

**ATEN INTERNATIONAL CO., LTD.  
AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review 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' Review Report

To the Board of Directors  
ATEN INTERNATIONAL CO., LTD.:

### Introduction

We have reviewed the accompanying consolidated balance sheets of ATEN INTERNATIONAL CO., LTD. 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 material accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

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

### Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$2,304,741 thousand and \$2,361,871 thousand, both constituting 33% of the consolidated total assets as of March 31, 2026 and 2025, respectively, total liabilities amounting to \$746,999 thousand and \$643,940 thousand, constituting 32% and 28% of the consolidated total liabilities at March 31, 2026 and 2025, respectively, and total comprehensive income amounting to \$64,969 thousand and \$46,479 thousand, constituting 55% and 31% of the consolidated total comprehensive income respectively.

**Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of ATEN INTERNATIONAL CO., LTD. and its subsidiaries as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated 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.

The engagement partners on the reviews resulting in this independent auditors’ review report are Wu, Chung-Shun and Huang, Tsai-Chuan.

KPMG

Taipei, Taiwan (Republic of China)  
April 30, 2026

**Notes to Readers**

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

The independent auditors’ 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.

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

## ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES

## Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

	March 31, 2026		December 31, 2025		March 31, 2025			March 31, 2026		December 31, 2025		March 31, 2025	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>Assets</b>								<b>Liabilities and Equity</b>					
<b>Current assets:</b>								<b>Current liabilities:</b>					
11xx Cash and cash equivalents (note 6(a))	\$ 897,714	13	898,036	13	1,105,146	16	21xx Short-term borrowings (notes 6(j) and 8)	\$ 266,856	4	240,470	4	380,307	5
1100 Financial assets at fair value through profit or loss – current (note 6(c))	328,306	6	241,584	4	202,277	3	2120 Financial liabilities at fair value through profit or loss – current (note 6(c))	3,221	-	7,985	-	9,463	-
1136 Current financial assets at amortized cost, net (note 6(b))	257,866	4	260,360	4	103,706	1	2150 Notes payable	817	-	1,141	-	908	-
1140 Contract assets – current (note 6(q))	6,573	-	20,685	-	4,432	-	2170 Accounts payable	346,382	5	355,727	5	336,262	5
1150 Notes receivable, net (notes 6(e) and (q))	2,526	-	2,821	-	4,379	-	2216 Dividends Payable (note 6(o))	302,451	4	119,471	2	254,189	4
1170 Accounts receivable, net (notes 6(e) and (q))	717,710	10	779,538	11	729,251	10	2219 Other payable (notes 6(r) and 8)	441,797	6	569,953	8	480,637	7
1200 Other receivables	5,787	-	10,540	-	6,982	-	2230 Current tax liabilities	59,209	1	27,184	-	137,959	2
130x Inventories (note 6(f))	1,078,520	15	1,112,075	16	1,323,414	19	2250 Provisions – current (note 6(k))	23,044	-	23,044	-	24,205	-
