

**VISCO VISION INC. AND SUBSIDIARIES**  
**Consolidated Financial Statements**  
**with Independent Auditors' Report**  
**For the Three Months Ended March 31, 2026 and 2025**

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

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## Independent Auditors' Report

To the Board of Directors of Visco Vision Inc:

### Foreword

We have reviewed the accompanying consolidated balance sheets of Visco Vision Inc. and its subsidiaries (“the Group”) as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to draw a conclusion on the consolidated financial statements based on our review.

### Scope

We conducted our reviews in accordance with Statement on Standards on Review Engagement No. 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity”. The review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The review is substantially less in scope than that an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying financial statements are not presented fairly, in all material respects, the financial position of the Company as of March 31, 2026 and 2025, its financial performance and its cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG Taiwan

Taipei, Taiwan (Republic of China)

May 6, 2026

**Visco Vision Inc. and Subsidiaries**  
**Consolidated Balance Sheets**  
**March 31, 2026, December 31, and March 31, 2025**

(Expressed in Thousands of New Taiwan Dollars)

Assets		2026.3.31		2025.12.31		2025.3.31		Liabilities and equity		2026.3.31		2025.12.31		2025.3.31	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
<b>Current assets:</b>								<b>Current liabilities:</b>							
1100	Cash and cash equivalents (Note 6 (a))	\$ 548,061	9	708,369	12	786,839	14	2100	Short-term borrowings (Note 6 (l))	\$ 34,008	1	-	-	-	-
1110	Current financial assets at fair value through profit or loss - current (Note 6 (b))	53,73	1	38,190	1	-	-	2130	Contract liabilities - current (Note 6 (t))	47,475	1	50,566	1	72,361	1
1137	Financial assets measured at amortized cost - current (Notes 6 (c) and 8)	74,688	1	49,144	1	48,278	1	2170	Notes and accounts payable	164,937	3	175,083	3	194,370	3
1170	Accounts receivable, net (Notes 6 (e) and (t))	660,355	11	495,915	8	542,515	10	2180	Accounts payable to related parties (Note 7)	26,762	-	32,725	1	41,712	1
1180	Accounts receivable - from related parties (Notes 6 (e), (t) and 7)	67,264	1	81,573	1	75,552	1	2213	Payables on equipment	149,173	2	136,276	2	128,581	2
1200	Other receivables (Notes 6 (f) and 7)	19,619	-	307	-	12,387	-	2216	Dividends payable (Note 6 (r) and 7)	529,200	8	-	-	321,300	6
130X	Inventories (Note 6 (g))	703,294	11	718,703	12	669,943	12	2219	Other payables (Notes 6 (u) and 7)	557,990	9	572,381	10	380,780	7
1479	Prepayments and other current assets	130,190	2	86,845	1	56,929	1	2250	Provisions- current (Note 6 (g) and (m))	56,700	1	52,781	1	36,910	1
	<b>Total current assets</b>	<b>2,257,209</b>	<b>36</b>	<b>2,179,046</b>	<b>36</b>	<b>2,192,443</b>	<b>39</b>	2280	Lease liabilities - current (Notes 6 (n) and 7)	8,492	-	8,357	-	6,818	-
	<b>Non-current assets:</b>							2322	Current portion of long-term debt (Notes 6 (o) and 8)	169,065	3	149,065	2	323,913	6
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6 (d))	22,811	-	21,597	1	-	-	2399	Other current liabilities	41,310	1	50,272	1	13,653	-
1550	Investments accounted for using the equity method (Note 6 (h))	564,543	9	577,994	10	450,076	8		<b>Total current liabilities</b>	<b>1,785,112</b>	<b>29</b>	<b>1,227,506</b>	<b>21</b>	<b>1,520,398</b>	<b>27</b>
1600	Property, plant, and equipment (Notes 6 (i) and 8)	2,531,867	41	2,405,702	40	2,232,753	40		<b>Non-current liabilities:</b>						
1755	Right-of-use assets (Notes 6 (j), 7 and 8)	424,128	7	419,901	7	407,071	7	2540	Long-term debt (Notes 6 (o) and 8)	243,227	4	307,994	5	435,215	8
1780	Intangible assets (Note 6 (k))	71,882	1	73,404	1	89,328	1	2570	Deferred income tax liabilities	8,516	-	3,200	-	3,927	-
1840	Deferred income tax assets	264,801	4	262,400	4	212,607	4	2580	Lease liabilities - non-current (Notes 6 (n) and 7)	15,755	-	16,475	-	6,693	-
1915	Prepayments for constructions and equipment (Note 9)	143,126	2	52,521	1	46,951	1	2670	Other non-current liabilities	2,455	-	2,458	-	1,530	-
1980	Other financial assets - non-current	7,053	-	6,242	-	6,225	-		<b>Total non-current liabilities</b>	<b>269,953</b>	<b>4</b>	<b>330,127</b>	<b>5</b>	<b>447,365</b>	<b>8</b>
1990	Other non-current assets	-	-	-	-	420	-		<b>Total liabilities</b>	<b>2,055,065</b>	<b>33</b>	<b>1,557,633</b>	<b>26</b>	<b>1,967,763</b>	<b>35</b>
	<b>Total non-current assets</b>	<b>4,030,211</b>	<b>64</b>	<b>3,819,761</b>	<b>64</b>	<b>3,445,431</b>	<b>61</b>		<b>Equity attributable to shareholders of the Company (Note 6 (r))</b>						
	<b>Total Assets</b>	<b>\$ 6,287,420</b>	<b>100</b>	<b>5,998,807</b>	<b>100</b>	<b>5,637,874</b>	<b>100</b>	3110	Common stock	630,000	10	630,000	11	630,000	11
								3200	Capital surplus	1,431,007	23	1,431,007	24	1,431,007	25
									Retained earnings:						
								3310	Legal reserve	256,273	4	256,273	4	188,770	3
								3320	Special reserve	-	-	-	-	194,181	4
								3350	Unappropriated earnings	1,642,772	26	1,931,439	32	1,109,606	20
										1,899,045	30	2,187,712	36	1,492,557	27
								3400	Other equity	253,311	4	173,581	3	97,211	2
									<b>Total equity attributable to shareholders of the Parent</b>	<b>4,213,363</b>	<b>67</b>	<b>4,422,300</b>	<b>74</b>	<b>3,650,775</b>	<b>65</b>
								36XX	Non-controlling interests (Note 6 (r))	18,992	-	18,874	-	19,336	-
									<b>Total equity</b>	<b>4,232,355</b>	<b>67</b>	<b>4,441,174</b>	<b>74</b>	<b>3,670,111</b>	<b>65</b>
									<b>Total liabilities and equity</b>	<b>\$ 6,287,420</b>	<b>100</b>	<b>5,998,807</b>	<b>100</b>	<b>5,637,874</b>	<b>100</b>

(Please refer to the attached Notes to Consolidated Financial Statements)

**Visco Vision Inc. and Subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**For the three months ended March 31, 2026, and 2025**  
**(Expressed in Thousands of New Taiwan Dollars)**

	January to March 2026		January to March 2025	
	Amount	%	Amount	%
4000 <b>Net sales (Notes 6 (t) and 7)</b>	\$ 1,228,595	100	947,118	100
5000 <b>Cost of sales (Notes 6 (g), (i), (j), (m), (p), (u), 7 and 12)</b>	<u>(665,635)</u>	<u>(54)</u>	<u>(562,419)</u>	<u>(59)</u>
<b>Operating margin</b>	<u>562,960</u>	<u>46</u>	<u>384,699</u>	<u>41</u>
<b>Operating expenses (Notes 6 (e), (i), (j), (k), (n), (p), (u), 7 and 12):</b>				
6100 Selling expenses	(85,837)	(7)	(66,622)	(7)
6200 Administrative expenses	(75,467)	(6)	(69,096)	(7)
6300 Research and development expenses	(57,741)	(5)	(51,030)	(6)
6450 Expected credit impairment gain on reversal	1,500	-	1,486	-
<b>Total operating expenses</b>	<u>(217,545)</u>	<u>(18)</u>	<u>(185,262)</u>	<u>(20)</u>
<b>Net operating profit</b>	<u>345,415</u>	<u>28</u>	<u>199,437</u>	<u>21</u>
<b>Non-operating income and loss (Notes 6 (h), (n), (v) and 7):</b>				
7100 Interest income	838	-	2,976	-
7010 Other income	3,135	-	940	-
7020 Other gains and losses	(31,882)	(2)	26,120	3
7050 Finance costs	(2,323)	-	(5,488)	-
7070 Share of profit or loss of associates recognized using the equity method	5,346	-	4,004	-
<b>Total non-operating income and loss</b>	<u>(24,886)</u>	<u>(2)</u>	<u>28,552</u>	<u>3</u>
7900 <b>Net profit before tax</b>	<u>320,529</u>	<u>26</u>	<u>227,989</u>	<u>24</u>
7950 <b>Income tax expenses (Note 6 (q))</b>	<u>(79,940)</u>	<u>(7)</u>	<u>(34,073)</u>	<u>(4)</u>
8200 <b>Net profit for the year</b>	<u>240,589</u>	<u>19</u>	<u>193,916</u>	<u>20</u>
<b>Other comprehensive income (Note 6 (r)):</b>				
8310 <b>Items that will not be reclassified subsequently to profit or loss</b>				
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(4,233)	-	-	-
8320 Share of profit or loss of other comprehensive income of associates recognized using the equity method	62	-	-	-
8349 Income tax related to items that will not be reclassified subsequently to profit or loss	-	-	-	-
	<u>(4,171)</u>	<u>-</u>	<u>-</u>	<u>-</u>
8360 <b>Items that may be reclassified subsequently to profit or loss</b>				
8361 Foreign currency translation differences	83,963	7	83,112	9
8399 Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
	<u>83,963</u>	<u>7</u>	<u>83,112</u>	<u>9</u>
<b>Other comprehensive income for the period</b>	<u>79,792</u>	<u>7</u>	<u>83,112</u>	<u>9</u>
8500 <b>Total comprehensive income</b>	<u>\$ 320,381</u>	<u>26</u>	<u>277,028</u>	<u>29</u>
<b>Net income attributable to for the period:</b>				
8610 Shareholders of the Parent	\$ 240,471	19	193,913	20
8620 Non-controlling interests	118	-	3	-
	<u>\$ 240,589</u>	<u>19</u>	<u>193,916</u>	<u>20</u>
<b>Total comprehensive income attributable to:</b>				
8710 Shareholders of the Parent	\$ 320,263	26	277,025	29
8720 Non-controlling interests	118	-	3	-
	<u>\$ 320,381</u>	<u>26</u>	<u>277,028</u>	<u>29</u>
<b>Earnings per share (Note 6 (s))</b>				
9750 <b>Basic earnings per share (NTD)</b>	<u>\$ 3.82</u>		<u>3.08</u>	
9850 <b>Diluted earnings per share (NTD)</b>	<u>\$ 3.80</u>		<u>3.06</u>	

