

**INNOLUX CORPORATION AND
SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

MARCH 31, 2026 AND 2025

INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors and Shareholders of Innolux Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Innolux Corporation and subsidiaries (the "Group") as at March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As explained in Note 4(3), the financial statements of certain insignificant consolidated subsidiaries were not reviewed by independent auditors. Total assets of these subsidiaries amounted to NT\$34,453,282 thousand, constituting 8.9% of the consolidated total assets as at March 31, 2026, total liabilities amounted to NT\$23,392,690 thousand, constituting 14.8% of the consolidated total liabilities as at March 31, 2026, and the total comprehensive income amounted to NT\$1,116,309 thousand, constituting 20.0% of the consolidated total comprehensive income for the three-month periods then ended.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries been reviewed by independent auditors as described in the Basis for qualified conclusion section above, based on our reviews and the reports of other auditors (please refer to the Other matter section), nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Other matter - Reference to the reviews of other auditors

We did not review the financial statements of certain subsidiaries of the Company for the three-month periods ended March 31, 2026 and 2025, which were reviewed by other auditors. Therefore, our conclusion expressed herein, insofar as it relates to the amounts and the information disclosed in Note 13 included in respect of these subsidiaries, is based solely on the reports of the other auditors. Total assets of these subsidiaries included in the Group's consolidated financial statements amounted to NT\$2,844,894 thousand and NT\$2,404,165 thousand, both constituting 0.7% of the consolidated total assets of the Group as at March 31, 2026 and 2025, respectively, and sales revenue of these subsidiaries included in the Group's consolidated financial statements amounted to NT\$790,905 thousand and NT\$534,672 thousand, constituting 1.2% and 1.0% of the consolidated total sales revenue of the Group for the three-month periods ended March 31, 2026 and 2025, respectively.

PricewaterhouseCoopers, Taiwan
May 11, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than 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 auditing standards generally accepted in the Republic of China, and their applications in practice.

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	March 31, 2026	December 31, 2025	March 31, 2025
	Current Assets				
1100	Cash and cash equivalents	6(1)	\$ 58,551,743	\$ 52,827,139	\$ 48,595,315
1110	Financial assets at fair value through profit or loss - current	6(2)	415,856	485,968	435,376
1136	Financial assets at amortized cost - current	6(4) and 8	23,070,640	28,828,467	12,558,796
1170	Accounts receivable, net	6(5)	37,814,172	37,290,375	35,548,910
1180	Accounts receivable, net - related parties	7	3,779,975	4,205,426	3,682,506
1200	Other receivables	6(13)	4,564,085	4,948,296	4,157,033
130X	Inventory	6(7)	46,700,952	47,890,734	40,682,890
1410	Prepayments	9	4,942,156	4,383,364	4,176,732
1460	Non-current assets held for sale	6(13)	877,171	316,195	—
1479	Other current assets		1,517,153	1,899,424	771,547
11XX	Total current assets		182,233,903	183,075,388	150,609,105
	Non-current assets				
1510	Financial assets at fair value through profit or loss - non-current	6(2)	6,361,520	5,764,328	6,719,483
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	5,758,137	5,306,227	5,032,368
1535	Financial assets at amortized cost - non-current	6(4) and 8	15,443,514	6,769,764	19,158,555
1550	Investments accounted for under equity method	6(8)	2,465,431	2,470,307	921,270
1600	Property, plant and equipment	6(9), 7 and 8	107,362,619	112,550,324	123,083,963
1755	Right-of-use assets	6(10)	3,681,128	3,766,571	3,259,827
1760	Investment property, net	6(11)	330,723	358,978	379,678
1780	Intangible assets	6(12)	44,293,701	44,257,563	17,629,905
1840	Deferred income tax assets		5,888,896	5,822,367	3,264,524
1990	Other non-current assets	6(9), 6(13), 6(17), 8 and 9	13,434,271	14,151,380	15,261,933
15XX	Total non-current assets		205,019,940	201,217,809	194,711,506
1XXX	Total assets		\$ 387,253,843	\$ 384,293,197	\$ 345,320,611

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INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	March 31, 2026	December 31, 2025	March 31, 2025
	Current Liabilities				
2100	Short-term borrowings	6(14)	\$ 32,901,792	\$ 33,005,881	\$ 3,182,150
2120	Financial liabilities at fair value through profit or loss - current	6(2)	84,843	53,831	73,836
2170	Accounts payable		47,614,584	49,617,726	41,324,085
2180	Accounts payable - related parties	7	438,998	496,081	1,022,102
2200	Other payables	6(15) and 7	25,984,641	27,837,792	24,140,574
2230	Current income tax liabilities		2,426,498	2,355,496	1,895,500
2250	Provisions - current	6(19) and 9	4,701,650	4,483,613	3,642,518
2280	Lease liabilities - current		824,951	843,788	457,559
2320	Long-term liabilities, current portion	6(16)	476,384	504,324	16,046,433
2399	Other current liabilities	6(13)	9,490,393	8,797,124	7,418,719
21XX	Total current liabilities		<u>124,944,734</u>	<u>127,995,656</u>	<u>99,203,476</u>
	Non-current liabilities				
2540	Long-term borrowings	6(16)	18,391,019	18,324,509	4,174,247
2570	Deferred income tax liabilities		6,835,254	6,807,944	1,811,817
2580	Lease liabilities - non-current		2,407,251	2,489,910	2,385,268
2600	Other non-current liabilities	6(17)	5,590,453	5,202,382	1,848,843
25XX	Total non-current liabilities		<u>33,223,977</u>	<u>32,824,745</u>	<u>10,220,175</u>
2XXX	Total liabilities		<u>158,168,711</u>	<u>160,820,401</u>	<u>109,423,651</u>
	Equity attributable to owners of the parent				
	Share capital	6(20)			
3110	Common stock		79,891,974	79,891,974	79,891,974
3200	Capital surplus	6(21)	103,996,035	103,976,371	105,925,082
	Retained earnings	6(22)			
3310	Legal reserve		14,641,184	14,641,184	13,811,763
3320	Special reserve		3,408,678	3,408,678	7,198,699
3350	Unappropriated retained earnings		27,219,690	25,601,866	29,376,835
3400	Other equity interest	6(23)	(2,369,686)	(6,138,062)	(2,158,993)
3500	Treasury shares	6(20)	(56,914)	(56,914)	(56,914)
31XX	Equity attributable to owners of the parent		<u>226,730,961</u>	<u>221,325,097</u>	<u>233,988,446</u>
36XX	Non-controlling interests		<u>2,354,171</u>	<u>2,147,699</u>	<u>1,908,514</u>
3XXX	Total equity		<u>229,085,132</u>	<u>223,472,796</u>	<u>235,896,960</u>
3X2X	Total liabilities and equity		<u>\$ 387,253,843</u>	<u>\$ 384,293,197</u>	<u>\$ 345,320,611</u>

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

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
 (Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	2026	2025
4000	Sales revenue	6(24) and 7	\$ 66,644,538	\$ 55,932,281
5000	Operating costs	6(7)(29) and 7	(57,025,738)	(51,698,665)
5900	Net operating margin		9,618,800	4,233,616
	Operating expenses	6(29)		
6100	Selling expenses		(1,978,149)	(587,573)
6200	General and administrative expenses		(3,194,803)	(1,805,684)
6300	Research and development expenses		(2,947,371)	(3,079,444)
6000	Total operating expenses		(8,120,323)	(5,472,701)
6900	Operating profit (loss)		1,498,477	(1,239,085)
	Non-operating income and expenses			
7100	Interest income	6(25)	464,865	473,384
7010	Other income	6(26)	367,038	763,007
7020	Other gains and losses	6(27)	434,563	1,811,172
7050	Finance costs	6(28)	(353,819)	(242,404)
7060	Share of loss of associates and joint ventures accounted for under equity method	6(8)	(3,500)	(6,741)
7000	Total non-operating income and expenses		909,147	2,798,418
7900	Profit before income tax		2,407,624	1,559,333
7950	Income tax expense	6(31)	(615,513)	(474,969)
8200	Profit for the period		<u>\$ 1,792,111</u>	<u>\$ 1,084,364</u>

(Continued)

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	2026	2025
	Other comprehensive income (net)			
	Components of other comprehensive income (loss)			
	that will not be reclassified to profit or loss			
8311	Remeasurement of defined benefit plans	6(17)	\$ (12,348)	\$ —
8316	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	6(23)	396,025	(352,900)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(23)(31)	6,275	—
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		389,952	(352,900)
	Components of other comprehensive income that will be reclassified to profit or loss			
8361	Financial statements translation differences of foreign operations	6(23)	3,386,784	1,607,417
8370	Share of other comprehensive income of associates and joint ventures accounted for under equity method	6(8)(23)	776	622
8360	Other comprehensive income that will be reclassified to profit or loss		3,387,560	1,608,039
8300	Other comprehensive income for the period, net of tax		<u>\$ 3,777,512</u>	<u>\$ 1,255,139</u>
8500	Total comprehensive income for the period		<u>\$ 5,569,623</u>	<u>\$ 2,339,503</u>
	Profit attributable to:			
8610	Owners of the parent		<u>\$ 1,629,503</u>	<u>\$ 962,043</u>
8620	Non-controlling interest		<u>\$ 162,608</u>	<u>\$ 122,321</u>
	Other comprehensive income attributable to:			
8710	Owners of the parent		<u>\$ 5,386,200</u>	<u>\$ 2,211,728</u>
8720	Non-controlling interest		<u>\$ 183,423</u>	<u>\$ 127,775</u>
	Earnings per share (in dollars)	6(32)		
9750	Basic earnings per share		<u>\$ 0.20</u>	<u>\$ 0.12</u>
9850	Diluted earnings per share		<u>\$ 0.20</u>	<u>\$ 0.12</u>

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

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent											
Notes	Share Capital		Retained Earnings			Other Equity Interest		Treasury shares	Total	Non-controlling interests	Total
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains from financial assets measured at fair value through other comprehensive income				
<u>2025</u>											
Balance at January 1	\$ 79,891,974	\$105,919,710	\$13,811,763	\$ 7,198,699	\$ 28,414,792	\$ (5,205,787)	\$ 1,797,109	\$ (56,914)	\$ 231,771,346	\$ 1,769,213	\$ 233,540,559
Profit for the period	—	—	—	—	962,043	—	—	—	962,043	122,321	1,084,364
Other comprehensive income (loss) for the period	6(23)	—	—	—	—	1,602,585	(352,900)	—	1,249,685	5,454	1,255,139
Total comprehensive income (loss)		—	—	—	962,043	1,602,585	(352,900)	—	2,211,728	127,775	2,339,503
Recognition of change in equity of associates in proportion to the Group's ownership	6(21)	—	150	—	—	—	—	—	150	—	150
Recognition of changes in ownership interests in subsidiaries	6(21)	—	(306)	—	—	—	—	—	(306)	12,368	12,062
Decrease in non-controlling interests		—	—	—	—	—	—	—	—	(842)	(842)
Others	6(21)	—	5,528	—	—	—	—	—	5,528	—	5,528
Balance at March 31	<u>\$ 79,891,974</u>	<u>\$105,925,082</u>	<u>\$13,811,763</u>	<u>\$ 7,198,699</u>	<u>\$ 29,376,835</u>	<u>\$ (3,603,202)</u>	<u>\$ 1,444,209</u>	<u>\$ (56,914)</u>	<u>\$ 233,988,446</u>	<u>\$ 1,908,514</u>	<u>\$ 235,896,960</u>
<u>2026</u>											
Balance at January 1	\$ 79,891,974	\$103,976,371	\$14,641,184	\$ 3,408,678	\$ 25,601,866	\$ (7,205,841)	\$ 1,067,779	\$ (56,914)	\$ 221,325,097	\$ 2,147,699	\$ 223,472,796
Profit for the period	—	—	—	—	1,629,503	—	—	—	1,629,503	162,608	1,792,111
Other comprehensive income (loss) for the period	6(23)	—	—	—	(18,538)	3,371,354	403,881	—	3,756,697	20,815	3,777,512
Total comprehensive income		—	—	—	1,610,965	3,371,354	403,881	—	5,386,200	183,423	5,569,623
Recognition of change in equity of associates in proportion to the Group's ownership	6(21)	—	12	—	—	—	—	—	12	—	12
Recognition of changes in ownership interests in subsidiaries		—	—	—	—	—	—	—	—	23,049	23,049
Disposal of investments in equity instruments measured at fair value through other comprehensive income	6(3)(22)	—	—	—	6,859	—	(6,859)	—	—	—	—
Others	6(21)	—	19,652	—	—	—	—	—	19,652	—	19,652
Balance at March 31	<u>\$ 79,891,974</u>	<u>\$103,996,035</u>	<u>\$14,641,184</u>	<u>\$ 3,408,678</u>	<u>\$ 27,219,690</u>	<u>\$ (3,834,487)</u>	<u>\$ 1,464,801</u>	<u>\$ (56,914)</u>	<u>\$ 226,730,961</u>	<u>\$ 2,354,171</u>	<u>\$ 229,085,132</u>

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

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	2026	2025
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 2,407,624	\$ 1,559,333
Adjustments			
Adjustments to reconcile (profit) loss			
Depreciation and amortization	6(29)	7,926,155	7,469,095
Net gain on financial assets or liabilities at fair value through profit or loss		(568,545)	(186,100)
Expected credit (gain) loss	12(2)	(12,619)	2,077
Share of loss of associates and joint ventures accounted for under equity method	6(8)	3,500	6,741
Loss on disposal of property, plant and equipment	6(27)	286,729	1,070
Gain on disposal of non-current assets held for sale	6(13) and 6(27)	(320)	(1,620,528)
Loss on disposal of intangible assets		3,981	—
Non-financial asset impairment gain		(65,305)	(29)
Interest expense	6(28)	351,188	242,404
Interest income	6(25)	(464,865)	(473,384)
Dividend income		(2,176)	(2,519)
Foreign exchange (gain) loss		(51,874)	1,051
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets/liabilities at fair value through profit or loss		104,222	(187,386)
Accounts receivable		(483,412)	(1,743,872)
Accounts receivable - related parties		425,451	(866,173)
Other receivables		(80,903)	40,155
Inventories		1,189,781	1,764,043
Prepayments		(67,088)	52,535
Other current assets		128,038	(193,745)
Other non-current assets		20,762	(95,359)
Changes in operating liabilities			
Accounts payable		(2,003,141)	(1,718,378)
Accounts payable - related parties		(57,083)	(84,605)
Other payables		(1,351,801)	(1,667,340)
Provisions		312,196	(184,177)
Other current liabilities		857,880	(1,876,557)
Other non-current liabilities		297,636	(225,806)
Cash inflow generated from operations		9,106,011	12,546
Cash paid for income tax		(389,919)	(373,651)
Net cash flows from (used in) operating activities		8,716,092	(361,105)

(Continued)

INNOLUX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		\$ (16,463)	\$ (16,960)
Proceeds from disposal of financial assets at fair value through profit or loss		121,478	29,263
Acquisition of investments in financial assets measured at fair value through other comprehensive income		(126,202)	(232,702)
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	6(3)	101,450	—
Decrease in financial assets at amortized cost - current		6,595,242	3,521,942
Acquisitions of financial assets at amortized cost - non-current		(10,383,547)	(1,054,567)
Proceeds from disposal of financial assets at amortized cost		717,211	—
Proceeds from repayments of financial assets at amortized cost		1,230,753	13,628
Decrease in refundable deposits		409,041	109,186
Proceeds from capital reduction of investments accounted for under equity method		—	8,877
Acquisition of property, plant and equipment	6(34)	(2,846,030)	(3,515,311)
Proceeds from disposal of property, plant and equipment		42,295	2,409
Proceeds from disposal of non-current assets held for sale		70,012	2,614,880
Acquisition of intangible assets	6(12)	(319,846)	—
Proceeds from disposal of intangible assets		488	—
Interest received		854,697	299,328
Dividends received		2,176	9,370
Net cash flows (used in) from investing activities		<u>(3,547,245)</u>	<u>1,789,343</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term borrowings		(55,000)	85,133
Proceeds from long-term borrowings		400,000	625,714
Repayments of long-term borrowings		(494,662)	(9,221,920)
Interest paid		(336,755)	(235,005)
Repayment of the principal portion of lease liabilities		(228,963)	(111,271)
Net change in non-controlling interests		—	(843)
Others		19,652	5,528
Net cash flows used in financing activities		<u>(695,728)</u>	<u>(8,852,664)</u>
Effect of changes in foreign currency exchange		<u>1,251,485</u>	<u>731,110</u>
Net increase (decrease) in cash and cash equivalents		<u>5,724,604</u>	<u>(6,693,316)</u>
Cash and cash equivalents at beginning of period		<u>52,827,139</u>	<u>55,288,631</u>
Cash and cash equivalents at end of period		<u><u>\$ 58,551,743</u></u>	<u><u>\$ 48,595,315</u></u>

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

INNOLUX CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

(1) Innolux Corporation (the “Company”) was organized on January 14, 2003 under the Act for Establishment and Administration of Science Parks in the Republic of China (R.O.C.). The Company was listed on the Taiwan Stock Exchange Corporation (the “TSEC”) in October 2006. The Company merged with TPO Displays Corporation and Chi Mei Optoelectronics Corporation on March 18, 2010, with the Company as the surviving entity.

(2) The Company and its subsidiaries (the “Group”) engage in the research, development, design, manufacture and sales of display panels and related diverse cross-domain applications, as well as providing comprehensive display solutions.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were reported to the Board of Directors on May 11, 2026.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’	January 1, 2026
Amendments to IFRS 9 and IFRS 7, ‘Contracts referencing nature-dependent electricity’	January 1, 2026
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 - comparative information’	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

Except for the following, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

Specific provisions of Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’

(a) Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, covering contractual terms that can change cash flows based on contingent events (for example, interest rates linked to ESG targets), non-recourse features and contractually-linked instruments.

(b) Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets), including a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows that could result from those contractual terms and the gross carrying amount of financial assets and amortized cost of financial liabilities subject to these contractual terms.

(c) Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception relating to the derecognition of a financial liability (or part of a financial liability) settled through an electronic cash transfer system. Applying the exception, an entity is permitted to derecognize a financial liability at an earlier date if, and only if, the entity has initiated a payment instruction and specific conditions are met.

The conditions for the exception are that the entity making the payment does not have:

- i. the practical ability to withdraw, stop or cancel the payment instruction;
- ii. the practical ability to access the cash used for settlement; and
- iii. significant settlement risk.

(d) Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment and is no longer required to disclose the fair value of each investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognized during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognized during that reporting period.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a Hyperinflationary Presentation Currency'	January 1, 2027

Note : The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim financial reporting" that came into effect as endorsed by the FSC.
- B. These financial statements should be read with the consolidated financial statements for the year ended December 31, 2025.

