Stock Code: 6416

CASwell, Inc. and its Subsidiaries

Consolidated Financial Statements and Independent Auditors' Review Report

Interim Condensed Consolidated Financial Statements for the Three Months Ended March 31, 2026 and 2025 and Independent Auditors' Review Report

Company Address: 12th Floor, No. 308, Jianguo 1st Road, Xinzhuang District, New Taipei City

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Independent Auditors' Review Report

To the Board of Directors of CASwell, Inc.:

Introduction

We have reviewed the accompanying interim consolidated statement of financial position of CASwell, Inc. and its subsidiaries ("the Group") as of March 31, 2026 and 2025, and the related interim consolidated statements of comprehensive income, changes in equity, and cash flows for the three-month periods then ended, as well as the notes to the consolidated financial statements, including a summary of material accounting policies. 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) No. 34 Interim Financial Reporting, as endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. (Taiwan) (FSC), are the responsibility of management. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Standards on Review Engagements No. 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of the consolidated financial statements consists primarily of inquiries, primarily of personnel responsible for financial and accounting matters, and applying analytics and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, the consolidated financial position of the Group as of March 31, 2026 and 2025, and their financial performance and cash flows for the three-month periods then ended, in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and IAS 34 "Interim Financial Reporting," as endorsed and issued into effect by the FSC.

KPMG

CPA:

Securities Authority Approval Reference No. : FSC Securities Letter No. 1040003949
FSC Securities Letter No. 1140131922

May 13, 2026

Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

CASwell, Inc. and its Subsidiaries

Consolidated Statement of Financial Position

Unit: NT$ thousand

	Assets	2026.3.31 Amount	%	2025.12.31 Amount	%	2025.3.31 Amount	%
	Current assets:						
1100	Cash and cash equivalents (Note 6(1))	$ 356,630	6	455,388	8	689,388	12
1136	Current financial assets at amortized cost	50,017	1	69,339	1	70,327	1
1170	Notes and accounts receivable, net (Note 6(2) and (14))	719,720	12	842,820	15	656,796	12
1180	Accounts receivable from related parties - net (Note 6(2), (14) and 7)	4,756	-	9,371	-	9,059	-
1200	Other receivables	89,718	1	134,668	2	70,074	1
1220	Current income tax assets	3,343	-	25	-	-	-
130X	Inventories (Note 6(3))	2,724,459	44	2,383,053	40	2,106,102	37
1470	Other current assets (Notes 7 and 8)	291,527	5	116,694	2	112,884	2
	Total current assets	4,240,170	69	4,011,358	68	3,714,630	65
	Non-current assets:						
1510	Non-current financial assets at FVTPL	47,383	1	51,622	1	42,928	1
1517	Non-current financial assets at FVOCI	51,096	1	51,702	1	59,143	1
1600	Property, plant and equipment (Note 6(4) and 8)	760,234	12	766,150	13	779,009	14
1755	Right-of-use assets (Note 6(5))	691,102	11	681,427	11	718,562	13
1780	Intangible assets (Note 6(6))	338,390	6	339,552	6	338,163	6
1840	Deferred income tax assets	13,826	-	14,524	-	15,073	-
1900	Other non-current assets	16,726	-	14,427	-	15,063	-
	Total non-current assets	1,918,757	31	1,919,404	32	1,967,941	35
	Total assets	$ 6,158,927	100	5,930,762	100	5,682,571	100

	Liabilities and equity	2026.3.31 Amount	%	2025.12.31 Amount	%	2025.3.31 Amount	%
	Current liabilities:						
2100	Short-term borrowings (Note 6(7))	$ 274,239	4	194,012	3	9,247	-
2170	Accounts payable	898,868	15	913,081	15	728,730	13
2180	Accounts payable - related parties (Note 7)	8,949	-	16,917	-	11,659	-
2200	Other payables (including related parties) (Note 7)	321,867	5	140,688	3	339,564	6
2230	Current income tax liabilities	87,973	1	54,440	1	66,584	2
2252	Short-term warranty provisions	6,884	-	6,015	-	5,118	-
2280	Current lease liabilities (Note 6(9))	38,235	1	34,337	1	42,897	1
2322	Long-term borrowings due within one year (Note 6(8) and 8)	11,245	-	8,762	-	1,395	-
2399	Other current liabilities (Note 7)	161,856	3	113,937	2	116,562	2
	Total current liabilities	1,810,116	29	1,482,189	25	1,321,756	24
	Non-current liabilities:						
2540	Long-term borrowings (Note 6(8) and 8)	208,323	4	211,158	4	269,568	5
2552	Long-term warranty provisions	24,231	-	24,052	-	24,533	-
2570	Deferred income tax liabilities	13,109	-	14,359	-	21,537	-
2580	Non-current lease liabilities Note 6(9))	483,312	8	475,798	8	499,944	9
2670	Other non-current liabilities	-	-	5	-	12	-
	Total non-current liabilities	728,975	12	725,372	12	815,594	14
	Total liabilities	2,539,091	41	2,207,561	37	2,137,350	38
	Equity attributable to shareholders of the parent company (Note 6(12)):						
3100	Share capital	733,485	12	733,485	12	733,485	13
3200	Capital surplus	1,445,196	23	1,445,196	25	1,445,196	26
3300	Retained earnings:						
3310	Legal reserve	417,588	7	417,588	7	384,748	7
3320	Special earnings reserve	61,227	1	61,227	1	52,985	1
3350	Undistributed earnings	914,633	15	1,020,987	17	827,175	14
	Total retained earnings	1,393,448	23	1,499,802	25	1,264,908	22
3400	Other equity	(80,288)	(1)	(84,020)	(1)	(55,130)	(1)
	Equity attributable to shareholders of the parent company	3,491,841	57	3,594,463	61	3,388,459	60
36XX	Non-controlling interests	127,995	2	128,738	2	156,762	2
	Total equity	3,619,836	59	3,723,201	63	3,545,221	62
	Total liabilities and equity	$ 6,158,927	100	5,930,762	100	5,682,571	100

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

Chairman: Steve Chu **Manager: Reaforl Hung** **Accounting Supervisor: Amber Lee**

CASwell, Inc. and its Subsidiaries
Consolidated Statements of Comprehensive Income

Unit: NT$ thousand

		Three-month ended March 31,			
		2026		**2025**	
		Amount	**%**	**Amount**	**%**
4000	**Revenue (Note 6(14) and 7)**	$ 1,057,732	100	1,108,897	100
5000	**Cost of sales (Note 6(3), (4), (5), (9), (10), (15), 7 and 12)**	786,246	74	835,621	75
	Gross Profit	271,486	26	273,276	25
	Operating expenses (Note 6(4), (5), (9), (10), (15), 7 and 12):				
6100	Selling and marketing expenses	39,023	4	53,331	5
6200	General and administrative expenses	35,757	3	36,166	3
6300	Research and development expenses	64,218	6	79,824	7
6450	Net expected credit losses (reversals) (Note 6(2))	-	-	(252)	-
	Total operating expenses	138,998	13	169,069	15
	Operating Profit	132,488	13	104,207	10
	Non-operating income and expenses (Note 6(16)):				
7100	**Interest income**	2,079	-	2,398	-
7010	Other income	10,696	1	3,193	-
7020	Other gains and losses	(4,274)	-	2,460	-
7050	Finance costs (Note 6(9))	(5,171)	(1)	(5,024)	-
	Total non-operating income and expenses	3,330	-	3,027	-
7900	**Profit before tax**	135,818	13	107,234	10
7950	**Less: Income tax expense (Note 6(11))**	38,070	4	23,782	2
	Net profit	97,748	9	83,452	8
8300	**Other comprehensive income (loss):**				
8310	**Items that will not be reclassified to profit or loss**				
8316	Unrealized gain (loss) on equity investments at fair value through other comprehensive income	(605)	-	(16,493)	(1)
8349	Income tax relating to items that will not be reclassified	-	-	-	-
	Total of items that will not be reclassified to profit or loss	(605)	-	(16,493)	(1)
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences arising from the translation of foreign operations	4,868	1	14,989	1
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	-	-	-	-
	Total of items that may be reclassified subsequently to profit or loss	4,868	1	14,989	1
8300	**Other comprehensive income (loss)**	4,263	1	(1,504)	-
8500	**Total comprehensive income**	**$ 102,011**	**10**	**81,948**	**8**
	Net profit attributable to:				
8610	Shareholders of the parent company	$ 99,022	9	80,696	8
8620	Non-controlling interests	(1,274)	-	2,756	-
	Net profit	**$ 97,748**	**9**	**83,452**	**8**
	Comprehensive income attributable to:				
8710	Shareholders of the parent company	$ 102,754	10	84,918	8
8720	Non-controlling interests	(743)	-	(2,970)	-
	Total comprehensive income	**$ 102,011**	**10**	**81,948**	**8**
	Earnings per share (Note 6(13))				
9750	Basic earnings per share (NT$)	**$ 1.35**		**1.10**	
9850	Diluted earnings per share (NT$)	**$ 1.35**		**1.10**	