**(Please refer to the attached Notes to Consolidated Financial Statements)**

**Visco Vision Inc. and Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**For the three months ended March 31, 2026, and 2025**

(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
	Retained earnings						Other equity					
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Foreign currency translation differences	Unrealized gains (losses) from financial assets at fair value through other comprehensive income	Total	Total equity of the Parent	Non-controlling interests	Total equity
<b>Balance as of January 1, 2025</b>	\$ 630,000	1,431,007	188,770	194,181	1,238,990	1,621,941	14,099	-	14,099	3,697,047	19,333	3,716,380
Net profit for the year	-	-	-	-	193,913	193,913	-	-	-	193,913	3	193,916
Other comprehensive income for the period	-	-	-	-	-	-	83,112	-	83,112	83,112	-	83,112
Total comprehensive income	-	-	-	-	193,913	193,913	83,112	-	83,112	277,025	3	277,028
Distribution of earnings:												
Cash dividends of common stock	-	-	-	-	(321,300)	(321,300)	-	-	-	(321,300)	-	(321,300)
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	-	-	(1,997)	(1,997)	-	-	-	(1,997)	-	(1,997)
<b>Balance as of March 31, 2025</b>	<b>\$ 630,000</b>	<b>1,431,007</b>	<b>188,770</b>	<b>194,181</b>	<b>1,109,606</b>	<b>1,492,557</b>	<b>97,211</b>	<b>-</b>	<b>97,211</b>	<b>3,650,775</b>	<b>19,336</b>	<b>3,670,111</b>
<b>Balance as of January 1, 2026</b>	<b>\$ 630,000</b>	<b>1,431,007</b>	<b>256,273</b>	<b>-</b>	<b>1,931,439</b>	<b>2,187,712</b>	<b>201,455</b>	<b>(27,874)</b>	<b>173,581</b>	<b>4,422,300</b>	<b>18,874</b>	<b>4,441,174</b>
Net profit for the year	-	-	-	-	240,471	240,471	-	-	-	240,471	118	240,589
Other comprehensive income for the period	-	-	-	-	-	-	83,963	(4,171)	79,792	79,792	-	79,792
Total comprehensive income	-	-	-	-	240,471	240,471	83,963	(4,171)	79,792	320,263	118	320,381
Distribution of earnings:												
Cash dividends of common stock	-	-	-	-	(529,200)	(529,200)	-	-	-	(529,200)	-	(529,200)
Gains (losses) on disposal of associates accounted for using the equity method and financial assets measured at fair value through other comprehensive income	-	-	-	-	62	62	-	(62)	(62)	-	-	-
<b>Balance as of March 31, 2026</b>	<b>\$ 630,000</b>	<b>1,431,007</b>	<b>256,273</b>	<b>-</b>	<b>1,642,772</b>	<b>1,899,045</b>	<b>285,418</b>	<b>(32,107)</b>	<b>253,311</b>	<b>4,213,363</b>	<b>18,992</b>	<b>4,232,355</b>

(Please refer to the attached Notes to Consolidated Financial Statements)

**Visco Vision Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**For the three months ended March 31, 2026, and 2025**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<u>January to March 2026</u>	<u>January to March 2025</u>
<b>Cash flows from operating activities:</b>		
<b>Net income before tax</b>	\$ 320,529	227,989
<b>Items for adjustments:</b>		
Adjustments to reconcile profit or loss:		
Depreciation expenses	141,465	123,483
Amortization expenses	1,535	1,853
Expected credit impairment gain on reversal	(1,500)	(1,486)
Net loss of financial asset at fair value through profit or loss	1,318	-
Interest expenses	2,323	5,488
Interest income	(838)	(2,976)
Share of profit of associates recognized using the equity method	(5,346)	(4,004)
Gains on lease modifications	-	(4)
<b>Total adjustments for profit or loss</b>	<u>138,957</u>	<u>122,354</u>
Changes in operating assets and liabilities:		
Changes in net operating assets:		
Accounts receivable	(164,440)	(166,719)
Accounts receivable from related parties	15,809	(9,089)
Other receivables	(120)	(262)
Inventories	15,409	(76,447)
Prepayments and other current assets	(43,345)	1,785
Other non-current assets	-	180
<b>Total changes in net operating assets</b>	<u>(176,687)</u>	<u>(250,552)</u>
Changes in net operating liabilities:		
Contract liabilities	(3,091)	36,611
Notes and accounts payable	(10,146)	26,318
Accounts payable to related parties	(5,963)	5,076
Other payables	(18,357)	(4,346)
Provisions	3,919	5,873
Other current liabilities	(8,962)	11,117
Other non-current liabilities	-	87
<b>Total changes in net operating liabilities</b>	<u>(42,600)</u>	<u>80,736</u>
<b>Total changes in net operating assets and liabilities</b>	<u>(219,287)</u>	<u>(169,816)</u>
<b>Total items for adjustments</b>	<u>(80,330)</u>	<u>(47,462)</u>
Cash inflows generated from operations	240,199	180,527
Interest received	505	3,090
Interest paid	(2,561)	(5,582)
Income tax paid	(68,482)	(5,615)
<b>Net cash inflows generated from operating activities</b>	<u>169,661</u>	<u>172,420</u>

**(Continued on the next page)**

**(Please refer to the attached Notes to Consolidated Financial Statements)**

**Visco Vision Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows (Continued)**  
**For the three months ended March 31, 2026, and 2025**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<b>January to March 2026</b>	<b>January to March 2025</b>
<b>Cash flows from investing activities:</b>		
Purchase of financial assets at fair value through other comprehensive income	(4,331)	-
Acquisition of financial assets at amortized cost	(25,544)	(470)
Acquisition of current financial assets at fair value through profit or loss	(16,866)	-
Acquisition of investments accounted for using the equity method	-	(8,250)
Additions of property, plant, and equipment (including prepayments for construction and equipment)	(286,072)	(86,555)
Acquisition of intangible assets	(85)	(174)
Acquisition of right-of-use assets	(85)	-
Increase in other financial assets	(811)	(171)
<b>Net cash used in investing activities</b>	<b>(333,794)</b>	<b>(95,620)</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	84,058	-
Decrease in short-term borrowings	(50,000)	-
Repayments of long-term debt	(44,767)	(75,040)
Payment of lease liabilities	(2,495)	(2,604)
<b>Net cash inflows generated from financing activities</b>	<b>(13,204)</b>	<b>(77,644)</b>
<b>Impact of exchange rate changes on cash and cash equivalents</b>	<b>17,029</b>	<b>30,230</b>
<b>Increase (decrease) in cash and cash equivalents for the period</b>	<b>(160,308)</b>	<b>29,386</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>708,369</b>	<b>757,453</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 548,061</b>	<b>786,839</b>

**(Please refer to the attached Notes to Consolidated Financial Statements)**

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

**1. Organization and business**

Visco Vision Inc. (the "Company") was incorporated on November 9, 1998, as a company limited by shares under the laws of the Republic of China ("R.O.C.") and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is No. 1, Xingye St., Guishan, Taoyuan, Taiwan. The Company and its subsidiaries (collectively "the Group") are mainly engaged in the manufacture and sale of disposable contact lenses.

**2. Authorization of the consolidated financial statements**

This Consolidated Financial Statement was authorized for issuance by the Board of Directors on May 6, 2026.

**3. Application of new and revised accounting standards and interpretations**

(1) The impact of adopting new and revised accounting standards and interpretations approved by the Financial Supervisory Commission (hereinafter referred to as the FSC)

Starting from January 1, 2026, the Group has applied the following newly revised International Financial Reporting Standards, which have not had a significant impact on the Consolidated Financial Statements.

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

(2) New and revised accounting standards and interpretations that has not been approved by the FSC

The International Accounting Standards Board has promulgated and revised the accounting standards and interpretations that have not yet been approved by the FSC. The matters that may be related to the Group are as follows:

**VISCO VISION INC. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

<b>New and Amended Standards</b>	<b>Amended Contract Content</b>	<b>Effective Date of Issuance by the IASB</b>
IFRS 18 "Presentation and Disclosure in Financial Statements"	<p>IFRS 18 brings three categories of income and expenses, two income statement subtotals and one single note on management performance measures. These, combined with enhanced disaggregation guidance on the financial report, set the stage for better and more consistent information for users and will affect all companies.</p> <ul style="list-style-type: none"> <li>• <b>More structured income statement:</b> According to the current standard, a company uses the different format to express the operating performance, making the investor hard to compare the differences between companies' financial performance. The new standard has implemented a more structured income statement, introducing a new subtotal, "operating profit," and requiring that all revenues and expenses be classified into three new categories based on a company's main business activities.</li> <li>• <b>Management Performance Measures (MPM):</b> The new standard introduces a definition for management performance measures and requires companies to include a single note in their financial statements explaining why each measure provides useful information, how it is calculated, and how it reconciles with the amounts recognized in accordance with International Financial Reporting Standards (IFRS).</li> <li>• <b>Greater disaggregation information:</b> The new standard includes enhanced guidance on how to group information within the financial statements. This includes guidance on determining whether the information should be included in the main financial statements or further disaggregated in the notes.</li> </ul>	<p>January 1, 2027</p> <p>Note: On September 25, 2025, the Financial Supervisory Commission announced in a press release that Taiwan will adopt International Financial Reporting Standard (IFRS) 18 starting from the fiscal year 2028. Companies that wish to adopt the standard earlier may do so upon obtaining approval from the FSC.</p>

**VISCO VISION INC. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group is currently assessing the effects of the standards and interpretations mentioned above on its financial conditions and operating results. Related impacts will be disclosed upon completion of the assessment.

The Group expects that the following new and revised accounting standards, which have not been approved, will not have a significant impact on the Consolidated Financial Statements.

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

**4. Summary of significant accounting policies**

Apart from the following explanations, the significant accounting policies adopted in the Consolidated Financial Statement are consistent with those of the 2025 Consolidated Financial Statement. For relevant information, please refer to Note 4 of the 2025 Consolidated Financial Statement.