(2) Basis of preparation

- A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit assets and liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligations.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements
The basis applied in these consolidated financial statements is consistent with that applied in the consolidated financial statements for the year ended December 31, 2025.
- B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
Innolux Corporation	Innolux Holding Limited	Investment holdings	100	100	100	—
	Keyway Investment Management Limited	Investment holdings	100	100	100	—
	Landmark International Ltd.	Investment holdings	100	100	100	—
	Toppoly Optoelectronics (B.V.I.) Ltd.	Investment holdings	100	100	100	—
	Innolux Hong Kong Holding Limited	Investment holdings	100	100	100	—
	Yuan Chi Investment Co., Ltd.	Investment company	100	100	100	—
	InnoJoy Investment Corporation	Investment company	100	100	100	—
	Innolux Japan Co., Ltd.	Investment, R&D and sales company	54	54	54	—
	Innolux Singapore Holding Pte. Ltd.	Investment holdings	100	100	100	—
	InnoCare Optoelectronics Corporation	Investment, R&D, manufacturing and sales company	49	49	49	—
	GIO Optoelectronics Corp.	Investment, R&D, manufacturing and sales company	77	77	77	—
Innolux Holding Limited	Advanced Micro Lux Holding Limited	Investment, R&D company	67	67	67	—
	Rockets Holding Limited	Investment holdings	100	100	100	—
	Suns Holding Ltd	Investment holdings	100	100	100	—
Keyway Investment Management Limited	Foshan Innolux Logistics Ltd.	Warehousing company	100	100	100	—
Landmark International Ltd.	Ningbo Innolux Optoelectronics Ltd.	Processing company	100	100	100	—
	Foshan Innolux Optoelectronics Ltd.	Processing company	100	100	100	—
Landmark International Ltd.	Ningbo Innolux Display Ltd.	Processing company	100	100	100	—
Toppoly Optoelectronics (B.V.I.) Ltd.	Toppoly Optoelectronics (Cayman) Ltd.	Investment holdings	100	100	100	—
Innolux Hong Kong Holding Limited	Innolux Japan Co., Ltd.	Investment, R&D and sales company	46	46	46	—
	CarUX Holding Limited	Investment holdings	86	86	86	—

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
InnoJoy Investment Corporation	Inno Capital Corporation	Investment company	100	100	100	—
Innolux Japan Co., Ltd.	Innolux USA, Inc.	Sales company	100	100	100	—
Innolux Singapore Holding Pte. Ltd.	INNOLUX OPTOELECTRONIC S INDIA PRIVATE LIMITED	Sales company	100	100	100	—
Rockets Holding Limited	Stanford Developments Limited	Investment holdings	100	100	100	—
Suns Holding Ltd	Warriors Technology Investments Ltd	Investment company	100	100	100	—
Toppoly Optoelectronics (Cayman) Ltd.	Nanjing Innolux Technology Ltd.	Sales company	100	100	100	—
	Nanjing Innolux Optoelectronics Ltd.	Processing company	100	100	100	—
CarUX Holding Limited	CARUX TECHNOLOGY PTE. LTD.	Investment and sales company	100	100	100	—
	Ultimate Fantasy Limited	Investment holdings	—	—	—	(a)
	PIONEER HOLDING GLOBAL PTE. LTD.	Investment holdings	100	100	—	(b)
PIONEER HOLDING GLOBAL PTE. LTD.	Pioneer Holding Co., Ltd.	Investment holdings	100	100	—	(c)
Ultimate Fantasy Limited	CarUX Holding Limited	Investment holdings	5	5	5	—
CARUX TECHNOLOGY PTE. LTD.	CarUX Technology Hong Kong Holding Limited	Investment holdings	100	100	100	—
	CarUX Technology Europe B.V.	Investment, sales, and R&D testing company	100	100	100	—
	CarUX Technology Taiwan Inc.	Manufacturing and sales company	100	100	100	—
	CarUX Technology (Ningbo) Ltd.	Processing company	100	100	100	—
	CarUX Technology USA, Inc.	Sales support	100	100	100	—

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
CarUX Technology Hong Kong Holding Limited	CarUX Technology (Shanghai) Ltd.	Manufacturing and sales company	100	100	100	—
CarUX Technology Europe B.V.	CarUX Technology Germany GmbH	Testing and maintenance company	100	100	100	—
Stanford Developments Limited	Innocom Technology (Shenzhen) Co., Ltd.	Processing company	100	100	100	—
InnoCare Optoelectronics Corporation	InnoCare Optoelectronics Japan Co., Ltd.	Sales company	100	100	100	—
	InnoCare Optoelectronics USA, INC.	Sales company	100	100	100	—
	Ningbo Innolux Electronics Ltd.	Manufacturing and sales company	100	100	100	—
	Innocare Optoelectronics Europe B.V.	After-sales service company	100	100	100	—
	INNOCARE SOLUTIONS PRIVATE LIMITED	Sales company	100	100	—	(d)
GIO Optoelectronics Corp.	Double Star Inc.	Investment holdings	—	100	100	(g)
Double Star Inc.	GIO (Maanshan) Optoelectronics Co., Ltd.	Processing company	—	—	100	(e)
Pioneer Holding Co., Ltd.	PIONEER CORPORATION	Investment,sales, and manufacturing company	100	100	—	(f)
PIONEER CORPORATION	Tohoku Pioneer Corporation	Holdings and manufacturing company	100	100	—	(f)
	Pioneer Service Network Corporation	After-sales service company	100	100	—	(f)
	Pioneer Sales & Marketing Corporation	Sales company	100	100	—	(f)
	Pioneer Smart Sensing Innovations Corporation	R&D company	100	100	—	(f)
	Technical Audio Devices Laboratories, Inc.	R&D, manufacturing and sales company	100	100	—	(f)

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
PIONEER CORPORATION	Pioneer System Technologies Corporation	R&D and manufacturing company	100	100	—	(f)
	Pioneer Finetech Corporation	Manufacturing company	100	100	—	(f)
	Pioneer Welfare Service Co., Ltd.	Insurance agency and labor dispatch services	100	100	—	(f)
	Pioneer International (Miami) Inc.	Export trading company	100	100	—	(f)
	Pioneer North America Inc.	Investment holdings	100	100	—	(f)
	Pioneer Electronics of Canada, Inc.	Sales company	100	100	—	(f)
	Pioneer Europe NV	Sales and management company	100	100	—	(f)
	Pioneer Electronics Asiacentre Pte. Ltd.	Investment holdings	100	100	—	(f)
	Pioneer (HK) Ltd.	Import trading company	100	100	—	(f)
	Pioneer China Holding Co., Ltd.	Sales and management company	100	100	—	(f)
	Pioneer Electronics Australia Pty. Ltd.	Sales company	100	100	—	(f)
	Pioneer International Latin America, S.A.	Sales company	100	100	—	(f)
	Pioneer Gulf, Fze.	Sales company	100	100	—	(f)
	Pioneer Electronics de Mexico, S.A. de C.V.	Sales company	100	100	—	(f)
	Pioneer do Brasil Ltda.	Sales and management company	100	100	—	(f)
Tohoku Pioneer Corporation	Mogami Denki Corporation	Manufacturing company	100	100	—	(f)
	TPS Corporation	Retail, insurance agency and employee benefit services	100	100	—	(f)
	Tohoku Pioneer (Vietnam) Co., Ltd.	Manufacturing company	100	100	—	(f)
	Pioneer Industrial Components (Hong Kong) Co., Ltd.	Import, export, and sales companies	100	100	—	(f)
	Tohoku Pioneer de Mexico, S.A. de C.V.	Manufacturing company	100	100	—	(f)

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
Pioneer Europe NV	Pioneer GB Ltd.	Sales company	100	100	—	(f)
	Pioneer RUS Limited Liability Company	Sales company	100	100	—	(f)
Pioneer Electronics Asiacentre Pte. Ltd.	Pioneer High Fidelity Taiwan Co., Ltd.	Sales company	100	100	—	(f)
	Pioneer Manufacturing (Thailand) Co., Ltd.	Manufacturing company	100	100	—	(f)
	Pioneer Electronics (Singapore) Pte. Ltd.	Investment holdings	100	100	—	(f)
	Pioneer India Electronics Private Ltd.	Sales and R&D company	99	99	—	(f)
	PT. Pioneer Electronics Indonesia	Sales company	99	99	—	(f)
Pioneer Electronics (Singapore) Pte. Ltd.	Pioneer India Electronics Private Ltd.	Sales and R&D company	1	1	—	(f)
	PT. Pioneer Electronics Indonesia	Sales company	1	1	—	(f)
Mogami Denki Corporation	Mogami Hong Kong Co., Ltd.	Sales company	100	100	—	(f)
Pioneer (HK) Ltd.	Pioneer Trading (Shenzhen) Co., Ltd.	Outsourcing to ODM partners	100	100	—	(f)
Pioneer North America Inc.	Pioneer Electronics (USA) Inc.	Sales company	100	100	—	(f)
	Pioneer Automotive Technologies, Inc.	Sales company	100	100	—	(f)
	Discovision Associates	Patent licensing company	1	1	—	(f)
Pioneer Electronics (USA) Inc.	Discovision Associates	Patent licensing company	99	99	—	(f)
Pioneer Industrial Components (Hong Kong) Co., Ltd.	Monetech Holding Co., Ltd.	Investment holdings	100	100	—	(f)
Monetech Holding Co., Ltd.	Dongguan Monetech Electronic Co., Ltd.	Manufacturing company	100	100	—	(f)
Pioneer Manufacturing (Thailand) Co., Ltd.	Pioneer Electronics (Thailand) Co., Ltd.	Sales company	100	100	—	(f)

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
Mogami Hong Kong Co., Ltd.	Mogami Dongguan Electronics Co., Ltd.	Manufacturing company	100	100	—	(f)
Pioneer Automotive Technologies, Inc.	Pioneer Automotive de Mexico, S.A. de C.V.	Manufacturing company	100	100	—	(f)

(a) Ultimate Fantasy Limited was included in the consolidated financial statements since the date of establishment.

(b) PIONEER HOLDING GLOBAL PTE. LTD. was established in the third quarter of 2025.

(c) Pioneer Holding Co., Ltd. was established in the fourth quarter of 2025.

(d) INNOCARE SOLUTIONS PRIVATE LIMITED was established in the second quarter of 2025.

(e) In the third quarter of 2025, GIO (Maanshan) Optoelectronics Co., Ltd. had completed liquidation and dissolution.

(f) In December 2025, the Company's subsidiary, Pioneer Holding Co., Ltd., acquired all equity interests in PIONEER CORPORATION and its subsidiary (the "PIONEER"), and the PIONEER included in the consolidated financial statements since then. The financial statements of the PIONEER as of and for the three months ended March 31, 2026 were not reviewed by the independent auditors as the PIONEER did not meet the definition of a significant subsidiary.

(g) In the first quarter of 2026, Double Star Inc. had completed liquidation and dissolution.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. The restrictions on fund remittance from subsidiaries to the parent company: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

For more information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2025.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand, demand deposits and checking accounts	\$ 36,139,116	\$ 32,705,199	\$ 29,468,929
Time deposits	19,162,276	18,339,070	16,827,541
Repurchase bonds	2,500,000	1,500,000	2,000,000
Fixed income financial products in 3 months	750,351	282,870	298,845
	<u>\$ 58,551,743</u>	<u>\$ 52,827,139</u>	<u>\$ 48,595,315</u>

The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

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

Assets	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current items</u>			
Financial assets mandatorily measured at fair value through profit or loss			
Convertible bonds	\$ 229,750	\$ 225,693	\$ 228,568
Beneficiary certificates	181,768	182,727	193,288
Forward foreign exchange contracts	2,939	73,036	13,520
Foreign exchange swap contracts	1,399	4,512	—
	<u>\$ 415,856</u>	<u>\$ 485,968</u>	<u>\$ 435,376</u>
<u>Non-current items</u>			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 4,479,675	\$ 3,906,614	\$ 4,617,151
Unlisted stocks	1,638,498	1,638,362	1,883,700
Financial products	243,347	219,352	218,632
	<u>\$ 6,361,520</u>	<u>\$ 5,764,328</u>	<u>\$ 6,719,483</u>
Liabilities	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current items</u>			
Financial liabilities held for trading			
Forward foreign exchange contracts	\$ 83,097	\$ 53,831	\$ 55,414
Foreign exchange swap contracts	1,746	—	18,422
	<u>\$ 84,843</u>	<u>\$ 53,831</u>	<u>\$ 73,836</u>

The non-hedging derivative financial assets and liabilities transaction information are as follows:

Derivative financial assets and liabilities	March 31, 2026			December 31, 2025		
	Contract Amount (Notional Principal) (in thousands)	Contract Period		Contract Amount (Notional Principal) (in thousands)	Contract Period	
<u>Current items</u>						
Forward foreign exchange contracts	USD (sell) \$ 200,000	2026/03-2026/04		USD (sell) \$ 235,000	2025/11-2026/01	
	RMB (buy) 1,379,475	2026/03-2026/04		RMB (buy) 1,654,751	2025/11-2026/01	
Forward foreign exchange contracts	USD (sell) 190,000	2026/03-2026/04		USD (sell) 210,000	2025/12-2026/01	
	JPY (buy) 30,132,450	2026/03-2026/04		JPY (buy) 32,694,500	2025/12-2026/01	
Forward foreign exchange contracts	USD (sell) 60,000	2026/01-2026/05		USD (sell) 42,000	2025/10-2026/03	
	TWD (buy) 1,899,304	2026/01-2026/05		TWD (buy) 1,305,615	2025/10-2026/03	

Derivative financial assets and liabilities	March 31, 2026			December 31, 2025		
	Contract Amount (Notional Principal) (in thousands)		Contract Period	Contract Amount (Notional Principal) (in thousands)		Contract Period
Forward foreign exchange contracts	TWD (sell)	\$ 317,208	2026/01-2026/04	TWD (sell)	\$ 312,060	2025/11-2026/02
	JPY (buy)	1,550,000	2026/01-2026/04	JPY (buy)	1,550,000	2025/11-2026/02
Forward foreign exchange contracts	JPY (sell)	34,795,467	2026/03-2026/06	JPY (sell)	34,479,460	2025/12-2026/03
	USD (buy)	219,000	2026/03-2026/06	USD (buy)	222,000	2025/12-2026/03
Forward foreign exchange contracts	JPY (sell)	2,312,500	2026/03-2026/06	JPY (sell)	2,231,200	2025/12-2026/03
	RMB (buy)	100,000	2026/03-2026/06	RMB (buy)	100,000	2025/12-2026/03
Forward foreign exchange contracts				JPY (sell)	523,855	2025/12-2026/03
				AUD (buy)	5,000	2025/12-2026/03
Foreign exchange swap contracts	USD (sell)	37,000	2026/03-2026/04	USD (sell)	52,000	2025/12-2026/01
	TWD (buy)	1,182,205	2026/03-2026/04	TWD (buy)	1,637,484	2025/12-2026/01

	March 31, 2025		
Derivative financial assets and liabilities	Contract Amount (Notional Principal) (in thousands)		Contract Period
<u>Current items</u>			
Forward foreign exchange contracts	USD (sell)	\$ 140,000	2025/03-2025/04
	RMB (buy)	1,010,333	2025/03-2025/04
Forward foreign exchange contracts	USD (sell)	225,000	2025/03-2025/04
	JPY (buy)	33,463,720	2025/03-2025/04
Forward foreign exchange contracts	USD (sell)	75,000	2025/01-2025/06
	TWD (buy)	2,459,493	2025/01-2025/06
Foreign exchange swap contracts	USD (sell)	67,000	2025/03-2025/04
	TWD (buy)	2,203,147	2025/03-2025/04

The Group entered into forward foreign exchange contracts to hedge exchange rate risk of import and export proceeds in foreign currency. Foreign exchange swap contracts are to meet fund procurement demand. However, these contracts are not accounted for using hedge accounting.

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

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Non-current items</u>			
Equity instruments			
Listed stocks	\$ 5,176,966	\$ 4,776,244	\$ 4,997,484
Unlisted stocks	581,171	529,983	34,884
	<u>\$ 5,758,137</u>	<u>\$ 5,306,227</u>	<u>\$ 5,032,368</u>

A. The Group has elected to classify equity instruments that are considered to be strategic investments and steady dividend income as financial assets at fair value through other comprehensive income.

B. The Group sold \$101,450 and \$0 of stocks at fair value for the three-month periods ended March 31, 2026 and 2025, respectively.

C. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the three-month periods ended March 31,	
	2026	2025
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income		
Held at end of period	\$ 398,865	\$ (352,900)
Derecognized during the period	(2,840)	—
	<u>\$ 396,025</u>	<u>\$ (352,900)</u>
Cumulative gains reclassified to retained earnings		
Reclassified due to derecognition	<u>\$ 6,859</u>	<u>\$ —</u>

(4) Financial assets at amortized cost

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current items</u>			
Principal guaranteed financial assets	\$ 22,786,630	\$ 28,729,903	\$ 12,558,796
Restricted deposits	284,010	98,564	—
	<u>\$ 23,070,640</u>	<u>\$ 28,828,467</u>	<u>\$ 12,558,796</u>
<u>Non-current items</u>			
Principal guaranteed financial assets	\$ 14,440,844	\$ 5,767,094	\$ 18,158,555
Corporate bonds	1,000,000	1,000,000	1,000,000
Restricted deposits	2,670	2,670	—
	<u>\$ 15,443,514</u>	<u>\$ 6,769,764</u>	<u>\$ 19,158,555</u>

A. The Group recognized \$241,021 and \$232,381 of interest income arising from the financial assets at amortized cost for the three-month periods ended March 31, 2026 and 2025, respectively.

B. The Group associates with a variety of financial institutions and counterparties all with high credit quality to disperse credit risk, so it expects that the probability of financial institution and counterparty default is remote.

C. Details relating to financial assets at amortized cost pledged as collateral are provided in Note 8.

(5) Notes receivable and accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	\$ 631,421	\$ 579,627	\$ 650,805
Accounts receivable	37,537,850	37,075,595	35,189,206
Total	38,169,271	37,655,222	35,840,011
Less: Allowance for uncollectible accounts	(355,099)	(364,847)	(291,101)
	<u>\$ 37,814,172</u>	<u>\$ 37,290,375</u>	<u>\$ 35,548,910</u>

A. The aging analysis of accounts receivable and notes receivable is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Not past due	\$ 37,248,374	\$ 36,627,552	\$ 32,995,536
Up to 60 days	652,911	748,113	1,635,191
61 to 180 days	96,199	55,945	1,181,448
Over 180 days	171,787	223,612	27,836
	<u>\$ 38,169,271</u>	<u>\$ 37,655,222</u>	<u>\$ 35,840,011</u>

The above aging analysis was based on past due date.

B. As of March 31, 2026, December 31, 2025 and March 31, 2025, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2025, the balance of receivables from contracts with customers amounted to \$34,078,330.

C. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(6) Transfer of financial assets

A. Transferred financial assets that are derecognized in their entirety

The Group entered into a factoring agreement with financial institutions to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognized the transferred accounts receivable. As of March 31, 2026 and December 31, 2025, the transferred accounts receivable had all been collected.

