Stock Code: 3611

TSC Auto ID Technology Co., Ltd. and Its Subsidiaries

Consolidated Financial Statement and Auditor's Review Report

First Quarters of 2026 and 2025

Company address: 9F., No. 95, Minquan Rd., Xindian Dist., New Taipei City
Telephone: (02)2218-6789

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

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Auditor's Review Report

To the Board of Directors of TSC Auto ID Technology Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of TSC Auto ID Technology Co., Ltd. (the "Company") and its subsidiaries (collectively, the "Group") as of March 31, 2026, and 2025; the related consolidated statements of comprehensive income, changes in equity, and cash flows for the three months then ended; and the related notes to the consolidated financial statements, including material accounting policy information. 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 No.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

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

Conclusion

Based on our reviews and the reviews of other auditors (please refer to "Other Matters"), nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026, and 2025, its consolidated financial performance, and its consolidated cash flows for the three months then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting," endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matters

Among the subsidiaries included in the above consolidated financial statements, the financial statements of certain subsidiaries were reviewed by other auditors rather than by us. Accordingly, our review conclusion on the above consolidated financial statements, insofar as it relates to the amounts included in the financial statements of such companies, is based on the review reports of the other auditors. The total assets of such subsidiaries amounted to $2,656,488 thousand as of March 31, 2026, representing 20.67% of the consolidated total assets, and their net operating revenue amounted to $1,014,442 thousand for the period from January 1 to March 31, 2026, representing 36.68% of the consolidated net operating revenue.

The consolidated financial statements of the Group for the first quarter of 2025 were reviewed by other auditors, who issued a review report with a qualified conclusion and an Other Matters paragraph on May 9, 2025.

KPMG Taiwan

CPA:

Guo Yan Glun

Xiao Pei Ru

Approval document number of the competent securities authority	：	Financial-Supervisory-Securities-Corporate-1120333238 Financial-Supervisory-Securities-Corporate-1040003949

May 8, 2026

TSC Auto ID Technology Co., Ltd. and Its Subsidiaries

Consolidated Balance Sheet

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

Unit: NT$ thousand

Code	Asset	2026.3.31 Amount	%	2025.12.31 Amount	%	2025.3.31 Amount	%
	Current assets:						
1100	Cash and cash equivalents (Note 6 (1))	$ 1,433,745	11	1,543,385	12	1,521,602	12
1110	Financial assets at fair value through profit or loss – current (Note 6 (2))	-	-	376	-	-	-
1151	Notes receivable (Note 6 (4))	-	-	69	-	56	-
1170	Notes and accounts receivable, net (Notes 6 (4) and 7)	1,695,747	13	1,792,281	14	1,937,930	16
1200	Other receivables (Note 7)	65,473	1	57,800	-	77,517	1
130X	Inventory (Note 6 (5))	2,607,165	20	2,287,386	18	2,183,123	17
1410	Prepayments	231,482	2	196,057	2	151,928	1
1470	Other current assets	33,892	-	22,681	-	20,470	-
		6,067,504	47	5,900,035	46	5,892,626	47
	Non-current assets:						
1517	Financial assets measured at fair value through other comprehensive incomes – non-current (Note 6 (3))	833,112	6	823,536	7	746,928	6
1600	Property, plant and equipment (Note 6 (6))	1,621,105	13	1,583,470	13	1,503,192	12
1755	Right-of-use assets (Note 6 (7))	656,870	5	656,437	5	648,294	5
1805	Goodwill (Note 6 (8))	1,911,594	15	1,907,986	15	1,984,427	16
1822	Other intangible assets (Note 6 (9))	904,506	7	947,491	7	1,062,988	8
1840	Deferred income tax assets	779,610	6	754,450	6	661,965	5
1990	Other non-current assets (Note 6 (13))	80,171	1	76,466	1	85,953	1
		6,786,968	53	6,749,836	54	6,693,747	53
	Total assets	**$ 12,854,472**	**100**	**12,649,871**	**100**	**12,586,373**	**100**

Code	Liabilities and equity	2026.3.31 Amount	%	2025.12.31 Amount	%	2025.3.31 Amount	%
	Current liabilities:						
2100	Short-term loans (Note 6 (10))	$ 1,351,056	11	1,131,513	9	1,747,080	14
2120	Financial liabilities at fair value through profit or loss – current (Note 6 (2))	59,143	-	67,420	1	65,911	1
2170	Accounts payable (Note 7)	882,783	7	904,427	7	917,322	7
2200	Other payables	467,404	4	497,130	4	393,256	3
2230	Income tax liability during the period	114,643	1	99,058	1	106,740	1
2280	Lease liability – current (Note 6 (12))	147,327	1	140,361	1	133,366	1
2322	Long-term loans maturing within one year (Note 6 (11))	176,910	1	276,921	2	181,124	2
2399	Other current liabilities (Note 6 (17))	303,658	3	287,551	2	300,983	2
		3,502,924	28	3,404,381	27	3,845,782	31
	Non-current liabilities:						
2500	Financial liabilities at fair value through profit or loss – non-current (Note 6 (2))	-	-	-	-	28,848	-
2540	Long-term loans (Note 6 (11))	2,345,671	18	2,420,774	19	2,020,896	16
2570	Deferred income tax liabilities	812,909	6	791,342	6	759,573	6
2580	Lease liability – non-current (Note 6 (12))	557,291	4	550,879	4	549,545	4
2640	Net defined benefit liability – non-current	18,115	-	17,613	-	16,862	-
2670	Other non-current liabilities	42,430	-	70,135	1	55,541	1
		3,776,416	28	3,850,743	30	3,431,265	27
	Total liabilities	7,279,340	56	7,255,124	57	7,277,047	58
	Equity attributable to owners of the parent company: (Note 6 (15))						
3110	Ordinary share capital	475,546	4	475,546	4	474,851	3
3200	Capital surplus	756,732	6	755,141	6	738,273	6
3300	Retained earnings	4,253,200	33	4,036,199	32	3,779,081	30
3400	Other equity	83,911	1	122,039	1	238,501	2
	Total equity attributable to owners of the parent company	5,569,389	44	5,388,925	43	5,230,706	41
36XX	Non-controlling interest	5,743	-	5,822	-	78,620	1
	Total equity	5,575,132	44	5,394,747	43	5,309,326	42
	Total liabilities and equity	**$ 12,854,472**	**100**	**12,649,871**	**100**	**12,586,373**	**100**

(Please refer to the accompanying notes to the consolidated financial statements.)

Chairman: Wang Hsing Lei **Chief Executive Officer: Chen Ming-Yi** **Chief Accounting Officer: Lan Yi-Hsuan**

TSC Auto ID Technology Co., Ltd. and Its Subsidiaries

Consolidated Comprehensive Income Statement

For the three months then Ended March 31, 2026 and 2025

Unit: NT$ thousand

		January to March 2026		January to March 2025	
		Amount	**%**	**Amount**	**%**
4000	**Operating incomes** (Notes 6 (17) and 7)	$ 2,765,539	100	2,856,093	100
5000	**Operating costs** (Notes 6 (5) and 7)	1,830,469	66	2,007,387	70
	Gross profits	935,070	34	848,706	30
6000	**Operating expenses:** (Notes 6 (14) (17) and 7):				
6100	Sales & marketing expenses	347,393	13	317,017	11
6200	Administrative expenses	168,610	6	148,583	5
6300	R&D expenses	163,975	6	150,491	6
6450	Expected credit losses (Note 6 (4))	2,453	-	1,902	-
		682,431	25	617,993	22
	Operating profits	252,639	9	230,713	8
	Non-operating incomes and expenses: (Notes 6 (19) and 7):				
7100	Interest income	1,763	-	3,847	-
7190	Other incomes	4,528	-	4,986	-
7020	Other gains and losses	38,812	1	29,109	1
7050	Financial cost	(30,680)	-	(42,138)	(1)
		14,423	1	(4,196)	-
	Profits before tax	267,062	10	226,517	8
7950	**Less: income tax expense** (Note 6 (14))	49,952	2	41,179	1
	Net income for the period	217,110	8	185,338	7
8300	**Other comprehensive incomes:** (Notes 6 (14)):				
8310	**Items that are not to be reclassified to profit or loss**				
8316	Unrealized gains/losses from investments in equity instruments measured at fair value through other comprehensive incomes	9,576	-	(102,144)	(4)
8349	Income tax components that will not be reclassified	-	-	-	-
		9,576	-	(102,144)	(4)
8360	**Items that may be subsequently reclassified to profit or loss**				
8361	Exchange differences on translation of financial statements of foreign operations	(62,637)	(2)	134,415	5
8399	Income tax components that may be reclassified	14,745	(1)	(26,615)	1
		(47,892)	(1)	107,800	4
8300	**Other comprehensive income for the period**	(38,316)	(1)	5,656	-
	Total comprehensive income for the period	**$ 178,794**	**7**	**190,994**	**7**
	Net income for the period attributable to:				
8610	Owners of the parent company	$ 217,001	8	183,543	7
8620	Non-controlling interest	109	-	1,795	-
		$ 217,110	**8**	**185,338**	**7**
	Total comprehensive income attributable to:				
	Owners of the parent company	$ 178,873	7	187,860	7
	Non-controlling interest	(79)	-	3,134	-
		$ 178,794	**7**	**190,994**	**7**
	Basic earnings per share ($) (Note 6 (20))	**$**	**4.56**		**3.87**
	Diluted earnings per share ($) (Note 6 (20))	**$**	**4.53**		**3.85**

(Please refer to the accompanying notes to the consolidated financial statements.)

