Stock Code:8271

APACER TECHNOLOGY INC.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

With Independent Auditors' Review Report
For the Six Months Ended June 30, 2026 and 2025

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The independent auditors' review 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 independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors of Apacer Technology Inc.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Apacer Technology Inc. and its subsidiaries as of June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months ended June 30, 2026 and 2025 and for the six months ended June 30, 2026 and 2025, changes in equity and cash flows for the six months ended June 30, 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 ("IAS") 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) to the consolidated financial statements, 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 $1,377,457 thousand and $792,325 thousand, constituting 6.28% and 10.98% of consolidated total assets as of June 30, 2026 and 2025, respectively, total liabilities amounting to $266,243 thousand and $64,530 thousand, constituting 2.17% and 2.35% of consolidated total liabilities as of June 30, 2026 and 2025, respectively, and total comprehensive income (loss) amounting to $17,895 thousand and $(50,311) thousand, constituting 0.64% and (76.13)% of consolidated total comprehensive income (loss) for the three months ended June 30, 2026 and 2025, respectively, and $116,622 thousand and $(31,591) thousand, constituting 2.50% and (18.50)% of consolidated total comprehensive income (loss) for the six months ended June 30, 2026 and 2025, respectively.

Furthermore, as stated in Note 6(g) to the consolidated financial statements, the investments accounted for using equity method of Apacer Technology Inc. and its subsidiaries as of and for the six months ended June 30, 2025, were recognized solely on the financial statements prepared by the investee company, but not reviewed by independent auditors. Such investments accounted for using equity method amounted to $852 thousand as of June 30, 2025, and the share of losses of the equity accounted investee company amounted to $100 thousand and $138 thousand for the three months and six months ended June 30, 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 and equity accounted investee company 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 Apacer Technology Inc. and its subsidiaries as of June 30, 2026 and 2025, and of their consolidated financial performance for the three months ended June 30, 2026 and 2025, and of their consolidated financial performance and their consolidated cash flows for the six months ended June 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 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 Yin, Yuan-Sheng and Shih, Wei-Ming.

KPMG

Taipei, Taiwan (Republic of China)
July 23, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and 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 independent auditors' review 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 independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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

APACER TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2026, December 31, and June 30, 2025

(Expressed in Thousands of New Taiwan Dollar)

		June 30, 2026		December 31, 2025		June 30, 2025	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (note 6(a))	$ 2,434,087	11	852,913	9	839,907	12
1110	Financial assets at fair value through profit or loss —current (note 6(b))	6,136	-	-	-	74,206	1
1170	Notes and accounts receivable, net (notes 6(d) and (v))	4,151,854	19	1,216,838	13	1,022,089	14
1180	Accounts receivable from related parties (notes 6(d), (v) and 7)	687,732	3	270,274	3	458,876	6
1200	Other receivables (note 6(e))	11,615	-	4,144	-	6,683	-
1310	Inventories (note 6(f))	12,438,738	57	4,814,212	52	2,437,400	34
1476	Other financial assets—current (note 6(a))	8,340	-	477,278	5	823,337	12
1479	Other current assets	436,545	2	243,914	3	155,560	2
	Total current assets	20,175,047	92	7,879,573	85	5,818,058	81
	Non-current assets:						
1510	Financial assets at fair value through profit or loss —non-current (note (b))	33,825	-	17,668	-	16,255	-
1517	Financial assets at fair value through other comprehensive income—non-current (note 6(c))	46,405	-	37,319	-	36,539	-
1550	Investments accounted for using equity method (note 6(g))	-	-	1,771	-	852	-
1600	Property, plant and equipment (notes 6(i) and 8)	1,247,216	6	906,516	10	900,722	12
1755	Right-of-use assets (note 6(j))	63,534	-	56,725	1	47,821	1
1780	Intangible assets (note 6(k))	171,687	1	182,814	2	194,679	3
1840	Deferred income tax assets	167,808	1	167,776	2	161,359	2
1980	Other financial assets—non-current	38,839	-	38,605	-	37,233	1
	Total non-current assets	1,769,314	8	1,409,194	15	1,395,460	19
	Total assets	$ 21,944,361	100	9,288,767	100	7,213,518	100

		June 30, 2026		December 31, 2025		June 30, 2025	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (note 6(l))	$ 2,400,783	11	1,618,675	18	337,018	5
2120	Financial liabilities at fair value through profit or loss —current (note 6(b))	6,840	-	1,205	-	36	-
2130	Contract liabilities—current (note 6(v))	274,018	1	197,212	2	48,823	1
2170	Notes and accounts payable (note 7)	3,707,837	17	1,352,927	15	1,530,861	21
2200	Other payables (notes 6(w) and 7)	2,781,745	13	651,412	7	390,748	5
2216	Dividends payable (note 6(s))	576,582	3	-	-	251,022	4
2230	Current income tax liabilities	1,101,727	5	150,481	2	43,282	1
2250	Provisions—current (note 6(p))	16,013	-	8,599	-	7,910	-
2280	Lease liabilities—current (note 6(o))	22,453	-	17,423	-	18,864	-
2300	Other current liabilities	31,821	-	34,401	-	28,409	-
2322	Current portion of long-term debt (notes 6(m) and 8)	1,281	-	1,268	-	1,248	-
	Total current liabilities	10,921,100	50	4,033,603	44	2,658,221	37
	Non-current liabilities:						
2530	Bonds payable (note (n))	939,831	4	-	-	-	-
2540	Long-term debt (notes 6(m) and 8)	310,276	2	19,850	-	20,494	-
2550	Provisions—non-current (notes 6(j) and (p))	500	-	500	-	500	-
2570	Deferred income tax liabilities	14,158	-	15,675	-	16,643	-
2580	Lease liabilities—non-current (note 6(o))	42,178	-	40,012	1	29,407	1
2640	Net defined benefit liabilities	26,225	-	26,197	-	19,634	-
2645	Guarantee deposits	470	-	450	-	409	-
	Total non-current liabilities	1,333,638	6	102,684	1	87,087	1
	Total liabilities	12,254,738	56	4,136,287	45	2,745,308	38
	Equity attributable to shareholders of the Company (notes (n) and (s)):						
3100	Common stock	1,296,142	6	1,281,292	14	1,287,292	18
3200	Capital surplus	1,733,637	8	1,115,655	12	1,123,237	15
3300	Retained earnings	6,711,081	30	2,711,837	29	2,094,770	29
3400	Other equity	(228,725)	(1)	(76,434)	(1)	(116,414)	(2)
3500	Treasury stock	-	-	-	-	(28,793)	-
	Total equity attributable to shareholders of the Company	9,512,135	43	5,032,350	54	4,360,092	60
36XX	Non-controlling interests (notes 6(h) and (s))	177,488	1	120,130	1	108,118	2
	Total equity	9,689,623	44	5,152,480	55	4,468,210	62
	Total liabilities and equity	$ 21,944,361	100	9,288,767	100	7,213,518	100

See accompanying notes to the consolidated financial statements.

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

APACER TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months and six months ended June 30, 2026 and 2025

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

		For the three months ended June 30				For the six months ended June 30			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Revenue (notes 6(v), 7 and 14)**	$ 9,676,150	100	2,712,370	100	16,718,334	100	4,761,566	100
5000	**Cost of revenue (notes 6(f), (i), (j), (o), (t), 7 and 12)**	(4,716,936)	(49)	(2,294,531)	(85)	(8,289,768)	(50)	(4,005,976)	(84)
5900	**Gross profit**	4,959,214	51	417,839	15	8,428,566	50	755,590	16
6000	**Operating expenses (notes 6(d), (i), (j), (o), (t), (w), 7 and 12):**								
6100	Selling expenses	(736,586)	(7)	(168,056)	(6)	(1,270,268)	(7)	(310,209)	(6)
6200	Administrative expenses	(569,729)	(6)	(70,856)	(2)	(970,012)	(6)	(130,852)	(3)
6300	Research and development expenses	(159,142)	(2)	(50,357)	(2)	(381,147)	(2)	(94,185)	(2)
6450	Reversal of (recognized) expected credit losses	(119)	-	2,883	-	(484)	-	4,141	-
6000	**Total operating expenses**	(1,465,576)	(15)	(286,386)	(10)	(2,621,911)	(15)	(531,105)	(11)
6900	**Operating income**	3,493,638	36	131,453	5	5,806,655	35	224,485	5
7000	**Non-operating income and loss (notes 6(o) and (x)):**								
7100	Interest income	9,048	-	11,861	-	14,247	-	23,633	-
7020	Other gains and losses, net	(3,095)	-	26,865	1	24,788	-	40,368	1
7050	Finance costs	(38,588)	-	(5,374)	-	(55,564)	-	(9,501)	-
7770	Share of losses of associates	-	-	(100)	-	-	-	(138)	-
	Total non-operating income and loss	(32,635)	-	33,252	1	(16,529)	-	54,362	1
7900	**Income before income tax**	3,461,003	36	164,705	6	5,790,126	35	278,847	6
7950	**Less: income tax expenses (note 6(r))**	(682,503)	(7)	(28,842)	(1)	(1,136,449)	(7)	(48,703)	(1)
	Net income	2,778,500	29	135,863	5	4,653,677	28	230,144	5
	Other comprehensive income (loss) (notes 6(s) and (y)):								
8310	**Items that will not be reclassified subsequently to profit or loss:**								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	8,956	-	(3,016)	-	9,085	-	(1,278)	-
8349	Less: income tax related to items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
		8,956	-	(3,016)	-	9,085	-	(1,278)	-
8360	**Items that may be reclassified subsequently to profit or loss:**								
8361	Exchange differences on translation of foreign operations	(1,215)	-	(66,763)	(3)	11,180	-	(58,097)	(1)
8399	Less: income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
		(1,215)	-	(66,763)	(3)	11,180	-	(58,097)	(1)
	Other comprehensive income (loss) for the period, net of income tax	7,741	-	(69,779)	(3)	20,265	-	(59,375)	(1)
8500	**Total comprehensive income for the period**	**$ 2,786,241**	**29**	**66,084**	**2**	**4,673,942**	**28**	**170,769**	**4**
8600	**Net income attributable to:**								
8610	Shareholders of the Company	$ 2,713,395	28	130,626	5	4,575,826	27	223,493	5
8620	Non-controlling interests	65,105	1	5,237	-	77,851	1	6,651	-
		$ 2,778,500	**29**	**135,863**	**5**	**4,653,677**	**28**	**230,144**	**5**
8700	**Total comprehensive income attributable to:**								
8710	Shareholders of the Company	$ 2,721,122	28	60,858	2	4,596,073	27	164,122	4
8720	Non-controlling interests	65,119	1	5,226	-	77,869	1	6,647	-
		$ 2,786,241	**29**	**66,084**	**2**	**4,673,942**	**28**	**170,769**	**4**
	Earnings per share (in New Taiwan Dollar) (note 6(u)):								
9750	Basic earnings per share	**$**	**20.93**		**1.02**		**35.51**		**1.74**
9850	Diluted earnings per share	**$**	**20.04**		**1.01**		**34.30**		**1.73**

See accompanying notes to the consolidated financial statements.