B. The Group has no transfer of financial assets on March 31, 2025.

March 31, 2026					
Purchaser of accounts receivable	Accounts receivable transferred (in thousands)	Amount derecognized (in thousands)	Amount advanced (in thousands)	Amount available for advance (in thousands)	Interest rate of amount advanced
Mitsubishi UFJ Bank	JPY 35,704	JPY 35,704	JPY 35,704	\$ —	1.5%
Mitsubishi UFJ Bank	JPY 186,716	JPY 186,716	JPY 186,716	—	1.3%
Mitsubishi UFJ Bank	JPY 935,740	JPY 935,740	JPY 935,740	—	1.7%
Mitsubishi UFJ Bank	JPY 30,425	JPY 30,425	JPY 30,425	—	1.4%
Mitsubishi UFJ Bank	JPY 174,622	JPY 174,622	JPY 174,622	—	1.2%

March 31, 2026					
Purchaser of accounts receivable	Accounts receivable transferred (in thousands)	Amount derecognized (in thousands)	Amount advanced (in thousands)	Amount available for advance (in thousands)	Interest rate of amount advanced
Mitsubishi UFJ Bank	JPY 880,906	JPY 880,906	JPY 880,906	—	1.6%
Mizuho Trust & Banking Co., Ltd	JPY 716	JPY 716	JPY 716	—	—
Mizuho Trust & Banking Co., Ltd	JPY 406	JPY 406	JPY 406	—	—
Mizuho Trust & Banking Co., Ltd	JPY 352	JPY 352	JPY 352	—	—
BNP Paribas	EUR 1,506	EUR 1,506	EUR 1,506	—	5.7%
December 31, 2025					
Purchaser of accounts receivable	Accounts receivable transferred (in thousands)	Amount derecognized (in thousands)	Amount advanced (in thousands)	Amount available for advance (in thousands)	Interest rate of amount advanced
Mitsubishi UFJ Bank	JPY 30,500	JPY 30,500	JPY 30,500	\$ —	1.3%
Mitsubishi UFJ Bank	JPY 187,542	JPY 187,542	JPY 187,542	—	1.1%
Mitsubishi UFJ Bank	JPY 911,700	JPY 911,700	JPY 911,700	—	1.5%
Mitsubishi UFJ Bank	JPY 42,300	JPY 42,300	JPY 42,300	—	1.0%
Mitsubishi UFJ Bank	JPY 242,178	JPY 242,178	JPY 242,178	—	0.8%
Mitsubishi UFJ Bank	JPY 1,011,200	JPY 1,011,200	JPY 1,011,200	\$ —	1.2%
Mizuho Trust & Banking Co., Ltd	JPY 491	JPY 491	JPY 491	—	1.5%
Mizuho Trust & Banking Co., Ltd	JPY 406	JPY 406	JPY 406	—	1.7%
Mizuho Trust & Banking Co., Ltd	JPY 352	JPY 352	JPY 352	—	1.6%
BNP Paribas	EUR 1,010	EUR 1,010	EUR 1,010	—	5.7%

(7) Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials and supplies	\$ 6,823,293	\$ 6,627,013	\$ 4,555,983
Work in progress	18,321,948	16,547,420	14,982,841
Finished goods	21,555,711	24,716,301	21,144,066
	<u>\$ 46,700,952</u>	<u>\$ 47,890,734</u>	<u>\$ 40,682,890</u>

For the three-month periods ended March 31, 2026 and 2025, the Group recognized cost of goods sold for inventories that have been sold at \$57,022,475 and \$51,678,546, and recognized net inventory loss at \$3,263 and \$20,119 due to write-down reversal (write-down) of cost of scrap inventories to net realizable value, respectively.

(8) Investments accounted for under the equity method

	March 31, 2026	December 31, 2025	March 31, 2025
best Epitaxy Manufacturing Company Ltd.	\$ 1,386,125	\$ 1,441,151	\$ —
CDIB-Innolux II Limited Partnership	331,213	309,364	214,917
FI Medical Device Manufacturing Co., Ltd.	316,741	299,681	308,209
CDIB-Innolux Limited Partnership	230,045	217,110	247,436
Others	201,307	203,001	150,708
	<u>\$ 2,465,431</u>	<u>\$ 2,470,307</u>	<u>\$ 921,270</u>

The operating results of the Group's share in all individually immaterial associates are summarized below:

	For the three-month periods ended March 31,	
	2026	2025
Loss for the period from continuing operations	\$ (3,500)	\$ (6,741)
Other comprehensive income - net of tax	776	622
Total comprehensive loss	<u>\$ (2,724)</u>	<u>\$ (6,119)</u>

As of March 31, 2026, the Group hold 42% equity interest in best Epitaxy Manufacturing Company Ltd., and the Group is the single major shareholder of the entity. Since the aggregate shareholding ratio of other shareholders exceeded the Company's shareholding ratio, the Company does not have absolute control over the voting at the shareholders' meeting and the Company does not hold more than half seats in the Board of Directors, which indicate that the Company does not have the actual ability to direct significant activities relating to best Epitaxy Manufacturing Company Ltd.'s operations. Thus, it is assessed that the Company has no control, but only has significant influence, over the entity.

(9) Property, plant and equipment

	2026				
	At January 1	Additions	Disposals	Transfer, net exchange differences and others	At March 31
Cost:					
Land	\$ 4,993,383	\$ —	\$ —	\$ (36,032)	\$ 4,957,351
Buildings	197,458,266	72,492	(283,796)	(3,222,749)	194,024,213
Machinery and equipment	548,864,784	295,427	(2,664,609)	3,275,211	549,770,813
Other equipment	52,323,022	76,202	(300,272)	690,502	52,789,454
	<u>803,639,455</u>	<u>444,121</u>	<u>(3,248,677)</u>	<u>706,932</u>	<u>801,541,831</u>
Accumulated depreciation and impairment:					
Land	(27,156)	—	—	(56)	(27,212)
Buildings	(158,239,611)	(1,583,468)	264,005	2,981,955	(156,577,119)
Machinery and equipment	(490,765,184)	(4,963,040)	2,346,501	(1,310,163)	(494,691,886)
Other equipment	(47,690,671)	(733,989)	295,712	(199,603)	(48,328,551)
	<u>(696,722,622)</u>	<u>(7,280,497)</u>	<u>2,906,218</u>	<u>1,472,133</u>	<u>(699,624,768)</u>
Unfinished construction and equipment under acceptance	5,633,491	1,879,314	—	(2,067,249)	5,445,556
	<u>\$ 112,550,324</u>				<u>\$ 107,362,619</u>

2025					
	At January 1	Additions	Disposals	Transfer, net exchange differences and others	At March 31
Cost:					
Land	\$ 4,093,726	\$ —	\$ —	\$ —	\$ 4,093,726
Buildings	190,166,371	62,777	(76,371)	677,162	190,829,939
Machinery and equipment	534,591,208	235,012	(676,560)	2,435,372	536,585,032
Other equipment	50,432,284	8,595	(159,434)	632,416	50,913,861
	<u>779,283,589</u>	<u>306,384</u>	<u>(912,365)</u>	<u>3,744,950</u>	<u>782,422,558</u>
Accumulated depreciation and impairment:					
Buildings	(148,590,632)	(1,590,208)	76,238	(253,248)	(150,357,850)
Machinery and equipment	(465,004,000)	(4,877,610)	676,560	(625,914)	(469,830,964)
Other equipment	(45,127,884)	(834,864)	158,396	(24,790)	(45,829,142)
	<u>(658,722,516)</u>	<u>(7,302,682)</u>	<u>911,194</u>	<u>(903,952)</u>	<u>(666,017,956)</u>
Unfinished construction and equipment under acceptance	6,834,163	2,424,520	—	(2,579,322)	6,679,361
	<u>\$ 127,395,236</u>				<u>\$ 123,083,963</u>

- A. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.
- B. As of March 31, 2026, December 31, 2025 and March 31, 2025, the prepayments for business facilities which have not yet entered the factory (shown as 'other non-current assets') amounted to \$87,903, \$257,045 and \$823,538, respectively.
- C. Information about impairment assessment is provided in Note 6(12).

(10) Leasing arrangements - lessee

- A. The Group leases various assets including land, buildings and other equipment. Rental contracts are typically made for periods of 1 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months or less comprise office, dormitory and equipment. Low-value assets comprise computer and other equipment.
- C. The carrying amounts of right-of-use assets and the depreciation charge are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
	Carrying amount	Carrying amount	Carrying amount
Land	\$ 2,827,776	\$ 2,862,463	\$ 3,118,734
Buildings	502,370	550,544	140,904
Mechanical equipment	92,722	44,455	—
Other equipment	258,260	309,109	189
	<u>\$ 3,681,128</u>	<u>\$ 3,766,571</u>	<u>\$ 3,259,827</u>

	For the three-month periods ended March 31,	
	2026	2025
	Depreciation Charge	Depreciation Charge
Land	\$ 108,965	\$ 103,385
Buildings	72,845	17,211
Mechanical equipment	11,336	—
Other equipment	36,521	55
	<u>\$ 229,667</u>	<u>\$ 120,651</u>

D. For the three-month periods ended March 31, 2026 and 2025, the additions to right-of-use assets were \$45,811 and \$26,806, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	For the three-month periods ended March 31,	
	2026	2025
<u>Items affecting profit or loss</u>		
Expense on variable lease payments	\$ 50,967	\$ 47,600
Expense on short-term lease contracts	25,491	13,171
Interest expense on lease liabilities	16,303	13,686
Expense on leases of low-value assets	707	5,531

F. For the three-month periods ended March 31, 2026 and 2025, the Group's total cash outflow for leases were \$341,181 and \$186,323, respectively.

(11) Investment property

	2026			
	At January 1	Additions	Transfer, net exchange differences and others	At March 31
Cost:				
Land	\$ 188,247	\$ —	\$ 35,073	\$ 223,320
Buildings	435,338	—	(275,270)	160,068
	<u>623,585</u>	<u>—</u>	<u>(240,197)</u>	<u>383,388</u>
Accumulated depreciation:				
Buildings	(264,607)	(5,947)	217,889	(52,665)
	<u>\$ 358,978</u>	<u>\$ (5,947)</u>	<u>\$ (22,308)</u>	<u>\$ 330,723</u>
	2025			
	At January 1	Additions		At March 31
Cost:				
Land	\$ 188,247	\$ —	\$	188,247
Buildings	435,338	—		435,338
	<u>623,585</u>	<u>—</u>		<u>623,585</u>
Accumulated depreciation:				
Buildings	(237,006)	(6,901)		(243,907)
	<u>\$ 386,579</u>	<u>\$ (6,901)</u>	<u>\$</u>	<u>379,678</u>

The fair value of the investment property held by the Group as at March 31, 2026, December 31, 2025 and March 31, 2025 was \$1,470,863, \$1,568,038 and \$1,700,482, respectively. The amounts

mentioned above represent valuation results of comparative method based on market trading information categorized within Level 3 in the fair value hierarchy.

(12) Intangible assets

A. Intangible assets are goodwill, payments for TFT-LCD related technology and royalty. Details of intangible assets are as follows:

2026					
	At January 1	Additions	Disposals	Transfer, net exchange differences and others	At March 31
Cost:					
Patents and royalty	\$ 8,345,349	\$ —	\$ —	\$ 39,881	\$ 8,385,230
Goodwill	31,336,002	—	—	29,441	31,365,443
Trademarks	4,465,801	—	—	9,246	4,475,047
Customer relationship	6,379,888	—	—	13,120	6,393,008
Others	12,170,025	319,846	(64,173)	(1,718)	12,423,980
	<u>62,697,065</u>	<u>319,846</u>	<u>(64,173)</u>	<u>89,970</u>	<u>63,042,708</u>
Accumulated amortization and impairment:					
Patents and royalty	(8,240,120)	(5,574)	—	(106)	(8,245,800)
Trademarks	(227)	—	—	1	(226)
Customer relationship	(76,229)	(98,511)	—	353	(174,387)
Others	(10,122,926)	(240,654)	59,704	(24,718)	(10,328,594)
	<u>(18,439,502)</u>	<u>(344,739)</u>	<u>59,704</u>	<u>(24,470)</u>	<u>(18,749,007)</u>
	<u>\$ 44,257,563</u>	<u>\$ (24,893)</u>	<u>\$ (4,469)</u>	<u>\$ 65,500</u>	<u>\$ 44,293,701</u>
2025					
	At January 1	Additions	Disposals	Transfer, net exchange differences and others	At March 31
Cost:					
Patents and royalty	\$ 8,265,903	\$ —	\$ —	\$ 16,452	\$ 8,282,355
Goodwill	17,117,339	—	—	—	17,117,339
Trademarks	237	—	—	14	251
Customer relationship	43,600	—	—	—	43,600
Others	4,455,093	—	(72,513)	22,941	4,405,521
	<u>29,882,172</u>	<u>—</u>	<u>(72,513)</u>	<u>39,407</u>	<u>29,849,066</u>
Accumulated amortization and impairment:					
Patents and royalty	(8,227,782)	(2,261)	—	(33)	(8,230,076)
Trademarks	(237)	—	—	(14)	(251)
Customer relationship	(43,600)	—	—	—	(43,600)
Others	(3,975,285)	(36,571)	72,513	(5,891)	(3,945,234)
	<u>(12,246,904)</u>	<u>(38,832)</u>	<u>72,513</u>	<u>(5,938)</u>	<u>(12,219,161)</u>
	<u>\$ 17,635,268</u>	<u>\$ (38,832)</u>	<u>\$ —</u>	<u>\$ 33,469</u>	<u>\$ 17,629,905</u>

B. Details of amortization of intangible assets are as follows:

	For the three-month periods ended March 31,	
	2026	2025
Operating costs	\$ 211,728	\$ 9,190
Operating expenses	139,692	29,642
	<u>\$ 351,420</u>	<u>\$ 38,832</u>

C. The Group periodically performed impairment assessment on the recoverable amount of goodwill and property, plant and equipment, and used the value in use as the basis for calculation of the recoverable amount. The value in use was calculated based on the estimated present value of future cash flows for five years.

(13) Non-current assets held for sale

In the first quarter of 2026 and the fourth quarter of 2024, the Company's governance unit and management decided to dispose its property, plant and equipment, and the related assets have been reclassified as non-current assets. The disposal transaction is expected to be completed within one year starting from the date when the assets were reclassified as non-current assets. As of March 31, 2026 and 2025, gain on disposal of disposal group held for sale in this quarter was \$320 and \$1,620,528 (shown as 'Other gains and losses'), respectively. The uncollected disposal proceeds amounted to \$479,610, \$261,638 and \$1,308,360 (shown as 'Other receivables' and 'Other non-current assets-others') as of March 31, 2026, December 31, 2025, and March 31, 2025, respectively. In addition, the non-current assets held for sale which have not yet been transferred were reclassified from property, plant and equipment, investment property, net and right-of-use assets amounting to \$877,171, \$316,195 and \$0 as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively, and liabilities directly related to non-current assets for sale (shown as 'Other current liabilities-other') were reclassified from lease liabilities - current and lease liabilities - non-current of \$82,117, \$0 and \$0, respectively.

(14) Short-term borrowings

Type of borrowings	March 31, 2026	December 31, 2025	March 31, 2025	Collateral
Bank borrowings				
Secured borrowings	\$ 32,841,792	\$ 32,925,881	\$ —	Securities (Note), Property, Plant and Equipment
Unsecured borrowings	60,000	80,000	3,182,150	None
	<u>\$ 32,901,792</u>	<u>\$ 33,005,881</u>	<u>\$ 3,182,150</u>	
Range of interest rates	<u>1.85%~2.64%</u>	<u>1.85%~2.52%</u>	<u>1.88%~2.80%</u>	

Information relating to short-term borrowings pledged as collateral is provided in Note 8.

Note: Representing the entire equity interest in the Company's subsidiaries, PIONEER CORPORATION, PIONEER HOLDING GLOBAL PTE. LTD., and Pioneer Holding Co., Ltd.

(15) Other payables

	March 31, 2026	December 31, 2025	March 31, 2025
Other personnel expenses	\$ 9,458,204	\$ 9,871,327	\$ 8,383,372
Repairs and maintenance and utilities expense payable	3,660,870	3,812,970	3,950,570
Payable on machinery and equipment	2,367,999	2,890,594	2,967,737
Other payables	10,497,568	11,262,901	8,838,895
	<u>\$ 25,984,641</u>	<u>\$ 27,837,792</u>	<u>\$ 24,140,574</u>

(16) Long-term borrowings

Type of borrowings	Period	March 31, 2026	December 31, 2025	March 31, 2025
Syndicated bank borrowings	2023/3/20 ~2029/6/1	\$ 12,500,000	\$ 12,500,000	\$ 15,750,000
Unsecured borrowings	2021/12/2 ~2030/12/20	6,485,834	6,456,374	4,483,783
Secured borrowings	2021/9/22 ~2027/7/2	—	—	35,000
Less:				
Administrative expenses charged by syndicated banks		(118,431)	(127,541)	(48,103)
Current portion (includes administrative expenses)		(476,384)	(504,324)	(16,046,433)
		<u>\$ 18,391,019</u>	<u>\$ 18,324,509</u>	<u>\$ 4,174,247</u>
Range of interest rates		<u>1.63%~4.00%</u>	<u>1.63%~4.00%</u>	<u>0.50%~4.00%</u>

- A. Please refer to Note 8 for the information on assets pledged as collateral for long-term borrowings.
- B. The syndicated borrowing agreements specified that the Company shall meet covenants on current ratio, liability ratio, interest coverage, and tangible net equity, based on the Company's annual consolidated financial statements audited by independent auditors. The Company's financial ratios on the consolidated financial statements for the year ended December 31, 2025 are in compliance with the covenants on the syndicated borrowing agreement.
- C. For repayment of existing financial liabilities, financing mid-term working capital fund and sufficing green expenditures, the Board of Directors approved the signing of a syndicated borrowing with financial institution in the amount of \$40 billion on July 27, 2023. As of December 31, 2025, the borrowing that has been drawn down amounted to \$12.5 billion.

(17) Pensions

A. Defined benefit pension plans

- (a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law.

(b) In January 2026, the Science Park, Ministry of Science and Technology has granted approval to the Company to stop contributing to the retirement fund temporarily.

B. Defined contribution pension plans

(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality.

(b) The Company’s foreign subsidiaries have provided the pension in accordance with statutory laws and regulations.

C. The pension costs under the abovementioned pension plans of the Group for the three-month periods ended March 31, 2026 and 2025 were \$562,368 and \$472,095, respectively.

(18) Share-based payment

A. As of March 31, 2026, December 31, 2025 and March 31, 2025, the share-based payment arrangements of the Group were as follows:

Type of arrangement	Grant date	Quantity granted (in thousand units)	Contract period (in years)	Vesting conditions
Employee stock options	2020/07/07	3,414	6	Note 1
Restricted Stock Award	2023/03/24	6,844	10	Note 2
Restricted Stock Award	2024/01/26	151	10	Note 2
Restricted Stock Award	2024/07/25	60	10	Note 2
Restricted Stock Award	2025/01/16	95	10	Note 2
Restricted Stock Award	2025/07/24	932	10	Note 2
Restricted Stock Award	2026/01/27	87	10	Note 2

Note 1: The employees’ stock options of the subsidiary, InnoCare Company, can be exercised based on the issue date. The employee stock options are vested after 2, 3 and 4 years of service at the rate to 30%, 30% and 40%, respectively. Stock options that were not exercised before the expiry date will be permanently forfeited.

Note 2: The restricted stocks of the subsidiary, CarUX Holding Limited (“CarUX Company”), shall be exercised based on the issue date under the following two plans: (a) the restricted stocks are 100% vested after 4 years of service and can be exercised based on the specified non-marketing price of issuance, if the specific non-market conditions are met within four years, 50% of the restricted employee rights shares will be vested, and the remaining 50% will be vested after four years of service; and (b) the restricted stocks are vested after 1 to 4 years of service at the rate to 25%, 25%, 25% and 25%, respectively and can be exercised based on specified non-marketing price of issuance.