1410 Prepayments	102,123	1	81,894	1	109,942	2	2280 Current lease liabilities (note 6(l))	109,448	2	105,296	2	94,528	1
1470 Other current assets	19,593	-	19,908	-	17,232	-	2399 Other current liabilities	85,019	1	76,390	1	75,943	1
<b>Total current assets</b>	<b>3,416,718</b>	<b>49</b>	<b>3,427,441</b>	<b>49</b>	<b>3,606,761</b>	<b>51</b>	<b>Total current liabilities</b>	<b>1,638,244</b>	<b>23</b>	<b>1,526,661</b>	<b>22</b>	<b>1,794,401</b>	<b>25</b>
<b>Non-current assets:</b>								<b>Non-Current liabilities:</b>					
15xx Non-current financial assets at amortized cost, net (note 6(b))	80,000	1	80,000	1	80,000	1	25xx Long-term borrowings (notes 6(j) and 8)	200,000	3	150,000	2	50,000	1
1600 Property, plant and equipment (notes 6(g), 7, 8 and 9)	2,930,668	42	2,945,859	42	2,803,862	39	2570 Deferred income tax liabilities	136,798	2	136,665	2	154,815	2
1755 Right-of-use assets (note 6(h))	289,572	4	296,129	4	291,122	4	2580 Non-current lease liabilities (note 6(l))	204,229	3	212,403	3	210,937	3
1780 Intangible assets (note 6(i))	2,756	-	2,756	-	2,855	-	2640 Net defined benefit liabilities – non-current	51,666	1	52,103	1	60,968	1
1840 Deferred income tax assets	155,317	2	154,393	2	177,985	3	2645 Deposits received	1,014	-	1,014	-	1,014	-
1915 Prepayments for equipment	4,714	-	92	-	-	-	2670 Other non-current liabilities	72,269	1	69,531	1	61,522	1
1920 Refundable deposits	43,620	1	44,723	1	43,965	1	<b>Total non-current liabilities</b>	<b>665,976</b>	<b>10</b>	<b>621,716</b>	<b>9</b>	<b>539,256</b>	<b>8</b>
1980 Other financial assets – non-current (notes 8 and 9)	95,746	1	95,980	1	95,738	1	<b>Total liabilities</b>	<b>2,304,220</b>	<b>33</b>	<b>2,148,377</b>	<b>31</b>	<b>2,333,657</b>	<b>33</b>
1990 Other non-current assets	233	-	1,033	-	1,140	-	<b>Equity attributable to shareholders of the company (notes 6(d) and (o)):</b>						
<b>Total non-current assets</b>	<b>3,602,626</b>	<b>51</b>	<b>3,620,965</b>	<b>51</b>	<b>3,496,667</b>	<b>49</b>	3110 Common stock	1,194,711	17	1,194,711	17	1,194,711	17
							3200 Capital surplus:						
							3210 Additional paid-in capital	316,913	4	316,913	4	316,913	4
							3250 Donated assets received	50	-	50	-	50	-
								316,963	4	316,963	4	316,963	4
							3300 Retained earnings:						
							3310 Legal reserve	1,640,453	23	1,640,453	23	1,623,232	23
							3320 Special reserve	190,639	3	190,639	3	178,017	3
							3350 Unappropriated retained earnings	1,454,068	21	1,623,853	23	1,508,153	21
								3,285,160	47	3,454,945	49	3,309,402	47
							3400 Other equity interest:						
							3410 Financial statements translation differences for foreign operations	(142,111)	(2)	(129,302)	(2)	(110,608)	(2)
							3420 Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(4,000)	-	(4,000)	-	(4,000)	-
								(146,111)	(2)	(133,302)	(2)	(114,608)	(2)
							<b>Total equity attributable to shareholders of the company</b>	<b>4,650,723</b>	<b>66</b>	<b>4,833,317</b>	<b>68</b>	<b>4,706,468</b>	<b>66</b>
							36xx <b>Non-controlling interests</b>	64,401	1	66,712	1	63,303	1
							3xxx <b>Total equity</b>	4,715,124	67	4,900,029	69	4,769,771	67
1xxx <b>Total assets</b>	<b>\$ 7,019,344</b>	<b>100</b>	<b>7,048,406</b>	<b>100</b>	<b>7,103,428</b>	<b>100</b>	2-3xxx <b>Total liabilities and equity</b>	<b>\$ 7,019,344</b>	<b>100</b>	<b>7,048,406</b>	<b>100</b>	<b>7,103,428</b>	<b>100</b>

