Table 3.

(3) Information on investments in Mainland China: None.

14. Segment information

For management purposes, the Group is organized into business units based on their geographical regions and business operations. After performing quantitative threshold tests, the Group has the following four reportable operating segments:

(1) Media storage segment: Engaged in the manufacture, processing and sales of optical discs.

(2) Electricity sales segment: Transmission of electricity to the substation of Taiwan Power Company.

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- (3) Catering segment: Engaged in the catering business.
- (4) Care services segment: Engaged in the caregiving services business.
- (5) Other segment: Engaged in other businesses such as investment transfer.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements. However, income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segment are on an arm's length basis in a manner similar to transactions with third parties.

A. Information on segment profit and loss, assets and liabilities to be reported.

For the year ended December 31, 2025

	Media storage department	Electricity sales department	Catering department	Care services department	Reporting department subtotal	Other segments	Adjustment and elimination	Total
Revenue								
External customer	\$364,129	\$340,118	\$318,480	\$174,961	\$1,197,688	\$63,992	\$-	\$1,261,680
Inter-segment	149	25,103	1,371	-	26,623	8,719	(35,342)	-
Total revenue	<u>\$364,278</u>	<u>\$365,221</u>	<u>\$319,851</u>	<u>\$174,961</u>	<u>\$1,224,311</u>	<u>\$72,711</u>	<u>\$(35,342)</u>	<u>\$1,261,680</u>
Interest income	\$11,722	\$3,577	\$644	\$1,283	\$17,226	\$64	\$-	\$17,290
Interest expenses	19,688	24,556	3,904	1,555	49,703	-	-	49,703
Depreciation, amortization and other losses	12,880	141,434	71,289	4,881	237,166	-	7,220	244,466
Segment profit (losses)	<u>\$7,129</u>	<u>\$104,719</u>	<u>\$(72,075)</u>	<u>\$17,661</u>	<u>\$57,434</u>	<u>\$633</u>	<u>\$(31,768)</u>	<u>\$26,299</u>
Assets								
Investments accounted for using the equity method	\$2,238,055	\$420,266	\$54,348	\$528,972	\$3,241,641	\$340,468	\$(3,435,741)	\$146,368
Capital expenditure on non-current assets	1,021	77,617	36,679	39,231	154,548	-	85	154,633
Segment assets	<u>\$3,962,705</u>	<u>\$2,777,134</u>	<u>\$519,230</u>	<u>\$1,317,005</u>	<u>\$8,576,074</u>	<u>\$356,336</u>	<u>\$(3,183,868)</u>	<u>\$5,748,542</u>
Segment liabilities	<u>\$1,174,613</u>	<u>\$1,122,791</u>	<u>\$361,625</u>	<u>\$86,449</u>	<u>\$2,745,478</u>	<u>\$286</u>	<u>\$5,012</u>	<u>\$2,750,776</u>

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For the year ended December 31, 2024

	Media storage department	Electricity sales department	Catering department	Care services department	Reporting department subtotal	Other segments	Adjustment and elimination	Total
Revenue								
External customer	\$447,824	\$327,804	\$282,766	\$158,562	\$1,216,956	\$35,672	\$-	\$1,252,628
Inter-segment	-	17,543	1,055	-	18,598	107	(18,705)	-
Total revenue	<u>\$447,824</u>	<u>\$345,347</u>	<u>\$283,821</u>	<u>\$158,562</u>	<u>\$1,235,554</u>	<u>\$35,779</u>	<u>\$(18,705)</u>	<u>\$1,252,628</u>
Interest income	\$17,592	\$3,686	\$1,014	\$327	\$22,619	\$72	\$-	\$22,691
Interest expenses	14,849	27,094	3,843	1,421	47,207	-	-	47,207
Depreciation, amortization and other losses	12,453	133,046	65,854	12,201	223,554	536	2,288	226,378
Segment profit (losses)	<u>\$113,372</u>	<u>\$74,918</u>	<u>\$(119,838)</u>	<u>\$17,784</u>	<u>\$86,236</u>	<u>\$27,430</u>	<u>\$(12,274)</u>	<u>\$101,392</u>
Assets								
Investments accounted for using the equity method	\$2,058,383	\$383,056	\$68,511	\$377,067	\$2,887,017	\$342,448	\$(3,065,697)	\$163,768
Capital expenditure on non-current assets	8,723	210,568	59,964	175,551	454,806	-	(85)	454,721
Segment assets	<u>\$3,781,027</u>	<u>\$2,914,510</u>	<u>\$506,907</u>	<u>\$820,655</u>	<u>\$8,023,099</u>	<u>\$358,566</u>	<u>\$(2,805,407)</u>	<u>\$5,576,258</u>
Segment liabilities	<u>\$909,195</u>	<u>\$1,381,860</u>	<u>\$280,924</u>	<u>\$57,706</u>	<u>\$2,629,685</u>	<u>\$579</u>	<u>\$7,444</u>	<u>\$2,637,708</u>

Inter-segment revenue is eliminated on consolidation and recorded under the “adjustment and elimination;” all other adjustments and eliminations are disclosed below.