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

Chairman: Steve Chu **Manager: Reaforl Hung** **Accounting Supervisor: Amber Lee**

CASwell, Inc. and its Subsidiaries
Consolidated Statements of Changes in Equity

Unit: NT$ thousand

	Equity attributable to shareholders of parent company									
			Retained earnings			Other equity items				
	Share capital	Capital surplus	Legal reserve	Special earnings reserve	Undistributed earnings	Foreign currency translation reserve	FVOCI reserve for financial assets	Total equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Balance, January 1, 2025	$ 733,485	1,445,196	384,748	52,985	961,065	(31,274)	(29,953)	3,516,252	159,732	3,675,984
Net profit	-	-	-	-	80,696	-	-	80,696	2,756	83,452
Other comprehensive income (loss)	-	-	-	-	-	14,223	(10,001)	4,222	(5,726)	(1,504)
Total comprehensive income (loss)	-	-	-	-	80,696	14,223	(10,001)	84,918	(2,970)	81,948
Earnings distribution:										
Cash dividends for shareholders	-	-	-	-	(212,711)	-	-	(212,711)	-	(212,711)
Disposal of equity investments measured at FVOCI	-	-	-	-	(1,875)	-	1,875	-	-	-
Balance, March 31, 2025	**$ 733,485**	**1,445,196**	**384,748**	**52,985**	**827,175**	**(17,051)**	**(38,079)**	**3,388,459**	**156,762**	**3,545,221**
Balance, January 1, 2026	$ 733,485	1,445,196	417,588	61,227	1,020,987	(41,428)	(42,592)	3,594,463	128,738	3,723,201
Net profit	-	-	-	-	99,022	-	-	99,022	(1,274)	97,748
Other comprehensive income (loss)	-	-	-	-	-	4,099	(367)	3,732	531	4,263
Total comprehensive income (loss)	-	-	-	-	99,022	4,099	(367)	102,754	(743)	102,011
Earnings distribution:										
Cash dividends to shareholders	-	-	-	-	(205,376)	-	-	(205,376)	-	(205,376)
Balance, March 31, 2026	**$ 733,485**	**1,445,196**	**417,588**	**61,227**	**914,633**	**(37,329)**	**(42,959)**	**3,491,841**	**127,995**	**3,619,836**

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

Chairman: Steve Chu **Manager: Reaforl Hung** **Accounting Supervisor: Amber Lee**

CASwell, Inc. and its Subsidiaries

Consolidated Statements of Cash Flows

Unit: NT$ thousand

	Three-month ended March 31, 2026	Three-month ended March 31, 2025
Cash flows from operating activities:		
Profit before tax	$ 135,818	107,234
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	18,769	20,245
Amortization expenses	1,022	1,911
Net expected credit losses (reversals)	-	(252)
Net loss on financial assets (liabilities) at FVTPL	4,238	1,624
Interest expenses	5,171	5,024
Interest income	(2,079)	(2,398)
Total adjustments for reconcile profit (loss)	27,121	26,154
Changes in operating assets/liabilities:		
Net changes in operating assets:		
Decrease in notes and accounts receivable (including related parties)	127,740	190,864
Decrease (increase) in other receivables (including related parties)	44,950	(5,773)
Inventory increase	(341,134)	(795)
Increase in other current assets	(174,833)	(18,679)
Total net changes in operating assets	(343,277)	165,617
Net changes in operating liabilities:		
Increase (decrease) in accounts payable (including related parties)	(22,181)	84,883
Decrease in other payables (including related parties)	(24,197)	(16,620)
Increase in warranty provisions	907	-
Increase (decrease) in other current liabilities	47,920	(6)
Total net changes in operating liabilities	2,449	68,257
Total net changes in operating assets and liabilities	(340,828)	233,874
Total adjustments	(313,707)	260,028
Cash inflow (outflow) generated from operations	(177,889)	367,262
Interest received	2,079	2,398
Interest paid	(5,171)	(5,024)
Income tax paid	(8,408)	(13,911)
Net cash (used in) generated from operations	(189,389)	350,725
Cash flows from (used in) investing activities:		
Proceeds from disposals of financial assets at FVOCI	-	3,766
Proceeds from return of capital of financial assets at FVTPL	-	2,812
Acquisition of financial assets at amortized cost	-	(1,138)
Proceeds from disposals of financial assets at amortized cost	19,322	-
Acquisition of property, plant and equipment	(1,172)	(1,108)
Acquisition of intangible assets	-	(270)
Increase in other non-current assets	(2,299)	(4,315)
Net cash from (used in) investing activities	15,851	(253)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	200,405	100,028
Decrease inshort-term borrowings	(120,000)	(250,000)
Repayment of long-term borrowings	(352)	(345)
Repayment of the principal portion of lease liabilities	(9,943)	(11,832)
Decrease in other non-current liabilities	(5)	(2)
Net cash from (used in) financing activities	70,105	(162,151)
Effect of exchange differences on cash and cash equivalents	4,675	13,474
Increase (decrease) in cash and cash equivalents of current period	(98,758)	201,795
Cash and cash equivalents at beginning of period	455,388	487,593
Cash and cash equivalents at end of period	$ 356,630	689,388

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

Chairman: Steve Chu **Manager: Reaforl Hung** **Accounting Supervisor: Amber Lee**

CASwell, Inc. and its Subsidiaries
Notes to Consolidated Financial Statements
For the Three Months Ended March 31, 2026 and 2025
(Amount in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

1. The Company and Business Scope

CASwell, Inc. ("the Company") was established on April 19, 2007 with the approval of the Ministry of Economic Affairs. The address of its registered office and principal place of business is 12F., No. 308, Jianguo 1st Road, Xinzhuang District, New Taipei City. The businesses scope of the Company and its subsidiaries (collectively referred as "the Group") includes Electronic Components Manufacturing, Computers and Peripherals Manufacturing, Equipment Manufacturing, Wholesale of Electronic Materials and Information Services.

2. Process and Date of Authorization for Issue

The consolidated financial statements were approved and authorized for issue by the Board of Directors on May 13, 2026.

3. Impact on Application of Amendments and New Standards and Interpretations

(1) Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the amendments to IFRS Accounting Standards endorsed and issued into effect by the FSC from January 1, 2026, did not have a material impact on the accounting policies of the Group.

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

(2) Amendments and new standards issued by IASB, but not yet endorsed and issued into effect by the FSC

The Group expects the following IFRS Accounting standards and amendments which have not yet been endorsed by FSC may be relevant to the accounting policies of the Group:

Amendments and New Standards	Key Topics	Effective Date announced by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	To provide financial statements users with better and more consistent information, the standard provides enhanced guidance on disaggregation and newly introduces three amendments that all entities apply including 1) classifying items of income and expenses into each of the three new categories in income statement, 2) two additional income and expenses subtotals, and 3) newly defined management performance measures to be disclosed in a single note to the financial statements. • More Structured Income Statement: Under the current standard, companies use different formats to present their operating results, making it difficult for investors to compare financial performance across entities. The new standard adopts a more structured statement of profit or loss, introducing a newly defined "operating profit" subtotal and requiring all income and expenses to be classified into three distinct new categories based on the company's main operating activities. • Management Performance Measures (MPMs): The standard newly introduces the definition of MPM and requires companies to explain, in a single note to the financial statements, why each measure provides useful information, how it is calculated, and how it is reconciled to amounts recognized under IFRS Accounting Standards. • More Disaggregated Information: The new standard includes guidance on how companies should enhance the disaggregation of information in financial statements. This includes directions on whether information should be presented in the primary financial statements or further disaggregated in the notes.	January 1, 2027 Note: The FSC announced in a press release dated September 25, 2025, that Taiwan will adopt IFRS 18 beginning with the 2028 fiscal year. Early adoption is permitted upon approval by the FSC.

As of the date the consolidated financial statements were authorized for issue, the Group continues in evaluating the impact on its financial position and financial performance from the initial adoption of the aforementioned standards or interpretations and related applicable period. The related impact will be disclosed when the Group completes its evaluation.

The Group does not expect the following IFRS Accounting Standards and Amendments, which have not yet been endorsed, will have a material impact on the accounting policies of the Group.

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

4. Summary of Material Accounting Policies

(1) Statement of Compliance

These consolidated financial statements have been prepared 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 FSC. The consolidated financial statements do not include all the disclosures required for a complete set of annual consolidated financial statements prepared in accordance with the IFRS Accounting Standards endorsed and issued into effect by the FSC.

Except as described below, the material accounting policies adopted in the preparation of these consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2025. For details, please refer to Note 4 to the 2025 consolidated financial statements.