(1) Compliance declaration

The Consolidated Financial Statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the “Preparation Standards”) and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC. The Consolidated Financial Statement does not include all the necessary information that should be disclosed in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), law and regulation reviews and their announcements recognized and announced by the FSC (the “IFRSs recognized by the FSC”) for the preparation of the complete Consolidated Financial Statement for the year.

(2) Basis of consolidation

a. Subsidiaries included in the consolidated financial statements

Name of investor	Name of subsidiary	Main business and products	Percentage of ownership		
			2026.3.31	2025.12.31	2025.3.31
The Company	Visco Technology Sdn. Bhd. (VVM)	Manufacturing, processing, and sale of contact lenses	100.00%	100.00%	100.00%
The Company	From-eyes Co., Ltd.(From-eyes)	Sale of contact lenses	100.00%	100.00%	100.00%
The Company	Trend Young Trading (Shanghai) Limited Company (TYC)	Sale of contact lenses	100.00%	100.00%	100.00%
The Company	Trend Young Vision Care Inc. (VCT)	Medical management consulting services	55.00%	55.00%	55.00%
VVM	Visco Med Sdn. Bhd. (VMM)	Lease management services	100.00%	100.00%	100.00%

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

(3) Income tax

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

Income tax expense is best estimated by multiplying pre-tax income of the interim period by a projected annual effective tax rate. The income tax expense (benefit) and deferred income tax expense (benefit) of the current period is allocated based on the ratio of the estimated income tax expense (benefit) and deferred income tax expense (benefit) for the current year.

Income taxes that are recognized directly in equity or other comprehensive income are measured in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding tax bases at the tax rates that are expected to be applied in the year in which the asset is realized or the liability is settled.

**5. Critical accounting judgments and key sources of estimation and assumption uncertainty**

The management prepares the consolidated financial statements according to the preparation standards and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC. The management must make judgments, estimates, and assumptions regarding the future (including climate-related risks and opportunities). This will have an impact on the adoption of accounting policies and the amounts of assets, liabilities, income, and expenses reported. Actual results may differ from these estimates.

When preparing the Consolidated Financial Statements, the critical accounting judgments made by the management when adopting the Group's accounting policies and the key sources of estimation and assumption uncertainties are consistent with Note 5 of the 2025 Consolidated Financial Statements.

**6. Significant account disclosures**

(1) Cash and cash equivalents

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Cash on hand	\$ 30	30	32
Demand deposits and checking deposits	432,422	328,336	503,466
Cash equivalent	5,386	6,689	2,548
Time deposits with original maturity date less than three months	110,223	373,314	280,793
	<b>\$ 548,061</b>	<b>708,369</b>	<b>786,839</b>

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(2) Current financial assets at fair value through profit or loss - current

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Current financial assets at fair value through profit or loss - current:			
Listed stocks	<b>\$ 53,738</b>	<b>38,190</b>	<b>-</b>

The amount remeasured at fair value through profit or loss is detailed in Note 6 (v).

(3) Financial assets measured at amortized cost - current

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Restricted bank deposits	\$ 24,688	24,144	23,278
Time deposits with original maturity date over three months	50,000	25,000	25,000
	<b>\$ 74,688</b>	<b>49,144</b>	<b>48,278</b>

The Group evaluates the assets held until the maturity date to collect contractual cash flows, and the cash flows from these financial assets are solely for the payment of interest on the principal and the amount of principal outstanding. Therefore, they are measured at amortized cost.

Please refer to Note 8 for details of the pledged collateral using the aforementioned financial assets by the Group.

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

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Equity investments at fair value through other comprehensive income:			
Foreign listed stocks	\$ 18,410	21,597	-
Foreign unlisted stocks	4,401	-	-
	<b>\$ 22,811</b>	<b>21,597</b>	<b>-</b>

As of March 31, 2026 and December 31, 2025, the Group designated the above-mentioned equity investments as financial assets at fair value through other comprehensive income ("FVOCI") because these investments are held for strategic purposes and not for trading.

During January 1 to March 31, 2026, the Group did not dispose of the aforementioned strategic investments, and no transfer of accumulated gains and losses was made within equity during the period.

The financial assets mentioned above have not been provided as pledged collaterals. Please refer to Note 6 (w) for information on market risks.

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(5) Accounts receivable

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Accounts receivable	\$ 660,355	495,915	542,515
Accounts receivable from related parties	73,779	89,588	88,066
	734,134	585,503	630,581
Less: Loss allowances	(6,515)	(8,015)	(12,514)
	<u>\$ 727,619</u>	<u>577,488</u>	<u>618,067</u>

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables (including receivables from related parties). Forward-looking information is taken into consideration as well. Analysis of expected credit losses on accounts receivable (including receivables from related parties) was as follows:

	<u>2026.3.31</u>		
	<u>Carrying amount of accounts receivable</u>	<u>Weighted average loss rate</u>	<u>Loss allowance</u>
Current	\$ 667,714	0%	-
Past due less than 30 days	58,992	0%	-
Past due 31 to 60 days	9	0%	-
Past due 61 to 90 days	904	0%	-
	727,619		-
Individually	6,515	100%	6,515
	<u>\$ 734,134</u>		<u>6,515</u>
	<u>2025.12.31</u>		
	<u>Carrying amount of accounts receivable</u>	<u>Weighted average loss rate</u>	<u>Loss allowance</u>
Current	\$ 522,038	0%	-
Past due less than 30 days	53,383	0%	-
Past due 31 to 60 days	2,067	0%	-
	577,488		-
Individually	8,015	100%	8,015
	<u>\$ 585,503</u>		<u>8,015</u>

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	<b>2025.3.31</b>		
	<b>Carrying amount of accounts receivable</b>	<b>Weighted average loss rate</b>	<b>Loss allowance</b>
Current	\$ 537,636	0%	-
Past due less than 30 days	58,015	0%	-
Past due 31 to 60 days	16,738	0%	-
Past due 61 to 90 days	5,678	0%	-
	618,067		-
Individually	12,514	100%	12,514
	<b>\$ 630,581</b>		<b>12,514</b>

The statement of changes in loss allowances of the Group's accounts receivable (including related parties) is as follows:

	<b>January to March 2026</b>	<b>January to March 2025</b>
Beginning balance	\$ 8,015	14,000
Impairment loss reversal	(1,500)	(1,486)
Ending balance	<b>\$ 6,515</b>	<b>12,514</b>

(6) Other receivables

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Dividends receivable - related parties	\$ 18,859	-	11,682
Other receivables	4,723	4,270	990
Less: Loss allowances	(3,963)	(3,963)	(285)
	<b>\$ 19,619</b>	<b>307</b>	<b>12,387</b>

As of March 31, 2026, December 31, and March 31, 2025, except for those for which loss allowances has been fully provided, the remaining balances were assessed to have no expected credit losses.

(7) Inventories

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Raw materials	\$ 197,109	214,518	175,870
Work in process	269,503	278,324	279,877
Finished goods	236,682	225,861	214,196
	<b>\$ 703,294</b>	<b>718,703</b>	<b>669,943</b>

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Details of inventory-related expenses recognized in the current period are as follows:

	<u>January to March 2026</u>	<u>January to March 2025</u>
Costs of inventories sold	\$ 665,126	556,339
Warranty costs estimated	2,718	5,126
Write-downs of inventories (reversal gain)	(2,209)	547
Loss on scrap of inventories	-	407
	<u>\$ 665,635</u>	<u>562,419</u>

The aforementioned inventory write-down loss is recognized due to the write-down of ending inventory to net realizable value. The reversal gain on inventory is recognized within the range of the original write-down amount to net realizable value, resulting from the sale or disposal of obsolete inventory.

(8) Investments accounted for using the equity method

Investments accounted for using the equity method by the Group as of the reporting date are presented as follows:

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Associates	<u>\$ 564,543</u>	<u>577,994</u>	<u>450,076</u>

a. Associates:

The relevant information regarding significant associates of the Group is as follows:

<u>Name of associate</u>	<u>Nature of the relationship with the Company</u>	<u>Principal place of business/country of registration</u>	<u>2026.3.31</u>		<u>2025.12.31</u>		<u>2025.3.31</u>	
			<u>Voting rights held %</u>	<u>Carrying amount</u>	<u>Voting rights held %</u>	<u>Carrying amount</u>	<u>Voting rights held %</u>	<u>Carrying amount</u>
Crystalvue Medical Corporation (Crystalvue)	Mainly engaged in the research and development and sales of medical devices, serving as the Company's strategic partner.	Taiwan	25.66%	<u>\$ 564,543</u>	25.66%	<u>577,994</u>	20.49%	<u>450,076</u>

The fair values of publicly-listed significant associates of the Group are as follows:

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Crystalvue	<u>\$ 459,762</u>	<u>494,878</u>	<u>427,302</u>

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Summarized financial information of significant associates of the Group is as follows:

(a) Summarized Financial Information of Crystalvue

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Current assets	\$ 596,776	640,924	695,096
Non-current assets	1,605,836	1,549,458	1,307,036
Current liabilities	(340,547)	(261,136)	(274,091)
Non-current liabilities	(3,885)	(5,654)	(11,454)
Net assets	<u>\$ 1,858,180</u>	<u>1,923,592</u>	<u>1,716,587</u>

	<u>January to March 2026</u>	<u>January to March 2025</u>
Operating revenue	\$ 188,304	224,492
Net profit for the year	\$ 20,832	19,567
Other comprehensive income	243	-
Total comprehensive income	<u>\$ 21,075</u>	<u>19,567</u>

	<u>January to March 2026</u>	<u>January to March 2025</u>
Beginning carrying amount of the Group's net assets in associates	\$ 577,994	451,501
Additions to investments for the current period	-	8,250
Difference between investment share price and carrying value of new investments for the current period	-	(1,997)
Total comprehensive income attributable to the Group for the current period	5,408	4,004
Dividends received from associates for the current period	(18,859)	(11,682)
Ending carrying amount of the Group's net assets in associates	<u>\$ 564,543</u>	<u>450,076</u>

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(9) Property, plant, and equipment

