Stock Code:3570

OTSUKA INFORMATION TECHNOLOGY CORP.

PARENT COMPANY ONLY FINANCIAL STATEMENTS

With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024

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

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Independent Auditors' Report

To the Board of Directors of OTSUKA INFORMATION TECHNOLOGY CORP.:

Opinion

We have audited the parent company only financial statements of OTSUKA INFORMATION TECHNOLOGY CORP.("the Company"), which comprise the parent company only balance sheet as of December 31, 2025 and 2024, the parent company only statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years ended December 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our professional judgments, key audit matters to be communicated in the independent auditors' report are listed below:

Evaluation of inventories

Please refer to Note 4(g) for the accounting policy for " Inventories" , Note 5 for " Significant accounting assumptions and judgments, and major sources of estimation uncertainty" , and Note 6(d) for the details and related expenses for "Inventories" of the parent company only financial statements.

Description of key audit matter:

The Company's inventories are measured at the lower of cost and net realizable value. Due to the rapid transformation of technology, the products may be out of date in the market and there is a risk that the cost of the inventory would be higher than its net realizable value. The condition of inventories to be sold will influence the result of evaluation so consistent attention are required. In addition, the inventories are the significant account in the parent company only financial statement. Therefore, evaluation of inventories is one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: understanding the policies of evaluating the allowance and obsolescence of the inventories of the Company and inspecting whether existing inventory policies are applied; sampling the individual inventory items and examining the sources of the net realizable value of the samples to access whether the net realizable value are reasonable; examining the accuracy of aging of inventories by sampling and analyzing the changes of the aging of inventories; inspecting the reasonableness for allowance provided on inventory valuation in the past and compare it to the current year to ensure that the measurements and assumptions are appropriate.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investments in other entities accounted for using the equity method to express an opinion on this parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are SHYH-GANG HORNG and CHUN-WEI CHUANG.

KPMG

Taipei, Taiwan (Republic of China)
February 24, 2026

Notes to Readers

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

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

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

OTSUKA INFORMATION TECHNOLOGY CORP.

Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 465,261	31	488,566	31
1137	Financial assets at amortized cost－current (note 6(b))	20,000	1	-	-
1170	Notes and accounts receivable, net (including related parties) (notes 6(c), (o) and 7)	356,366	24	360,123	23
1300	Inventories (note 6(d))	232,899	15	303,876	20
1410	Other current assets (notes 6(e) and 7)	4,361	-	33,064	2
	Total current assets	1,078,887	71	1,185,629	76
	Non-Current assets:				
1535	Financial assets at amortized cost－non-current (note 6(b))	10,000	1	30,000	2
1550	Investments accounted for using equity method, net (note 6(f))	325,104	21	208,192	13
1600	Property, plant and equipment (note 6(g))	25,175	2	25,025	2
1755	Right-of-use assets (notes 6(h) and 7)	29,565	2	43,554	3
1930	Long-term notes and accounts receivable, net (notes (c) and (o))	1,369	-	19,052	1
1990	Other non-current assets (notes 6(k) and (l))	40,582	3	40,544	3
	Total non-current assets	431,795	29	366,367	24
	Total assets	$ 1,510,682	100	1,551,996	100

	Liabilities and Equity	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities:				
2170	Accounts payable (including related parties) (note 7)	$ 222,510	15	353,658	23
2201	Salaries payable	70,916	5	63,304	4
2200	Other payables	64,766	4	61,253	4
2280	Current lease liabilities (notes 6(j) and 7)	13,412	1	13,044	1
2130	Current contract liabilities (note 6(o))	16,809	1	12,092	-
2300	Other current liabilities	510	-	1,264	-
	Total current liabilities	388,923	26	504,615	32
	Non-Current liabilities:				
2570	Deferred tax liabilities (note 6(l))	14,843	1	13,085	1
2580	Non-current lease liabilities (notes 6(j) and 7)	16,322	1	30,651	2
2600	Other non-current liabilities	800	-	-	-
	Total non-current liabilities	31,965	2	43,736	3
	Total liabilities	420,888	28	548,351	35
	Equity attributable to owners of parent:				
3100	Ordinary shares (note 6(m))	170,970	11	170,970	11
3200	Capital surplus (note 6(m))	68,813	5	68,813	4
3310	Legal reserve (note 6(m))	183,611	12	161,192	10
3320	Special reserve (note 6(m))	6,410	-	10,781	1
3350	Unappropriated retained earnings (note 6(m))	665,560	44	598,299	39
3410	Exchange differences on translation of foreign financial statements	(5,570)	-	(6,410)	-
	Total equity	1,089,794	72	1,003,645	65
	Total liabilities and equity	$ 1,510,682	100	1,551,996	100

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

OTSUKA INFORMATION TECHNOLOGY CORP.

Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

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

		2025		2024	
		Amount	%	Amount	%
4000	**Operating revenue (notes 6(o) and 7)**	$ 2,232,990	100	1,948,362	100
5000	**Operating costs (notes 6(d) and 7)**	1,610,243	72	1,385,236	71
	Gross profit	622,747	28	563,126	29
	Operating expenses: (notes 6(c), (e), (j), (k), (p), 7 and 12)				
6100	Selling expenses	235,338	11	229,816	12
6200	Administrative expenses	48,643	2	48,770	3
6300	Research and development expenses	61,418	3	28,719	1
6450	Expected credit loss	2,379	-	509	-
	Total operating expenses	347,778	16	307,814	16
	Net operating income	274,969	12	255,312	13
	Non-operating income and expenses:				
7100	Interest income (note 7)	4,150	-	4,037	-
7020	Other gains and losses (notes 6(q) and 7)	(2,438)	-	2,837	-
7070	Share of profit (loss) of subsidiaries accounted for using equity method	21,635	1	15,182	1
7510	Interest expense (notes 6(j), (q) and 7)	(763)	-	(908)	-
	Total non-operating income and expenses	22,584	1	21,148	1
	Profit before tax	297,553	13	276,460	14
7950	**Less: Income tax expenses (note 6(l))**	59,053	2	54,573	3
	Profit	238,500	11	221,887	11
8300	**Other comprehensive income:**				
8310	**Items that may not be reclassified to profit or loss**				
8311	Remeasurements of defined benefit plans (note 6(k))	682	-	2,310	-
8349	Income tax related to items that will not be reclassified to profit or loss	-	-	-	-
		682	-	2,310	-
8360	**Items that may be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	1,049	-	5,464	1
8399	Income tax related to items that will be reclassified to profit or loss (note 6(l))	(209)	-	(1,093)	-
		840	-	4,371	1
8300	**Other comprehensive income**	1,522	-	6,681	1
8500	**Total comprehensive income**	**$ 240,022**	**11**	**228,568**	**12**
	Earnings per share (NT dollars) (note 6(n))				
9750	**Basic earnings per share**	**$ 13.95**		**12.98**	
9850	**Diluted earnings per share**	**$ 13.86**		**12.90**	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

OTSUKA INFORMATION TECHNOLOGY CORP.

Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

			Retained earnings				
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total equity
Balance on January 1, 2024	$ 170,970	68,813	141,217	8,390	533,244	(10,781)	911,853
Profit	-	-	-	-	221,887	-	221,887
Other comprehensive income	-	-	-	-	2,310	4,371	6,681
Total comprehensive income	-	-	-	-	224,197	4,371	228,568
Appropriation and distribution of retained earnings:							
Legal reserve	-	-	19,975	-	(19,975)	-	-
Special reserve	-	-	-	2,391	(2,391)	-	-
Cash dividends of ordinary shares	-	-	-	-	(136,776)	-	(136,776)
Balance on December 31, 2024	170,970	68,813	161,192	10,781	598,299	(6,410)	1,003,645
Profit	-	-	-	-	238,500	-	238,500
Other comprehensive income	-	-	-	-	682	840	1,522
Total comprehensive income	-	-	-	-	239,182	840	240,022
Appropriation and distribution of retained earnings:							
Legal reserve	-	-	22,419	-	(22,419)	-	-
Special reserve	-	-	-	(4,371)	4,371	-	-
Cash dividends of ordinary shares	-	-	-	-	(153,873)	-	(153,873)
Balance on December 31, 2025	**$ 170,970**	**68,813**	**183,611**	**6,410**	**665,560**	**(5,570)**	**1,089,794**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

OTSUKA INFORMATION TECHNOLOGY CORP.

Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from (used in) operating activities:		
Profit before tax	$ 297,553	276,460
Adjustments:		
Adjustments to reconcile profit:		
Depreciation and amortization	20,494	21,106
Losses (Gains) on inventory valuation and obsolete inventories	(86)	198
Expected credit loss	2,379	509
Interest income	(4,150)	(4,037)
Interest expense	763	908
Share of loss (profit) of subsidiaries accounted for using the equity method	(21,635)	(15,182)
Losses on disposal and retirement of property, plant and equipment	88	316
Others	52	287
Total adjustments to reconcile profit	(2,095)	4,105
Changes in operating assets and liabilities:		
Notes and accounts receivable (including related parties)	19,061	(114,956)
Inventories	71,063	(141,376)
Other current assets	(1,521)	(22)
Other non-current assets	(2,422)	(2,179)
Contract liabilities	4,717	(2,729)
Accounts payable (including related parties)	(131,148)	228,822
Salaries payable	7,612	3,026
Other payables	3,663	(866)
Other current liabilities	46	(89)
Total adjustments	(31,024)	(26,264)
Cash inflow generated from operations	266,529	250,196
Interest received	4,374	4,247
Dividends received	5,772	-
Interest paid	(763)	(908)
Income taxes paid	(57,474)	(46,759)
Net cash flows from operating activities	218,438	206,776
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	(100,000)	(130)
Acquisition of intangible assets	(1,739)	(1,129)
Acquisition of property, plant and equipment	(3,626)	(4,559)
Proceeds from disposal of property, plant and equipment	52	3
Acquisition of unamortized assets	(119)	(209)
Decrease (increase) in refundable deposits	1,523	(3,376)
Decrease (increase) in other receivables－related parties	30,000	(15,000)
Net cash flows used in investing activities	(73,909)	(24,400)
Cash flows from (used in) financing activities:		
Increase in guarantee deposits	-	800
Payment of lease liabilities	(13,961)	(13,635)
Cash dividends paid	(153,873)	(136,776)
Net cash flows used in financing activities	(167,834)	(149,611)
Net increase (decrease) in cash and cash equivalents	(23,305)	32,765
Cash and cash equivalents at beginning of year	488,566	455,801
Cash and cash equivalents at end of year	**$ 465,261**	**488,566**

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

OTSUKA INFORMATION TECHNOLOGY CORP.

Notes to the Financial Statements

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

OTSUKA INFORMATION TECHNOLOGY CORP. (" the Company") was incorporated on August 4, 1997 in accordance with the Company Act. The Investment Commission, Ministry of Economic Affairs permits the foreign stockholders to invest the Company in accordance with the Statute for Investment by Foreign Nationals. The address of the Company's registered office is 6F., No. 68, Sec. 2, Sianmin Blvd., Banqiao Dist., New Taipei City. The Company engages in the designing of network, trading, maintenance, import and export of hardware, software, computers, and related accessories.

The Company's ordinary shares were listed on the Taipei Exchange ("TPEx") on October 23, 2008.

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

The parent company only financial statements were authorized for issuance by the Board of Directors on February 24, 2026.

(3) New standards, amendments and interpretations adopted:

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

The Company has initially adopted the following new amendments, which do not have a significant impact on its parent company only financial statements, from January 1, 2025:

- Amendments to IAS21 "Lack of Exchangeability"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

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

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its parent company only financial statements:

- Amendments to IFRS 17 " Insurance Contracts" and IFRS 17
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the application guidance requirements for Section 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

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OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(c) The impact of IFRS Accounting Standards issued by International Accounting Standards Board ("IASB") but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Company, have been issued by IASB, but have yet to be endorsed by the FSC:

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

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OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

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

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

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

(4) Presentation Currency' Summary of material accounting policies:

The material accounting policies presented in the parent company only financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the parent company only financial statements.

(a) Statement of compliance

These annual parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (" the Regulations").

(b) Basis of preparation

(i) Basis of measurement

Except the defined benefit liabilities (assets) are recognized as plan assets less the present value of the defined benefit obligation, the parent company only financial statements have been prepared on a historical cost basis.

(ii) Functional and presentation currency

The functional currency is determined based on the primary economic environment in which the Company operates. The Company' s parent company only financial statements are presented in New Taiwan dollars, which is the Company' s functional currency. All financial information presented in New Taiwan dollars has been rounded to the nearest thousand.

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(c) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Company entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period (" reporting date"), monetary items denominated in foreign currencies are translated into functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

1) an investment in equity securities designated as at fair value through other comprehensive income;

2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or

3) qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Foreign currency differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Company disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Company disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, Exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

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OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(d) Classification of current and non-current assets and liabilities

The Company classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(e) Cash and cash equivalents

Cash comprises cash on hand and bank deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(f) Financial instruments

Accounts receivable are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a accounts receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A accounts receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

All regular way purchases or sales of financial assets classified as the same categories are recognized and derecognized on a trade date basis.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

On initial recognition, a financial asset is classified as measured at amortized cost. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses ("ECL") on financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized costs, notes and accounts receivables, other receivable, guarantee deposit paid and other financial assets, etc.).

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date；and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for accounts receivable is always measured at an amount equal to lifetime ECL.

Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial instrument.

12-month ECL are the portion of ECL that result from default events that are possible within the 12-month after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Company is exposed to credit risk.

(Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company' s historical experience and informed credit assessment as well as forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

The Company considers a financial asset to be in default when the financial asset is more than 1 year past due.

ECL are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECL are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is ' credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than one year past due;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

3) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

Debt and equity instruments issued by the Company are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted-average-method and includes expenditure and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(h) Investments in subsidiaries

Investments in subsidiaries are accounted for using the equity method when preparing the parent company only financial reports. There is no difference between net income and comprehensive income in the Company' s parent company only financial statements and net income and comprehensive income attributable to stockholders of the parent. The equity in the Company' s parent company only financial statements and the equity attributable to stockholders of the parent in the Company's consolidated financial statements are also the same.

(i) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1) Buildings: 10~50 years

2) Computers: 3~6 years

3) Office equipment: 1~5 years

4) Transportation equipment: 10 years

Depreciation methods, useful lives and residual values are reviewed at annual reporting date and adjusted if appropriate.

(j) Lease

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

— fixed payments, including in-substance fixed payments;

— variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

— amounts expected to be payable under a residual value guarantee; and

— payments for purchase or termination options that are reasonably certain to be exercised or penalty should be paid.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

— there is a change in future lease payments arising from the change in an index or rate; or

— there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee; or

— there is a change of its assessment on purchase option, or

— there is a change of its assessment on whether it will exercise a extension or termination option; or

— there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Company presents right-of-use assets that do not meet the definition of investment properties and lease liabilities as a separate line item respectively in the balance sheet.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of parking lots that have short-term lease and leases of low-value asset. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(k) Intangible assets

(i) Recognition and measurement

Other intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

The estimated useful lives for current and comparative periods are as follows:

Computer Software 1~10 years

Amortization methods, useful lives and residual values are reviewed at annual reporting date and adjusted if appropriate.

(l) Impairment－non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGUs").

The recoverable amount of an asset or CGUs is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGUs.

An impairment loss is recognized if the carrying amount of an asset or CGUs exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are collocated to reduce the carrying amounts of the other assets in the CGUs on a pro rata basis.

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(m) Revenue

Revenue from contracts with customers

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Company's main types of revenue are explained below:

(i) Sale of goods－Software

The Company purchases and sells software products in the market and recognizes revenue as well as receivable when the goods are delivered to customers as this is the point in time that the Company has a right to an amount of consideration that is unconditional.

