Stock Code:2331

ELITEGROUP COMPUTER SYSTEMS CO., LTD.
AND SUBSIDIARIES

Consolidated Financial Statements

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

Address: 9F, No. 22-1, Sec. 3, Zhongshan N. Rd., Zhongshan Dist., Taipei City
Telephone: (02)2162-1177

Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors’ Review Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statements of Comprehensive Income	5
6. Consolidated Statements of Changes in Equity	6
7. Consolidated Statements of Cash Flows	7
8. Notes to the Consolidated Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the consolidated financial statements	8
(3) New standards, amendments and interpretations adopted	8～10
(4) Summary of material accounting policies	10～13
(5) Significant accounting judgments, estimates and major sources of estimation uncertainty	14
(6) Explanation of significant accounts	14～50
(7) Related-party transactions	50～54
(8) Pledged assets	55
(9) Commitments and contingencies	55～56
(10) Losses Due to Major Disasters	56
(11) Subsequent Events	56
(12) Other	56
(13) Other disclosures	
(a) Information on significant transactions	57～61
(b) Information on investees	62～63
(c) Information on investment in mainland China	63～65
(14) Segment information	66

安侯建業聯合會計師事務所
KPMG
台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)
電 話 Tel + 886 2 8101 6666
傳 真 Fax + 886 2 8101 6667
網 址 Web kpmg.com/tw

Independent Auditors' Review Report

To the Board of Directors of Elitegroup Computer Systems Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Elitegroup Computer Systems Co., Ltd. and its subsidiaries as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income as well as the changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to $3,093,941 thousand and $3,018,361 thousand, constituting 14% and 13% of consolidated total assets as of March 31, 2026 and 2025, respectively, total liabilities amounting to $220,452 thousand and $289,248 thousand, constituting 2% and 2% of consolidated total liabilities at March 31, 2026 and 2025, respectively, and total comprehensive income (loss) amounting to $(16,348) thousand and $(10,348) thousand, constituting (12)% and 29% of consolidated total comprehensive income (loss) for the three months ended March 31, 2026 and 2025, respectively.

Qualified Conclusion

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

The engagement partners on the reviews resulting in this independent auditors’ review report are Tsou, Yi-Yun and Tseng, Kuo-Yang.

KPMG

Taipei, Taiwan (Republic of China)
May 6, 2026

Notes to Readers

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

The auditors’ report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors’ report and consolidated financial statements, the Chinese version shall prevail.

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

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

		March 31, 2026		December 31, 2025		March 31, 2025	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (Note 6(a))	$ 4,223,904	18	3,482,911	15	4,039,780	17
1110	Financial assets at fair value through profit or loss－current (Note 6(b))	1,881,816	8	1,696,593	8	1,513,972	6
1136	Financial assets at amortized cost, net－current (Notes 6(d) and 8)	3,823,466	17	4,148,077	18	2,985,412	13
1150	Notes receivable, net (Notes 6(e) and (v))	-	-	773	-	-	-
1170	Accounts receivable, net (Notes 6(e) and (v))	2,099,872	9	2,935,470	13	2,257,222	10
1180	Accounts receivable－related parties (Notes 6(e), (v) and 7)	8,978	-	11,274	-	10,754	-
1200	Other receivables (Notes 6(f) and 7)	128,319	1	387,328	2	711,995	3
130X	Inventories (Note 6(g))	2,951,547	13	2,514,332	11	2,186,183	9
1410	Prepayments (Note 7)	198,878	1	43,477	-	118,500	1
1476	Other current financial assets (Note 8)	-	-	-	-	9,663	-
1479	Other current assets	56,317	-	53,890	-	54,374	-
		15,373,097	67	15,274,125	67	13,887,855	59
	Non-current assets:						
1510	Financial assets at fair value through profit or loss－non-current (Note 6(b))	43,463	-	42,932	-	61,474	-
1517	Financial assets at fair value through other comprehensive income－non-current (Note 6(c))	2,603,085	12	2,632,286	12	3,574,411	15
1535	Non-current financial assets at amortized cost, net (Notes 6(d) and 8)	-	-	-	-	555,097	3
1600	Property, plant and equipment (Notes 6(i)and 7)	2,041,486	9	2,059,406	9	2,289,795	10
1755	Right-of-use assets (Notes 6(j) and 7)	731,907	3	747,740	3	932,360	4
1760	Investment property, net (Note 6(k))	163,382	1	163,841	1	165,217	1
1805	Goodwill (Note 6(l))	617,679	3	613,737	3	626,121	3
1821	Other intangible assets (Note 6(l))	14,545	-	7,196	-	21,877	-
1840	Deferred tax assets (Note 6(s))	896,276	4	927,128	4	956,708	4
1915	Prepayments for equipment	52,108	-	58,543	-	34,403	-
1920	Refundable deposits (Note 7)	22,667	-	22,736	-	24,382	-
1937	Overdue receivables (Note 6(f))	31,995	-	31,430	-	33,205	-
1975	Net defined benefit asset, non-current	207,232	1	206,606	1	227,859	1
1980	Total other non-current financial assets (Note 8)	11,984	-	11,589	-	-	-
1990	Other non-current assets	60,184	-	51,871	-	16,409	-
		7,497,993	33	7,577,041	33	9,519,318	41
	Total assets	**$ 22,871,090**	**100**	**22,851,166**	**100**	**23,407,173**	**100**

		March 31, 2026		December 31, 2025		March 31, 2025	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (Note 6(m))	$ 1,179,412	5	1,049,575	5	979,664	4
2150	Notes payable	488,436	2	389,865	2	564,777	2
2170	Accounts payable (Note 6(n))	2,978,446	13	3,186,520	14	2,579,783	11
2200	Other payables (Notes 6(o) and 7)	1,029,436	5	1,084,423	5	1,094,865	5
2230	Current tax liabilities	281,107	1	270,411	1	348,393	2
2250	Provisions－current (Note 6(q))	176,558	1	191,635	1	188,579	1
2280	Lease liabilities－current (Notes 6(p) and 7)	84,347	-	87,104	-	94,740	-
2310	Other advance receipts (Notes 6(h) and (o))	3,677,260	16	3,677,260	16	3,677,260	16
2399	Other current liabilities (Notes 6(o) and (v))	1,189,209	5	1,227,465	5	1,211,754	5
		11,084,211	48	11,164,258	49	10,739,815	46
	Non-Current liabilities:						
2570	Deferred tax liabilities	474,978	2	492,913	2	477,903	2
2580	Lease liabilities－non-current (Notes 6(p) and 7)	356,318	2	374,642	2	530,903	2
2630	Long-term deferred revenue (Note 6(o))	8,673	-	10,581	-	16,308	-
2640	Defined benefit liabilities, net	3,503	-	3,588	-	2,280	-
2645	Guarantee deposits received	34,593	-	30,024	-	35,824	-
		878,065	4	911,748	4	1,063,218	4
	Total liabilities	11,962,276	52	12,076,006	53	11,803,033	50
	Equity attributable to owners of the Company (Note 6(t)):						
3100	Share capital	5,574,030	25	5,574,030	24	5,574,030	24
3200	Capital surplus	5,437,323	24	5,437,323	24	5,437,323	23
	Retained earnings:						
3310	Legal reserve	236,014	1	236,014	1	236,014	1
3320	Special reserve	757,960	3	757,960	3	757,960	3
3350	Unappropriated retained earnings	979,005	4	916,444	4	688,506	3
		1,972,979	8	1,910,418	8	1,682,480	7
	Other equity interest:						
3400	Other equity	(2,085,068)	(9)	(2,155,996)	(9)	(1,100,106)	(4)
	Total equity attributable to owners of the Company:	10,899,264	48	10,765,775	47	11,593,727	50
36XX	Non-controlling interests	9,550	-	9,385	-	10,413	-
	Total equity	10,908,814	48	10,775,160	47	11,604,140	50
	Total liabilities and equity	**$ 22,871,090**	**100**	**22,851,166**	**100**	**23,407,173**	**100**

See accompanying notes to consolidated financial statements.

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

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2026 and 2025

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

		For the three months ended March 31			
		2026		2025	
		Amount	%	Amount	%
4000	**Operating revenue (Notes 6(v) and 7)**	$ 5,002,870	100	3,554,476	100
5000	**Operating costs (Notes 6(g) and 7)**	4,568,063	91	3,036,729	85
5950	**Gross profit from operations**	434,807	9	517,747	15
6000	**Operating expenses (Notes 6(e), (p), (r), (w) and 7):**				
6100	Selling expenses	87,072	2	93,420	3
6200	Administrative expenses	158,509	3	267,584	7
6300	Research and development expenses	167,716	3	200,581	6
	Total operating expenses	413,297	8	561,585	16
6900	**Net operating income (loss)**	21,510	1	(43,838)	(1)
	Non-operating income and expenses (Note 6(x)):				
7100	Interest income (Note 7)	39,749	1	46,314	1
7010	Other income (Note 7)	8,283	-	39,520	1
7020	Other gains and losses, net	32,043	-	775,502	22
7050	Finance costs (Notes 6(p) and 7)	(13,388)	-	(13,088)	-
		66,687	1	848,248	24
7900	**Income (loss) before tax**	88,197	2	804,410	23
7950	Less: Income tax expenses (Note 6(s))	25,640	1	233,362	7
8200	**Net income (loss)**	62,557	1	571,048	16
8300	**Other comprehensive income (loss):**				
8310	**Components of other comprehensive (loss) income that will not be reclassified to profit or loss**				
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	(29,201)	-	(632,328)	(18)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive (loss) income that will not be reclassified to profit or loss	(29,201)	-	(632,328)	(18)
8360	**Components of other comprehensive (loss) income that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	125,330	3	31,438	1
8365	Equity related to non-current assets (or disposal groups) classified as held for sale	-	-	1,176	-
8399	Income tax related to components of other comprehensive (loss) income that will be reclassified to profit or loss	25,032	1	6,499	-
	Components of other comprehensive (loss) income that will be reclassified to profit or loss	100,298	2	26,115	1
8300	**Other comprehensive (loss) income, net of taxes**	71,097	2	(606,213)	(17)
8500	**Total comprehensive (loss) income**	**$ 133,654**	**3**	**(35,165)**	**(1)**
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	$ 62,561	1	571,191	16
8620	Profit (loss), attributable to non-controlling interests	(4)	-	(143)	-
		$ 62,557	**1**	**571,048**	**16**
	Comprehensive (loss) income attributable to:				
8710	Comprehensive (loss) income, attributable to owners of parent	$ 133,489	3	(35,153)	(1)
8720	Comprehensive (loss) income, attributable to non-controlling interests	165	-	(12)	-
		$ 133,654	**3**	**(35,165)**	**(1)**
	Earnings (loss) per share (expressed in dollars) (Note 6(u))				
9750	**Basic earnings (loss) per share**	**$**	**0.11**		**1.02**
9850	**Diluted earnings (loss) per share**	**$**	**0.11**		**1.02**

See accompanying notes to consolidated financial statements.

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

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
			Retained earnings								
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Equity Directly Associated with Disposal Groups Held-for-Sale	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2025	$ 5,574,030	5,437,323	236,014	757,960	234,629	(579,677)	26,826	59,089	11,746,194	10,425	11,756,619
Net loss	-	-	-	-	571,191	-	-	-	571,191	(143)	571,048
Other comprehensive income (loss)	-	-	-	-	-	25,044	(632,328)	940	(606,344)	131	(606,213)
Total comprehensive income (loss)	-	-	-	-	571,191	25,044	(632,328)	940	(35,153)	(12)	(35,165)
Appropriation and distribution of retained earnings:											
Cash dividends	-	-	-	-	(117,314)	-	-	-	(117,314)	-	(117,314)
Reclassification of assets held for sale	-	-	-	-	-	60,029	-	(60,029)	-	-	-
Balance at March 31, 2025	**$ 5,574,030**	**5,437,323**	**236,014**	**757,960**	**688,506**	**(494,604)**	**(605,502)**	**-**	**11,593,727**	**10,413**	**11,604,140**
Balance at January 1,2026	$ 5,574,030	5,437,323	236,014	757,960	916,444	(652,280)	(1,503,716)	-	10,765,775	9,385	10,775,160
Profit (loss)	-	-	-	-	62,561	-	-	-	62,561	(4)	62,557
Other comprehensive income (loss)	-	-	-	-	-	100,129	(29,201)	-	70,928	169	71,097
Total comprehensive income (loss)	-	-	-	-	62,561	100,129	(29,201)	-	133,489	165	133,654
Balance at March 31, 2026	**$ 5,574,030**	**5,437,323**	**236,014**	**757,960**	**979,005**	**(552,151)**	**(1,532,917)**	**-**	**10,899,264**	**9,550**	**10,908,814**

See accompanying notes to consolidated financial statements.

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

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31	
	2026	2025
Cash flows from (used in) operating activities:		
Income (loss) before tax	$ 88,197	804,410
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	111,556	121,465
Amortization expense	15,956	13,246
Expected credit (gains) losses	4,091	423
Net gain on financial assets or liabilities at fair value through profit or loss	(12,586)	(3,842)
Interest expense	13,388	13,088
Interest income	(39,749)	(46,314)
Loss on disposal of property, plant and equipment	823	12,497
Gain on disposal of non-current assets held for sale	-	(778,542)
Unrealized foreign exchange gain	34,312	14,526
Reversal of long-term deferred revenue	(1,908)	(1,909)
(Gain) loss on lease modifications	-	(669)
Total adjustments to reconcile profit (loss)	125,883	(656,031)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Acquisition of financial assets at fair value through profit or loss	(173,168)	(29,557)
Decrease in notes receivable	773	-
Decrease in accounts receivable	840,830	334,246
Increase in other receivables	(5,548)	(68,810)
Increase in inventories	(443,172)	(200,479)
Increase in prepayments	(158,953)	(21,167)
Decrease in other current assets	6,129	20,132
Increase in other operating assets	(626)	(834)
Total changes in operating assets	66,265	33,531
Changes in operating liabilities:		
Increase in notes payable	98,571	107,025
(Decrease) increase in accounts payable	(247,240)	41,326
Decrease in other payables	(25,891)	(53,812)
(Decrease) increase in provisions	(15,077)	1,731
(Decrease) increase in other current liabilities	(38,255)	2,202
Total changes in operating liabilities	(227,892)	98,472
Total changes in operating assets and liabilities	(161,627)	132,003
Total adjustments	(35,744)	(524,028)
Cash inflow generated from operations	52,453	280,382
Interest received	32,699	35,674
Interest paid	(13,388)	(12,878)
Income taxes paid	(32,361)	(2,165)
Net cash flows provided by operating activities	39,403	301,013

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

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (CONT'D)

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31	
	2026	2025
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortized cost	(2,939,823)	(2,377,733)
Proceeds from disposal of financial assets at amortized cost	3,305,390	1,779,747
Proceeds from disposal of non-current assets classified as held for sale	271,152	-
Acquisition of property, plant and equipment	(47,541)	(53,646)
Proceeds from disposal of property, plant and equipment	59	27,903
Increase in refundable deposits	(15)	(636)
Decrease in refundable deposits	107	2,242
Acquisition of intangible assets	(13,532)	(19,565)
Increase in other current financial assets	(249,954)	(215,670)
Decrease in other current financial assets	249,954	275,099
Increase in other non-current assets	(12,422)	(3,506)
Increase in prepayments for business facilities	(20,850)	(14,568)
Net cash flows used in investing activities	542,525	(600,333)
Cash flows from (used in) financing activities:		
Increase in short-term loans	608,286	583,761
Decrease in short-term loans	(491,250)	(623,375)
Increase in guarantee deposits received	9,133	11,505
Decrease in guarantee deposits received	(5,617)	(9,700)
Payments of lease liabilities	(22,492)	(27,324)
Net cash flows (used in) generated from financing activities	98,060	(65,133)
Effect of exchange rate changes on cash and cash equivalents	61,005	(3,244)
Net increase (decrease) in cash and cash equivalents	740,993	(367,697)
Cash and cash equivalents at the beginning of period	3,482,911	4,407,477
Cash and cash equivalents at the end of period	$ **4,223,904**	**4,039,780**

See accompanying notes to consolidated financial statements.