(2) Basis for consolidation

a. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activity	Ownership % 2026.3.31	2025.12.31	2025.3.31
The Company	CASO, INC. ("CASO")	Import and sales of network appliances and computer peripherals, etc.	99%	99%	99%
The Company	CASWELL INTERNATIONAL INVESTMENT CO., LTD. -	Overseas investment	100%	100%	100%
The Company	CASWELL AMERICAS, INC. ("CAI")	Sales of network appliances	100%	100%	100%
CASWELL INTERNATIONAL INVESTMENT CO., LTD.	BEIJING CASWELL LTD. ("BCW")	Manufacturing and sales of network appliances	82%	82%	82%
The Company	APLIGO GmbH ("APLIGO")	Hub and SI Service	66.67%	66.67%	66.67%
The Company	Hawkeye Tech, Co., Ltd. ("HAWKEYE")	Design and manufacturing of telecommunications and network appliances	60.64%	60.64%	60.64%

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

(3) Income Tax

The Group measures and discloses interim income tax expense in accordance with the requirements of paragraph B12 of IAS 34, Interim Financial Reporting.

Income tax expense is measured by applying the management's best estimate of the annual effective tax rate to the net profit before tax for the interim reporting period.

Income tax expense recognized directly in equity or in other comprehensive income is measured based on the temporary differences between the carrying amounts of the related assets and liabilities for financial reporting purposes and their tax bases, using the tax rates that are expected to apply in the period when the assets are realized or the liabilities are settled.

5. Major Sources of Estimation Uncertainty, Assumptions and Significant Judgements

In the process of preparing these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, Interim Financial Reporting, as endorsed by the FSC, management is required to make judgments, assumptions, and estimates about the future (including climate-related risks and opportunities) that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the major sources of estimation uncertainty, are consistent with those disclosed in Note 5 of the consolidated financial statements for the year ended December 31, 2025.

6. Details of Significant Accounts

Except as described below, there are no significant differences in the disclosures of significant accounts in these consolidated financial statements compared to those in the consolidated financial statements for the year ended December 31, 2025. For related information, please refer to Note 6 to the consolidated financial statements for the year ended December 31, 2025.

(1) Cash and Cash Equivalents

	2026.3.31	2025.12.31	2025.3.31
Cash on hand and petty cash	$ 775	697	941
Foreign currency and demand deposits	297,366	340,872	453,615
Short-term certificate of deposit	58,489	113,819	234,832
Cash and cash equivalents at end of period in the consolidated statements of cash flows	**$ 356,630**	**455,388**	**689,388**

Refer to Note 6(17) for the details on interest rate risk and sensitivity analysis of financial assets of the Group.

(2) Notes and accounts receivable, net (including related parties)

	2026.3.31	2025.12.31	2025.3.31
Notes receivable	$ -	754	529
Accounts receivables (including related parties)	731,942	858,928	672,323
Less: Loss allowance	(7,466)	(7,491)	(6,997)
	$ 724,476	852,191	665,855

The Group adopts simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses (ECL) for all notes and accounts receivable. The lifetime ECL are recognized on a collective basis considering forward-looking information, including macroeconomic information related to the industry in which the entity operates. For the purpose of determining significant increases in credit risk and recognizing a loss allowance on a collective basis, the Group groups notes and accounts receivable on the basis of shared credit risk characteristics which align with customers' ability to meet contractual cash flows. The ECL analysis for notes and accounts receivable of the Group is as follows:

	2026.3.31		
	Carrying amount of notes and accounts receivable	Probability-weighted ECL rate	Allowance for lifetime ECL
Not Past Overdue	$ 648,020	0.09%	578
Past Due ≤ 30 Days	26,143	0.34%	89
Past Due 31-120 days	42,864	2.22%	951
Past Due 121-365 days	14,061	35.52%	4,994
Past Due ≥ 366 Days	854	100.00%	854
	$ 731,942		7,466

	2025.12.31		
	Carrying amount of notes and accounts receivable	Probability-weighted ECL rate	Allowance for lifetime ECL
Not Past Overdue	$ 774,526	0.09%	730
Past Due ≤ 30 Days	40,185	0.68%	273
Past Due 31-120 days	30,127	2.25%	679
Past Due 121-365 days	13,991	35.42%	4,956
Past Due ≥ 366 Days	853	100.00%	853
	$ 859,682		7,491

	2025.3.31		
	Carrying amount of notes and accounts receivable	Probability-weighted ECL rate	Allowance for lifetime ECL
Not Past Overdue	$ 576,922	0.10%	588
Past Due ≤ 30 Days	76,622	0.36%	277
Past Due 31-120 days	9,045	13.59%	1,229
Past Due 121-365 days	10,190	47.40%	4,830
Past Due ≥ 366 Days	73	100.00%	73
	$ 672,852		6,997

Reconciliation of loss allowance for notes and accounts receivable of the Group is as follows:

	Three-month ended March 31,	
	2026	2025
Opening balance of loss allowance	$ 7,491	6,987
New ECL provisions	-	400
Recoveries of previously written-off receivables	-	(652)
Foreign exchange differences	(25)	262
Ending balance of loss allowance	$ 7,466	6,997

Financial assets mentioned above are neither pledged as collateral for borrowings nor for financing facilities.

Please refer to 6(17) for details on the credit risk.

The Group has entered into a non-recourse accounts receivable factoring agreement with a financial institution. Under the agreement, except for commercial disputes (such as sales returns and allowances), the financial institution shall pay the Group the net amount of the factored receivables for any outstanding amounts not collected after their due date. Detailed information on accounts receivable factoring agreement at the reporting date is as follows:

2026.3.31					
Factoring institution	Total amount of receivables derecognition during the reporting period	Factoring limit	Factoring advance	Interest rate range	Collateral
China Merchants Bank	$ 5,352	-	5,275	1.425%	None

2025.12.31					
Factoring institution	**Total amount of receivables derecognition during the reporting period**	**Factoring limit**	**Factoring advance**	**Interest rate range**	**Collateral**
China Merchants Bank	$ 31,264	-	30,816	1.41%~1.50%	None
China Minsheng Bank	$ 10,130	-	10,057	0.66%~0.83%	None

2025.3.31					
Factoring institution	**Total amount of receivables derecognition during the reporting period**	**Factoring limit**	**Factoring advance**	**Interest rate range**	**Collateral**
China Merchants Bank	$ 15,767	-	15,536	1.46%~1.47%	None

(3) Inventories

	2026.3.31	**2025.12.31**	**2025.3.31**
Raw materials and spare parts	$ 1,532,069	1,344,826	1,105,373
Work-in-progress	324,102	283,885	314,079
Finished goods	868,288	754,342	686,650
	$ 2,724,459	2,383,053	2,106,102

The details of cost of sales for the three months ended March 31, 2026 and 2025 are as follows:

	Three-month ended March 31	
	2026	**2025**
Cost of goods sold (COGS) for inventory	$ 767,966	804,487
Inventory write-down loss	2,330	5,881
Others	15,950	25,253
	$ 786,246	835,621

All inventories mentioned above are neither pledged as collateral for borrowings nor for financing facilities. as of March 31, 2026 and 2025.

(4) Property, plant and equipment (PP&E)

Reconciliation of the carrying amount of the Group's PP&E by class of underlying asset is as follows:

	Land	Buildings and structures	Machinery equipment	R&D equipment	Other equipment	Total
Cost:						
Balance on January 1, 2026	$ 366,191	361,507	25,044	11,544	90,605	854,891
Additions	-	-	-	-	1,172	1,172
Disposal	-	-	(1,597)	-	(112)	(1,709)
Exchange differences	-	-	22	57	120	199
Balance, March 31, 2026	$ 366,191	361,507	23,469	11,601	91,785	854,553
Balance, January 1, 2025	$ 366,191	361,507	24,025	17,435	88,422	857,580
Additions	-	-	110	244	754	1,108
Disposal	-	-	-	(548)	(2,030)	(2,578)
Exchange differences	-	-	94	42	1,030	1,166
Balance, March 31, 2025	$ 366,191	361,507	24,229	17,173	88,176	857,276
Accumulated Depreciation:						
Balance on January 1, 2026	$ -	27,034	14,046	5,845	41,816	88,741
Current depreciation	-	2,349	1,389	430	2,940	7,108
Disposal	-	-	(1,597)	-	(112)	(1,709)
Exchange differences	-	-	27	55	97	179
Balance, March 31, 2026	$ -	29,383	13,865	6,330	44,741	94,319
Balance, January 1, 2025	$ -	17,638	10,902	10,531	33,742	72,813
Current depreciation	-	2,349	1,395	705	2,925	7,374
Disposal	-	-	-	(548)	(2,030)	(2,578)
Exchange differences	-	-	22	40	596	658
Balance, March 31, 2025	$ -	19,987	12,319	10,728	35,233	78,267
Carrying Amount, net:						
January 1, 2026	$ 366,191	334,473	10,998	5,699	48,789	766,150
March 31, 2026	$ 366,191	332,124	9,604	5,271	47,044	760,234
March 31, 2025	$ 366,191	341,520	11,910	6,445	52,943	779,009

Please refer to Note 8 for details on the Group's PP&E pledged as collateral for long-term borrowings and financing facilities as of March 31, 2026 and 2025.