See accompanying notes to consolidated financial statements.

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

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the three months ended March 31, 2026 and 2025**  
**(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		<b>For the three months ended March 31</b>			
		<b>2026</b>		<b>2025</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenue (note 6(q))</b>	\$ 1,293,181	100	1,204,701	100
5000	<b>Operating costs (notes 6(f), (g), (h), (l), (m) and (r))</b>	<u>514,324</u>	<u>40</u>	<u>496,364</u>	<u>41</u>
5900	<b>Gross profit</b>	<u>778,857</u>	<u>60</u>	<u>708,337</u>	<u>59</u>
6000	<b>Operating expenses (notes 6(e), (g), (h), (l), (m), (r) and 7):</b>				
6100	Selling expenses	325,314	25	300,916	25
6200	Administrative expenses	127,859	10	128,419	11
6300	Research and development expenses	139,463	11	138,192	11
6450	Impairment loss (reversal of impairment loss) determined in accordance with IFRS9	<u>(316)</u>	<u>-</u>	<u>40</u>	<u>-</u>
	<b>Total operating expenses</b>	<u>592,320</u>	<u>46</u>	<u>567,567</u>	<u>47</u>
6900	<b>Operating profit</b>	<u>186,537</u>	<u>14</u>	<u>140,770</u>	<u>12</u>
7000	<b>Non-operating income and expenses (notes 6(l) and (s)):</b>				
7100	Interest income	2,594	-	4,750	-
7010	Other income	4,459	-	4,374	-
7020	Other gains and losses	(3,575)	-	10,817	1
7050	Finance costs	<u>(6,156)</u>	<u>-</u>	<u>(7,037)</u>	<u>(1)</u>
	<b>Total non-operating income and expenses</b>	<u>(2,678)</u>	<u>-</u>	<u>12,904</u>	<u>-</u>
7900	<b>Profit from continuing operations before tax</b>	183,859	14	153,674	12
7950	<b>Less: Income tax expenses (note 6(n))</b>	<u>52,118</u>	<u>4</u>	<u>42,080</u>	<u>3</u>
	<b>Net income</b>	<u>131,741</u>	<u>10</u>	<u>111,594</u>	<u>9</u>
8300	<b>Other comprehensive income (note 6(o)):</b>				
8310	<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	-	-	(2,976)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>	<u>-</u>	<u>-</u>	<u>(2,976)</u>	<u>-</u>
8360	<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>				
8361	Exchange differences on translation of foreign financial statements	(14,195)	(1)	40,351	3
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>	<u>(14,195)</u>	<u>(1)</u>	<u>40,351</u>	<u>3</u>
8300	<b>Other comprehensive income</b>	<u>(14,195)</u>	<u>(1)</u>	<u>37,375</u>	<u>3</u>
8500	<b>Total comprehensive income</b>	<u>\$ 117,546</u>	<u>9</u>	<u>148,969</u>	<u>12</u>
8600	<b>Net income attributable to:</b>				
8610	Shareholders of the parent	\$ 128,893	10	108,750	9
8620	Non-controlling interests	<u>2,848</u>	<u>-</u>	<u>2,844</u>	<u>-</u>
		<u>\$ 131,741</u>	<u>10</u>	<u>111,594</u>	<u>9</u>
8700	<b>Total comprehensive income attributable to:</b>				
8710	Shareholders of the parent	\$ 116,084	9	146,036	12
8720	Non-controlling interests	<u>1,462</u>	<u>-</u>	<u>2,933</u>	<u>-</u>
		<u>\$ 117,546</u>	<u>9</u>	<u>148,969</u>	<u>12</u>
	<b>Basic earnings per share(in New Taiwan dollars) (note 6(p))</b>				
9710	Basic earnings per share	<u>\$ 1.08</u>		<u>0.91</u>	
9850	Diluted earnings per share	<u>\$ 1.07</u>		<u>0.90</u>	

See accompanying notes to consolidated financial statements.

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

**ATEN INTERNATIONAL CO., LTD. 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 parent						Total other equity interest			Non-controlling interests	Total equity	
	Share capital		Retained earnings				Financial statements translation differences for foreign operations	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	Total			Total equity attributable to owners of parent
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total						
<b>Balance at January 1, 2025</b>	\$ 1,194,711	316,963	1,623,232	178,017	1,650,188	3,451,437	(150,870)	(920)	(151,790)	4,811,321	63,670	4,874,991
Appropriation and distribution of retained earnings:												
Cash dividends of ordinary share	-	-	-	-	(250,889)	(250,889)	-	-	-	(250,889)	(3,300)	(254,189)
Net income	-	-	-	-	108,750	108,750	-	-	-	108,750	2,844	111,594
Other comprehensive income	-	-	-	-	-	-	40,262	(2,976)	37,286	37,286	89	37,375
Total comprehensive income	-	-	-	-	108,750	108,750	40,262	(2,976)	37,286	146,036	2,933	148,969
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	104	104	-	(104)	(104)	-	-	-
<b>Balance at March 31, 2025</b>	<b>\$ 1,194,711</b>	<b>316,963</b>	<b>1,623,232</b>	<b>178,017</b>	<b>1,508,153</b>	<b>3,309,402</b>	<b>(110,608)</b>	<b>(4,000)</b>	<b>(114,608)</b>	<b>4,706,468</b>	<b>63,303</b>	<b>4,769,771</b>
<b>Balance at January 1, 2026</b>	\$ 1,194,711	316,963	1,640,453	190,639	1,623,853	3,454,945	(129,302)	(4,000)	(133,302)	4,833,317	66,712	4,900,029
Appropriation and distribution of retained earnings:												
Cash dividends of ordinary share	-	-	-	-	(298,678)	(298,678)	-	-	-	(298,678)	(3,773)	(302,451)
Net income	-	-	-	-	128,893	128,893	-	-	-	128,893	2,848	131,741
Other comprehensive income	-	-	-	-	-	-	(12,809)	-	(12,809)	(12,809)	(1,386)	(14,195)
Total comprehensive income	-	-	-	-	128,893	128,893	(12,809)	-	(12,809)	116,084	1,462	117,546
<b>Balance at March 31, 2026</b>	<b>\$ 1,194,711</b>	<b>316,963</b>	<b>1,640,453</b>	<b>190,639</b>	<b>1,454,068</b>	<b>3,285,160</b>	<b>(142,111)</b>	<b>(4,000)</b>	<b>(146,111)</b>	<b>4,650,723</b>	<b>64,401</b>	<b>4,715,124</b>

See accompanying notes to consolidated financial statements.