	<u>Buildings</u>	<u>Machinery</u>	<u>Leasehold improvements</u>	<u>Other equipment</u>	<u>Construction in process and equipment to be inspected</u>	<u>Total</u>
Cost:						
Balance at January 1, 2026	\$ 547,220	3,836,791	34,028	36,230	390,875	4,845,144
Additions	-	970	140	186	207,068	208,364
Disposals	-	-	-	(68)	-	(68)
Reclassifications	-	71,028	-	-	(71,028)	-
Effect of exchange rate changes	12,341	82,063	-	160	9,293	103,857
Balance at March 31, 2026	<b>\$ 559,561</b>	<b>3,990,852</b>	<b>34,168</b>	<b>36,508</b>	<b>536,208</b>	<b>5,157,297</b>
Balance at January 1, 2025	\$ 495,563	3,160,387	40,290	32,705	316,118	4,045,063
Additions	-	2,023	199	2,296	105,225	109,743
Disposals	-	(51)	(7,619)	-	-	(7,670)
Reclassifications	-	57,072	-	-	(57,072)	-
Effect of exchange rate changes	10,215	62,214	-	653	7,505	80,587
Balance at March 31, 2025	<b>\$ 505,778</b>	<b>3,281,645</b>	<b>32,870</b>	<b>35,654</b>	<b>371,776</b>	<b>4,227,723</b>
Accumulated depreciation:						
Balance at January 1, 2026	\$ 114,299	2,276,195	23,861	25,087	-	2,439,442
Depreciation for the period	5,709	127,256	826	1,004	-	134,795
Disposals	-	-	-	(68)	-	(68)
Effect of exchange rate changes	2,600	48,531	-	130	-	51,261
Balance at March 31, 2026	<b>\$ 122,608</b>	<b>2,451,982</b>	<b>24,687</b>	<b>26,153</b>	<b>-</b>	<b>2,625,430</b>
Balance at January 1, 2025	\$ 88,097	1,711,712	27,254	21,176	-	1,848,239
Depreciation for the period	5,014	109,712	1,343	964	-	117,033
Disposals	-	(51)	(7,619)	-	-	(7,670)
Effect of exchange rate changes	1,920	34,954	-	494	-	37,368
Balance at March 31, 2025	<b>\$ 95,031</b>	<b>1,856,327</b>	<b>20,978</b>	<b>22,634</b>	<b>-</b>	<b>1,994,970</b>
Carrying amounts:						
March 31, 2026	<b>\$ 436,953</b>	<b>1,538,870</b>	<b>9,481</b>	<b>10,355</b>	<b>536,208</b>	<b>2,531,867</b>
January 1, 2026	<b>\$ 432,921</b>	<b>1,560,596</b>	<b>10,167</b>	<b>11,143</b>	<b>390,875</b>	<b>2,405,702</b>
March 31, 2025	<b>\$ 410,747</b>	<b>1,425,318</b>	<b>11,892</b>	<b>13,020</b>	<b>371,776</b>	<b>2,232,753</b>

Please refer to Note 8 for the details of long-term loans secured by housing and buildings.

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(10) Right-of-use assets

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost of right-of-use assets:			
Balance at January 1, 2026	\$ 468,193	46,851	515,044
Additions	-	2,014	2,014
Disposals	-	(1,812)	(1,812)
Effect of exchange rate changes	10,559	(7)	10,552
Balance at March 31, 2026	<b>\$ 478,752</b>	<b>47,046</b>	<b>525,798</b>
Balance at January 1, 2025	\$ 443,302	46,883	490,185
Additions	-	(17,710)	(17,710)
Effect of exchange rate changes	9,137	191	9,328
Balance at March 31, 2025	<b>\$ 452,439</b>	<b>29,364</b>	<b>481,803</b>
Accumulated depreciation:			
Balance at January 1, 2026	\$ 72,651	22,492	95,143
Depreciation for the period	4,111	2,559	6,670
Disposals	-	(1,812)	(1,812)
Effect of exchange rate changes	1,654	15	1,669
Balance at March 31, 2026	<b>\$ 78,416</b>	<b>23,254</b>	<b>101,670</b>
Balance at January 1, 2025	\$ 53,502	31,087	84,589
Depreciation for the period	3,821	2,629	6,450
Disposals	-	(17,594)	(17,594)
Effect of exchange rate changes	1,182	105	1,287
Balance at March 31, 2025	<b>\$ 58,505</b>	<b>16,227</b>	<b>74,732</b>
Carrying amounts:			
March 31, 2026	<b>\$ 400,336</b>	<b>23,792</b>	<b>424,128</b>
January 1, 2026	<b>\$ 395,542</b>	<b>24,359</b>	<b>419,901</b>
March 31, 2025	<b>\$ 393,934</b>	<b>13,137</b>	<b>407,071</b>

In 2020, the subsidiary VVM purchased the land use rights located in Penang, Malaysia from a related party Qisda Sdn. Bhd. (QLPG) for the purpose of production and operation. The original lease term of the land use right is 60 years, and the Group amortizes it over the remaining lease term of 29 years. Please refer to Note 8 for the details of long-term loans secured by land use rights.

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(11) Intangible assets

	<u>Goodwill</u>	<u>Customer relationships</u>	<u>Acquired software</u>	<u>Patents</u>	<u>Management service agreements</u>	<u>Total</u>
Cost:						
Balance at January 1, 2026	\$ 69,269	25,447	37,801	4,093	18,660	155,270
Acquisitions	-	-	85	-	-	85
Write off	-	-	(106)	-	-	(106)
Effect of exchange rate changes	(89)	(38)	15	-	-	(112)
Balance at March 31, 2026	<u>\$ 69,180</u>	<u>25,409</u>	<u>37,795</u>	<u>4,093</u>	<u>18,660</u>	<u>155,137</u>
Balance at January 1, 2025	\$ 71,992	26,613	35,299	4,093	18,660	156,657
Acquisitions	-	-	174	-	-	174
Write off	-	-	(28)	-	-	(28)
Effect of exchange rate changes	3,762	1,610	3	-	-	5,375
Balance at March 31, 2025	<u>\$ 75,754</u>	<u>28,223</u>	<u>35,448</u>	<u>4,093</u>	<u>18,660</u>	<u>162,178</u>
Accumulated amortization and impairment:						
Balance at January 1, 2026	\$ 9,838	22,266	34,874	2,005	12,883	81,866
Amortization for the period	-	804	370	121	240	1,535
Write off	-	-	(106)	-	-	(106)
Effect of exchange rate changes	-	(43)	3	-	-	(40)
Balance at March 31, 2026	<u>\$ 9,838</u>	<u>23,027</u>	<u>35,141</u>	<u>2,126</u>	<u>13,123</u>	<u>83,255</u>
Balance at January 1, 2025	\$ 4,730	19,959	32,928	1,485	10,672	69,774
Amortization for the period	-	840	595	134	284	1,853
Write off	-	-	(28)	-	-	(28)
Effect of exchange rate changes	-	1,250	1	-	-	1,251
Balance at March 31, 2025	<u>\$ 4,730</u>	<u>22,049</u>	<u>33,496</u>	<u>1,619</u>	<u>10,956</u>	<u>72,850</u>
Carrying amounts:						
Balance at March 31, 2026	<u>\$ 59,342</u>	<u>2,382</u>	<u>2,654</u>	<u>1,967</u>	<u>5,537</u>	<u>71,882</u>
Balance at January 1, 2026	<u>\$ 59,431</u>	<u>3,181</u>	<u>2,927</u>	<u>2,088</u>	<u>5,777</u>	<u>73,404</u>
Balance at March 31, 2025	<u>\$ 71,024</u>	<u>6,174</u>	<u>1,952</u>	<u>2,474</u>	<u>7,704</u>	<u>89,328</u>

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At the end of the annual financial reporting period, the Group conducted an impairment test on goodwill. For the impairment test results conducted by the Group on December 31, 2025, please refer to Note 6 (k) of the 2025 consolidated financial statements. As of March 31, 2026, the Group has assessed the expected operating revenue and income before tax profit performance of cash-generating unit of which the goodwill belongs, as well as the budget estimates of the future operating revenue and profitability. There were no indications of impairment.

(12) Short-term borrowings

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Unsecured bank loans	<u>\$ 34,008</u>	<u>-</u>	<u>-</u>
Unused credit facilities	<u>\$ 516,092</u>	<u>507,076</u>	<u>443,122</u>
Interest Rate	<u>1.8%~1.85%</u>	<u>-</u>	<u>-</u>

(13) Warranty provisions

	<u>January to March 2026</u>	<u>January to March 2025</u>
Balance at January 1	\$ 52,781	31,037
Provisions added in the current period	2,718	5,126
Effect of exchange rate changes	1,201	747
Balance at March 31	<u>\$ 56,700</u>	<u>36,910</u>

Warranty provisions arise from the warranty that the Group provides to customers to assure the replacement of goods when there are defects with the goods that conform to the agreed-upon specification. Warranty provisions are estimated based on historical warranty data associated with similar products. The Group expects to settle most of the warranty liability within one year from the date of the sale of the product.

(14) Lease liabilities

The carrying amount of lease liabilities were as follows:

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Current	<u>\$ 8,492</u>	<u>8,357</u>	<u>6,818</u>
Non-current	<u>\$ 15,755</u>	<u>16,475</u>	<u>6,693</u>

Please refer to Note 6 (w) for a detailed maturity analysis.

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The lease amounts recognized in profit or loss were as follows:

	<b>January to March 2026</b>	<b>January to March 2025</b>
Interest expenses on lease liabilities	<u>\$ 105</u>	<u>53</u>
Expenses relating to short-term leases	<u>\$ 575</u>	<u>464</u>

The lease amounts recognized in the Statement of Cash Flow were as follows:

	<b>January to March 2026</b>	<b>January to March 2025</b>
Total cash outflows for leases	<u>\$ 3,175</u>	<u>3,121</u>

a. Real estate leases

The Group leases housing and buildings for office premises and factories use. The lease terms usually range from one to ten years, with some leases including options to extend for the same duration as the original contract upon expiration.

b. Other leases

For short-term leases, the Group has chosen to adopt the recognition exemption regulations and does not recognize the related right-of-use assets and lease liabilities.