(ii) Rendering of services

The Company provides services such as installation of software, connection of systems and training. The related revenues are recognized when the Company has provided all services and has submitted the invoices to the customers.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

Some contracts include multiple deliverables, such as software, installation of software, and training. In most cases, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation.

(iii) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money. If it is more than one year, the transaction price would be adjusted during the period to reflect the impact of the time value of money in accordance with.

(n) Government grants

Grants that compensate the Company for expenses or losses incurred are recognized in profit or loss on a systematic basis in the periods in which the expenses or losses are recognized.

(o) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Defined benefit plans

The Company' s net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability (assets), which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

(Continued)

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profits (losses) and does not give rise to equal taxable and deductible temporary difference;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(q) Earnings per share

The Company discloses the basic and diluted earnings per share attributable to ordinary stockholders of the Company. The basic earnings per share are calculated as the profit attributable to the ordinary stockholders of the Company divided by the weighted average number of ordinary shares outstanding. The diluted earnings per share is calculated as the profit attributable to ordinary stockholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. Dilutive potential ordinary shares comprise accrued employee remuneration.

(r) Operating segments

Please refer to the Company's consolidated financial statements for the years ended December 31, 2025 and 2024, for further details.

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

In preparing of the parent company only financial statements, management has made judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management and climate-related commitments where appropriate. Revisions to estimates are recognized prospectively in the period of the change and future periods.

There are no critical judgments made in applying accounting policies that have significant effect on amounts recognized in the parent company only financial statements.

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OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

Valuation of inventory

As inventories are measured at the lower of cost or net realizable value, the Company estimates the amount due to inventories' obsolescence and unmarketable items at the reporting date and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions as to future demand within a specific time horizon. Due to the rapid industrial transformation, there may be significant changes in the net realizable value of inventories.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash	$ 168	261
Checking and demand deposits	445,093	478,305
Time deposits	20,000	10,000
	$ 465,261	**488,566**

(b) Financial assets measured at amortized cost－non current

	December 31, 2025	December 31, 2024
Financial bond - Current	$ 20,000	-
Financial bond - Non-current	10,000	30,000
	$ 30,000	**30,000**

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

(i) The Company purchased the seven-year bonds of Bank of Panhsin in June 2019. The face value of the bond was $20,000 thousand and its effective interest rate was 2.25%.

(ii) The Company purchased the seven-year bonds of Bank of Panhsin in June 2021. The face value of the bond was $10,000 thousand and its effective interest rate was 1.5%.

(iii) As of December 31, 2025 and 2024, the Company did not provide any of the aforementioned bond as collateral.

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OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(c) Notes and accounts receivable (including related parties)

	December 31, 2025	December 31, 2024
Notes receivable	$ 16,768	22,186
Accounts receivable	343,141	358,059
Accounts receivable－related parties	1,243	48
	361,152	380,293
Less: allowance for doubtful accounts	(3,417)	(1,118)
Long-term notes and accounts receivable, net	(1,369)	(19,052)
	$ 356,366	**360,123**

(i) The Company did not provide any of the aforementioned notes and accounts receivable as collateral. The aforementioned notes and accounts receivable were not discounted because the due dates were less than a year. The book value is assumed to approximate the fair value.

(ii) A maturity analysis of notes and accounts receivable from the installment sales was expected to be recovered after the reporting date as follows:

	December 31, 2025	December 31, 2024
Less than a year	$ 20,421	22,149
One to two years	1,369	19,052
	$ 21,790	**41,201**

The aforementioned receivables were promptly recovered after the reporting date.

(iii) The Company applies the simplified approach to provide for its ECL, the use of lifetime ECL provision for all notes and accounts receivable (including long-term and related parties). To measure the ECL, notes and accounts receivable have been grouped based on shared credit risk characteristics and customer' s ability to pay all the amounts due based on the terms of the contract as well as incorporated forward looking information, including macroeconomic and relevant industry information. The ECL allowance provision analysis was as follows:

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

	December 31, 2025		
	Carrying amounts of notes and accounts receivable (including long-term and related parties)	Lifetime weighted-average ECL rate	Loss allowance provision of lifetime ECL
Current	$ 321,992	0.00%	-
Past due 1 to 60 days	29,490	0.74%	219
Past due 61 to 210 days	7,039	8.06%	567
Past due 211 to 270 days	-	0.00%	-
Past due 271 to 360 days	-	0.00%	-
More than 361 days past due	2,631	100%	2,631
	$ 361,152		**3,417**

	December 31, 2024		
	Carrying amounts of notes and accounts receivable (including long-term and related parties)	Lifetime weighted-average ECL rate	Loss allowance provision of lifetime ECL
Current	$ 353,970	0.00%	-
Past due 1 to 60 days	22,490	0.81%	183
Past due 61 to 210 days	3,498	17.15%	600
Past due 211 to 270 days	-	0.00%	-
Past due 271 to 360 days	-	0.00%	-
More than 361 days past due	335	100%	335
	$ 380,293		**1,118**

(iv) The movements in the allowance for notes and accounts receivable were as follows:

	2025	2024
Balance on January 1	$ 1,118	435
Recognition of expected credit loss	2,379	742
Amounts written off	(80)	(59)
Balance on December 31	**$ 3,417**	**1,118**

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(d) Inventories

	December 31, 2025	December 31, 2024
Software	$ 230,177	303,081
Hardware	2,722	795
	$ 232,899	**303,876**

(i) Except for the cost of inventories that have been sold, the Company recognized the following items as cost of goods sold:

	2025	2024
Losses (Gains) on obsolete inventories and inventory valuation	$ (111)	1
Loss on disposal of inventories	25	197
Total	**$ (86)**	**198**

(ii) As of December 31, 2025 and 2024, the Company did not provide any of the aforementioned inventories as collateral.

(e) Other current assets

	December 31, 2025	December 31, 2024
Other receivables－related parties	$ -	30,228
Other receivables	345	761
Prepaid expenses and others	4,016	2,075
	$ 4,361	**33,064**

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

	2025	2024
Balance on January 1	$ -	233
Reversal of expected credit loss	-	(233)
Balance on December 31	**$ -**	**-**

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(f) Investments accounted for using equity method

The Company's investments accounted for using the equity method at the reporting dates comprise:

	December 31, 2025	December 31, 2024
Subsidiaries	$ 325,104	208,192

(i) Please refer to the Company's consolidated financial statements for the year ended December 31, 2025, for details of subsidiaries.

(ii) The Company did not provide any of the aforementioned investments as collateral.

(g) Property, plant and equipment

The movements of cost and depreciation of the property, plant and equipment of the Company were as follows:

	Land	Buildings	Computers	Office equipment	Transportation equipment	Total
Cost:						
Balance on January 1, 2025	$ 10,260	6,175	28,161	4,342	4,453	53,391
Additions	-	-	2,922	643	61	3,626
Disposals	-	-	(1,183)	(45)	-	(1,228)
Balance on December 31, 2025	$ 10,260	6,175	29,900	4,940	4,514	55,789
Balance on January 1, 2024	$ 10,260	6,175	25,527	4,282	4,453	50,697
Additions	-	-	4,486	73	-	4,559
Disposals	-	-	(1,852)	(13)	-	(1,865)
Balance on December 31, 2024	$ 10,260	6,175	28,161	4,342	4,453	53,391
Accumulated Depreciation:						
Balance on January 1, 2025	$ -	2,486	20,720	3,838	1,322	28,366
Depreciation	-	103	2,467	295	419	3,284
Disposals	-	-	(991)	(45)	-	(1,036)
Balance on December 31, 2025	$ -	2,589	22,196	4,088	1,741	30,614
Balance on January 1, 2024	$ -	2,383	19,645	3,483	904	26,415
Depreciation	-	103	2,609	367	418	3,497
Disposals	-	-	(1,534)	(12)	-	(1,546)
Balance on December 31, 2024	$ -	2,486	20,720	3,838	1,322	28,366
Carrying amounts:						
Balance on December 31, 2025	$ 10,260	3,586	7,704	852	2,773	25,175
Balance on December 31, 2024	$ 10,260	3,689	7,441	504	3,131	25,025
Balance on January 1, 2024	$ 10,260	3,792	5,882	799	3,549	24,282