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

APACER TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the six months ended June 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollar)

	Attributable to shareholders of the Company													
			Retained earnings				Total other equity							
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translation of foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Unearned share-based employee compensation	Total	Treasury stock	Total equity of the Company	Non-controlling interests	Total equity
Balance at January 1, 2025	$ 1,287,292	1,155,419	570,912	89,484	1,461,903	2,122,299	(13,424)	(43,619)	-	(57,043)	-	4,507,967	116,687	4,624,654
Appropriation of earnings:														
Legal reserve	-	-	28,265	-	(28,265)	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(32,441)	32,441	-	-	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(251,022)	(251,022)	-	-	-	-	-	(251,022)	-	(251,022)
Cash dividends from capital surplus	-	(32,182)	-	-	-	-	-	-	-	-	-	(32,182)	-	(32,182)
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	(28,793)	(28,793)	-	(28,793)
Distribution of cash dividends by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(15,216)	(15,216)
Net income for the six months ended June 30, 2025	-	-	-	-	223,493	223,493	-	-	-	-	-	223,493	6,651	230,144
Other comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	-	-	(58,106)	(1,265)	-	(59,371)	-	(59,371)	(4)	(59,375)
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	223,493	223,493	(58,106)	(1,265)	-	(59,371)	-	164,122	6,647	170,769
Balance at June 30, 2025	**$ 1,287,292**	**1,123,237**	**599,177**	**57,043**	**1,438,550**	**2,094,770**	**(71,530)**	**(44,884)**	**-**	**(116,414)**	**(28,793)**	**4,360,092**	**108,118**	**4,468,210**
Balance at January 1, 2026	$ 1,281,292	1,115,655	599,177	57,043	2,055,617	2,711,837	(32,312)	(44,122)	-	(76,434)	-	5,032,350	120,130	5,152,480
Appropriation of earnings:														
Legal reserve	-	-	84,056	-	(84,056)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	19,391	(19,391)	-	-	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(576,582)	(576,582)	-	-	-	-	-	(576,582)	-	(576,582)
Issuance of restricted stock to employees	14,850	197,505	-	-	-	-	-	-	(212,355)	(212,355)	-	-	-	-
Compensation cost arising from restricted stock issued to employees	-	-	-	-	-	-	-	-	39,817	39,817	-	39,817	-	39,817
Conversion options recognized for issuance of convertible bonds	-	437,397	-	-	-	-	-	-	-	-	-	437,397	-	437,397
Changes in equity of associates accounted for using equity method	-	(16,920)	-	-	-	-	-	-	-	-	-	(16,920)	-	(16,920)
Distribution of cash dividends by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(20,511)	(20,511)
Net income for the six months ended June 30, 2026	-	-	-	-	4,575,826	4,575,826	-	-	-	-	-	4,575,826	77,851	4,653,677
Other comprehensive income for the six months ended June 30, 2026	-	-	-	-	-	-	11,189	9,058	-	20,247	-	20,247	18	20,265
Total comprehensive income for the six months ended June 30, 2026	-	-	-	-	4,575,826	4,575,826	11,189	9,058	-	20,247	-	4,596,073	77,869	4,673,942
Balance at June 30, 2026	**$ 1,296,142**	**1,733,637**	**683,233**	**76,434**	**5,951,414**	**6,711,081**	**(21,123)**	**(35,064)**	**(172,538)**	**(228,725)**	**-**	**9,512,135**	**177,488**	**9,689,623**

See accompanying notes to the consolidated financial statements.

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

APACER TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the six months ended June 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollar)

	For the six months ended June 30	
	2026	**2025**
Cash flows from operating activities:		
Income before income tax	$ 5,790,126	278,847
Adjustments:		
Depreciation	28,455	30,454
Amortization	11,531	12,080
Recognized (reversal of) expected credit loss	484	(4,141)
Interest expense	55,564	9,501
Interest income	(14,247)	(23,633)
Share-based compensation cost	39,817	-
Gain on disposal of investments accounted for using equity method	(30,105)	-
Share of loss of associates	-	138
Gain on disposal of property, plant and equipment	(227)	(265)
Subtotal	91,272	24,134
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets at fair value through profit or loss	122	6,390
Notes and accounts receivable	(2,935,500)	(331,941)
Accounts receivable from related parties	(417,458)	(284,964)
Other receivables	(8,445)	372
Inventories	(7,624,526)	(1,109,572)
Other current assets	(192,631)	(92,943)
Net changes in operating assets	(11,178,438)	(1,812,658)
Changes in operating liabilities:		
Financial liabilities at fair value through profit or loss	5,635	(691)
Contract liabilities	76,806	894
Notes and accounts payable	2,354,910	750,004
Other payables	2,109,376	33,602
Provisions－current	7,414	178
Other current liabilities	(2,580)	(4,057)
Net defined benefit liabilities	28	15
Net changes in operating liabilities	4,551,589	779,945
Total changes in operating assets and liabilities	(6,626,849)	(1,032,713)
Total adjustments	(6,535,577)	(1,008,579)
Cash used in operations	(745,451)	(729,732)
Interest received	15,221	24,330
Interest paid	(51,694)	(8,797)
Income taxes paid	(186,752)	(21,483)
Net cash used in operating activities	(968,676)	(735,682)

(Continued)

See accompanying notes to the consolidated financial statements.

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

APACER TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (Continued)

For the six months ended June 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollar)

	For the six months ended June 30	
	2026	**2025**
Cash flows from investing activities:		
Acquisition of financial assets at fair value through profit or loss	(15,815)	(16,255)
Proceeds from disposal of investments accounted for using equity method	14,956	-
Acquisition of property, plant and equipment	(357,920)	(14,735)
Proceeds from disposal of property, plant and equipment	780	265
Acquisition of intangible assets	(237)	(1,472)
Decrease in other financial assets－current	468,938	580,994
Decrease (increase) in other financial assets－non-current	(234)	4,633
Net cash provided by investing activities	110,468	553,430
Cash flows from financing activities:		
Increase in short-term borrowings	782,108	48,510
Proceeds from issuing bonds	1,367,204	-
Increase in long-term debt	291,070	-
Repayments of long-term debt	(631)	(617)
Increase (decrease) in guarantee deposits	20	(40)
Payment of lease liabilities	(10,967)	(13,268)
Purchase of treasury stock	-	(28,793)
Net cash provided by financing activities	2,428,804	5,792
Effect of foreign exchange rate changes	10,578	(56,384)
Net increase (decrease) in cash and cash equivalents	1,581,174	(232,844)
Cash and cash equivalents at beginning of period	852,913	1,072,751
Cash and cash equivalents at end of period	$ **2,434,087**	**839,907**

See accompanying notes to the consolidated financial statements.

1. Organization and business

Apacer Technology Inc. (the "Company") was incorporated on April 16, 1997 as a company limited by shares under the laws of the Republic of China ("R.O.C.") and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is 1F, No.32, Zhongcheng Rd., Tucheng Dist., New Taipei City, Taiwan. The Company and its subsidiaries (collectively the "Group") are engaged in the research and development, design, manufacturing, processing, maintenance and sales of memory modules and storage memory devices.

2. Authorization of the consolidated financial statements

These consolidated financial statements were authorized for issuance by the Board of Directors on July 23, 2026.

3. Application of new, revised or amended accounting standards and interpretations

(a) The impact of the International Financial Reporting Standards ("IFRS Accounting Standards") endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") 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"

(Continued)

(b) The impact of IFRS Accounting Standards issued by the International Accounting Standards Board (“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 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.

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.

(Continued)

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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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”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”
- IFRS 20 “Regulatory Assets and Regulatory Liabilities”
- Amendments to IAS 28 “ The Fair Value Option for Investments in Associates and Joint Ventures”?

4. Summary of material accounting policies

(a) Statement of compliance

The Group’ s accompanying consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the “ Regulations”) 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, interpretation as well as related guidance endorsed and issued into effect by the FSC (collectively as “ Taiwan-IFRSs”) for a complete set of the annual consolidated financial statements.

Except for 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 statements 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

Principles of preparation of the consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2025. For the related information, please refer to note 4(c) of the consolidated financial statements for the year ended December 31, 2025.

(i) List of subsidiaries in the consolidated financial statements

The subsidiaries included in the consolidated financial statements were as follows:

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership June 30, 2026	December 31, 2025	June 30, 2025	Note
The Company	Apacer Memory America Inc. (AMA)	Sales of memory modules and storage memory devices	100.00 %	100.00 %	100.00 %	Note 1
The Company	Apacer Technology B.V. (AMH)	Sales of memory modules and storage memory devices	100.00 %	100.00 %	100.00 %	Note 1
The Company	Apacer Technology Japan Corp. (AMJ)	Sales of memory modules and storage memory devices	100.00 %	100.00 %	100.00 %	Note 1
The Company	Kingdom Corp. Limited (AMK)	Sales of memory modules and storage memory devices	100.00 %	100.00 %	100.00 %	Note 1

(Continued)

APACER TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Main Business and Products	Percentage of Ownership June 30, 2026	December 31, 2025	June 30, 2025	Note
The Company/ ACYB	Apacer Technologies Private Limited (ATPL)	Auxiliary sales of memory modules and storage memory devices	100.00 %	100.00 %	100.00 %	Note 1
The Company	Apacer Technology (BVI) Inc. (ACYB)	Investment holding activity	100.00 %	100.00 %	100.00 %	Note 1
The Company	UD INFO Corp. (UD)	Manufacture and sales of memory modules and storage memory devices	68.54 %	68.54 %	68.54 %	-
ACYB	Apacer Electronic (Shanghai) Co., Ltd. (AMC)	Sales of memory modules and storage memory devices	100.00 %	100.00 %	100.00 %	Note 1
AMK	Shenzhen Kylinesports Technology Co. (AMS)	Sales of gaming products and consumer electronic products	99.00 %	99.00 %	99.00 %	Note 1

Note 1: These are non-significant subsidiaries whose financial statements have not been reviewed as of and for the six months ended June 30, 2026 and 2025.