(15) Long-term loan

<b>2026.3.31</b>				
	<b>Currency</b>	<b>Interest rate%</b>	<b>Maturity year</b>	<b>Amount</b>
Unsecured bank loans	NTD	1.98%~2.04%	2027~2028	\$ 412,292
Less: Current portion of long-term debt				<u>(169,065)</u>
Total				<u>\$ 243,227</u>
Unused credit facilities				<u>\$ 520,000</u>
<b>2025.12.31</b>				
	<b>Currency</b>	<b>Interest rate%</b>	<b>Maturity year</b>	<b>Amount</b>
Unsecured bank loans	NTD	1.98%~2.04%	2027~2028	\$ 457,059
Less: Current portion of long-term debt				<u>(149,065)</u>
Total				<u>\$ 307,994</u>
Unused credit facilities				<u>\$ 570,000</u>

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**2025.3.31**

	<b>Currency</b>	<b>Interest rate%</b>	<b>Maturity year</b>	<b>Amount</b>
Unsecured bank loans	NTD	1.98%~2.16%	2025~2028	\$ 461,357
Secured bank loans	MYR	4.31%	2028	<u>297,771</u>
				759,128
Less: Current portion of long-term debt				<u>(323,913)</u>
Total				<b><u>\$ 435,215</u></b>
Unused credit facilities				<b><u>\$ 700,000</u></b>

Please refer to Note 8 for details on the assets pledged as collateral for bank loans.

(16) Employee benefits

The Company and VCT's defined contribution plan comply with the regulations of the Labor Pension Act. The Group makes monthly contributions to employees' individual pension accounts at 6% of their monthly salaries. Foreign subsidiaries allocate pensions according to the relevant local laws and regulations. Under this plan, once the fixed amount is allocated by the Group, the Group has no legal or constructive obligations to make additional payments. Under the defined pension allocation regulations, the Group's pension expenses from January 1 to March 31 in 2026 and 2025 amounted to NT\$8,907 thousand and NT\$7,162 thousand, respectively.

(17) Income tax

	<b>January to March 2026</b>	<b>January to March 2025</b>
Current income tax expenses	\$ 71,917	23,256
Deferred income tax expenses	<u>8,023</u>	<u>10,817</u>
	<b><u>\$ 79,940</u></b>	<b><u>34,073</u></b>

No income tax was directly recognized in equity or other comprehensive income from January 1 to March 31 in 2026 and 2025.

a. Income tax assessment

The corporate income tax return of the Company has been examined and approved by the Tax Authorities until 2024.

(18) Capital and other equity

a. Common stock

As of March 31, 2026, December 31, and March 31, 2025, the Company's total authorized capital is NT\$900,000 thousand, with a par value of NT\$10 per share and

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90,000 thousand shares. The issued and outstanding shares are both 63,000 thousand shares. All issued shares were paid up upon issuance.

b. Capital surplus

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Paid-in capital in excess of par value			
of common stock	<b>\$ 1,431,007</b>	<b>1,431,007</b>	<b>1,431,007</b>

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

c. Retained earnings

According to the Company's Articles of Incorporation, if the Company has a net profit for the current year, taxes should be paid first and offset past losses, and then set aside 10% as a legal capital reserve. However, this does not apply when the legal capital reserve has reached the total paid-up capital. In addition, special reserves shall be transferred or reserved according to the laws or regulations stipulated by the competent authority when necessary. Any remaining earnings in retained earnings may be appropriated for dividends in accordance with a proposal for appropriation of earnings as approved by the Board of Directors and submit it to the shareholders' meeting for distribution.

Furthermore, according to the Company's Articles of Incorporation, the distribution of earnings and offsets of losses are conducted on a semi-annually basis after the close of each half year. After being reviewed by the Audit Committee along with the business report and financial statements, they are presented to the Board of Directors for resolution and reported at the shareholders' meeting.

If the Company's distribution of earnings is in the form of cash dividends, it shall be handled according to the regulations mentioned in the preceding paragraph. If the new shares are issued, they shall be handled according to the Article 240 of the Company Act.

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### **Notes to the Consolidated Financial Statements**

The Company may issue new shares or cash from the statutory surplus or capital reserve in accordance with Paragraph 2, Article 241 of the Company Act. If the distribution in the preceding paragraph is in cash, it shall be authorized by the Board of Directors and then reported to the shareholders' meeting.

The Company belongs to a technology-intensive industry with a growing stage. The Company has adopted a remaining earnings appropriation method as its dividend policy in order to meet long-term capital needs and cash requirements of stockholders. If the Company has annual earnings and intends to distribute dividends, in consideration of future expansion of the operation and cash flow needs, the ratio of cash dividends distributed every year shall not be less than 10% of the total amount of cash and stock dividends distributed for that year. The total amount of dividends distributed from earnings shall not be less than 10% of the accumulated undistributed earnings.

(a) Legal reserve

According to the Company Act, legal reserve can be used to offset losses. When the Company has no losses, it may, upon resolution by the shareholders' meeting, distribute its legal reserve to shareholders by issuing new shares or by distributing cash for the portion of legal reserve which exceeds 25% of the paid-in capital.

(b) Special reserve

According to the regulations of the FSC, when distributing distributable earnings, the Company shall calculate the net reduction amount of other shareholders' equity recorded in the current year. The current net income after tax plus the items other than current net income after tax, shall be recorded in the current unappropriated earnings and recognized in the special reserve with the unappropriated earnings from the previous period. However, for the reduction amount of accumulated other shareholders' equity from previous periods shall not be distributed when unappropriated earnings from previous periods is set aside as legal reserve. If there is a reversal in the reduction of other shareholders' equity, the earnings can be distributed based on the reversed portion.

(c) Distribution of earnings:

The distribution of cash dividends from earnings for 2025 and 2024 resolved by the Board of Directors as of February 25, 2026 and March 12, 2025 were as follows:

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	2025		2024	
	Dividends per share	Amount	Dividends per share	Amount
	(NTD)		(NTD)	
Dividends per share:				
Cash dividends	\$ 8.40	529,200	5.10	321,300

Information regarding dividend distribution can be obtained on the Market Observation Post System website.

d. Other equity (net after tax)

	Foreign currency translation differences	Unrealized gains (losses) from financial assets at fair value through other comprehensive income	Total
Balance at January 1, 2026	\$ 201,455	(27,874)	173,581
Foreign exchange differences arising from translation of foreign operations	83,963	-	83,963
Unrealized losses from financial assets at fair value through other comprehensive income	-	(4,233)	(4,233)
Share of profit or loss of other comprehensive income of associates recognized using the equity method	-	62	62
Gains (losses) on disposal of associates accounted for using the equity method and financial assets measured at fair value through other comprehensive income	-	(62)	(62)
Balance at March 31, 2026	\$ 285,418	(32,107)	253,311
Balance at January 1, 2025	\$ 14,099	-	14,099
Foreign exchange differences arising from translation of foreign operations	83,112	-	83,112
Balance at March 31, 2025	\$ 97,211	-	97,211

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e. Non-controlling interests (net after tax)

	<u>January to March 2026</u>	<u>January to March 2025</u>
Beginning balance	\$ 18,874	19,333
Equity attributable to non-controlling interests:		
Net profit for the year	<u>118</u>	<u>3</u>
Ending balance	<u>\$ 18,992</u>	<u>19,336</u>

(19) Earnings per share ("EPS")

a. Basic earnings per share

	<u>January to March 2026</u>	<u>January to March 2025</u>
Net income attributable to shareholders of the Parent	<u>\$ 240,471</u>	<u>193,913</u>
Weighted average number of outstanding common shares (in thousands)	<u>63,000</u>	<u>63,000</u>
Basic earnings per share (NTD)	<u>\$ 3.82</u>	<u>3.08</u>

b. Diluted earnings per share

	<u>January to March 2026</u>	<u>January to March 2025</u>
Net income attributable to shareholders of the Parent	<u>\$ 240,471</u>	<u>193,913</u>
Weighted average number of outstanding common share (basic) (in thousands)	63,000	63,000
Effect of dilutive potential common shares (in thousands)		
Remuneration to employees in stock	<u>340</u>	<u>316</u>
Weighted average number of outstanding common stocks (in thousands) (including the effect of dilutive potential common shares)	<u>63,340</u>	<u>63,316</u>
Diluted earnings per share (NTD)	<u>\$ 3.80</u>	<u>3.06</u>

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(20) Revenue from contracts with customers

a. Disaggregation of revenue

	<b>January to March 2026</b>	<b>January to March 2025</b>
Primary sales regions and markets:		
Asia	\$ 973,205	698,469
Europe	165,290	184,794
The Americas	90,100	63,855
	<b>\$ 1,228,595</b>	<b>947,118</b>
Main product/service lines:		
Contact lens	\$ 1,227,872	946,590
Others	723	528
	<b>\$ 1,228,595</b>	<b>947,118</b>

b. Contract balance

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Accounts receivable (including related parties)	\$ 734,134	585,503	630,581
Less: Loss allowances	(6,515)	(8,015)	(12,514)
	<b>\$ 727,619</b>	<b>577,488</b>	<b>618,067</b>
Contract liabilities	<b>\$ 47,475</b>	<b>50,566</b>	<b>72,361</b>

Please refer to Note 6 (e) for the disclosure of accounts receivable and impairments.

The contract liabilities are mainly due to timing differences between transfer of goods by the Group to customers to fulfill performance obligations and customer payment.

The contract liabilities of January 1, 2026 and 2025 and from January 1 to March 31, 2026, and 2025 recognized as revenue were NT\$43,938 thousand and NT\$17,769 thousand, respectively.

(21) Remuneration to employees and directors

On May 28, 2025, the Company's shareholders resolved to amend the Articles of Incorporation. Pursuant to the amended Articles, if the Company generates profit in a given fiscal year, an amount ranging from 5% to 20% of such profit shall be appropriated as employee remuneration (of which no less than 50% shall be allocated to frontline employees) and up to 1% shall be appropriated as directors' and supervisors' remuneration. However, when the Company has accumulated losses, an amount for offsetting the losses should be reserved in advance, and the contribution should be calculated based on the balance. Under the Articles of Incorporation prior to the amendment, in the event of profits in the year, a contribution of 5% to 20% shall be allocated for employee remuneration, and a contribution of not

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exceeding 1% shall be allocated for director's remuneration. However, when the Company has accumulated losses, an amount for offsetting the losses should be reserved in advance, and the contribution should be calculated based on the balance. The recipients of employee remuneration in the form of stocks or cash mentioned above may include employees from domestic and foreign subordinate companies who meet certain conditions.

The estimated amounts for employee remuneration from January 1 to March 31, 2026, and 2025 were NT\$20,956 thousand and NT\$18,781 thousand, respectively. The estimated amounts for the director's remuneration were NT\$1,839 thousand and NT\$1,360 thousand, respectively. These estimates are based on the Company's net income before tax for the respective periods before deducting the amount of employee and director compensation, multiplied by the distribution of employees and director's remuneration stipulated in the Company's Articles of Incorporation. They are recognized as operating expenses for the respective periods. If there is a difference between the actual distribution amount and the estimated amount, it will be handled according to the changes in the accounting estimate. The difference will be recognized in the next year's profit or loss.