(1) Company history

Elitegroup Computer Systems Co., Ltd. (the "Company") was established in May 1987 and began operations in June 1987. The Company designs, develops, and sells motherboards, desktop computers, notebook, tablet computers, barebone systems and add-on cards. Please refer to Note 6(v).

The Company's common shares were listed on the Taiwan Stock Exchange (TWSE) on September 21, 1994.

(2) Approval date and procedures of the consolidated financial statements

The consolidated financial statements were authorized for issuance by the Board of Directors on May 6, 2026.

(3) New standards, amendments and interpretations adopted

(a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

(4) Summary of material accounting policies:

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

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

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

List of the subsidiaries included in the consolidated financial statements:

Name of investor	Name of investee	Principal activity	Shareholding March 31, 2026	Shareholding December 31, 2025	Shareholding March 31, 2025	Note
The Company	Elitegroup Computer Systems (HK) Co., Limited	Sale of motherboards, computer peripheral products and related components	100.00 %	100.00 %	100.00 %	
The Company	Elitegroup Computer Systems (Japan) Co., Ltd.	Sale of motherboards, notebook, computer peripheral products and related components	100.00 %	100.00 %	100.00 %	
The Company	Elitegroup Computer System Holding Co., Ltd. (BVI)	Holding company	100.00 %	100.00 %	100.00 %	
The Company	ECS Holding (America) Co. (USA)	Holding company	100.00 %	100.00 %	100.00 %	
The Company	Elitegroup Computer Systems Korea Co., Ltd.	Sale of motherboards, maintenance and sales support	100.00 %	100.00 %	100.00 %	
The Company	Dragon Asia Trading Co., Ltd. (BVI) (Dragon Asia)	Holding company	- %	- %	- %	(Note 1)

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of investee	Principal activity	Shareholding March 31, 2026	Shareholding December 31, 2025	Shareholding March 31, 2025	Note
The Company	Unitop International Corp.	Holding company	100.00 %	100.00 %	100.00 %	(Note 2)
The Company	Unity Investments Limited	Holding company	100.00 %	100.00 %	100.00 %	
The Company	ECS Holding (HK) Co., Limited (ECS Holding (HK))	Holding company	100.00 %	100.00 %	100.00 %	(Note 1)
The Company	Elitegroup Technology (Thailand) Co., Ltd.	Manufacture and sale of computer and computer peripheral products	99.99 %	99.99 %	99.99 %	(Note 6)
The Company	ECS Industrial Computer Co., Ltd.	Sale of computer, computer peripheral products and related components	- %	- %	100.00 %	(Note 3)
The Company	Elite Technology (Cayman) Co., Ltd.(Elite Technology (Cayman))	Holding company	100.00 %	100.00 %	100.00 %	(Note 4)
Dragon Asia Trading Co., Ltd. (BVI)	Million Up Finance Limited (Million Up)	Holding company	- %	- %	- %	(Note 1)
Elitegroup Computer System Holding Co., Ltd. (BVI)	Venture Well Holdings Limited (BVI)	Holding company	68.45 %	68.45 %	68.45 %	
Elitegroup Computer Systems (HK) Co., Limited	Xun Rui Electron (Shenzhen) Co., Ltd.	Manufacture and maintenance of electrical equipment and instrument, computer peripheral products and cases	100.00 %	100.00 %	100.00 %	
Elitegroup Computer Systems (HK) Co., Limited	Beijing Xun Run Technology Co., Ltd.	Manufacture and maintenance of electrical equipment and instrument, computer peripheral products and cases	100.00 %	100.00 %	100.00 %	
ECS Holding (America) Co. (USA)	Super ECS USA, Inc.	Sale of motherboards, computer peripheral products and related components	100.00 %	100.00 %	100.00 %	
ECS Holding (America) Co. (USA)	Elitegroup Computer Systems Inc. (USA)	Sale of motherboards, notebook, computer peripheral products, related components and systems assembled	100.00 %	100.00 %	100.00 %	(Note 8)
Unitop International Corp.	Elitegroup Computer Systems (SIP) Co., Ltd.	Research, development and manufacture of notebook, tablets and related components	- %	- %	- %	(Note 2)
Unity Investments Limited	Unique Sino Limited	Holding company	100.00 %	100.00 %	100.00 %	
Million Up Finance Limited	Golden Elite Technology (Shenzhen), Ltd. (興英科技(深圳)有限公司) (Golden Elite Technology (興英科技))	Manufacture, research and development of PCBs, motherboards, systems, assembly of notebook, tablets and peripheral products	- %	- %	- %	(Note 1)
Venture Well Holdings Limited (BVI)	Alpha Leader Limited (HK)	Trading of IC and electric components	100.00 %	100.00 %	100.00 %	
Unique Sino Limited	ECS Trading (Shenzhen) Co., Ltd.	Wholesale, trade, maintenance and technical consultation of computers and peripheral products	100.00 %	100.00 %	100.00 %	
ECS Holding (HK) Co., Limited	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技(深圳)有限公司) (Golden Elite Technology (興英數位科技))	Manufacture, research and development of PCBs, motherboards, systems, assembly of notebook, tablets and peripheral products	100.00 %	100.00 %	100.00 %	(Note 1)
ECS Trading (Shenzhen) Co., Ltd.	Tronco-Tech (Shenzhen) Ltd.	Wholesale of computer and related components, sale of software and technical consultation of computers	100.00 %	100.00 %	70.00 %	(Note 7)

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

			Shareholding			
Name of investor	**Name of investee**	**Principal activity**	**March 31, 2026**	**December 31, 2025**	**March 31, 2025**	**Note**
Elite Technology (Cayman) Co., Ltd.	Elite Circuit Technology (Thailand) Co., Ltd.	Manufacture, research and development of PCBs, motherboards, computers and peripheral products	99.99 %	99.99 %	99.99 %	(Note 5)
Elite Technology (Cayman) Co., Ltd.	ECS Digital Technology (Shenzhen) Ltd. (ECS Digital Technology)	Manufacture, research and development of PCBs, motherboards, systems, assembly of notebook, tablets and peripheral products	100.00 %	100.00 %	100.00 %	(Notes 1)

Note 1: Please refer to Note 6(h) for information of equity transactions.

Note 2: In order to activate its assets, a resolution had been approved during the board meeting of the Company held on June 21, 2023, for the disposal of both Elitegroup Computer Systems (SIP) Co. Ltd. and its upper-tier investment company, Unitop International Corp, with the chairman of the board, or an individual assigned by him, being granted the authority to actively seek for buyers. On June 6, 2024, Jiangsu Wuzhong High Tech Venture Capital Co., Ltd., entered into an agreement with the Company to acquire Elitegroup Computer Systems (SIP) Co. Ltd., and the transaction was completed in March 2025. Please refer to Note 6(h) for further details. In February and April of 2025, Unitop International Corp. resolved, through its Board of Directors, to return capital of USD 5,000 thousand by way of capital reduction and return of capital surplus and USD 5,000 thousand by way of return of capital surplus, respectively, which were remitted back to the Company in February and April 2025, respectively. In November 2025, the board of Directors of Unitop International Corp. approved a distribution of USD 10,000 thousand, which was also remitted back to the company in the same month.

Note 3: On February 21, 2025, the Board of Directors of the Company resolved to proceed with a simplified merger with ECS Industrial Computer Co., Ltd., with the Company as the surviving entity. The merger base date was set as June 30, 2025, and the merger and related amendments to registration were approved by the Ministry of Economic Affairs on October 7, 2025.

Note 4: The Company resolved at the Board of Directors’ meeting on February 21, 2025 to discontinue further capital injections into Elite Technology (Cayman) Co., Ltd.(Elite Technology (Cayman)).

Note 5: The Company resolved at the Board of Directors’ meeting on February 21, 2025 to discontinue further capital injections into Elite Circuit Technology (Thailand) Co., Ltd.

Note 6: In March, April, May, and August of 2025, Elitegroup Technology (Thailand) Co., Ltd. conducted a cash capital increase, wherein the company participated with amounts of USD 400 thousand, THB 6,476 thousand, THB 50,000 thousand, THB 50,000 thousand, respectively. In August 2025, the Board of Directors of the Company approved a resolution for Elitegroup Technology (Thailand) Co., Ltd. to undertake a capital reduction to offset accumulated losses, with a proposed reduction amount of THB 277,917 thousand. As of October 2025, the subsidiary has completed a capital reduction of THB 159,000 thousand. In December 2025, the Board of Directors of the Company approved a capital increase of THB 60,000 thousand for Elitegroup Technology (Thailand) Co. Ld., and the capital increase was complete in January 2026, respectively, resulting in the Company’s accumulated investment increasing to THB 461,000 thousand ($447,141 thousand).

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Note 7: ECS Trading (Shenzhen) Co., Ltd. acquired a 30% equity interest in Tronco-Tech (Shenzhen) Ltd. from minority shareholders and completed the registration of a 100% ownership in Tronco-Tech (Shenzhen) Ltd. in May 2025.

Note 8: On May 7, 2025, the Board of Directors of the Company approved a resolution for Elitegroup Computer Systems Inc. (USA) to reduce its capital by USD 15,000 thousand and repatriate the funds to ECS Holding (America) Co.(USA) Subsequently, in July 2025, the Board of Directors of Elitegroup Computer Systems Inc. (USA) resolved to proceed with the capital reduction of USD 15,000 thousand, and the funds were successfully repatriated to ECS Holding (America) Co.(USA) in October 2025.

Note 9: Except for ECS Holding (HK) Co., Ltd., Golden Elite Technology (Shenzhen) Ltd. (興英數位科技) and Unitop International Corp., the financial statements for other immaterial subsidiaries were not reviewed for the three months ended March 31, 2025.

Note 10: Except for ECS Holding (HK) Co., Ltd. and Golden Elite Technology (Shenzhen) Ltd. (興英數位科技), the financial statements for other immaterial subsidiaries were not reviewed for the three months ended March 31, 2026.

(ii) There are no subsidiaries excluded from the consolidated financial statements.

(c) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B 12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period (and allocated to current and deferred taxes based on its proportionate size).

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

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(5) Significant accounting judgments, estimates and major sources of estimation uncertainty

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

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2025. For related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2025.

Measurement process

The Group's accounting policies include measuring financial and non-financial assets and liabilities at fair value. The Group has established internal control system for fair value measurement. The Group's Finance & Accounting Center periodically renews input data for valuation models and makes all other necessary fair value adjustments to assure the rationality of fair value. If the inputs used to measure fair value are based on information from external third parties, such as brokers or pricing service providers, the Finance & Accounting Center will assess the evidence supporting the inputs provided by such third parties to ensure that the valuation and its classification within the requirement of IFRS. Investment property is periodically remeasured by the Group's Finance & Accounting Center or by appraisers using appraisal method accepted by FSC.

The Group strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(c) Level 3: inputs for the assets or liabilities that are not based on observable market data.

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date.

(6) Explanation of significant accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2025 consolidated financial statements. Please refer to note 6 to the 2025 annual consolidated financial statements.

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(a) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Petty cash and foreign cash on hand	$ 1,064	1,190	1,387
Checking accounts and demand deposits	2,421,912	1,825,450	3,070,680
Time deposits	1,800,928	1,656,271	967,713
Cash and cash equivalents in the consolidated statement of cash flows	**$ 4,223,904**	**3,482,911**	**4,039,780**

The interest rates for time deposits with original maturities of less than three months were ranging from 0.5%~4.03%, 0.65%~4.02% and from 0.85%~3.95% as of March 31, 2026, December 31 and March 31, 2025, respectively.

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

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets mandatorily classified as at FVTPL:			
Non-derivative financial assets			
Current			
Mutual funds	$ 1,169,158	1,195,209	926,303
Financial products	519,967	501,384	587,669
Foreign listed shares	28,593	-	-
Domestic listed shares	164,098	-	-
	$ 1,881,816	**1,696,593**	**1,513,972**
Non-current			
Foreign unlisted shares	$ -	-	3
Domestic unlisted shares	43,463	42,932	61,471
	$ 43,463	**42,932**	**61,474**

For amounts recognized in profit or loss for fair value remeasurement, please refer to Note 6(x).

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

	March 31, 2026	December 31, 2025	March 31, 2025
Equity investments at fair value through other comprehensive income:			
Domestic listed shares—Tatung Co.	**$ 2,603,085**	**2,632,286**	**3,574,411**

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Equity investments at fair value through other comprehensive income

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

There were no disposals of strategic investments and reclassifications of any cumulative gain or loss within equity relating to these investments for the three months ended March 31, 2026 and 2025.

(ii) For credit risk (including the impairment of debt investments) and market risk, please refer to Note 6(y).

(iii) As of March 31, 2026, December 31 and March 31, 2025, the Group's financial assets at fair value through other comprehensive income were not pledged as collateral.

(d) Financial assets at amortized cost

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Time deposits with original maturity of more than 3 months	$ 2,726,220	3,168,819	2,356,189
Time deposits with original maturity of less than one year	601,113	581,308	92,516
Pledged time deposits	496,133	397,950	536,707
	$ 3,823,466	**4,148,077**	**2,985,412**
Non-current			
Time deposits with original maturity of more than 12 months	**$ -**	**-**	**555,097**

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

(i) The interest rates for time deposits with original maturities of more than 3 months were ranging from 0.8%~3.79%, 0.8%~4% and from 1.05%~4.7% as of March 31, 2026, December 31 and March 31, 2025, respectively.

(ii) The interest rates for time deposits with original maturities of more than 12 months were ranging from 2.9%~3.1% as of March 31, 2025.

(iii) For information relating to credit risk, please refer to Note 6(y).

(iv) For information relating to the above financial assets pledged as collateral for tariff guarantee and acceptance bill limit, please refer to Note 8.