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

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the three months ended March 31, 2026 and 2025****(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
<b>Cash flows from operating activities:</b>		
Net income before tax	\$ 183,859	153,674
<b>Adjustments:</b>		
Adjustments to reconcile profit and loss		
Depreciation expense	55,805	53,601
Amortization expense	-	296
Impairment loss (reversal of impairment loss) determined in accordance with IFRS9	(316)	40
Interest expense	6,156	7,037
Interest income	(2,594)	(4,750)
Dividend income	-	(1,119)
Gains on disposal of property, plant and equipment	(632)	(211)
Others	-	(210)
Total adjustments to reconcile profit and loss	<u>58,419</u>	<u>54,684</u>
Changes in assets / liabilities relating to operating activities:		
Net changes in operating assets:		
Financial assets at fair value through profit or loss	(86,722)	73,771
Contract assets	14,112	(39)
Notes receivable	295	62
Accounts receivable	62,144	(11,961)
Other receivable	4,753	(123)
Inventories	32,693	672
Prepayments	(20,229)	(39,766)
Other current assets	315	5,416
Total changes in operating assets, net	<u>7,361</u>	<u>28,032</u>
Net changes in operating liabilities:		
Financial liabilities held for trading	(4,764)	3,521
Notes payable	(324)	(434)
Accounts payable	(9,345)	(47,121)
Other payable	(128,156)	(64,332)
Other current liabilities	8,629	(6,793)
Net defined benefit liabilities	(437)	42
Other non-current liabilities	2,738	3,483
Total changes in operating liabilities, net	<u>(131,659)</u>	<u>(111,634)</u>
Total changes in operating assets / liabilities, net	<u>(124,298)</u>	<u>(83,602)</u>
Total adjustments	<u>(65,879)</u>	<u>(28,918)</u>
Cash provided by operating activities	117,980	124,756
Dividends received	-	1,119
Payment of income tax	(19,600)	(36,213)
<b>Net cash provided by operating activities</b>	<u>98,380</u>	<u>89,662</u>
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	1,004
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	8,100
Proceeds from financial assets at amortised cost	2,494	34,382
Acquisition of property, plant and equipment	(24,072)	(17,371)
Proceeds from disposal of property, plant and equipment	2,227	255
Decrease (increase) in refundable deposits	1,103	(1,759)
Decrease (increase) in other financial assets — non-current	234	(299)
Decrease in other non-current assets	800	64
Increase in prepayments for equipment	(4,622)	-
Interest received	2,594	4,750
<b>Net cash provided by (used in) investing activities</b>	<u>(19,242)</u>	<u>29,126</u>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	28,959	11,343
Proceeds from long-term borrowings	50,000	50,000
Payment of lease liabilities	(27,120)	(25,518)
Cash dividends paid	(119,471)	(203,101)
Interest paid	(6,156)	(7,037)
<b>Net cash used in financing activities</b>	<u>(73,788)</u>	<u>(174,313)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>(5,672)</u>	<u>32,378</u>
<b>Net decrease in cash and cash equivalents for the period</b>	<u>(322)</u>	<u>(23,147)</u>
<b>Cash and cash equivalents at beginning of period</b>	898,036	1,128,293
<b>Cash and cash equivalents at end of period</b>	<u>\$ 897,714</u>	<u>1,105,146</u>

See accompanying notes to consolidated financial statements.

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

## ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

March 31, 2026 and 2025

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

#### (1) Company history

ATEN INTERNATIONAL CO., LTD. (the "Company") was incorporated on July 6, 1979, under the laws of the Republic of China (ROC). The Company and its subsidiaries (the "Group") are mainly engaged in the manufacturing and trading of computer peripheral equipment, manufacturing of wired and wireless communication equipment, and manufacturing of electronic modules and parts.

#### (2) Approval date and procedures of the consolidated financial statements

These consolidated financial statements were authorized for issuance by the Board of Directors on April 30, 2026.

#### (3) New standards, amendments and interpretations adopted:

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

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards – Volume 11
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

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

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
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.	January 1, 2027 (Note)

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
	<ul style="list-style-type: none"> <li>● 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.</li> <li>● 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.</li> <li>● 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.</li> </ul>	

Note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

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

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
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The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

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

**(4) Summary of material policies**

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2025. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2025.