Chairman: Wang Hsing Lei **Chief Executive Officer: Chen Ming-Yi** **Chief Accounting Officer: Lan Yi-Hsuan**

TSC Auto ID Technology Co., Ltd. and Its Subsidiaries

Consolidated Statement of Changes in equity

For the three months then Ended March 31, 2026 and 2025

Unit: NT$ thousand

	Equity attributable to owners of the parent company											
			Retained earnings				Other equity					
	Ordinary share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translation of financial statements of foreign operations	Unrealized gain (loss) of financial assets measured at fair value through other comprehensive incomes	Total	Equity attributable to owners of the parent company	Non-controlling interest	Total equity
Balance as of January 1, 2025	$ 473,791	722,280	862,984	8,597	2,723,957	3,595,538	(15,010)	249,194	234,184	5,025,793	75,486	5,101,279
Net income for the period	-	-	-	-	183,543	183,543	-	-	-	183,543	1,795	185,338
Other comprehensive income for the period	-	-	-	-	-	-	106,461	(102,144)	4,317	4,317	1,339	5,656
Total comprehensive income for the period	-	-	-	-	183,543	183,543	106,461	(102,144)	4,317	187,860	3,134	190,994
Exercise of employee stock options	1,060	12,731	-	-	-	-	-	-	-	13,791	-	13,791
Share-based compensation – employee stock options	-	3,262	-	-	-	-	-	-	-	3,262	-	3,262
Balance as of March 31, 2025	**$ 474,851**	**738,273**	**862,984**	**8,597**	**2,907,500**	**3,779,081**	**91,451**	**147,050**	**238,501**	**5,230,706**	**78,620**	**5,309,326**
Balance as of January 1, 2026	$ 475,546	755,141	928,864	8,597	3,098,738	4,036, 199	(101,619)	223,658	122,039	5,388,925	5,822	5,394,747
Net income for the period	-	-	-	-	217,001	217,001	-	-	-	217,001	109	217,110
Other comprehensive income for the period	-	-	-	-	-	-	(47,704)	9,576	(38,128)	(38,128)	**(188)**	(38,316)
Total comprehensive income for the period	-	-	-	-	217,001	217,001	(47,704)	9,576	(38,128)	178,873	**(79)**	178,794
Share-based compensation – employee stock options	-	1,591	-	-	-	-	-	-	-	1,591	-	1,591
Balance as of March 31, 2026	**$ 475,546**	**756,732**	**928,864**	**8,597**	**3,315,739**	**4,253,200**	**(149,323)**	**233,234**	**83,911**	**5,569,389**	**5,743**	**5,575,132**

(Please refer to the accompanying notes to the consolidated financial statements.)

Chairman: Wang Hsing Lei **Chief Executive Officer: Chen Ming-Yi** **Chief Accounting Officer: Lan Yi-Hsuan**

TSC Auto ID Technology Co., Ltd. and Its Subsidiaries

Consolidated Statement of Cash Flows

For the three months then Ended March 31, 2026 and 2025

Unit: NT$ thousand

	January to March 2026	January to March 2025
Cash flows from operating activities:		
Profit before tax	$ 267,062	226,517
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	89,417	84,768
Amortization expenses	43,318	46,697
Expected credit loss recognized	2,453	1,902
Interest expense	30,680	42,138
Interest income	(1,763)	(3,847)
Shares-based payment cost	1,591	3,262
Loss (gain) on disposal and scrapping of property, plant, and equipment	284	(20)
Inventory devaluation loss	3,117	5,682
Gain on lease modification	(22)	-
Unrealized foreign exchange gains	(7,389)	(17,746)
Total incomes, gains, expenses and losses	161,686	162,836
Changes in assets and liabilities related to operating activities:		
Decrease in financial assets measured at fair value through profit or loss	376	43
Decrease (increase) in notes receivable	69	(56)
Decrease (increase) in accounts receivable	47,872	(66,504)
Increase in other receivables	(9,365)	(8,464)
Increase in inventories	(322,896)	(126,941)
Decrease (increase) in prepayments	(40,997)	36,642
Decrease (increase) in other current assets	(11,156)	8,237
Decrease in net defined benefit assets	6,929	-
Decrease (increase) in other non-current assets	(3,422)	1,033
Decrease in financial liabilities at fair value through profit or loss	-	(8,097)
Increase (decrease) in accounts payable	(21,644)	144,973
Decrease in other payables	(16,569)	(80,134)
Increase (decrease) in provisions	(975)	3,173
Increase (decrease) in other current liabilities	21,829	(17,643)
Increase in net defined benefit liability	502	1,431
Decrease in other non-current liabilities	(27,737)	(7,064)
Total net changes in assets and liabilities related to operating activities:	(377,184)	(119,371)
Total adjustments	(215,498)	43,465
Cash inflows from operating activities	51,564	269,982
Interest received	1,763	4,289
Income tax paid	(22,860)	(49,189)
Net cash flows from operating activities	30,467	225,082
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(75,779)	(39,080)
Disposal of property, plant and equipment	155	2,126
Increase in refundable deposits	(2,870)	(507)
Acquisition of intangible assets	(25,704)	(8,276)
Increase in equipment prepayments	(10,052)	(9,113)
Net cash outflows from investing activities	(114,250)	(54,850)
Cash flows from financing activities		
Increase (decrease) in short-term loans	226,932	(121,987)
Borrowing of long-term loans	-	760,396
Repayment of long-term loans	(175,082)	(1,102,085)
Decrease in deposits received	(87)	-
Repayment of lease principal	(42,879)	(15,930)
Exercise of employee stock options	-	13,791
Interest paid	(18,481)	(37,032)
Net cash outflow from financing activities	(9,597)	(502,847)
Currency impact on cash and cash equivalents	(16,260)	31,338
Decrease in cash and cash equivalents during the period	(109,640)	(301,277)
Cash and cash equivalents at the beginning of the period	1,543,385	1,822,879
Cash and cash equivalents at the end of the period	**$ 1,433,745**	**1,521,602**

(Please refer to the accompanying notes to the consolidated financial statements.)

Chairman: Wang Hsing Lei **Chief Executive Officer: Chen Ming-Yi** **Chief Accounting Officer: Lan Yi-Hsuan**

TSC Auto ID Technology Co., Ltd. and Its Subsidiaries
Notes to Consolidated Financial Statements
First Quarters of 2026 and 2025
(Unless otherwise specified, all amounts are expressed in thousands of New Taiwan Dollars)

I. Company history

TSC Auto ID Technology Co., Ltd. (hereinafter referred to as the "Company") was incorporated on March 19, 2007 with approval from the Ministry of Economic Affairs, and its registered address is 9F., No. 95, Minquan Rd., Xindian Dist., New Taipei City. The Company's shares were listed for trading on November 26, 2008 on the Taipei Exchange (hereinafter referred to as the "TPEx"). TSC Auto ID Technology Co., Ltd. and its subsidiaries ("the Group"), founded on March 19, 2007, is a global company in auto-identification systems/products manufacturing and services.

II. Dates and procedures of approving financial reports

The consolidated financial reports were published on May 8, 2026 after approval by the Board of Directors.

III. Applicability of new and amended standards and interpretations

(I) Impact of the adoption of new and amended standards and interpretations endorsed by the financial supervisory commission

The Group has applied the following newly issued and amended IFRS as endorsed by the Financial Supervisory Commission from January 1, 2026, which has not had a material impact on the consolidated financial statements.

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

(II) New and amended standards and interpretations not yet endorsed by the Financial Supervisory Commission

Standards and interpretations issued and amended by the International Accounting Standards Board but not yet endorsed by the Financial Supervisory Commission that may be relevant to the Group are as follows:

New or amended standards	Summary of amendments	IASB release and effective date
IFRS 18 "Presentation and Disclosures of Financial Statements"	The new standard introduces three categories of income and expenses, two subtotals in the statement of profit or loss, and a single note on management performance measures. These three amendments and enhancements to the guidance on how information is disaggregated in the financial statements provide a basis for more useful and consistent information for users and will affect all entities. • More structured statement of profit or loss: Under current standards, 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, introduces a newly defined subtotal of "operating profit," and requires all income and expenses to be classified into three new categories based on the entity's main business activities. • Management performance measures (MPMs): The new standard introduces a definition of management performance measures and requires companies to disclose, in a single note to the financial statements, for each measure why it provides useful information, how it is calculated, and how it is reconciled to the amounts recognized in accordance with IFRS Accounting Standards. • More disaggregated information: The new standard includes guidance on how companies enhance the grouping of information in the financial statements. This includes guidance on whether information should be presented in the primary financial statements or further disaggregated in the notes.	January 1, 2027 Note: The Financial Supervisory Commission announced in a press release dated September 25, 2025, that Taiwan will adopt International Financial Reporting Standard 18 starting from the 2028 fiscal year. If a company has a need for early adoption, it may choose to do so upon approval by the Financial Supervisory Commission.

The Group is currently in the process of evaluating the impact of the aforementioned standards and interpretations on its financial position and operating results. The relevant impacts will be disclosed upon completion of the evaluation.

The Group expects that the following other newly issued and amended standards, which have not yet been endorsed, will not have a material impact on its consolidated financial statements.

- Amendments to International Financial Reporting Standard 10 and International Accounting Standard 28: “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”
- International Financial Reporting Standard 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to International Financial Reporting Standard 19
- Amendments to International Accounting Standard 21: “Translation to a Hyperinflationary Presentation Currency”

IV. Summary of significant accounting policies

(I) Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the “Regulations”) and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. These consolidated financial statements do not include all disclosures required for a complete set of annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the “IFRS endorsed by the FSC”).

Except for the matters described below, the significant accounting policies adopted in these consolidated financial statements are the same as those applied in the 2025 consolidated financial statements. Please refer to the 2025 consolidated financial statements for related information.