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(e) Notes receivable and accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
At amortized cost			
Notes receivable	$ -	773	-
Accounts receivable	2,122,208	2,953,660	2,276,131
Accounts receivable — related parties	8,978	11,274	10,754
Less: allowance for impairment loss	(22,336)	(18,190)	(18,909)
	$ 2,108,850	2,947,517	2,267,976

The Group applies the simplified approach to provide for its expected credit losses, i.e., the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics, as well as the incorporated forward-looking information. The loss allowance provisions were determined as follows:

	March 31, 2026		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not Past Due	$ 2,014,462	-%	-
Past Due within 60 days	76,732	0.21%	(164)
Past Due 61~90 days	2,549	10%	(255)
91 to 180 Days	19,404	19.99%	(3,878)
Past Due Over 180 days	18,039	100%	(18,039)
	$ 2,131,186		(22,336)

	December 31, 2025		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not Past Due	$ 2,880,173	-%	(3)
Past Due within 60 days	67,279	1.10%	(740)
Past Due 61~90 days	36	1.73%	(1)
Past Due Over 180 days	17,446	100%	(17,446)
	$ 2,964,934		(18,190)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	March 31, 2025		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not Past Due	$ 2,238,783	-%	-
Past Due within 60 days	29,712	2%	(519)
Past Due Over 180 days	18,390	100%	(18,390)
	$ 2,286,885		(18,909)

The movements in the allowance for trade receivables and notes receivable were as follows:

	For the three months ended March 31	
	2026	2025
Balance at January 1	$ 18,190	18,482
Impairment losses recognized	4,091	423
Foreign exchange gains and losses	55	4
Balance at March 31	$ 22,336	18,909

For information relating to credit risk, please refer to Note 6(y).

(f) Other receivables and overdue receivables

For other receivables and overdue receivables that have the indications of impairment, the Group recognizes loss allowance at full amount after deducting the value of related collateral.

	March 31, 2026	December 31, 2025	March 31, 2025
Other receivables			
Tax refund receivable	$ 44,182	34,226	36,380
Receivable from resale of scrap	5,126	6,094	14,592
Receivable from disposal of subsidiary(Note 6(h))	-	275,058	566,453
Others	100,008	93,707	117,310
Less: allowance for impairment loss	(20,997)	(21,757)	(22,740)
	$ 128,319	387,328	711,995

The movements in the allowance for other receivables were as follows:

	For the three months ended March 31	
	2026	2025
Balance at January 1	$ 21,757	22,507
Foreign exchange gains and losses	(760)	233
Balance at March 31	$ 20,997	22,740

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

		March 31, 2026	December 31, 2025	March 31, 2025
Overdue receivables				
Overdue receivables	$	3,190,201	3,170,897	3,340,979
Less: allowance for impairment loss		(3,158,206)	(3,139,467)	(3,307,774)
	$	**31,995**	**31,430**	**33,205**

The movements in the allowance for overdue receivables were as follows:

		For the three months ended March 31 2026	2025
Balance at January 1	$	3,139,467	3,267,949
Foreign exchange gains and losses		18,739	39,825
Balance at March 31	$	**3,158,206**	**3,307,774**

For information relating to credit risk, please refer to Note 6(y).

(g) Inventories

		March 31, 2026	December 31, 2025	March 31, 2025
Finished goods	$	1,158,386	1,113,528	872,664
Work in progress		390,870	199,622	407,442
Raw materials		1,402,291	1,201,182	906,077
	$	**2,951,547**	**2,514,332**	**2,186,183**

The cost of inventories recognized as cost of goods sold for the three months ended March 31, 2026 and 2025, amounted to $4,581,700 thousand and $3,053,213 thousand, respectively.

During the three months ended March 31, 2026 and 2025, the (reversal) and recognition of write-downs, amounted to $13,637 thousand and $16,484 thousand, respectively was due from the changes in net realizable value and inventory liquidation, and was included in cost of goods sold.

As of March 31, 2026, December 31 and March 31, 2025, the inventories of the Group had not been pledged as collateral.

(h) Loss of control over a subsidiary

(i) The board of directors of the Company approved the Plan of Activating the Assets Located in People's Republic of China ("Mainland Assets Activation Plan") on April 7, 2017. And the Company entered into a contract with Ever Unicorn Estate Limited (the "Ever Unicorn") in April 2017, which was executed in two sections.

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

A. Transfer of interests in Dragon Asia

After finishing the transfer of the operations and related assets and liabilities from Golden Elite Technology (興英科技) to ECS Digital Technology, Ever Unicorn will make an estimated payment between RMB1,150,000 thousand to RMB1,375,000 thousand for a 100% equity interest in Dragon Asia.

B. Relocation compensation for ECS Digital Technology's operations

The operation of ECS Digital Technology will be relocated after contract conditions are fulfilled. Ever Unicorn shall pay the compensation amount of RMB2,500,000 thousand in accordance with the progress of the relocation.

The relocation income, after deducting the related relocation costs and expenses, will be used for landscaping, plant constructing, and equipment installing as well as for the funds required to operate for ECS Digital Technology.

Due to the modifications on transaction terms and payment arrangements, the board of directors of the Company approved and entered into a supplementary contract with Ever Unicorn on January 23, 2018.

In accordance with the supplementary contract, the transfer of interests in Dragon Asia was divided into two phases. In phase 1, the Company will complete the transfer of 52% interest in Dragon Asia to Ever Unicorn for RMB600,000 thousand. After the Company completed the stripping of other non-target assets and liabilities from Golden Elite Technology (興英科技), with both parties reaching a consensus on the prerequisites including the change in procedure to the land category by Golden Elite Technology (興英科技), phase 2 of the transaction will then commence. The Company will complete the transfer of remaining 48% interest in Dragon Asia to Ever Unicorn for RMB550,000 thousand. The Company will engage in further negotiation regarding the contract with Ever Unicorn if the land is not subject to urban planning as outlined by authorities.

In order to cooperate with Mainland Assets Activation Plan, the board of directors of the Company approved to reduce the capital of Dragon Asia and Million Up on January 23, 2018, the total amount of capital reduction was US$69,327 thousand for both subsidiaries.

The Company obtained the share price for RMB600,000 thousand on March 27, 2018, and completed the transfer of 52% equity of Dragon Asia in the phase 1 of the contract. The Company recognized the amount as other advance receipts because the transfer of significant risks and rewards of related assets had not been completed. The foregoing transaction of 52% equity of Dragon Asia has been approved by the Investment Commission, Ministry of Economic Affairs on May 1, 2018.

(Continued)

According to the contract signed with Ever Unicorn, the Company should strip non-target assets and liabilities from Golden Elite Technology (興英科技). The board of directors of Golden Elite Technology (興英科技) approved on April 26, 2018, to proceed with the splitting process, by means of transferring non-target assets and liabilities into Golden Elite Technology (興英數位科技), which was newly registered on May 17, 2018. Golden Elite Technology (興英科技) and Golden Elite Technology (興英數位科技) will be 100% owned subsidiaries of Million Up, and the original shareholders' rights and interests shall not be affected.

In order to facilitate the splitting process, the board of directors of the Company approved the employees' economic compensation of RMB113,963 thousand of Golden Elite Technology (興英科技) on June 24, 2019, which was issued in 2020. Golden Elite Technology (興英科技) completed the splitting process on July 1, 2019, and transferred non-target net assets of RMB454,051 thousand to Golden Elite Technology (興英數位科技) as capital.

Due to the adjustment to the investment structure, the board of directors of the Company approved the sales of 100% of Golden Elite Technology's (興英數位科技) shares owned by Million Up to ECS Holding (HK) on August 12, 2019. The transaction price will be determined according to Golden Elite Technology's (興英數位科技) net value at the time of execution. The application for transferring the equity was approved by the Investment Commission, Ministry of Economic Affairs, Rule No. 10800244950, on May 4, 2020. On May 29, 2020, four parties (Dragon Asia, Million Up, ECS Holding (HK) and the Company) agreed to offset the creditor's rights and liabilities. The amounts used by the four parties to offset the creditor's rights and liabilities are based on (1) the amount of capital reduction received (paid) by the Company, Dragon Asia and Million Up; (2) the amount of capital increase that the Company owed to its subsidiary, ECS Holding (HK), which amounted to US$69,327 thousand; and (3) the amount received from selling 100% equity of Golden Elite Technology (興英數位科技) to ECS Holding (HK) and completion of the transfer of shares of Golden Elite Technology (興英數位科技) to ECS Holding (HK).

Ever Unicorn requested the Company to transfer the remaining 48% shares of Dragon Asia according to the supplementary contract, the Company obtained the second-phased share price for RMB550,000 thousand on August 25, 2020, which was recognized as other advanced receipts, and finished the 48% shares transfer process of Dragon Asia at the same day. The foregoing transaction of 48% equity of Dragon Asia had received a letter of approval from the Investment Commission, Ministry of Economic Affairs on September 29, 2020. After transferring all of the shares of Dragon Asia, the Company lost control of Dragon Asia, Million Up and Golden Elite Technology (興英科技), and derecognized the related subsidiaries. The Company accounted for the residual equity in ECS Holding (HK) and Golden Elite Technology (興英數位科技), respectively.

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Company had partially completed the transfer of significant risks and rewards of related assets after evaluating the agreement and the status of implementation, therefore, the Company derecognized the right-of-use assets, deferred income tax assets, and other current assets, which amounting to $190,759 thousand, $627,104 thousand and $184,682 thousand, respectively, and transferred the related advance receipts, which amounting to $1,346,036 thousand (RMB315,453 thousand) as the disposal price in 2020. The Company recognized a gain of $343,491 thousand on disposal of assets and recognized income tax expense of $288,248 thousand on disposal of assets.

In November 2022, the Company was notified by Ever Unicorn that the underlying land, defined in phase 2, was not included in urban planning as outlined by authorities. To safeguard the interests of the shareholders of the Company, the parties will proceed on further negotiations in accordance with Article 2.4 of the Addendum Agreement. As of the publish date of the consolidated financial statements, the negotiations have not been completed.The Group received a notice of arbitration in April 2025. For further details regarding the related arbitration proceedings, please refer to Note 9 (b).

As of March 31, 2026, the Company had not fully completed the transfer of significant risks and rewards of related assets, thus the remaining advance receipts amounting to $3,677,260 thousand (RMB834,547 thousand) from Ever Unicorn were recognized as other advance receipts.

The terms of the abovementioned trading contract stipulate that if the buyer or seller are involved in breach of contract, the non-defaulting party shall have the right to decide whether to terminate the contract, in addition to the actual damages and related expenses that the defaulting party should pay to the non-defaulting party.

(ii) The consolidated group approved an asset revitalization plan foElitegroup Computer Systems (SIP) Co. Ltd.at a meeting of the Board of Directors on June 21, 2023. The preferred option was to dispose of the equity interests in Elite Suzhou and its upstream investment company, Unitop International Corp., and the Chairman or his designee was authorized to actively seek potential buyers. On June 6, 2024, the consolidated group reached an agreement with the purchaser, Jiangsu Wuzhong High?tech Venture Capital Co., Ltd., confirming Elite Suzhou as the disposal target. The transaction was completed on March 4, 2025, with a final consideration of RMB 224,955 thousand. The proceeds of RMB 102,500 thousand, RMB 60,955 thousand, and RMB 61,500 thousand were received on September 12, 2024, May 15, 2025, and March 31, 2026, respectively. The gain or loss on disposal for the year ended December 31, 2025 is disclosed in Note 6(x).

	USD (thousand)
Consideration to be received	$ 31,306
Net assets disposed of (including cash and cash equivalents of USD 3,482 thousand)	9,446
Gain on realized exchange differences on translation of foreign financial statements	(1,808)
Gain on disposal	**$ 23,668**
Net cash inflow from disposal of subsidiary	**$ 27,824**

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Property, plant and equipment

The movements in the cost, depreciation and impairment of the property, plant and equipment of the Group were as follows:

	Land	Buildings and Improvements	Equipment	Transportation Equipment	Other Equipment	Total
Cost or deemed cost:						
Balance on January 1, 2026	$ 528,114	2,300,896	4,250,976	15,190	928,805	8,023,981
Additions	-	-	38,399	-	6,971	45,370
Disposals	-	-	(740)	(1,752)	(27,871)	(30,363)
Effect of foreign currency exchange differences	(11,233)	74,181	18,753	301	4,263	86,265
Balance on March 31, 2026	**$ 516,881**	**2,375,077**	**4,307,388**	**13,739**	**912,168**	**8,125,253**
Balance on January 1, 2025	$ 511,669	2,352,854	4,285,986	15,416	994,467	8,160,392
Additions	-	-	17,871	-	3,808	21,679
Disposals	-	-	(86,729)	(719)	(34,036)	(121,484)
Effect of foreign currency exchange differences	7,515	33,160	23,760	154	3,534	68,123
Balance on March 31, 2025	**$ 519,184**	**2,386,014**	**4,240,888**	**14,851**	**967,773**	**8,128,710**
Accumulated depreciation and impairment losses:						
Balance on January 1, 2026	$ -	2,020,667	3,291,653	12,387	639,868	5,964,575
Depreciation expenses	-	22,307	46,709	157	17,473	86,646
Disposals	-	-	(740)	(1,699)	(27,042)	(29,481)
Effect of foreign currency exchange differences	-	65,123	(5,628)	215	2,317	62,027
Balance on March 31, 2026	**$ -**	**2,108,097**	**3,331,994**	**11,060**	**632,616**	**6,083,767**
Balance on January 1, 2025	$ -	1,977,063	3,190,826	12,772	602,157	5,782,818
Depreciation expenses	-	22,228	49,377	194	19,740	91,539
Disposals	-	-	(69,992)	(719)	(10,373)	(81,084)
Effect of foreign currency exchange differences	-	28,349	14,416	121	2,756	45,642
Balance on March 31, 2025	**$ -**	**2,027,640**	**3,184,627**	**12,368**	**614,280**	**5,838,915**
Book value:						
Balance on January 1, 2026	**$ 528,114**	**280,229**	**959,323**	**2,803**	**288,937**	**2,059,406**
Balance on March 31, 2026	**$ 516,881**	**266,980**	**975,394**	**2,679**	**279,552**	**2,041,486**
Balance on January 1, 2025	**$ 511,669**	**375,791**	**1,095,160**	**2,644**	**392,310**	**2,377,574**
Balance on March 31, 2025	**$ 519,184**	**358,374**	**1,056,261**	**2,483**	**353,493**	**2,289,795**

For information of gain or loss on disposal of property, plant and equipment, please refer to Note 6(x).

As of March 31, 2026, December 31 and March 31, 2025, the property, plant and equipment had not been pledged as collateral.