B. Adjustments of reporting department revenue, profit and loss, asset, liability and other significant items

(a) Revenue

	2025	2024
Total revenue for reportable segments	\$1,224,311	\$1,235,554
Other segment revenue	72,711	35,779
Elimination of inter-segment revenue	<u>(35,342)</u>	<u>(18,705)</u>
Group revenue	<u>\$1,261,680</u>	<u>\$1,252,628</u>

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(b) Profit and loss

	2025	2024
Total profit for reportable segments	\$70,002	\$100,351
Other segment profit	876	27,430
Elimination of inter-segment profit	(33,212)	(12,732)
Profit before tax from continuing operations	\$37,666	\$115,049

(c) Assets

	December 31, 2025	December 31, 2024
Total assets for reportable segments	\$8,576,074	\$8,023,099
Other segment assets	356,336	358,566
Elimination of inter-segment assets	(3,183,868)	(2,805,407)
Group assets	\$5,748,542	\$5,576,258

(d) Liabilities

	December 31, 2025	December 31, 2024
Total liabilities for reportable segments	\$2,745,478	\$2,629,685
Other segment liabilities	286	579
Elimination of inter-segment liabilities	5,012	7,444
Group liabilities	\$2,750,776	\$2,637,708

(e) Other significant items

For the year ended December 31, 2025

	Total for reportable segments	Other segments	Adjustment and elimination	Total for Group
Interest income	\$17,226	\$64	\$-	\$17,290
Interest expenses	49,703	-	-	49,703
Capital expenditure on non-current assets	154,548	-	85	154,633
Depreciation, amortization and other losses	237,166	-	7,220	244,466

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For the year ended December 31, 2024

	Total for reportable segments	Other segments	Adjustment and elimination	Total for Group
Interest income	\$22,619	\$72	\$-	\$22,691
Interest expenses	47,207	-	-	47,207
Capital expenditure on non- current assets	454,806	-	(85)	454,721
Depreciation, amortization and other losses	223,554	536	2,288	226,378

C. Information by region

Revenue from external customers:

	2025	2024
Taiwan	\$886,251	\$799,760
Americas	6,613	6,607
Australia	63	31
Asia	368,753	446,084
Other regions	-	146
Total	<u>\$1,261,680</u>	<u>\$1,252,628</u>

Revenue is classified based on the region of the customer.

Non-current assets:

	December 31, 2025	December 31, 2024
Taiwan	\$3,712,787	\$3,669,897
Other countries	285,709	264,123
Total	<u>\$3,998,496</u>	<u>\$3,934,020</u>

D. Important customer information

	2025	2024
Customer A	\$771,508	\$328,522
Customer B	134,817	140,110
Customer C	14,256	83,369
Other customers (less than 10%)	341,099	700,627
Total	<u>\$1,261,680</u>	<u>\$1,252,628</u>

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Table1: Endorsements/guarantees provided to others

No.	Collaterals/Guarantee Provider	Counter-part		Limits on Each Counter-party's Collateral/Guarantee Amounts (Note 1)	Maximum Balance Accumulated up to the End of This Month	Ending Balance	Actual Amount Drawn Down	Amount of Properties Guaranteed by Collateral	Ratio of Accumulated Amount of Collateral to Net Asset Value of the Latest Financial Statement	Maximum Collateral/ Guarantee Amounts Allowable	Provision of Endorsements by Parent Company to Subsidiary	Provision of Endorsements by Subsidiary to Parent Company	Provision of Endorsements to the Company in Mainland China
		Name	Relationship (Note 2)										
0	U-Tech Media Corporation	Dollars Cultural & Creative Company Limited	2	\$367,144	\$110,000	\$110,000	\$70,000	\$-	4.49%	\$734,287	Y	N	N
0	"	IKARI COFFEE CO., LTD.	2	"	30,000	30,000	-	-	1.23%	"	Y	N	N

Note 1 : The total amount of guarantee provided is 30% of the current net value. For each company, the total amount of guarantee provided is 15% of the current net value.