(5) Right-of-use assets

Reconciliation of the carrying amount of the Group's right-of-use assets by class of underlying asset is as follows:

		Land	Buildings and structures	Machinery equipment	Transportation equipment	Total
Cost:						
Balance on January 1, 2026	$	337,533	426,842	154	9,154	773,683
Additions		-	19,987	-	852	20,839
Decrease		-	(3,594)	-	(3,248)	(6,842)
Exchange differences		-	898	-	-	898
Balance, March 31, 2026	**$**	**337,533**	**444,133**	**154**	**6,758**	**788,578**
Balance, January 1, 2025	$	337,533	423,762	141	7,373	768,809
Additions		-	14,388	-	1,213	15,601
Decrease		-	(1,712)	-	(953)	(2,665)
Exchange differences		-	2,589	8	221	2,818
Balance, March 31, 2025	**$**	**337,533**	**439,027**	**149**	**7,854**	**784,563**
Accumulated depreciation:						
Balance on January 1, 2026	$	-	87,915	40	4,301	92,256
Current depreciation		-	10,936	39	686	11,661
Decrease		-	(3,594)	-	(3,248)	(6,842)
Exchange differences		-	395	(2)	8	401
Balance, March 31, 2026	**$**	**-**	**95,652**	**77**	**1,747**	**97,476**
Balance, January 1, 2025	$	-	48,963	35	5,304	54,302
Current depreciation		-	12,345	36	490	12,871
Decrease		-	(1,712)	-	(953)	(2,665)
Exchange differences		-	1,349	4	140	1,493
Balance, March 31, 2025	**$**	**-**	**60,945**	**75**	**4,981**	**66,001**
Carrying Amount, net :						
January 1, 2026	**$**	**337,533**	**338,927**	**114**	**4,853**	**681,427**
March 31, 2026	**$**	**337,533**	**348,481**	**77**	**5,011**	**691,102**
March 31, 2025	**$**	**337,533**	**378,082**	**74**	**2,873**	**718,562**

(6) Intangible assets

		Goodwill	Computer software and other intangible assets	Total
Carrying Amount, net:				
January 1, 2026	$	332,535	7,017	339,552
March 31, 2026	$	332,396	5,994	338,390
March 31, 2025	$	331,854	6,309	338,163

The Group had no significant additions, disposals, impairments, or reversals of impairment of intangible assets during the three months ended March 31, 2026 and 2025. For the amortization amount for the reporting period, please refer to Note 12. For other related information, please refer to Note 6(6) of the consolidated financial statements for the year ended December 31, 2025.

(7) Short-term borrowings

Details of short-term borrowings are as follows:

		2026.3.31	2025.12.31	2025.3.31
Unsecured bank borrowings	$	274,239	194,012	9,247
Unused credit facility	$	2,514,491	2,545,692	2,391,580
Interest rate range		0.9323%~7.794%	0.9323%~7.794%	1.91%~8.977%

a. Issuance and repayment of borrowings

For the three months ended March 31, 2026 and 2025, the Group had significant short-term borrowings amounting to NT$200,405 thousand and NT$100,028 thousand, respectively, bearing interest rates ranging from 0.9323% to 7.794% and 1.91% to 8.977%, respectively, with maturities in August 2026 and March 2025. Repayments made during the respective periods amounted to NT$120,000 thousand and NT$250,000 thousand. Please refer to Note 6(16) for details on interest expenses.

b. Collateral for bank borrowings

The Group did not use its assets as collateral for guaranteeing any bank loans as of March 31, 2026 and 2025.

(8) Long-term borrowings

		2026.3.31	2025.12.31	2025.3.31
Secured bank borrowings	$	219,568	219,920	270,963
Less: Current portion of long-term borrowings		(11,245)	(8,762)	(1,395)
Non-current portion of long-term borrowings	$	208,323	211,158	269,568

Unused credit facility	$ -	-	-
Interest rate range	2.118%~2.175%	2.118%~2.122%	2.118%~2.122%

a. Issuance and repayment of borrowings

The Group had no significant long-term borrowings issued for the three months ended March 31, 2026 and 2025. Repayments made during the respective periods amounted to NT$352 thousand and NT$345 thousand. Please refer to Note 6(16) for details on interest expenses.

b. Collateral for bank borrowings

The Group has pledged assets as collateral for long-term bank borrowings. Please refer to 8 for details.

(9) Lease liabilities

Lease liabilities of the Group are classified as follows:

	2026.3.31	2025.12.31	2025.3.31
Current	$ 38,235	34,337	42,897
Non-current	$ 483,312	475,798	499,944

Please refer to 6(17)b Financial Instruments for details of maturity analysis.

Lease-related expenses recognized in profit or loss, including:

	Three-month ended March 31,	
	2026	2025
Interest expenses on lease liabilities	$ 2,767	2,871
Expenses relating to short-term leases	$ 2,297	859
Expenses relating to leases of low-value assets	$ 35	25

The amounts recognized in the statements of cash flows are:

	Three-month ended March 31,	
	2026	2025
Total cash outflow of lease	$ 15,042	15,587

a. Lease of buildings and structures

The Group leases buildings and structures to be used as its operating premises. Lease terms typically range from one to six years. Some leases include extension options upon expiration, for periods identical to the original lease term.

Payments for certain leases depend on changes in a local price index. Additionally, some lease contracts require the Group to pay taxes and insurance related to the leased properties on behalf of the lessor. These payments generally occur on a monthly basis.

Certain lease contracts for equipment contain options to extend or terminate the leases. These contracts are managed locally, resulting in differing terms and conditions across the Group. These options are exercisable exclusively by the Group, with no enforceable rights given to the lessors. When it is not reasonably certain that the Group will exercise extension options, lease payments associated with the option periods are not included in lease liabilities.

b. Other leases

The Group leases machinery and transportation equipment with lease terms ranging from one to five years. Some leases include purchase options at the end of the lease term. Other leases include arrangements whereby the Group provides residual value guarantees for the leased assets upon lease expiration.

In addition, the Group leases certain machinery and equipment for one to five years that qualify as short-term leases of low-value assets. For these leases, the Group has elected to apply the recognition exemption, choosing not to recognize right-of-use assets or lease liabilities.

(10) Employee benefits

The pension expenses recognized by the Group under the defined contribution plan are as follows, with a portion contributed to the Bureau of Labor Insurance or relevant local authorities.

	Three-month ended March 31,	
	2026	**2025**
Cost of sales	$ 1,123	1,368
Selling and marketing expenses	485	605
General and administrative expenses	729	717
Research and development expenses	1,661	1,938
	$ 3,998	**4,628**

(11) Income Tax

a. Income tax expense

The details of the income tax expense of the Group are as follows:

	Three-month ended March 31,	
	2026	**2025**
Current income tax expenses	$ 38,544	28,684
Deferred income tax benefit	(474)	(4,902)
Income tax expense	**$ 38,070**	**23,782**

b. Tax return filing

As of March 31, 2026, the most recent tax year assessed for the Company and its subsidiary, HAWKEYE, was 2024 and no significant adjustments were required.

(12) Capital and other equity

Except as otherwise disclosed below, there were no significant changes in the Company's capital and other equity for the three-month periods ended March 31, 2026 and 2025. For related information, please refer to Note 6(12) of the 2025 consolidated financial statements.

a. Capital surplus

The component of the Company's capital surplus consists of the following:

	2026.3.31	2025.12.31	2025.3.31
Share premium	$ 1,418,377	1,418,377	1,418,377
Treasury share transactions	22,792	22,792	22,792
Expired stock options	4,027	4,027	4,027
	$ 1,445,196	1,445,196	1,445,196

The Company may distribute its realized capital surplus, including share premium and donated capital, as stock dividends or cash after offsetting any accumulated deficits, in accordance with the "Company Act." Pursuant to the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers," the capital surplus that may be capitalized each year shall not exceed 10% of the paid-in capital.

b. Earnings distribution and reserves

In accordance with the Company's Articles of Incorporation, if there is net profit after tax for the fiscal year, it shall first be used to offset accumulated deficits. Subsequently, 10% shall be appropriated to the legal reserve in accordance with regulations, unless the accumulated legal reserve has reached the total paid-in capital of the Company, in which case further allocations are not required. The Company shall then appropriate or reverse special reserves in accordance with laws or regulatory requirements. Any remaining earnings, along with undistributed earnings at the beginning of the period, shall be proposed by the Board of Directors as an earnings distribution plan for resolution at the shareholders' meeting.