As of December 31, 2025 and 2024, the Company did not provide any of the aforementioned property, plant and equipment as collateral.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(h) Right-of-use assets

The Company leases assets including buildings and transportation equipment. Movements of the cost and accumulated depreciation of right-of-us assets were as follows:

	Buildings	Transportation equipment	Total
Cost:			
Balance on January 1, 2025 (i.e., Balance on December 31, 2025)	**$ 65,272**	**-**	**65,272**
Balance on January 1, 2024	$ 63,907	1,204	65,111
Additions	9,297	-	9,297
Disposals	(7,932)	(1,204)	(9,136)
Balance on December 31, 2024	**$ 65,272**	**-**	**65,272**
Accumulated Depreciation:			
Balance on January 1, 2025	$ 21,718	-	21,718
Depreciation	13,989	-	13,989
Balance on December 31, 2025	**$ 35,707**	**-**	**35,707**
Balance on January 1, 2024	$ 15,715	1,104	16,819
Depreciation	13,935	100	14,035
Disposals	(7,932)	(1,204)	(9,136)
Balance on December 31, 2024	$ 21,718	-	21,718
Carrying amount:			
Balance on December 31, 2025	$ 29,565	-	29,565
Balance on December 31, 2024	$ 43,554	-	43,554
Balance on January 1, 2024	$ 48,192	100	48,292

(i) Short-term borrowings

The short-term borrowings were summarized as follows:

	December 31, 2025	December 31, 2024
Unsecured bank loans	**$ -**	**-**
Unused short-term credit lines	**$ 350,000**	**350,000**

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(j) Lease liabilities

	December 31, 2025	December 31, 2024
Current	$ 13,412	13,044
Non-current	$ 16,322	30,651

For the maturities analysis, please refer to note 6(r).

The amount recognized in profit or loss were as follows:

	2025	2024
Interest on lease liabilities	$ 760	908
Expenses relating to short-term leases and leases of low-value assets	$ 4,473	4,712

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

	2025	2024
Rental paid in operating activities	$ (4,473)	(4,712)
Interest on lease liabilities paid in operating activities	(760)	(908)
Payment made on lease liabilities in financing activities	(13,961)	(13,635)
Total cash outflow for leases	$ (19,194)	(19,255)

(i) Buildings leases

The Company leases buildings for its office space and warehouse. The leases of office space typically run for a period of 2 to 6 years, and of warehouse for 3 years. The Company leases buildings from subsidiaries for its office space, please refer to note 7.

(ii) Other leases

The Company leases vehicle for transportation equipment, with lease term of 3 years.

(iii) The Company leases some equipment with contract terms of one to six years. These leases are short-term and/or leases of low-value items. The Company has elected not to recognize right-of-use assets and lease liabilities for these leases.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(k) Employee benefits

(i) Defined benefit plans

The present value of the defined benefit obligations and fair value adjustment of plan assets of the Company were as follows:

	December 31, 2025	December 31, 2024
Present value of defined benefit obligations	$ 33,351	30,695
Fair value of plan assets	45,442	39,682
Net defined benefit asset	**$ (12,091)**	**(8,987)**

The Company makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pensions for employees upon retirement. The plans (covered by the Labor Standards Law) entitle a retired employee to receive payments based on years of service and average salary for the six months prior to retirement.

1) Composition of plan assets

The Company contributes pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two year time deposits with interest rates offered by local banks.

The Company's Bank of Taiwan labor pension reserve account balance amounted to $45,442 thousand at the end of the reporting period. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) Movements in present value of defined benefit obligations

The movements in present value of defined benefit obligations for the Company were as follows:

	2025	2024
Defined benefit obligation on January 1	$ 30,695	29,543
Current service costs and interest expense	633	619
Remeasurement of net defined liability expense －Actuarial gain arising from experience adjustments	2,023	533
Defined benefit obligation on December 31	**$ 33,351**	**30,695**

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

3) Movements in the fair value of plan assets

The movements in the fair value of plan assets for the Company were as follows:

		2025	2024
Fair value of plan assets on January 1	$	39,682	34,041
Contributions paid by the employer		2,436	2,264
Interest income		619	534
Remeasurement of net defined asset		2,705	2,843
－Return on plan assets (excluding interest income)	**$**	**45,442**	**39,682**

4) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the Company were as follows:

		2025	2024
Current service costs	$	173	176
Net interest of net liabilities (asset) for defined benefit		(159)	(91)
	$	**14**	**85**
Selling expenses	$	8	59
Administrative expenses		2	14
Research and development expenses		4	12
	$	**14**	**85**

5) Remeasurement of the net defined benefit asset recognized in other comprehensive income

As of December 31, 2025 and 2024, the Company's remeasurement of the net defined benefit asset recognized in other comprehensive income were as follows:

		2025	2024
Cumulated amount on January 1	$	(3,112)	(802)
Recognized during the period		(682)	(2,310)
Cumulated amount on December 31	**$**	**(3,794)**	**(3,112)**

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

6) Actuarial assumptions

The following are the Company's principal actuarial assumptions:

	2025	2024
Discount rate	1.50 %	1.50 %
Future salary increase rate	4.00 %	4.00 %

The expected allocation payment to be made by the Company to the defined benefit plans for the one year period after the reporting date was $3,701 thousand.

The weighted average duration of the defined benefit plans is 5.2 years.

7) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligations as of December 31, 2025 and 2024, would have been as follows:

	Influence of defined benefit obligations	
	Increased 0.25%	Decreased 0.25%
Discount rate:		
December 31, 2025	$ (689)	715
December 31, 2024	$ (686)	712

	Influence of defined benefit obligations	
	Increased 1%	Decreased 1%
Future salary increase rate:		
December 31, 2025	$ 2,619	(2,360)
December 31, 2024	$ 2,644	(2,363)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. Many assumption changes may affect each other in practice. The method used in the sensitivity analysis is consistent with the calculation of pension liabilities in the balance sheets.

There was no change in the method and assumptions used in the preparation of the sensitivity analysis for 2025 and 2024.

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OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(ii) Defined contribution plans

The Company allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under this defined contribution plan, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The Company recognized pension costs under the defined contribution method amounted to $8,679 thousand and $7,998 thousand for the years ended December 31, 2025 and 2024, respectively.

(l) Income taxes

(i) Income tax expense

The components of income tax expenses were as follows:

	2025	2024
Current tax expense	$ 57,324	52,846
Deferred tax expense	1,729	1,727
Income tax expense	**$ 59,053**	**54,573**

(ii) The Company had no income taxes recognized directly in equity.

(iii) The amounts of income tax expense recognized in other comprehensive income were as follows:

	2025	2024
Exchange differences on translation of foreign operations' financial statements	**$ 209**	**1,093**

(iv) Reconciliation of income tax expense and profit before tax was as follows:

	2025	2024
Profit before income tax	$ 297,553	276,460
Income tax using the Company's domestic tax rate	59,511	55,292
Prior year's income tax adjustment	3,202	3,167
Surtax unappropriated earnings	2,614	2,030
Investment tax credit accrued	(3,313)	(4,308)
Domestic investment gains or losses recognized under the equity method	(3,020)	(1,734)
Others	59	126
	$ 59,053	**54,573**

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(v) Deferred tax assets and liabilities

There are no unrecognized deferred tax assets and liabilities. Changes in the amount of deferred tax assets and liabilities were as follows:

	Investment income of subsidiaries recognized under the equity method	Defined benefit obligations	Others	Total
Deferred tax liabilities:				
Balance on January 1, 2025	$ 9,721	3,331	33	13,085
Debit / (credit) profit or loss	1,307	484	(33)	1,758
Balance on December 31, 2025	**$ 11,028**	**3,815**	**-**	**14,843**
Balance on January 1, 2024	$ 8,418	2,896	21	11,335
Debit / (credit) profit or loss	1,303	435	12	1,750
Balance on December 31, 2024	**$ 9,721**	**3,331**	**33**	**13,085**

	Share of other comprehensive income of subsidiaries recognized under the equity method	Loss on inventory valuation and obsolete inventories	Bad debt in excess of tax limit	Others	Total
Deferred tax assets:					
Balance on January 1, 2025	$ (1,817)	(346)	(193)	(40)	(2,396)
Credit profit or loss	-	22	-	(51)	(29)
Credit other comprehensive income	209	-	-	-	209
Balance on December 31, 2025	**$ (1,608)**	**(324)**	**(193)**	**(91)**	**(2,216)**
Balance on January 1, 2024	$ (2,910)	(346)	(193)	(17)	(3,466)
Credit profit or loss	-	-	-	(23)	(23)
Credit other comprehensive income	1,093	-	-	-	1,093
Balance on December 31, 2024	**$ (1,817)**	**(346)**	**(193)**	**(40)**	**(2,396)**

(vi) The Company's income tax returns have been examined by the tax authority through the years up to 2023.