Notes to the Consolidated Financial Statements of TSC Auto ID Technology Co., Ltd. and Subsidiaries (Continued)

(II) Basis of Consolidation

The subsidiaries included in these consolidated financial statements comprise:

Name of the investment company	Name of the subsidiary	Nature of the business	Shareholding percentage 2026.3.31	2025.12.31	2025.3.31	Description
The Company	TSC Auto ID Technology EMEA GmbH (TSCAE)	Sale of label printers, enterprise mobile computers and their components	100.00%	100.00%	100.00%	-
The Company	TSC Auto ID (H.K.) Ltd. (TSC HK)	Investments in various manufacturing enterprises	100.00%	100.00%	100.00%	-
The Company	TSC Auto Technology America Inc. (TSCAA)	Sale of label printers, enterprise mobile computers and their components	100.00%	100.00%	100.00%	-
The Company	Diversified Labeling Solutions, Inc. (DLS)	Printer consumables and customized design, integration, production and marketable of a variety of labels	100.00%	100.00%	100.00%	-
The Company	TSC Auto ID Technology India Private Limited (TSCIN)	Leasing of assets	100.00%	100.00%	100.00%	-
The Company	Mosfortico Investments sp. z o.o. (TSCPL)	General investment	-	100.00%	100.00%	Note 1
The Company	MGN sp. z o.o. (MGN)	Printer consumables and customized design, integration, production and marketable of a variety of labels	100.00%	- %	- %	Note 1
The Company	Bluebird Inc. (BB)	Manufacturing and sales of enterprise mobile computers and components	99.85%	99.85%	96.54%	Note 2
The Company and BB	Bluebird Latin America S. de R.L. de CV (BBMX)	Manufacturing and sales of enterprise mobile computers and components	100.00%	100.00%	100.00%	Note 2
TSCAE	TSC Auto ID Technology ME, Ltd. FZE (TSCAD)	Sale of label printers and their components	100.00%	100.00%	100.00%	-
TSCAE	TSC Auto ID Technology Spain, S.L. (TSCAS)	Leasing of assets	100.00%	100.00%	100.00%	-
TSC HK	Tianjin TSC Auto ID Technology Co., Ltd. (Tianjin TSC Auto ID Technology)	Manufacture and sale of label printers and their components	100.00%	100.00%	100.00%	-
DLS	Precision Press & Label, Inc. (PPL)	Trading of a variety of labels and printer consumables	100.00%	100.00%	100.00%	-

Name of the investment company	Name of the subsidiary	Nature of the business	Shareholding percentage			Description
			2026.3.31	2025.12.31	2025.3.31	
TSCPL	MGN	Printer consumables and customized design, integration, production and marketable of a variety of labels	-	100.00%	100.00%	Note 1
BB	Bluebird USA Inc. (BBUS)	Collection of payments on behalf	100.00%	100.00%	100.00%	Note 2
BB	Bluebird India R&D Center Private Ltd. (BBIN)	R&D and design of enterprise mobile computers; technical services	99.00%	99.00%	99.00%	Note 2
BB	Bluebird Germany GmbH (BBDE)	Marketing support services	100.00%	100.00%	100.00%	Note 2
BB	Bluebird Europe SL(BBES)	Established due to bidding requirements	100.00%	100.00%	100.00%	Note 2
BB	Bluebird Japan Co., Ltd. (BBJP)	Manufacturing and sales of enterprise mobile computers and components	100.00%	100.00%	- %	-

Note 1: MGN acquired all shares of TSCPL through a reverse acquisition for $8,754 thousand. Upon completion of the acquisition, MGN became a wholly owned subsidiary of the Company. The transaction was registered with and became effective upon approval by the Polish court on February 27, 2026.

Note 2: As of March 31, 2025, it was a non-significant subsidiary, and its financial statements had not been reviewed by auditors.

(III) Employee benefit

The pension cost of defined benefit plans for the interim period is calculated on a year-to-date basis using the actuarially determined pension cost rate as of the end of the previous reporting year and is adjusted for significant market fluctuations, curtailments, settlements, or other significant non-recurring events occurring subsequent to that reporting date.

(IV) Income taxes

The Group measures and discloses income tax expense for interim periods in accordance with paragraph B12 of IAS 34 “Financial Reporting.”

Income tax expense is measured by multiplying profit before tax for the interim reporting period by management’s best estimate of the expected effective tax rate for the full year, and is recognized entirely as current income tax expense.

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 expected to apply upon realization or settlement.

(V) Organizational restructuring

Pursuant to the IFRS Q&A “Accounting treatment for business combinations under common control” issued by the Accounting Research and Development Foundation of the Republic of China on October 26, 2018, since IFRS 3, Business Combinations, does not explicitly prescribe the accounting treatment for business combinations under common control, the accounting treatment for intra-group organizational restructuring shall continue to apply the requirements of the relevant interpretation letters issued in Taiwan, and the carrying amount method shall be adopted.

V. Critical accounting judgements, estimates and key sources of assumption uncertainty

When preparing these consolidated financial statements in accordance with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC, management is required to make judgments and estimates about the future, including climate-related risks and opportunities, which affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from those estimates.

In preparing the consolidated financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty are consistent with those applied in the 2025 consolidated financial statements.

VI. Details of significant accounts

(I) Cash and cash equivalents

	2026.3.31	2025.12.31	2025.3.31
Vault cash and petty cash	$ 42	14	98
Checking accounts and demand deposits	1,433,703	1,543,371	1,421,504
Fixed-term deposits	-	-	100,000
	$ 1,433,745	**1,543,385**	**1,521,602**

For disclosures regarding the Group’s interest rate risk and sensitivity analysis of financial assets and liabilities, please refer to Note 6 (21).

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

1. The details are as follows:

	2026.3.31	2025.12.31	2025.3.31
Current:			
Financial assets mandatorily measured at fair value through profit or loss			
Currency forwards	**$ -**	**376**	**-**
Financial liabilities mandatorily measured at fair value through profit or loss			
Currency forwards	$ -	-	1,561
Contingent consideration	59,143	67,420	64,350
	$ 59,143	**67,420**	**65,911**
Non-current:			
Financial liabilities mandatorily measured at fair value through profit or loss			
Contingent consideration	**$ -**	**-**	**28,848**

On June 12, 2023, the Group acquired 100% of the equity interests in MGN and deposited EUR 1,292 thousand into a third-party escrow account as the final payment, to ensure that both parties had fulfilled their obligations under the acquisition agreement. As of December 31, 2024, the amount was presented under other current assets. The escrow account was settled on January 7, 2025.

The Group has disclosed information on credit, currency and interest rate exposures related to financial instruments in Note 6 (21).

2. The Group enters into derivative financial instrument transactions to hedge against foreign exchange risk arising from operating activities. As of December 31 and March 31, 2025, details of derivative instruments that were not designated for hedge accounting and were therefore classified as financial assets mandatorily measured at fair value through profit or loss and financial liabilities held for trading are as follows:

Forward exchange contracts

	2025.12.31		
	Notional amount	**Currency**	**Maturity**
Short forwards	EUR 3,000/NTD 110,950	Euro to NTD	2026.03.27

	2025.3.31		
	Notional amount	**Currency**	**Maturity**
Short forwards	EUR 1,000/NTD 34,331	Euro to NTD	2025.4.22

(III) Financial assets measured at fair value through other comprehensive incomes

	2026.3.31	**2025.12.31**	**2025.3.31**
Equity instrument measured at fair value through other comprehensive income			
Domestic TPEx-listed stocks	$ 833,112	823,536	746,928

The Group holds these equity instrument investments for long-term strategic purposes and not for trading; accordingly, they have been designated as measured at fair value through other comprehensive income.

(IV) Notes and accounts receivable

	2026.3.31	**2025.12.31**	**2025.3.31**
Notes receivable	$ -	69	56
Accounts receivable	1,770,244	1,865,747	2,000,330
Less: allowance for losses	74,497	73,466	62,400
	$ 1,695,747	1,792,350	1,937,986

The Group applies the simplified approach to all notes receivable and accounts receivable in estimating expected credit losses, i.e. measuring loss allowance based on lifetime expected credit losses. For this purpose, such notes receivable and accounts receivable are grouped based on shared credit risk characteristics that represent the customers' ability to pay all amounts due in accordance with the contractual terms, and forward-looking information has been incorporated. The analysis of expected credit losses on the Group's notes receivable and accounts receivable is as follows:

	2026.3.3l		
	Carrying amount of accounts receivable	**Weighted-average expected credit loss rate**	**Loss allowance for lifetime expected credit losses**
Not overdue	$ 1,334,252	1.28%	17,115
Past due within 1–90 days	353,041	1.00%	3,530
Past due 91–180 days	10,930	3.00%	328
Past due 181–270 days	13,336	5.00%	667
Past due 271–365 days	6,476	10.00%	648
Past due 365 and above	52,209	100.00%	52,209
	$ 1,770,244		**74,497**

	2025.12.31		
	Carrying amount of accounts receivable	**Weighted-average expected credit loss rate**	**Loss allowance for lifetime expected credit losses**
Not overdue	$ 1,455,391	1.08%	15,731
Past due within 1–90 days	285,678	1.00%	2,857
Past due 91–180 days	55,736	3.00%	1,672
Past due 181–270 days	15,427	5.00%	771
Past due 271–365 days	1,277	10.00%	128
Past due 365 and above	52,307	100.00%	52,307
	$ 1,865,816		**73,466**

	2025.3.31		
	Carrying amount of accounts receivable	**Weighted-average expected credit loss rate**	**Loss allowance for lifetime expected credit losses**
Not overdue	$ 1,543,771	1.01%	15,566
Past due within 1–90 days	277,125	1.00%	2,771
Past due 91–180 days	115,608	3.00%	3,468
Past due 181–270 days	12,865	5.00%	643
Past due 271–365 days	12,294	10.00%	1,229
Past due 365 and above	38,723	100.00%	38,723
	$ 2,000,386		**62,400**

The movement in the loss allowance for the Group's notes receivable and accounts receivable is as follows:

	January to March 2026	January to March 2025
Balance at the beginning of the period	$ 73,466	58,633
Impairment loss	2,453	1,902
Effect of exchange rate changes	(1,422)	1,865
Balance at the end of the period	$ 74,497	62,400

As of March 31, 2026, December 31, 2025 and March 31, 2025, none of the Group's notes receivable or accounts receivable had been discounted or pledged as collateral.

(V) Inventory

	2026.3.31	2025.12.31	2025.3.31
Finished goods	$ 921,984	771,403	786,195
Semi-finished goods	678,396	694,963	521,078
Work in process	64,878	29,785	73,093
Raw materials	941,907	791,235	802,757
	$ 2,607,165	2,287,386	2,183,123

Details of cost of goods sold are as follows:

	January to March 2026	January to March 2025
Cost of goods sold	$ 1,827,352	2,001,705
Inventory devaluation loss	3,117	5,682
Total	$ 1,830,469	2,007,387

As of March 31, 2026, December 31, 2025 and March 31, 2025, none of the Group's inventories had been pledged as collateral.