(ii) List of subsidiaries which are not included in the consolidated financial statements: None.

(c) Classification of debt or equity

Compound financial instruments

Compound financial instruments issued by the Group comprise convertible bonds denominated in New Taiwan Dollar that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

(d) Employee benefits

The defined benefit pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time, as well as significant curtailments, settlements, or other significant one-time events.

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(e) Income taxes

The income tax expenses in the interim financial statements have been measured and disclosed in accordance with paragraph B12 of IAS 34 “Interim Financial Reporting”.

Income tax expenses for an interim period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. It is recognized fully as current tax expense for the current period.

When income tax expenses are recognized directly in equity or other comprehensive income in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, the related amounts 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.

5. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim financial reporting” endorsed and issued into effect by FSC requires management to make judgments and estimates about the future, including climate-related risks and opportunities, which 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, critical judgments and estimation uncertainties made by management are in conformity with note 5 of the consolidated financial statements for the year ended December 31, 2025.

6. Significant account disclosures

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2025. Please refer to note 6 of the consolidated financial statements for the year ended December 31, 2025.

(a) Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	$ 86	177	145
Demand deposits	2,398,969	809,358	748,839
Time deposits with original maturities less than three months	35,032	43,378	90,923
	$ 2,434,087	**852,913**	**839,907**

As of June 30, 2026, December 31 and June 30, 2025, the time deposits with original maturities of more than three months amounted to $8,340, $477,278 and $823,337, respectively, which were classified as other financial assets－current.

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

		June 30, 2026	December 31, 2025	June 30, 2025
Financial assets mandatorily measured at fair value through profit or loss－current:				
Corporate bonds	$	-	-	72,929
Foreign currency forward contracts		36	-	1,277
Redemption options of convertible bonds (note 6(n))		6,100	-	-
	$	6,136	-	74,206
Financial assets mandatorily measured at fair value through profit or loss－non-current:				
Foreign unlisted preferred stocks	$	17,905	17,668	16,255
Foreign unlisted corporate bonds		15,920	-	-
	$	33,825	17,668	16,255
Financial liabilities held for trading－current:				
Foreign currency forward contracts	$	(120)	(1,205)	(36)
Foreign exchange swaps		(6,720)	-	-
	$	(6,840)	(1,205)	(36)

Please refer to note 6(y) for the detail of the changes in fair value recognized in profit or loss.

The Group entered into derivative contracts to manage foreign currency exchange risk resulting from its operating activities. As of June 30, 2026 and 2025, the derivative financial instruments that did not conform to the criteria for hedge accounting consisted of the following:

	June 30, 2026				
	Contract amount (in thousands)		Fair value	Currency (Sell / Buy)	Maturity period
Financial assets－foreign currency forward contracts	JPY	73,240	$ 36	JPY / NTD	2026/07/24
Financial liabilities－foreign currency forward contracts	CNY	2,000	$ (120)	CNY / NTD	2026/07/28
Financial liabilities－foreign exchange swaps	USD	22,000	$ (6,720)	USD / NTD	2026/07/03~2026/07/07

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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	December 31, 2025				
	Contract amount (in thousands)		Fair value	Currency (Sell / Buy)	Maturity period
Financial liabilities－foreign currency forward contracts	CNY	10,100	$ (1,205)	CNY / NTD	2026/01/26

	June 30, 2025				
	Contract amount (in thousands)		Fair value	Currency (Sell / Buy)	Maturity period
Financial liabilities－foreign	CNY	21,000	$ 1,276	CNY / NTD	2025/07/28~2025/08/27
currency forward contracts	JPY	10,600	1	JPY / NTD	2025/07/25
			$ 1,277		
Financial assets－foreign currency forward contracts	CNY	2,000	$ (36)	CNY / NTD	2025/08/27

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

	June 30, 2026	December 31, 2025	June 30, 2025
Equity investments at fair value through other comprehensive income:			
Domestic unlisted stocks	$ 44,747	37,040	36,388
Foreign unlisted stocks	1,658	279	151
	$ 46,405	37,319	36,539

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

No strategic investments were disposed for the six months ended June 30, 2026 and 2025, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

(d) Notes and accounts receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Notes and accounts receivable	$ 4,152,496	1,216,996	1,040,358
Accounts receivable from related parties	687,732	270,274	458,876
	4,840,228	1,487,270	1,499,234
Less: loss allowance	(642)	(158)	(18,269)
	$ 4,839,586	1,487,112	1,480,965

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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As of June 30, 2026, December 31 and June 30, 2025, the Group applies the simplified approach to measure its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables (including related parties), as well as the incorporated forward-looking information. The loss allowance provision was determined as follows:

	June 30, 2026		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 4,510,089	0.0001%	1
Past due 1-90 days	329,715	0.0658%	217
Past due over 181 days	424	100%	424
	$ 4,840,228		**642**

	December 31, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 1,365,124	0.0001%	1
Past due 1-90 days	122,104	0.0959%	116
Past due 91-180 days	11	87.2500%	10
Past due over 181 days	31	100%	31
	$ 1,487,270		**158**

	June 30, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 1,352,209	0.0001%	1
Past due 1-90 days	128,879	0.1045%	135
Past due 91-180 days	105	87.2500%	92
Past due over 181 days	18,041	100%	18,041
	$ 1,499,234		**18,269**

Movements of the loss allowance for notes and accounts receivable (including related parties) were as follows:

	For the six months ended June 30,	
	2026	**2025**
Balance at January 1	$ 158	22,410
Impairment loss recognized (reversed)	484	(4,141)
Balance at June 30	**$ 642**	**18,269**

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(e) Other receivables

		June 30, 2026	December 31, 2025	June 30, 2025
Other receivables	$	11,615	4,144	6,683

There is no loss allowance provision for other receivables on June 30, 2026, December 31 and June 30, 2025 after the assessment.

(f) Inventories

		June 30, 2026	December 31, 2025	June 30, 2025
Raw materials	$	5,407,766	1,952,811	1,038,666
Work in process		1,164,795	576,540	380,632
Finished goods		4,757,402	2,140,993	974,082
Inventories in transit		1,108,775	143,868	44,020
	$	12,438,738	4,814,212	2,437,400

For the six months ended June 30, 2026 and 2025, the amounts of inventories recognized as cost of revenue were as follows:

		For the three months ended June 30,		For the six months ended June 30,	
		2026	2025	2026	2025
Cost of inventories sold	$	4,649,535	2,339,540	8,125,923	4,034,675
(Reversal of) inventories write-downs		67,401	(45,009)	163,845	(28,699)
	$	4,716,936	2,294,531	8,289,768	4,005,976

The above write-downs of inventories to net realizable value, and reversal of inventories write-downs due to price recovery, or sale or consumption of beginning inventories which has been written down, were included in cost of revenue.

(g) Investments accounted for using equity method

(i) The details of investments accounted for using equity method were as follows:

		June 30, 2026	December 31, 2025	June 30, 2025
Associates	$	-	1,771	852

In January 2026, the Group disposed of investments accounted for using equity method－the entire ownership in JoiiUp Technology Inc. ("JoiiUp") for a consideration of $14,956, resulting in the Group losing significant influence over JoiiUp. A disposal gain of $30,105 was recognized in other gains and losses. There were no significant changes in investments accounted for using equity method for the six months ended June 30, 2026 and 2025. Please refer to note 6(f) of the consolidated financial statements for the year ended December 31, 2025 for related information.

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(ii) The abovementioned investments accounted for using equity method, and the related share of loss and other comprehensive income of those investments were calculated based on the investees' financial statements that have not been reviewed.

(h) Subsidiaries that have material non-controlling interest

Subsidiaries that have material non-controlling interest were as follows:

Subsidiaries	Principal place of business/ Registration country	The percentage of ownership and voting rights held by non-controlling interests		
		June 30, 2026	December 31, 2025	June 30, 2025
UD INFO Corp. (UD)	Taiwan	31.46 %	31.46 %	31.46 %

The summarized financial information of subsidiaries was as follows, the information was prepared in accordance with Taiwan-IFRS Accounting Standards. The fair value adjustments made during the acquisition as at the acquisition date were included in the information. Intra-group transactions were not eliminated in this information:

(i) The summarized financial information of UD:

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	$ 1,092,086	465,880	411,959
Non-current assets	382,737	233,623	244,305
Current liabilities	(631,482)	(165,614)	(159,801)
Non-current liabilities	(161,392)	(35,483)	(37,137)
Net assets	$ 681,949	498,406	459,326
The carrying amount of non-controlling interests	$ 177,370	120,022	108,024

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Net sales	$ 524,960	108,596	734,869	189,233
Net income	$ 206,299	16,673	248,741	21,175
Other comprehensive income	-	-	-	-
Total comprehensive income	$ 206,299	16,673	248,741	21,175
Net income attributable to non-controlling interests	$ 65,112	5,238	77,859	6,654
Total comprehensive income attributable to non-controlling interests	$ 65,112	5,238	77,859	6,654

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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	For the six months ended June 30,	
	2026	**2025**
Cash flow from operating activities	$ (368,085)	80,037
Cash flow from investing activities	(26,735)	(49,700)
Cash flow from financing activities	447,906	(617)
Effects of foreign exchange rate changes	-	-
Net increase in cash and cash equivalents	**$ 53,086**	**29,720**
Cash dividends paid to non-controlling interests	**$ -**	**-**

(i) Property, plant and equipment

	Land	**Buildings**	**Machinery and equipment**	**Other equipment**	**Construction in progress and equipment to be inspected**	**Total**
Cost:						
Balance at January 1, 2026	$ 598,567	330,579	212,502	75,405	20,603	1,237,656
Additions	184,693	4,568	8,223	3,618	156,818	357,920
Disposals	-	-	(19,330)	(381)	-	(19,711)
Reclassification and effect of exchange rate changes	-	10	7	280	-	297
Balance at June 30, 2026	**$ 783,260**	**335,157**	**201,402**	**78,922**	**177,421**	**1,576,162**
Balance at January 1, 2025	$ 598,567	347,086	207,485	74,163	2,495	1,229,796
Additions	-	2,757	7,052	4,779	147	14,735
Disposals	-	-	(4,593)	(546)	-	(5,139)
Reclassification and effect of exchange rate changes	-	(16)	2,431	(1,388)	(2,495)	(1,468)
Balance at June 30, 2025	**$ 598,567**	**349,827**	**212,375**	**77,008**	**147**	**1,237,924**
Accumulated depreciation and impairment loss:						
Balance at January 1, 2026	$ -	101,930	165,891	63,319	-	331,140
Depreciation	-	7,461	6,569	2,702	-	16,732
Disposals	-	-	(18,777)	(381)	-	(19,158)
Reclassification and effect of exchange rate changes	-	(5)	7	230	-	232
Balance at June 30, 2026	**$ -**	**109,386**	**153,690**	**65,870**	**-**	**328,946**
Balance at January 1, 2025	$ -	104,613	157,205	63,041	-	324,859
Depreciation	-	8,647	7,190	2,930	-	18,767
Disposals	-	-	(4,593)	(546)	-	(5,139)
Reclassification and effect of exchange rate changes	-	(8)	(61)	(1,216)	-	(1,285)
Balance at June 30, 2025	**$ -**	**113,252**	**159,741**	**64,209**	**-**	**337,202**

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		Land	Buildings	Machinery and equipment	Other equipment	Construction in progress and equipment to be inspected	Total
Carrying amounts:							
Balance at June 30, 2026	$	783,260	225,771	47,712	13,052	177,421	1,247,216
Balance at January 1, 2026	$	598,567	228,649	46,611	12,086	20,603	906,516
Balance at June 30, 2025	$	598,567	236,575	52,634	12,799	147	900,722

Please refer to note 8 for the detail of the Group's property, plant and equipment pledged as collateral to secure the bank loans and credit facilities.