When distributing dividends and bonuses, or when distributing the legal reserve and capital surplus under Article 241, Paragraph 1 of the Company Act, if such distributions are in cash, they must be approved by at least two-thirds of the Board members present, and a majority vote of attending directors, in accordance with Article 240, Paragraph 5 of the Company Act, and subsequently reported to the shareholders' meeting.

The Company's dividends may be distributed in cash or stock. The distribution amount shall be no less than 10% of the current year's net profit after tax, and the cash dividend portion shall be no less than 10% of total dividends. Since the Company is in its growth phase, the type and ratio of dividend distributions shall be determined by the Board of Directors based on operational conditions, future capital needs, and long-term strategic planning. The Board will propose a distribution plan that balances shareholder interests, dividend policy, and capital planning, subject to approval at the shareholders' meeting.

(a) Dividend distribution

On March 4, 2026, and March 5, 2025, the Board of Directors approved the cash dividend distribution plans for fiscal years 2025 and 2024, respectively. The approved cash dividends distributed to common shareholders are as follows, and related information is available on the Market Observation Post System (MOPS).

	2025		2024	
	Dividends Per Share (NT$)	**Amount**	**Dividends Per Share (NT$)**	**Amount**
Dividends distributed to common shareholders:				
Cash	$ 2.80	205,376	2.90	212,711

c. Other components of equity (net of tax) and non-controlling interests

	Foreign currency translation reserve	FVOCI reserve for financial assets	Non-controlling interests	Total
January 1, 2026	$ (41,428)	(42,592)	128,738	44,718
Net loss attributable to non-controlling interests	-	-	(1,274)	(1,274)
Fair value changes in financial assets at FVOCI	-	(367)	(238)	(605)
Exchange differences on translation of foreign operations	4,099	-	769	4,868
March 31, 2026	$ (37,329)	(42,959)	127,995	47,707
January 1, 2025	$ (31,274)	(29,953)	159,732	98,505
Net profit attributable to non-controlling interests	-	-	2,756	2,756
Fair value changes in financial assets at FVOCI	-	(10,001)	(6,492)	(16,493)
Exchange differences on translation of foreign operations	14,223	-	766	14,989
Disposal of equity investments measured at FVOCI	-	1,875	-	1,875
March 31, 2025	$ (17,051)	(38,079)	156,762	101,632

(13) Earnings per Share

The calculation of basic and diluted earnings per share is as follows:

	Three-month ended March 31,	
	2026	2025
Basic earnings per share:		
Net profit attributable to owners of ordinary shares of the Company	$ 99,022	80,696
Weighted average number of ordinary shares outstanding (in thousands)	73,348	73,348
Basic earnings per share (NT$)	$ 1.35	1.10
Diluted earnings per share:		
Net profit attributable to owners of ordinary shares of the Company	$ 99,022	80,696
Weighted average number of ordinary shares outstanding (basic) (in thousands)	73,348	73,348
Effect of dilutive potential ordinary shares (in thousands):		
Share-based remuneration for employees	154	109
Weighted average number of ordinary shares outstanding (diluted) (in thousands)	73,502	73,457
Diluted earnings per share (NT$)	$ 1.35	1.10

(14) Revenue from contracts with customers

a. Disaggregation of Revenue from Contracts with Customers

	Three-month period ended March 31, 2026			
	Taiwan Segments	**PRC Segments**	**Others**	**Total**
Disaggregation of revenue by geographical region:				
Taiwan	$ 104,804	-	-	104,804
Asia	340,272	17,301	100,254	457,827
America	238,240	-	108,719	346,959
Europe	135,693	-	9,365	145,058
Australia	2,484	-	600	3,084
	$ 821,493	17,301	218,938	1,057,732
Disaggregation of revenue by major product lines:				
Network appliances	$ 710,970	12,631	96,476	820,077
Motherboards	18,534	5	171	18,710
Others	91,989	4,665	122,291	218,945
	$ 821,493	17,301	218,938	1,057,732

	Three-month period ended March 31, 2025			
	Taiwan Segments	**PRC Segments**	**Others**	**Total**
Disaggregation of revenue by geographical region:				
Taiwan	$ 131,466	-	-	131,466
Asia	457,272	26,309	81,557	565,138
America	229,770	-	72,006	301,776
Europe	101,525	-	6,250	107,775
Australia	1,927	-	-	1,927
Africa	-	-	815	815
	$ 921,960	**26,309**	**160,628**	**1,108,897**
Disaggregation of revenue by major product lines:				
Network appliances	$ 712,584	20,374	129,722	862,680
Motherboards	28,756	15	1,160	29,931
Others	180,620	5,920	29,746	216,286
	$ 921,960	**26,309**	**160,628**	**1,108,897**

b. Contract balance

	2026.3.31	**2025.12.31**	**2025.3.31**
Notes and accounts receivable	$ 731,942	859,682	672,852
Less: Loss allowance	(7,466)	(7,491)	(6,997)
Total	**$ 724,476**	**852,191**	**665,855**

Please refer to 6(2) for accounts receivable and ECL analysis.

(15) Employee compensation and Directors' remuneration

On May 22, 2025, the Company resolved at its shareholders' meeting to amend the Articles of Incorporation. Pursuant to the amended Articles, if the Company has profit for the year—defined as profit before tax and before deducting employee compensation and director remuneration, it shall allocate 2% to 15% of such profit as employees' compensation, of which not less than 20% of the actual amount allocated shall be distributed to non-managerial employees, and not more than 2% as directors' remuneration. Prior to the amendment, the same appropriation rates applied, except that no specific allocation to non-managerial employees was required. If the Company still has accumulated deficits, such deficits shall be offset prior to the appropriation. Employee compensation may be distributed in the form of stock or cash, and may also be allocated to qualified employees of subsidiaries. Directors' remuneration shall be distributed in cash only.

Employee compensation and directors' remuneration are estimated based on profit before tax before deduction of employee compensation and directors' remuneration, multiplied by the applicable percentages prescribed in the Articles of Incorporation, and are recognized as cost of sales or operating expenses during the respective periods. Related information is available on the Market Observation Post System (MOPS). Any difference between the actual amounts approved in the following year and the amounts previously estimated shall be accounted for as a change in accounting estimate and recognized in profit or loss in the following year.

The aforementioned estimated expenses were as follows:

		Three-month ended March 31,	
		2026	2025
Employee compensation	$	3,600	3,600
Director remuneration		1,400	1,400
	$	5,000	5,000

The actual amounts of employee compensation and directors' remuneration for 2025 and 2024 are as follows, and are consistent with the actual distribution. Related information is available on the Market Observation Post System (MOPS).

		2025	2024
Employee compensation	$	12,500	13,800
Director remuneration		4,800	5,280
	$	17,300	19,080

(16) Non-operating income and expenses

a. Interest income

Interest income consists of the following items:

		Three-month ended March 31,	
		2026	2025
Interest income from bank deposits	$	1,658	1,725
Interest income from financial assets measured at amortized cost		397	665
Others		24	8
Total interest income	$	2,079	2,398

b. Other income

Other income consists of the following items:

		Three-month ended March 31,	
		2026	2025
Non-recurring engineering, freight, and insurance income	$	6,727	-
Others		3,969	3,193
Other income	$	10,696	3,193

c. Other gains and losses

Other gains and losses consist of the following items:

	Three-month ended March 31,	
	2026	2025
Exchange differences	$ (36)	4,094
Losses on financial assets (liabilities) at FVTPL	(4,238)	(1,624)
Others	-	(10)
Other gains and losses, net	$ (4,274)	2,460

d. Finance costs

Financial costs consist of the following items:

	Three-month ended March 31,	
	2026	2025
Interest expense from bank borrowings	$ 2,404	2,153
Lease liabilities	2,767	2,871
Total financial costs	$ 5,171	5,024

(17) Financial Instruments

a. Credit risks

(a) Maximum exposure to credit risk

The carrying amount of financial assets represents the maximum credit risk exposure amount.

(b) Concentration of credit risks

The Group’s credit risk primarily arises from notes and accounts receivable derived from sales to customers. To mitigate credit risk, the Group continuously assesses the financial position of customers and, when necessary, requests guarantees or collateral. The Group continues to assess the recoverability of accounts receivable on a regular basis and recognizes an allowance for ECL accordingly. The impairment losses recognized to date have remained within management’s expectations. As of March 31, 2026, December 31, 2025, and March 31, 2025, 41.01%, 53.37%, and 49.00% of the Group’s accounts receivable were attributable to three major customers, respectively, indicating a significant concentration of credit risk.

(c) Credit risk of receivables

Please refer to Note 6(2) for credit risk exposure related to notes and accounts receivable. Notes and accounts receivable are measured at lifetime ECL under the simplified approach. The Other financial assets measured at amortized cost mainly include other receivables and long-term certificates of deposit. These financial assets are considered to have low credit risk; therefore, the loss allowance was measured based on 12-month ECL. For the Group's assessment of low credit risk, please refer to Note 4(7) of the Group's 2025 consolidated financial statements. No loss allowance was recognized for other receivables for the three-month ended March 31, 2026 and 2025.

b. Liquidity risks

The following table shows the contractual maturity of financial liabilities, including impact of estimated interest.