B. Details of the share-based payment arrangements are as follows:

1. Restricted stock award - CarUX Company

As of March 31, 2026, the details of the restricted stock award of CarUX Company are as follows:

The board of directors of CarUX Company during its meeting on March 6, 2023 resolved the issuance of restricted stock award, whereby the beneficiaries include the employees of CarUX Company and its subsidiary and related individuals who provide similar services. The grant date of the restricted stocks of CarUX Company were January 27, 2026, July 24,

2025, January 16, 2025, July 25, 2024, January 26, 2024 and March 24, 2023, and the issue prices were USD 1.08, USD 0.73, USD 0.7, USD 0.7, USD 0.5 and USD 0.5 dollars per share, respectively, and the fair values of the restricted stock were USD 10.88, USD 10.76, USD 7.26, USD 6.949, USD 4.16 and USD 1.21 dollars per share on the grant date, respectively. In the first quarter of 2026, the third quarter of 2025, first quarter of 2025, the third quarter of 2024 and first quarter of 2024, a total of 87 thousand, 932 thousand, 95 thousand, 60 thousand and 151 thousand restricted stock award shares had expired, and subsequently, CarUX Company granted the same number of restricted stock award shares to related individuals. As of March 31, 2026, CarUX Company has issued 6,844 thousand restricted shares, at a par value of USD 0.001 dollars, for a total amount of USD 7,000. The limited right of the beneficiaries to allocate or acquisition before vesting conditions are as follows:

- (1) The restrictions before vesting conditions are met:
 - (a) Before vesting, the restricted stocks granted to the employees shall be in custody by the trust institution which was designated by CarUX Company, and the employees needs to sign the related documents and follow the procedures.
 - (b) Except for the restrictions under the custody agreement as described in the preceding paragraph, the employees are not allowed to sell, mortgage, transfer, donate, pledge, or otherwise dispose the restricted stocks before vesting conditions.
 - (c) The employees shall immediately deliver the restricted stocks to the trust institution after the restricted stocks are issued, and the employees may not request the trustee to return the restricted stocks before the vesting conditions are met.
 - (d) The trust institution shall exercise the voting rights in respect of any restricted shares held under the trust constituted by the trust deed as directed by the management of the Company.

- (2) The vested conditions for the aforementioned plan are as follows:

After the restricted stocks are granted to the employees, they need to be employed by CarUX Company and its subsidiaries at the expiration of the vesting period. Once they meet the non-market vesting conditions set by CarUX Company and its subsidiaries, and have not violated the labor contract, work conditions or contractual agreements with CarUX Company and its subsidiaries, the number of shares will be allocated annually or in a certain proportion.

CarUX Company and its subsidiaries use the market approach or income method to estimate the fair value of the restricted stocks at the grant date. The reference factors are summarized as follows:

Type of arrangement	Grant date	Discount rate	Discount for turnover	Discount for control right
Restricted stock award	2026.01.27	Not applicable (Note1)	15%	Not applicable (Note1)
Restricted stock award	2025.07.24	Not applicable (Note2)	Not applicable (Note2)	Not applicable (Note2)
Restricted stock award	2025.01.16	Not applicable (Note2)	Not applicable (Note2)	Not applicable (Note2)
Restricted stock award	2024.07.25	Not applicable (Note2)	Not applicable (Note2)	Not applicable (Note2)
Restricted stock award	2024.01.26	13.9%	7.2%	20%
Restricted stock award	2023.03.24	13.7%	12%	20%

CarUX Company and its subsidiaries consider both service conditions and non-market vesting conditions when the restricted stocks are issued. CarUX company and its subsidiaries also take into account the probability as to whether the non-market vesting conditions will be achieved. As of March 31, 2026, no related expense and other equity - unearned remuneration was recognized.

Note 1 : The market approach simultaneously refers to the related assumptions such as the current enterprise value and current Earnings Before Interest and Taxes of comparable publicly listed companies to CarUX.

Note 2 : The market approach simultaneously refers to the most recent fundraising price of inactive market and the related assumptions such as the current enterprise value and current Earnings Before Interest and Taxes of comparable publicly listed companies to CarUX.

(b) Employee stock options - InnoCare Company

	2026		2025	
	Quantity (in thousand units)	Weighted-average exercise price (in dollars)	Quantity (in thousand units)	Weighted-average exercise price (in dollars)
Options outstanding at the beginning of the period	399	\$ 13.81	494	\$ 14.28
Options exercised	—	—	(28)	14.28
Options outstanding at the end of the period	399	13.81	466	14.28
Options exercisable at the end of the period	399	13.81	466	14.28

C. The expiry date and exercise price of stock options outstanding at the balance sheet date are as follows:

Issue date approved	Expiry date	March 31, 2026	
		Quantity (in thousand units)	Exercise price (in dollars)
2020.07.7	2026.7.06	399	\$ 13.81

		December 31, 2025	
Issue date approved	Expiry date	Quantity (in thousand units)	Exercise price (in dollars)
2020.7.7	2026.7.6	399	13.81

		March 31, 2025	
Issue date approved	Expiry date	Quantity (in thousand units)	Exercise price (in dollars)
2020.7.7	2026.7.6	466	14.28

D. The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Price (in dollars)	Exercise price (in dollars)	Expected volatility (%)	Expected duration (in years)	Risk-free interest rate (%)
Employee stock options	23.61	22.50	35.59~ 37.23	4~5	0.34~ 0.37

E. For the three-months ended March 31, 2026 and 2025, no expense on share-based payment transaction (equity-settled) was recognised by the Group.

(19) Provisions-current

	Warranty	Litigation and others	Total
At January 1, 2026	\$ 1,678,461	\$ 2,805,152	\$ 4,483,613
Additions during the period	167,702	136,331	304,033
Used (unused amounts reversed) during the period	(149,352)	—	(149,352)
Effect of change in exchange rate	5,949	57,407	63,356
At March 31, 2026	<u>\$ 1,702,760</u>	<u>\$ 2,998,890</u>	<u>\$ 4,701,650</u>

A. Warranty

The Group provides warranty on display panels and related diverse cross-domain applications sold. Provision for warranty is estimated based on historical warranty data of display panels and related diverse cross-domain applications.

B. Litigation and others

Litigation and other provisions for the Group are related to patents of display panel products and the litigation with the Special Department of Federal Revenue of Brazil. For information on estimation of provisions, please refer to Note 9(1).

(20) Share capital

A. As of March 31, 2026, the Company's authorized and outstanding capital were \$120,000,000 and \$79,891,974, with a par value of \$10 (in dollars) per share, respectively. All proceeds from shares issued have been collected. The number of common shares outstanding at the beginning and end of the first quarter of 2026 and 2025 were both 7,985,125 thousand shares.

B. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

		March 31, 2026	
Name of company holding the shares	Reason for reacquisition	Quantity (in thousand units)	Book Value
The Company	To be reissued to employees	4,072	\$ 56,914

		December 31, 2025	
Name of company holding the shares	Reason for reacquisition	Quantity (in thousand units)	Book Value
The Company	To be reissued to employees	4,072	\$ 56,914

		March 31, 2025	
Name of company holding the shares	Reason for reacquisition	Quantity (in thousand units)	Book Value
The Company	To be reissued to employees	4,072	\$ 56,914

- (b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realized capital surplus.
- (c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and shareholder's rights should not be enjoyed before it is reissued.
- (d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the five-year period are to be cancelled.

(21) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Accumulated deficit shall first be covered by retained earnings before the capital reserve can be used to cover the accumulated deficit.

	Share premium	Treasury share transactions	Changes in ownership interests in subsidiaries	Share of profit (loss) of associates accounted for under equity method	Difference between proceeds on acquisition or disposal of equity interest in a subsidiary and its carrying amount	Total
At January 1	\$ 98,142,285	\$ 3,117,490	\$ 2,301,333	\$ 109,168	\$ 306,095	\$ 103,976,371
Recognition of change in equity of associates in proportion to the Group's ownership	—	—	—	12	—	12
Others	19,652	—	—	—	—	19,652
At March 31	<u>\$ 98,161,937</u>	<u>\$ 3,117,490</u>	<u>\$ 2,301,333</u>	<u>\$ 109,180</u>	<u>\$ 306,095</u>	<u>\$ 103,996,035</u>

	Share premium	Treasury share transactions	Changes in ownership interests in subsidiaries	Share of profit (loss) of associates accounted for under equity method	Difference between proceeds on acquisition or disposal of equity interest in a subsidiary and its carrying amount	Total
At January 1	\$ 100,088,048	\$ 3,117,490	\$ 2,302,283	\$ 105,794	\$ 306,095	\$ 105,919,710
Recognition of changes in ownership interests in subsidiaries	—	—	(306)	—	—	(306)
Recognition of change in equity of associates in proportion to the Group's ownership	—	—	—	150	—	150
Others	5,528	—	—	—	—	5,528
At March 31	<u>\$ 100,093,576</u>	<u>\$ 3,117,490</u>	<u>\$ 2,301,977</u>	<u>\$ 105,944</u>	<u>\$ 306,095</u>	<u>\$ 105,925,082</u>

(22) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be offset against prior years' operating losses, then set aside 10% of the remaining amount as legal reserve (until the legal reserve equals the paid-in capital). Preferred dividend shall be distributed after setting aside or reversing a special reserve according to related regulations. The appropriation of the remaining amount along with the unappropriated earnings from previous years shall be proposed by the Board of Directors and resolved by the shareholders. The net decrease in other equity accumulated in prior periods should be appropriated from prior period's undistributed earnings to a special reserve of the same amount, and if there is a deficiency, the same amount should be appropriated from the post-tax profit for the period plus the amount of items other than post-tax profit for the period, and the amount was included in the unappropriated earnings for the period.

Depending on the Company's future long-term financial planning, investment environment, industry competition, capital expenditure budget, capital requirements and protection of shareholders' rights, dividends should account for at least 20% of the distributable earnings for

the year. However, as the distributable earnings is lower than 2% of the paid-in capital, the Company may choose not to distribute dividends and transferred dividends to the retained earnings. Earnings shall be preferably distributed using cash dividends and may also be distributed using stock dividends. The ratio for cash dividends shall not be less than 50% of the total amount of dividends distributed. The aforementioned dividend distribution rate may be adjusted based on financial, business and operational factors.

- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
- C. The appropriations of 2025 earnings as proposed by the Board of Directors in March 2026 and the appropriations of 2024 earnings as approved and resolved by the shareholders at their meeting in May 2025 are as follows:

	Years ended December 31,			
	2025		2024	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 21,532		\$ 829,421	
Provision for (reversal of) special reserve	2,729,384		(3,790,021)	
Cash dividends	3,992,562	\$ 0.50	5,988,844	\$ 0.75
	<u>\$ 6,743,478</u>		<u>\$ 3,028,244</u>	

Further, the Board of Directors during its meeting in March 2026 resolved to distribute cash dividends amounting to \$3,992,562 at \$0.5 (in dollars) per share from capital surplus, and the shareholders during its meeting in May 2025 approved and resolved to distribute cash dividends amounting to \$1,996,281 at \$0.25 (in dollars) per share from capital surplus.

(23) Other equity items

	2026		
	Currency translation	Financial assets at fair value through other comprehensive income	Total
At January 1	\$ (7,205,841)	\$ 1,067,779	\$ (6,138,062)
Revaluation - gross	—	390,849	390,849
Disposal of investments in equity instruments measured at fair value through other comprehensive income	—	(6,859)	(6,859)
Currency translation differences	3,370,578	—	3,370,578
Share of other comprehensive income of associates	776	—	776
Effect of income tax	—	13,032	13,032
At March 31	<u>\$ (3,834,487)</u>	<u>\$ 1,464,801</u>	<u>\$ (2,369,686)</u>

	2025		
	Currency translation	Financial assets at fair value through other comprehensive income	Total
At January 1	\$ (5,205,787)	\$ 1,797,109	\$ (3,408,678)
Revaluation - gross	—	(352,900)	(352,900)
Currency translation differences	1,601,963	—	1,601,963
Share of other comprehensive income of associates	622	—	622
At March 31	<u>\$ (3,603,202)</u>	<u>\$ 1,444,209</u>	<u>\$ (2,158,993)</u>

(24) Operating income

	For the three-month periods ended March 31,	
	2026	2025
Display panels and related diverse cross-domain applications	<u>\$ 66,644,538</u>	<u>\$ 55,932,281</u>

The Group derives revenue from the transfer of goods at a point in time.

(25) Interest income

	For the three-month periods ended March 31,	
	2026	2025
Interest income from financial assets at amortized cost	\$ 241,021	\$ 232,381
Interest income from bank deposits	223,844	241,003
	<u>\$ 464,865</u>	<u>\$ 473,384</u>

(26) Other income

	For the three-month periods ended March 31,	
	2026	2025
Service revenue	\$ 83,572	\$ 174,606
Grant revenue	65,922	63,551
Rental revenue	58,750	60,910
Compensation income	3,370	42,312
Other income	155,424	421,628
	<u>\$ 367,038</u>	<u>\$ 763,007</u>

(27) Other gains and losses

	For the three-month periods ended March 31,	
	2026	2025
Net gain on financial assets and liabilities at fair value through profit or loss	545,266	329,417
Gain on disposal of non-current assets held for sale	320	1,620,528
Net currency exchange loss	(11,204)	(84,921)
Loss on disposal of property, plant and equipment	(286,729)	(1,070)
Other gains (losses)	186,910	(52,782)
	<u>\$ 434,563</u>	<u>\$ 1,811,172</u>

(28) Finance costs

	For the three-month periods ended March 31,	
	2026	2025
Interest expense from bank borrowings	\$ 334,862	\$ 228,696
Others	18,957	13,708
	<u>\$ 353,819</u>	<u>\$ 242,404</u>

(29) Expenses by nature

	For the three-month periods ended March 31,	
	2026	2025
Employee benefit expense:		
Salaries and other short-term employee benefits	\$ 10,294,011	\$ 9,014,704
Post-employment benefits	562,368	472,095
Depreciation	7,574,735	7,430,263
Amortization	351,420	38,832
	<u>\$ 18,782,534</u>	<u>\$ 16,955,894</u>

(30) Employees' compensation and directors' remuneration

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 5% for employees' compensation, whereby no less than 3% shall be allocated as employees' compensation for rank-and-file employees, and shall not be higher than 0.1% for directors' remuneration.
- B. For the three-month periods ended March 31, 2026 and 2025, the employees' compensation was accrued at \$111,246 and \$64,458, respectively; while the Company did not accrue directors' remuneration. The aforementioned amounts were recognized in expenses.
- For the year ended December 31, 2025, the Company incurred net loss before tax. Thus, there was no distribution of employees' compensation and directors' remuneration as resolved by the Board of Directors on March 10, 2026.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(31) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the three-month periods ended March 31,	
	2026	2025
Current tax:		
Current tax on profit for the period	\$ 649,671	\$ 480,535
Prior year income tax overestimation	(1,214)	(3,892)
Total current tax	648,457	476,643
Deferred tax:		
Origination and reversal of temporary differences	\$ (32,944)	\$ (1,674)
Income tax expense	\$ 615,513	\$ 474,969

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	For the three-month periods ended March 31,	
	2026	2025
Changes in fair value of financial assets at fair value through other comprehensive income	\$ 1,822	\$ —
Remeasurements of defined benefit obligations	(8,097)	—
	\$ (6,275)	\$ —

B. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority.

C. The Company and subsidiaries' exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

The Company and subsidiaries are within the scope of Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Pillar Two legislation was enacted in some countries where certain subsidiaries were incorporated, such as Netherlands, Germany and Japan, etc., and became effective from 2024. In addition, there are some subsidiaries incorporated in Singapore, Hong Kong and Brazil where the Pillar Two legislation was substantially enacted by the Singapore, Hong Kong and Brazil governments effective from 2025. The Company and subsidiaries have no significant current tax exposure as of March 31, 2026.

Under the Pillar Two legislation, the Company and subsidiaries are liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. Therefore, the Company and subsidiaries are in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. Due to the complexities in the Pillar Two legislation, for subsidiaries located in jurisdictions where the Pillar Two legislation has become effective or was substantially enacted, the Company and subsidiaries have assessed the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12. The Company and subsidiaries are currently engaged with tax specialists to assist it with applying the legislation. The Company and subsidiaries have applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

(32) Earnings per share

	For the three-month period ended March 31, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,629,503	7,985,125	\$ 0.20
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	1,629,503	7,985,125	
Assumed conversion of all dilutive potential ordinary shares:			
-Employees' compensation	—	4,664	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 1,629,503	7,989,789	\$ 0.20

	For the three-month period ended March 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 962,043	7,985,125	\$ 0.12
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	962,043	7,985,125	
Assumed conversion of all dilutive potential ordinary shares:			
-Employees' compensation	—	27,913	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 962,043	8,013,038	\$ 0.12

(33) Business combinations

- A. On December 1, 2025, the Company's subsidiary, Pioneer Holding Co., Ltd., acquired a 100% equity interest in the PIONEER in the amount of JPY163.9 billion (approximately \$32,934,897) in cash, and obtained control over the PIONEER. The Group expected that the acquisition will create synergies through the complementarity of customer bases and technical expertise. By combining advanced audio technology with next-generation hardware and software integration capabilities, the Group aims to jointly meet the demands of global automakers and consumers.
- B. The following table summarizes the consideration paid for the PIONEER and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the fair value of the non-controlling interest at the acquisition date:

	PIONEER
Purchase consideration - cash paid	\$ 32,934,897
Fair value of the identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	7,651,779
Accounts receivable, net	7,439,183
Inventory	7,839,419
Other current assets	2,790,970
Property, plant and equipment	4,225,007
Intangible assets	12,462,454
Deferred income tax assets	571,313
Other non-current assets	2,948,217
Accounts payable	(9,784,742)
Other payables	(4,378,444)
Provisions - current	(1,526,693)
Other current liabilities	(2,462,269)
Deferred income tax liabilities	(5,128,680)
Other non-current liabilities	(3,917,708)
Total identifiable net assets	18,729,806
Goodwill	\$ 14,205,091

C. The fair value of the acquired identifiable assets and liabilities is provisional pending receipt of the final valuations for those assets and liabilities.

D. The PIONEER were consolidated since December 1, 2025. Had the PIONEER been consolidated from January 1, 2025, the consolidated statement of comprehensive income would show operating revenue of \$254,978,268 and profit before income tax of \$2,406,936 for the year ended December 31, 2025.

(34) Supplemental cash flow information

Investing activities with partial cash payments:

	For the three-month periods ended March 31,	
	2026	2025
Purchase of property, plant and equipment	\$ 2,323,435	\$ 2,730,904
Add: Opening balance of payable on equipment	2,890,594	3,752,144
Less: Ending balance of payable on equipment	(2,367,999)	(2,967,737)
Cash paid during the period	<u>\$ 2,846,030</u>	<u>\$ 3,515,311</u>

7. RELATED PARTY TRANSACTIONS

(1) Names and relationship of related parties

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Hon Hai Precision Industry Co., Ltd. and its subsidiaries	Other related party
Perfect Intelligent Technology Limited	Other related party
Perfect Display Limited	Other related party
PanelSemi Corporation	Associate
FI Medical Device Manufacturing Co., Ltd.	Associate
InnVasLinx Inc.	Associate
Thai Mikami Co., Ltd.	Associate
Craft Co., Ltd.	Associate
eLux Inc.	Associate

(2) Significant related party transactions

A. Operating revenue

	For the three-month periods ended March 31,	
	2026	2025
Sales of goods:		
Other related parties	\$ 2,918,536	\$ 2,795,728
Associates	323,230	43,800
	<u>\$ 3,241,766</u>	<u>\$ 2,839,528</u>

The collection period was mainly 30~90 days upon shipment or on a monthly-closing basis to related parties. The sales prices and the trading terms to related parties above were not significantly different from those of sales to third parties.

B. Purchases of goods

	For the three-month periods ended March 31,	
	2026	2025
Purchases of goods:		
Other related parties	\$ 264,377	\$ 664,080
Associates	45,220	87
	<u>\$ 309,597</u>	<u>\$ 664,167</u>

The payment term was 30~120 days to related parties after transaction date, and 30~180 days to non-related parties after delivery or on a monthly-closing basis. The purchase prices and the payment terms from related parties above were not materially different from those of purchases from third parties.

C. Receivables from related parties

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable:			
Other related parties	\$ 3,451,356	\$ 4,186,932	\$ 3,650,142
Associates	328,619	18,494	32,364
	<u>\$ 3,779,975</u>	<u>\$ 4,205,426</u>	<u>\$ 3,682,506</u>

The receivables from related parties arise mainly from sales transactions. The receivables are due 30~90 days after the date of sale. The receivables are unsecured in nature and bear no interest.