Note 2 : The relationship between the collaterals/guarantee provider and the counter-party is as follows:

- 1.The company with business transaction.
- 2.The company owns directly or indirectly over 50% ownership of the investee company.
- 3.The investee company owns directly or indirectly over 50% ownership of the company.
- 4.The company owns directly or indirectly over 90% ownership of the investee company.
- 5.Companies that guarantee each other in accordance with the provisions of the contract between its peers or co-creators based on the needs of undertaking works.
- 6.Company that guaranteed by all the contributing shareholders according to the shareholding ratio due to the joint investment relationship.
- 7.In accordance with the consumer protection law, the joint guarantee of performance for the sale contract of pre-sale houses among peers.

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Table 2: Material Securities Held at the End of the Period (Excluding Investment in a Subsidiary or an Associate and Interest in a Joint Venture)

Holding Company	Securities Type and Name	Relationship with the Holding Company	Financial Statement Account	End of the year of 2025				Note
				Shares/Units (in thousands)	Carrying Value	Percentage of Ownership (%)	Fair Value	
U-Tech Media Corporation	Taiwan Semiconductor Manufacturing Company, Limited	None	Financial assets at fair value through profit or loss - current	2	\$3,100	0.00%	\$3,100	
	BMB Venture Capital Investment Corp.	None	Financial assets at fair value through other comprehensive income- non-current	3,474	\$16,401	14.09%	\$16,401	
	AimCore Technology Co., Ltd.	Investment accounted for using the equity method	"	1,181	29,122	1.73%	29,122	
	Total				\$45,523		\$45,523	
Formosa Sun Energy Corporation	Sacum Carbon Co.,LTD	None	Financial assets at fair value through other comprehensive income- non-current	213	\$3,209	0.82%	\$3,209	
	RITEK Corporation	Associate	"	2,714	41,524	0.39%	41,524	
					\$44,733		\$44,733	
RitFast Corporation	Taiwan Semiconductor Manufacturing Company, Limited	None	Financial assets at fair value through profit or loss - current	8	\$12,400	0.00%	\$12,400	
	RITEK Corporation	Associate	Financial assets at fair value through other comprehensive income- non-current	2,659	\$40,683	0.38%	\$40,683	
Glory Days Services Ltd.	Legend Crown Investment Ltd.	None	Financial assets at fair value through other comprehensive income- non-current	2,352	\$62,996	9.80%	\$62,996	
Dollars Cultural & Creative Company Limited	Universe Star International Co., Ltd.	The chairman of the subsidiary is identical to that of the Company.	Financial assets at fair value through other comprehensive income- non-current	338	\$-	15.00%	\$-	
Ricare Corporation	Kabushiki Kaisha Yumenomizuumisha	None	Financial assets at fair value through other comprehensive income- non-current	0.032	\$-	7.51%	\$-	

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Table 3: Name of investee company, location and other related information:

Investor Company	Investee Company	Location	Main Business Activities	Initial Investment Amount		Held by the Company			Net Income (Loss) of the Investee	Share of Income (Loss) of the Investee	Note
				As of December 31, 2025	As of December 31, 2024	Shares (in thousands)	Percentage (%)	Carrying Value			
U-Tech Media Corporation	Dollars Cultural & Creative Company Limited	Taipei	Catering	\$385,500	\$385,500	27,828	100.00%	\$123,809	\$(59,811)	\$(59,811)	
"	ProRit Corporation	Miaoli	Electronics industry	23,653	23,653	333	0.63%	7,101	(8,210)	(52)	
"	RiTdisplay Corporation	Hsinchu	Manufacture of related OLED products	32,045	36,111	4,886	4.70%	131,200	(52,237)	(2,415)	
"	Chao Fu Co., Ltd.	Taoyuan	Wine making	5,000	5,000	500	100.00%	2,316	301	301	
"	Formosa Sun Energy Corporation	Taoyuan	Renewable energy self-powered equipment	642,860	642,860	64,459	70.82%	891,294	69,893	49,498	
"	Jade Investment Services Ltd.	B.V.I.	Investment holdings	106,501	106,501	1,685	100.00%	342,732	299	299	
"	Ricare Corporation	Taoyuan	Management consulting industry	689,994	489,994	32,112	92.34%	739,603	15,699	10,721	Note 1
	Total							\$2,238,055		\$(1,459)	
Dollars Cultural & Creative Company Limited	ShokuRaku Corporation	Taoyuan	Catering	18,000	18,000	1,800	85.71%	\$2,160	\$(5,636)	\$(4,831)	
"	Ikari Coffee Co., Ltd.	Taoyuan	Catering	105,200	105,200	7,970	96.72%	27,604	(512)	(495)	
"	Ink Design Space Co., Ltd.	Taipei	Landscape and interior design	7,000	7,000	810	25.00%	3,855	(18,244)	(4,561)	
"	Jingle Hot Pot Corporation	Taipei	Catering	28,000	28,000	2,306	94.90%	6,438	(4,596)	(4,362)	
"	Foodspace Corporation	Taoyuan	Catering	-	9,660	-	0.00%	-	(452)	(415)	Note 2
"	Yi International Co., Ltd.	Taipei	Catering	8,000	8,000	800	20.00%	4,212	(13,719)	(2,744)	
"	Bircle international Trading Limited	Taoyuan	Catering	11,014	1,014	-	100.00%	9,915	(79)	(987)	
"	SHU MI CO.,LTD	Vietnam	Catering	233	-	-	100.00%	163	(81)	(81)	Note 3
	Total							\$54,347		\$(18,476)	
Formosa Sun Energy Corporation	RITEK Solar CORP.	Taoyuan	Renewable energy self-powered equipment	10,000	10,000	1,000	100.00%	\$9,117	\$63	\$45	
"	RitFast Corporation	Hsinchu	Renewable energy self-powered equipment	355,144	346,981	33,000	100.00%	409,265	34,826	24,624	Note 4
"	FD COMPANY	Japan	International Trading Industry	2,120	2,120	10	100.00%	1,885	(35)	(25)	
	Total							\$420,267		\$24,644	
Ricare Corporation	Fang Si Advisory Ltd.	Hsinchu	Management consulting industry	500	500	50	100.00%	\$470	3	\$3	
"	Ricare Services Corporation	Hsinchu	Care Services Industry	500	500	50	100.00%	463	3	3	
"	KEIYOO Co.,Ltd.	Japan	Care Services Industry	65,340	65,340	0.005	100.00%	115,041	6,342	5,733	
"	K.K. RICARE JAPAN	Japan	Care Services Industry	438,985	269,452	3.44	77.48%	412,999	(4,381)	(3,410)	Note 5
"	Ricare International Corporation Ltd.	HongKong	Management consulting industry	-	-	-	-	-	-	-	Note 6
	Total							\$528,973		\$2,329	

Note 1: Ricare Corporation conducted a capital increase by issuing new shares on June 4, 2025. The Group subscribed to all of the newly issued shares, resulting in an increase of its ownership interest by 2.43%.

Note 2: Dollars Cultural & Creative Company Limited acquired the remaining 84 thousand shares of Foodspace Corporation. on June 13, 2025, increasing its shareholding to 100%. Foodspace Corporation resolved to dissolve upon approval of the board of directors on June 30, 2025 and completed the dissolution registration on July 14, 2025.

Note 3: SHU MI CO., LTD. completed its company establishment registration procedures on April 24, 2025, with total issued capital of NT\$233 thousand.

Note 4 : Formosa Sun Energy Corporation resolved to acquire the remaining equity interest in RitFast Corporation on December 26, 2024. As of June 30, 2025, the acquisition of the remaining equity had been completed, increasing its shareholding to 100%.

Note 5 : K.K. RICARE JAPAN conducted a capital increase by issuing new shares on June 20, 2025. Ricare Corporation did not subscribe to 1,350 shares in proportion to its shareholding, resulting in a decrease of its ownership interest by 22.52%.

Note 6 : Ricare International Corporation Ltd. completed its company establishment registration procedures on April 17, 2018 and announced the revocation of its registration on August 8, 2025 and was dissolved on the same date pursuant to such announcement.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

U-Tech Media Corporation and Subsidiaries

Notes to Consolidated Financial Statements (Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Table 3-1: Name of investee company, location and other related information:

Investor	Investee	Business Location	Main Business Activities	Original Investment Amount		Held by the Company			Net Income (Loss) of the Investee	Share of Income (Loss) of the Investee	Note
				As of December 31,	As of December 31,	Shares (in thousands)	Percentage (%)	Carrying Value			
Jade Investment Services Ltd.	Glory Days Services Ltd.	B.V.I.	Investment holdings	\$186,981	\$186,981	3,920	100.00%	\$340,468	\$507	\$507	