	Carrying amount	Total contractual cash flows	Less than 6 months	6-12 months	1-2 years	2-5 years	Over 5 years
March 31, 2026							
Non-derivative financial liabilities							
Bank borrowings	$ 493,807	537,867	284,054	7,960	17,757	47,762	180,334
Accounts payable (including related parties)	907,817	907,817	907,817	-	-	-	-
Other payables (including related parties)	321,867	321,867	321,867	-	-	-	-
Lease liabilities	521,547	540,338	26,450	22,598	470,496	20,794	-
Total	$ 2,245,038	2,307,889	1,540,188	30,558	488,253	68,556	180,334
December 31, 2025							
Non-derivative financial liabilities							
Bank borrowings	$ 413,932	459,785	194,112	15,840	17,757	47,762	184,314
Accounts payable (including related parties)	929,998	929,998	929,998	-	-	-	-
Other payables (including related parties)	140,688	140,688	140,688	-	-	-	-
Lease liabilities	510,135	529,404	22,841	21,173	29,242	456,148	-
	$ 1,994,753	2,059,875	1,287,639	37,013	46,999	503,910	184,314
March 31, 2025							
Non-derivative financial liabilities							
Bank borrowings	$ 280,210	338,335	13,147	3,565	21,270	58,325	242,028
Accounts payable (including related parties)	740,389	740,389	740,389	-	-	-	-
Other payables (including related parties)	339,564	339,564	339,564	-	-	-	-
Lease liabilities	542,841	570,475	28,241	25,249	40,042	476,943	-
Total	$ 1,903,004	1,988,763	1,121,341	28,814	61,312	535,268	242,028

The Group does not expect the timing of the cash flows included in the maturity analysis to occur significantly earlier, nor the actual cash outflows to differ significantly in amount.

c. Currency risk

(a) Exposure to currency risk

The Group is exposed to significant currency risk arising from financial assets and liabilities denominated in foreign currencies. The details as of the reporting periods are as follows:

	2026.3.31			
	Foreign currency	Exchange rate		NTD
Financial assets				
Monetary items				
USD	$ 22,937	USD/NTD=	31.995	733,869
JPY	727	JPY/NTD=	0.2005	146
Financial liabilities				
Monetary items				
USD	21,450	USD/NTD=	31.995	686,293

	2025.12.31			
	Foreign currency	Exchange rate		NTD
Financial assets				
Monetary items				
USD	$ 30,749	USD/NTD=	31.430	966,441
JPY	405	JPY/NTD=	0.2008	81
Financial liabilities				
Monetary items				
USD	22,619	USD/NTD=	31.430	710,915

	2025.3.31			
	Foreign currency	Exchange rate		NTD
Financial assets				
Monetary items				
USD	$ 23,404	USD/NTD=	33.205	777,130
JPY	415	JPY/NTD=	0.2227	92
Financial liabilities				
Monetary items				
USD	16,344	USD/NTD=	33.205	542,703

(b) Currency risk sensitivity analysis

The Group's currency risk primarily arises from cash and cash equivalents, accounts receivable, other receivables, accounts payable, and other payables denominated in foreign currencies, which may result in exchange differences upon translation. As of March 31, 2026 and 2025, if the New Taiwan Dollar had depreciated or appreciated by 10% against the US Dollar and Japanese Yen, with all other factors held constant, the net profit for the three months ended March 31, 2026 and 2025 would have increased by NT$3,818 thousand and decreased by NT$18,762 thousand, respectively. The analyses for both periods were based on the same assumptions.

(c) Exchange differences on foreign currency monetary items

Due to the variety of functional currencies used within the Group, information on exchange differences arising from monetary items is disclosed on an aggregated basis. The exchange differences on foreign currency monetary items (including both realized and unrealized amounts) amounted to NT$36 thousand (loss) and NT$4,094 thousand (gain) for the three months ended March 31, 2026 and 2025, respectively.

(d) Interest rate risk sensitivity analysis

The Group's exposure to interest rate risk on financial assets and liabilities is described in the liquidity risk section of this note.

The following sensitivity analysis is based on the Group's exposure to interest rate risk from both derivative and non-derivative financial instruments as of the reporting date. For floating rate liabilities, the analysis assumes that the amount of liability outstanding at the reporting date remained constant throughout the year. The sensitivity analysis is based on a reasonably possible change in interest rates, as estimated by management, using a rate fluctuation of ±1%, which reflects the rate used in internal reporting to key management.

Assuming a 1% increase or decrease in interest rates, with all other variables held constant, the Group' net profit for the three months ended March 31, 2026 and 2025 would have decreased by NT$3,950 thousand and increased by NT$2,242 thousand, respectively.

d. Other price risk sensitivity analysis

The Group is exposed to equity price risk arising from equity instruments measured at FVTPL and at FVOCI. A 1% increase or decrease in the fair value of these investments as of the reporting date, with all other variables held constant, would have the following impact:

Equity price at reporting date	Three-month ended March 31, 2026 OCI, net of tax	2026 Profit or loss	2025 OCI, net of tax	2025 Profit or loss
Increase by 1%	$ 511	474	591	429
Decrease by 1%	$ (511)	(474)	(591)	(429)

e. Information on fair value

(a) Categories and fair value of financial instruments

The Group measures financial assets and liabilities at FVTPL and financial assets at FVOCI on a recurring basis using fair value measurement techniques. The carrying amounts and fair values of various types of financial assets and financial liabilities (including fair value hierarchy information, but excluding those financial instruments not measured at fair value where the carrying amount is a reasonable approximation of fair value, and lease liabilities, for which fair value disclosures are not required by regulations) are presented as follows:

	2026.3.31				
	Carrying amount	Fair value Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Financial assets at FVTPL	$ 47,383	-	-	47,383	47,383
Financial assets at FVOCI					
Foreign listed equity securities	$ 3,272	3,272	-	-	3,272
Unquoted equity instruments measured at fair value	47,824	-	-	47,824	47,824
Total	$ 51,096	3,272	-	47,824	51,096
Financial assets at amortized cost					
Cash and Cash Equivalents	$ 356,630	-	-	-	-
Financial assets at amortized cost	50,017	-	-	-	-
Notes and accounts receivable, net (including related parties)	724,476	-	-	-	-
Other receivables (including related parties)	89,718	-	-	-	-
Other current assets	1,000	-	-	-	-
Refundable deposit	12,308	-	-	-	-
Total	$ 1,234,149	-	-	-	-
Financial liabilities at amortized cost					
Bank borrowings	$ 493,807	-	-	-	-
Accounts payable (including related parties)	907,817	-	-	-	-
Other payables (including related parties)	321,867	-	-	-	-
Lease liabilities	521,547	-	-	-	-
Total	$ 2,245,038	-	-	-	-

	2025.12.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Financial assets at FVTPL	$ 51,622	-	-	51,622	51,622
Financial assets at FVOCI					
Foreign listed equity securities	$ 3,878	3,878	-	-	3,878
Unquoted equity instruments measured at fair value	47,824	-	-	47,824	47,824
Total	$ 51,702	3,878	-	47,824	51,702
Financial assets at amortized cost					
Cash and Cash Equivalents	$ 455,388	-	-	-	-
Financial assets at amortized cost	69,339	-	-	-	-
Notes and accounts receivable, net (including related parties)	852,191	-	-	-	-
Other receivables (including related parties)	134,668	-	-	-	-
Other current assets	1,000	-	-	-	-
Refundable deposit	11,372	-	-	-	-
Total	$ 1,523,958	-	-	-	-
Financial liabilities at amortized cost					
Bank borrowings	$ 413,932	-	-	-	-
Accounts payable (including related parties)	929,998	-	-	-	-
Other payables (including related parties)	140,688	-	-	-	-
Lease liabilities	510,135	-	-	-	-
Total	$ 1,994,753	-	-	-	-

	2025.3.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Financial assets at FVTPL	$ 42,928	-	-	42,928	42,928
Financial assets at fair value through other comprehensive income Financial asset					
Foreign listed equity securities	$ 11,319	11,319	-	-	11,319
Unquoted equity instruments measured at fair value	47,824	-	-	47,824	47,824
Total	$ 59,143	11,319	-	47,824	59,143
Financial assets at amortized cost					
Cash and Cash Equivalents	$ 689,388	-	-	-	-

	2025.3.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at amortized cost	70,327	-	-	-	-
Notes and accounts receivable, net (including related parties)	665,855	-	-	-	-
Other receivables (including related parties)	70,074	-	-	-	-
Other current assets	1,000	-	-	-	-
Refundable deposit	10,986	-	-	-	-
Total	$ 1,507,630	-	-	-	-

	2025.3.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities at amortized cost					
Bank borrowings	$ 280,210	-	-	-	-
Accounts payable (including related parties)	740,389	-	-	-	-
Other payables (including related parties)	339,564	-	-	-	-
Lease liabilities	542,841	-	-	-	-
Total	$ 1,903,004	-	-	-	-

(b) Valuation techniques of financial instruments not measured at fair value

The Group uses the following methods and assumptions to estimate the fair value of financial instruments that are not measured at fair value:For financial assets and liabilities measured at amortized cost, if quoted prices from recent transactions or market makers are available, those prices are used as the basis for fair value measurement. If no observable market data is available, valuation techniques are applied. Such techniques typically involve estimating the present value of future cash flows using appropriate assumptions.