D. Payables to related parties

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts payable:			
Other related parties	\$ 340,898	\$ 437,004	\$ 980,319
Associates	98,100	59,077	41,783
	<u>\$ 438,998</u>	<u>\$ 496,081</u>	<u>\$ 1,022,102</u>

The payables to related parties arise mainly from purchase transactions and are due 30~120 days after the date of purchase. The payables bear no interest.

E. Property transactions

Purchase of property

(a) Acquisition of property, plant and equipment:

	For the three-month periods ended March 31,	
	2026	2025
Associates	\$ 1,116	\$ 8,411
Other related parties	81	—
	<u>\$ 1,197</u>	<u>\$ 8,411</u>

(b) Period-end balances arising from purchases of property (shown as 'Other payables'):

	March 31, 2026	December 31, 2025	March 31, 2025
Associates	\$ —	\$ —	\$ 4,765
Other related parties	—	—	—
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 4,765</u>

Sale of property

(a) Proceeds from sale of property and gain (loss) on disposal:

	For the three-month period ended March 31, 2026		For the three-month period ended March 31, 2025	
	Disposal proceeds	Gain (loss) on disposal	Disposal proceeds	Gain (loss) on disposal
Associates	\$ 68	\$ —	\$ —	\$ —

(3) Key management compensation

	For the three-month periods ended March 31,	
	2026	2025
Salaries and other short-term employee benefits	\$ 15,701	\$ 18,941
Post-employment benefits	147	135
	<u>\$ 15,848</u>	<u>\$ 19,076</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value			Purpose
	March 31, 2026	December 31, 2025	March 31, 2025	
Property, plant and equipment	\$ 25,863,473	\$ 42,702,113	\$ 50,433,843	Long-term and short-term borrowings
Financial assets at amortised cost and other current assets- current				
-Time deposits	280,986	—	—	Customs、VAT and factoring of accounts receivable
-Demand deposits	3,024	98,564	—	Customs、VAT、 Corporate Credit Card and factoring of accounts receivable
Financial assets at amortised cost and other current assets- non-current				
-Time deposits	2,670	2,670	—	Tariff guarantee and performance bond
Other non-current assets - others				
-Time deposits	—	—	2,470	Tariff guarantee and performance bond
	<u>\$ 26,150,153</u>	<u>\$ 42,803,347</u>	<u>\$ 50,436,313</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) Contingencies - Significant Litigations

- A. Polaris PowerLED Technologies, LLC (Polaris) filed a lawsuit against the Company and the Company's American subsidiary with the United States District Court for the Central District of California on May 8, 2023, alleging infringement of its US patent. The Company received the service of a complaint on May 22, 2023 and subsequently filed an answer to the complaint on July 24, 2023. Subsequently, as the United States Patent and Trademark Office rendered a decision that the patent involved in the case was invalid, the court dismissed the case on July 31, 2025.
- B. Phenix Longhorn, LLC (Phenix) filed a lawsuit against the Company with the United States District Court for the Eastern District of Texas on October 10, 2023, alleging that our company infringed on its U.S. patent. As the two parties have reached a settlement, the court dismissed the case on January 4, 2026.
- C. On April 18, 2018, Brazilian Federal Revenue Office brought lawsuit against Pioneer do Brazil Ltda ("PBL") to allege that PBL had fraudulently processed Pis (social insurance financing contribution) /Cofins (social integration fund) credits for 2014 and 2015. PBL lost the first trial in February 2019 and second trial in March 2024. The case moved to the judicial stage in February 2025 and reply was filed PBL on April 24, 2025. This case is now closed for judgment. PBL has put deposit and set provision for the claimed amount.
- D. The Company had assessed and recognized related losses and liabilities as shown in 'provisions current' for the aforementioned investigation relating to patent litigation.

(2) Commitments

- A. Capital expenditures contracted for at the balance sheet date but not yet incurred are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Property, plant and equipment	\$ 8,909,565	\$ 10,076,290	\$ 12,607,868

- B. Outstanding letters of credit

The outstanding letters of credit for the acquisition of property, plant and equipment are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Outstanding letters of credit	\$ 169,653	\$ 54,905	\$ 224,272

- C. On August 3, 2021, the Board of Directors of the Company resolved to enter into a long-term strategic partnership supply contract with SDP Global (China) Co., Ltd. The total price of the contract amounted to RMB 4 billion and will be prepaid based on agreed payment terms. As of March 31, 2026, the outstanding balance not yet paid was RMB 1.1 billion. SDP Global (China) Co., Ltd. committed to supply certain products in specified quantities each year from January 1, 2022 to December 31, 2033 to the Company and its subsidiary, Foshan Innolux Optoelectronics Ltd. The abovementioned prepayments to suppliers of the Group are shown as 'prepayments' and 'other non-current assets' based on liquidity amounting to \$3,415,842 and \$7,397,244, respectively, as of March 31, 2026, \$3,130,742 and \$7,603,231, respectively, as of December 31, 2025, and \$2,747,072 and \$9,250,913, respectively, as of March 31, 2025.

10. SIGNIFICANT DISASTER LOSS

None.

11. SUBSEQUENT EVENTS AFTER THE BALANCE SHEET DATE

On April 15, 2026, the Company's governance unit decided to dispose of Fab 5 in Tainan Science Park, and the related assets and liabilities were subsequently reclassified as a disposal group held for sale. Concurrently, the Company entered into an agreement with the counterparty to sell the disposal group for a total consideration of \$14.85 billion.

12. OTHERS

(1) Capital management

No significant changes during the period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2025.

(2) Financial instruments

A. Financial instruments by category

For information on the Group's financial assets (financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortized cost, cash and cash equivalents, accounts receivable (including related parties), other receivables and partial other non-current assets-others) and financial liabilities (short-term borrowings, financial liabilities at fair value through profit or loss, accounts payable (including related parties), other payables (including related parties), lease liability and long-term borrowings (including current portion)), please refer to Note 6 and consolidated balance sheets.

B. Financial risk management policies

No significant changes during the period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2025.

C. Significant financial risks and degrees of financial risks

Except for the following, there was no significant change during the period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2025.

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Group used in various functional currency. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.
- ii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB, USD and JPY). Based on the simulations performed, the impact on pre-tax profit of a 1% exchange rate fluctuation would be an increase of \$232,015 and \$237,172 for the three-month periods ended March 31, 2026 and 2025, respectively. The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

March 31, 2026				December 31, 2025			
	Foreign Currency Amount (In Thousands)	Exchange Rate (Note)	Book Value (NTD)		Foreign Currency Amount (In Thousands)	Exchange Rate (Note)	Book Value (NTD)
<u>Financial assets</u>							
<u>Monetary items</u>							
USD	\$ 3,647,162	32.00	\$ 116,709,184		\$ 3,776,406	31.43	\$ 118,692,441
JPY	173,152,368	0.20	34,630,474		169,488,737	0.20	33,897,747
RMB	1,018,946	4.62	4,707,531		1,053,380	4.47	4,708,609
EUR	53,191	36.71	1,952,642		54,387	36.90	2,006,880
SGD	7,042	24.80	174,642		3,413	24.45	83,448
GBP	3,341	42.27	141,224		4,119	42.33	174,357
<u>Non-monetary items</u>							
USD	\$ 3,534,274	32.00	\$ 113,096,768		\$ 3,428,130	31.43	\$ 107,746,126
JPY	11,122,352	0.20	2,224,470		10,837,092	0.20	2,167,418
RMB	308,110	4.62	1,423,468		318,611	4.47	1,424,191
<u>Financial liabilities</u>							
<u>Monetary items</u>							
USD	\$ 2,937,688	32.00	\$ 94,006,016		\$ 3,059,044	31.43	\$ 96,145,753
JPY	198,462,984	0.20	39,692,597		197,876,041	0.20	39,575,208
EUR	38,561	36.71	1,415,574		30,270	36.90	1,116,963
				March 31, 2025			
					Foreign Currency Amount (In Thousands)	Exchange Rate (Note)	Book Value (NTD)
<u>Financial assets</u>							
<u>Monetary items</u>							
USD				\$	3,339,200	33.21	\$ 110,894,832
RMB					1,191,090	4.63	5,514,747
JPY					4,441,169	0.22	977,057
EUR					25,557	35.97	919,285
<u>Non-monetary items</u>							
USD				\$	3,229,576	33.21	\$ 107,254,219
JPY					10,380,916	0.22	2,283,802
RMB					328,461	4.63	1,520,774
<u>Financial liabilities</u>							
<u>Monetary items</u>							
USD				\$	2,618,087	33.21	\$ 86,946,669
JPY					31,688,974	0.22	6,971,574
EUR					18,086	35.97	650,553

Note: Exchange rate represents the amount of NT dollars for which one foreign currency could be exchanged.

- iii. Total exchange loss, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three-month periods ended March 31, 2026 and 2025 amounted to \$(11,204) and \$(84,921), respectively.

Price risk

- i. The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the

Group diversifies its portfolio. Diversification of the portfolio is done by the Group in respect of the targets and stages.

- ii. The Group's investments in equity securities comprise domestic listed and unlisted stocks, beneficiary certificates and financial products. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 20% with all other variables held constant, pre-tax profit for the three-month periods ended March 31, 2026 and 2025 would have increased/decreased by \$1,308,658 and \$1,382,554, respectively; other comprehensive income and losses would have increased/decreased by \$1,151,627 and \$1,006,474, respectively.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from partial short-term borrowings and long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the three-month periods ended March 31, 2026 and 2025, the Group's borrowings at variable rate were denominated in the NTD, RMB and JPY.
- ii. If the borrowing interest rate of NTD had increased/decreased by 0.25% with all other variables held constant, pre-tax profit for the three-month periods ended March 31, 2026 and 2025 would have decreased/increased by \$31,659 and \$13,293, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows. As at March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost and accounts receivable held by the Group was its carrying amount.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the managements. The utilization of credit limits is regularly monitored.
- iii. The Group adopts the following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments are past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- iv. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.

- v. The Group classifies customer's accounts receivable in accordance with credit rating of customer, credit risk on trade and customer types. The Group applies the simplified approach using the provision matrix to estimate expected credit loss.
- vi. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) Default or delinquency in interest or principal repayments;
 - (iii) Adverse changes in national or regional economic conditions that are expected to cause a default.
- vii. The Group uses the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable.
According to abovementioned consideration and information, the Group does not expect any significant default possibility of accounts receivable.
- viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	2026
	Accounts receivable
At January 1	\$ 364,847
Reversal of impairment	(12,619)
Effect on exchange rate changes	2,871
At March 31	\$ 355,099
	2025
	Accounts receivable
At January 1	\$ 288,682
Provision for impairment	2,077
Effect on exchange rate changes	342
At March 31	\$ 291,101

- ix. The Group's financial assets at amortized cost have low credit risk, and the Group did not recognize significant loss allowance in accordance with 12 months expected credit losses.

(c) Liquidity risk

The information below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

March 31, 2026	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years	Total
Lease liability (Including liabilities directly related to non- current assets held for sale)	\$ 924,319	\$ 1,076,390	\$ 835,180	\$ 698,396	\$ 3,534,285
Long-term borrowings (including current portion)	476,384	3,733,137	14,776,313	—	18,985,834
December 31, 2025	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years	Total
Lease liability	\$ 904,875	\$ 1,069,841	\$ 844,919	\$ 733,482	\$ 3,553,117
Long-term borrowings (including current portion)	504,324	3,709,008	14,743,042	—	18,956,374
March 31, 2025	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years	Total
Lease liability	\$ 508,231	\$ 909,940	\$ 689,255	\$ 948,725	\$ 3,056,151
Long-term borrowings (including current portion)	16,094,536	1,702,029	2,198,061	274,157	20,268,783

Except for the above, the non-derivative and derivative financial liabilities of the Group are all due within one year.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks and beneficiary certificates is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments and financial products is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market and bonds payable is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(11).

C. Financial instruments not measured at fair value

Except for those listed in the table below, the carrying amounts of cash and cash equivalents, accounts receivable (including related parties), other receivables, financial assets at amortized cost, partial other non-current assets-others, accounts payable (including related parties), other

payables (including related parties), lease liability, short-term borrowings and long-term borrowings (including current portion) are approximate to their fair values.

March 31, 2026				
	Book value	Fair value		
		Level 1	Level 2	Level 3
Financial assets:				
Corporate bonds	<u>\$ 1,000,000</u>	<u>\$ —</u>	<u>\$ 999,994</u>	<u>\$ —</u>
December 31, 2025				
	Book value	Fair value		
		Level 1	Level 2	Level 3
Financial assets:				
Corporate bonds	<u>\$ 1,000,000</u>	<u>\$ —</u>	<u>\$ 1,005,083</u>	<u>\$ —</u>
March 31, 2025				
	Book value	Fair value		
		Level 1	Level 2	Level 3
Financial assets:				
Corporate bonds	<u>\$ 1,000,000</u>	<u>\$ —</u>	<u>\$ 1,000,000</u>	<u>\$ —</u>

D. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

	March 31, 2026	Level 1	Level 2	Level 3	Total
Assets					
<u>Recurring fair value measurements</u>					
Financial assets at fair value through profit or loss					
Equity securities	\$ 4,479,675	\$ —	\$ 1,638,498	\$ 6,118,173	
Forward foreign exchange contracts	—	2,939	—	2,939	
Convertible bonds	—	—	229,750	229,750	
Foreign exchange swap contracts	—	1,399	—	1,399	
Beneficiary certificates	181,768	—	—	181,768	
Financial instruments	—	243,347	—	243,347	
Financial assets at fair value through other comprehensive income					
Equity securities	5,176,966	—	581,171	5,758,137	
	<u>\$ 9,838,409</u>	<u>\$ 247,685</u>	<u>\$ 2,449,419</u>	<u>\$ 12,535,513</u>	

March 31, 2026	Level 1	Level 2	Level 3	Total
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts	\$ —	\$ 83,097	\$ —	\$ 83,097
Foreign exchange swap contracts	—	1,746	—	1,746
	<u>\$ —</u>	<u>\$ 84,843</u>	<u>\$ —</u>	<u>\$ 84,843</u>
December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 3,906,614	\$ —	\$ 1,638,362	\$ 5,544,976
Forward foreign exchange contracts	—	73,036	—	73,036
Foreign exchange swap contracts	—	4,512	—	4,512
Convertible bonds	—	—	225,693	225,693
Beneficiary certificates	182,727	—	—	182,727
Financial instruments	—	219,352	—	219,352
Financial assets at fair value through other comprehensive income				
Equity securities	4,776,244	—	529,983	5,306,227
	<u>\$ 8,865,585</u>	<u>\$ 296,900</u>	<u>\$ 2,394,038</u>	<u>\$ 11,556,523</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts	\$ —	\$ 53,831	\$ —	\$ 53,831
March 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 4,617,151	\$ —	\$ 1,883,700	\$ 6,500,851
Forward foreign exchange contracts	—	13,520	—	13,520
Convertible bonds	—	—	228,568	228,568
Beneficiary certificates	193,288	—	—	193,288
Financial instruments	—	218,632	—	218,632
Financial assets at fair value through other comprehensive income				
Equity securities	4,997,484	—	34,884	5,032,368
	<u>\$ 9,807,923</u>	<u>\$ 232,152</u>	<u>\$ 2,147,152</u>	<u>\$ 12,187,227</u>

March 31, 2025	Level 1	Level 2	Level 3	Total
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts	\$ —	\$ 55,414	\$ —	\$ 55,414
Foreign exchange swap contracts	—	18,422	—	18,422
	<u>\$ —</u>	<u>\$ 73,836</u>	<u>\$ —</u>	<u>\$ 73,836</u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	Emerging stocks	Corporate bond
Market quoted price	Closing price	Last transaction price	Weighted average quoted price
ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.			
iii. When assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts and financial products, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.			
iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward foreign exchange contracts and foreign exchange swap contracts are usually valued based on the current forward exchange rate. Convertible bonds derivative instruments are measured by using appropriate option pricing models (binary tree model or Black-Scholes model for convertible bond pricing).			
v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.			
vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.			

- E. For the three-month periods ended March 31, 2026 and 2025, there was no transfer between Level 1 and Level 2.
- F. The following table presents the changes in Level 3 instruments for the three-month periods ended March 31, 2026 and 2025:

	2026		
Financial assets at fair value through profit or loss / Financial assets at fair value through other comprehensive income	Equity securities	Hybrid instrument	Total
At January 1	\$ 2,168,345	\$ 225,693	\$ 2,394,038
Gains and losses recognized in profit or loss	(511)	—	(511)
Gains and losses recognized in other comprehensive income	55,467	—	55,467
Effect on exchange rate changes	(3,632)	4,057	425
At March 31	<u>\$ 2,219,669</u>	<u>\$ 229,750</u>	<u>\$ 2,449,419</u>
	2025		
Financial assets at fair value through profit or loss / Financial assets at fair value through other comprehensive income	Equity securities	Hybrid instrument	Total
At January 1	\$ 1,916,316	\$ 245,277	\$ 2,161,593
Gains and losses recognized in profit or loss	10,320	—	10,320
Gains and losses recognized in other comprehensive income	(2,348)	—	(2,348)
Disposed in the period	(28,421)	—	(28,421)
Converted during the period	19,600	(19,600)	—
Effect on exchange rate changes	3,117	2,891	6,008
At March 31	<u>\$ 1,918,584</u>	<u>\$ 228,568</u>	<u>\$ 2,147,152</u>

- G. As the Group has significant influence over best Epitaxy Manufacturing Company Ltd. starting from the fourth quarter of 2025, the fair value had been transferred out from Level 3. Refer to Note 6(8) for details.
- H. Investment management segment is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

Investment management segment set up valuation policies, valuation processes, and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS.