(j) Right-of-use assets

		Buildings	Other equipment	Total
Cost:				
Balance at January 1, 2026	$	76,718	19,222	95,940
Additions		14,897	3,266	18,163
Derecognition		(6,744)	-	(6,744)
Effect of exchange rates changes		854	12	866
Balance at June 30, 2026	$	**85,725**	**22,500**	**108,225**
Balance at January 1, 2025	$	66,048	19,182	85,230
Additions		18,396	2,076	20,472
Derecognition		(18,445)	(2,048)	(20,493)
Effect of exchange rates changes		(4,043)	-	(4,043)
Balance at June 30, 2025	$	**61,956**	**19,210**	**81,166**
Accumulated depreciation:				
Balance at January 1, 2026	$	33,856	5,359	39,215
Depreciation		8,791	2,932	11,723
Derecognition		(6,744)	-	(6,744)
Effect of exchange rates changes		496	1	497
Balance at June 30, 2026	$	**36,399**	**8,292**	**44,691**
Balance at January 1, 2025	$	40,782	3,729	44,511
Depreciation		8,914	2,773	11,687
Derecognition		(18,445)	(2,048)	(20,493)
Effect of exchange rates changes		(2,360)	-	(2,360)
Balance at June 30, 2025	$	**28,891**	**4,454**	**33,345**

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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	Buildings	Other equipment	Total
Carrying amounts:			
Balance at June 30, 2026	$ 49,326	14,208	63,534
Balance at January 1, 2026	$ 42,862	13,863	56,725
Balance at June 30, 2025	$ 33,065	14,756	47,821

Assessed costs for building restorations were recognized in right-of-use assets, wherein related decommissioning liabilities were included in provisions. Please refer to note 6(p) for further details.

(k) Intangible assets

	Goodwill	Computer software	Customer relationships	Expertise	Royalties for the use of patents	Total
Carrying amounts:						
Balance at June 30, 2026	$ 115,683	15,372	32,893	5,873	1,866	171,687
Balance at January 1, 2026	$ 115,683	19,007	37,592	8,582	1,950	182,814
Balance at June 30, 2025	$ 115,683	22,685	42,292	11,293	2,726	194,679

According to IAS 36, goodwill arising from a business combination is tested at least annually. According to the result of the impairment test, there were no losses incurred by the Group as of December 31, 2025; please refer to note 6(j) of the consolidated financial statements for the year ended December 31, 2025 for more details. As of June 30, 2026, the Group assessed the achievement of the forecasted revenue and operating income of CGUs to which the goodwill are allocated for the six months ended June 30, 2026, and concluded that there were no indications of goodwill impairment.

There were no significant additions, disposals, or recognition and reversal of impairment losses of intangible assets for the six months ended June 30, 2026 and 2025. Information on amortization for the period is presented in note 12(a). Please refer to note 6(j) of the consolidated financial statements for the year ended December 31, 2025 for other related information.

(l) Short-term borrowings

The details of short-term borrowings were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured bank loans	$ 2,400,783	1,618,675	337,018
Interest rate interval	2.10%~4.59%	1.95%~4.73%	4.99%~5.10%

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(m) Long-term debt

	June 30, 2026	December 31, 2025	June 30, 2025
Secured bank loans	$ 311,557	21,118	21,742
Less: current portion of long-term debt	(1,281)	(1,268)	(1,248)
	$ 310,276	**19,850**	**20,494**
Interest rate interval	**2.10%**	**2.10%**	**2.10%**

Please refer to note 8 for the Group's assets pledged as collateral to secure the bank loans and credit facilities.

(n) Bonds payable

	June 30, 2026	December 31, 2025	June 30, 2025
Total bonds payable issued	$ 1,000,000	-	-
Unamortized bond discount	(60,169)	-	-
Bonds payable at end of period	**$ 939,831**	**-**	**-**
Redemption options (recognized in financial assets at fair value through profit or loss) (note 6(b))	**$ 6,100**	**-**	**-**
Equity component－conversion options (recognized in capital surplus－conversion options) (note 6(s))	**$ 437,397**	**-**	**-**

	For the six months ended June 30,	
	2026	2025
Loss recognized related to redemption options measured at fair value (recognized in valuation loss on financial assets at fair value through profit or loss)	**$ (500)**	**-**

In response to the bank loan repayment and working capital needs, the Company's Board of Directors resolved to issue the 1st domestic unsecured convertible bonds on February 25, 2026, with the approval of the Financial Supervisory Commission of the Republic of China on March 31, 2026. Starting May 5, 2026, the Company issued $1,000,000 of unsecured convertible bonds, with a 3-year term, without interest, upon maturity on May 5, 2029. The initial effective interest rate was 2.192%. The convertible bonds were public underwritten through competitive auction at 137.25% of par value. The aggregate amount of issuance was $1,367,204, net of issuing cost of $5,269.

The related terms and conditions of the issuance of convertible bonds are as follows:

(i) Redemption at maturity

Other than converting the bonds to the Company's ordinary shares or early redeeming or repurchasing the bonds from securities dealers to write off in accordance with the terms of issuance, the Company will repay the convertible bond in cash at par value after 10 trading days upon maturity.

(Continued)

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(ii) Redemption at the option of the Company

1) If the closing price of the Company's ordinary share exceeds 30% of the conversion price for 30 consecutive trading days from 3 months after the issuance of the bonds to 40th day before maturity, the Company shall redeem the outstanding bonds at par value.

2) If the balance of the outstanding bonds is less than 10% of total amount of issuance from 3 months after the issuance of the bonds to 40th day before maturity, the Company shall redeem the outstanding bonds at par value.

(iii) Conversion period

The bondholder may request the stock agency of the Company to convert the bond to ordinary shares from the 3 months after issuance to maturity date, except during the period in which the share transfer is suspended by laws.

(iv) Conversion price

The conversion price was set at NTD 165 at the time of the issuance of the bonds. When the common shares are in compliance with conversion price adjustments according to the terms of issuance, the conversion price will be adjusted based on the formula regulated by the terms of conversion. There are no reset clauses for convertible bonds.

(o) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current	$ 22,453	17,423	18,864
Non-current	$ 42,178	40,012	29,407

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 June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Interest on lease liabilities	$ 528	342	1,064	616
Variable lease payments not included in the measurement of lease liabilities	$ 4,247	2,772	6,731	3,181
Expenses relating to short-term leases	$ 525	499	1,430	684

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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The amounts recognized in the statements of cash flows for the Group were as follows:

	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Total cash outflows for leases	$ 20,192	17,749

(i) Real estate leases

The Group leases buildings for its office and warehouses. The leases typically run for a period of one to seven years. Among these leases, the rent payment on some leases of warehouses is calculated monthly based on the area being used.

(ii) Other leases

The Group leases office and transportation equipment, with lease terms of one to five years. Among these leases, the Group leases some office equipment with contract terms within one year. These leases are short-term and the Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(p) Provisions

	June 30, 2026	December 31, 2025	June 30, 2025
Warranties	$ 6,412	5,672	4,147
Sales returns and allowances	9,601	2,927	3,763
Decommissioning liabilities	500	500	500
	$ 16,513	9,099	8,410

There were no significant changes in provisions for the six months ended June 30, 2026 and 2025. Please refer to note 6(n) of the consolidated financial statements for the year ended December 31, 2025 for other related information.

(q) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2025 and 2024.

(ii) The pension expenses recognized in profit or loss in respect of defined contribution plans and defined benefit plans for the three months and six months ended June 30, 2026 and 2025 are presented in note 12(a).

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(r) Income taxes

The Group's income tax expense for an interim period is best estimated by multiplying pre-tax incomes for the interim reporting period with the effective annual tax rate as forecasted by the management.

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

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Current income tax expense				
Current period	$ 682,503	28,842	1,136,449	48,703

(ii) For the six months ended June 30, 2026 and 2025, there was no income tax expense recognized directly in equity or other comprehensive income.

(iii) The Company's income tax returns for the years through 2023 have been examined and approved by the R.O.C. income tax authorities.

(s) Capital and other equity

(i) Common stock

As of June 30, 2026, December 31 and June 30, 2025, the Company's authorized shares of common stock consisted of 200,000 thousand shares, of which 129,614, 128,129 and 128,729 thousand shares were issued, respectively. The par value of the Company's common stock is NTD 10 per share. As of June 30, 2026, December 31 and June 30, 2025, as the shares of restricted stock to employees were not yet vested, the Company's outstanding shares of common stock were 128,129, 128,129 and 128,729 thousand shares, respectively. The par value of the Company's common stock is NTD 10 per share. The Company has reserved 15,000 thousand shares for the exercise of employee stock options.

(ii) Treasury stock

On April 17, 2025, in order to maintain the Company's credit and shareholders' rights and interests, the Company's Board of Directors resolved to repurchase its own common stock of 1,000 thousand shares as treasury stock, constituting 0.78% of the Company's issued common stock, from April 22, 2025 to June 21, 2025 at the repurchase price from NTD 32 to NTD 55. On June 19, 2025, considering the stability in the international financial market and the stock price during the execution period, and the stock price exceeds the maximum repurchase price of NTD 55, the abovementioned repurchase was not fully completed, wherein 600 thousand shares of treasury stock, amounting to $28,793, were repurchased.