(c) Valuation techniques of financial instruments measured at fair value

The fair value of financial instruments is determined using valuation techniques or by reference to counterparty quotes. Fair value determined using valuation techniques may be based on the current fair value of financial instruments with similar terms and characteristics, the discounted cash flow method, or other valuation techniques, including the use of valuation models incorporating observable market data available as of the reporting date.

(d) Transfers Between Level 1 and Level 3

There were no transfers during three months ended March 31, 2026 and 2025.

(e) Quantitative information of fair value of significant unobservable inputs (Level 3)

The Group's financial assets measured at FVTPL that are categorized within Level 3 of the fair value hierarchy include private equity fund investment.

The Group's fair value measurements classified within Level 3 involve a single significant unobservable input. Quantitative information of fair value of significant unobservable inputs is listed as below:

Item	**Valuation techniques**	**Significant unobservable input value**	**Relationship between unobservable inputs and fair value**
Financial assets at FVTPL - private equity fund investment	Net asset value (NAV) method	• Net asset value	The higher the net asset value, the higher the fair value.

(f) Sensitivity analysis of reasonably possible alternative assumptions on fair value measurements in Level 3

The Group's fair value measurements for financial instruments are considered reasonable; however, the use of different valuation models or inputs may result in different fair value measurements. For financial instruments classified within Level 3, changes in valuation inputs would have the following impact on profit or loss for the reporting period:

			Impact on fair value measurement	
	Valuation inputs	**Range of inputs**	**Favorable impact**	**Unfavorable impact**
March 31, 2026				
Financial assets at FVTPL				
Investment in private equity	$ 47,383	1%	474	(474)
December 31, 2025				
Financial assets at FVTPL				
Investment in private equity	51,622	1%	516	(516)
March 31, 2025				
Financial assets at FVTPL				
Investment in private equity	42,928	1%	429	(429)

(18) Financial risk management

There were no significant changes in the Group's financial risk management objectives and policies compared to those disclosed in Note 6(18) of the consolidated financial statements for the year ended December 31, 2025.

(19) Capital management

The Group's objectives, policies, and procedures for capital management were consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2025. In addition, there were no significant changes in the quantitative disclosures of items considered as part of capital management. Please refer to 6(19) of the consolidated financial statements for the year ended December 31, 2025 for further details.

7. Related Party Transactions

(1) Names of related parties and relations

The following entities were identified as related parties with which the Group conducted transactions during the reporting period and/or had outstanding balances as of the reporting date:

Name of related party	Relationship with the Group
Hon Hai Precision Industry Co., Ltd.	Entity with significant influence over the parent
Vecow Co., Ltd.	Fellow subsidiary
Victor Plus Holdings Ltd. (Victor Plus)	Fellow subsidiary
Thecus Technology Corp.	Fellow subsidiary
Dexatek Technology Co., Ltd.	Fellow subsidiary
Ennovision Inc.	Fellow subsidiary
ARBOR Technology Corp.	Fellow subsidiary
Renown Information Technology Corp.	Fellow subsidiary
American Industrial Systems Inc.	Fellow subsidiary
FORTUNEBAY TECHNOLOGY PTE. LTD.	Fellow subsidiary
All directors, general manager and deputy general manager and other major officers in management of the Company	

(2) Transaction with Related Party

a. Revenue

The sales amounts to related parties during the reporting periods are as follows:

	Three-month ended March 31,	
	2026	**2025**
Fellow subsidiary	$ 6,279	25,756

Sales terms to related parties are generally consistent with those offered to third parties. Credit terms typically range from 60 to 100 days or are settled monthly within 30–90 days. Related parties are not required to provide collateral. No ECL allowance has been recognized after assessment.

b. Purchases (returns)

The purchase amounts from (returns to) related parties by the consolidated company are as follows:

	Three-month ended March 31,	
	2026	**2025**
Fellow subsidiary	$ (1,399)	9,661

The Group's purchase prices and payment terms from the aforementioned related parties (O/A 60–90 days or monthly settlement 30–90 days) were not materially different from those with third-party suppliers.

c. Receivables from related parties

The receivables amount from related parties are as follows:

Account name	Relationship and name of related parties	2026.3.31	2025.12.31	2025.3.31
Accounts receivable	Fellow subsidiary - AIS	$ 4,399	8,920	8,915
Accounts receivable	Fellow subsidiary	357	451	144
		$ 4,756	9,371	9,059

d. Other Related Party Transactions

Account name	Relationship and name of related parties	Three months ended March 31, 2026	2025
Cost of sales	Fellow subsidiary	$ -	32

Account name	Relationship and name of related parties	2026.3.31
Other current liabilities	Fellow subsidiary	$ 5

Account name	Relationship and name of related parties	2026.3.31	2025.12.31	2025.3.31
Other current assets	Fellow subsidiary	$ 8	8	-

e. Payables to related parties

The payables amount to related parties are as follows:

Account name	Relationship and name of related parties	2026.3.31	2025.12.31	2025.3.31
Accounts payable	Fellow subsidiary - Victor Plus	$ 1,660	249	4,848
Accounts payable	Fellow subsidiary - Vecow Co., Ltd.	6,420	14,322	5,927
Accounts payable	Fellow subsidiary - others	869	2,346	884
Other payables	Fellow subsidiary - Victor Plus	120	45	46
Other payables	Fellow subsidiary - others	-	-	33
		$ 9,069	16,962	11,738

(3) Transactions with key management personnel

a. Key management personnel compensation

Key management personnel compensation comprises the following:

	Three-month ended March 31, 2026	Three-month ended March 31, 2025
Short-term employee benefits	$ 11,997	11,400
Post-employment benefits	195	240
	$ 12,192	11,640

For the three months ended March 31, 2026 and 2025, the Group provided vehicles for use by key management personnel. The breakdown of the related costs and depreciation expenses recognized is as follows:

	2026.3.31	2025.12.31	2025.3.31
Original acquisition cost	$ 8,226	8,752	6,023

	Three-month ended March 31,	
	2026	2025
Depreciation	$ 387	215

8. Pledged Assets

The carrying amounts of assets pledged as collateral are as follows:

Asset name	As collateral for	2026.3.31	2025.12.31	2025.3.31
Other current assets (pledged time deposits)	Custom clearance guarantees	$ 1,000	1,000	1,000
Property, plant and equipment (PP&E)	Long-term borrowings	670,044	671,666	676,533
		$ 671,044	672,666	677,533

9. Significant Contingent Liabilities and Unrecognized Contract Commitments: None.

10. Significant loss from disasters: None.

11. Significant Subsequent Events

On March 4, 2026, the Company's Board of Directors approved the acquisition as part of the Company's strategy to expand Ennoconn Group's product and service portfolio in the Southeast Asia and Japan markets. On March 31, 2026, the Company entered into a share purchase agreement to acquire 70% of the ordinary shares (3,500 thousand shares) of Network Box Holdings Limited for cash consideration of HK$67,410 thousand (approximately NT$276,000 thousand). The acquisition date was April 1, 2026.

12. Others

(1) The nature of employee benefits, depreciation and amortization expenses categorized by function are as follows:

By functions / By nature	Three-month ended March 31, 2026 Cost of sales	2026 Operating expenses	2026 Total	2025 Cost of sales	2025 Operating expenses	2025 Total
Employee benefits						
Salary	22,595	64,303	86,898	24,428	75,850	100,278
Labor and health insurance	3,008	8,067	11,075	3,436	9,334	12,770
Pension	1,123	2,875	3,998	1,368	3,260	4,628
Directors' remuneration	-	4,769	4,769	-	2,576	2,576
Others	1,571	2,375	3,946	1,911	2,774	4,685
Depreciation	7,460	11,309	18,769	8,654	11,591	20,245
Amortization	4	1,018	1,022	5	1,906	1,911

(2) Seasonality of operations:

CASwell's business operations are subject to quarterly fluctuations, primarily driven by the public market performance settlement reports of major global software value-added providers. These seasonal variations are most pronounced in major regions such as the Americas and Europe, as the performance peak from the previous year's fourth quarter and the summer holiday period in Europe during the third quarter adversely affect the results from January to March each year. To mitigate the impact of these seasonal trends, the Company aims to balance supply and demand through order forecasting and inventory management.