(m) Capital and other equity

(i) Capital

As of December 31, 2025 and 2024, the number of authorized ordinary shares both were 30,000 thousand shares with par value of $10 (dollars) per share and amounted to $300,000 thousand. As of the dates, 17,097 thousand shares of ordinary shares were issued and all issued ordinary shares were paid up upon issuance.

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OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(ii) Capital surplus

The balances of capital surplus were as follows:

	December 31, 2025	December 31, 2024
Additional paid-in capital	$ 68,176	68,176
Employee stock options	637	637
	$ 68,813	**68,813**

According to the ROC Company Act, capital surplus can only be used to offset an accumulated deficit, and then the realized capital surplus can be distributed as stock dividends or cash dividends according to the stockholders' original percentage of ownership. The aforementioned realized capital surplus includes capital surplus resulting from premium upon the issuance of capital stock and donation gains. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the increase in capital by transferring the paid-in capital in excess of the par value should not exceed 10% of the total common stock outstanding.

(iii) Retained earnings

Base on the Company' s articles of incorporation, when allocating the earnings for each year, the Corporation shall first pay income taxes, and offset its prior years' deficits, if any. Of the remaining balance, 10% is to be appropriated as legal reserve, until the accumulated legal reserve has equaled the total capital of the Corporation; then set aside a special reserve in accordance with the relevant laws when necessary. The balance of the earnings shall combined into an aggregate amount of undistributed earnings, which shall become the aggregate distributable earnings to be distributed by the Board of Directors' distribution proposals and the resolution at the stockholders' meeting. The Company authorizes the Board of Directors to resolve, with the attendance of at least two-thirds of the directors and the approval of a majority of those present, to distribute all or part of the dividends and bonuses in cash, and to report such distribution to the shareholders' meeting.

The Company shall consider the demand for expanding the scale of corporation, cash-flow, retained earnings, flexibility of business operation, and strength of competition to distribute dividend. The dividend distributed by directors' meeting shall not be less than 20% of the net amount of the annual profit after deducting the reserve retained in accordance with the laws while cash dividend shall not be less than 10% of the distributed dividend. The rate of cash dividend could be adjusted by the stockholders' meeting in accordance with the actual profit in the year and demand of cash-flow in the future.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a stockholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash to shareholders, and only the portion of the legal reserve which exceeds 25% of capital may be distributed.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

2) Special reserve

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

3) Earnings distribution

The Board of Directors resolved the distribution of earnings for 2024 on February 26, 2025 and the distribution of earnings for 2023 on March 11, 2024, respectively. As well as the stockholders' meeting resolved the distribution of earnings for 2024 on May 23, 2025 and the distribution of earnings for 2023 on June 21, 2024, respectively. The distribution was $9.0 (dollars) and $8.0 (dollars) per share, which amounted to $153,873 thousand and $136,776 thousand, respectively.

The Board of Directors resolved the distribution of earnings for 2025 on February 24, 2026. The distribution was $9.7 (dollars) per share, which amounted to $165,841 thousand.

(n) Earnings per share

(i) Basic earnings per share

The calculation of basic earnings per share based on the profit attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding was as follows:

	2025	2024
Profit attributable to ordinary shareholders of the Company	$ 238,500	221,887
Weighted average number of ordinary shares (thousand shares)	17,097	17,097
Basic earnings per share	$ 13.95	12.98

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(ii) Diluted earnings per share

The calculation of diluted earnings per share based on the profit and the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares was as follows:

	2025	2024
Profit attributable to ordinary shareholders of the Company	$ 238,500	221,887
Weighted-average number of ordinary shares (diluted) (thousand shares)	17,206	17,195
Diluted earnings per share	$ 13.86	12.90

	2025	2024
Weighted-average number of ordinary shares (basic)	17,097	17,097
Effect of employee remuneration	109	98
Weighted-average number of ordinary shares (diluted)	17,206	17,195

(o) Revenue from contracts with customers

(i) Disaggregation of revenue

	2025	2024
Primary geographical markets:		
Taiwan	$ 2,232,990	1,948,362
Major products:		
Software	$ 2,072,976	1,813,621
Service	119,579	113,447
Others	40,435	21,294
	$ 2,232,990	1,948,362

(ii) Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Notes and accounts receivable (including long-term)	$ 359,909	380,245	265,281
Accounts receivable－related parties	1,243	48	115
Less: allowance for impairment	(3,417)	(1,118)	(435)
Total	$ 357,735	379,175	264,961

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities	$ 16,809	12,092	14,821

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

1) For details on notes and accounts receivable (including long-term and related parties) and allowance for impairment, please refer to note 6(c).

2) The contract liabilities primarily relate to the advance consideration received from customers for the product sales contracts, for which revenue is recognized when products are delivered to customers. The amount of revenue recognized for the years ended December 31, 2025 and 2024 that was included in the contract liability balance at the beginning of the period were $9,714 thousand and $11,800 thousand, respectively.

(p) Employee compensation and directors' remuneration

On May 23, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, more than 5% of annual profit should be appropriated as employee remuneration (including a minimum of 1% to those base-level employees). The board of directors will adopt a resolution on whether the distribution is paid in cash or stock. Qualified employees, including the employees of subsidiaries of the Company meeting certain specific requirements, are entitled to receive their remuneration specified by the board of directors. The annual profit aforementioned may also be appropriated as directors' remuneration through the board's resolution, wherein the amount should not exceed 3% of annual profit. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficits. Prior to the amendment, the Articles of Incorporation stipulated that, more than 5% of annual profit should be appropriated as employee remuneration. The board of directors will adopt a resolution on whether the distribution is paid in cash or stock. Qualified employees, including the employees of subsidiaries of the Company meeting certain specific requirements, are entitled to receive their remuneration specified by the board of directors. The annual profit aforementioned may also be appropriated as directors' remuneration through the board's resolution, wherein the amount should not exceed 3% of annual profit.

For the years ended December 31, 2025 and 2024, the Company estimated its employee remuneration amounting to $15,912 thousand and $14,784 thousand, and directors' remuneration amounting to $4,774 thousand and $4,435 thousand, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company's articles. These remunerations were expensed under operating expenses during period. The amounts, as stated in the parent company only financial statements, are identical to those of the actual distributions for 2025 and 2024. Information can be accessed on the Market Observation Post System website.

(q) Other gains and losses

(i) Other gains and losses

The details of other gains and losses were as follows:

	2025	2024
Government grants	$ 368	1,497
Foreign exchange gains (losses)	(3,269)	938
Others	463	402
	$ (2,438)	**2,837**

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(ii) Financial cost

The consolidated company's financial cost are specified as follows:

	2025	2024
Bank loan interest expenses	$ 3	-
Interest expense on lease liabilities	760	908
	$ 763	**908**

(r) Financial instruments

(i) Credit risk

1) Exposure to credit risk

The carrying amount of financial assets represents the maximum amount exposed to credit risk. As of December 31, 2025 and 2024, the maximum amount exposed to credit risk amounted to $868,698 thousand and $945,610 thousand, respectively.