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(j) Right-of-use assets

The movements in the cost and depreciation of the right-of-use assets of the Group were as follows:

	Land	Buildings	Office Equipment	Transportation Equipment	Machinery	Total
Cost:						
Balance on January 1, 2026	$ 800,271	607,854	912	1,838	74,314	1,485,189
Additions	-	199	-	-	-	199
Remeasurement	-	20	-	-	-	20
Disposals	-	-	-	-	(4,974)	(4,974)
Effect of foreign currency exchange differences	18,521	559	-	(68)	2,463	21,475
Balance on March 31, 2026	**$ 818,792**	**608,632**	**912**	**1,770**	**71,803**	**1,501,909**
Balance on January 1, 2025	$ 828,822	815,506	1,003	13,114	5,155	1,663,600
Additions	-	45,987	-	-	69,821	115,808
Disposals	-	(135,484)	(91)	(3,356)	-	(138,931)
Reclassification to investment property	-	(1,995)	-	1,995	-	-
Effect of foreign currency exchange differences	11,001	3,123	-	(47)	1,847	15,924
Balance on March 31, 2025	**$ 839,823**	**727,137**	**912**	**11,706**	**76,823**	**1,656,401**
Accumulated depreciation:						
Balance on January 1, 2026	$ 511,109	208,820	405	613	16,502	737,449
Depreciation expenses	2,618	18,709	76	92	2,956	24,451
Disposals	-	-	-	-	(4,974)	(4,974)
Effect of foreign currency exchange differences	11,523	1,044	-	(25)	534	13,076
Balance on March 31, 2026	**$ 525,250**	**228,573**	**481**	**680**	**15,018**	**770,002**
Balance on January 1, 2025	$ 519,130	204,361	112	11,197	5,021	739,821
Depreciation expenses	2,669	22,901	81	897	2,919	29,467
Disposals	-	(51,270)	(15)	(3,264)	-	(54,549)
Effect of foreign currency exchange differences	6,902	2,498	-	(245)	147	9,302
Balance on March 31, 2025	**$ 528,701**	**178,490**	**178**	**8,585**	**8,087**	**724,041**
Book value:						
Balance on January 1, 2026	**$ 289,162**	**399,034**	**507**	**1,225**	**57,812**	**747,740**
Balance on March 31, 2026	**$ 293,542**	**380,059**	**431**	**1,090**	**56,785**	**731,907**
Balance on January 1, 2025	**$ 309,692**	**611,145**	**891**	**1,917**	**134**	**923,779**
Balance on March 31, 2025	**$ 311,122**	**548,647**	**734**	**3,121**	**68,736**	**932,360**

On December 20, 2024 and February 21, 2025, the Board of Directors of the Company approved resolutions to lease a factory located in Thailand from a related party, Tatung (Thailand) Co., Ltd. The lease term is from January 1, 2025 to February 15, 2028. The total lease payments (excluding VAT) amount to THB $50,002 thousand, and the recognized right-of-use asset amounts to THB $47,067 thousand. Please refer to Note 7.

For details regarding the reduction in office building leases from related parties by the Group, please refer to Note 7.

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(k) Investment property

The movements of the investment property of the Group were as follows:

	Owned property		
	Land	**Buildings and Improvements**	**Total**
Cost:			
Balance on January 1, 2026	$ 168,732	69,567	238,299
Balance on March 31, 2026	**$ 168,732**	**69,567**	**238,299**
Balance on January 1, 2025	$ 168,732	69,567	238,299
Balance on March 31, 2025	**$ 168,732**	**69,567**	**238,299**
Accumulated depreciation and impairment losses:			
Balance on January 1, 2026	$ 14,673	59,785	74,458
Depreciation expenses	-	459	459
Balance on March 31, 2026	**$ 14,673**	**60,244**	**74,917**
Balance on January 1, 2025	$ 14,673	57,950	72,623
Depreciation expenses	-	459	459
Balance on March 31, 2025	**$ 14,673**	**58,409**	**73,082**
Book value:			
Balance on January 1, 2026	**$ 154,059**	**9,782**	**163,841**
Balance on March 31, 2026	**$ 154,059**	**9,323**	**163,382**
Balance on January 1, 2025	**$ 154,059**	**11,617**	**165,676**
Balance on March 31, 2025	**$ 154,059**	**11,158**	**165,217**

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

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

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

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Less than one year	$ -	-	3,690
Total undiscounted lease payments	**$ -**	**-**	**3,690**

Investment properties located in Guandu were leased out for 2 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods. The Group and the lessee reached an agreement to terminate the lease early in September 2025.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the three months ended March 31, 2026 and 2025, the maintenance, repair, and depreciation expense for the investment property were as follows:

	For the three months ended March 31	
	2026	**2025**
Properties generating retal income	$ -	1,915
Properties not generating rental income	757	-
	$ 757	**1,915**

As of March 31, 2026, December 31 and March 31, 2025, the investment property of the Group had not been pledged as collateral.

(l) Goodwill and other intangible assets

The movements of the goodwill and other intangible assets of the Group were as follows:

	Goodwill	Computer Software	Total
Cost or deemed cost:			
Balance on January 1, 2026	$ 1,017,234	33,793	1,051,027
Additions	-	13,532	13,532
Disposals	-	(2,731)	(2,731)
Effect of foreign currency exchange differences	3,942	366	4,308
Balance on March 31, 2026	**$ 1,021,176**	**44,960**	**1,066,136**
Balance on January 1, 2025	$ 1,026,688	32,900	1,059,588
Additions	-	19,565	19,565
Disposals	-	(297)	(297)
Effect of foreign currency exchange differences	2,930	177	3,107
Balance on March 31, 2025	**$ 1,029,618**	**52,345**	**1,081,963**
Amortization and impairment losses:			
Balance on January 1, 2026	$ 403,497	26,597	430,094
Amortization expenses	-	6,226	6,226
Disposals	-	(2,731)	(2,731)
Effect of foreign currency exchange differences	-	323	323
Balance on March 31, 2026	**$ 403,497**	**30,415**	**433,912**
Balance on January 1, 2025	$ 403,497	24,270	427,767
Amortization expenses	-	6,374	6,374
Disposals	-	(297)	(297)
Effect of foreign currency exchange differences	-	121	121
Balance on March 31, 2025	**$ 403,497**	**30,468**	**433,965**
Book value:			
Balance on January 1, 2026	**$ 613,737**	**7,196**	**620,933**
Balance on March 31, 2026	**$ 617,679**	**14,545**	**632,224**
Balance on January 1, 2025	**$ 623,191**	**8,630**	**631,821**
Balance on March 31, 2025	**$ 626,121**	**21,877**	**647,998**

(Continued)

Goodwill is the premium generated from business combination or business acquisition of mobile products, motherboard and barebone system businesses.

The Group conducts impairment tests annually. In 2026, the Group, as a cash-generating unit that can generate independent cash flows, assessed whether the net assets used in its operations were subject to impairment.

The calculation of the recoverable amount of the goodwill of the Group was based on their value in use. In this calculation, the Group used cash flow projections for a budget period based on the key asset's remaining durable years, which is determined as 7 years. The cash flows beyond the five-year period have been extrapolated using a steady annual growth rates of 1.6%~1.8% and 2%~3% as of December 31, 2026 and 2025, respectively. The discount rates used in impairment tests conducted on December 31, 2026 and 2025 were 15.73% and 9.92% per annum, respectively.

(m) Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank loans	$ 1,179,412	1,049,575	979,664
Range of interest rates	2.3%~4.72%	2.5%~4.62%	2.59%~4.90%

The Group didn't pledge assets as collateral for bank loans.

(n) Accounts payable

	March 31, 2026	December 31, 2025	March 31, 2025
Third parties - operating	$ 2,978,446	3,186,520	2,579,783

Accounts payable resulted mainly from the purchase of components, including CPUs, IC chip-sets, LCD panels, CD-ROM drives, hard disks, and memory modules.

(o) Other current and non-current liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Other payables			
Payables for salaries and bonuses	$ 470,376	559,175	511,199
Payables for consumables	61,403	78,798	67,007
Payables for repair expenses	40,394	44,820	33,224
Payables for service expenses	133,790	141,875	105,493
Payables for import and export services	21,423	25,585	20,628
Payables for processing fees	23,897	32,534	55,263
Dividends Payable	-	-	117,314
Others	278,153	201,636	184,737
	$ 1,029,436	1,084,423	1,094,865

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

		March 31, 2026	December 31, 2025	March 31, 2025
Other advance receipts (Notes 6(h))	$	3,677,260	3,677,260	3,677,260
Other current liabilities				
Refund liabilities	$	854,969	873,959	834,832
Contract liabilities		302,595	321,881	346,680
Temporary credits		18,967	19,004	20,279
Others		12,678	12,621	9,963
	$	1,189,209	1,227,465	1,211,754
Deferred revenue				
Arising from government grants	$	8,673	10,581	16,308

(i) Refund liabilities are determined based on historical experience, managements judgments and other known reasons for which estimated product returns and rebates will reasonably incur refund liabilities. Refund liabilities are recognized as a reduction of operating revenue in the periods in which the related goods are sold.

(ii) Contract liabilities consists of unearned sales revenue.

(p) Lease liabilities

The carrying amount of lease liabilities of the Group were as follows:

		March 31, 2026	December 31, 2025	March 31, 2025
Current	$	84,347	87,104	94,740
Non-current	$	356,318	374,642	530,903

For the maturity analysis, please refer to Note 6(y).

The amounts recognized in profit or loss were as follows:

		For the three months ended March 31	
		2026	2025
Interest on lease liabilities	$	3,453	4,192
Expenses relating to short-term leases	$	482	833
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	$	516	781

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

	For the three months ended March 31	
	2026	**2025**
Total cash outflow for leases	**$ 26,939**	**33,121**

(i) Real estate leases

The Group leases certain land and buildings for the use of product manufacturing and office with lease terms ranging from 2 to 50 years.

(ii) Exemption

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

(q) Provisions

	Warranties
Balance on January 1, 2026	$ 191,635
Provisions increased during the period	8,554
Provisions used during the period	(9,184)
Provisions reversed during the period	(14,447)
Balance on March 31, 2026	**$ 176,558**
Balance on January 1, 2025	$ 186,848
Provisions increased during the period	8,939
Provisions used during the period	(7,208)
Balance on March 31, 2025	**$ 188,579**

The provision for warranty claims represents management's best estimate of the present value of future outflow of economic benefits that will be required under the Group's obligations for warranties under the legislation with respect to the sale of goods. Such estimate has been made on the basis of historical warranty trends, and may vary as a result of the use of new materials or changes in manufacturing processes, as well as other events affecting product quality.

(r) Employee benefits

(i) Defined benefit plans

As no significant market fluctuations, material curtailments, settlements, or other significant non-recurring events have occurred subsequent to the end of the previous financial year, the consolidated group adopted the actuarially determined pension cost as of December 31, 2025 and 2024 to measure and disclose the pension cost for the interim period.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The gains recognized in profit or loss for the Group were as follows:

	For the three months ended March 31	
	2026	2025
Administrative expenses	$ (626)	(834)

(ii) Defined contribution plans

The pension expenses under the Group's defined contribution plan were as follows:

	For the three months ended March 31	
	2026	2025
Administrative expenses	$ 6,792	7,675

(s) Income taxes

The components of income tax of the Group in the years 2026 and 2025 were as follows:

(i) The components of income tax of the Group were as follows:

	For the three months ended March 31	
	2026	2025
Current tax expenses		
Current period	36,422	218,038
Adjustment for prior periods	67	(54)
	36,489	217,984
Deferred tax expenses		
Origination and reversal of temporary differences	(10,849)	15,378
Income tax expense from continuing operations	$ 25,640	233,362

The amounts of income tax recognized in other comprehensive income of the Group in the years 2026 and 2025 were as follows:

	For the three months ended March 31	
	2026	2025
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation	$ 25,032	6,499

The applicable corporate income tax rate of used by the Group in the ROC is 20%, and the corporate surtax applicable to the unappropriated earnings is 5%. While the applicable tax rate used by subsidiaries in China is 25%, tax rate used by other entity in the Group operating in other jurisdictions are based on the tax laws in those jurisdictions.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Company's income tax return for the years through 2023 were examined and approved by the tax authority.

ECS Industrial Computer Co., Ltd. income tax return for the years through 2023 were examined and approved by the tax authority.

(ii) Global minimum top-up tax

The Group falls within the scope of the Pillar Two rules issued by the Organization for Economic Co-operation and Development (OECD). The Pillar Two legislation has been enacted in the jurisdictions where certain subsidiaries are incorporated and will be effective from January 1, 2025. Under the income inclusion rule, the Group is required to pay a top-up tax for the difference between the GloBE effective tax rate in each jurisdiction and the minimum tax rate of 15%.

The Group recognizes top-up tax as current income tax when it is incurred. For deferred taxes related to the top-up tax, the temporary mandatory exception is applied. Please refer to Note 4(s) for the relevant accounting policy.

As of March 31, 2026, the Group has assessed that the impact of the top-up tax rules on the current income tax of the consolidated financial statements is not material.

The Group has engaged tax specialists to assist in continuously evaluating matters related to the application of the Pillar Two rules.

(t) Capital and other equity

(i) Ordinary shares

	Ordinary shares		
	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Number of shares authorized (in thousands)	**1,750,000**	**1,750,000**	**1,750,000**
Value of shares authorized	**$ 17,500,000**	**17,500,000**	**17,500,000**
Number of shares issued and fully paid (in thousands)	**557,403**	**557,403**	**557,403**
Value of shares issued	**$ 5,574,030**	**5,574,030**	**5,574,030**

Fully paid ordinary shares, with a par value of $10, carry one vote per share and a right to receive dividends.

(ii) Capital surplus

The balances of capital surplus of the Company were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset deficit, distributed as cash dividends, or transferred to share capital			
Share premium	$ 5,112,831	5,112,831	5,112,831
Treasury share transactions	216,663	216,663	216,663
Employee share options — expired	38,735	38,735	38,735
May only be used to offset a deficit			
Dividends unclaimed by shareholders	13,207	13,207	13,207
Changes in percentage of ownership interest in associates	55,887	55,887	55,887
	$ 5,437,323	5,437,323	5,437,323

(iii) Retained earnings

According to the Company's Articles of Incorporation (the "Articles") as amended by the resolution of the shareholders' meeting held on May 29, 2025, profits of the fiscal year shall first be utilized for paying taxes, compensating accumulated deficits, and setting aside 10% of the remaining profits as legal reserve, unless the amount of legal reserve is equal to that of contributed capitals. After the provision or reversal of special reserve has been made in compliance with laws and regulations, the remaining profits and retained earnings can be proposed to the Company's board of directors for distribution. An approval of the Board of Directors shall be required for cash distribution, and a resolution of the shareholders' meeting shall be required for the distribution of new shares.

However, if the earnings are to be appropriated in cash, the Company has to comply with Article 240-5 of the Company Act, which it requires two-thirds or more of all its directors attending the meeting, and over half of its directors present, to decide on a resolution where the Company can authorize its board to appropriate the accrued dividends or bonuses, a part or the entire legal reserve and paid-in capital as stated in the Article 241-1 of the Company Act; thereafter, to be reported at the shareholders' meeting. Please refer to Note 6(y) "Remunerations to employees and directors" for the distribution policy on remunerations to employees and directors under the revised Articles of Incorporation.