The estimated amounts for employee remuneration in 2025 and 2024 were NT\$66,935 thousand and NT\$44,727 thousand, respectively. The estimated amount for director's remuneration were NT\$6,345 thousand and NT\$4,473 thousand, respectively, which are consistent with the amount resolved and distributed by the Board of Directors and will be fully distributed in cash. Relevant information is available on the Market Observation Post System website.

(22) Non-operating income and expenses

a. Interest income

	<b>January to March 2026</b>	<b>January to March 2025</b>
Interest income from bank deposits	\$ 838	2,976

b. Other income

	<b>January to March 2026</b>	<b>January to March 2025</b>
Others	\$ 3,135	940

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c. Other gains and losses

	January to March 2026	January to March 2025
Gains on lease modifications	\$ -	4
Net foreign exchange gains (losses)	(29,036)	26,154
Losses on financial assets at fair value through profit or loss	(1,318)	-
Others	(1,528)	(38)
	<b>\$ (31,882)</b>	<b>26,120</b>

d. Finance costs

	January to March 2026	January to March 2025
Interest expenses:		
Bank loans	\$ (2,218)	(5,435)
Lease liabilities	(105)	(53)
	<b>\$ (2,323)</b>	<b>(5,488)</b>

(23) Financial instruments

Apart from the following explanations, there have been no significant changes in the exposure of the Group to credit risk, liquidity risk, and market risk due to financial instruments. For relevant information, please refer to Note 6 (w) and (x) of the 2025 Consolidated Financial Statements.

a. Category of financial instruments

(a) Financial assets

	2026.3.31	2025.12.31	2025.3.31
Current financial assets at fair value through profit or loss - current:	\$ 53,738	38,190	-
Financial assets measured at fair value through other comprehensive income - non-current	22,811	21,597	-
Financial assets measured at amortized cost:			
Cash and cash equivalents	\$ 548,061	708,369	786,839
Accounts receivable and other receivables (including related parties)	747,238	577,795	630,454
Financial assets measured at amortized cost - current	74,688	49,144	48,278
Other financial assets - non-current	7,053	6,242	6,225
Subtotal	1,377,040	1,341,550	1,471,796
Total	<b>\$ 1,453,589</b>	<b>1,401,337</b>	<b>1,471,796</b>

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(b) Financial liabilities

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Financial liabilities measured at amortized cost:			
Short-term borrowings	\$ 34,008	-	-
Notes and accounts payable (including related parties)	191,699	207,808	236,082
Payables on equipment and other payables	552,610	558,308	429,210
Dividends payable	529,200	-	321,300
Lease liabilities (including current and non-current)	24,247	24,832	13,511
Long-term loans (including current portion)	412,292	457,059	759,128
	<b>\$ 1,744,056</b>	<b>1,248,007</b>	<b>1,759,231</b>

b. Information on fair value

(a) Financial instruments not measured at fair value

The management of the Group considers that the carrying amount of financial assets and financial liabilities measured at amortized cost in the consolidated financial statements are close to their fair values.

(b) Financial instruments measured at fair value

The Group measures financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income on a recurring basis. The table below shows an analysis of financial instruments measured at fair value after initial recognition, categorized into Level 1 to Level 3 based on the observability of fair value. The definition for each fair value level is as follows:

- i. Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- ii. Level 2: Other than quoted prices included within Level 1, the input parameters for assets or liabilities can either be observed directly (i.e. as prices) or indirectly (i.e. deduced from prices).
- iii. Level 3: The input parameters for assets or liabilities are not based on observable market data (non-observable parameters).

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	2026.3.31				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Current financial assets at fair value through profit or loss:					
Domestically listed stocks	\$ 53,738	53,738	-	-	53,738
Financial assets measured at fair value through other comprehensive income:					
Foreign listed stocks	\$ 18,410	18,410	-	-	18,410
Foreign unlisted stocks	4,401	-	-	4,401	4,401
	<b>\$ 22,811</b>	<b>18,410</b>	-	4,401	<b>22,811</b>

	2025.12.31				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Current financial assets at fair value through profit or loss:					
Domestically listed stocks	\$ 38,190	38,190	-	-	38,190
Financial assets measured at fair value through other comprehensive income:					
Foreign listed stocks	\$ 21,597	21,597	-	-	21,597

(c) Valuation technique of value measurement for financial instruments at fair value

When there are open quotations of financial instruments in the active market, their fair value is determined based on the open quotations in the active market.

The Group holds domestically listed stocks with standard terms and conditions and is traded in the active market. Its fair value is determined based on the market quotations.

If the financial instruments held by the merged company are unlisted stocks with no active market, they are mainly measured at fair value by the market approach. Such determination is estimated based on factors such as an assessment of the net worth and operating conditions of the valuation subject company, as well as the aggregate market value of the individual assets and liabilities covered. In addition, the material unobservable input values are primarily liquidity discounts; however, since possible changes in liquidity discounts would not result in material potential financial impacts, quantitative information is not disclosed.

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(d) Transfer between fair value hierarchy

From January 1 to March 31, 2026 and 2025, there were no transfers of financial assets and financial liabilities between levels of the fair value hierarchy.

c. Liquidity risk

Liquidity risk is the risk that the Group may be unable to settle its financial liabilities by settling with cash or other financial assets, resulting in the failure to fulfill its related obligations. The Group regularly monitors its current and projected medium and long-term demand for capital, maintains sufficient cash and cash equivalents, as well as credit lines, and ensures compliance with the terms of the loan contract to manage liquidity risk. The unused credit line for the Group as of March 31, 2026, December 31, and March 31, 2025 were NT\$1,036,092 thousand, NT\$1,077,076 thousand, and NT\$1,143,122 thousand, respectively.

	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1- 2year(s)</u>	<u>2-5years</u>	<u>Over 5 years</u>
<b>March 31, 2026</b>						
Non-derivative financial liabilities						
Short-term borrowings	\$ 34,150	34,150	-	-	-	-
Notes and accounts payable (including related parties)	191,699	191,699	-	-	-	-
Dividends payable	529,200	529,200	-	-	-	-
Payables on equipment and other payables (including related parties)	552,610	552,610	-	-	-	-
Lease liabilities (including current and non-current)	25,119	4,939	3,900	6,705	9,575	-
Long-term Loans (including the current portion due within one year)	422,813	78,544	97,727	246,542	-	-
	<u>\$ 1,755,591</u>	<u>1,391,142</u>	<u>101,627</u>	<u>253,247</u>	<u>9,575</u>	<u>-</u>
<b>December 31, 2025</b>						
Non-derivative financial liabilities						
Accounts payable to related parties	\$ 207,808	207,808	-	-	-	-
Payables on equipment and other payables (including related parties)	558,308	558,308	-	-	-	-
Lease liabilities (including current and non-current)	25,788	5,040	3,680	6,705	9,560	803

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	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1- 2year(s)</u>	<u>2-5years</u>	<u>Over 5 years</u>
Long-term loans (including the current portion due within one year)	469,821	68,823	88,177	287,691	25,130	-
	<b>\$ 1,261,725</b>	<b>839,979</b>	<b>91,857</b>	<b>294,396</b>	<b>34,690</b>	<b>803</b>
<b>March 31, 2025</b>						
Non-derivative financial liabilities						
Notes and accounts payable (including related parties)	\$ 236,082	236,082	-	-	-	-
Payables on equipment and other payables (including related parties)	429,210	429,210	-	-	-	-
Dividends payable	321,300	321,300	-	-	-	-
Lease liabilities (including current and non-current)	13,713	3,680	3,275	4,177	2,581	-
Long-term loans (including the current portion due within one year)	793,383	226,866	115,443	248,700	202,374	-
	<b>\$ 1,793,688</b>	<b>1,217,138</b>	<b>118,718</b>	<b>252,877</b>	<b>204,955</b>	<b>-</b>

The Group estimated and did not anticipate significant early occurrence or differences in the actual amounts of cash flows from the analysis on the maturity date.

d. Foreign exchange risk

The carrying amount of the significant monetary assets and liabilities of the Group denominated in non-functional currencies and relevant sensitivity analysis on the reporting date were as follows (including the monetary items that have been eliminated in the consolidated financial statements):

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**2026.3.31**

	Foreign currency (in thousands)	Exchange rate	NTD (in thousands)	Changes in magnitude	Impact of the profit or loss (before tax) (in thousands)
<u>Financial assets</u>					
<u>Monetary items</u>					
USD (Note 1)	\$ 8,655	31.995	276,917	1%	2,769
USD (Note 2)	9,115	4.0415	291,619	1%	2,916
EUR	1,908	36.705	70,033	1%	700
CNY (Note 1)	35,970	4.6324	166,627	1%	1,666
CNY (Note 2)	21,382	0.5852	99,052	1%	991
JPY (Note 1)	3,140,093	0.2004	629,275	1%	6,293
JPY (Note 2)	1,464,096	0.0253	293,405	1%	2,934
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD (Note 1)	9,493	31.995	303,729	1%	3,037
USD (Note 2)	8,869	4.0415	283,764	1%	2,838
CNY (Note 1)	21,317	4.6324	98,749	1%	987
CNY (Note 2)	2,949	0.5852	13,662	1%	137
JPY (Note 1)	1,473,536	0.2004	295,297	1%	2,953
JPY (Note 2)	42,419	0.0253	8,501	1%	85

**2025.12.31**

	Foreign currency (in thousands)	Exchange rate	NTD (in thousands)	Changes in magnitude	Impact of the profit or loss (before tax) (in thousands)
<u>Financial assets</u>					
<u>Monetary items</u>					
USD (Note 1)	\$ 3,401	31.430	106,893	1%	1,069
USD (Note 2)	5,546	4.060	174,305	1%	1,743
EUR	2,299	36.896	84,824	1%	848
CNY (Note 1)	31,496	4.4952	141,581	1%	1,416
CNY (Note 2)	16,979	0.5806	76,324	1%	763
JPY (Note 1)	2,290,181	0.2007	459,639	1%	4,596
JPY (Note 2)	1,973,554	0.0259	396,092	1%	3,961
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD (Note 1)	4,524	31.430	142,189	1%	1,422
USD (Note 2)	8,051	4.060	253,080	1%	2,531
CNY (Note 1)	16,200	4.4952	72,822	1%	728
CNY (Note 2)	3,324	0.5806	14,941	1%	149
JPY (Note 1)	1,294,324	0.2007	259,771	1%	2,598
JPY (Note 2)	82,968	0.0259	16,652	1%	167

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2025.3.31					
	Foreign currency (in thousands)	Exchange rate	NTD (in thousands)	Changes in magnitude	Impact of the profit or loss (before tax) (in thousands)
<u>Financial assets</u>					
<u>Monetary items</u>					
USD (Note 1)	\$ 9,904	33.205	328,862	1%	3,289
USD (Note 2)	11,157	4.438	370,474	1%	3,705
EUR	1,576	35.964	56,679	1%	567
CNY (Note 1)	31,106	4.5787	142,425	1%	1,424
CNY (Note 2)	13,741	0.6120	62,915	1%	629
JPY (Note 1)	2,163,391	0.2226	481,571	1%	4,816
JPY (Note 2)	1,297,591	0.0298	288,844	1%	2,888
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD (Note 1)	6,915	33.205	229,613	1%	2,296
USD (Note 2)	7,875	4.4380	261,496	1%	2,615
CNY (Note 1)	13,440	4.5787	61,538	1%	615
CNY (Note 2)	739	0.6120	3,384	1%	34
JPY (Note 1)	1,306,709	0.2226	290,873	1%	2,909
JPY (Note 2)	9,000	0.0298	2,003	1%	20

Note 1: Exchange rates are quoted as foreign currency against the New Taiwan Dollar.