2) Concentration of credit risk

Since the Company has a lot of customers, it does not trade with single customer and market areas are diversified. The Company periodically evaluates these customers' financial position and the possibility of recovery of notes and accounts receivable to lower credit risk, collaterals will be requested from the customers if necessary.

3) For credit risk exposure of notes and accounts receivable (including long-term), please refer to note 6(c).

4) The exposure to credit risk for the financial assets at amortized cost are measured and monitored by the Company's finance department. The Company only deals with banks with good credit rating. The Company does not expect any counterparty above fails to meet its obligations hence there is no significant credit risk arising from these counterparties.

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities:

	Carrying amount	Contractual cash flows	Within 1 year	1-2 years	2-5 years	More than 5 years
December 31, 2025						
Accounts payable	$ 222,510	222,510	222,510	-	-	-
Salaries payable	70,916	70,916	70,916	-	-	-
Other payables	34,292	34,292	34,292	-	-	-
Lease liabilities	29,734	30,497	13,889	11,702	4,906	-
Guarantee deposits	800	800	-	-	-	800
	$ 358,252	**359,015**	**341,607**	**11,702**	**4,906**	**800**

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OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

	Carrying amount	Contractual cash flows	Within 1 year	1-2 years	2-5 years	More than 5 years
December 31, 2024						
Accounts payable	$ 353,658	353,658	353,658	-	-	-
Salaries payable	63,304	63,304	63,304	-	-	-
Other payables	30,629	30,629	30,629	-	-	-
Lease liabilities	43,695	45,219	13,804	14,807	16,070	538
Guarantee deposits	800	800	800	-	-	-
	$ 492,086	**493,610**	**462,195**	**14,807**	**16,070**	**538**

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

(iii) Currency risk

1) Exposure to foreign currency risk

The Company's significant exposure to foreign currency risk was as follows:

	December 31, 2025			December 31, 2024		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets						
Monetary items-USD	$ 52	31.43	1,621	343	32.790	11,253
Monetary items-JP	1,992	0.2008	400	1,715	0.2102	361
Financial liabilities						
Monetary items-USD	127	31.43	3,982	151	32.79	4,941
Monetary items-JP	3,613	0.2008	726	3,776	0.2102	794

2) Sensitivity analysis

The Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents and accounts payable that are denominated in foreign currency. A 5% weakening (strengthening) of the TWD against the USD as of December 31, 2025 and 2024, would have decreased (increased) profit before tax by $134 thousand and $294 thousand for the years ended December 31, 2025 and 2024, respectively. The analysis is performed on the same basis for both periods.

3) Foreign exchange gain or loss on monetary items

The information on the amount of the Company's foreign exchange gain or loss on monetary items (including realized and unrealized) translated to the functional currency, and on the exchange rate translated to the functional currency of the parent company (the presentation currency), TWD, was as follows:

	2025		2024	
Functional currencies	Foreign exchange gain or loss	Average exchange rate	Foreign exchange gain or loss	Average exchange rate
TWD	**$ (3,269)**	1	**938**	1

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(iv) Interest rate analysis

The Company's financial assets with floating-rate were bank deposits and there were no financial liabilities with floating-rate. The Company believes that the cash flow risk arising from the fluctuation in interest rates was not significant and the sensitivity analysis of interest rate was not required.

(v) Fair value－Kinds of financial instruments and fair value

The carrying amount and fair value of the Company's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value and lease liabilities, disclosure of fair value information is not required.

	December 31, 2025				
		Fair Value			
	Carrying amounts	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost:					
Cash and cash equivalents	$ 465,261				
Financial assets measured at amortized cost	30,000				
Notes and accounts receivable (including long-term and related parties)	357,735				
Other receivables (including related parties)	345				
Refundable deposits	15,357				
Subtotal	**$ 868,698**				
Financial liabilities measured at amortized cost:					
Accounts payable	$ 222,510				
Salaries payable	70,916				
Other payables	34,292				
Lease liabilities	29,734				
Guarantee deposits	800				
Subtotal	**$ 358,252**				

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OTSUKA INFORMATION TECHNOLOGY CORP.
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	December 31, 2024				
		Fair Value			
	Carrying amounts	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost:					
Cash and cash equivalents	$ 488,566				
Financial assets measured at amortized cost	30,000				
Notes and accounts receivable (including long-term and related parties)	379,175				
Other receivables (including related parties)	30,989				
Refundable deposits	16,880				
Subtotal	**$ 945,610**				
Financial liabilities measured at amortized cost:					
Accounts payable	$ 353,658				
Salaries payable	63,304				
Other payables	30,629				
Lease liabilities	43,695				
Guarantee deposits	800				
Subtotal	**$ 492,086**				

(s) Financial risk management

(i) Overview

The Company has exposure to the following risks arising from financial instruments:

1) Credit risk
2) Liquidity risk
3) Market risk

This note presents information on exposure to each of the above risks and on the objectives, policies, and processes for measuring and managing risk. For detailed information, please refer to the related notes on each risk.

(ii) Structure of risk management

The financial management department of the Company provides services for each business, including helping businesses to operate in the domestic and international financial markets, and supervising and managing the financial risks of the Company related to the operation by analyzing the internal risk report in accordance with the degree and extent of risk. Internal auditors continue to review policy compliance and risk limits.

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OTSUKA INFORMATION TECHNOLOGY CORP.
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(iii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations, which arises principally from the Company's cash and cash equivalents; receivables; and bonds.

1) Notes, accounts and other receivables

The Company has established a credit policy and is required to transact with corporations having high credit ratings. The Company uses external credit rating systems and previous transaction records to assess the credit quality and set the credit limits for the customer. The Company constantly supervises credit exposures and credit limits of transaction partners, and controls credit exposures through setting the credit limits.

2) Investment

The exposure to credit risk for the bank deposits, fixed income investments, and other financial instruments is measured and monitored by the Company's finance department. The Company only deals with banks, other external parties, corporate organizations, government agencies and financial institutions with good credit rating. The Company does not expect any counterparty above fails to meet its obligations hence there is no significant credit risk arising from these counterparties.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. As of December 31, 2025 and 2024, the Company's unused credit lines amounted to $350,000 thousand for both years.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Currency risk

The Company is exposed to currency risk on bank deposits that are denominated in a currency other than the respective functional currencies of the Company's entities. The bank deposits are denominated in USD and JP. The Company believes the cash flow risk arising from the fluctuation in exchange rates is not significant.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

2) Interest rate risk

The Company's main assets with a floating interest rate basis are bank deposits. The Company believes that cash flow risk arising from the fluctuation in interest rates is not significant.

(t) Capital Management

The Company's capital management policy is to maintain a strong capital base and appropriate debt ratio so as to maintain investor, creditor, and market confidence to sustain the future development of the business.

As of December 31, 2025 and 2024, the debt ratios were 28% and 35%, respectively. There were no changes in the Company's approach to capital management as of December 31, 2025.

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

The Company's investing and financing activities which did not affect the current cash flow in the year ended December 31, 2025 and 2024, were as follows:

(i) For acquisition of right-of-use asset by leasing, please refer to notes 6(h) and (j).

(ii) Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2025	Acquisition	Cash flows	Non-cash changes	December 31, 2025
Lease liabilities	$ 43,695	-	(13,961)	-	29,734
Guarantee deposits	800	-	-	-	800
Total liabilities from financing activities	**$ 44,495**	**-**	**(13,961)**	**-**	**30,534**

	January 1, 2024	Acquisition	Cash flows	Non-cash changes	December 31, 2024
Lease liabilities	$ 48,033	9,297	(13,635)	-	43,695
Guarantee deposits	-	-	800	-	800
Total liabilities from financing activities	**$ 48,033**	**9,297**	**(12,835)**	**-**	**44,495**

(7) Related-party transactions:

(a) Names and relationship of the related parties

The followings are related parties that have had transactions with the Company during the periods covered in the parent company only financial statements.