13. Supplementary Disclosures

(1) Information on significant transactions:

In accordance with the Regulations Governing the Preparation of Financial Statements by Securities Issuers, the Group shall disclose the following information concerning significant transactions for the three months ended March 31, 2026:

a. Loans to others:

Unit: NT$ thousand/USD thousand

Number	Lender	Borrower	Account name	Related party	Maximum balance of the period	Ending balance	Actual amount drawn	Interest rate range	Nature of loan (Note 1)	Business transaction amount	Reason for short-term financing	Amount of ECL allowance	Collateral		Ceiling on loans granted to a single entity (Note 2)	Ceiling on total loan (Note 3)
													Name	Value		
0	The Company	APLIGO GMBH	Other receivables - related parties	Yes	46,393 (USD1,450)	46,393 (USD1,450)	46,393 (USD1,450)	5.65%	2	-	Working capital for operation	-	-	-	349,184	698,368

Note 1: 1. The borrower has business transactions with the lender.
2. The borrower has short-term financing necessities.

Note 2: 1. The amount of loans to a single entity shall not exceed the total amount of business transactions with the entity in the most recent year.
2. The amount of loans to a single entity shall not exceed 10% of the net worth of the Group as stated in the latest financial statements audited or reviewed by independent auditors.

Note 3: Total amount of loans shall not be more than 20% of the Group's net worth as stated in the latest financial statement audited or reviewed by independent auditors.

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

b. Endorsements/guarantees for others: None.

c. Significant marketable securities held at the end of the period (excluding investment in subsidiaries, associates and joint ventures):

Unit: NT$ thousand/thousand shares

Name of Held Company	Type of Securities	Name of Securities	Relationship with Issuer of Securities	Account name	End of Period				Remarks
					Number of Shares	Carrying amount	% of Shareholding	Fair value	
The Company	Fund beneficiary certificates	Zoyi Fund II Investment LP	-	Non-current financial assets at FVTPL	-	47,383	- %	47,383	-
The Company	Ordinary Shares	FiduciaEdge Technologies Co., Ltd.	-	Non-current financial asset at FVOCI	1,600	40,000	10.57 %	40,000	-

d. Purchases from or sales to related parties amounting to NT$100 million or over 20% of the paid-in capital or more: None.

e. Receivables from related parties amounting to NT$100 million or over 20% of paid-up capital: None.

f. Business relationships and significant intercompany transactions:

Unit: NT$ thousand

Number (Note 1)	Company name	Counterparty	Relationship with the counterparty (Note 2)	Transaction (Note 3)			
				Account name	Amount	Transaction terms	% of total revenue or assets
0	The Company	APLIGO	1	Revenue	9,096	Not significantly different.	0.86%
0	The Company	CASO	1	Revenue	50,951	Not significantly different.	4.82%
0	The Company	CAI	1	Revenue	87,603	Not significantly different.	8.28%
1	CAI	The Company	2	Revenue	12,690	Not significantly different.	1.20%
2	APLIGO	The Company	2	Revenue	7,211	Not significantly different.	0.68%
0	The Company	APLIGO	1	Accounts receivable	13,711	Not significantly different.	0.22%
0	The Company	CASO,	1	Accounts receivable	22,646	Not significantly different.	0.37%
0	The Company	CAI.	1	Accounts receivable	44,148	Not significantly different.	0.72%
0	The Company	CAI	1	Other receivables	71,341	Not significantly different.	1.16%
0	The Company	APLIGO	1	Other receivables	47,965	Not significantly different.	0.78%

Note 1: The number is filled as follows:
1. Fill in 1.0 for parent company.
2. Subsidiary are numbered in order starting from 1 by each company.

Note 2: Relationships with counterparties are listed as follows:
1. The parent company to subsidiaries.
2. Subsidiaries to the parent company.
3. Subsidiaries to subsidiaries.

Note 3: For business relationships and significant transactions between the Company and its subsidiaries, only information on financing receivables, sales and accounts receivable will be disclosed. Corresponding purchase and accounts payable will not be repeated.

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

(2) Information on investees (excluding investees in mainland China):

The information on investments for the period from January 1 to March 31, 2026:

Unit: NT$ thousand/thousand shares

Investor name	Investee name	Region	Main business activities	Initial Investment Amount		Held at the End of Period			Profit and loss of Investee for the Period	Profit (loss) on investment recognized	Remarks
				End of the Period	End of Last Year	Number of Shares	Ratio	Carrying amount (Note 1)			
The Company	CASO	Japan	Imports and sales of network machines and computer peripherals	27,062	27,062	2	99.00%	164,149	8,588	8,502	Subsidiary (Note 2)
The Company	CASWELL INTERNATIONAL INVESTMENT CO., LTD.	Samoa	Overseas investment	101,135	101,135	3,206	100.00%	94,404	(8,031)	(8,031)	Subsidiary (Note 2)
The Company	CASWELL AMERICAS, INC.	USA	Sales of network appliances	92,460	92,460	3,000	100.00%	71,406	3,312	3,312	Subsidiary (Note 2)
The Company	APLIGO GMBH	Germany	Hub and SI Service	60,275	60,275	24	66.67%	-	(12,764)	(8,576)	Subsidiary (Note 2)
The Company	Hawkeye Tech, Co., Ltd.	Taiwan	Design and manufacturing of computers and network appliances	602,041	602,041	9,097	60.64%	493,300	12,000	7,227	Subsidiary (Note 2)

Note 1: Including adjustments for foreign currency translation.

Note 2: The transactions listed on the left have been fully eliminated as preparing the consolidated financial statements.

(3) Information on investments in mainland China:

a. Information on investees in Mainland China

Unit: NT$ thousand/USD thousand

Investee in mainland China	Main business activities	Paid-in Capital	Way of Investment (Note 1)	Accumulated Amount of Investments Remitted from Taiwan at Beginning of Period (Note 2)	Amount of Investments Remitted or Repatriated for the Period (Note 2)		Accumulated Amount of Investments Remitted from Taiwan at Ending of Period (Note 2)	Profit and loss of Investee for the Period	The Company's Direct or Indirect Shareholding %	Investment Profit (Loss) Recognized for the Period (Note 3)	Carrying amount of Investments at End of Period	Accumulated amount of dividend distributions from investee
					Remitted	Repatriated						
BCW	Manufacturing and sales of network appliances	121,581 (USD3,800)	(2)	99,696 (USD3,116)	-	-	99,696 (USD3,116)	(9,796)	82%	(8,033)	102,813	-

Note 1: There are three ways of investment:

1. Direct investment in mainland China.
2. Investment in mainland China through a company in another region, this is a direct investment by subsidiary, Caswell International Investment Co., Ltd.
3. Others.

Note 2: The exchange rate at end of period is used for foreign currency translation

Note 3: Investment gains or losses are recognized based on the financial statements reviewed by the parent company's certified public accountant.

Note 4: The transactions listed on the left have been fully eliminated as preparing the consolidated financial statements.

b. Ceiling on investments in Mainland China

Unit: NT$ thousand/USD thousand

Accumulated amount of remittance from Taiwan to Mainland China at reporting date	Investment amount approved by Investment Commission of the Ministry of Economic affairs (MOEA)	Ceiling on investment in mainland China as imposed by Investment Commission of MOEA
99,696 (USD3,116)	99,696 (USD3,116)	2,095,105

Exchange rates at end of period: USD: 31.4300

Average exchange rate: USD: 31.6303

c. Significant Transactions:

Please refer to the Note 13(1) "Information on significant transactions" for direct or indirect material transactions during the three months ended March 31, 2026, between the Group and its investees in mainland China (which have been eliminated during the preparation of consolidated financial statements).

14. Segment Information

Information and adjustments of the Group's operating segments are as follows:

	Three months ended March 31, 2026				
	Taiwan Segments	PRC Segments	Others	Adjustments and elimination	Total
Revenue:					
Revenue from external customers	$ 821,493	17,301	218,938	-	1,057,732
Inter-segment revenue	148,011	-	19,920	(167,931)	-
Total revenue	$ 969,504	17,301	238,858	(167,931)	1,057,732
Profits (losses) of reportable segments	$ 111,022	(9,796)	(862)	(2,616)	97,748

	Three months ended March 31, 2025				
	Taiwan Segments	PRC Segments	Others	Adjustments and elimination	Total
Revenue:					
Revenue from external customers	$ 921,960	26,309	160,628	-	1,108,897
Inter-segment revenue	93,987	-	10,081	(104,068)	-
Total revenue	$ 1,015,947	26,309	170,709	(104,068)	1,108,897
Profits (losses) of reportable segments	$ 98,706	(12,234)	(2,344)	(676)	83,452