- I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$2,044,324	Market comparable companies	Price to sales ratio multiple, price to book ratio multiple, enterprise value to book ratio multiplier	0.63~6.86 (1.36)	The higher the multiple, the higher the fair value
			Discount for lack of marketability, discount for lack of control	10%~80% (33%)	The higher the discount for lack of marketability and discount for lack of control, the lower the fair value
	18,122	Using the last transaction price in an inactive market	Discount for lack of marketability	0%~30% (8%)	The higher the discount for lack of marketability, the lower the fair value
	157,223	Net asset value	Not applicable	Not applicable	Not applicable
Hybrid instrument:					
Convertible bond	229,750	Discounted cash flow method and Option pricing model	Discount and Volatility rate	1.80% ~30.33% (11.38%)	The higher the volatility, the higher the fair value; the higher the discount rate, the lower the fair value

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$2,024,215	Market comparable companies	Price to sales ratio multiple, price to book ratio multiple, enterprise value to book ratio multiplier Discount for lack of marketability, discount for lack of control	0.63~6.86 (1.38) 10%~80% (33%)	The higher the multiple, the higher the fair value The higher the discount for lack of marketability and discount for lack of control, the lower the fair value
	11,370	Using the last transaction price in an inactive market	Discount for lack of marketability	0%~30% (13%)	The higher the discount for lack of marketability, the lower the fair value
	132,760	Net asset value	Not applicable	Not applicable	Not applicable
Hybrid instrument:					
Convertible bond	225,693	Discounted cash flow method and Option pricing model	Discount and Volatility rate	1.80% ~30.33% (11.38%)	The higher the volatility, the higher the fair value; the higher the discount rate, the lower the fair value

	Fair value at March 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$1,913,374	Market comparable companies	Price to sales ratio multiple, price to book ratio multiple, enterprise value to book ratio multiplier Discount for lack of marketability, discount for lack of control	0.76~9.13 (2.36) 30%~80% (39%)	The higher the multiple, the higher the fair value The higher the discount for lack of marketability and discount for lack of control, the lower the fair value
	5,210	Using the last transaction price in an inactive market	Discount for lack of marketability	30% (30%)	The higher the discount for lack of marketability, the lower the fair value
Hybrid instrument:					
Convertible bond	228,568	Discounted cash flow method and Option pricing model	Discount and Volatility rate	2.12% ~14.58% (6.69%)	The higher the volatility, the higher the fair value; the higher the discount rate, the lower the fair value

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			March 31, 2026			
			Recognized in profit or loss		Recognized in other comprehensive income	
Financial assets	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Equity instrument	Liquidity discount	± 1%	\$ 25,372	\$ (25,372)	\$ 4,393	\$ (4,393)
Hybrid instrument	Discount and Volatility rate	± 1%	\$ 546	\$ (538)	\$ —	\$ —

			December 31, 2025			
Financial assets	Input	Change	Recognized in profit or loss		Recognized in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
Equity instrument	Liquidity discount	± 1%	\$ 25,360	\$ (25,360)	\$ 4,192	\$ (4,192)
Hybrid instrument	Discount and Volatility rate	± 1%	536	(528)	—	—
			March 31, 2025			
Financial assets	Input	Change	Recognized in profit or loss		Recognized in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
Equity instrument	Liquidity discount	± 1%	\$ 29,752	\$ (29,752)	\$ 218	\$ (218)
Hybrid instrument	Discount and Volatility rate	± 1%	1,045	(1,030)	—	—

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Please refer to Table 1.
- B. Provision of endorsements and guarantees to others: Please refer to Table 2.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to Table 3.
- D. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to Table 4.
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to Table 5.
- F. Significant inter-company transactions during the reporting periods: Please refer to Table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to Table 7.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to Table 8.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to Table 1, 4, 5 and 6.

14. SEGMENT INFORMATION

(1) Operating segment, segment revenue and operating results

The Group is primarily engaged in the research, development, design, manufacture and sales of display panels and related diverse cross-domain applications. The Group operates display panels solutions as its core business, thus, the Group operates business only in a single industry. The chief operating decision-maker who allocates resources and assesses performance of the Group as a whole, has identified that the Group has only one reportable operating segment.

The Group's operating segment information was prepared in accordance with the Group's accounting policies. The chief operating decision-maker uses indicators, such as revenue of

operating segment and overall operating performance, to allocate resources and assess performance. Furthermore, the measurement basis for the Company is in agreement with that used in the preparation of the financial statements.

Innolux Corporation and Subsidiaries
Loans to others
For the three-month period ended March 31, 2026

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three-month period ended March 31, 2026	Balance as at March 31, 2026	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	Innocom Technology (Shenzhen) Co., Ltd.	Foshan Innolux Optoelectronics Ltd.	Other receivables	Yes	\$6,934,915	\$6,934,915	\$4,706,495	2.00%	Long-term and short-term financing	\$—	Operating support	\$—	—	\$—	\$17,415,818	\$17,415,818	A
1	Innocom Technology (Shenzhen) Co., Ltd.	Ningbo Innolux Optoelectronics Ltd.	Other receivables	Yes	1,904,791	1,904,791	110,959	2.00%	Long-term and short-term financing	—	Operating support	—	—	—	17,415,818	17,415,818	A
1	Innocom Technology (Shenzhen) Co., Ltd.	Ningbo Innolux Display Ltd.	Other receivables	Yes	1,849,311	1,849,311	1,340,750	2.00%	Long-term and short-term financing	—	Operating support	—	—	—	17,415,818	17,415,818	A
1	Innocom Technology (Shenzhen) Co., Ltd.	CarUX Technology (Shanghai) Ltd.	Other receivables	Yes	1,202,052	1,202,052	1,202,052	2.00%	Long-term and short-term financing	—	Operating support	—	—	—	17,415,818	17,415,818	A
1	Innocom Technology (Shenzhen) Co., Ltd.	CarUX Technology (Ningbo) Ltd.	Other receivables	Yes	1,386,983	1,386,983	554,793	2.00%	Long-term and short-term financing	—	Operating support	—	—	—	17,415,818	17,415,818	A
2	Innolux Japan Co., Ltd.	Innolux Corporation	Other receivables	Yes	2,087,765	2,087,765	2,087,765	1.00%	Long-term and short-term financing	—	Operating support	—	—	—	8,192,622	8,192,622	A
3	Innolux Holding Limited	Innolux Corporation	Other receivables	Yes	1,683,614	1,683,614	1,683,614	0.00%	Long-term and short-term financing	—	Operating support	—	—	—	40,390,802	40,390,802	A
4	Warriors Technology Investments Ltd	Innolux Corporation	Other receivables	Yes	3,775,410	3,775,410	3,775,410	0.00%	Long-term and short-term financing	—	Operating support	—	—	—	11,174,862	11,174,862	A
5	CarUX Technology Taiwan Inc.	Pioneer Holding Co., Ltd.	Other receivables	Yes	125,980	125,980	125,980	0.86%	Long-term and short-term financing	—	Operating and project funding support	—	—	—	320,101	960,304	A
6	PIONEER HOLDING GLOBAL PTE. LTD.	Pioneer Holding Co., Ltd.	Other receivables	Yes	32,976,607	32,976,607	32,976,607	2.21%~2.64 %	Long-term and short-term financing	—	Operating and project funding support	—	—	—	44,710,000	44,710,000	A
7	Innolux Hong Kong Holding Limited	Innolux Corporation	Other receivables	Yes	1,769,324	1,769,324	1,129,424	0.00%	Long-term and short-term financing	—	Operating support	—	—	—	34,500,668	34,500,668	A
8	Pioneer Electronics (USA) Inc.	PIONEER CORPORATION	Other receivables	Yes	3,329,323	3,329,323	2,581,417	4.08%	Long-term and short-term financing	—	Operating support	—	—	—	24,976,642	24,976,642	A
8	Pioneer Electronics (USA) Inc.	Pioneer North America Inc.	Other receivables	Yes	11,257,927	11,257,927	10,544,019	3.5%~3.57 %	Long-term and short-term financing	—	Operating support	—	—	—	24,976,642	24,976,642	A
8	Pioneer Electronics (USA) Inc.	Pioneer do Brasil Ltda.	Other receivables	Yes	546,814	546,814	321,655	4.32%	Long-term and short-term financing	—	Operating support	—	—	—	24,976,642	24,976,642	A
9	Pioneer China Holding Co., Ltd.	PIONEER CORPORATION	Other receivables	Yes	657,312	657,312	464,860	3.5%~3.6%	Long-term and short-term financing	—	Operating support	—	—	—	2,754,302	2,754,302	A

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three-month period ended March 31, 2026	Balance as at March 31, 2026	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
9	Pioneer China Holding Co., Ltd.	Dongguan Monotech Electronic Co., Ltd.	Other receivables	Yes	\$99,480	\$99,480	\$98,550	2.90%	Long-term and short-term financing	\$—	Operating support	\$—	—	\$—	\$2,754,302	\$2,754,302	A
10	Pioneer (HK) Ltd.	PIONEER CORPORATION	Other receivables	Yes	964,965	804,138	623,518	3.75%	Long-term and short-term financing	—	Operating support	—	—	—	947,828	947,828	A
11	Pioneer International Latin America, S.A.	PIONEER CORPORATION	Other receivables	Yes	35,382	35,382	—	4.36%	Long-term and short-term financing	—	Operating support	—	—	—	682,710	682,710	A
12	Pioneer Electronics Australia Pty. Ltd.	PIONEER CORPORATION	Other receivables	Yes	154,756	154,756	110,540	4.24%	Long-term and short-term financing	—	Operating support	—	—	—	448,971	448,971	A
13	Pioneer Gulf, Fze.	PIONEER CORPORATION	Other receivables	Yes	109,363	109,363	109,363	4.08%~4.24 %	Long-term and short-term financing	—	Operating support	—	—	—	632,422	632,422	A
14	Pioneer Electronics Asiacentre Pte. Ltd.	PIONEER CORPORATION	Other receivables	Yes	96,497	96,497	—	4.15%	Long-term and short-term financing	—	Operating support	—	—	—	2,108,878	2,108,878	A
15	Pioneer Manufacturing (Thailand) Co., Ltd.	PIONEER CORPORATION	Other receivables	Yes	3,750,498	3,750,498	3,746,543	4.15%	Long-term and short-term financing	—	Operating support	—	—	—	11,249,224	11,249,224	A
16	Tohoku Pioneer Corporation	PIONEER CORPORATION	Other receivables	Yes	3,866,285	3,866,285	3,760,714	0.66%~0.75 %	Long-term and short-term financing	—	Operating support	—	—	—	8,839,423	8,839,423	A
16	Tohoku Pioneer Corporation	Mogami Denki Corporation	Other receivables	Yes	28,220	28,220	28,220	1.32%~1.57 %	Long-term and short-term financing	—	Operating support	—	—	—	8,839,423	8,839,423	A
16	Tohoku Pioneer Corporation	Tohoku Pioneer de Mexico, S.A. de C.V.	Other receivables	Yes	19,299	19,299	19,299	0.93%	Long-term and short-term financing	—	Operating support	—	—	—	8,839,423	8,839,423	A
17	Pioneer Service Network Corporation	PIONEER CORPORATION	Other receivables	Yes	260,830	260,830	227,132	0.66%~0.75 %	Long-term and short-term financing	—	Operating support	—	—	—	457,420	457,420	A
18	Pioneer System Technologies Corporation	PIONEER CORPORATION	Other receivables	Yes	26,405	26,405	—	0.66%~0.75 %	Long-term and short-term financing	—	Operating support	—	—	—	28,966	28,966	A
19	Pioneer Sales & Marketing Corporation	PIONEER CORPORATION	Other receivables	Yes	806,274	806,274	712,616	0.66%~0.75 %	Long-term and short-term financing	—	Operating support	—	—	—	1,260,418	1,260,418	A
20	Pioneer Welfare Service Co., Ltd.	PIONEER CORPORATION	Other receivables	Yes	13,304	13,304	13,263	0.66%~0.75 %	Long-term and short-term financing	—	Operating support	—	—	—	58,334	58,334	A
21	PIONEER CORPORATION	Technical Audio Devices Laboratories, Inc.	Other receivables	Yes	578,098	578,098	557,942	1.06%~1.15 %	Long-term and short-term financing	—	Operating support	—	—	—	8,916,264	8,916,264	A
21	PIONEER CORPORATION	Pioneer Smart Sensing Innovations Corporation	Other receivables	Yes	1,183,610	1,183,610	1,176,689	1.06%~1.15 %	Long-term and short-term financing	—	Operating support	—	—	—	8,916,264	8,916,264	A
21	PIONEER CORPORATION	Pioneer Finetech Corporation	Other receivables	Yes	71,355	71,355	63,897	1.06%~1.15 %	Long-term and short-term financing	—	Operating support	—	—	—	8,916,264	8,916,264	A
22	TPS Corporation	Tohoku Pioneer Corporation	Other receivables	Yes	2,620	2,620	2,620	1.32%~1.57 %	Long-term and short-term financing	—	Operating support	—	—	—	6,839	6,839	A

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three-month period ended March 31, 2026	Balance as at March 31, 2026	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
23	Discovision Associates	Pioneer Electronics (USA) Inc.	Other receivables	Yes	\$160,828	\$128,662	\$85,183	3.5%~3.57 %	Long-term and short-term financing	\$—	Operating support	\$—	—	\$—	\$156,496	\$156,496	A
24	Pioneer Automotive Technologies, Inc.	Pioneer Electronics (USA) Inc.	Other receivables	Yes	2,931,122	2,931,122	2,924,932	3.5%~3.57 %	Long-term and short-term financing	—	Operating support	—	—	—	5,524,036	5,524,036	A
25	Pioneer GB Ltd.	Pioneer Europe NV	Other receivables	Yes	709,671	709,671	658,677	3.37%~3.38 %	Long-term and short-term financing	—	Operating support	—	—	—	1,665,136	1,665,136	A
26	Pioneer RUS Limited Liability Company	Pioneer Europe NV	Other receivables	Yes	93,452	93,452	93,451	7.70%	Long-term and short-term financing	—	Operating support	—	—	—	500,835	500,835	A

Note A:

1.For loans obtained for short-term financing, financial limit on loans granted to a single party shall not exceed 10% of the Group's net equity, based on the most recent audited or reviewed financial statements of the creditor.

2.The financial limit on loans granted shall not exceed 40% of the creditor's net equity. If it is for short-term capital needs, the limit shall not exceed 30% of the creditor's net equity, based on the most recent audited or reviewed financial statements of the creditor.

3.The policy for loans between the Company's direct or indirect wholly-owned overseas subsidiaries or from overseas subsidiaries to the Company, for which the Company both have 100% shares directly or indirectly, is as follows: for long-term and short-term capital needs, financial limit is not restricted to the abovementioned two rules. However, for Innocom Technology (Shenzhen) Co., Ltd., Warriors Technology Investments Ltd., Innolux Holding Limited, Innolux Japan Co., Ltd., Innolux Hong Kong Holding Limited, Pioneer Electronics (USA) Inc., Pioneer China Holding Co., Ltd., Pioneer (HK) Ltd., Pioneer International Latin America, S.A., Pioneer Electronics Australia Pty. Ltd., Pioneer Gulf. Fze., Pioneer Electronics Asiacentre Pte. Ltd., Pioneer Manufacturing (Thailand) Co., Ltd., Tohoku Pioneer Corporation, Pioneer Service Network Corporation, Pioneer System Technologies Corporation, Pioneer Sales & Marketing Corporation, Pioneer Welfare Service Co., Ltd., PIONEER CORPORATION, TPS Corporation, Discovision Associates, Pioneer Automotive Technologies, Inc., Pioneer GB Ltd., Pioneer RUS Limited Liability Company, their limit on total loans granted to others is 200% of the creditor's net equity; and for PIONEER HOLDING GLOBAL PTE. LTD., the limit on loans granted to others shall not exceed 10,000 times of the creditor's net equity.

Innolux Corporation and Subsidiaries
Provision of endorsements and guarantees to others
For the three-month period ended March 31, 2026

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Endorser/ guarantor	Party being endorsed/ guaranteed		Limit on endorsements/ guarantees provided for a single party a related party	Maximum outstanding endorsement/ guarantee amount for the three- month period ended March 31, 2026	Outstanding endorsement/ guarantee amount at March 31, 2026	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/ guarantor											
1	PIONEER CORPORATION	Tohoku Pioneer Corporation	4	\$ 2,229,066	\$ 8,466	\$ 8,466	\$ —	\$ —	0.00%	\$ 4,458,132	N	N	N	A
1	PIONEER CORPORATION	Pioneer Europe NV	4	2,229,066	403,137	403,137	—	—	0.18%	4,458,132	N	N	N	A
1	PIONEER CORPORATION	Pioneer Electronics Asiacentre Pte. Ltd.	4	2,229,066	51,465	—	—	—	0.00%	4,458,132	N	N	N	A
2	Tohoku Pioneer Corporation	Tohoku Pioneer de Mexico, S.A. de C.V.	4	2,209,856	33,287	32,120	—	—	0.01%	4,419,712	N	N	N	A

Note A:

1. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries and limit on endorsements/guarantees to a single party are both 50% of the Company's net equity.
2. The total endorsements and guarantees of PIONEER CORPORATION to others should not be in excess 100% of PIONEER CORPORATION's net assets, and for a single party should not be in excess of 50% of PIONEER CORPORATION's net equity.
3. The total endorsements and guarantees of Tohoku Pioneer Corporation to others should not be in excess 100% of Tohoku Pioneer Corporation's net assets, and for a single party should not be in excess 50% of Tohoku Pioneer Corporation's net equity.

Innolux Corporation and Subsidiaries
Significant marketable securities held at the end of the period (not including subsidiaries, associates and joint ventures)
March 31, 2026

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of March 31, 2026				Footnote
				Shares/Units	Book value	Ownership (%)	Fair value	
	Common stock							
Innolux Corporation	TPV Technology Limited	None	Financial assets at fair value through profit or loss	60,200,000	\$ 1,424,700	3	\$ 1,424,700	
Innolux Corporation	Cheng Mei Materials Technology Corporation	None	Financial assets at fair value through profit or loss	48,617,638	1,181,409	9	1,181,409	
InnoJoy Investment Corporation	Fitipower Integrated Technology Inc.	None	Financial assets at fair value through other comprehensive income	5,850,000	889,200	5	889,200	
Ningbo Innolux Optoelectronics Ltd.	Shenzhen Tiandeyu Electronics Co., Ltd.	None	Financial assets at fair value through profit or loss	30,599,775	2,891,672	7	2,891,672	
Warriors Technology Investments Ltd	General Interface Solution (GIS) Holding Limited	None	Financial assets at fair value through other comprehensive income	22,525,000	1,169,048	7	1,169,048	
	Bonds							
CarUX Technology Taiwan Inc.	Fubon Life Insurance Co., Ltd. 2nd issue of Unsecured Cumulative Subordinated Corporate Bonds A in 2024	None	Financial assets at amortized cost	1,000	1,000,000	Not applicable	999,994	

Note: The Company determines the marketable securities which shall be disclosed in this table based on the Materiality Principle.