(VI) Property, plant and equipment

	Land	Buildings and structures	Machinery and equipment	Other equipment	Construction in progress	Total
Carrying amount:						
January 1, 2026	$ 231,075	348,032	810,425	141,595	52,343	1,583,470
March 31, 2026	$ 230,939	344,293	795,520	143,063	107,290	1,621,105
January 1, 2025	$ 230,580	299,382	734,223	101,506	76,700	1,442,391
March 31, 2025	$ 230,978	302,573	763,380	106,276	99,985	1,503,192

The Group did not have any significant additions, disposals, or impairment losses recognized or reversed for property, plant and equipment during the periods from January 1 to March 31, 2026 and 2025. For the depreciation expense for the period, please refer to Note 12. For other related information, please refer to the 2025 consolidated financial statements.

For details of assets pledged as collateral for long-term borrowings as of March 31, 2026, December 31, 2025 and March 31, 2025, please refer to Note 8.

(VII) Right-of-use assets.

	Buildings and structures	Transportation equipment	Machinery and equipment	Total
Carrying amount:				
January 1, 2026	$ 630,017	11,838	14,582	656,437
March 31, 2026	$ 628,369	14,868	13,633	656,870
January 1, 2025	$ 651,955	10,648	16,038	678,641
March 31, 2025	$ 621,558	10,235	16,501	648,294

The Group's right-of-use assets recognized for leases of land, buildings and structures, machinery and equipment, and transportation equipment did not have any significant additions or impairment losses recognized or reversed during the periods from January 1 to March 31, 2026 and 2025. Please refer to the 2025 consolidated financial statements for other related information.

(VIII) Goodwill

	2026.3.31	2025.12.31	2025.3.31
Cost			
Balance at the beginning of the period	$ 1,907,986	1,945,645	1,945,645
Effect of exchange rate fluctuations	3,608	(37,659)	38,782
Balance at the end of the period	$ 1,911,594	1,907,986	1,984,427

Distribution of carrying amount of goodwill to the following cash generating units:

	2026.3.31	2025.12.31	2025.3.31
Printer business group	$ 896,532	880,700	930,438
Label business - DLS	205,811	202,177	213,595
Label business - MGN	218,747	223,997	219,986
Mobile devices business – brand, Bluebird	590,504	601,112	620,408
Total	$ 1,911,594	1,907,986	1,984,427

(IX) Other intangible assets

	Customer relations	Software	Trademarks	Knowhow & technology	Patents	Others	Total
Carrying amount:							
January 1, 2026	$ 662,796	81,964	79,619	52,929	5	70,178	947,491
March 31, 2026	$ 628,108	93,208	71,532	46,464	-	65,194	904,506
January 1, 2025	$ 722,902	96,864	102,168	81,934	80	69,059	1,073,007
March 31, 2025	$ 728,829	91,565	98,289	75,935	61	68,309	1,062,988

The Group did not have any significant additions, disposals, or impairment losses recognized or reversed for intangible assets during the periods from January 1 to March 31, 2026 and 2025. For the amortization expense for the period, please refer to Note 12. For other related information, please refer to the 2025 consolidated financial statements.

(X) Short-term loans

	2026.3.31	2025.12.31	2025.3.31
Unsecured bank borrowings	$ 1,345,332	1,118,941	1,740,946
Secured bank borrowings	5,724	12,572	6,134
	$ 1,351,056	**1,131,513**	**1,747,080**
Unutilized facilities	**$ 2,240,030**	**2,252,508**	**1,871,012**
Interest rate range	**1.79%~4.36%**	**1.79%~4.70%**	**1.77%~5.12%**

(XI) Long-term loans

	2026.3.31		
	Interest rate range (%)	**Maturity year**	**Amount**
Unsecured bank borrowings	1.840%~1.870%	2028.06.19	$ 1,425,000
Secured bank borrowings (Note 1 and Note 2)	2.378%~3.826%	2029.11.14	1,103,361
Subtotal			2,528,361
Less: portion due within one year			(176,910)
Less: unamortized balance			(5,780)
Total			**$ 2,345,671**
Unutilized facilities			**$ 300,000**

	2025.12.31		
	Interest rate range (%)	**Maturity year**	**Amount**
Unsecured bank borrowings	1.79%~1.85%	2028.06.19	$ 1,600,000
Secured bank borrowings (Note 1 and Note 2)	2.38%~3.87%	2029.11.14	1,103,869
Subtotal			2,703,869
Less: portion due within one year			(276,921)
Less: unamortized balance			(6,174)
Total			**$ 2,420,774**
Unutilized facilities			**$ 300,000**

	2025.3.31		
	Interest rate range (%)	**Maturity year**	**Amount**
Unsecured bank borrowings	1.83%~1.93%	2028.03.14	$ 1,100,000
Secured bank borrowings (Note 1 and Note 2)	2.38%~4.42%	2029.11.14	1,109,421
Subtotal			2,209,421
Less: portion due within one year			(181,124)
Less: unamortized balance			(7,401)
Total			**$ 2,020,896**
Unutilized facilities			**$ 300,000**

During the periods from January 1 to March 31, 2026 and 2025, the Group had no significant issuance, repurchase or repayment of long-term borrowings. Please refer to the 2025 consolidated financial statements for other relevant information. For information on the Group's exposure to interest rate, foreign currency, and liquidity risks, please refer to Note 6 (21).

Note 1: The Company pledged the equity interest in BB acquired through the acquisition as collateral for the borrowing. This borrowing was used to finance the cash consideration required to be paid for the acquisition of BB and related expenses.

Note 2: For details of assets pledged by the Group as collateral for bank borrowings, please refer to Note 8.

(XII) Lease liabilities

The carrying amounts of the Group's lease liabilities are as follows:

	2026.3.31	2025.12.31	2025.3.31
Current	$ 147,327	140,361	133,366
Non-current	$ 557,291	550,879	549,545

For the maturity analysis, please refer to Note 6 (21) Financial Instruments.

Amounts recognized in profit or loss in respect of leases are as follows:

	January to March 2026	January to March 2025
Interest expense on lease liabilities	$ 10,266	13,035
Income from sublease of right-of-use assets	$ 616	2,733
Expense relating to short-term leases	$ 1,080	655
Expense relating to leases of low-value assets	$ 3,285	3,317

Amounts recognized in the statement of cash flows in respect of leases are as follows:

	January to March 2026	January to March 2025
Total cash outflow for leases	$ 57,510	32,937

The consolidated company leases buildings, transportation equipment and machinery equipment for offices, plants, company vehicles and daily operations, with lease periods of 1 to 11 years. For the offices and warehouses in the United States, it is agreed that the lease payment will be increased by 2.5% to 10.8% per year; in addition, the lease payment of the office in India will be adjusted by 4–5% per year.

(XIII) Employee benefit

1. Defined benefits

   As no significant market fluctuations, material curtailments, settlements, or other significant one-off events occurred after the end of the previous financial year, the Company measures and discloses pension costs for the interim periods using the pension costs actuarially determined as of December 31, 2025 and 2023.

   Details of amounts recognized as expenses by the Group are as follows:

		January to March 2026	January to March 2025
Operating costs	$	28	28
Sales & marketing expenses		4	4
Administrative expenses		22	22
R&D expenses		21	22
Total	**$**	**75**	**76**

2. Defined contribution plans

   The Company's pension expenses under the defined contribution plan amounted to NT$3,419 thousand and NT$3,310 thousand for the three months ended 2026 and 2025, respectively, which have been contributed to the Bureau of Labor Insurance.

3. Overseas subsidiaries adopt retirement plans in accordance with applicable local laws. Pension expenses recognized for the three months ended 2026 and 2025 amounted to NT$22,010 thousand and NT$18,247 thousand, respectively.

4. A portion of BB's employee pensions relates to a defined benefit plan. As of March 31, 2026, December 31, 2025, and March 31, 2024, the net defined benefit asset amounted to NT$5,781 thousand, NT$12,710 thousand and NT$5,753 thousand, respectively, and was presented under other non-current assets.

(XIV) Income taxes

Details of the Group's income tax expense are as follows:

		January to March 2026	January to March 2025
Current income tax expense			
Incurred during the period	$	39,550	65,582
Adjustments to current income tax of prior periods		-	(426)
		39,550	65,156
Deferred income tax expense (gain)			
Origination of temporary differences		10,402	(16,205)
Adjustments for prior years		-	(7,772)
		10,402	(23,977)
	$	**49,952**	**41,179**

The Group had no income tax expense recognized directly in equity.

Details of the income tax (expense) benefit recognized by the Group in other comprehensive income:

		January to March 2026	January to March 2025
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of financial statements of foreign operations	**$**	**14,745**	**(26,615)**

The business income tax filings from the Company as profit-seeking enterprises up to 2024 have been assessed by the tax authorities.

(XV) Capital and other equity

Except as described below, there were no significant changes in the Group's capital and other equity during the periods from January 1 to March 31, 2026 and 2025. Please refer to the 2025 consolidated financial statements for relevant information.

1. Share capital

As of March 31, 2026, December 31 2025, and March 31 2025, the authorized share capital was NT$800,000 thousand (of which NT$80,000 thousand was reserved for employee stock options). The paid-in capital amounted to NT$475,546 thousand, NT$475,546 thousand and NT$474,851 thousand, respectively.

As of March 31, 2026, December 31, 2025, and March 31, 2025, a total of 0 thousand shares, 0 thousand shares, and 106 thousand shares, respectively, of the Company's issued share capital had not yet been registered for change with the New Taipei City Government.

2. Capital surplus

	2026.3.31	2025.12.31	2025.3.31
Stock issuance premium	$ 522,841	522,841	514,105
Difference between the consideration received or paid and the carrying amount arising from the actual disposal or acquisition of equity interests in subsidiaries	-	-	1,984
Expired share options	123,244	123,244	123,244
Exercised employee stock options	68,592	68,592	68,591
Employee stock options	42,055	40,464	30,349
	$ 756,732	**755,141**	**738,273**

3. Retained earnings

In accordance with the Company's Articles of Incorporation, if there is profit in the annual final accounts, the Company shall first pay taxes, offset prior years' losses, and then appropriate 10% as legal reserve; however, this requirement shall not apply once the legal reserve has reached the amount of the Company's paid-in capital. In addition, a special reserve shall be appropriated as required by the Company's operational needs and applicable laws and regulations. Any remaining earnings, together with the unappropriated retained earnings at the beginning of the period, shall be proposed by the Board of Directors for distribution and submitted to the shareholders' meeting for approval.