Name	Relationship
Otsuka Information Technology Ltd. (Otsuka Information)	A subsidiary
EFD Corp. (EFD)	A subsidiary

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

Name	Relationship
Otsuka Software Trading (Dongguan) Ltd. (Otsuka Dongguan)	A subsidiary
Otsuka OITC Information Technology (Shanghai) Ltd. (OITC)	A subsidiary
Fortune Construction Co., Ltd. (Fortune Construction)	Substantial related party

(b) Significant transactions with related parties

(i) Sales

The amounts of sales by the Company to related parties and outstanding balances were as follows:

	Service		Sales		Accounts receivable	
	2025	2024	2025	2024	December 31, 2025	December 31, 2024
Subsidiaries	$ 1,579	48	14,797	26,958	1,243	-
Other related-parties	-	-	1,937	91	-	48
	$ 1,579	48	16,734	27,049	1,243	48

The selling price for aforementioned related parties was based on cost-plus. The credit terms with related parties were 30 to 60 days, whereas the terms with other customers were 30 to 120 days and 60 to 90 days, respectively, for the years ended December 31, 2025 and 2024.

(ii) Purchases

The amounts of purchases by the Company from related parties and the outstanding balances were as follows:

	Purchases		Accounts payable -related parties	
	2025	2024	December 31, 2025	December 31, 2024
Subsidiaries	$ 12,327	3,989	2,004	47

There were no significant differences in the purchasing price and other trading terms between related parties and other vendors. For the years ended December 31, 5nd 2024, the payment terms of related parties and other vendors were 30 days and 30 to 60 days, respectively.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(iii) Labor expenditures

Expenditures incurred by related parties for providing measurement consulting services to the Company and their outstanding balances were as follows:

	Service costs		Accounts payable -related parties	
	2025	2024	December 31, 2025	December 31, 2024
Subsidiaries-EFD	$ 14,339	8,153	3,202	4,171

The transaction prices and other trading terms with related parties are not significantly different from those with general vendors.

(iv) Leases

The Company entered into a 3-year lease agreement with its subsidiary, EFD, in December 2023 for its office building, wherein the right-of-use and lease liabilities both amounted to $5,472 thousand. Therefore, the Company recognized the interest expense and depreciation expense of $52 thousand and $1,775 thousand for the year ended December 31, 2025, respectively. The Company recognized the interest expense and depreciation of $88 thousand and $1,775 thousand for the year ended December 31, 2024. As of December 31, 2025, the balance of right-of-use assets and lease liabilities amounted to $1,774 thousand and $1,812 thousand, respectively. As of December 31, 2024, the balance of right-of-use assets and lease liabilities amounted to $3,549 thousand and $3,588 thousand, respectively.

(v) Loans to related parties

The balances of selling price loans to related parties were as follows:

	For the years ended December 31, 2025					
	Highest balance	Ending balance	Actual usage amount	Agreed interest rate	Interest income	Other receivables
Subsidiary-EFD	$ 30,000	-	-	-	439	-

	For the years ended December 31, 2024					
	Highest balance	Ending balance	Actual usage amount	Agreed interest rate	Interest income	Other receivables
Subsidiary-EFD	$ 30,000	30,000	30,000	2.25%	627	30,228

(vi) Guarantee

The amounts of guarantees by the Company, provided to related parties were as follows:

	December 31, 2025	December 31, 2024
Subsidiary-EFD	$ -	30,000

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(vii) Other revenue (recognized as other gains and losses)

The Company entered into a management service contract with its subsidiary to provide supporting service such as accounting and capital management. The revenue and outstanding balances were as follows:

	Revenues		Other receivables	
	2025	2024	December 31, 2025	December 31, 2024
Subsidiary-EFD	$ 440	400	-	-

(viii) Cash capital increase

On February 26, 2025, the Board of Directors resolved to increase the capital of the Company's subsidiary-EFD, by NT$100,000,000, with August 14, 2025 set as the record date. The capital contribution has been fully paid, and the registration has been completed.

(c) Key management personnel compensation

Key management personnel compensation comprised:

	2025	2024
Short term employee benefits	$ 28,507	25,199
Termination benefits	272	282
Post employment benefits	-	-
Other long term benefits	-	-
Share based payments	-	-
	$ 28,779	25,481

(8) Pledged assets: None

(9) Commitments and contingencies: None

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(12) Other:

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

By function	2025			2024		
By item	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	-	242,462	242,462	-	208,110	208,110
Labor and health insurance	-	18,281	18,281	-	16,365	16,365
Pension	-	8,693	8,693	-	8,083	8,083
Remuneration of directors	-	8,284	8,284	-	7,375	7,375
Others	-	10,524	10,524	-	9,537	9,537
Depreciation	-	17,273	17,273	-	17,532	17,532
Amortization	-	3,221	3,221	-	3,574	3,574

The following were the additional information on the Company's employees and employee benefits for the years ended December 31, 2025 and 2024:

	2025	2024
Numbers of employees	194	184
Numbers of directors, but not employees concurrently	6	6
The average employee benefit	$ 1,489	1,360
The average salaries and wages	$ 1,290	1,169
Adjustment of the average salaries and wages	10.31%	3.27%
Remuneration of supervisors	$ -	-

The Company's salary and remuneration policy (including directors, managers and employees) was as follows:

The reward of directors includes compensation, duty performance allowance and remuneration. The amount of compensation and duty performance allowance should follow the Company's Articles of Incorporation that authorize the board of directors paying reasonable remuneration to directors with considering responsibilities charged, contribution made to the Company and the standard of peer companies. The remuneration will be taken into consideration operating result and evaluation of directors' performance and stated in the Company's Articles of Incorporation, as well as should be appropriated not exceed 3% of annual profit. The evaluation of performance and rationality of remuneration are both resolved by the Remuneration Committee and Board of Directors.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

The salary structure includes the basic salary, duty and other allowances and bonus, etc.. The remuneration of managers will be evaluated by the Remuneration Committee being taken into consideration the nature of job, responsibilities charged, along with the education, experiences, seniority and performance, and the result of remuneration will be submitted to the Board of Directors. After the resolution of the Board of Director and stockholders' meeting, the employee compensation will be distributed according to each employee's performance, seniority, job grade and special contribution to the Company.

(13) Other disclosures:

(a) Information on significant transactions:

The followings were the information on significant transactions required to be disclosed by the Regulations for the Company:

(i) Loans to other parties:

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance (note 1)	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Company	EFD Corp.	Other receivables	Y	30,000	-	-	-%	Necessary to short-term loans to other parties	-	Operating capital	-	N	-	108,979	217,959

Note1: The ending balance is the amount of loans to other parties which was authorized by the Board of Directors.
Note2: The total amount of loans due to necessary to short-term loans to a company shall not exceed 10% of its net worth; and the total amount of loans to all companies shall not exceed 20% of their net worth.

(ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The Company	EFD Corp.	The Subsidiary of the Company	217,959	30,000	-	-	-	- %	435,918	Y	N	N

Note 1: The total amount of guarantee to a subsidiary, where the Company holds more than 90% of its shares, shall not exceed 20% of the Company's net worth; and the total amount of guarantee to other subsidiaries shall not exceed 10% of the Company's net worth. The total amount of the guarantee to all companies shall not exceed 40% of the Company's total worth.