On July 24, 2025, the Company's Board of Directors resolved to retire 600 thousand shares of treasury stock, with the effective date of capital reduction set on July 28, 2025, and the related registration process has been completed.

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(iii) Capital surplus

	June 30, 2026	December 31, 2025	June 30, 2025
Paid-in capital in excess of par value	$ 1,059,299	1,059,299	1,064,259
Employee stock options	12,901	12,901	12,901
Treasury stock transactions	-	-	3,781
Restricted stock to employees	224,004	26,499	26,499
Conversion options of convertible bonds	437,397	-	-
Changes in equity of associates accounted for using equity method	-	16,920	15,761
Claim for the disgorgement right	36	36	36
	$ 1,733,637	**1,115,655**	**1,123,237**

Pursuant to the Company Act, any realized capital surplus is initially used to cover an accumulated deficit, and the balance, if any, could be transferred to common stock as stock dividends based on the original shareholding ratio or distributed as cash dividends based on a resolution approved by the shareholders. Realized capital surplus includes the premium derived from the issuance of shares of stock in excess of par value and donations from shareholders received by the Company. In accordance with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, distribution of stock dividends from capital surplus in any one year shall not exceed 10% of paid-in capital.

(iv) Retained earnings

1) Legal reserve

If a company has no accumulated deficit, it may, pursuant to a resolution approved by the shareholders, distribute its legal reserve to its shareholders by issuing new shares or by distributing cash for the portion in excess of 25% of the paid-in capital.

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. The Company shall make allocation of special reserve for 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 the 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 the undistributed prior-period earnings shall be reclassified to special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes to the net reduction of other shareholders' equity pertaining to prior periods. The amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

(Continued)

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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3) Earnings distribution

The Company' s Articles of Incorporation stipulate that at least 10% of annual net income, after deducting accumulated deficit, if any, must be retained as legal reserve until such retention equals the amount of paid in capital. In addition, a special reserve shall be set aside in accordance with applicable laws and regulations. The remaining balance, together with the unappropriated earnings from the previous years, after retaining a certain portion of it for business considerations, can be distributed as dividends to shareholders. If dividends are distributed by issuing new shares, the distribution shall be approved by the shareholders' meeting. If dividends are distributed in the form of cash, a resolution shall be adopted by a majority vote at a meeting of the board of directors attended by more than two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. Except for the distribution of capital surplus and legal reserve in accordance with applicable laws and regulations, the Company cannot distribute any earnings when there are no retained earnings.

Since the Company operates in an industry experiencing rapid change and development, earnings are distributed in consideration of the current year' s earnings, the overall economic environment, related laws and decrees, as well as the Company' s long term development and stability in its financial position. The Company has adopted a balance dividend policy, in which a cash dividend comprises at least 10% of the total dividend distribution.

The cash dividends appropriations of 2025 and 2024 earnings were approved by the Company' s Board of Directors on February 25, 2026 and February 20, 2025, respectively. The resolved appropriations were as follows:

	2025		2024	
	Dividends per share (in NTD)	**Amount**	**Dividends per share (in NTD)**	**Amount**
Dividends per share:				
Cash dividends	$ 4.50	**576,582**	1.95	**251,022**

(v) Other equity items (net after tax)

1) Foreign currency translation differences

	For the six months ended June 30,	
	2026	**2025**
Balance at January 1	$ (32,312)	(13,424)
Foreign exchange differences arising from translation of foreign operations	11,189	(58,106)
Balance at June 30	**$ (21,123)**	**(71,530)**

(Continued)

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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2) Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income

	For the six months ended June 30,	
	2026	**2025**
Balance at January 1	$ (44,122)	(43,619)
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	9,058	(1,265)
Balance at June 30	**$ (35,064)**	**(44,884)**

3) Unearned compensation cost

	For the six months ended June 30,	
	2026	**2025**
Balance at January 1	$ -	-
Issuance of restricted stock to employees	(212,355)	-
Compensation cost arising from restricted stock issued to employees	39,817	-
Balance at June 30	**$ (172,538)**	**-**

(vi) Non-controlling interests

	For the six months ended June 30,	
	2026	**2025**
Balance at January 1	$ 120,130	116,687
Equity attributable to non-controlling interest:		
Net income	77,851	6,651
Exchange differences on translation of foreign operations	(9)	9
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	27	(13)
Distribution of cash dividends by subsidiaries to non-controlling interests	(20,511)	(15,216)
Balance at June 30	**$ 177,488**	**108,118**

(t) Share-based payment

As of June 30, 2026, the Group had the following share-based payment arrangements:

	Restricted stock to employees
Grant date	2026.04.01
Number of shares granted (in thousands)	1,485
Contract term	2 years
Vesting conditions	(Note 2)
Qualified employees	(Note 1)

(Continued)

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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Note 1: Full-time employees who conformed to certain requirements

Note 2: The employees who were granted restricted stock are entitled to purchase the shares of restricted stock at the exercise price of $0. The total share of the restricted stocks issued was determined by achievement of the Company's operation objective for two consecutive years of 2026 and 2027. The restricted shares of stock will be vested by taking the individual employee's performance conditions into consideration. When the vesting conditions are met, the restricted stock received by the employees shall be transferred from an escrow account to the employee's security account or be recorded with a notation of restriction on the employee's security account in Taiwan Depository & Clearing Corporation. During the vesting period, the restricted stock could not be sold, pledged, transferred, gifted, or disposed of in any other forms, excluding inheritance; nevertheless, the rights of a shareholder (such as attendance, proposing, speaking, voting and election at the shareholders' meeting) are the same as those of the Company's shareholders but are executed by the custodian who will act based on law and regulations, wherein in the absence of the custodian, the representative appointed by the Company shall be authorized to exercise such rights. The Company will take back the restricted stock from its employees and retire those shares when the vesting conditions are not met.

	For the six months ended June 30,	
	2026	**2025**
Balance at January 1	-	-
Granted	1,485	-
Balance at June 30	**1,485**	**-**

The fair value of the restricted stock to employees was NTD 143 per share, which was determined by reference to the closing price of the Company's common stock traded on the Taiwan Stock Exchange at the grant date (April 1, 2026). For the six months ended June 30, 2026, the compensation cost for the restricted shares of stock amounted to $39,817.

(i) Employee compensation cost

For the six months ended June 30, 2026 and 2025, expenses resulting from share-based payment transactions are as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Compensation cost from restricted stock issued to employees	**$ 39,817**	**-**	**39,817**	**-**

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(u) Earnings per share ("EPS")

(i) Basic earnings per share

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Net income attributable to shareholders of the Company	$ 2,713,395	130,626	4,575,826	223,493
Weighted-average number of common shares outstanding (in thousands)	129,614	128,394	128,876	128,561
Basic earnings per share (in New Taiwan Dollar)	$ 20.93	1.02	35.51	1.74

(ii) Diluted earnings per share

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Net income attributable to shareholders of the Company	$ 2,713,395	130,626	4,575,826	223,493
After-tax interest expense on convertible bonds and valuation losses on redemption options	3,129	-	3,129	-
Net income attributable to shareholders of the Company	$ 2,716,524	130,626	4,578,955	223,493
Weighted-average number of common shares outstanding (in thousands)	129,614	128,394	128,876	128,561
Effect of dilutive potential common shares (in thousands):				
Remuneration to employees	2,116	435	2,725	610
Effect of conversion of convertible bonds	3,796	-	1,909	-
Weighted-average number of common shares outstanding (including effect of dilutive potential common stock)	135,526	128,829	133,510	129,171
Diluted earnings per share (in New Taiwan Dollar)	$ 20.04	1.01	34.30	1.73

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(v) Revenue from contracts with customers

(i) Disaggregation of revenue

The Group recognizes revenue when control of the goods has been transferred to the customer. Disaggregation of revenue is based on the Group's location of business.

		For the three months ended June 30, 2026		
		Segment		
		Asia	America and Europe	Total
Major products:				
Flash memory cards	$	3,057,385	737,428	3,794,813
Memory modules		5,572,081	281,656	5,853,737
Others		27,600	-	27,600
	$	**8,657,066**	**1,019,084**	**9,676,150**

		For the three months ended June 30, 2025		
		Segment		
		Asia	America and Europe	Total
Major products:				
Flash memory cards	$	1,186,312	166,405	1,352,717
Memory modules		1,262,541	65,508	1,328,049
Others		31,604	-	31,604
	$	**2,480,457**	**231,913**	**2,712,370**

		For the six months ended June 30, 2026		
		Segment		
		Asia	America and Europe	Total
Major products:				
Flash memory cards	$	4,912,244	1,006,571	5,918,815
Memory modules		10,279,925	477,325	10,757,250
Others		42,269	-	42,269
	$	**15,234,438**	**1,483,896**	**16,718,334**

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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	For the six months ended June 30, 2025		
	Segment		
	Asia	America and Europe	Total
Major products:			
Flash memory cards	$ 2,213,167	317,606	2,530,773
Memory modules	2,012,388	140,909	2,153,297
Others	77,496	-	77,496
	$ 4,303,051	**458,515**	**4,761,566**

(ii) Contract balances

	June 30, 2026	December 31, 2025	June 30, 2025
Notes and accounts receivable (including related parties)	$ 4,840,228	1,487,270	1,499,234
Less: loss allowance	(642)	(158)	(18,269)
	$ 4,839,586	**1,487,112**	**1,480,965**

	June 30, 2026	December 31, 2025	June 30, 2025
Contract liabilities－current (including related parties)	**$ 274,018**	**197,212**	**48,823**

For details on notes and accounts receivable and its loss allowance, please refer to note 6(d).

The amounts of revenue recognized for the six months ended June 30, 2026 and 2025 that were included in the contract liabilities balances at January 1, 2026 and 2025 were $194,889 and $47,266, respectively.

(w) Remuneration to employees and directors

The Company’s amended Article of Incorporation approved by the shareholders’ meeting held on May 22, 2025 requires that earnings shall first to be offset against any deficit, then, a minimum of 4% will be distributed as remuneration to its employees, of which no less than 5% should be distributed to base-level employees, and no more than 1.4% to its directors. Employees who are entitled to receive the abovementioned employee remuneration, in shares or cash, include the employees of the subsidiaries of the Company who meet certain specific requirement. The Company’s Article of Incorporation before amendment requires that earnings shall first to be offset against any deficit, then, a minimum of 4% will be distributed as remuneration to its employees and no more than 1.4% to its directors. Employees who are entitled to receive the abovementioned employee remuneration, in shares or cash, include the employees of the subsidiaries of the Company who meet certain specific requirement.