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" ("the Regulations") and IAS 34 Interim Financial Reporting endorsed by the FSC, and do not present all the disclosures required for a complete set of annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards, International Accounting Statements, IFRIC Interpretations, or SIC Interpretations endorsed by the FSC for a complete set of the annual consolidated financial statements.

**(b) Basis of consolidation**

List of subsidiaries included in the consolidated financial statements:

<u>Name of investor</u>	<u>Name of subsidiary</u>	<u>Scope of business</u>	<u>Percentage of ownership</u>			<u>Description</u>
			<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>	
The Company	TOPMOST INTERNATIONAL CO., LTD. (TOPMOST)	Investing	100.00 %	100.00 %	100.00 %	
The Company	ATEN JAPAN CO., LTD. (ATEN JAPAN)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company	ATEN US HOLDINGS INC. (ATEN US)	Investing	100.00 %	100.00 %	100.00 %	
The Company	FOREMOST INTERNATIONAL CO., LTD. (FOREMOST)	Investing	100.00 %	100.00 %	100.00 %	Note 1
The Company and TOPMOST	ATEN INFOTECH N.V. (ATEN INFOTECH)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company	ATECH PERIPHERALS INC. (ATECH PERIPHERALS)	Manufacturing and trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company	ATEN COMPUTER PRODUCTS CO., LTD. (ATEN COMPUTER)	Manufacturing of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Name of investor	Name of subsidiary	Scope of business	Percentage of ownership			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company	VISIONTOP CO., LTD. (VISIONTOP)	Specialized printing	59.58 %	59.58 %	59.58 %	Note 1
The Company	HONG JHENG TECHNOLOGY CO., LTD. (HONG JHENG)	Investing	100.00 %	100.00 %	100.00 %	Note 1
The Company	HONG YUAN CO., LTD. (HONG YUAN)	Investing	100.00 %	100.00 %	100.00 %	Note 1
The Company	ATEN ANZ PTY LTD. (ATEN ANZ)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company	RCM FULLY AUTOMATION CO., LTD. (RCM FULLY)	Trading of computer peripheral products	26.00 %	26.00 %	26.00 %	Note 1
The Company	ATEN INFO COMMUNICATION LIMITED LIABILITY COMPANY (ATEN TURKEY)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company	ATEN POLAND SP Z.O. O. (ATEN POLAND)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company	ATEN ROMANIA S.R.L. (ATEN ROMANIA)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company	ATEN SOUTH AFRICA PTY LTD. (ATEN SOUTH AFRICA)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company and HONG YUAN	ATEN ADVANCE PRIVATE LIMITED (ATEN ADVANCE)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company and HONG YUAN	ATEN LATAM MEXICO S.A. DE C.V (ATEN MEXICO)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
The Company and HONG YUAN	PT ATEN TECHNOLOGY INDONESIA (ATEN INDONESIA)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
TOPMOST	EXPAND INTERNATIONAL CO., LTD. (EXPAND)	Investing	100.00 %	100.00 %	100.00 %	
TOPMOST	ATEN EUROPE LIMITED (ATEN EUROPE)	Investing	100.00 %	100.00 %	100.00 %	Note 1
TOPMOST	I/O MASTER INC. (I/O MASTER)	Investing	100.00 %	100.00 %	100.00 %	Note 1
FOREMOST	ATEN FOREMOST INTERNATIONAL CO., LTD. (ATEN FOREMOST)	Research and trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
ATEN FOREMOST	ATEN CHINA CO., LTD. (ATEN CHINA)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
EXPAND	EXPAND ELECTRONIC CO., LTD. (EXPAND ELECTRONIC)	Manufacturing of computer peripheral products	100.00 %	100.00 %	100.00 %	
ATEN EUROPE	ATEN UK LIMITED (ATEN UK)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
ATEN EUROPE	ATEN KOREA CO., LTD. (ATEN KOREA)	Trading of computer peripheral products	85.00 %	85.00 %	85.00 %	Note 1
ATEN US	ATEN TECHNOLOGY INC. (ATEN TECHNOLOGY)	Trading of computer peripheral products	99.56 %	99.56 %	99.39 %	Note 2

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Name of investor	Name of subsidiary	Scope of business	Percentage of ownership			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
ATEN US & ATEN TECHNOLOGY	ATEN NEW JERSEY INC. (ATEN NEW JERSEY)	Trading of computer peripheral products	99.65 %	99.65 %	99.52 %	Notes 1 and 2
I/O MASTER	ATEN CANADA TECHNOLOGIES INC. (ATEN CANADA)	Research and development	100.00 %	100.00 %	100.00 %	Note 1
I/O MASTER	IOGEAR, INC.(IOGEAR)	Trading of computer peripheral products	100.00 %	100.00 %	100.00 %	Note 1
ATECH PERIPHERALS	RCM FULLY AUTOMATION CO., LTD. (RCM FULLY)	Trading of computer peripheral products	74.00 %	74.00 %	74.00 %	Note 1

Note 1: It's an insignificant subsidiary, and its financial statements have not been reviewed.