Note 2: Exchange rates are quoted as foreign currency against the Malaysian Ringgit.

The net foreign exchange losses (including realized and unrealized) from January 1 to March 31, 2026 and 2025, were NT\$(29,036) thousand and NT\$26,154 thousand, respectively.

e. Other market price risk

The Group invests in equity securities, which results in risks of changes in the price of securities. The Group manages and actively monitors its investment performance on a fair value basis.

The sensitivity analysis for equity instruments held (classified as financial assets at fair value through profit or loss) is based on changes in fair value as of the end of the reporting period. If the price of the equity instruments increase/decrease by 5%, the amount of other comprehensive income for January 1 to March 31, 2026, will change by NT\$2,687 thousand.

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The sensitivity analysis for equity instruments held (classified as financial assets at fair value through other comprehensive income) is based on changes in fair value as of the end of the reporting period. If the price of the equity instruments increase/decrease by 5%, the amount of other comprehensive income for January 1 to March 31, 2026, will change by NT\$1,140 thousand.

(24) Financial risk management

There are no significant changes in the financial risk management objectives and policies of the Group disclosed in Note 6 (x) of the 2025 Consolidated Financial Statements.

(25) Capital management

Based on the current operational characteristics of the industry, the future development of the Group, and considering external environmental changes, the Group has planned operating capital needs for the future. This is to ensure the continuous operation of the Group, return to shareholders, and balance the interests of other stakeholders. The Group maintains the best capital structure to increase shareholder value in the long term.

The Group monitors its capital through reviewing of the liabilities to equity ratio periodically.

(26) Investing and financing activities not affecting cash flows

- a. The Group acquires the right-of-use assets through lease. Please refer to Note 6 (j) for more details.
- b. Reconciliation of liabilities arising from financing activities was presented in the following table:

	2026.1.1	Cash flow	Non-cash changes			2026.3.31
			Additions of lease liabilities	Derecognition of lease liabilities	Exchange rate changes	
Short-term borrowings	\$ -	34,058	-	-	(50)	34,008
Long-term debt (including current portion)	457,059	(44,767)	-	-	-	412,292
Lease liabilities (including current portion)	24,832	(2,495)	1,929	-	(19)	24,247
Total liabilities from financing activities	<b>\$ 481,891</b>	<b>(13,204)</b>	<b>1,929</b>	<b>-</b>	<b>(69)</b>	<b>470,547</b>

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	2025.1.1	Cash flow	Non-cash changes			2025.3.31
			Additions of lease liabilities	Derecognition of lease liabilities	Exchange rate changes	
Long-term debt (including current portion)	\$ 828,157	(75,040)	-	-	6,011	759,128
Lease liabilities (including current portion)	16,159	(2,604)	-	(120)	76	13,511
Total liabilities from financing activities	<b>\$ 844,316</b>	<b>(77,644)</b>	<b>-</b>	<b>(120)</b>	<b>6,087</b>	<b>772,639</b>

**7. Related party transactions**

(1) Names and relations of related parties

The related parties that trade with the Group during the periods covered in the Consolidated Financial Statements are as follows:

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Crystalvue Medical Corporation (Crystalvue)	Associates of the Group
BenQ Materials Corp. (BMC)	Individuals that have significant impact on the Group
Qisda Corporation (Qisda)	The parent company of BMC and is an individual that indirectly has significant impact on the Group
Qisda Sdn. Bhd. (QLPG)	Other related party (the subsidiary of Qisda)
BenQ Asia Pacific Corp. (BQP)	Other related party (the subsidiary of Qisda)
BenQ Dialysis Technology Corp. (BDT)	Other related party (the subsidiary of Qisda)
Apaugasma Eye Clinic	Substantive related party
Wen-Hao Li	Substantive related party

(2) Information on significant transactions with related parties

a. Net operating revenue

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

	<u>January to March 2026</u>	<u>January to March 2025</u>
Entity with significant influence over the Group - BMC	<b>\$ 103,088</b>	<b>96,537</b>

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The sales prices of the Group to the aforementioned related parties are determined based on market competition. The payment terms are 60 days, which is not significantly different from regular transactions.

b. Purchases

Purchase amount from related parties by the Group is as follows:

	<b>January to March 2026</b>	<b>January to March 2025</b>
Entity with significant influence over the Group - BMC	<b>\$ 35,108</b>	<b>57,155</b>

The purchase prices from the aforementioned related parties by the Group cannot be compared to the prices of the general transaction due to different product specifications. The payment terms for these purchases are 60 days. For other suppliers, the payment terms range from 30 to 90 days.

c. Leases

The Group leases offices premises and factories of the related parties, and the leasing fees are determined based on the rental market conditions in the surrounding area. The lease is paid on a monthly basis.

The amount of interest expense recognized by the Group for the aforementioned lease transactions is as follows:

	<b>January to March 2026</b>	<b>January to March 2025</b>
Entity with significant influence over the Group - Qisda	<b>\$ 77</b>	<b>2</b>

The lease income from leasing offices to other related parties (QLPG) for January 1 to March 31, 2026, and 2025, amounted to NT\$17,000 and NT\$15,000, respectively.

d. Management service revenue

(a) The Group recognized management service revenue of NT\$286 thousand each for providing relevant medical management services to substantive related parties from January 1 to March 31, 2026 and 2025.

(b) The Group recognized management service revenue of NT\$343 thousand for providing legal and intellectual property services to associates from January 1 to March 31, 2026.

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e. Dividends

(a) The details of dividends receivable to related parties (included under other receivables) by the Group as of March 31, 2026, December 31, and March 31, 2025 are as follows:

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Associates	<b>\$ 18,859</b>	<b>-</b>	<b>11,682</b>

(b) The details of dividends payable to related parties by the Group as of March 31, 2026, December 31, and March 31, 2025 are as follows:

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Entity with significant influence over the Group - BMC	<b>\$ 78,404</b>	<b>-</b>	<b>47,602</b>

f. Operating expenses

The amounts paid by the Group to related parties for other expenses were as follows:

	<b>January to March 2026</b>	<b>January to March 2025</b>
Entity with significant influence over the Group - Qisda	\$ 61	61
Substantive related party	300	300
Other related party	27	31
	<b>\$ 388</b>	<b>392</b>

g. Receivables from related parties

Details of the Group's receivables from related parties were as follows:

<b>Accounting subject</b>	<b>Types of related party</b>	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Accounts receivable	Entity with significant influence over the Group - BMC	<b>\$ 67,264</b>	<b>81,573</b>	<b>75,552</b>
Other receivables	Associates	<b>\$ 120</b>	<b>-</b>	<b>-</b>

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h. Payables to related parties

As a result of the transactions mentioned above and various expenses paid in advance by related parties on behalf of the Group, relevant details of payables to related parties were as follows:

<b>Accounting subject</b>	<b>Types of related party</b>	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Accounts payable	Entity with significant influence over the Group - BMC	\$ 26,762	32,725	41,712
Other payables	Entity with significant influence over the Group - Qisda	\$ 762	803	769
Other payables	Substantive related party	88	88	88
Other payables	Other related party	29	117	32
		<b>\$ 879</b>	<b>1,008</b>	<b>889</b>
Lease liabilities - current	Entity with significant influence over the Group - Qisda	\$ 2,814	2,800	-
Lease liabilities - non-current	Entity with significant influence over the Group - Qisda	12,218	12,927	-
		<b>\$ 15,032</b>	<b>15,727</b>	<b>-</b>

(3) Remuneration for key management personnel

	<b>January to March 2026</b>	<b>January to March 2025</b>
Short-term employee benefits	\$ 6,739	6,126
Post employment benefits	27	27
	<b>\$ 6,766</b>	<b>6,153</b>

**8. Pledged assets**

The detailed carrying amounts of assets pledged as collateral by the Group are as follows:

<b>Name of asset</b>	<b>Pledged collaterals</b>	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Restricted bank deposits	Performance guarantee	\$ 24,688	24,144	23,278
Land-use rights and buildings	Bank loans	806,281	796,913	771,384
		<b>\$ 830,969</b>	<b>821,057</b>	<b>794,662</b>

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**9. Significant commitments and contingencies**

Contractual commitments unrecognized by the Group are as follows:

	<b>2026.3.31</b>	<b>2025.12.31</b>	<b>2025.3.31</b>
Acquisition of property, plant, and equipment	<b>\$ 725,574</b>	<b>353,266</b>	<b>155,903</b>

In response to operational needs, the merged company entered into a purchase agreement on March 20, 2026, to acquire land and buildings for a total amount of NT\$468,000 thousand. As of March 31, 2026, NT\$70,200 thousand had been paid and was recorded under prepayments for construction and equipment. The transfer of title is expected to be completed in the third quarter of 2026.