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For the three months and six months ended June 30, 2026 and 2025, the Company estimated its remuneration to employees amounting to $(35,321) (of which $(3,532) was distributed to base-level employees), $13,177 (of which $4,610 was distributed to base-level employees), $411,717 (of which $41,172 was distributed to base-level employees) and $23,104 (of which $8,083 was distributed to base-level employees), respectively, and the remuneration to directors amounting to $48,375, $1,944, $88,173 and $3,261, respectively. The abovementioned estimated amounts are calculated based on the net profits before tax of each period (excluding the remuneration to employees and directors), multiplied by a certain percentage of the remuneration to employees and directors. The estimations are recognized as operating expenses. If the actual amounts differ from the estimated amounts, the differences shall be accounted as changes in accounting estimates and recognized as profit or loss in following year.

For the years ended December 31, 2025 and 2024, the Company estimated its remuneration to employees amounting to $122,066 and $$32,559, respectively, and the remuneration to directors amounting to $16,291 and $4,927, respectively. The abovementioned estimated remuneration to employees and directors is the same as the amount and paid in cash. Related information is available on the Market Observation Post System website of the Taiwan Stock Exchange.

(x) Non-operating income and loss

(i) Interest income

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Interest income from bank deposits	$ 9,048	11,096	14,247	21,968
Interest income from corporate bonds	-	765	-	1,665
	$ 9,048	**11,861**	**14,247**	**23,633**

(ii) Other gains and losses, net

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Gains on disposal of property, plant and equipment	$ 227	265	227	265
Foreign currency exchange gains (losses)	(2,422)	14,310	(4,678)	17,487
Gains (losses) on financial assets and liabilities at fair value through profit or loss	(4,731)	8,328	(5,064)	6,791
Investments accounted for using equity method	-	-	30,105	-
Compensation income	-	-	-	10,913
Others	3,831	3,962	4,198	4,912
	$ (3,095)	**26,865**	**24,788**	**40,368**

(Continued)

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(iii) Finance costs

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Interest expense from bank loans	$ (34,637)	(5,032)	(51,076)	(8,885)
Interest expense from bonds payable	(3,424)	-	(3,424)	-
Interest expense from lease liabilities	(527)	(342)	(1,064)	(616)
	$ (38,588)	**(5,374)**	**(55,564)**	**(9,501)**

(y) Financial instruments

Except for the content mentioned below, there were no significant changes in the fair value of the Group's financial instruments and the degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to notes 6(v) and 6(w) of the consolidated financial statements for the year ended December 31, 2025.

(i) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in settling its financial liabilities by delivering cash or other financial assets. The Group manages liquidity risk by monitoring regularly the current and mid- to long-term cash demand, maintaining adequate cash and banking facilities, and ensuring compliance with the terms of the loan agreements. As of June 30, 2026, December 31 and June 30, 2025, the Group had unused credit facilities of $5,080,146, $68,721 and $1,263,518, respectively.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Carrying amount	**Contractual cash flows**	**Within 1 year**	**More than 1 year**
June 30, 2026				
Non-derivative financial liabilities:				
Short-term borrowings	$ 2,400,783	(2,409,807)	(2,409,807)	-
Long-term debt (including current portion)	311,557	(368,649)	(7,805)	(360,844)
Bonds payable	939,831	(1,000,000)	-	(1,000,000)
Notes and accounts payable	3,707,837	(3,707,837)	(3,707,837)	-
Other payables	2,781,745	(2,781,745)	(2,781,745)	-
Dividends payable	576,582	(576,582)	(576,582)	-
Lease liabilities	64,631	(69,670)	(24,266)	(45,404)
Guarantee deposits	470	(470)	-	(470)

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	Carrying amount	Contractual cash flows	Within 1 year	More than 1 year
June 30, 2026				
Derivative financial instruments:				
Foreign currency forward contracts:				
Inflow	-	9,282	9,282	-
Outflow	120	(9,402)	(9,402)	-
Foreign exchange swaps:				
Inflow	-	693,760	693,760	-
Outflow	6,720	(700,480)	(700,480)	-
December 31, 2025				
Non-derivative financial liabilities:				
Short-term borrowings	$ 1,618,675	(1,628,876)	(1,628,876)	-
Long-term debt (including current portion)	21,118	(24,494)	(1,699)	(22,795)
Notes and accounts payable	1,352,927	(1,352,927)	(1,352,927)	-
Other payables	651,412	(651,412)	(651,412)	-
Lease liabilities	57,435	(62,564)	(19,022)	(43,542)
Guarantee deposits	450	(450)	-	(450)
Derivative financial instruments:				
Foreign currency forward contracts:				
Inflow	-	44,211	44,211	-
Outflow	1,205	(45,216)	(45,216)	-
June 30, 2025				
Non-derivative financial liabilities:				
Short-term borrowings	$ 337,018	(338,835)	(338,835)	-
Long-term debt (including current portion)	21,742	(25,411)	(1,699)	(23,712)
Notes and accounts payable	1,530,861	(1,530,861)	(1,530,861)	-
Other payables	390,748	(390,748)	(390,748)	-
Dividends payable	251,022	(251,022)	(251,022)	-
Lease liabilities	48,271	(50,451)	(20,046)	(30,405)
Guarantee deposits	409	(409)	-	(409)
Derivative financial instruments:				
Foreign currency forward contracts:				
Inflow	-	8,140	8,140	-
Outflow	36	(8,176)	(8,176)	-

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

(Continued)

(ii) Foreign currency risk

The Group's exposure to foreign currency risk arises from cash and cash equivalents, notes and accounts receivable (including related parties), notes and accounts payable (including related parties), other receivables, other payables, other financial assets (including current and non-current), and loans and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. At the reporting date, the carrying amounts of the Group's significant monetary assets and liabilities denominated in a currency other than the functional currencies of the Group entities and their respective sensitivity analysis were as follows (including the monetary items that have been eliminated in the accompanying consolidated financial statements):

(Amounts in thousands of New Taiwan Dollar)

	June 30, 2026				
	Foreign currency (in thousands)	**Exchange rate**	**NTD (in thousands)**	**Change in magnitude**	**Pre-tax effect on profit or loss (in thousands)**
Financial assets					
Monetary items					
USD	$ 184,322	31.840	5,868,812	1 %	58,688
Financial liabilities					
Monetary items					
USD	174,565	31.840	5,558,150	1 %	55,582

	December 31, 2025				
	Foreign currency (in thousands)	**Exchange rate**	**NTD (in thousands)**	**Change in magnitude**	**Pre-tax effect on profit or loss (in thousands)**
Financial assets					
Monetary items					
USD	$ 45,095	31.420	1,416,885	1 %	14,169
Financial liabilities					
Monetary items					
USD	65,442	31.420	2,056,188	1 %	20,562

	June 30, 2025				
	Foreign currency (in thousands)	**Exchange rate**	**NTD (in thousands)**	**Change in magnitude**	**Pre-tax effect on profit or loss (in thousands)**
Financial assets					
Monetary items					
USD	$ 51,173	29.290	1,498,857	1 %	14,989
Financial liabilities					
Monetary items					
USD	54,221	29.290	1,588,133	1 %	15,881

(Continued)

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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As the Group deals in diverse foreign currencies, gains and losses on foreign exchange were summarized as a single amount. The aggregate of realized and unrealized foreign exchange gain (loss) for the three months ended June 30, 2026 and 2025 were $(2,422) and $14,310, respectively, and for the six months ended June 30, 2026 and 2025 were $(4,678) and $17,487, respectively.

(iii) Categories of financial instruments

1) Financial assets

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets at fair value through profit or loss (including current and non-current)	$ 39,961	17,688	90,461
Financial assets at fair value through other comprehensive income	46,405	37,319	36,539
Financial assets measured at amortized cost:			
Cash and cash equivalents	2,434,087	852,913	839,907
Notes and accounts receivable	4,839,586	1,487,112	1,480,965
Other receivables	614	1,776	5,126
Other financial assets (including current and non-current)	47,179	515,883	860,570
Subtotal	7,321,466	2,857,684	3,186,568
Total	**$ 7,407,832**	**2,912,691**	**3,313,568**

2) Financial liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Financial liabilities at fair value through profit or loss	$ 6,840	1,205	36
Financial liabilities measured at amortized cost:			
Short-term borrowings	2,400,783	1,618,675	337,018
Notes and accounts payable	3,707,837	1,352,927	1,530,861
Other payables	2,781,745	651,412	390,748
Bonds payable	939,831	-	-
Dividends payable	576,582	-	251,022
Lease liabilities (including current and non-current)	64,631	57,435	48,271
Long-term debt (including current portion)	311,557	21,118	21,742
Guarantee deposits	470	450	409
Subtotal	10,783,436	3,702,017	2,580,071
Total	**$ 10,790,276**	**3,703,222**	**2,580,107**

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Fair value information

1) Financial instruments not measured at fair value

The Group considers that the carrying amounts of financial assets and financial liabilities measured at amortized cost approximate their fair values.

2) Financial instruments measured at fair value

The fair value of financial assets and liabilities at fair value through profit and loss and financial assets at fair value through other comprehensive income are measured on a recurring basis.

The table below analyzes financial instruments that are measured at fair value subsequent to initial recognition, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. The different levels have been defined as follows:

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

b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, 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 (unobservable inputs).