Innolux Corporation and Subsidiaries
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
For the three-month period ended March 31, 2026

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Innolux Corporation	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	Sales	\$ 3,877,624	9	60 days	Similar with general sales	No material difference	\$ 5,360,411	19	
Innolux Corporation	HONGFUJIN PRECISION ELECTRONICS (YANTAI) CO., LTD.	An indirect owned subsidiary of Hon Hai Precision Industry	Sales	2,761,275	7	90 days	Similar with general sales	No material difference	3,330,353	12	
Innolux Corporation	Foshan Innolux Optoelectronics Ltd.	An indirect owned subsidiary	Sales	316,985	1	60-90 days	Similar with general sales	No material difference	5,893	—	
Innolux Corporation	InnoCare Optoelectronics Corporation	A subsidiary of the Company	Sales	272,542	1	90 days	Similar with general sales	No material difference	282,486	1	
Innolux Corporation	Innolux USA Inc.	An indirect owned subsidiary	Sales	177,700	—	120 days	Similar with general sales	No material difference	114,010	—	
Innolux Corporation	Foshan Innolux Optoelectronics Ltd.	An indirect owned subsidiary	Processing expense	4,691,517	12	60 days	Cost plus	No material difference	(9,561,298)	21	
Innolux Corporation	Ningbo Innolux Display Ltd.	An indirect owned subsidiary	Processing expense	4,561,432	12	60 days	Cost plus	No material difference	(5,061,974)	11	
Innolux Corporation	Ningbo Innolux Optoelectronics Ltd.	An indirect owned subsidiary	Processing expense	3,608,668	9	60 days	Cost plus	No material difference	(11,393,451)	25	
CARUX TECHNOLOGY PTE. LTD.	CarUX Technology (Shanghai) Ltd.	An indirect owned subsidiary	Sales	827,961	5	60 days	Similar with general transactions	No material difference	—	—	
CarUX Technology (Shanghai) Ltd.	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	Processing revenue	3,455,100	80	60 days	Similar with general transactions	No material difference	3,287,054	70	
CarUX Technology Taiwan Inc.	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	Processing revenue	2,672,231	100	60 days	Similar with general transactions	No material difference	4,081,377	94	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
CarUX Technology (Ningbo) Ltd.	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	Processing revenue	\$ 1,490,654	100	60 days	Similar with general transactions	No material difference	\$ 1,189,800	100	
Ningbo Innolux Optoelectronics Ltd.	Ningbo Innolux Display Ltd.	An indirect owned subsidiary	Sales	1,432,342	19	60 days	Similar with general transactions	No material difference	888,033	7	
Ningbo Innolux Display Ltd.	Ningbo Innolux Optoelectronics Ltd.	An indirect owned subsidiary	Sales	399,463	4	60 days	Similar with general transactions	No material difference	238,869	3	
InnoCare Optoelectronics Corporation	InnoCare Optoelectronics Japan Co., Ltd.	An indirect owned subsidiary	Sales	315,504	44	60 days	Similar with general transactions	No material difference	517,812	60	
PIONEER CORPORATION	Craft Co., Ltd.	Associates	Sales	299,778	2	90 days	Similar with general transactions	No material difference	317,448	4	
InnoCare Optoelectronics Corporation	InnoCare Optoelectronics USA, INC.	An indirect owned subsidiary	Sales	123,328	17	60 days	Similar with general transactions	No material difference	124,692	14	
Ningbo Innolux Display Ltd.	Hon Hai Precision Industry Co., Ltd.	Other related party	Purchases	101,930	1	90 days	Similar with general transactions	No material difference	(125,972)	2	
CarUX Technology Europe B.V.	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	Service revenue	480,052	100	60 days	Similar with general transactions	No material difference	639,232	100	
PIONEER CORPORATION	Pioneer Europe NV	An indirect owned subsidiary	Sales	761,599	8	25 days	Similar with general transactions	No material difference	238,826	4	
PIONEER CORPORATION	Pioneer Sales & Marketing Corporation	An indirect owned subsidiary	Sales	2,413,440	25	25 days	Similar with general transactions	No material difference	742,797	13	
Tohoku Pioneer Corporation	PIONEER CORPORATION	An indirect owned subsidiary	Sales	806,092	63	30 days	Similar with general transactions	No material difference	253,650	56	
PIONEER CORPORATION	Pioneer do Brasil Ltda.	An indirect owned subsidiary	Sales	363,612	4	90 days	Similar with general transactions	No material difference	108,010	2	
Pioneer Manufacturing (Thailand) Co., Ltd.	PT. Pioneer Electronics Indonesia	An indirect owned subsidiary	Sales	175,312	6	60 days	Similar with general transactions	No material difference	110,130	6	
Pioneer Manufacturing (Thailand) Co., Ltd.	PIONEER CORPORATION	An indirect owned subsidiary	Sales	1,918,375	69	60 days	Similar with general transactions	No material difference	1,333,804	71	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
PIONEER CORPORATION	Pioneer Manufacturing (Thailand) Co., Ltd.	An indirect owned subsidiary	Sales	\$ 1,288,702	14	30 days	Similar with general transactions	No material difference	\$ 493,014	8	
Pioneer Sales & Marketing Corporation	Craft Co., Ltd.	Associates	Sales	299,778	12	60 days	Similar with general transactions	No material difference	318,811	30	
Pioneer (HK) Ltd.	Pioneer Manufacturing (Thailand) Co., Ltd.	An indirect owned subsidiary	Sales	328,440	14	60 days	Similar with general transactions	No material difference	154,423	9	
Pioneer (HK) Ltd.	PIONEER CORPORATION	An indirect owned subsidiary	Sales	1,946,862	84	55 days	Similar with general transactions	No material difference	1,288,218	72	
Tohoku Pioneer (Vietnam) Co., Ltd.	Tohoku Pioneer Corporation	An indirect owned subsidiary	Sales	856,913	99	60-120 days	Similar with general transactions	No material difference	863,594	99	

Innolux Corporation and Subsidiaries
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
March 31, 2026

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2026 (Note A)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Innolux Corporation	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	\$ 5,360,411	2.78	\$ 2,796,532	Subsequent collection	\$ —	\$ —
Innolux Corporation	HONGFUJIN PRECISION ELECTRONICS (YANTAI) CO., LTD.	An indirect owned subsidiary of Hon Hai Precision Industry Co., Ltd.	3,330,353	3.14	—	—	498,364	—
Innolux Corporation	InnoCare Optoelectronics Corporation	A subsidiary of the Company	282,486	4.29	—	—	87,513	—
Innolux Corporation	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	236,150	—	126,640	Subsequent collection	1,833	—
Innolux Corporation	Innolux USA Inc.	An indirect owned subsidiary	(Shown as other receivables) 114,010	9.83	40,973	Subsequent collection	15,203	—
Ningbo Innolux Optoelectronics Ltd.	Innolux Corporation	Ultimate parent company	11,393,451	1.26	6,387,008	Subsequent collection	1,983,835	—
Foshan Innolux Optoelectronics Ltd.	Innolux Corporation	Ultimate parent company	9,561,298	2.02	—	—	4,465,195	—
Ningbo Innolux Display Ltd.	Innolux Corporation	Ultimate parent company	5,061,974	3.54	—	—	2,735,650	—
CarUX Technology Taiwan Inc.	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	4,081,377	2.69	235,411	Subsequent collection	1,663,844	—
CarUX Technology (Shanghai) Ltd.	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	3,287,054	4.47	—	—	1,057,258	—
CarUX Technology (Ningbo) Ltd.	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	1,189,800	5.12	—	—	709,277	—
Innocom Technology (Shenzhen) Co., Ltd.	Innolux Corporation	Ultimate parent company	920,083	0.21	868,801	Subsequent collection	—	—
Ningbo Innolux Optoelectronics Ltd.	Ningbo Innolux Display Ltd.	An indirect owned subsidiary	888,033	5.38	—	—	391,177	—

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2026 (Note A)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
CarUX Technology Europe B.V.	CARUX TECHNOLOGY PTE. LTD.	An indirect owned subsidiary	\$ 639,232	2.91	\$ 163,567	Subsequent collection	\$ —	\$ —
InnoCare Optoelectronics Corporation	InnoCare Optoelectronics Japan Co., Ltd.	An indirect owned subsidiary	517,812	4.43	134,514	Subsequent collection	228,639	—
Ningbo Innolux Display Ltd.	Ningbo Innolux Optoelectronics Ltd.	An indirect owned subsidiary	238,869	6.42	—	—	93,796	—
CARUX TECHNOLOGY PTE. LTD.	PIONEER HOLDING GLOBAL PTE. LTD.	An indirect owned subsidiary	200,097	—	—	—	—	—
InnoCare Optoelectronics Corporation	InnoCare Optoelectronics USA, INC.	An indirect owned subsidiary	(Shown as other receivables) 124,692	3.99	22,529	Subsequent collection	39,542	—
PIONEER CORPORATION	Pioneer do Brasil Ltda.	An indirect owned subsidiary	108,010	13.54	—	—	38,146	—
PIONEER CORPORATION	Pioneer Europe NV	An indirect owned subsidiary	238,826	9.12	—	—	238,826	—
PIONEER CORPORATION	Pioneer Sales & Marketing Corporation	An indirect owned subsidiary	742,797	13.37	—	—	—	—
PIONEER CORPORATION	Pioneer Manufacturing (Thailand) Co., Ltd.	An indirect owned subsidiary	493,014	9.95	—	—	493,014	—
Pioneer (HK) Ltd.	Pioneer Manufacturing (Thailand) Co., Ltd.	An indirect owned subsidiary	154,423	7.13	—	—	154,423	—
Pioneer (HK) Ltd.	PIONEER CORPORATION	An indirect owned subsidiary	1,288,218	7.41	—	—	710,799	—
Pioneer Manufacturing (Thailand) Co., Ltd.	PIONEER CORPORATION	An indirect owned subsidiary	1,333,804	5.70	—	—	673,332	—
Pioneer Manufacturing (Thailand) Co., Ltd.	PT. Pioneer Electronics Indonesia	An indirect owned subsidiary	110,130	5.20	—	—	38,698	—
Tohoku Pioneer Corporation	PIONEER CORPORATION	An indirect owned subsidiary	253,650	11.31	—	—	253,650	—
Tohoku Pioneer (Vietnam) Co., Ltd.	Tohoku Pioneer Corporation	An indirect owned subsidiary	863,594	3.24	580,308	Subsequent collection	280,961	—

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2026 (Note A)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Pioneer Sales & Marketing Corporation	Craft Co., Ltd.	Associates	\$ 318,811	4.40	\$ —	—	\$ —	\$ —

Note A : For the information on receivables of loans to related parties reaching NT\$100 million or 20% of paid-in capital or more, please refer to Table 1.

Innolux Corporation and Subsidiaries
Significant inter-company transactions during the reporting period
For the three-month period ended March 31, 2026

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note A)	Company name	Counterparty	Relationship (Note B)	Transaction (Note D and E)		Transaction terms (Note C)	Percentage of consolidated total operating revenues or total assets
				General ledger account	Amount		
0	Innolux Corporation	Innocom Technology (Shenzhen) Co., Ltd.	1	Accrued expenses	\$ (920,083)	—	—
0	Innolux Corporation	Ningbo Innolux Optoelectronics Ltd.	1	Processing expense	3,608,668	—	5
0	Innolux Corporation	Ningbo Innolux Optoelectronics Ltd.	1	Accrued expenses	(11,393,451)	—	3
0	Innolux Corporation	Foshan Innolux Optoelectronics Ltd.	1	Sales	316,985	—	—
0	Innolux Corporation	Foshan Innolux Optoelectronics Ltd.	1	Processing expense	4,691,517	—	7
0	Innolux Corporation	Foshan Innolux Optoelectronics Ltd.	1	Accrued expenses	(9,561,298)	—	2
0	Innolux Corporation	Ningbo Innolux Display Ltd.	1	Processing expense	4,561,432	—	7
0	Innolux Corporation	Ningbo Innolux Display Ltd.	1	Accrued expenses	(5,061,974)	—	1
0	Innolux Corporation	Innolux USA Inc.	1	Sales	177,700	—	—
0	Innolux Corporation	Innolux USA Inc.	1	Accounts receivable	114,010	—	—
0	Innolux Corporation	InnoCare Optoelectronics Corporation	1	Sales	272,542	—	—
0	Innolux Corporation	InnoCare Optoelectronics Corporation	1	Accounts receivable	282,486	—	—
0	Innolux Corporation	CARUX TECHNOLOGY PTE. LTD.	1	Sales	3,877,624	—	6
0	Innolux Corporation	CARUX TECHNOLOGY PTE. LTD.	1	Accounts receivable	5,360,411	—	1
0	Innolux Corporation	CARUX TECHNOLOGY PTE. LTD.	1	Other receivables	236,150	—	—
1	CarUX Technology (Shanghai) Ltd.	CARUX TECHNOLOGY PTE. LTD.	3	Processing revenue	3,455,100	—	5
1	CarUX Technology (Shanghai) Ltd.	CARUX TECHNOLOGY PTE. LTD.	3	Accounts receivable	3,287,054	—	1
2	CarUX Technology Europe B.V.	CARUX TECHNOLOGY PTE. LTD.	3	Service revenue	480,052	—	1
2	CarUX Technology Europe B.V.	CARUX TECHNOLOGY PTE. LTD.	3	Accounts receivable	639,232	—	—
3	Ningbo Innolux Optoelectronics Ltd.	Ningbo Innolux Display Ltd.	3	Sales	1,432,342	—	2
3	Ningbo Innolux Optoelectronics Ltd.	Ningbo Innolux Display Ltd.	3	Accounts receivable	888,033	—	—
4	Ningbo Innolux Display Ltd.	Ningbo Innolux Optoelectronics Ltd.	3	Sales	399,463	—	1
4	Ningbo Innolux Display Ltd.	Ningbo Innolux Optoelectronics Ltd.	3	Accounts receivable	238,869	—	—
5	CarUX Technology Taiwan Inc.	CARUX TECHNOLOGY PTE. LTD.	3	Processing revenue	2,672,231	—	4
5	CarUX Technology Taiwan Inc.	CARUX TECHNOLOGY PTE. LTD.	3	Accounts receivable	4,081,377	—	1
6	InnoCare Optoelectronics Corporation	InnoCare Optoelectronics Japan Co., Ltd.	3	Sales	315,504	—	—
6	InnoCare Optoelectronics Corporation	InnoCare Optoelectronics Japan Co., Ltd.	3	Accounts receivable	517,812	—	—
6	InnoCare Optoelectronics Corporation	InnoCare Optoelectronics USA, INC.	3	Sales	123,328	—	—
6	InnoCare Optoelectronics Corporation	InnoCare Optoelectronics USA, INC.	3	Accounts receivable	124,692	—	—
7	CARUX TECHNOLOGY PTE. LTD.	CarUX Technology (Shanghai) Ltd.	3	Sales	827,961	—	1

Number (Note A)	Company name	Counterparty	Relationship (Note B)	Transaction (Note D and E)			
				General ledger account	Amount	Transaction terms (Note C)	Percentage of consolidated total operating revenues or total assets
7	CARUX TECHNOLOGY PTE. LTD.	PIONEER HOLDING GLOBAL PTE. LTD.	3	Other receivables	\$ 200,097	—	—
8	CarUX Technology (Ningbo) Ltd.	CARUX TECHNOLOGY PTE. LTD.	3	Processing revenue	1,490,654	—	2
8	CarUX Technology (Ningbo) Ltd.	CARUX TECHNOLOGY PTE. LTD.	3	Accounts receivable	1,189,800	—	—
9	PIONEER CORPORATION	Pioneer Europe NV	3	Sales	761,599	—	1
9	PIONEER CORPORATION	Pioneer Europe NV	3	Accounts receivable	238,826	—	—
9	PIONEER CORPORATION	Pioneer Sales & Marketing Corporation	3	Sales	2,413,440	—	4
9	PIONEER CORPORATION	Pioneer Sales & Marketing Corporation	3	Accounts receivable	742,797	—	—
9	PIONEER CORPORATION	Pioneer do Brasil Ltda.	3	Sales	363,612	—	1
9	PIONEER CORPORATION	Pioneer do Brasil Ltda.	3	Accounts receivable	108,010	—	—
9	PIONEER CORPORATION	Pioneer Manufacturing (Thailand) Co., Ltd.	3	Sales	1,288,702	—	2
9	PIONEER CORPORATION	Pioneer Manufacturing (Thailand) Co., Ltd.	3	Accounts receivable	493,014	—	—
10	Pioneer (HK) Ltd.	PIONEER CORPORATION	3	Sales	1,946,862	—	3
10	Pioneer (HK) Ltd.	PIONEER CORPORATION	3	Accounts receivable	1,288,218	—	—
10	Pioneer (HK) Ltd.	Pioneer Manufacturing (Thailand) Co., Ltd.	3	Sales	328,440	—	—
10	Pioneer (HK) Ltd.	Pioneer Manufacturing (Thailand) Co., Ltd.	3	Accounts receivable	154,423	—	—
11	Pioneer Manufacturing (Thailand) Co., Ltd.	PIONEER CORPORATION	3	Sales	1,918,375	—	3
11	Pioneer Manufacturing (Thailand) Co., Ltd.	PIONEER CORPORATION	3	Accounts receivable	1,333,804	—	—
11	Pioneer Manufacturing (Thailand) Co., Ltd.	PT. Pioneer Electronics Indonesia	3	Sales	175,312	—	—
11	Pioneer Manufacturing (Thailand) Co., Ltd.	PT. Pioneer Electronics Indonesia	3	Accounts receivable	110,130	—	—
12	Tohoku Pioneer Corporation	PIONEER CORPORATION	3	Sales	806,092	—	1
12	Tohoku Pioneer Corporation	PIONEER CORPORATION	3	Accounts receivable	253,650	—	—
13	Tohoku Pioneer (Vietnam) Co., Ltd.	Tohoku Pioneer Corporation	3	Sales	856,913	—	1
13	Tohoku Pioneer (Vietnam) Co., Ltd.	Tohoku Pioneer Corporation	3	Accounts receivable	863,594	—	—

Note A: The information of transactions between the Company and the consolidated subsidiaries should be noted in “Number” column.

(1) Number 0 represents the parent company.

(2) The subsidiaries are numbered in order from number 1.

Note B: 1 refers to the parent company to the subsidiary.

3 refers to the subsidiary to the subsidiary.

Note C: Except for no comparable transactions from related parties, sales prices were similar to non-related parties transactions and the collection period was mainly 30~120 days; the purchases from related parties were at market prices and payment term was 30~120 days upon receipt of goods.

Note D: The company shall decide whether to disclose the significant transactions in this table based on the principle of materiality.

Note E: For the information on transactions between the Company and the consolidated subsidiaries relating to nature of loan, please refer to Table 1.

Innolux Corporation and Subsidiaries
Information on investees
For the three-month period ended March 31, 2026