The Company is in a growth stage within its industry and expects to have plans for production line expansion and corresponding funding needs over the next several years. Accordingly, it adopts a residual dividend policy. Earnings are first retained to finance the required funds, and only the remaining earnings are distributed in the form of cash dividends. However, the total annual dividends distributed shall not be less than 10% of distributable earnings, of which cash dividends shall not be less than 10% of the total dividends declared for the year. Notwithstanding the foregoing, if the cash dividend per share is less than NT$0.2, no cash dividend shall be distributed and stock dividends shall be issued instead.

(1) Legal reserve

When the Company has no accumulated losses, it may, upon resolution of the shareholders' meeting, distribute the legal reserve in the form of new shares or cash; provided that such distribution is limited to the portion of the reserve exceeding 25% of the Company's paid-in capital.

(2) Special reserve

In accordance with the regulations of the securities authority, when distributing earnings, the Company shall appropriate a special reserve equal to the amount of any deductions from shareholders' equity recognized in the current year from distributable earnings, which shall not be distributed. When such deductions from shareholders' equity are subsequently reversed, the reversed portion may be available for distribution.

(3) Earnings distribution

The Company's earnings distribution proposals for 2025 and 2024 were proposed by the Board of Directors on March 13, 2026 and resolved by the shareholders' meeting on June 17, 2025, respectively. The amounts of dividends distributed to owners are as follows:

	2025		2024	
	Payout ratio (NT$)	**Amount**	**Payout ratio (NT$)**	**Amount**
Dividends distributed to owners of common shares:				
Cash	10.00	$ 475,546	9.98	474,481

4. Other equity

	Exchange differences on translation of financial statements of foreign operations	Unrealized gain (loss) of financial assets measured at fair value through other comprehensive incomes	Total
Balance on January 1, 2026	$ (101,619)	223,658	122,039
Exchange differences arising from the translation of the net assets of foreign operations	(47,704)	-	(47,704)
Unrealized gain of financial assets measured at fair value through other comprehensive incomes	-	9,576	9,576
Balance on March 31, 2026	**$ (149,323)**	**233,234**	**83,911**
Balance on January 1, 2025	$ (15,010)	249,194	234,184
Exchange differences arising from the translation of the net assets of foreign operations	106,461	-	106,461
Unrealized loss of financial assets measured at fair value through other comprehensive incomes	-	(102,144)	(102,144)
Balance on March 31, 2025	**$ 91,451**	**147,050**	**238,501**

(XVI) Share-based payment

There were no significant changes in the Group’s share-based payments during the periods from January 1 to March 31, 2026 and 2025. Please refer to the 2025 consolidated financial statements for relevant information.

(XVII) Revenue from contracts with customers

1. Disaggregation of revenue

		January to March 2026	January to March 2025
Main markets:			
Asia and other regions	$	534,223	749,474
China		201,986	224,883
Americas		1,094,778	1,081,482
Europe		934,552	800,254
	$	2,765,539	2,856,093
Key products			
Label printers and components	$	1,097,573	1,146,529
Labels and printer consumables		1,014,442	937,526
Enterprise mobile computers		653,524	772,038
	$	2,765,539	2,856,093

2. Contract balances

		2026.3.31	2025.12.31	2025.3.31
Notes and accounts receivable	$	1,770,244	1,865,816	2,000,386
Less: allowance for losses		(74,497)	(73,466)	(62,400)
Total	$	1,695,747	1,792,350	1,937,986

For disclosures of notes receivable, accounts receivable, and related impairment, please refer to Note 6(4).

According to the consolidated company's agreement with distributors, if the purchase of certain models by distributors reaches the contracted volume, the consolidated company will provide incentives at a percentage of the procurement value or retrospective unit price reductions for certain models. Based on past experience and considering various agreement terms and conditions, the Group estimates the possible amount of rewards and incentives and recognizes refund liabilities (as other current liabilities) accordingly. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group estimates the refund liabilities to be NT$73,423 thousand, NT$88,540 thousand and NT$100,350 thousand, respectively.

(XVIII) Employee and director remuneration:

In accordance with the Company’s Articles of Incorporation as amended on June 17, 2025, if the Company records a profit for the year, it shall appropriate 2% to 10% thereof as employee remuneration, of which at least 1% shall be distributed to rank-and-file employees. The Board of Directors may decide to distribute employee remuneration in shares or in cash. Remuneration can be distributed to employees of controlled or subordinate companies that meet certain criteria, and the Board of Directors is authorized to determine these criteria. The Company may, by resolution of the Board of Directors, appropriate no more than 5% of the aforementioned profit as directors’ remuneration. The proposal for distribution of employees’ remuneration and directors’ remuneration should be reported to the shareholders’ meeting. In case of accumulated losses, profits should be used to offset the losses before distributing the aforesaid percentage as employees’ remuneration and directors’ remuneration.

Under the Company’s Articles of Incorporation prior to amendment, in case of profits during the year, the Company shall allocate at least 2% but no more than 10% of the profits as employees’ remuneration. The employees’ remuneration is issued in cash or wish shares according to the decision by the Board of Directors. Eligible employees include the employees working for controlled or subordinated companies and meeting certain criteria defined by the Board of Directors. The Company may allocate up to 5% of the abovementioned profits as directors’ remunerations according to the decision by the Board of Directors. The proposal for distribution of employees’ remuneration and directors’ remuneration should be reported to the shareholders’ meeting. However, profits must first be retained to offset cumulated losses, if any. The remaining balance can then be allocated for employee remuneration and director remuneration at the above percentages.

For the three months ended 2026 and 2025, the Company recognized employee remuneration of NT$14,707 thousand and NT$11,246 thousand, respectively, and directors’ remuneration of NT$7,353 thousand and NT$5,623 thousand, respectively. These amounts were estimated based on the Company’s profit before tax for the periods, prior to deduction of employees’ and directors’ remuneration, multiplied by the distribution percentages stipulated in the Company’s Articles of Incorporation. The amounts were recognized as cost of sales or operating expenses for the periods. If the actual amounts distributed in the subsequent year differ from the accrued amounts, such differences shall be accounted for as changes in accounting estimates and recognized in profit or loss in the subsequent year.

There was no difference between the amounts of employees' remuneration and directors' remuneration accrued and the amounts actually distributed by the Company for 2025 and 2024. The distributions of employees' remuneration and directors' remuneration were resolved by the Board of Directors on March 13, 2026 and March 14, 2025, respectively. Related information is available on the Market Observation Post System.

(XIX) Non-operating income and expenses

1. Interest income

	January to March 2026	January to March 2025
Interest income from bank deposits	$ 1,763	3,847

2. Other incomes

	January to March 2026	January to March 2025
Lease income	$ 616	2,733
Others	3,912	2,253
	$ 4,528	4,986

3. Other gains and losses

	January to March 2026	January to March 2025
Gain (loss) on disposal and scrapping of property, plant, and equipment	$ (284)	20
Gain on lease modification	22	-
Gains on foreign currency exchange	39,565	31,987
Gain (loss) from financial instruments measured at fair value through profit or loss	864	(1,831)
Others	(1,355)	(1,067)
	$ 38,812	29,109

4. Financial cost

	January to March 2026	January to March 2025
Interest expense	$ (20,414)	(29,103)
Lease liability interests	(10,266)	(13,035)
	$ (30,680)	(42,138)

(XX) Earnings per share

1. Basic earnings per share

	January to March 2026	January to March 2025
Net income attributable to holders of common shares of the Company	$ **217,001**	**183,543**
Weighted average outstanding common shares (thousand shares)	**47,555**	**47,420**
Basic EPS (NT$)	$ **4.56**	**3.87**

2. Diluted earnings per share

	January to March 2026	January to March 2025
Net profit for the period used in the calculation of diluted earnings per share	$ **217,001**	**183,543**

	January to March 2026	January to March 2025
Weighted average outstanding common shares (thousand shares)	47,555	47,420
Effects of dilutive potential ordinary shares		
Employee stock options	-	74
Impact of employee share-based remuneration	343	227
Weighted average number of common shares outstanding (after adjustment for the effects of dilutive potential common shares)	**47,898**	**47,721**
Diluted earnings per share (NT$)	$ **4.53**	**3.85**

(XXI) Financial instruments

1. Credit risks

(1) Maximum exposure to credit risk

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

(2) Concentration of credit risk

The Group did not have significant concentration of transactions with any single customer, and no sales revenue from any single customer accounted for 10% of operating revenue. The Group regularly and continuously assesses customers’ financial condition and the collectability of its accounts receivable, and recognizes an appropriate loss allowance.

(3) Credit risk of receivables and debt securities

For information on credit risk exposure relating to notes and accounts receivable, please refer to Note 6 (4).

2. Liquidity risk

The contractual maturities of financial liabilities are presented below, including estimated interest but excluding the effects of netting arrangements.