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(iii) Securities held as of December 31, 2025 (excluding investment in subsidiaries, associates and joint ventures):

Company holding securities	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
	Financial Bond:							
The Company	FY2019 1st subordinated bond of Bank of Panhsin	None	Financial assets measured at amortized cost-non-current	-	20,000	- %	20,000	
The Company	FY2021 1st subordinated bond of Bank of Panhsin	None	Financial assets measured at amortized cost-non-current	-	10,000	- %	10,000	

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None

(v) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2025 (excluding information on investees in China):

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2025	December 31, 2024	Shares (thousands)	Percentage of ownership	Carrying value			
The company	Otsuka Information Technology Ltd.	Hong Kong	Holding company	129,517	129,517	32,760	100.00%	179,583	6,535	6,535	
〃	EFD Corp.	Taiwan	Software merchandising and measurement services	130,000	30,000	13,000	100.00%	145,521	14,925	15,100	

(Continued)

OTSUKA INFORMATION TECHNOLOGY CORP.
Notes to the Financial Statements

(c) Information on investment in China:

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

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2024	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Otsuka Software Trading (Dongguan) Ltd.	Software merchandising	50,288 (US$1,600 thousand)	Investing in China through the company incorporated in the third country	50,288 (US$1,600 thousand)	-	-	50,288 (US$1,600 thousand)	481	100.00%	481	89,133	-
Otsuka Information Technology (Shanghai) Ltd.	Software merchandising	81,718 (US$2,600 thousand)	〃	81,718 (US$2,600 thousand)	-	-	81,718 (US$2,600 thousand)	6,054	100.00%	6,054	90,442	-

Note 1: The limited companies did not issue the shares.

(ii) Limitation on investment in China:

Accumulated Investment in Mainland China as of December 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
132,006 (USD4,200 thousand)	132,006 (USD4,200 thousand)	653,876

Note: The TWD amount was measured on December 31, 2025 with the spot exchange rate of 31.43.

The above investment income (losses) were based on the financial statements audited by the Company's auditors.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in China are disclosed in "Information on significant transactions".

(14) Segment information:

Please refer to the Company's consolidated financial statements for the year ended December 31, 2025, for details.

OTSUKA INFORMATION TECHNOLOGY CORP.

Statement of cash and cash equivalents

December 31, 2025

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount
Cash on hand－NTD	Petty cash and working capital	$ 156
Cash on hand－JPY	Petty cash and working capital; JPY60 thousand ; Exchange rate0.2008	12
		168
Checking deposit－NTD		407
Demand deposits－NTD		466,721
Demand deposits－foreign currency	USD52 thousand ; Exchange rate31.43	1,621
	JPY1,932 thousand ; Exchange rate0.2008	388
		444,686
Time deposits－NTD	Term:2025.11.12~2026.3.27; Interest rate 1.285%	20,000
Total		**$ 465,261**

Otsuka Information Technology Corp.

Statement of notes and accounts receivable

December 31, 2025

(Expressed in thousands of New Taiwan Dollars)

Customers	Description	Amount
Notes receivable:		
Others (note)	Sales to non-related parties	$ 16,768
Accounts receivable:		
RADIANT OPTO-ELECTRONICS CORPORATION	Sales to non-related parties	29,177
HON HAI PRECISION INDUSTRY CO., LTD.	Sales to non-related parties	19,123
Others (note)	〃	294,841
Accounts receivable－related parties:		
Others (note)		1 ,243
Subtotal		344,384
Less: allowance for doubtful accounts		(3,417)
Long-term notes and accounts receivable, net		(1,369)
Total		**$ 356,366**

Note: The amounts of the individual items which below 5% of the account are not listed separately.

Statement of inventories

Item	Cost	Net realizable value
Software	$ 230,669	230,688
Provision for software	(492)	
	230,177	
Hardware	3,846	3,846
Provision for hardware	(1,124)	
	2,722	
Net amount	**$ 232,899**	**234,534**

OTSUKA INFORMATION TECHNOLOGY CORP.

Statement of changes in investments accounted for using the equity method

For the year ended December 31, 2025

(Expressed in thousands of New Taiwan Dollars)

	Beginning Balance		Additions		Disposal		Other adjustments(note)		Ending Balance				
Name of investee	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Percentage of holding shares	Amount	Market value or book value	Pledged of guaranteed (Book value)
Otsuka Information Technology Ltd.	32,760	$ 171,999	-	-	-	-	-	7,584	32,760	100.00%	179,583	179,583	None
EED Corp.	3,000	36,193	10,000	100,000	-	-	-	9,328	13,000	100.00%	145,521	145,696	None
Total		$ 208,192		100,000		-		16,912			325,104	325,279	

Note1 : Other adjustments include the gain from investments using the equity method, the cumulative translation adjustments, and received cash dividends, of $21,635 thousand, $1,049 thousand, $5,772 thousand, respectively.

OTSUKA INFORMATION TECHNOLOGY CORP.

Statement of changes in property, plant and equipment

For the year ended December 31, 2025

(Expressed in thousands of New Taiwan Dollars)

Please refer to note 6(g) for Property, plant and equipment.

Statement of changes in right-of-use assets

Please refer to note 6(h) for right-of-use assets.

Statement of other non-current assets

December 31, 2025

Item	Description	Amount
Refundable deposits	Deposits of lease and performance bond, etc.	$ 15,357
Prepaid pension		12,091
Intangible assets	Software etc.	10,639
Deferred tax assets		2,216
Long-term prepaid expense	Office decoration	279
Total		**$ 40,582**

OTSUKA INFORMATION TECHNOLOGY CORP.

Statement of accounts payables (including related parties)

December 31, 2025

(Expressed in thousands of New Taiwan Dollars)

Vendor	Description	Amount
Accounts payable:		
SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION	Purchase from non-related-parties	$ 154,658
PARAMETRIC TECHNOLOGY CORPORATION	〃	20,833
WEBLINK INTERNATIONAL INC.	〃	15,165
Others (note)	〃	26,648
		217,304
Accounts payable-related parties		5,206
Total		**$ 222,510**

Note: The amounts of the individual items which below 5% of the account are not listed separately.

Other payables

Item	Description	Amount
Income tax payable	Corporation income tax payable	$ 30,474
Employee and director payable remuneration payable	Employees' and directors' remuneration for 2025 in accordance with the Articles	20,686
Others (note)	Payable of labor and health insurance, service fee, etc.	13,606
Total		**$ 64,766**

Note: The amounts of the individual items which below 5% of the account are not listed separately.

Otsuka Information Technology Corp.

Statement of lease liabilities

December 31, 2025

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Lease term	Discount rate	Ending Balance	Note
Lease Liabilities - Current					
	Buildings	2022.06~2030.06	2%	$ 13,412	
Lease Liabilities - Non-Current					
	Buildings	2023.06~2030.06	2%	$ 16,322	

Current contract liabilities

Item	Description	Amount
PEAL MOMENT LIMITED	Sales to non - related parties	$ 4,073
GFC, LTD.	〃	2,108
Highlight Tech Corp.	〃	1,800
PROVIDENCE TECHNOLOGY CO., LTD.	〃	1,016
Others (note)	〃	7,812
		$ 16,809

Note: The amounts of the individual items which below 5% of the account are not listed separately.

Otsuka Information Technology Corp.

Statement of operating revenue

For the year ended December 31, 2025

(Expressed in thousands of New Taiwan Dollars)

Item	Amount
Sales revenue:	
Software	$ 2,073,156
Hardware	40,435
Less: Sales returns and discounts	(180)
Net sales revenue	2,113,411
Net service revenue	119,579
Total	**$ 2,232,990**

Statement of operating costs

Item	Amount
Inventories on January 1, 2025	$ 305,603
Add: Purchases	1,502,277
Less: Inventories on December 31, 2025	(234,515)
Inventory disposals	(25)
Costs for personal use and transfer, etc.	(37)
Cost of goods sold	1,573,303
Service costs	37,026
Losses on obsolete inventories and inventory valuation	(111)
Losses on disposal of inventories	25
Operating costs	**$ 1,610,243**

Otsuka Information Technology Corp.

Statement of selling, administrative, research and development expenses

For the year ended December 31, 2025

(Expressed in thousands of New Taiwan Dollars)

Item	Selling expenses	Administrative expenses	Research and development expenses
Salaries	$ 173,587	32,005	45,154
Depreciation	13,483	1,502	2,288
Insurance	11,857	2,664	4,316
Service	53	4,704	405
Others (note)	36,358	7,768	9,255
Total	**$ 235,338**	**48,643**	**61,418**

Note: The amounts of the individual items which below 5% of the account are not listed separately.