1) Legal reserve

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

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Special reserve

In accordance with the requirements issued by the FSC, a portion of earnings shall be allocated as special reserve during earnings distribution. If the Company has already reclassified a portion of earnings to special reserve under the preceding subparagraph, it shall make supplemental allocation of special reserve for any difference between the amount it has already allocated and the amount of the current-period total net reduction of other shareholders' equity. An equivalent amount of special reserve shall be allocated from the after-tax net profit in the period, plus items other than after-tax net profit in the period, that are included in the undistributed current-period earnings and the undistributed prior-period earnings. A portion of undistributed prior-period earnings shall be reclassified to special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to the net reduction of other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

The Company's dividend policy takes into account the results of the Company's current and future development plans, investment environment, demand for funds, domestic and international competition, and shareholders' benefits, etc. The annual distribution should be at least 50% of distributable earnings although the Company is allowed to make no distribution when the accumulated distributable earnings are less than 10% of the paid in capital. The Articles also stipulate that the dividends can be distributed in cash or shares, whereby the distributed cash dividends are no less than 20% of the total dividends distributed.

The earnings for the year ended December 31, 2025 were resolved by the Board of Directors on March 4, 2026 not to be distributed. Other earnings distribution matters are subject to approval at the shareholders' meeting to be held on May 27, 2026.

The earnings for the year ended December 31, 2024 were resolved by the Board of Directors on February 21, 2025 to be distributed as cash dividends, with the remaining earnings distribution matters approved at the shareholders' meeting held on May 29, 2025.

The appropriations of earnings for 2024 and 2023 were as follows:

	For the year ended December 31	
	2024	
	Amount per share (in dollars)	Total amount
Dividends distributed to ordinary shareholders:		
Cash	0.2104660	117,314

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Other comprehensive income accumulated in reserves, net of tax

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Equity directly associated with disposal groups held-for-sale	Non-controlling Interests	Total
Balance on January 1, 2026	$ (652,280)	(1,503,716)	-	9,385	(2,146,611)
Share of loss for the period	-	-	-	(4)	(4)
Exchange differences on translating the financial statements of foreign entities	100,129	-	-	169	100,298
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	(29,201)	-	-	(29,201)
Balance on March 31, 2026	**$ (552,151)**	**(1,532,917)**	**-**	**9,550**	**(2,075,518)**
Balance on January 1, 2025	$ (579,677)	26,826	59,089	10,425	(483,337)
Share of loss of the period	-	-	-	(143)	(143)
Exchange differences on translating the financial statements of foreign entities	25,044	-	940	131	26,115
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	(632,328)	-	-	(632,328)
Equity directly associated with disposal groups held-for-sale	60,029	-	(60,029)	-	-
Balance on March 31, 2025	**$ (494,604)**	**(605,502)**	**-**	**10,413**	**(1,089,693)**

(u) Earnings (loss) per share

The calculation of basic and diluted earnings (loss) per share of the Company were as follows:

(i) Basic earnings (loss) per share

	For the three months ended March 31	
	2026	**2025**
Profit (loss) attributable to ordinary shareholders of the Company	**$ 62,561**	**571,191**
Weighted-average number of ordinary shares (in thousands shares)	**557,403**	**557,403**
Basic earnings (loss) per share (expressed in dollars)	**$ 0.11**	**1.02**

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Diluted earnings (loss) per share

	For the three months ended March 31	
	2026	**2025**
Profit (loss) attributable to ordinary shareholders of the Company (basic)	$ **62,561**	**571,191**
Weighted-average number of ordinary shares (basic) (in thousands shares)	557,403	557,403
Effect of dilutive potential ordinary shares		
Employee's compensation	3,444	4,856
Weighted-average number of ordinary shares (diluted) (in thousands shares)	**560,847**	**562,259**
Diluted earnings (loss) per share (expressed in dollars)	$ **0.11**	**1.02**

If the Company offered to settle the compensation paid to employees in cash or shares, the Company assumed the entire amount of the compensation will be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

(v) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended March 31	
	2026	**2025**
Revenue from sale of goods	$ 4,932,627	3,491,111
Revenue from rendering of services	70,243	63,365
	$ **5,002,870**	**3,554,476**

The Group recognizes revenue at the time of satisfying performance obligations, which consist of contracts entered into with customers for the goods or services delivered or provided.

The Group mainly produces and sells computer equipment. As the market for computer equipment is constantly evolving and the related cost for supplies is highly volatile, the amount of expected discount is estimated using the most likely amount, by taking into consideration the situation of sales and the range of discount previously given.

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Contract balances

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$ -	773	-
Trade receivables, including related parties	2,131,186	2,964,934	2,286,885
Less: allowance for impairment	(22,336)	(18,190)	(18,909)
Total	**$ 2,108,850**	**2,947,517**	**2,267,976**
Contract liabilities	**$ 302,595**	**321,881**	**348,680**

For details on notes receivables, trade receivables and allowance for impairment, please refer to Note 6(e).

(w) Remunerations to employees and directors

For the period from January 1 to March 31, 2025, the Company, in accordance with its Articles of Incorporation prior to the amendments, the Company shall appropriate no less than 10% for employees' compensation and no more than 1% for directors' remuneration, based on the Company's net profits before income tax before deducting distributions of employee compensation and director remuneration. Furthermore, pursuant to the amended Articles of Incorporation approved at the stockholders' meeting held on May 29, 2025, for the year 2025, the Company continued to appropriate employee compensation and director remuneration at rates of no less than 10% and no more than 1%, respectively, of the net profits before income tax, compensation of employees, and remuneration of directors, for the three months ended March 31, 2026. In addition, no less than 20% of the appropriated employee compensation shall be allocated to entry-level employees. However, if the Company has accumulated losses, the Company should reserve an amount to cover such losses in advance. The targets of the aforementioned employees' compensation in the form of shares or cash include employees of the Company's subsidiaries who meet certain criteria.

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate and adjusted in the following year. The estimated and actual remuneration to employees and directors for the three months ended March 31, 2026 and 2025 is shown as follow:

	For the three months ended March 31	
	2026	**2025**
Employees' compensation	**$ 8,954**	**81,575**
Remuneration of directors	**$ 895**	**8,157**

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The remuneration to employees and directors approved in the board of directors' meeting differed from those recognized in the consolidated financial statements for the years ended December 31 ,2025 and 2024. The differences were recorded as an adjustment to profit and loss in 2026 and 2025, respectively.

	For the year ended December 31			
	2025		2024	
	Employees' Compensation	Remuneration of Directors	Employees' Compensation	Remuneration of Directors
Amounts approved in the board of directors' meeting	$ 112,509	11,251	-	-
Amounts recognized in the annual financial statements	$ 112,509	11,251	-	-

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

(x) Net other income (expenses)

(i) Interest income

The details of interest income of the Group were as follows:

	For the three months ended March 31	
	2026	2025
Bank deposits	$ 20,746	36,194
Financial assets at amortized cost	18,086	9,981
Other interest income	917	139
Total interest income	$ 39,749	46,314

(ii) Other income

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

	For the three months ended March 31	
	2026	2025
Rental income	$ 2,320	4,220
Government subsidy	2,052	10,112
Others	3,911	25,188
Total other income	$ 8,283	39,520

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Other gains and losses

The details of other gains and losses of the Group were as follows:

		For the three months ended March 31	
		2026	**2025**
Loss on disposals of property, plant and equipment	$	(823)	(12,497)
Gain on lease modification		-	669
Gain on disposal of non-current assets held for sale (Note)		-	778,542
Net foreign exchange gain		24,850	21,251
Net gain arising on financial assets and liabilities designated as at FVTPL		12,586	3,842
Miscellaneous disbursements		(4,570)	(16,305)
Other gains and losses, net	**$**	**32,043**	**775,502**

Note: The amount of gain on disposal of non-current assets held for sale recognized was calculated based on the average exchange rate for the period from January 1 to March 31, 2025.

(iv) Finance costs

The details of finance costs of the Group were as follows:

		For the three months ended March 31	
		2026	**2025**
Interest on bank loans	$	9,935	9,184
Interest on lease liabilities		3,453	4,192
Other finance costs		-	(288)
Finance costs, net	**$**	**13,388**	**13,088**

(y) Financial instruments

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to the failure of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from:

1) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets; and

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) The maximum amount that the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

The evaluation results generated by the internal system and the evaluation report provided by the external hedging institution are both taken into consideration before granting the appropriate credit line to counterparties. The counterparties' transaction type, financial position and collaterals are also taken into consideration. All credit lines have expiration dates and are subject to reexamination before the granting of any extensions.

3) Concentration of credit risk

As of March 31, 2026, December 31 and March 31, 2025, the Group's five largest customers accounted for 62%66% and 64% of total accounts receivable, respectively, and the concentration of credit risk was relatively insignificant for the remaining accounts receivable. After considering specific factors and conducting risk evaluation, the credit risks of the Group's five largest customers would not have had any material impact on the Group.

4) Receivables

Before accepting a new customer, the Group takes both the client evaluation results generated by the internal system and the evaluation report provided by the external hedging institution into consideration to measure the potential customer's credit quality and define the customer's credit limit. Customer credit limits and ratings are reviewed twice a year. For fair presentation of the accounts receivable, the Group reviews the aging and recovery of accounts receivable every week.

The average credit period of sales of goods is 30 days to 120 days. No interest is charged on accounts receivable since the credit period is short.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes that the Group's credit risk was significantly reduced.

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

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group writes off accounts receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation, or when the accounts receivable are not recoverable. For the uncollectible accounts receivables, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

For information of credit risk from notes receivable and accounts receivable, please refer to Note 6(e).

Other financial assets at amortized cost includes other receivables and time deposits.

All these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12-month expected credit losses.

(ii) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group’s operations and mitigate the effects of fluctuations in cash flows. Since the Group has sufficient equity and working capital, which ensure compliance with loan covenants, the Group has no liquidity risk.

The following tables show the Group’s remaining contractual maturities for its financial liabilities with agreed-upon repayment periods.

	Carrying amount	Contractual cash flows	Within 1 year	2-3 years	3-5 years	Over 5 years
March 31, 2026						
Non-derivative financial liabilities						
Short-term borrowings	$ 1,179,412	1,202,177	1,202,177	-	-	-
Notes payable	488,436	488,436	488,436	-	-	-
Accounts payable	2,978,446	2,978,446	2,978,446	-	-	-
Other payables	1,029,436	1,029,436	1,029,436	-	-	-
Lease liabilities	440,665	485,085	96,447	141,967	109,302	137,369
Guarantee deposits received	34,593	34,593	17,571	12,065	1,165	3,792
	$ 6,150,988	**6,218,173**	**5,812,513**	**154,032**	**110,467**	**141,161**
December 31, 2025						
Non-derivative financial liabilities						
Short-term borrowings	$ 1,049,575	1,065,037	1,065,037	-	-	-
Notes payable	389,865	389,865	389,865	-	-	-
Accounts payable	3,186,520	3,186,520	3,186,520	-	-	-
Other payables	1,084,423	1,084,423	1,084,423	-	-	-
Lease liabilities	461,746	509,510	99,856	149,019	110,777	149,858
Guarantee deposits received	30,024	30,024	17,887	7,345	1,128	3,664
	$ 6,202,153	**6,265,379**	**5,843,588**	**156,364**	**111,905**	**153,522**

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	Carrying amount	Contractual cash flows	Within 1 year	2-3 years	3-5 years	Over 5 years
March 31, 2025						
Non-derivative financial liabilities						
Short-term borrowings	$ 979,664	987,454	987,454	-	-	-
Notes payable	564,777	564,777	564,777	-	-	-
Accounts payable	2,579,783	2,579,783	2,579,783	-	-	-
Other payables	1,094,865	1,094,865	1,094,865	-	-	-
Lease liabilities	625,643	695,235	114,686	194,020	148,790	237,739
Guarantee deposits received	35,824	35,824	18,781	13,215	590	3,238
	$ 5,880,556	5,957,938	5,360,346	207,235	149,380	240,977

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

(iii) Market risk

1) Foreign currency risk

The Group was exposed to foreign currency risk because it owned assets and liabilities which were denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters by using financial instruments such as foreign exchange spot transactions, forward exchange contracts, etc.

For the Group, the main purpose of using dual-currency investment is to eliminate the financial risks of currency exchange rates.

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

	March 31, 2026			December 31, 2025			March 31, 2025		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets									
Monetary items									
USD	$ 130,469	31.995	4,174,344	176,949	31.430	5,561,497	143,993	33.205	4,781,296
RMB	63,407	4.624	293,193	66,206	4.472	296,074	8,912	4.626	41,227
HKD	722	4.081	2,946	680	4.038	2,748	1,134	4.268	4,838
JPY	1,405	0.2005	282	6,255	0.201	1,256	13,933	0.2227	3,103
Non-monetary items									
USD	2,262	31.995	72,380	2,125	31.430	66,801	2,056	33.205	68,284
Financial liabilities									
Monetary items									
USD	164,654	31.995	5,268,113	188,002	31.430	5,908,901	107,358	33.205	3,564,836
HKD	1,568	4.081	6,399	2,228	4.038	8,995	1,317	4.268	5,622
RMB	8,082	4.624	37,372	8,265	4.472	36,962	628	4.626	2,906
JPY	4,950	0.2005	992	4,950	0.201	994	4,950	0.2227	1,102

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the three months ended March 31, 2026 and 2025, the Group' s realized and unrealized net foreign exchange (losses) gains were $24,850 thousand and $21,251 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

The Group was mainly exposed to the U.S. dollar. The following table shows the Group' s sensitivity to a 5% increase and in the New Taiwan dollar (the functional currency) against the U.S. dollar. The 5% sensitivity rate is used in reporting foreign currency risk internally to key management personnel and represents management' s assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency-denominated monetary items, for which their translation at the end of the reporting period is adjusted for a 5% change in foreign currency rates.

	March 31, 2026	December 31, 2025	March 31, 2025
Gain or loss from 5% increase in foreign currency rate			
USD	$ 54,688	17,370	(60,823)

2) Interest rate risk

The Group was exposed to fair value interest risk, because entities in the Group hold financial assets and liabilities with fixed rate, and the Group was exposed to cash flow interest rate risk because entities in the Group hold financial asset and liabilities with floating rate.

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

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
－Financial assets	$ 5,270,695	5,200,648	3,911,249
－Financial liabilities	1,332,122	1,228,450	1,332,085
Cash flow interest rate risk			
－Financial assets	3,015,724	2,402,986	3,643,207
－Financial liabilities	287,955	282,870	332,050

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. A 1% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management' s assessment of the reasonably possible change in interest rates.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

If interest rates had been 1% higher and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2026 and 2025, would have increased by $6,819 thousand and $8,278 thousand, respectively. Had market interest rates been 1% lower, the impact would have been negative but at the same amounts.

3) Other price risk

The Group was exposed to equity price risks through its investments in equity securities and mutual funds.

Sensitivity analysis was used to measure equity price risks at the end of the reporting period.

Had the position of domestic and foreign equity investments been 5% higher/lower, the Group's pre-tax profit for the three months ended March 31, 2026 and 2025, would increase/decrease by $96,264 thousand and $78,772 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL; the Group's other comprehensive income for the three months ended March 31, 2026 and 2025, would increase/decrease by $130,154 thousand and $178,721 thousand, respectively, as a result of the changes in fair value of financial assets at FVOCI.