	June 30, 2026				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss－current:					
Derivatives－foreign exchange swaps	$ 36	-	36	-	36
Redemption options of convertible bonds	6,100	-	-	6,100	6,100
	$ 6,136	**-**	**36**	**6,100**	**6,136**
Financial assets at fair value through profit or loss－non-current:					
Foreign unlisted preferred stocks	$ 17,905	-	-	17,905	17,905
Foreign unlisted corporate bonds	15,920	-	-	15,920	15,920
	$ 33,825	**-**	**-**	**33,825**	**33,825**
Financial assets at fair value through other comprehensive income－non-current:					
Domestic unlisted stocks	$ 44,747	-	-	44,747	44,747
Foreign unlisted stocks	1,658	-	-	1,658	1,658
	$ 46,405	**-**	**-**	**46,405**	**46,405**

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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	June 30, 2026				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss－current:					
Derivatives－foreign currency forward contracts	$ 120	-	120	-	120
Derivatives－foreign exchange swaps	6,720	-	6,720	-	6,720
	$ 6,840	-	6,840	-	6,840

	December 31, 2025				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss－non-current:					
Foreign unlisted preferred stocks	$ 17,668	-	-	17,668	17,668
Financial assets at fair value through other comprehensive income －non-current:					
Domestic unlisted stocks	$ 37,040	-	-	37,040	37,040
Foreign unlisted stocks	279	-	-	279	279
	$ 37,319	-	-	37,319	37,319
Financial liabilities at fair value through profit or loss－current:					
Derivatives－foreign currency forward contracts	$ 1,205	-	1,205	-	1,205

	June 30, 2025				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss－current:					
Corporate bonds	$ 72,929	72,929	-	-	72,929
Derivatives－foreign currency forward contracts	1,277	-	1,278	-	1,278
	$ 74,206	72,929	1,278	-	74,207
Financial assets at fair value through profit or loss－non-current:					
Foreign unlisted preferred stocks	$ 16,255	-	-	16,255	16,255

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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	June 30, 2025				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income－non-current:					
Domestic unlisted stocks	$ 36,388	-	-	36,388	36,388
Foreign unlisted stocks	151	-	-	151	151
	$ 36,539	-	-	36,539	36,539
Financial liabilities at fair value through profit or loss－current:					
Derivatives－foreign currency forward contracts	$ 36	-	36	-	36

(v) Valuation techniques used in fair value measurement

1) Non-derivative financial instruments

The fair value of financial instruments (e.g. corporate bonds held by the Group) traded in active liquid markets is determined with reference to quoted market prices.

Except for the abovementioned financial instruments traded in an active market, the fair value of other financial instruments are based on the valuation techniques or the quotation from counterparty. The fair value using valuation techniques refers to the current fair value of other financial instruments with similar conditions and characteristics, or using a discounted cash flow method, or other valuation techniques which include model calculating with observable market data at the reporting date.

The fair value of preferred stock and corporate bonds is determined based on the discounted cash flow model. The fair value of unlisted stock held by the Group is estimated by using the market approach and is determined by reference to valuations of similar companies, third-party quotation, and recent financing and operating activities. The significant unobservable inputs are primarily the liquidity discounts. No quantitative information is disclosed due to that the possible changes in liquidity discounts would not cause significant potential financial impact.

2) Derivative financial instruments

The fair value of derivative financial instruments is determined using a valuation technique, generally accepted by market participants. The fair value of foreign currency forward contracts is usually determined by the forward currency exchange rate.

(vi) Transfers between levels of the fair value hierarchy

There were no transfers among fair value hierarchies for the six months ended June 30, 2026 and 2025.

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(vii) Movement in financial assets included in Level 3 of fair value hierarchy

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Balance, beginning of period	$ 55,437	39,555	54,987	37,817
Purchased	15,815	16,255	15,815	16,255
Additions	6,600	-	6,600	-
Gains (losses) recognized in other comprehensive income, and presented in unrealized gains on financial assets measured at fair value through other comprehensive income	8,956	(3,016)	9,085	(1,278)
Losses recognized in profit or loss, and presented in valuation gains on financial assets measured at fair value through other comprehensive income	(478)	-	(157)	-
Balance, end of period	**$ 86,330**	**52,794**	**86,330**	**52,794**

(z) Financial risk management

There were no significant changes in the Group' s financial risk management and policies as disclosed in note 6(w) of the consolidated financial statements for the year ended December 31, 2025.

(aa) Capital management

The objectives, policies and processes of capital management of the Group are in conformity with those disclosed in the consolidated financial statements for the year ended December 31, 2025. There were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2025. Please refer to note 6(x) of the consolidated financial statements for the year ended December 31, 2025 for related details.

(ab) Investing and financing activities not affecting current cash flow

(i) For acquisition of right-of-use assets under operating lease for the six months ended June 30, 2026 and 2025, please refer to note 6(i).

APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(ii) Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2026	Cash flows	Non-cash changes: Acquisition	Non-cash changes: Adjustments and amortization of corporate bonds	June 30, 2026
Short-term borrowings	$ 1,618,675	782,108	-	-	2,400,783
Long-term debt	21,118	290,439	-	-	311,557
Bonds payable	-	1,367,204	-	(427,373)	939,831
Lease liabilities	57,435	(10,967)	18,163	-	64,631
Guarantee deposits	450	20	-	-	470
	$ 1,697,678	2,428,804	18,163	(427,373)	3,717,272

	January 1, 2025	Cash flows	Non-cash changes: Acquisition	June 30, 2025
Short-term borrowings	$ 288,508	48,510	-	337,018
Long-term debt	22,359	(617)	-	21,742
Lease liabilities	41,067	(13,268)	20,472	48,271
Guarantee deposits	449	(40)	-	409
	$ 352,383	34,585	20,472	407,440

7. Related-party transactions

(a) Name and relationship with related parties

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

Name of related parties	Relationship with the Group
JoiiUp Technology Inc. (“JoiiUp”)	Prior to January 2026, JoiiUp was the Company’s associate.
Acer Incorporated (“Acer”)	Entity with significant influence over the Group
Other related parties:	
Acer Philippines, Inc. (“APHI”)	Acer’s subsidiary (note 1)
Acer Computer Co., Ltd. (“ATH”)	Acer’s subsidiary (note 1)
Servex (Malaysia) Sdn Bhd. (“SMA”)	Acer’s subsidiary (note 1)
Bluechip Infotech Pty Ltd. (“Bluechip”)	Acer’s subsidiary (note 1)
Acer India Private Limited (“AIL”)	Acer’s subsidiary (note 1)

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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Name of related parties	Relationship with the Group
PT. Acer Manufacturing Indonesia (“AMI”)	Acer’s subsidiary (note 1)
ALTOS COMPUTING (INDIA) PRIVATE LIMITED (“ALIN”)	Acer’s subsidiary (note 1)
Highpoint Services Network Philippines, Inc. (“HSNP”)	Acer’s subsidiary (note 1)
Acer Sales And Services Sdn Bhd (“ASSB”)	Acer’s subsidiary (note 1)
Weblink International Inc. (“WLII”)	Acer’s subsidiary (note 1)
Highpoint Service Network Corporation (“HSNC”)	Acer’s subsidiary (note 1)
Altos Computing Inc. (“ALT”)	Acer’s subsidiary (note 1)
Acer ITS Inc. (“ITS”)	Acer’s subsidiary (note 1)
Acer Synergy Tech Corp. (“AST”)	Acer’s subsidiary (note 1)
AOPEN Inc. (“AOI”)	Acer’s subsidiary (note 1)
Acer Cyber Security Incorporated (“ACSI”)	Acer’s subsidiary (note 1)
Posiflex Technology Inc. (“Posiflex”)	Acer’s subsidiary (note 1)
Portwell Inc. (“Portwell”)	Acer’s subsidiary (note 1)
Wincomm Corporation (“Wincomm”)	Acer’s subsidiary (note 1)
American Portwell Technology, Inc. (“APT”)	Acer’s subsidiary (note 1)
European Portwell Technology B.V. (“EPT”)	Acer’s subsidiary (note 1)
Portwell Japan, Inc. (“PJI”)	Acer’s subsidiary (note 1)
OTO Photonics Inc. (“OTO”)	The Group’s other related party
Directors, general manager and vice general managers	The Group’s key management personnel

(b) Significant related-party transactions

(i) Revenue

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

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Entity with significant influence over the Group	$ 1,036,820	461,226	2,135,430	624,700
Other related parties	390,937	197,080	676,286	344,626
	$ 1,427,757	**658,306**	**2,811,716**	**969,326**

The sales prices and payment terms of sales to related parties are not different from those with third-party customers. The payment terms for related parties and third-party customers are 30 days calculated from the delivery date to EOM 30~60 days and 30~90 days calculated from the delivery date, respectively. The Group does not receive any collateral for the receivables from related parties. The Group has not recognized a specific allowance for doubtful receivables after assessment.

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(ii) Purchases

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

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Other related parties	**$ 69**	**100**	**89**	**227**

There are no significant differences between the purchase prices for related parties and those for third-party vendors. The payment terms of EOM 45~60 days show no significant difference between related parties and third-party vendors.

(iii) Receivables

The receivables from related parties were as follows:

Account	**Related-party categories**	**June 30, 2026**	**December 31, 2025**	**June 30, 2025**
Accounts receivable from related parties	Entity with significant influence over the Group－Acer	$ 483,800	250,869	347,940
	Other related parties:			
	AIL	107,301	42	73,103
	Others	96,631	19,363	37,833
		$ 687,732	**270,274**	**458,876**

(iv) Payables

The payables to related parties were as follows:

Account	**Related-party categories**	**June 30, 2026**	**December 31, 2025**	**June 30, 2025**
Accounts payable	Other related parties	$ 72	213	133
Other payables	Other related parties	128	37	163
		$ 200	**250**	**296**

(v) Operating expenses

The operating expenses related to the after-sale service provided by related parties and sundry purchases were as follows:

		For the three months ended June 30,		For the six months ended June 30,	
Account	**Related-party categories**	**2026**	**2025**	**2026**	**2025**
Operating expenses	Associates	$ -	13	-	25
	Other related parties	1,032	121	1,143	174
		$ 1,032	**134**	**1,143**	**199**

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APACER TECHNOLOGY INC. AND SUBSIDIARIES
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(c) Compensation for key management personnel

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Short-term employee benefits	$ 671,726	18,157	920,231	33,612
Post-employment benefits	108	108	216	216
Share-based payments	18,288	-	18,288	-
	$ 690,122	18,265	938,735	33,828

8. Pledged assets

The carrying amounts of the assets pledged as collateral are detailed below:

Pledged assets	Pledged to secure	June 30, 2026	December 31, 2025	June 30, 2025
Property, plant and equipment	Bank loans and credit facilities	$ 1,179,964	56,608	57,074

9. Significant commitments and contingencies

(a) Significant unrecognized commitments

	June 30, 2026	December 31, 2025	June 30, 2025
Unused letters of credit	$ 150,000	35,000	35,000

(b) As of June 30, 2026, December 31 and June 30, 2025, the Group had outstanding letters of guarantee amounting to $40,000, $12,000 and $12,000, respectively, for the purpose of the payment of customs duties.