**10. Significant loss from disaster: None.**

**11. Significant subsequent events: None.**

**12. Others**

- (1) The Group's employee benefits and depreciation and amortization expenses by function are as follows:

Function Nature	January to March 2026			January to March 2025		
	Operation costs	Operation expenses	Total	Operation costs	Operation expenses	Total
Employee benefits						
Salaries	165,095	93,675	258,770	132,929	80,764	213,693
Insurance	2,703	6,232	8,935	2,119	4,651	6,770
Pension	5,565	3,342	8,907	4,260	2,902	7,162
Other employee benefits	2,589	3,067	5,656	2,572	2,768	5,340
Depreciation expenses	130,808	10,657	141,465	111,267	12,216	123,483
Amortization expenses	-	1,535	1,535	-	1,853	1,853

- (2) The operations of the Group are not significantly affected by seasonal or cyclical factors.

**13. Additional disclosures**

- (1) Information on significant transactions

According to the regulations of the Preparation Standards, the relevant information on significant transactions that the Group is required to disclose is as follows:

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**Notes to the Consolidated Financial Statements**

a. Financing provided to other parties:

Expressed in Thousands of New Taiwan Dollars/Malaysian Ringgit

No.	Financing company	Counter party	Financial statement account	Related party	Maximum balance for the period	Ending balance	Actual amount drawn	Interest rate	Nature of the financing	Transaction amount	Reasons for short-term financing	Loss allowances	Collateral		Financing limits for each borrowing company	Company's total financing amount limits
													Company name	Value		
1	VVM	VMM	Other receivables - related parties	Yes	14,464 (MYR1,800)	14,250 (MYR1,800)	14,250 (MYR1,800)	5%	2	-	Operating turnover	-	-	-	1,533,364	1,533,364

(Note 1): VVM's total loan provided to others shall not exceed 40% of VVM's net worth per latest financial statements.

(Note 2): VVM's limits on the individual amounts that may be loaned to subsidiaries shall not exceed 40% of VVM's net worth per latest financial statements.

(Note 3): The nature of the loans provided is classified as 1 for those with business transactions and 2 for those with needs for short-term funding.

(Note 4): The transactions above have been offset when preparing the Consolidated Financial Statements.

b. Endorsements/guarantees provided for others: None.

c. Material marketable securities held at end of period (excluding investments in subsidiaries, associates, and joint ventures): None.

d. Purchases or sales with related parties amounting to NT\$100 million or 20% of paid-in capital or more:

(Expressed in Thousands of New Taiwan Dollars)

Company	Counterparty	Relationship	Transaction details				Unusual transaction terms and reasons		Notes and accounts receivable (payable)		Remark
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Payment terms	Unit price	Payment terms	Balance	Percentage of notes and accounts receivable (payable)	
The Company	BMC	Significant impact on the Company	(Sales)	(103,088)	(9)%	Payment made in 60 days	(Note 1)	(Note 1)	67,264	7%	-
The Company	From-eyes	Parent company and subsidiaries	(Sales)	(481,023)	(41)%	Payment made in 60 days	(Note 1)	(Note 1)	413,051	41%	(Note 4)
From-eyes	The Company	Parent company and subsidiaries	Purchases	481,023	97%	Payment made in 60 days	(Note 1)	(Note 1)	(413,051)	97%	(Note 4)
VVM	The Company	Parent company and subsidiaries	(Sales)	(829,875)	(100)%	Payment made in 60 days	(Note 3)	(Note 1)	676,520	100%	(Note 4)
The Company	VVM	Parent company and subsidiaries	Purchases	829,875	99%	Payment made in 60 days	(Note 2)	(Note 1)	(676,520)	(98)%	(Note 4)
The Company	TYC	Parent company and subsidiaries	(Sales)	(114,013)	(10)%	Payment made in 60 days	(Note 1)	(Note 1)	147,099	15%	(Note 4)
TYC	The Company	Parent company and subsidiaries	Purchases	114,013	100%	Payment made in 60 days	(Note 1)	(Note 1)	(147,099)	(100)%	(Note 4)

(Note 1): There are no significant differences from regular transactions.

(Note 2): As there are no purchases of similar products from other suppliers, the Company is unable to compare with regular transactions.

(Note 3): The sales are primarily made to the Company, and there are no regular transactions for comparisons.

(Note 4): The transactions above have been offset when preparing the Consolidated Financial Statements.

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- e. Receivables from related parties amounting to NT\$100 million or 20% of paid-in capital or more:

(Expressed in Thousands of New Taiwan Dollars)

Company name	Counterparty	Relationship	Balance of the receivables from related parties (Note)	Turnover	Overdue receivables from related parties		Amount collected after the due date of the receivables from related parties	Loss allowances
					Amount	Handling method		
The Company	From-eyes	Parent company and subsidiaries	413,051	5.22	-	-	111,881	-
The Company	TYC	Parent company and subsidiaries	147,099	3.17	-	-	32,928	-
VVM	The Company	Parent company and subsidiaries	676,520	5.91	12,884	-	237,263	-

Note: The aforementioned transactions between From-eyes, TYC and VVM have been offset when preparing the Consolidated Financial Statements.

- f. Intercompany relationships and material intercompany transactions

No. (Note 1)	Company name	Counterparty	Relationships with counterparties (Note 2)	Description of transactions (Note 3)			Percentage of consolidated total operating revenue or total assets (Note 4)
				Account	Amount	Transaction term	
0	The Company	From-eyes	1	(Sales)	(481,023)	Payment made in 60 days	(39.15)%
0	The Company	From-eyes	1	Accounts receivable	413,051	Payment made in 60 days	6.57%
0	The Company	TYC	1	(Sales)	(114,013)	Payment made in 60 days	(9.28)%
0	The Company	TYC	1	Accounts receivable	147,099	Payment made in 60 days	2.34%
1	VVM	The Company	2	(Sales)	(829,875)	Payment made in 60 days	(67.55)%
1	VVM	The Company	2	Accounts receivable	676,520	Payment made in 60 days	10.76%

(Note 1): Numbered according to the following method:

1. For the parent company, fill in 0.
2. Subsidiaries are sorted in a numerical order starting from 1.

(Note 2): Relationships with counterparties are indicated as follows:

1. The parent company to subsidiaries.
2. Subsidiaries to the parent company.
3. Subsidiaries to subsidiaries.

(Note 3): Intercompany relationships and significant intercompany transactions only disclose the information on sales and accounts receivable accounting for 1% of consolidated operating revenue or assets. The corresponding information regarding purchases and accounts payable is not reiterated.

(Note 4): It is calculated by dividing the amount of transactions by the consolidated operating revenue or total assets.

(Note 5): The transactions above have been offset when preparing the Consolidated Financial Statements.

(2) Information on investees:

Expressed in Thousands of New Taiwan Dollars/Shares

Name of investor	Name of investee	Location	Major business activities	Initial investment amount		Ending balance			Profit (loss) of investee for the period	Investment profit and loss recognized	Remark
				Ending of the current period	The end of last year	Share(s)	Shareholding	Carrying amount			
The Company	VVM	Malaysia	Manufacturing, processing, and sale of contact lenses	2,102,783	2,102,783	289,761	100.00%	3,832,164	78,529	75,994	Parent company and subsidiaries (Note)
The Company	From-eyes	Japan	Sale of contact lenses	220,441	220,441	1	100.00%	220,936	28,164	27,606	Parent company and subsidiaries (Note)
The Company	VCT	Taiwan	Medical management consulting services	44,000	44,000	4,400	55.00%	22,911	550	144	Parent company and subsidiaries (Note)
The Company	Crystalvue	Taiwan	Design, manufacture, and sale of medical-related instruments	568,929	568,929	6,503	25.66%	564,543	33,830	5,346	Associates
VVM	VMM	Malaysia	Lease and management service	3,696	3,696	500	100.00%	868	(457)	(457)	Parent company and subsidiaries (Note)

Note: The amounts have been offset when preparing the Consolidated Financial Statements.

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(3) Information on investments in Mainland China:

- a. The name of the investee company in Mainland China, main business activities and other relevant information:

Expressed in Thousands of Chinese Yuan/New Taiwan Dollars

Investees in Mainland China	Major business activities	Paid-in capital	Method of investments	Accumulated amount of investments remitted from Taiwan at beginning of period	Amount of investment remitted or repatriated for the period		Accumulated amount of investments remitted from Taiwan at end of period	Profit (loss) of investee for the period	The ratio of the Company's direct or indirect ownership	Investment profit (loss) recognized	Book value of investments at end of period	Accumulated investment income repatriated at end of period
					Remitted	Repatriated						
Trend Young Trading (Shanghai) Co., Ltd.	Sale of contact lenses	15,533 (CNY3,500) (Note 2)	(Note 1)	16,213 (CNY3,500)	-	-	16,213 (CNY3,500)	(5,500)	100.00%	(5,500)	(17,678)	-

(Note 1): Direct investment in Mainland China.

(Note 2): Except for the paid-in capital, which is measured using the historical exchange rate between CNY and NTD, the rest is converted using the exchange rate of 4.6324 at the end of the period from CNY to NTD.

- b. Limits on investments in Mainland China:

Expressed in Thousands

Name of company	Accumulated amount of investments remitted from Taiwan to Mainland China at end of period	Amount of investments authorized by Investment Commission, MOEA	Upper limit on investment authorized by Investment Commission, MOEA
The Company	117,318 (Note 2) (USD3,160 and CNY 3,500)	118,597 (Note 2) (USD3,200 and CNY 3,500)	2,539,413

Note 1: It is converted using the exchange rate of 31.995 from USD to NTD and the exchange rate of 4.6324 from CNY to NTD at the end of the period.

Note 2: These amounts include an investment of USD3,160 thousand made in previous years in mainland China and an investment of USD3,200 thousand approved by the Investment Commission, MOEA. The related investees companies have completed the liquidation process in 2019 and have already submitted a cancellation report to the Investment Commission, MOEA regarding the investment in mainland China.

- c. Information on significant transactions between the investees in Mainland China:

Name of related party	Relationship with the Company	Transaction Term					Notes and accounts receivable (payable)		Unrealized gains (losses)
		Category	Amount	Price	Payment terms	Difference with regular transactions	Balance	Percentage	
Trend Young Trading (Shanghai) Co., Ltd.	The Company's subsidiary	Sales	114,013	(Note 1)	Payment made in 60 days	(Note 1)	147,099	14.66%	(20,755)

(Note 1): There are no significant differences from regular transactions.

(Note 2): The amounts have been offset when preparing the Consolidated Financial Statements.

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**14. Segment information**

The main business of the Group is manufacturing, purchasing, and selling disposable contact lenses. It is an individual department, and the department's information on profit and loss, assets, and liabilities is consistent with the Consolidated Financial Statements. Please refer to the consolidated balance sheets and consolidated statements of comprehensive income for more details.