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2026			Net profit (loss) of the investee for the three-month period ended March 31, 2026	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2026	Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value			
Innolux Corporation	Innolux Holding Limited	Samoa	Investment holdings	\$ 7,618,559	\$ 7,618,559	225,568,185	100	\$ 20,195,401	\$ 82,896	\$ 82,896	
Innolux Corporation	Keyway Investment Management Limited	Samoa	Investment holdings	62,197	62,197	1,656,410	100	136,551	1,188	1,188	
Innolux Corporation	Landmark International Ltd.	Samoa	Investment holdings	33,438,542	33,438,542	709,450,000	100	67,927,944	394,227	394,227	
Innolux Corporation	Toppoly Optoelectronics (B.V.I.) Ltd.	BVI	Investment holdings	3,674,115	3,674,115	146,847,000	100	7,674,421	9,900	9,900	
Innolux Corporation	Innolux Hong Kong Holding Limited	Hong Kong	Investment holdings	3,231,780	3,231,780	1,158,844,000	100	16,871,750	1,185,058	1,184,099	
Innolux Corporation	Innolux Singapore Holding Pte. Ltd.	Singapore	Investment holdings	754,943	754,943	25,400,000	100	174,549	618	618	
Innolux Corporation	Yuan Chi Investment Co., Ltd.	Taiwan	Investment company	1,517,225	1,517,225	—	100	1,242,784	14,900	14,900	
Innolux Corporation	InnoJoy Investment Corporation	Taiwan	Investment company	1,974,044	1,974,044	212,739,518	100	3,124,455	72,629	72,629	
Innolux Corporation	InnoCare Optoelectronics Corporation	Taiwan	Holdings, R&D, manufacturing and sales company	197,753	197,753	20,200,000	49	752,467	88,012	42,878	
Innolux Corporation	Innolux Japan Co., Ltd.	Japan	Holdings, R&D and sales company	1,682,751	1,682,751	98	54	2,230,032	75,044	40,854	
Innolux Corporation	iZ3D, Inc.	USA	Research and development and sale of 3D flat monitor	—	—	4,333	35	—	—	—	
Innolux Corporation	GIO Optoelectronics Corp.	Taiwan	Holdings, R&D, manufacturing and sales company	452,693	452,693	41,477,683	77	334,874	9,141	7,019	
Innolux Corporation	Ampower Holding Ltd.	Cayman	Investment holdings	844,091	844,091	1	50	42,990	—	—	
Innolux Corporation	FI Medical Device Manufacturing Co., Ltd.	Taiwan	Production and selling of the absorption for medical element	73,500	73,500	7,350,000	49	316,741	34,816	17,060	
Innolux Corporation	eLux Inc.	USA	R&D of MicroLED technology	91,155	91,155	300,000	28	—	(15,759)	—	
Innolux Corporation	PanelSemi Corporation	Taiwan	R&D, design, manufacturing and sales of electronic parts	250,000	250,000	3,375,000	33	24,705	(6,710)	(2,214)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2026			Net profit (loss) of the investee for the three-month period ended March 31, 2026	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2026	Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value			
Innolux Corporation	Advanced Micro Lux Holding Limited	Cayman	Holdings, R&D company	\$ 200,000	\$ 200,000	20,000,000	67	\$ 197,626	\$ (12,007)	\$ (8,005)	
Innolux Corporation	best Epitaxy Manufacturing Company Ltd.	Taiwan	R&D and sales of electronic parts	300,000	300,000	11,718,740	9	288,545	(54,335)	(11,455)	
Innolux Holding Limited	Rockets Holding Limited	Samoa	Investment holdings	5,222,180	5,222,180	160,504,550	100	8,712,732	17,454	17,454	
Innolux Holding Limited	Suns Holding Ltd	Samoa	Investment holdings	555,422	555,422	18,177,052	100	5,587,433	2,160	2,160	
Toppoly Optoelectronics (B.V.I.) Ltd.	Toppoly Optoelectronics (Cayman) Ltd.	Cayman	Investment holdings	3,650,192	3,650,192	146,817,000	100	7,674,047	9,900	9,900	
Innolux Hong Kong Holding Limited	Innolux Japan Co., Ltd.	Japan	Holdings, R&D and sales company	1,815,603	1,815,603	82	46	1,866,279	75,044	34,190	
Innolux Hong Kong Holding Limited	CarUX Holding Limited	Cayman	Investment holdings	3,720,612	3,720,612	123,634,371	86	13,164,036	1,277,880	1,158,653	
CarUX Holding Limited	CARUX TECHNOLOGY PTE. LTD.	Singapore	Holdings and sales company	6,536,399	6,536,399	210,431,749	100	14,106,470	846,165	846,165	
CarUX Holding Limited	Ultimate Fantasy Limited	BVI	Investment holdings	3	3	—	—	5	—	—	
CarUX Holding Limited	PIONEER HOLDING GLOBAL PTE. LTD.	Singapore	Investment holdings	6,286	6,286	9,000,000	100	592,679	437,164	437,164	
CARUX TECHNOLOGY PTE. LTD.	CarUX Technology Hong Kong Holding Limited	Hong Kong	Investment holdings	1,818,180	1,818,180	162,897,802	100	3,608,675	124,245	230,677	
CARUX TECHNOLOGY PTE. LTD.	CarUX Technology Europe B.V.	Netherlands	Holding, sales and R&D testing company	464,341	464,341	375,810	100	856,611	35,464	35,464	
CARUX TECHNOLOGY PTE. LTD.	CarUX Technology Taiwan Inc.	Taiwan	manufacturing and sales company	1,500,000	1,500,000	150,000,000	100	2,912,425	102,040	162,830	
CARUX TECHNOLOGY PTE. LTD.	CarUX Technology USA, Inc.	USA	Sales support	2,930	2,930	5,000	100	6,837	1,239	1,239	
Innolux Japan Co., Ltd.	Innolux USA Inc.	USA	Sales company	369,092	369,092	12,842	100	1,599,040	67,331	67,331	
Rockets Holding Limited	Stanford Developments Limited	Samoa	Investment holdings	5,391,125	5,391,125	164,000,000	100	8,707,963	17,454	17,454	
Suns Holding Ltd	Warriors Technology Investments Ltd	Samoa	Investment company	555,422	555,422	18,177,052	100	5,587,431	2,160	2,160	
CarUX Technology Europe B.V.	CarUX Technology Germany GmbH	Germany	Testing and maintenance company	33,735	33,735	100,000	100	33,470	435	435	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2026			Net profit (loss) of the investee for the three-month period ended March 31, 2026	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2026	Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value			
Innolux Singapore Holding Pte. Ltd.	INNOLUX OPTOELECTRONICS INDIA PRIVATE LIMITED	India	Sales company	\$ 607,284	\$ 607,284	144,095,499	100	\$ 6,378	\$ (4)	\$ (4)	
Yuan Chi Investment Co., Ltd.	INNOLUX OPTOELECTRONICS INDIA PRIVATE LIMITED	India	Sales company	—	—	1	—	—	(4)	—	
Yuan Chi Investment Co., Ltd.	GIO Optoelectronics Corp.	Taiwan	Holdings, R&D, manufacturing and sales company	858	858	77,235	—	636	9,141	13	
Yuan Chi Investment Co., Ltd.	InnVasLinx Inc.	Taiwan	E-Paper Module/Assembly	6,829	6,829	764,260	22	7,834	1,237	278	
Yuan Chi Investment Co., Ltd.	best Epitaxy Manufacturing Company Ltd.	Taiwan	R&D and sales of electronic parts	631,160	631,160	24,654,690	18	607,061	(54,335)	(24,099)	
InnoJoy Investment Corporation	Inno Capital Corporation	Taiwan	Investment company	15,000	15,000	2,724,950	100	49,527	6,943	6,943	
InnoJoy Investment Corporation	CDIB-Innolux Limited Partnership	Taiwan	Investment company	164,663	164,663	—	16	216,881	74,016	12,195	
InnoJoy Investment Corporation	CDIB-Innolux II Limited Partnership	Taiwan	Investment company	268,516	268,516	—	13	307,737	160,853	20,299	
InnoJoy Investment Corporation	best Epitaxy Manufacturing Company Ltd.	Taiwan	R&D and sales of electronic parts	509,991	509,991	19,921,540	15	490,519	(54,335)	(19,472)	
Inno Capital Corporation	CDIB-Innolux Limited Partnership	Taiwan	Investment company	9,994	9,994	—	1	13,164	74,016	740	
Inno Capital Corporation	CDIB-Innolux II Limited Partnership	Taiwan	Investment company	20,484	20,484	—	1	23,476	160,853	1,549	
InnoCare Optoelectronics Corporation	InnoCare Optoelectronics Japan Co., Ltd.	Japan	Sales company	87,149	87,149	30,010	100	164,046	9,213	9,213	
InnoCare Optoelectronics Corporation	InnoCare Optoelectronics USA, INC.	USA	Sales company	27,963	27,963	900,000	100	52,984	4,019	4,019	
InnoCare Optoelectronics Corporation	Innocare Optoelectronics Europe B.V.	Netherlands	After-sales service company	1,662	1,662	500	100	4,792	108	108	
InnoCare Optoelectronics Corporation	INNOCARE SOLUTIONS PRIVATE LIMITED	India	Sales company	30,284	34	8,591,400	100	28,802	(222)	(222)	
InnoCare Optoelectronics USA, INC.	INNOCARE SOLUTIONS PRIVATE LIMITED	India	Sales company	30	—	8,600	—	29	(222)	—	
Ultimate Fantasy Limited	CarUX Holding Limited	Cayman	Investment holdings	106,560	106,560	6,843,900	5	—	1,277,880	—	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2026			Net profit (loss) of the investee for the three-month period ended March 31, 2026	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2026	Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value			
PIONEER HOLDING GLOBAL PTE. LTD.	Pioneer Holding Co., Ltd.	Japan	Investment holdings	\$ 3,017	\$ 3,017	1,500	100	\$ 591,545	\$ 437,246	\$ 437,246	
Pioneer Holding Co., Ltd.	PIONEER CORPORATION	Japan	Holdings, sales and manufacturing company	32,934,897	32,934,897	46,344	100	33,904,120	907,195	668,853	
PIONEER CORPORATION	Tohoku Pioneer Corporation	Japan	Holdings and manufacturing company	—	—	20,046,200	100	4,566,039	30,130	30,130	
PIONEER CORPORATION	Pioneer Service Network Corporation	Japan	After-sales service company	—	—	2,000	100	227,798	7,508	7,508	
PIONEER CORPORATION	Pioneer Sales & Marketing Corporation	Japan	Sales company	—	—	2,001	100	726,338	9,747	9,747	
PIONEER CORPORATION	Pioneer Smart Sensing Innovations Corporation	Japan	R&D company	—	—	100	100	(1,176,152)	(2,429)	(2,429)	
PIONEER CORPORATION	Technical Audio Devices Laboratories, Inc.	Japan	R&D, manufacturing and sales company	—	—	2,000	100	(539,836)	3,939	3,939	
PIONEER CORPORATION	Pioneer System Technologies Corporation	Japan	R&D and manufacturing company	—	—	1,800	100	(5,424)	10,625	10,625	
PIONEER CORPORATION	Pioneer Finetech Corporation	Japan	Manufacturing company	—	—	1,000	100	(71,246)	2,432	2,432	
PIONEER CORPORATION	Pioneer Welfare Service Co., Ltd.	Japan	Insurance agency and labor dispatch services	—	—	400	100	30,094	666	666	
PIONEER CORPORATION	Pioneer International (Miami) Inc.	U.S.A.	Export trading company	—	—	50,000	100	4,031	—	—	
PIONEER CORPORATION	Pioneer North America Inc.	U.S.A.	Investment holdings	—	—	1,822	100	5,165,798	783,002	783,002	
PIONEER CORPORATION	Pioneer Electronics of Canada, Inc.	Canada	Sales company	—	—	4,000	100	26,607	(202)	(202)	
PIONEER CORPORATION	Pioneer Europe NV	Belgium	Sales and management company	—	—	2,389,505	100	2,423,257	99,832	99,832	
PIONEER CORPORATION	Pioneer Electronics Asiacentre Pte. Ltd.	Singapore	Investment holdings	—	—	45,476,377	100	906,560	239,928	239,928	
PIONEER CORPORATION	Pioneer (HK) Ltd.	Hong Kong	Import trading Company	—	—	96,550,000	100	471,003	16,297	16,297	
PIONEER CORPORATION	Pioneer Electronics Australia Pty. Ltd.	Australia	Sales company	—	—	16,530,000	100	281,843	4,201	4,201	
PIONEER CORPORATION	Pioneer International Latin America, S.A.	Panama	Sales company	—	—	590	100	519,644	39,070	39,070	
PIONEER CORPORATION	Pioneer Gulf, Fze.	U.A.E.	Sales company	—	—	26	100	311,423	9,312	9,312	
PIONEER CORPORATION	Pioneer Electronics de Mexico, S.A. de C.V.	Mexico	Sales company	—	—	4,661	100	182,472	27,057	27,057	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2026			Net profit (loss) of the investee for the three-month period ended March 31, 2026	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2026	Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value			
PIONEER CORPORATION	Pioneer do Brasil Ltda.	Brazil	Sales and management company	\$ —	\$ —	32,000	100	\$ 863,386	\$ 64,487	\$ 64,487	
Tohoku Pioneer Corporation	Mogami Denki Corporation	Japan	Manufacturing company	—	—	807,500	100	84,265	(17,019)	(17,019)	
Tohoku Pioneer Corporation	TPS Corporation	Japan	Retail, insurance agency and employee benefit services	—	—	200	100	3,427	—	—	
Tohoku Pioneer Corporation	Tohoku Pioneer (Vietnam) Co., Ltd.	Vietnam	Manufacturing company	—	—	38,950,000	100	1,417,913	(29,110)	(29,110)	
Tohoku Pioneer Corporation	Pioneer Industrial Components (Hong Kong) Co., Ltd.	Hong Kong	Import, export, and sales companies	—	—	23,962,203	100	54,827	405	405	
Tohoku Pioneer Corporation	Tohoku Pioneer de Mexico, S.A. de C.V.	Mexico	Manufacturing company	—	—	76,654,327	100	2,862	(17,430)	(17,430)	
Pioneer Europe NV	Pioneer GB Ltd.	U.K.	Sales company	—	—	6,094,700	100	897,585	(14,948)	(14,948)	
Pioneer Europe NV	Pioneer RUS Limited Liability Company	Russia	Sales company	—	—	—	100	237,448	1,215	1,215	
Pioneer Electronics Asiacentre Pte. Ltd.	Pioneer High Fidelity Taiwan Co., Ltd.	Taiwan	Sales company	—	—	28,000	100	67,324	10,527	10,527	
Pioneer Electronics Asiacentre Pte. Ltd.	Pioneer Manufacturing (Thailand) Co., Ltd.	Thailand	Manufacturing company	—	—	6,000,000	100	6,271,401	76,034	76,034	
Pioneer Electronics Asiacentre Pte. Ltd.	Pioneer Electronics (Singapore) Pte. Ltd.	Singapore	Investment holdings	—	—	25,000	100	1,613	82,098	82,098	
Pioneer Electronics Asiacentre Pte. Ltd.	Pioneer India Electronics Private Ltd.	India	Sales and R&D company	—	—	28,840,000	99	76,437	76,251	75,488	
Pioneer Electronics Asiacentre Pte. Ltd.	PT. Pioneer Electronics Indonesia	Indonesia	Sales company	—	—	1,485	99	147,617	5,846	5,788	
Pioneer Electronics (Singapore) Pte. Ltd.	Pioneer India Electronics Private Ltd.	India	Sales and R&D company	—	—	160,000	1	772	76,251	763	
Pioneer Electronics (Singapore) Pte. Ltd.	PT. Pioneer Electronics Indonesia	Indonesia	Sales company	—	—	15	1	1,491	5,846	58	
Mogami Denki Corporation	Mogami Hong Kong Co., Ltd.	Hong Kong	Sales company	—	—	40,621,231	100	75,185	(16,832)	(16,832)	
Pioneer North America Inc.	Pioneer Electronics (USA) Inc.	U.S.A.	Sales company	—	—	194,904	100	13,427,492	131,185	131,185	
Pioneer North America Inc.	Pioneer Automotive Technologies, Inc.	U.S.A.	Sales company	—	—	60,000	100	3,146,027	109,699	109,699	
Pioneer North America Inc.	Discovision Associates	U.S.A.	Patent licensing company	—	—	—	1	851	202	2	
Pioneer Electronics (USA) Inc.	Discovision Associates	U.S.A.	Patent licensing company	—	—	—	99	84,211	202	200	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2026			Net profit (loss) of the investee for the three-month period ended March 31, 2026	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2026	Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value			
Pioneer Industrial Components (Hong Kong) Co., Ltd.	Monetech Holding Co., Ltd.	Virgin Islands, British	Investment holdings	\$ —	\$ —	5,720	100	\$ 1,411	\$ 405	\$ 405	
Pioneer Manufacturing (Thailand) Co., Ltd.	Pioneer Electronics (Thailand) Co., Ltd.	Thailand	Sales company	—	—	2,000,000	100	216,283	202	202	
Pioneer Automotive Technologies, Inc.	Pioneer Automotive de Mexico, S.A. de C.V.	Mexico	Manufacturing company	—	—	369,376,664	100	—	—	—	
Tohoku Pioneer Corporation	Thai Mikami Co., Ltd.	Thailand	Manufacturing company	—	—	25,000	20	50,795	(1,215)	(405)	
Pioneer Electronics Asiacentre Pte. Ltd.	Thai Mikami Co., Ltd.	Thailand	Manufacturing company	—	—	25,000	20	50,795	(1,215)	(405)	
Pioneer Sales & Marketing Corporation	Craft Co., Ltd.	Japan	Sales company	—	—	195	39	24,188	4,049	2,429	

Innolux Corporation and Subsidiaries
Information on investments in Mainland China
For the three-month period ended March 31, 2026

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital (Note A)	Investment method (Note C)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2026	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three-month period ended March 31, 2026		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026	Net income of investee for the three-month period ended March 31, 2026	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2026 (Note B)	Book value of investments in Mainland China as of March 31, 2026	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2026	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Innocom Technology (Shenzhen) Co., Ltd.	Manufacturing and selling of LCD backend module and related components	\$ 5,247,180	2.1	\$ 4,060,541	\$ —	\$ —	\$ 4,060,541	\$ 17,454	100	\$ 17,454	\$ 8,707,909	\$ 1,186,639	
Ningbo Innolux Optoelectronics Ltd.	Manufacturing and selling of LCD backend module and related components	9,918,450	2.2	235,645	—	—	235,645	37,959	100	37,959	30,096,878	5,523,455	
Foshan Innolux Optoelectronics Ltd.	Manufacturing and selling of LCD backend module and related components	12,254,085	2.2	12,254,085	—	—	12,254,085	295,936	100	296,545	28,276,058	—	
Ningbo Innolux Display Ltd.	Manufacturing and selling of LCD backend module and related components	5,119,200	2.2	5,119,200	—	—	5,119,200	59,722	100	59,722	9,553,759	—	
Nanjing Innolux Technology Ltd.	Sales of monitor-related components	67,190	2.3	67,190	—	—	67,190	892	100	892	240,933	—	
Nanjing Innolux Optoelectronics Ltd.	Manufacturing and selling of LCD backend module and related components	4,991,220	2.3	4,608,419	—	—	4,608,419	1,236	100	1,236	7,003,967	—	
CarUX Technology (Shanghai) Ltd.	Manufacturing and selling of LCD backend module and related components	671,895	2.4	—	—	—	—	124,245	86	209,154	3,271,982	—	
Foshan Innolux Logistics Ltd.	Warehousing services	47,993	2.5	47,993	—	—	47,993	1,132	100	1,132	130,373	—	
CarUX Technology (Ningbo) Ltd.	Manufacturing and selling of LCD backend module and related components	1,294,720	2.6	—	—	—	—	2,687	86	(21,723)	1,323,800	—	
Ningbo Innolux Electronics Ltd.	Manufacturing and selling of medical equipment	71,071	1	101,488	—	—	101,488	7,925	49	3,848	72,202	—	
Pioneer China Holding Co., Ltd.	Sales and management company	2,581,122	2.7	—	—	—	—	(17,915)	86	(16,244)	1,279,151	—	
Pioneer Trading (Shenzhen) Co., Ltd.	Outsourcing to ODM partners	22,516	2.8	—	—	—	—	405	86	367	26,866	—	
Dongguan Monetech Electronic Co., Ltd.	Manufacturing company	183,987	2.9	—	—	—	—	405	86	367	(86,447)	—	
Mogami Dongguan Electronics Co., Ltd.	Manufacturing company	176,910	2.10	—	—	—	—	(15,010)	86	(13,610)	130,962	—	

Ceiling on investments in Mainland China:

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Innolux Corporation	\$ 26,071,248	\$ 38,001,098	(Note D)

Note A: The relevant figures were listed in NT\$. Where foreign currencies were involved, the figures were converted to NT\$ using exchange rate.

Note B: Profit or loss recognized for the three-month period ended March 31, 2026 was reviewed by independent auditors.

Note C: The investment methods are as follows:

1. Directly investing in Mainland China.
2. Through investing in companies in the third area, which then invested in the investee in Mainland China.
 - 2.1. Through investing in Stanford Developments Limited in the third area, which then invested in the investee in Mainland China.
 - 2.2. Through investing in Landmark International Ltd. in the third area, which then invested in the investee in Mainland China.
 - 2.3. Through investing in Toppoly Optoelectronics (Cayman) Ltd. in the third area, which then invested in the investee in Mainland China.
 - 2.4. Through investing in CarUX Technology Hong Kong Holding Limited in the third area, which then invested in the investee in Mainland China.
 - 2.5. Through investing in Keyway Investment Management Limited in the third area, which then invested in the investee in Mainland China.
 - 2.6. Through investing in CARUX TECHNOLOGY PTE. LTD. in the third area, which then invested in the investee in Mainland China.
 - 2.7. Through investing in PIONEER CORPORATION in the third area, which then invested in the investee in Mainland China.
 - 2.8. Through investing in Pioneer (HK) Ltd. in the third area, which then invested in the investee in Mainland China.
 - 2.9. Through investing in Monetech Holding Co., Ltd. in the third area, which then invested in the investee in Mainland China.
 - 2.10. Through investing in Mogami Hong Kong Co., Ltd. in the third area, which then invested in the investee in Mainland China.

Note D: In accordance with “Rules Governing Applications for Investment or Technical Cooperation in Mainland China”, the Company has obtained the certificate of being qualified for operating headquarters, issued by the Industrial Development Bureau of the Ministry of Economic Affairs, the ceiling amount of the investment in Mainland China is not applicable to the Company.