(iv) Fair value of financial instruments

1) Fair value hierarchy

Fair value of financial instruments measured at fair value on a recurring basis were as follows; management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

	March 31, 2026				
		Fair Value			
	Book value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Financial assets at FVTPL					
Mutual funds	$ 1,169,158	1,169,158	-	-	1,169,158
Financial products	519,967	519,967	-	-	519,967
Stocks listed on domestic markets	28,593	28,593	-	-	28,593
Stocks listed on foreign markets	164,098	164,098	-	-	164,098
Stocks unlisted on foreign markets	43,463	-	-	43,463	43,463
Subtotal	1,925,279	1,881,816	-	43,463	1,925,279
Financial assets at FVOCI					
Stocks listed on domestic markets	2,603,085	2,603,085	-	-	2,603,085

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	March 31, 2026				
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost					
Cash and cash equivalents	4,223,904	-	-	-	-
Financial assets measured at amortized cost	3,823,466	-	-	-	-
Other current financial assets	11,984	-	-	-	-
Receivables	2,269,164	-	-	-	-
Refundable deposits	22,667	-	-	-	-
Subtotal	10,351,185	-	-	-	-
Total	$ 14,879,549	4,484,901	-	43,463	4,528,364
Financial liabilities					
Financial liabilities at amortized cost					
Short-term borrowings	$ 1,179,412	-	-	-	-
Payables	4,496,318	-	-	-	-
Lease liabilities	440,665	-	-	-	-
Guarantee deposits received	34,593	-	-	-	-
Total	$ 6,150,988	-	-	-	-

	December 31, 2025				
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at FVTPL					
Mutual funds	$ 1,195,209	1,195,209	-	-	1,195,209
Financial products	501,384	501,384	-	-	501,384
Domestic unlisted shares	42,932	-	-	42,932	42,932
Subtotal	1,739,525	1,696,593	-	42,932	1,739,525
Financial assets at FVOCI					
Stocks listed on domestic markets	2,632,286	2,632,286	-	-	2,632,286
Financial assets measured at amortized cost					
Cash and cash equivalents	3,482,911	-	-	-	-
Financial assets measured at amortized cost	4,148,077	-	-	-	-
Other current financial assets	11,589	-	-	-	-
Receivables	3,366,275	-	-	-	-
Refundable deposits	22,736	-	-	-	-
Subtotal	11,031,588	-	-	-	-
Total	$ 15,403,399	4,328,879	-	42,932	4,371,811

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	December 31, 2025				
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
Short-term borrowings	$ 1,049,575	-	-	-	-
Payables	4,660,808	-	-	-	-
Lease liabilities	461,746	-	-	-	-
Guarantee deposits received	30,024	-	-	-	-
Total	**$ 6,202,153**	**-**	**-**	**-**	**-**

	March 31, 2025				
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at FVTPL					
Mutual funds	$ 926,303	926,303	-	-	926,303
Financial products	587,669	587,669	-	-	587,669
Domestic unlisted shares	61,471	-	-	61,471	61,471
Foreign unlisted shares	3	-	-	3	3
Subtotal	1,575,446	1,513,972	-	61,474	1,575,446
Financial assets at FVOCI					
Stocks listed on domestic markets	3,574,411	3,574,411	-	-	3,574,411
Financial assets measured at amortized cost					
Cash and cash equivalents	4,039,780	-	-	-	-
Financial assets measured at amortized cost	3,540,509	-	-	-	-
Other current financial assets	9,663	-	-	-	-
Receivables	3,013,176	-	-	-	-
Refundable deposits	24,382	-	-	-	-
Subtotal	10,627,510	-	-	-	-
Total	**$ 15,777,367**	**5,088,383**	**-**	**61,474**	**5,149,857**
Financial liabilities					
Financial liabilities at amortized cost					
Short-term borrowings	$ 979,664	-	-	-	-
Payables	4,239,425	-	-	-	-
Lease liabilities	625,643	-	-	-	-
Guarantee deposits received	35,824	-	-	-	-
Total	**$ 5,880,556**	**-**	**-**	**-**	**-**

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Valuation techniques for financial instruments measured at fair value

A) Non-derivative financial instruments

If a financial instrument has a quoted price in an active market, then the active market quotation shall be used as the fair value. The market prices announced by major Exchanges and over-the-counter (OTC) trading centers of central government bonds, which are judged to be popular, are the basis for the fair value of listed (OTC) equity instruments and debt instruments with active market quotations.

If the public quotation of a financial instrument can be obtained from an exchange, broker, underwriter, industry association, pricing service agency or competent authority in a timely and frequent manner, and the price represents the actual and regular fair market transactions, then the financial instrument has an active market quotation. If the above conditions are not met, the market is deemed not active. Generally speaking, large difference in buying and selling price, significant increase of buying and selling price, and few transactions are indicators of an inactive market.

If the financial instruments held by the Group fit into an active market, their fair values are listed according to the categories and attributes as follows:

● The callable bond of a TWSE listed company, the stock, draft or corporate bond of a TWSE/TPEx listed company are financial assets and financial liabilities with standard terms and traded in an active market, and their fair values are determined by reference to the market quotation.

In addition to the aforementioned financial instruments with an active market, the fair value of the remaining financial instruments is acquired using valuation techniques or by reference to the counterparty quotes. The fair value acquired through valuation technique can refer to the current fair value, the discounted cash flow method or other valuation techniques for financial instruments with similar substantive conditions and characteristics in essence, including the market information available on the reporting date using the model (such as the reference yield curve of the OTC market, and the average quotation of Reuters commercial promissory note rate).

If the financial instruments held by the Group do not fit into an active market, their fair values are listed according to the categories and attributes as follows:

● The fair value of an equity instrument without active market quotation is estimated using comparable company method, after adjusting for the effect of discount on the lack of marketability.

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

B) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models. Fair value of forward currency is usually determined by the forward currency exchange rate.

3) Transfers between Level 1 and Level 2

No transfers have occurred between the fair value levels in the hierarchy for the three months ended March 31, 2026 and 2025.

4) Reconciliation of Level 3 fair values

	Financial Assets at fair value through profit or loss
Opening balance, January 1, 2026	$ 42,932
Recognized in profit or loss	531
Ending balance, March 31, 2026	**$ 43,463**
Opening balance, January 1, 2025	$ 61,474
Ending balance, March 31, 2025	**$ 61,474**

5) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects:

A) The fair value of domestic unlisted shares is determined using the market approach and net value of investees' major assets. The significant unobservable inputs used by the Group as of March 31, 2026, December 31 and March 31, 2025 were a 10%, 10% and 0% discount rate, respectively. If the inputs to the valuation model and discount rate were increased by 1% to reflect reasonably possible alternative assumptions while all other variables were held constant, the profit or loss will increase (decrease) as follows:

		Upward or downward	Current profit (loss) arising from changes in fair value	
	Inputs	Movements	Favorable	Unfavorable
March 31, 2026				
Domestic unlisted shares	Liquidity discount rate	1%	435	(435)
December 31, 2025				
Domestic unlisted shares	Liquidity discount rate	1%	429	(429)
March 31, 2025				
Domestic unlisted shares	Liquidity discount rate	1%	683	(683)

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

B) The fair values of foreign unlisted equity securities are determined by using the closing price from public trading sessions and net value of investees' major assets. The significant unobservable inputs used by the Company as of December 31, 2025 were a 0% discount rate. If the inputs to the valuation model and discount rate were increased by 1% to reflect reasonably possible alternative assumptions while all other variables were held constant, the fair value of the shares would decrease by less than $1 thousand.

(v) Offsetting financial assets and financial liabilities

The Group is eligible to present certain financial assets and financial liabilities on a net basis on the consolidated balance sheets since the offsetting criteria are met.

The tables below present the quantitative information on financial assets and financial liabilities that have been offset in the consolidated balance sheets.

	March 31, 2026		
	Gross Amounts of Recognized Financial Assets(a)	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheets(b)**	**Net Amounts of Financial Assets Presented in the Balance Sheets(c)=(a)-(b)**
Accounts receivable	$ 4,229,772	2,107,564	2,122,208
Accounts receivable from related parties	8,978	-	8,978
Total	**$ 4,238,750**	**2,107,564**	**2,131,186**

	March 31, 2026		
	Gross Amounts of Recognized Financial Liabilities(a)	**Gross Amounts of Recognized Financial Assets Offset in the Balance Sheets(b)**	**Net Amounts of Financial Liabilities Presented in the Balance Sheets(c)=(a)-(b)**
Accounts payable	**$ 5,086,010**	**2,107,564**	**2,978,446**

	December 31, 2025		
	Gross Amounts of Recognized Financial Assets(a)	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheets(b)**	**Net Amounts of Financial Assets Presented in the Balance Sheets(c)=(a)-(b)**
Accounts receivable	$ 5,095,244	2,141,584	2,953,660
Accounts receivable from related parties	11,274	-	11,274
Total	**$ 5,106,518**	**2,141,584**	**2,964,934**

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	December 31, 2025		
	Gross Amounts of Recognized Financial Liabilities(a)	Gross Amounts of Recognized Financial Assets Offset in the Balance Sheets(b)	Net Amounts of Financial Liabilities Presented in the Balance Sheets(c)=(a)-(b)
Accounts payable	$ 5,328,104	2,141,584	3,186,520
Total	**$ 5,328,104**	**2,141,584**	**3,186,520**

	March 31, 2025		
	Gross Amounts of Recognized Financial Assets(a)	Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheets(b)	Net Amounts of Financial Assets Presented in the Balance Sheets(c)=(a)-(b)
Accounts receivable	$ 3,117,973	841,842	2,276,131
Accounts receivable from related parties	10,999	245	10,754
Total	**$ 3,128,972**	**842,087**	**2,286,885**

	March 31, 2025		
	Gross Amounts of Recognized Financial Liabilities(a)	Gross Amounts of Recognized Financial Assets Offset in the Balance Sheets(b)	Net Amounts of Financial Liabilities Presented in the Balance Sheets(c)=(a)-(b)
Accounts payable	$ 3,421,625	841,842	2,579,783
Accounts payable from related parties	245	245	-
Total	**$ 3,421,870**	**842,087**	**2,579,783**

(z) Financial risk management

The Group’s major financial instruments include equity investments, accounts receivables, trade payables, borrowings and lease liabilities. The Group’s corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group’s policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments for speculative purposes.

The material financial activities were reviewed by the Group's board of directors in accordance with the internal control system and related rules. The Group should implement the overall financial management objective as well as observe the levels of delegated authority and ensure that those with delegated authorities carry out their duties.

(aa) Capital management

The policy of the board of directors is to maintain a sound capital structure and the confidence of investors, creditors and market, in order to support the development of future operations.

The Group's debt-to-equity ratio at the end of the reporting period as of March 31, 2026, December 31 and March 31, 2025, were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Total liabilities	$ 11,962,276	12,076,006	11,803,033
Less: cash and cash equivalents	4,223,904	3,482,911	4,039,780
Net debt	**$ 7,738,372**	**8,593,095**	**7,763,253**
Total equity	**$ 10,908,814**	**10,775,160**	**11,604,140**
Adjusted equity*	**$ 18,647,186**	**19,368,255**	**19,367,393**
Debt-to-equity ratio	**41.50 %**	**44.37 %**	**40.08 %**

* Total capital is equivalent to total equity which includes capital, reserves, retained earnings, other equity and non-controlling interests of the Company plus net debt.

As of March 31, 2026, the Group's capital management approach had not changed.

(7) Related-party transactions

(a) Parent company and ultimate controlling party

Tatung Co. is the parent company of the Group and owns 48.66% percent of all shares outstanding of the Company. Tatung Co. is the ultimate controlling party of the Group and has issued the consolidated financial statements available for public use.

(b) Names and relationship with related parties

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

Name of related party	Relationship with the Group
Tatung Co.	Parent Company
Tatung System Technologies Inc.	Fellow company
Tatung (Thailand) Co., Ltd.	Fellow company

Name of related party	Relationship with the Group
Tisnet Technology Inc.	Fellow company
Tatung Asset Development Co. (Note1)	Fellow company
Tatung Consumer Products (Taiwan) Co., Ltd.	Fellow company

(c) Significant transactions with related parties

(i) Sales

The amounts of significant sales by the Group to related parties were as follows:

	For the three months ended March 31	
Relationship	**2026**	**2025**
Parent Company	$ 4,144	8,211
Fellow Company	7,961	2,502
	$ 12,105	**10,713**

The terms and conditions of sales transactions with related parties were not significantly different from those for third parties. For other related party transactions, price and terms were determined in accordance with mutual agreements.

(ii) Purchases

The amounts of significant purchases by the Group from related parties were as follows:

	For the three months ended March 31	
Relationship	**2026**	**2025**
Parent Company	**$ -**	**241**

(iii) Prepayments

The details of prepayments of the Group to related parties were as follows:

Relationship	March 31, 2026	December 31, 2025	March 31, 2025
Fellow Company	**$ 119**	**16**	**260**

(iv) Receivables from related parties

The receivables of the Group from related parties were as follows:

Account	Relationship	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable	Parent Company	$ 4,248	5,512	8,044
	Fellow Company	4,730	5,762	2,710
		$ 8,978	**11,274**	**10,754**

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Account	Relationship	March 31, 2026	December 31, 2025	March 31, 2025
Other receivables	Parent Company	$ 113	4	6
	Fellow Company	-	3,552	2,832
		$ 113	**3,556**	**2,838**

The outstanding receivables from related parties are unsecured. As of March 31, 2026 and December 31, 2025, no impairment loss was recognized for receivables from related parties.

(v) Payables to related parties

The payables of the Group to related parties were as follows:

Account	Relationship	March 31, 2026	December 31, 2025	March 31, 2025
Other payables	Parent Company	$ 4,224	71	43
	Fellow Company	12,437	-	310
		$ 16,661	**71**	**353**

The outstanding payables to related parties are unsecured and will be settled in cash.

(vi) Property transactions

1) Purchases of property, plant and equipment

The purchases price of property, plant and equipment of the Group purchased from related parties are summaried as follows:

		For the three months ended March 31	
Relationship	**Account**	**2026**	**2025**
Fellow Company	Computer equipment	**$ 11,714**	**-**

(vii) Lease agreement

1) The amounts of right-of-use assets recognized by the Group under lease agreement with related parties were as follows:

	For the three months ended March 31	
Relationship	**2026**	**2025**
Tatung (Thailand) Co., Ltd.	**$ -**	**45,770**

Note: The amount of right-of-use assets recognized (THB $47,067 thousand) was calculated based on the average exchange rate for the period from January 1 to March 31, 2026.

As of March 31, 2026, December 31 and March 31, 2025, the refundable deposits of the Group to related parties for leasing were $10,496 thousand and $10,421 thousand and $13,115 thousand, respectively.