Note 2: ATEN US increased investment for USD5,000 thousand in ATEN TECHNOLOGY in September, 2025. Therefore, the percentage of ownership of ATEN US increased from 99.39% to 99.56%. Meanwhile, the combined percentage of ownership of ATEN US for ATEN NEW JERSEY increased from 99.52% to 99.65%.

(c) **Employee benefits**

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year plus any adjustments for significant post-market fluctuations, curtailments, settlements, or other one-time events.

(d) **Income tax**

Tax expense in the consolidated financial statements is measured and disclosed according to paragraph B12 of IAS 34 "Interim Financial Reporting".

Income tax expense for the period is best estimated by multiplying pretax income of the reporting period by the effective annual tax rate which was forecasted by the management. The outcome is then fully recognized as current tax expense.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

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

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 "Interim Financial Reporting" endorsed by the FSC requires management to make 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.

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2025. For the related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2025.

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(6) Explanation of significant accounts**

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

(a) Cash and cash equivalents

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Cash and cash equivalents	\$ 1,604	1,449	1,699
Saving deposits and foreign currency deposits	822,622	790,775	781,078
Checking deposits	11,805	11,211	21,133
Time deposits	42,353	31,481	166,213
Repurchase agreement	<u>19,330</u>	<u>63,120</u>	<u>135,023</u>
Cash and cash equivalents in the consolidated statement of cash flows	<u>\$ 897,714</u>	<u>898,036</u>	<u>1,105,146</u>

Please refer to note 6(t) for the interest rate risk and the fair value sensitivity analysis of the financial assets and liabilities of the Group.

(b) Financial assets at amortized cost

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Financial assets at amortized cost – current:			
Bank's time deposits	<u>\$ 257,866</u>	<u>260,360</u>	<u>103,706</u>
Interest rate(%)	<u>1.425~3.9</u>	<u>1.425~3.9</u>	<u>1.425~3.9</u>
Financial assets at amortized cost – non current:			
Corporate bonds	<u>\$ 80,000</u>	<u>80,000</u>	<u>80,000</u>
Interest rate(%)	<u>3.7</u>	<u>3.7</u>	<u>3.7</u>

The Group 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.

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Mandatorily measured at fair value through profit or loss – current:			
Derivative instruments not used for hedging	\$ 2,888	124	964
Non-derivative financial assets	<u>325,418</u>	<u>241,460</u>	<u>201,313</u>
Total	<u>\$ 328,306</u>	<u>241,584</u>	<u>202,277</u>
	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Financial liabilities held for trading – current:			
Derivative instruments not used for hedging	<u>\$ 3,221</u>	<u>7,985</u>	<u>9,463</u>

For the amount of financial assets and liabilities remeasured at fair value through profit or loss, please refer to note 6(s).

As of March 31, 2026, December 31 and March 31, 2025, the Group has not provided any aforementioned financial assets as collateral.

The Group uses derivative financial instruments to manage the exposures due to fluctuations of foreign exchange risk from its operating activities. The Group reported the following derivatives financial instruments as financial assets and liabilities at fair value through profit or loss without the application of hedge accounting were classified as mandatorily measured at fair value through profit or loss and held-for-trading financial instruments on March 31, 2026, December 31 and March 31, 2025.

Mandatorily measured at fair value through profit or loss financial assets – Forward contract:

	<u>March 31, 2026</u>		
	<u>Contract amount (thousand dollars)</u>	<u>Currency</u>	<u>Maturity dates</u>
Forward exchange sold	EUR 1,169 /	EUR/NTD	2026.04.22~2026.04.29
	NTD 43,358		
Forward exchange sold	USD 750 /	USD/NTD	2026.05.22~2026.06.05
	NTD 23,981		
Forward exchange sold	JPY 155,000 /	JPY/NTD	2026.04.17
	NTD 31,517		
Forward exchange sold	GBP 285 /	GBP/NTD	2026.06.05~2026.07.06
	NTD 12,073		
Forward exchange sold	AUD 230 /	AUD/NTD	2026.05.04~2026.05.18
	NTD 5,132		
Forward exchange purchased	USD 1,205 /	USD/KRW	2026.04.28~2026.05.27
	KRW 1,763,433		