	Carrying amount	Contractual cash flows	1 year	1-2 years	2-5 years	Over 5 years
March 31, 2026						
Non-derivative financial liabilities						
Short-term loans	$ 1,351,056	1,353,524	1,353,524	-	-	-
Accounts payable	909,283	909,283	909,283	-	-	-
Other payables	467,404	467,404	467,404	-	-	-
Long-term borrowings (including those due within one year)	2,522,581	2,666,621	228,471	894,998	1,543,152	-
Lease liabilities	704,618	804,619	196,076	211,874	396,669	-
	$ 5,954,942	**6,201,451**	**3,154,758**	**1,106,872**	**1,939,821**	**-**
December 31, 2025						
Non-derivative financial liabilities						
Short-term loans	$ 1,131,513	1,134,394	1,134,394	-	-	-
Accounts payable	904,427	904,427	904,427	-	-	-
Other payables	497,130	497,130	497,130	-	-	-
Long-term borrowings (including those due within one year)	2,697,695	2,868,360	342,223	623,015	781,547	1,121,575
Lease liabilities	691,240	762,829	163,227	188,743	348,876	61,983
	$ 5,922,005	**6,167,140**	**3,041,401**	**811,758**	**1,130,423**	**1,183,558**
March 31, 2025						
Non-derivative financial liabilities						
Short-term loans	$ 1,747,080	1,756,700	1,756,700	-	-	-
Accounts payable	917,322	917,322	917,322	-	-	-
Other payables	393,256	393,256	393,256	-	-	-
Long-term borrowings (including those due within one year)	2,202,020	2,378,013	227,898	219,441	1,930,674	-
Lease liabilities	682,911	790,572	176,255	148,762	459,350	6,205
	$ 5,942,589	**6,235,863**	**3,471,431**	**368,203**	**2,390,024**	**6,205**

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

3. Market risks

(1) Foreign exchange risks

The Group's financial assets and liabilities exposed to significant foreign exchange risk are as follows:

	2026.3.31			2025.12.31			2025.3.31		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
Financial Assets									
Monetary items									
USD	$ 41,294	31.9950	1,321,202	47,751	31.4000	1,500,814	41,376	33.2050	1,373,890
Euro	35,972	36.7100	1,320,532	32,914	36.9000	1,214,527	32,646	35.9700	1,174,277
CNY	34,493	4.6290	159,668	58,200	4.4960	261,667	26,322	4.5730	120,371
GBP	23	42.2700	920	323	42.3300	12,796	271	43.0500	11,667
JPY	31,884	0.2005	6,393	114,970	0.2008	23,086	49,207	0.2227	10,973
Total			2,808,715			3,012,890			2,691,178
Financial Liabilities									
Monetary items									
USD	$ 17,441	31.9950	558,025	15,976	31.4000	502,126	13,656	33.2050	453,447
Euro	23,890	36.7100	877,002	18,787	36.9000	693,240	19,526	35.9700	702,350
CNY	61,552	4.6290	284,924	97,454	4.4960	438,153	53,595	4.5730	245,090
GBP	47	42.2700	1,997	-	42.3300	-	-	43.0500	-
JPY	285,917	0.2005	57,326	273,499	0.2008	54,919	231,936	0.2227	51,722
Total			1,779,274			1,688,438			1,452,609

The Group's foreign exchange risk primarily arises from financial assets and financial liabilities that are denominated in foreign currencies, resulting in foreign exchange gains or losses upon translation. As of March 31, 2026 and 2025, if the New Taiwan dollar had depreciated or appreciated by 3% against the U.S. dollar, euro, and Japanese yen, with all other variables held constant, the Company's net profit after tax for the three months ended March 31, 2026 and 2025 would have increased or decreased by NT$24,707 thousand and NT$29,726 thousand, respectively. The analyses for both periods are based on the same basis.

As the Group has multiple functional currencies, exchange gains or losses on monetary items are disclosed on an aggregated basis. For the three months ended March 31, 2026 and 2025, foreign exchange gains (including both realized and unrealized) amounted to NT$39,565 thousand and NT$31,987 thousand, respectively.

(2) Interest rate risks

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

The following sensitivity analysis is determined based on the interest rate exposure of both derivative and non-derivative instruments at the reporting date. For variable-rate liabilities, the analysis is prepared assuming that the amount of liabilities outstanding at the reporting date remains outstanding throughout the entire year. The change in interest rates used by the Group in its internal reporting to key management personnel is an increase or decrease of 1%, which also represents management's assessment of a reasonably possible change in interest rates.

If interest rates had increased or decreased by 1%, with all other variables held constant, the Group's profit after tax for the three months ended March 31, 2026 and 2025 would have decreased or increased by NT$30,989 thousand and NT$31,593 thousand, respectively, mainly attributable to the Group's variable-rate borrowings.

(3) Other price risks

If the prices of equity securities had changed at the reporting date (with both periods analyzed on the same basis and assuming all other variables remain constant), the effects on the components of comprehensive income would have been as follows:

	January to March 2026		**January to March 2025**	
Securities prices at the reporting date	**Other comprehensive income, net of tax**	**Profit or loss, net of tax**	**Other comprehensive income, net of tax**	**Profit or loss, net of tax**
Increase by 1%	$ 8,331	-	7,469	-
Decrease by 1%	$ (8,331)	-	(7,469)	-

4. Fair value information

(1) Categories and fair value of financial instruments

Financial assets and liabilities of the Group measured at fair value through profit or loss, financial assets and liabilities designated for hedging, and financial assets measured at fair value through other comprehensive income are measured at fair value on a recurring basis. The carrying amounts and fair values of each category of financial assets and financial liabilities (including information on the fair value hierarchy, but excluding those financial instruments whose carrying amounts are reasonable approximations of fair value and lease liabilities, for which disclosure of fair value information is not required) are presented as follows:

	2026.3.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive incomes					
Domestic TPEx-listed stocks	$ 833,112	833,112	-	-	833,112
Financial assets measured at amortized cost					
Cash and Cash Equivalents	$ 1,433,745	-	-	-	-
Notes and accounts receivable	1,695,747	-	-	-	-
Other receivables	65,473	-	-	-	-
Subtotal	3,194,965	-	-	-	-
Total	$ 4,028,077	833,112	-	-	833,112
Financial liabilities measured at fair value through profit or loss					
Contingent consideration	$ 59,143	-	-	59,143	59,143
Financial liabilities measured at amortized cost					
Accounts payable	$ 909,283	-	-	-	-
Other payables	467,404	-	-	-	-
Lease liabilities	704,618	-	-	-	-
Bank borrowings	3,873,637	-	-	-	-
Subtotal	5,954,942	-	-	-	-
Total	$ 6,014,085	-	-	59,143	59,143

Notes to the Consolidated Financial Statements of TSC Auto ID Technology Co., Ltd. and Subsidiaries (Continued)

	2025.12.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss					
Derivative financial assets	$ 376	-	376	-	376
Financial assets measured at fair value through other comprehensive incomes					
Domestic TPEx-listed stocks	$ 823,536	823,536	-	-	823,536
Financial assets measured at amortized cost					
Cash and Cash Equivalents	$ 1,543,385	-	-	-	-
Notes and accounts receivable	1,792,350	-	-	-	-
Other receivables	57,800	-	-	-	-
Subtotal	3,393,535	-	-	-	-
Total	$ 4,217,447	823,536	376	-	823,912
Financial liabilities measured at fair value through profit or loss					
Contingent consideration	$ 67,420	-	-	67,420	67,420
Financial liabilities measured at amortized cost					
Accounts payable	$ 904,427	-	-	-	-
Other payables	497,130	-	-	-	-
Lease liabilities	691,240	-	-	-	-
Bank borrowings	3,829,208	-	-	-	-
Subtotal	5,922,005	-	-	-	-
Total	$ 5,989,425	-	-	67,420	67,420

	2025.3.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive incomes					
Domestic TPEx listed securities – equity investments	$ 746,928	746,928	-	-	746,928
Financial assets measured at amortized cost					
Cash and Cash Equivalents	$ 1,521,602	-	-	-	-
Notes and accounts receivable	1,937,986	-	-	-	-
Other receivables	77,517	-	-	-	-
Subtotal	3,537,105	-	-	-	-
Total	$ 4,284,033	746,928	-	-	746,928

	2025.3.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value through profit or loss					
Derivative financial liabilities	$ 1,561	-	1,561	-	1,561
Contingent consideration	93,198	-	-	93,198	93,198
Subtotal	94,759	-	1,561	93,198	94,759
Financial liabilities measured at amortized cost					
Accounts payable	$ 917,322	-	-	-	-
Other payables	393,256	-	-	-	-
Lease liabilities	682,911	-	-	-	-
Bank borrowings	3,949,100	-	-	-	-
Subtotal	5,942,589	-	-	-	-
Total	$ 6,037,348	-	1,561	93,198	94,759

(2) Valuation techniques for fair value measurement

The methods and assumptions applied by the Group in estimating the fair value of financial instruments not measured at fair value are as follows:

A. Financial assets measured at amortized cost

If there is a quoted price in an active market, such price is used as the fair value; if no market price is available for reference, valuation techniques are applied or counterparty quotations are used to estimate the fair value.

B. Financial assets and liabilities measured at amortized cost

If transaction prices or market maker quotes are available, the fair value is measured based on the most recent transaction prices and quote data. In the absence of market values for reference, valuation techniques are used to estimate fair value. Estimates and assumptions used in the valuation techniques involve using the discounted cash flow method to estimate fair value.

(3) Valuation techniques for financial instruments measured at fair value

A. Non-derivative financial instruments

If a financial instrument has a quoted price in an active market, the quoted price in the active market is used as the fair value. Quoted market prices from major exchanges and those announced by the Taipei Exchange for central government bonds assessed as actively traded are used as the basis for determining the fair value of TWSE/TPEx listed equity instruments and debt instruments with quoted prices in active markets.

Except for the financial instruments with active markets described above, the fair values of the remaining financial instruments are determined using valuation techniques or by reference to counterparty quotations. The fair values obtained through valuation techniques may be determined by reference to the current fair value of other financial instruments with substantially similar terms and characteristics, discounted cash flow methods, or other valuation techniques, including model-based calculations using market information available at the consolidated reporting date (such as the Taipei Exchange reference yield curve and Reuters average commercial paper rates).

B. Derivative financial instruments

These are measured using valuation models widely accepted by market participants, such as the discounted cash flow method and option pricing models. Forward foreign exchange contracts are generally valued based on current prevailing forward exchange rates.

(4) Transfers between Level 1 and Level 2

There were no transfers between levels in the fair value hierarchy for the Group's fair value measurements during the periods from January 1 to March 31, 2026 and 2025.

(5) Quantitative information on fair value measurements using significant unobservable inputs (Level 3)

The Group's fair value measurement categorized within Level 3 relates to financial liabilities measured at fair value through profit or loss – contingent consideration arising from business combinations.

Most of the Group's fair value measurements categorized within Level 3 involve only a single significant unobservable input; only investments in equity instruments without an active market involve multiple significant unobservable inputs. For investments in equity instruments without an active market, the significant unobservable inputs are independent of each other and therefore are not interrelated.

The quantitative information on significant unobservable inputs is presented below:

Item	**Valuation techniques**	**Significant unobservable inputs**	**Relationship between significant unobservable inputs and fair value**
Contingent consideration agreement	Options pricing model	• Volatility, risk-free interest rate, risk-adjusted discount rate, and remaining term	• The higher the net asset value, the higher the fair value

(XXII) Financial risk management

There were no significant changes in the Group's financial risk management objectives and policies from those disclosed in the 2025 consolidated financial statements.