Account	Relationship	March 31, 2026	December 31, 2025	March 31, 2025
Lease liabilities – current	Tatung (Thailand) Co., Ltd.	$ 15,431	15,640	11,690
Lease liabilities – current	Tatung Asset Development Co.	40,614	40,324	50,705
Lease liabilities – non-current	Tatung (Thailand) Co., Ltd.	12,364	16,677	31,415
Lease liabilities – non-current	Tatung Asset Development Co.	306,881	317,144	443,467
		$ 375,290	389,785	537,277

Account	Relationship	For the three months ended March 31 2026	2025
Interest expenses	Tatung (Thailand) Co., Ltd.	$ 327	260
Interest expenses	Tatung Asset Development Co.	2,516	3,773
		$ 2,843	4,033

On February 21, 2025, the Board of Directors of the Group resolved to early terminate the lease of certain floors of an office building located in Zhongshan District, Taipei City, which previously leased from Tatung Asset Development Co., effective on February 28, 2025. As a result, the net book value of the right-of-use asset decreased by $84,109 thousand, the total lease liabilities decreased by $84,792 thousand, and lease modification gain of $683 thousand was recognized.

On November 7, 2025, the Board of Directors of the Group resolved to early terminate the lease of certain floors of an office building located in Zhongshan District, Taipei City, which previously leased from Tatung Asset Development Co., effective on December 31, 2025. As a result, the net book value of the right-of-use asset decreased by $94,940 thousand, the total lease liabilities decreased by $96,761 thousand, and a lease modification gain of $1,821 thousand was recognized.

2) The amounts of rental expense recognized by the Group from lease agreements to related parties were as follows:

Account	Relationship	For the three months ended March 31 2026	2025
Rental expense	Tatung Asset Development Co.	$ 54	38

(Continued)

(viii) Others

1) The related parties provided other services or transactions, resulting in the following expenses for the Group:

Relationship	Account	For the three months ended March 31 2026	2025
Parent Company	Miscellaneous expenses	$ 4,124	-
Parent Company	Professional fees	3	-
Parent Company	Utilities expenses	108	138
Fellow Company	Utilities expenses	1,187	1,227
Fellow Company	Repair expenses	27	112
Fellow Company	Postage fees	-	37
Fellow Company	Miscellaneous expenses	843	1,182
		$ 6,292	**2,696**
Fellow Company	Manufacturing expense – utilities	**$ 1,902**	**1,375**

2) The Group provided other services or transactions, resulting in the following income for the related parties:

Relationship	Account	For the three months ended March 31 2026	2025
Parent Company	Other revenue	$ 134	-
Fellow Company	Other revenue	-	605
Fellow Company	Interest income	132	139
		$ 266	**744**

(d) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended March 31 2026	2025
Short-term employee benefits	$ 10,921	12,603
Post-employment benefits	260	344
	$ 11,181	**12,947**

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

(8) Pledged assets

The carrying values of pledged assets were as follows:

Pledged assets	Object		March 31, 2026	December 31, 2025	March 31, 2025
Pledged deposits (classified as financial assets at amortized cost–current)	Tariff guarantee for imported raw materials	$	4,014	4,026	4,139
Pledged deposits (classified as financial assets at amortized cost–current)	Acceptance bill limit		1,093,232	975,232	625,084
Pledged deposits (classified as other current financial assets)	Acceptance bill limit		-	-	9,663
Pledged deposits (classified as financial assets at amortized cost–non current)	Acceptance bill limit		-	-	555,097
Pledged deposits (classified as other non-current financial assets)	Judicial deposits		11,984	11,589	-
		$	1,109,230	990,847	1,193,983

(9) Commitments and contingencies

(a) The Company has traded with Brazilian customers FLEX IMP EXP IND E COM DE MAQ E MOT LTDA (hereinafter called FLEX Company) since 2002. However, since 2007, FLEX ceased to pay the Company's accounts, resulting delinquent accounts made full provision for losses amounted to US$3,678 thousand.

In February 2009, the Company filed a lawsuit in the Manaus District Court in Brazil (hereinafter called the Court), requesting FLEX to repay the such amount of the payment. However, after the summons, FLEX Company filed a counterclaim against the Company in the same court, claiming that they were returned and claimed compensation by their customers because of the defective products selling from the Company. The Court dismissed the lawsuit which the Company filed in the first instance and, meanwhile, ruled that the Company was liable to FLEX for damages amounted to BRL42,513 thousand of the counterclaim.

In the judgment of the counterclaim, the Court did not appoint a technical expert to clarify the attribution of responsibility for defects. On October 19, 2022, the Company's appointed attorneys-at-law filed an appeal with objective evidence of third-party test reports. As of the reporting date of the consolidated financial statements, the trial of the lawsuit has not yet been concluded. Moreover, according to the analysis of the attorneys, the Court has a low probability of upholding the original judgment. Thus, the Company did not recognize the relevant litigation provision.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) On April 15, 2025, the Company recevied a notice from the Hong Kong International Arbitration Centre (“ HKIAC”) that Ever Unicorn Estate Limited, Excellence Group Investment Limited, Excelleece Real Estate Group Limited, and Excellence Commercial Prorerties Co., Ltd. submitted a request for arbitration. The arbitration concerns disputes arising from or in connection with the share purchase agreement of Dragon Asia Trading Co., Ltd. (BVI), entered into on April 9, 2017, between the claimants and Elitegroup Computer Systems Co., Ltd. and ECS Digital Technology (Shenzhen) Ltd. The claimants are seeking the return of the share transfer consideration, together with interest. On May 19, 2025, the Company submitted a written response to HKIAC regarding the application for additional parties, adding Golden Elite Technology (Shenzhen) Ltd. as the third respondent and Shenzhen Real Estate Financing Guarantee Co., Ltd. as the sixth claimant. On September 18, 2025, HKIAC confirmed the constitution of the arbitral tribunal.

Based on the legal teams’ assessment, the Company believes that there has been no material breach of contract, nor are there any circumstances for termination or rescission of the agreement as stipulated therein. All parties, including the guarantors, remain obligated to fuifull their contractual obligations. Accordingly, the Company has determined that the arbitration is not expected to have a material impact on its current operations. The arbitration proceedings are currently temporarily suspended pending a review of potential conflicts of interest involving the legal representatives. On April 10, 2026, HKIAC confirmed that the representation arrangement was valid, and the arbitration schedule will subsequently be arranged by HKIAC. Based on the current assessment, the Company believes that this matter will not have a material impact on its ongoing operations.

For further details regarding the share transaction, please refer to Note 6(h).

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

(12) Other

A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

	For the three months ended March 31					
	2026			2025		
By function / By item	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	244,804	213,716	458,520	246,488	329,457	575,945
Labor and health insurance	31,456	27,243	58,699	29,083	29,263	58,346
Pension	-	6,166	6,166	-	6,841	6,841
Others	1,457	6,903	8,360	821	4,725	5,546
Depreciation	67,701	43,396	111,097	69,243	51,763	121,006
Depletion	-	-	-	-	-	-
Amortization	6,660	9,296	15,956	5,407	7,839	13,246

Note: As of the three months ended March 31, 2026 and 2025, the depreciation expenses recognized in other gains and losses by the Group were both $459 thousand.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(13) Other disclosures

(a) Information on significant transactions

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group:

(i) Loans to other parties

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Loss allowance	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	ECS Digital Technology (Shenzhen) Ltd.	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技(深圳)有限公司)	Other receivables - related parties	Yes	161,840 RMB 35,000,000 Note 2	161,840 RMB 35,000,000 Note 3	161,840	0.90%	Short-term financing	-	Operational needs	-	-	-	197,116 RMB 42,629,402 Note 4	197,116 RMB 42,629,402 Note 4

Note 1: The nature of financing is provided as follows:

1. Securities issuers: 0
2. The invested company was marked from 1 in ascending order of numerals.

Note 2: The calculation of the amount was based on the highest exchange rate from January to March 31, 2026.

Note 3: The calculation of the amount was based on the closing rate on March 31, 2026.

Note 4: The total amount of lending to borrower for funding of short-term period shall not exceed forty percent of lender's net worth between the subsidiaries and the foreign company in which the company directly or indirectly holds more than 100 percent of the voting shares. Individual amount of lending shall not exceed forty percent of lender's net worth.

Note 5: The amounts of the transactions and the ending balances have been offset in the consolidated financial statements.

(ii) Guarantees and endorsements for other parties: None

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Material securities held as of March 31, 2026 (excluding investment in subsidiaries, associates and joint ventures)

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
Elitegroup Computer Systems Co., Ltd.	Ordinary shares							
	FSITC Aerospace and Satellite ETF	None	Financial assets at fair value through profit or loss －current	100,000	5,450	- %	5,450	
	UPAMC Global Innovation Active ETF	None	Financial assets at fair value through profit or loss －current	700,000	8,295	- %	8,295	
	Delta Electronics, Inc.	None	Financial assets at fair value through profit or loss －current	12,000	16,560	- %	16,560	
	Taiwan Semiconductor Manufacturing Company, Ltd.	None	Financial assets at fair value through profit or loss －current	9,000	15,840	- %	15,840	
	Elite Material Co., Ltd.	None	Financial assets at fair value through profit or loss －current	14,000	36,400	- %	36,400	
	eMemory Technology Inc.	None	Financial assets at fair value through profit or loss －current	10,000	26,300	0.01 %	26,300	
	Yuanta Nikkei 225 ETF	None	Financial assets at fair value through profit or loss －current	150,000	9,968	- %	9,968	
	Formosa Laboratories, Inc.	None	Financial assets at fair value through profit or loss －current	50,000	2,680	0.04 %	2,680	
	Phoenix Silicon International Corporation	None	Financial assets at fair value through profit or loss －current	100,000	18,100	0.06 %	18,100	
	ALL RING TECH CO., LTD.	None	Financial assets at fair value through profit or loss －current	8,000	6,480	0.01 %	6,480	
	WIN Semiconductors Corp.	None	Financial assets at fair value through profit or loss －current	30,000	10,545	0.01 %	10,545	
	Powertech Technology Inc.	None	Financial assets at fair value through profit or loss －current	40,000	7,480	0.01 %	7,480	
	Centrus Energy Corp.	None	Financial assets at fair value through profit or loss －current	1,200	6,664	0.01 %	6,664	
	KOKUSAI ELECTRIC CORPORATION	None	Financial assets at fair value through profit or loss －current	10,000	10,049	- %	10,049	
	Shibaura Mechatronics Corporation	None	Financial assets at fair value through profit or loss －current	15,000	11,880	0.11 %	11,880	
	Lu-Chu Development Corporation	None	Financial assets at fair value through profit or loss －non-current	4,851,680	43,463	2.24 %	43,463	
	Tatung Co.	Parent Company	Financial assets at fair value through other comprehensive income－non-current	83,432,206	2,603,085	3.88 %	2,603,085	
ECS Holding (America) Co. (USA)	Ordinary shares							
	IoTecha Corp.	None	Financial assets at fair value through other comprehensive income－non-current	2,000,000	-	19.58 %	-	
	Preferred shares							
	IoTecha Corp.	None	Financial assets at fair value through other comprehensive income－non-current	1,108,942	-	8.15 %	-	

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance: Shares/Units (thousands)	Ending balance: Carrying value	Ending balance: Percentage of ownership (%)	Ending balance: Fair value	Note
Elitegroup Computer Systems Co., Ltd.	Beneficiary certificate							
	Franklin Templeton SinoAm Money Market Fund	None	Financial assets at fair value through profit or loss －current	18,726,338	205,808	- %	205,808	
	Fubon Money Market Fund	None	Financial assets at fair value through profit or loss －current	6,514,851	102,727	- %	102,727	
	Taishin 1699 Money Market Fund	None	Financial assets at fair value through profit or loss －current	7,075,918	102,063	- %	102,063	
	SinoPac TWD Money Market Fund	None	Financial assets at fair value through profit or loss －current	13,923,334	205,780	- %	205,780	
	UPAMC James Bond Money Market Fund	None	Financial assets at fair value through profit or loss －current	11,402,201	202,137	- %	202,137	
	Taishin Ta-Chong Money Market Fund	None	Financial assets at fair value through profit or loss －current	3,340,214	50,444	- %	50,444	
	Franklin Templeton SinoAm Asia Pacific Balanced Fund - Accu - TWD	None	Financial assets at fair value through profit or loss －current	1,386,722	20,316	- %	20,316	
	Nomura Taiwan Dynamic Asset Allocation Fund	None	Financial assets at fair value through profit or loss －current	117,647	13,213	- %	13,213	
	Fuh Hwa Global Balanced Fund - TWD	None	Financial assets at fair value through profit or loss －current	565,278	24,607	- %	24,607	
	Fuh Hwa Olympic II Fund of Funds - TWD	None	Financial assets at fair value through profit or loss －current	697,344	15,439	- %	15,439	
	KGI Taiwan Multi-Asset Income Fund-TWD A	None	Financial assets at fair value through profit or loss －current	2,402,851	35,490	- %	35,490	
	SinoPac Asia Convertible Bond Fund	None	Financial assets at fair value through profit or loss －current	20,339	65,716	- %	65,716	
Elitegroup Computer Systems (HK) Co., Limited	Beneficiary certificate							
	SinoPac Asia Convertible Bond Fund	None	Financial assets at fair value through profit or loss －current	7,882	25,467 USD 795,983	- %	25,467 USD 795,983	
	SinoPac USD Money Market Funds	None	Financial assets at fair value through profit or loss －current	272,692	99,951 USD 3,123,957	- %	99,951 USD 3,123,957	
ECS Trading (Shenzhen) Co., Ltd.	Financial product							
	China Construction Bank Wealth Management "HengYing"(Corporate) (Daily) Open-end Net Worth RMB Financial Investment Product	None	Financial assets at fair value through profit or loss －current	-	72,557 RMB 15,691,550	- %	72,557 RMB 15,691,550	
Golden Elite Technology (Shenzhen) Ltd. (興英數位科技(深圳)有限公司)	Financial product							
	CIB Wealth Management Tianli Tiantianli No.66 Cash Management Wealth Management Product	None	Financial assets at fair value through profit or loss －current	-	139,410 RMB 30,149,585	- %	139,410 RMB 30,149,585	
	Bank of Ningbo Tiantian Bojin Cash Management Financial Product No.4 - B shares	None	Financial assets at fair value through profit or loss －current	-	139,982 RMB 30,273,277	- %	139,982 RMB 30,273,277	
ECS Digital Technology (Shenzhen) Ltd.	Financial product							
	CCB Wealth Management "TianTianLi" (Daily) Open-end. Investment Product	None	Financial assets at fair value through profit or loss －current	-	98,497 RMB 21,301,405	- %	98,497 RMB 21,301,405	
	China Construction Bank Wealth Management "HengYing"(Corporate) (Daily) Open-end Net Worth RMB Financial Investment Product	None	Financial assets at fair value through profit or loss －current	-	69,521 RMB 15,034,896	- %	69,521 RMB 15,034,896	

Note1: The above marketable securities had not been used as guarantees or collaterals for borrowing and were not subject to other restrictions.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Elitegroup Computer Systems Co., Ltd.	Parent company	Sale	(807,678)	(89)%	OA 60 days	-	—	177,166	29%	Note
Elitegroup Computer Systems Co., Ltd.	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Subsidiary of ECS Holding (HK) Co., Limited	Purchase	807,678	20%	OA 60 days	-	—	(177,166)	(13)%	Note

Note: The amounts of the transactions and the ending balances have been offset in the consolidated financial statements.