10. Significant loss from disaster: None

11. Significant subsequent events: None

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12. Others

(a) Employee benefits, depreciation and amortization expenses categorized by function were as follows:

	For the three months ended June 30, 2026			For the three months ended June 30, 2025		
	Cost of revenue	Operating expenses	Total	Cost of revenue	Operating expenses	Total
Employee benefits:						
Salaries	103,129	1,279,904	1,383,033	37,326	157,527	194,853
Insurance	4,146	13,239	17,385	3,924	11,280	15,204
Pension	1,587	6,464	8,051	1,486	6,215	7,701
Others	6,221	54,419	60,640	3,896	11,393	15,289
Depreciation	4,908	9,393	14,301	5,302	9,755	15,057
Amortization	305	5,255	5,560	313	5,728	6,041

	For the six months ended June 30, 2026			For the six months ended June 30, 2025		
	Cost of revenue	Operating expenses	Total	Cost of revenue	Operating expenses	Total
Employee benefits:						
Salaries	314,580	2,314,121	2,628,701	70,937	297,349	368,286
Insurance	8,936	29,976	38,912	8,185	24,505	32,690
Pension	3,098	12,923	16,021	2,979	12,520	15,499
Others	9,053	63,186	72,239	5,048	16,293	21,341
Depreciation	9,829	18,626	28,455	10,492	19,962	30,454
Amortization	613	10,918	11,531	676	11,404	12,080

(b) Seasonality operations

The Group’s operations were not significantly influenced by seasonality or cyclicality factors.

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13. Additional disclosures

(a) Information on significant transactions:

In accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Group discloses the following information on significant transactions for the six months ended June 30, 2026:

(i) Financing provided to other parties: None

(ii) Guarantee and endorsement provided to other parties: None

(iii) Material securities held as of June 30, 2026 (excluding investment in subsidiaries, associates and joint ventures):None

(iv) Total purchases from and sales to related parties which exceed $100 million or 20% of the paid-in capital:

			Transaction Details				Transactions with Terms Different from Others		Notes/Accounts Receivable or (Payable)		
Company Name	Related Party	Nature of Relationship	Purchases/ (Sales)	Amount	% of Total Purchases/ (Sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total Notes/Accounts Receivable or (Payable)	Note
The Company	Acer	Entity with significant influence over the Group	(Sales)	(2,135,430)	(14)%	M60	-	-	483,800	10 %	-
The Company	AIL	Other related party	(Sales)	(350,056)	(2)%	OA60	-	-	107,301	2 %	-
The Company	AMA	The Company's subsidiary	(Sales)	(532,990)	(3)%	OA30	-	-	209,655	5 %	Note 1
The Company	AMK	The Company's subsidiary	(Sales)	(426,303)	(3)%	OA30	-	-	3,878	- %	Note 1
The Company	AMH	The Company's subsidiary	(Sales)	(781,435)	(5)%	OA30	-	-	107,366	2 %	Note 1
The Company	AMC	The Company's subsidiary	(Sales)	(423,931)	(3)%	M60	-	-	95,166	2 %	Note 1
AMA	The Company	AMA's parent company	Purchases	532,990	100 %	OA30	-	-	(209,655)	(100)%	Note 1
AMK	The Company	AMK's parent company	Purchases	426,303	100 %	OA30	-	-	(3,878)	(100)%	Note 1
AMH	The Company	AMH's parent company	Purchases	781,435	100 %	OA30	-	-	(107,366)	(100)%	Note 1
AMC	The Company	AMC's parent company	Purchases	423,931	55 %	M60	-	-	(95,166)	(62)%	Note 1

Note 1: The above intercompany transactions have been eliminated when preparing the consolidated financial statements.

(v) Receivables from related parties which exceed $100 million or 20% of the paid-in capital:

(In Thousands of New Taiwan Dollar)

					Overdue		Amounts	
Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Amount	Action Taken	Received in Subsequent Period	Allowance for Bad Debts
The Company	Acer	Entity with significant influence over the Group	483,800	11.63	-	-	-	-
The Company	AIL	Other related party	107,301	13.04	-	-	55,675	-
The Company	AMA	The Company's subsidiary	209,655	10.17	-	-	102,638	-
The Company	AMH	The Company's subsidiary	107,366	29.11	-	-	42,840	-

(Continued)

(vi) Business relationships and significant intercompany transactions:

Number (Note 1)	Company Name	Counterparty	Nature of Relationship (Note 2)	Transaction Details			
				Account	Amount	Payment Terms	Percentage of Consolidated Operating Revenue or Total Assets
0	The Company	AMA	1	Sales	532,990	OA30	3 %
0	The Company	AMK	1	Sales	426,303	OA30	3 %
0	The Company	AMH	1	Sales	781,435	OA30	5 %
0	The Company	AMC	1	Sales	423,931	M60	3 %

Note 1: Parties to the intercompany transactions are identified and numbered as follows:
1. "0" represents the Company.
2. Subsidiaries are numbered from "1".

Note 2: The relationships with counterparties are as follows:
No. "1" represents the transactions from the Company to subsidiary.
No. "2" represents the transactions from subsidiary to the Company.

Note 3: Intercompany relationships and significant intercompany transactions are disclosed only for sales and accounts receivable that exceed 1% of consolidated operating revenue or total assets. The corresponding purchases and accounts payable are not disclosed.

(b) Information on investees:

For the six months ended June 30, 2026, the information on investees is as follows (excluding investments in Mainland China):

(In Thousands of Shares)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2026			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				June 30, 2026	December 31, 2025	Shares	Percentage of Ownership	Carrying Value			
The Company	AMA	USA	Sales of memory modules and storage memory devices	610	610	20	100.00 %	410,831	42,571	42,571	Note
The Company	ACYB	British Virgin Islands	Investment and holding activity	18,542	18,542	2,636	100.00 %	93,426	7,638	7,638	Note
The Company	AMJ	Japan	Sales of memory modules and storage memory devices	2,918	2,918	0.2	100.00 %	26,780	6,231	6,231	Note
The Company	ATPL	India	Auxiliary sales of memory modules and storage memory devices	915	915	29	99.65 %	1,803	179	178	Note
The Company	AMK	Hong Kong	Sales of memory modules and storage memory devices	20,917	20,917	5,000	100.00 %	21,450	1,381	1,381	Note
The Company	AMH	Netherlands	Sales of memory modules and storage memory devices	130,469	130,469	80	100.00 %	113,394	46,080	46,080	Note
The Company	UD	Taiwan	Manufacture and sales of memory modules and storage memory devices	380,815	380,815	4,932	68.54 %	480,470	254,806	169,627	Note
The Company	JoiiUp	Taiwan	Cloud services and software development	-	7,500	-	-	-	-	-	-
ACYB	ATPL	India	Auxiliary sales of memory modules and storage memory devices	1	1	0.1	0.35 %	1	179	1	Note

Note: The above intercompany transactions have been eliminated when preparing the consolidated financial statements.

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(c) Information on investment in Mainland China:

(i) Name and main businesses and products of investee companies in Mainland China:

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2026	Investment Flows Outflow	Investment Flows Inflow	Accumulated Outflow of Investment from Taiwan as of June 30, 2026	Net Income (Loss) of Investee	% of Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 2)	Carrying Value as of June 30, 2026	Accumulated Inward Remittance of Earnings as of June 30, 2026
Apacer Electronic (Shanghai) Co., Ltd. (AMC)	Sales of memory modules and storage memory devices	15,920 (USD 500 thousand)	Type 2	15,920 (USD 500 thousand)	-	-	15,920 (USD 500 thousand)	7,842	100.00 %	7,842	91,555 (Note 2)	-
Shenzhen Kylinesports Technology Co. (AMS)	Sales of gaming products	23,816 (USD 748 thousand)	Type 2	19,040 (USD 598 thousand)	-	-	19,040 (USD 598 thousand) (Note 3)	(776)	99.00 %	(769)	11,672	-

Note 1: Method of investments:

Type 1: Direct investment in Mainland China.

Type 2: Indirect investment in Mainland China through a holding company established in a third country.

Type 3: Others.

Note 2: Investment income or loss recognized based on the financial statements audited by the auditors of the Company.

Note 3: The amount of AMK reinvestments amounting to US$134 thousand was excluded.

Note 4: The above intercompany transactions have been eliminated when preparing the consolidated financial statements.

Note 5: The above amounts were translated into New Taiwan Dollar at the exchange rate of US$1=NTD 31.84.

(ii) Limits on investments in Mainland China:

Accumulated Investment in Mainland China as of June 30, 2026	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment Authorized by Investment Commission, MOEA
34,960 (USD 1,098 thousand)	39,227 (USD 1,232 thousand)	5,707,281

(iii) Significant transactions with investee companies in Mainland China:

The transactions between parent and investee companies in Mainland China (the intercompany transaction) have been eliminated when preparing the consolidated financial statements. Please refer to section “Information on significant transactions” and “Business relationships and significant intercompany transactions” for detail description.

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14. Segment information

The Group’s operating segment information and reconciliation are as follows:

	For the three months ended June 30, 2026			
	Asia	America and Europe	Adjustments and eliminations	Total
External revenue	$ 8,657,066	1,019,084	-	9,676,150
Intra-group revenue	1,387,916	-	(1,387,916)	-
Total segment revenue	**$ 10,044,982**	**1,019,084**	**(1,387,916)**	**9,676,150**
Segment profit (loss)	**$ 3,571,422**	**52,392**	**(162,811)**	**3,461,003**

	For the three months ended June 30, 2025			
	Asia	America and Europe	Adjustments and eliminations	Total
External revenue	$ 2,480,457	231,913	-	2,712,370
Intra-group revenue	579,963	-	(579,963)	-
Total segment revenue	**$ 3,060,420**	**231,913**	**(579,963)**	**2,712,370**
Segment profit (loss)	**$ 179,805**	**16,646**	**(31,746)**	**164,705**

	For the six months ended June 30, 2026			
	Asia	America and Europe	Adjustments and eliminations	Total
External revenue	$ 15,234,438	1,483,896	-	16,718,334
Intra-group revenue	2,487,148	-	(2,487,148)	-
Total segment revenue	**$ 17,721,586**	**1,483,896**	**(2,487,148)**	**16,718,334**
Segment profit (loss)	**$ 5,950,431**	**122,240**	**(282,545)**	**5,790,126**

	For the six months ended June 30, 2025			
	Asia	America and Europe	Adjustments and eliminations	Total
External revenue	$ 4,303,051	458,515	-	4,761,566
Intra-group revenue	980,017	-	(980,017)	-
Total segment revenue	**$ 5,283,068**	**458,515**	**(980,017)**	**4,761,566**
Segment profit (loss)	**$ 300,218**	**27,283**	**(48,654)**	**278,847**