(XXIII) Capital management

The Group's capital management objectives, policies and procedures are consistent with those disclosed in the 2025 consolidated financial statements. In addition, there were no significant changes in the summarized quantitative data for the items managed as capital from those disclosed in the 2025 consolidated financial statements. For relevant information, please refer to the Company's 2025 consolidated financial statements.

(XXIV) Non-cash investing and financing activities

The Group's non-cash investing and financing activities for the periods from January 1 to March 31, 2026 and 2025 were as follows:

The reconciliation of liabilities arising from financing activities is presented in the table below:

	2026.1.1	Cash flow	Non-cash changes: Foreign exchange differences	Non-cash changes: Others	2026.3.31
Short-term loans	$ 1,131,513	226,932	(7,389)	-	1,351,056
Long-term loans	2,697,695	(175,082)	(32)	-	2,522,581
Lease liabilities	691,240	(42,879)	5,243	51,014	704,618
Deposits received	1,331	(87)	37	-	1,281
Total liabilities from financing activities	$ 4,521,779	8,884	(2,141)	51,014	4,579,536

	2025.1.1	Cash flow	Non-cash changes: Foreign exchange differences	Non-cash changes: Others	2025.3.31
Short-term loans	$ 1,841,636	(121,987)	27,431	-	1,747,080
Long-term loans	2,543,212	(341,689)	497	-	2,202,020
Lease liabilities	688,283	(15,930)	9,903	655	682,911
Deposits received	1,970	-	37	-	2,007
Total liabilities from financing activities	$ 5,075,101	(479,606)	37,868	655	4,634,018

VII. Affiliated party transactions

(I) Names of affiliated parties and their relationships

The affiliated parties that had transactions with the Group during the periods covered by these consolidated financial statements are as follows:

Name of the affiliated party	Relation with the consolidated company
Taiwan Semiconductor Co., Ltd. (TSC)	The Company's parent
Tianjin Everwell Technology Co., Ltd. (Tianjin Everwell)	Affiliated company
Yangxin Everwell Electronic Co., Ltd. (Yangxin Everwell)	Affiliated company
TSC America, Inc. (TSCA)	Affiliated company
Taiwan Semiconductor Europe GmbH (TSCE)	Affiliated company

(II) Significant transactions with affiliated parties

1. Operating revenue

The Group's significant sales to affiliated parties were as follows:

Itemized account	Affiliated party category/name	January to March 2026	January to March 2025
Revenues	Parent company	$ 16	17

Sales to affiliated parties are conducted under terms that are not significantly different from those of normal sales transactions.

2. Purchase

The amounts of purchases by the Group from affiliated parties are as follows:

Affiliated party category/name	January to March 2026	January to March 2025
Parent company	$ 13	54

The Group's purchase prices and 120-day payment terms with the abovementioned affiliated parties are not significantly different from the terms with other suppliers.

3. Receivables from affiliated parties

Details of the Group's receivables from affiliated parties are as follows:

Itemized account	Affiliated party category/name	2026.3.31	2025.12.31	2025.3.31
Accounts receivable	Parent company	$ 17	-	-
Accounts receivable	Affiliated company	-	16	-
Other receivables	Affiliated company	2,104	2,250	1,690
		$ 2,121	2,266	1,690

4. Payables to affiliated parties

Details of the Group's payables to affiliated parties are as follows:

Itemized account	Affiliated party category/name	2026.3.31	2025.12.31	2025.3.31
Accounts payable	Parent company	$ 13	12	62

5. Other related party transactions

Itemized account	Affiliated party category/name	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Lease income	Affiliated company	$ 581	567

(III) Transactions with key management personnel

Key management personnel remuneration includes:

	January to March 2026	January to March 2025
Shor-term employee benefits	$ 29,715	28,169
Retirement benefits	302	240
Shares-based payment	1,385	1,312
	$ 31,402	29,721

For details of share-based payment arrangements, please refer to Note 6 (17).

VIII. Pledged assets

Except as disclosed in Note 6 (11), the carrying amounts of the Group's assets pledged as collateral are as follows:

Asset name	Object of pledge	2026.3.31	2025.12.31	2025.3.31
Land	Bank borrowings	$ 5,508	5,640	5,539
Buildings and structures	Bank borrowings	96,432	64,561	55,294
Machinery and equipment	Bank borrowings	6,835	-	26,440
		$ 108,775	70,201	87,273

IX. Material contingent liabilities and unrecognized contractual commitments

As of March 31, 2026, December 31, 2025 and March 31, 2025, performance guarantees provided by banks for the Group in connection with customs duty guarantees and other transactions were all $4,000 thousand.

X. Major disasters and significant losses: none.

XI. Major events after the reporting period: none.

XII. Others

(I) Summary of current employee welfare, depreciation, and amortization expenses by function

By Function / By Nature	January to March 2026			January to March 2025		
	Presented as operating cost	Presented as operating expense	Total	Presented as operating cost	Presented as operating expense	Total
Employee benefit expenses						
Salary expenses	161,340	352,029	513,369	159,816	330,914	490,730
Labor/health insurance premium	18,019	23,553	41,572	19,890	21,708	41,598
Pension expenses	10,037	15,467	25,504	7,151	14,482	21,633
Other employee benefit expenses	12,717	20,158	32,875	12,690	16,834	29,524
Depreciation expense	59,263	30,154	89,417	63,494	21,274	84,768
Amortization expenses	260	43,058	43,318	329	46,368	46,697

(II) Seasonality of operations:

The Group's operations are not affected by seasonal or cyclical factors.

XIII. Supplementary disclosure

(I) Information on significant transactions:

For the three months ended 2026, the Group is required, in accordance with the governing regulations, to further disclose information on material transactions as follows:

1. Loans to others:

Unit: NT$ thousand

Serial no. (Note 1)	Financing company	Counter-party	Account title	Related party?	Maximum balance during the period	Balance at the end of the period	Amount actually drawn	Interest rate range	Nature for financing	Transaction amounts	Reason for need for short-term financing	Recognized allowance for losses	Collateral		Financing limits for each borrowing party (Note 2)	Total financing amount limits (Note 3)
													Name	Value		
0	TSC Auto ID	MGN	Other receivables-affiliated parties	Yes	225,480	-	-	3.00%	2	-	Operating capital	-	None	-	1,113,878	2,227,756
0	TSC Auto ID	MGN	Other receivables-affiliated parties	Yes	225,480	220,260	108,295	3.00%	2	-	Operating capital	-	None	-	1,113,878	2,227,756
0	TSC Auto ID	MGN	Other receivables-affiliated parties	Yes	225,480	220,260	-	3.00%	2	-	Operating capital	-	None	-	1,113,878	2,227,756
0	TSC Auto ID	MGN (formerly TSCPL)	Other receivables-affiliated parties	Yes	71,402	69,749	33,039	5.00%	2	-	Operating capital	-	None	-	1,113,878	2,227,756
1	BB	BBES	Other receivables-affiliated parties	Yes	601	587	587	4.60%	2	-	Operating capital	587	None	-	427,450	854,899
2	DLS	TSC Auto ID	Other receivables – affiliated parties	Yes	191,970	191,970	191,970	5.00%	2	-	Operating capital	-	None	-	314,192	628,384

Note 1: (1) 0 for the Company.

(2) Subsidiaries are sequentially numbered starting from “1” using Arabic numerals based on each company.

Note 2: Any need for short-term financing from the Company is capped at 20% of the book value of its most recent financial statements as audited or reviewed by CPAs. For intercompany loans between foreign companies in which the Company directly or indirectly holds 100% of the voting rights, or for loans extended to the Company by a foreign company in which the Company holds 100% of the voting shares, the lending limit shall not exceed 20% of the company’s net worth as stated in its most recent financial statements audited or reviewed by CPAs.

Note3: The aggregate amount of the Company’s lending to others is capped at 40% of the book value of its most recent financial statements as audited or reviewed by CPAs.

2. Endorsements and guarantees for others

Unit: NT$ thousand

Serial No. (Note 1)	Name of the endorsement/ guarantee provider	Endorsed/ guaranteed entity		Limit of endorsements/ guarantees for a single company (Note 3)	Maximum balance of endorsements/ guarantees during the period	Balance of endorsements/ guarantees as of the end of the period	Amount actually drawn	Amount of collateral secured by assets for endorsements and guarantees	Cumulative endorsed/ guaranteed amount as the % of book value in the most recent financial statements	Maximum limit of endorsements/ guarantees (Note 3)	Endorsements/ guarantees from the parent to subsidiaries	Endorsements/ guarantees from subsidiaries to the parent	Endorsements/ guarantees to entities in China
		Name of the company	Relation (Note 2)										
0	TSC Auto ID	TSCAA	2	2,227,756	191,970	191,970	-	-	3.45%	3,341,633	Y	N	N
0	TSC Auto ID	MGN	2	2,227,756	239,963	239,963	-	-	4.31%	3,341,633	Y	N	N
0	TSC Auto ID	MGN	2	2,227,756	239,963	239,963	-	-	4.31%	3,341,633	Y	N	N
0	TSC Auto ID	MGN	2	2,227,756	1,503	1,468	-	-	0.03%	3,341,633	Y	N	N

Note 1: 0 for the Company.

Note 2: Code “2” represents companies with over 50% voting shares directly and indirectly owned by the Company.

Note 3: The aggregate endorsed/guaranteed amount and the maximum endorsement/guarantee to a single company are capped at 60% and 40%, respectively, of the Company’s book value according to the most recent financial statements as audited or reviewed by CPAs.