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

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Elitegroup Computer Systems Co., Ltd.	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Subsidiary	690,566 (Notes 2 and 3)	-	690,566	Strengthen the collection	42	-
Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Elitegroup Computer Systems Co., Ltd.	Parent company	179,660 (Notes 2 and 3)	1.41	179,660	Strengthen the collection	179,660	-
ECS Digital Technology (Shenzhen) Ltd.	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Fellow company	177,951 (Note 2)	0.04	-	-	-	-

Note 1: The calculation of turnover days excludes other receivables.

Note 2: The amounts of the transactions and the ending balances have been offset in the consolidated financial statements.

Note 3: The Company disposed of 100% equity of Dragon Asia in August 2020, lost control of Dragon Asia, Million Up and Golden Elite Technology (興英科技), and derecognized the related subsidiaries. The Company accounted for the residual equity in ECS Holding (HK) Co., Limited and Golden Elite Technology (興英數位科技).

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vi) Business relationships and significant intercompany transactions

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	Elitegroup Computer Systems Co., Ltd.	Elitegroup Computer Systems Inc. (USA)	1	Sales revenue	11,173	No significant differences	-%
0	Elitegroup Computer Systems Co., Ltd.	Super ECS USA Inc.	1	Sales revenue	77,461	No significant differences	2%
0	Elitegroup Computer Systems Co., Ltd.	Super ECS USA Inc.	1	Accounts receivable from related parties	44,948	No significant differences	-%
0	Elitegroup Computer Systems Co., Ltd.	Elitegroup Technology (Thailand) Co., Ltd.	1	Manufacturing overhead - outsourced	(19,013)	No significant differences	-%
0	Elitegroup Computer Systems Co., Ltd.	Elitegroup Technology (Thailand) Co., Ltd.	1	Other payables to related parties	(16,524)	No significant differences	-%
0	Elitegroup Computer Systems Co., Ltd.	Golden Elite Technology (Shenzhen) Ltd. (興英科技)	1	Accounts receivable from related parties	690,138	No significant differences	3%
0	Elitegroup Computer Systems Co., Ltd.	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	1	Purchases	(807,678)	No significant differences	(16)%
0	Elitegroup Computer Systems Co., Ltd.	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	1	Accounts payables to related parties	(177,166)	No significant differences	(1)%
1	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	ECS Digital Technology (Shenzhen) Ltd. (ECS Digital Technology)	3	Other payables to related parties	(16,113)	No significant differences	-%
1	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	ECS Digital Technology (Shenzhen) Ltd. (ECS Digital Technology)	3	Other short-term borrowings	(161,840)	No significant differences	(1)%
1	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Beijing Xun Run Technology Co., Ltd.	3	Other payables to related parties	(31,497)	No significant differences	-%
1	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Beijing Xun Run Technology Co., Ltd.	3	Professional fees	(13,163)	No significant differences	-%
1	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Tronco-Tech (Shenzhen) Ltd.	3	Accounts receivable from related parties	21,037	No significant differences	-%
1	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Elitegroup Technology (Thailand) Co., Ltd.	3	Other receivables from related parties	22,747	No significant differences	-%

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

1. The Company indicated by “0”.
2. The subsidiaries were marked from 1 in ascending order of numerals.

Note 2: The relationships between transaction parties are numbered as follows:

1. The Company to the subsidiaries.
2. The subsidiaries to the Company.
3. Between subsidiaries.

Note 3: The ratio of the transaction amounts accounted for total sales revenue or assets is calculated as follows: (1) Asset or liability: The ratio was calculated based on the ending balance accounted for total consolidated assets; (2) Income or loss: The ratio was calculated based on the midterm accumulated amounts accounted for total consolidated sales revenue.

Note 4: The amounts of the transactions have been offset in the consolidated financial statements.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Information on investees

The following is the information on investees for the three months ended March 31, 2026 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount (Note 1)		Balance as of March 31, 2026			Net income (losses) of investee (Note 2)	Investment income (losses) (Note 2)	Note
				March 31, 2026	December 31, 2025	Shares	Percentage of ownership	Carrying value			
Elitegroup Computer Systems Co., Ltd.	Elitegroup Computer Systems (HK) Co., Limited	Hong Kong	Sale of motherboards, computer peripheral products and related components	62,413	62,413	16,560,000	100.00 %	280,194	2,096	2,096	(Note 3)
Elitegroup Computer Systems Co., Ltd.	Elitegroup Computer Systems (Japan) Co., Ltd.	Japan	Sale of motherboards, notebook, computer peripheral products and related components	19,078	19,078	1,136	100.00 %	21,562	645	645	(Note 3)
Elitegroup Computer Systems Co., Ltd.	Elitegroup Computer System Holding Co., Ltd. (BVI)	British Virgin Islands	Holding company	640,902	640,902	14,132,270	100.00 %	36,677	701	701	(Note 3)
Elitegroup Computer Systems Co., Ltd.	ECS Holding (America) Co. (USA)	USA	Holding company	830,259	830,259	3,362	100.00 %	902,705	3,286	3,286	(Note 3)
Elitegroup Computer Systems Co., Ltd.	Elitegroup Computer Systems Korea Co., Ltd.	Korea	Sale of motherboards, maintenance and sales support	66,780	66,780	469,000	100.00 %	15,123	569	569	(Note 3)
Elitegroup Computer Systems Co., Ltd.	Unitop International Corp.	British Virgin Islands	Holding company	-	-	600	100.00 %	354,497	1,864	1,864	(Note 3)
Elitegroup Computer Systems Co., Ltd.	Unity Investments Limited	Samoa	Holding company	62,052	62,052	1,905,000	100.00 %	90,291	(4,849)	(4,849)	(Note 3)
Elitegroup Computer Systems Co., Ltd.	ECS Holding (HK) Co., Limited	Hong Kong	Holding company	2,111,745	2,111,745	71,327,000	100.00 %	3,100,113	(114,824)	(112,132)	(Notes 3 and 4)
Elitegroup Computer Systems Co., Ltd.	Elitegroup Technology (Thailand) Co., Ltd.	Thailand	Manufacture and sales of computer and computer peripheral products	447,141	385,041	4,609,998	99.99 %	201,956	(21,732)	(21,732)	(Note 3)
Elitegroup Computer Systems Co., Ltd.	Elite Technology (Cayman) Co., Ltd.	Cayman	Holding company	1,058,760	1,058,760	6,700,001	100.00 %	1,130,277	(518) USD (16,360)	(518) USD (16,360)	(Note 3)
Elitegroup Computer System Holding Co., Ltd. (BVI)	Venture Well Holdings Limited. (BVI)	British Virgin Islands	Holding company	332,988 USD 10,407,486	332,988 USD 10,407,486	10,407,486	68.45 %	20,718 USD 647,546	(13) USD (426)	(9) USD (291)	(Note 3)
ECS Holding (America) Co. (USA)	Elitegroup Computer Systems Inc. (USA)	USA	Sale of motherboards, notebook, computer peripheral products, related components and systems assembled	56,716 USD 1,772,643	56,716 USD 1,772,643	47,552	100.00 %	175,373 USD 5,481,264	(5,260) USD (166,298)	(5,260) USD (166,298)	(Note 3)
ECS Holding (America) Co. (USA)	Super ECS USA, Inc.	USA	Sale of motherboards, computer peripheral products and related components	15,998 USD 500,000	15,998 USD 500,000	2,500,000	100.00 %	204,996 USD 6,407,140	4,939 USD 156,120	4,939 USD 156,120	(Note 3)
Unity Investments Limited	Unique Sino Limited	Samoa	Holding company	60,471 USD 1,890,000	60,471 USD 1,890,000	1,890,000	100.00 %	90,270 USD 2,821,373	(4,849) USD (153,283)	(4,849) USD (153,283)	(Note 3)
Venture Well Holdings Limited. (BVI)	Alpha Leader Limited. (HK)	Hong Kong	Trading of IC and electric components	1,438 USD 44,947	1,438 USD 44,947	349,688	100.00 %	22,328 USD 697,863	(85) USD (2,677)	(85) USD (2,677)	(Note 3)
Elite Technology (Cayman) Co., Ltd.	Elite Circuit Technology (Thailand) Co., Ltd.	Thailand	Manufacture, research and development of PCBs, motherboards, systems and peripheral products	638,075 THB 652,294,700	638,075 THB 652,294,700	6,522,947	99.99 %	634,016 THB 648,145,620	(230) THB (228,702)	(230) THB (228,702)	(Note 3)

Note 1: The amount was calculated based on the closing rate on March 31, 2026.

Note 2: The calculation of the amount was based on the average exchange rate from January to March 31, 2026.

Note 3: The financial statements used as a basis for calculating investment income had been audited.

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Note 4: The board of directors approved Mainland Assets Activation Plan on January 23, 2018, and completed the transfers of 52% and 48% interest of Dragon Asia on March 27, 2018, and August 25, 2020, respectively. After the disposal of 100% equity of Dragon Asia, the Company had lost control of Dragon Asia, Million Up and Golden Elite Technology (興英科技), and derecognized the related subsidiaries. The Company accounted for the residual equity in ECS Holding (HK) Co., Limited and Golden Elite Technology (興英數位科技). Please refer to Note 6(h).

Note 5: Please refer to Note 4(c) and Note 3 on "Basis of Consolidation" and "Subsidiaries Included in the Consolidated Financial Statements", respectively, for further details.

(c) Information on investment in mainland China

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

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital (Note 2)	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2026 (Note 2)	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2026 (Note 2)	Net income (losses) of the investee (Note 3)	Percentage of ownership	Investment income (losses) (Notes 1 and 3)	Carrying value (Note 2)	Accumulated remittance of earnings in current period	Note
					Outflow	Inflow							
Xun Rui Electron (Shenzhen) Co., Ltd.	Manufacture and maintenance of electric equipment and instrument, computer peripheral products and cases	33,595 USD 1,050,000	Indirect investment by Elitegroup Computer Systems (HK) Co., Limited	25,427 USD 794,718	- -	- -	25,427 USD 794,718	686 RMB 150,181	100.00%	686 USD 21,680	6,680 USD 208,775	- -	-
Beijing Xun Run Technology Co., Ltd.	Manufacture and maintenance of electric equipment and instrument, computer peripheral products and cases	51,192 USD 1,600,000	Indirect investment by Elitegroup Computer Systems (HK) Co., Limited	55,658 USD 1,739,577	- -	- -	55,658 USD 1,739,577	(10) RMB (2,191)	100.00%	(10) USD (316)	55,689 USD 1,740,541	- -	-
ECS Trading (Shenzhen) Co., Ltd.	Wholesale, trade, maintenance and technical consultation of computers and peripheral products	63,990 USD 2,000,000	Indirect investment by Unique Sino Limited of Unity Investments Limited	63,990 USD 2,000,000	- -	- -	63,990 USD 2,000,000	(4,849) RMB (1,061,810)	100.00%	(4,849) USD (153,283)	90,267 USD 2,821,298	- -	-
Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Manufacture, research and development of PCBs, motherboards, systems, assembly of notebook, tablets and peripheral products	1,935,698 USD 60,500,000	Indirect investment by ECS Holding (HK) Co., Limited	2,218,117 USD 69,327,000	- -	- -	2,218,117 USD 69,327,000	(109,058) RMB (23,881,891)	100.00%	(106,366) USD (3,362,494)	2,652,413 USD 82,900,855	- -	(Note 6)
Elitegroup Computer Systems (SIP) Co., Ltd.	Research, development and manufacture of notebook, tablets and related components	358,344 USD 11,200,000	Indirect investment by Unitop International Corp.	38,394 USD 1,200,000	- -	- -	38,394 USD 1,200,000	- RMB -	-%	- USD -	- USD -	539,820 USD 18,000,000	(Note 5)
ECS Digital Technology (Shenzhen) Ltd.	Manufacture, research and development of PCBs, motherboards, systems, assembly of notebook, tablets and peripheral products	495,923 USD 15,500,000	Indirect investment by Elite Technology (Cayman) Co., Ltd.	495,923 USD 15,500,000	- -	- -	495,923 USD 15,500,000	68 RMB 14,852	100.00%	68 USD 2,144	464,149 USD 14,506,933	- -	-

(Continued)

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investee	Main businesses and products	Total amount of paid-in capital (Note 2)	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2026 (Note 2)	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2026 (Note 2)	Net income (losses) of the investee (Note 3)	Percentage of ownership	Investment income (losses) (Notes 1 and 3)	Carrying value (Note 2)	Accumulated remittance of earnings in current period	Note
					Outflow	Inflow							
Tronco-Tech (Shenzhen) Ltd.	Wholesale of computer and related components, sale of software and technical consultation of computers	1,387	Indirect investment by ECS Trading (Shenzhen) Co., Ltd.	-	-	-	-	(5,111)	100.00%	(5,111)	(1,428)	-	-
		RMB 300,000		USD -	-	-	USD -	RMB (1,119,173)		RMB (1,119,173)	RMB (308,765)	-	

(ii) Limitation on investment in Mainland China

Accumulated Investment in Mainland China as of March 31, 2026	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
2,897,509	3,305,781	(Note 4)
USD90,561,295 (Note 2)	USD103,321,811 (Note 2)	-

Note 1: The calculation of investment income (loss) was based on the investees' audited financial statements.

Note 2: The amount was calculated based on the closing rate on March 31, 2026.

Note 3: The calculation of the amount was based on the average exchange rate from January to March 31, 2026.

Note 4: On February 24, 2026, the Company obtained the updated certification as being qualified for operating the headquarters, which was issued by the Industrial Development Bureau, MOEA (Letter No. 11551004880), the effective period started from January 30, 2026, to January 29, 2029, thus, the ceiling amount of investment in mainland China is not applicable to the Company.

Note 5: Please refer to Note 4(c) and Note 2 on "Basis of Consolidation" and "Subsidiaries Included in the Consolidated Financial Statements", respectively, for further details.

Note 6 : Please refer to Note 4 of “Information on investees” .

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Significant transactions

Company Name	Counterparty (Investee Company)	Transaction Type	Purchase/Sale		Comparison of Price with the Market	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
			Amount	%		Payment Terms	Comparison with the Market	Amount	%		
Elitegroup Computer Systems Co., Ltd.	Golden Elite Technology (Shenzhen) Ltd. (興英數位科技)	Purchase	(807,678)	(20)%	No significant differences	OA 60 days	No significant differences	(177,166)	(13)%	3,876	(Notes 1 and 2)

Note 1: The amounts had been offset in the consolidated financial statements.

Note 2: Unrealized profit and loss are due to upstream transactions.

ELITEGROUP COMPUTER SYSTEMS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(14) Segment information

(a) General information

The Group mainly produces and sells computer equipment, wherein the chief operating decision maker distributes the resources and bonuses based on the operating performance and financial information of the segment. The Group has only one reportable segment, thus, based on IFRS 8 “Operating Segments”, its segment information need not be disclosed.