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

Unit: NT$ thousand

Investees	Types and names of marketable securities	Relation with the issuer	Itemized Account	End of the period				Remarks
				No. of shares	Carrying amount (Note 3)	Shareholding percentage	Fair value	
TSC Auto ID	TSC	Parent company	Financial assets measured at fair value through other comprehensive incomes – non-current	15,960	833,112	6.06 %	833,112	

4. Purchase from and sale to affiliated parties for at least NT$100 million or at an amount equivalent to 20% of the paid-in capital

Unit: NT$ thousand

Purchase (sale) company	Name of the counterparty	Relation	Transactions				Circumstances and reasons why transaction terms are not at an arm’s length		Notes and accounts receivable (payable)		Remarks
			Purchase (sale)	Amount	As % of total sale (purchase)	Credit period	Unit price	Credit period	Balance	As % of total notes and accounts receivable (payable)	
TSC Auto ID	TSCAE	Subsidiaries	Sale	(305,121)	(11)%	135 days based on monthly statements	-		803,034	47%	
TSC Auto ID	TSCAA	Subsidiaries	Sale	(117,636)	(4)%	120 days based on monthly statements	-		393,505	23%	
TSC Auto ID	Tianjin TSC Auto ID Technology	Sub-subsidiary	Purchase	282,497	15%	60 days based on monthly statements	-		(284,925)	(32)%	

5. Receivables from affiliated parties amounting to NT$100 million or more, or at least 20% of paid-in capital:

Unit: NT$ thousand

Company from which receivables are recognized	Name of the counterparty	Relation	Receivables from affiliated parties	Turnover	Overdue receivables from affiliated parties		Receivables from affiliated parties Recovered receivables (Note 1)	Recognized allowance for losses
					Amount	Treatment		
TSC Auto ID	TSCAE	Subsidiaries	803,034	1.63%	292,014		104,066	-
TSC Auto ID	TSCAA	Subsidiaries	393,505	1.23%	212,382		20,581	-
TSC Auto ID	MGN	Sub-subsidiary	143,119	-%	-		-	-
Tianjin TSC Auto ID Technology	TSC Auto ID	Parent company	284,925	3.09%	-		76,301	-

Note 1: Amounts collected as of April 30, 2026.

6. Business Relationships and Significant Intercompany Transactions between the Parent and Subsidiaries:

Unit: NT$ thousand

No.	Entity concerned	Name of the counterparty	Relation with the counterparty (Note 1)	Transaction with the counterparty			
				Item	Amount	Transaction terms and conditions	As % of the consolidated total revenue or the consolidated total assets (Note 2)
0	The Company	TSCAA	1	Accounts receivable	393,505	Note 3	3.06%
0	The Company	TSCAA	1	Revenues	117,636	Note 3	4.25%
0	The Company	TSCAA	1	R&D expenses	22,931	Note 3	0.83%
0	The Company	TSCAE	1	Accounts receivable	803,034	Note 3	6.25%
0	The Company	TSCAE	1	Revenues	305,121	Note 3	11.03%
0	The Company	Tianjin TSC Auto ID Technology	1	Accounts receivable	56,167	Note 3	0.44%
0	The Company	Tianjin TSC Auto ID Technology	1	Revenues	85,119	Note 3	3.08%
0	The Company	Tianjin TSC Auto ID Technology	1	Accounts payable	284,925	Note 3	2.22%
0	The Company	Tianjin TSC Auto ID Technology	1	Purchase	282,497	Note 3	10.21%
0	The Company	MGN	1	Other receivables	143,119	At an arm’s length	1.11%

Note 1: Relation with the counterparty:

1. The parent to a subsidiary
2. Subsidiary to the parent
3. Subsidiary to a subsidiary

Note 2: Transactions as a percentage of the consolidated total revenue or the consolidated total assets: If the transactions are a balance sheet item, the balance at the end of the period is calculated as a percentage of consolidated total assets. If the transactions are an income statement item, the cumulative amount is calculated as a percentage of the consolidated total revenue.

Note 3: Sales prices are based on market prices. Collection period is 60-135 days based on monthly statements

Notes to the Consolidated Financial Statements of TSC Auto ID Technology Co., Ltd. and Subsidiaries (Continued)

(II) Information on investees

For the three months ended March 31, 2026, information on the Group's investee companies is as follows (excluding investees in Mainland China):

Unit: NT$ thousand / thousand shares

Name of the investment company	Name of the investee	Location	Primary business	Original invested amount		Holdings at the end of the year			Profit or (loss) of the investee during the period	Recognized investment gain (loss) during the period	Remarks
				End of this period	End of last year	No. of shares	Ratio	Carrying amount (Note 3)			
The Company	TSCAE	Germany	Sale of label printers, enterprise mobile computers and their components	2,943	2,943	- (Note 1)	100.00%	2,010	(2,387)	(2,387)	Subsidiaries
The Company	TSCAA	United States	Sale of label printers, enterprise mobile computers and their components	1,096,621	1,096,621	16,000	100.00%	1,116,797	(18,748)	(18,748)	Subsidiaries
The Company	DLS	United States	Printer consumables and customized design, integration, production and marketable of a variety of labels	801,558	801,558	1	100.00%	1,570,959	8,951	8,951	Subsidiaries
The Company	TSCIN	India	Leasing of assets	2,791	2,791	710	100.00%	1,551	101	101	Subsidiaries
The Company	MGN	Poland	Printer consumables and customized design, integration, production and marketable of a variety of labels	498,227 (Note 5)	-	2	100.00%	483,803	(9,952)	(9,952)	Subsidiaries
The Company	TSCPL	Poland	General investment	- (Note 5)	498,227	-	- %	-	(1,088)	(1,088)	Subsidiaries
The Company	TSCHK	Hong Kong	Investments in various manufacturing enterprises	47,468	47,468	12,711	100.00%	849,368	4,289	4,289	Subsidiaries
The Company	BB	Korea	Manufacturing and sales of enterprise mobile computers and components	2,856,995	2,856,995	7,010	99.85%	3,080,254	89,298	74,719	Subsidiaries
The Company	BBMX	Mexico	Manufacturing and sales of enterprise mobile computers and components	- (Note 4)	- (Note 4)	- (Note 1)	0.03%	3	(2,866)	(1)	Subsidiaries
TSCAE	TSCAD	United Arab Emirates	Selling and buying of label printers and relevant components	8,234	8,234	- (Note 1)	100.00%	(16,575)	140	140	Subsidiaries
TSCAE	TSCAS	Spain	Leasing of assets	124	124	- (Note 1)	100.00%	4,013	152	152	Subsidiaries
DLS	PPL	United States	Trading of a variety of labels and printer consumables	115 (USD thousands)	115 (USD thousands)	850	100.00%	61,272	1,956	1,956	Subsidiaries
TSCPL	MGN	Poland	Printer consumables and customized design, integration, production and marketable of a variety of labels	- (PLN thousands) (Note 5)	71,613 (PLN thousands)	- (Note 1)	- %	-	(5,678)	(5,678)	Subsidiaries
BB	BBMX	Mexico	Manufacturing and sales of enterprise mobile computers and components	5	5	- (Note 1)	99.97%	5	(2,866)	(2,865)	Subsidiaries
BB	BBUS	United States	Collection of payments on behalf	2,920	2,920	- (Note 2)	100.00%	-	(47)	(47)	Subsidiaries
BB	BBIN	India	R&D and design of enterprise mobile computers; technical services	4,078	4,078	990	99.00%	4,964	(358)	(355)	Subsidiaries
BB	BBDE	Germany	Marketing support services	756	756	- (Note 1)	100.00%	-	1,265	1,265	Subsidiaries
BB	BBES	Spain	Established due to bidding requirements	1,265	1,265	- (Note 1)	100.00%	1,054	(46)	(46)	Subsidiaries
BB	BBJP	Japan	Manufacturing and sales of enterprise mobile computers and components	2,086	2,086	1	100.00%	2,014	(136)	(136)	Subsidiaries

Note 1: The company license only specifies the amount of invested capital without the number of shares.

Note 2: Figure not shown as the Company held less than one thousand shares.

Note 3: Carrying amount net of unrealized gains from sales.

Note 4: Amounts less than one thousand are not presented.

Note 5: MGN acquired all shares of TSCPL through a reverse acquisition for $8,754 thousand. Upon completion of the acquisition, MGN became a wholly owned subsidiary of the Company. The transaction was registered with and became effective upon approval by the Polish court on February 27, 2026.

(III) Information on investments in China:

1. Names of investee companies in Mainland China, their principal business, and other related information:

Unit: NT$ thousand

Names of investees in China	Primary business	Paid-in capital (Note 2)	Investment method (Note 1)	Cumulative outward investments from Taiwan at the beginning of this period (Note 2)	Outward remittances or recovered investments during the period		Cumulative outward investments from Taiwan at the end of this period (Note 5)	Profit or loss of the investee during the period	Holding by the Company directly and indirectly	Recognized investment gain or loss during the period	Carrying amount of the investment at the end of the period	Total repatriated investment gains as of the end of this period
					Outward remittances	Recovered investments						
Tianjin TSC Auto ID Technology	Manufacture and sale of label printers and their components	48,605	(II)	47,993	-	-	47,993	4,290	100.00%	4,290	860,638	998,407

Note 1: Code (II) refers to investments in Mainland China companies made through reinvestment via existing companies in a third region.

Note 2: Foreign currency amounts presented in this table have been translated into New Taiwan dollars using the exchange rates as of March 31, 2026 (RMB 4.629 or USD 31.995).

2. Investment limits in China:

Cumulative outward investments from Taiwan to China at the end of this period	Investment amount approved by the Investment Commission, MOEA	Ceiling imposed by the Investment Commission, MOEA on investments in China
47,993 (USD 1,500thousand)	47,993 (USD 1,500thousand)	3,341,633

3. Significant transactions with investee companies in China:

Significant transactions between the Group and its investees in Mainland China, whether conducted directly or indirectly, have been eliminated upon consolidation for the period from January 1 to March 31, 2026. Please refer to the “Information on significant transactions” for details.

XIV. Segment information

Information on the Group's operating segments and reconciliations is as follows:

	Label printers and their components	Various types of label paper for printers and related consumables	Enterprise mobile computers	Intersegment adjustment	Total
January to March 2026					
Income					
Revenue from external customers	$ 1,097,573	1,014,442	653,524	-	2,765,539
Intersegment revenue	51,546	1,107	82,722	(135,375)	-
Total revenue	**$ 1,149,119**	**1,015,549**	**736,246**	**(135,375)**	**2,765,539**
Profit or loss of reportable segments	**$ 249,509**	**990**	**92,408**	**(75,845)**	**267,062**
January to March 2025					
Income					
Revenue from external customers	$ 1,146,529	937,526	772,038	-	2,856,093
Intersegment revenue	488	2,445	1,058	(3,991)	-
Total revenue	**$ 1,147,017**	**939,971**	**773,096**	**(3,991)**	**2,856,093**
Profit or loss of reportable segments	**$ 212,415**	**13,562**	**131,421**	**(130,881)**	**226,517**