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

<b>December 31, 2025</b>			
	<b>Contract amount (thousand dollars)</b>	<b>Currency</b>	<b>Maturity dates</b>
Forward exchange sold	EUR 235 /	EUR/NTD	2026.03.23
	NTD 8,700		
Forward exchange sold	USD 1,380 /	USD/NTD	2026.01.23~2026.03.23
	NTD 43,260		
Forward exchange sold	JPY 63,000 /	JPY/NTD	2026.01.16
	NTD 12,695		
<b>March 31, 2025</b>			
	<b>Contract amount (thousand dollars)</b>	<b>Currency</b>	<b>Maturity dates</b>
Forward exchange sold	EUR 133 /	EUR/NTD	2025.06.20
	NTD 4,775		
Forward exchange sold	JPY 60,000 /	JPY/NTD	2025.04.18
	NTD 13,366		
Forward exchange sold	AUD 205 /	AUD/NTD	2025.04.02~2025.06.02
	NTD 4,256		
Forward exchange purchased	USD 1,840 /	USD/KRW	2025.04.29~2025.05.29
	KRW 2,665,942		

Held-for-trading financial liabilities—Forward contract:

<b>March 31, 2026</b>			
	<b>Contract amount (thousand dollars)</b>	<b>Currency</b>	<b>Maturity dates</b>
Forward exchange sold	EUR 1,427 /	EUR/NTD	2026.04.07~2026.06.05
	NTD 52,094		
Forward exchange sold	USD 4,580 /	USD/NTD	2026.04.08~2026.06.29
	NTD 143,502		
Forward exchange sold	GBP 210 /	GBP/NTD	2026.04.07~2026.05.06
	NTD 8,738		
Forward exchange sold	AUD 293 /	AUD/NTD	2026.04.01~2026.05.04
	NTD 6,155		
Forward exchange purchased	USD 240 /	USD/KRW	2026.05.27
	KRW 367,356		

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

<b>December 31, 2025</b>			
	<b>Contract amount (thousand dollars)</b>	<b>Currency</b>	<b>Maturity dates</b>
Forward exchange sold	EUR 2,195 /	EUR/NTD	2026.01.06~2026.04.07
	NTD 79,072		
Forward exchange sold	USD 9,360 /	USD/NTD	2026.01.07~2026.05.27
	NTD 288,640		
Forward exchange sold	JPY 173,000 /	JPY/NTD	2026.01.16~2026.02.24
	NTD 34,704		
Forward exchange sold	GBP 600 /	GBP/NTD	2026.01.08~2026.04.07
	NTD 24,512		
Forward exchange sold	AUD 471 /	AUD/NTD	2026.02.02~2026.04.01
	NTD 9,673		
Forward exchange purchased	USD 538 /	USD/KRW	2026.01.29
	KRW 786,047		
<b>March 31, 2025</b>			
	<b>Contract amount (thousand dollars)</b>	<b>Currency</b>	<b>Maturity dates</b>
Forward exchange sold	EUR 3,733 /	EUR/NTD	2025.04.02~2025.07.30
	NTD 128,037		
Forward exchange sold	USD 5,110 /	USD/NTD	2025.04.07~2025.06.30
	NTD 166,359		
Forward exchange sold	JPY 124,000 /	JPY/NTD	2025.04.18~2025.05.19
	NTD 27,462		
Forward exchange sold	GBP 311 /	GBP/NTD	2025.04.07~2025.06.06
	NTD 12,727		
Forward exchange sold	AUD 312 /	AUD/NTD	2025.04.02~2025.06.02
	NTD 6,391		

For credit risk and market risk please refer to note 6(t).

(d) Financial assets at fair value through other comprehensive income

The Company sold the domestic listed stocks at the fair value for the three month ended March 31, 2025, the fair value at that time of disposal was \$1,004 thousand and accumulated gains on disposal was \$104 thousand, which has been transferred from other equity to retained earnings.

(e) Notes and accounts receivable and other receivables

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Notes receivable	\$ 2,526	2,821	4,379
Accounts receivable, net	717,998	780,156	729,531
Less: allowance for impairment	288	618	280
	<b>\$ 720,236</b>	<b>782,359</b>	<b>733,630</b>

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
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The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected credit loss provision for all receivables on March 31, 2026. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward-looking information, including macroeconomic and relevant industry information. The expected credit losses as of was determined as follows:

	<b>March 31, 2026</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average expected credit loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 673,433	0%	-
0 to 30 days past due	44,196	0%	-
31 to 60 days past due	1,257	0%	-
61 to 90 days past due	138	0%	-
91 to 120 days past due	254	0%	-
121 to 180 days past due	941	0%	-
181 to 360 days past due	102	83%~100%	85
More than 360 days past due	203	100%	203
	<u>\$ 720,524</u>		<u>288</u>
	<b>December 31, 2025</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average expected credit loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 720,964	0%	-
0 to 30 days past due	51,084	0%	-
31 to 60 days past due	7,927	0%	-
61 to 90 days past due	2,068	0%	-
91 to 120 days past due	185	0%	-
121 to 180 days past due	370	65%~100%	239
181 to 360 days past due	114	100%	114
More than 360 days past due	265	100%	265
	<u>\$ 782,977</u>		<u>618</u>

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>March 31, 2025</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average expected credit loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 667,051	0%	-
0 to 30 days past due	52,289	0%	-
31 to 60 days past due	13,259	0%	-
61 to 90 days past due	742	0%	-
121 to 180 days past due	354	0%	-
181 to 360 days past due	139	100%	139
More than 360 days past due	76	100%	76
	<b>\$ 733,910</b>		<b>215</b>

The movement in the allowance for accounts receivable was as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Balance at January 1	\$ 618	240
Impairment loss recognized	18	70
Impairment loss reversed	(334)	(30)
Amounts written off	(18)	-
Foreign exchange difference	4	-
Balance at March 31	<b>\$ 288</b>	<b>280</b>

As of March 31, 2026, December 31 and March 31, 2025, the bank has priority claim over the Group's accounts receivable amounting to \$97,018 thousand, \$165,678 thousand and \$87,561 thousand, respectively.

(f) Inventories

The components of the Group's inventories were as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Finished goods	\$ 530,781	562,261	686,453
Work in process	152,428	161,854	205,793
Raw material	395,311	387,960	431,168
	<b>\$ 1,078,520</b>	<b>1,112,075</b>	<b>1,323,414</b>

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
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The Group except for operating costs arising from the ordinary sale of inventories, other gains and losses directly recorded under operating cost were as follows:

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<b>2026</b>	<b>2025</b>
Losses on decline in market value of inventory	\$ 102	7,968
Losses on scrapping of inventory	701	940
Losses (gains) on physical inventory and others	638	(72)
<b>Total</b>	<b>\$ 1,441</b>	<b>8,836</b>

As of March 31, 2026, December 31 and March 31, 2025, the bank has priority claim over the Group's inventories amounting to \$152,757 thousand, \$156,941 thousand and \$183,538 thousand, respectively.

(g) Property, plant and equipment

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

	<b>Land</b>	<b>Land improvements</b>	<b>Buildings</b>	<b>Machinery</b>	<b>Other equipment</b>	<b>Construction in progress and testing equipment</b>	<b>Total</b>
Cost or deemed cost:							
Balance at January 1, 2026	\$ 1,717,843	9,368	1,220,053	309,837	510,847	263,242	4,031,190
Additions	-	-	2,487	112	4,269	17,204	24,072
Disposals	-	-	-	(949)	(8,696)	-	(9,645)
Reclassification	-	-	-	-	651	(651)	-
Effect of changes in exchange rates	(2,755)	(4)	(10,574)	360	158	-	(12,815)
Balance at March 31, 2026	<u>\$ 1,715,088</u>	<u>9,364</u>	<u>1,211,966</u>	<u>309,360</u>	<u>507,229</u>	<u>279,795</u>	<u>4,032,802</u>
Balance at January 1, 2025	\$ 1,718,344	9,448	1,170,631	308,267	493,541	102,473	3,802,704
Additions	-	-	-	2,404	9,188	5,779	17,371
Disposals	-	-	-	(860)	(3,874)	-	(4,734)
Reclassification	-	-	-	189	169	(212)	146
Effect of changes in exchange rates	3,940	110	13,148	1,614	4,737	-	23,549
Balance at March 31, 2025	<u>\$ 1,722,284</u>	<u>9,558</u>	<u>1,183,779</u>	<u>311,614</u>	<u>503,761</u>	<u>108,040</u>	<u>3,839,036</u>
Depreciation:							
Balance at January 1, 2026	\$ -	8,892	478,715	200,822	396,902	-	1,085,331
Depreciation	-	16	9,601	6,545	10,305	-	26,467
Disposal	-	-	-	(949)	(7,101)	-	(8,050)
Effect of changes in exchange rates	-	(3)	(2,740)	790	339	-	(1,614)
Balance at March 31, 2026	<u>\$ -</u>	<u>8,905</u>	<u>485,576</u>	<u>207,208</u>	<u>400,445</u>	<u>-</u>	<u>1,102,134</u>
Balance at January 1, 2025	\$ -	8,398	436,938	178,131	378,261	-	1,001,728
Depreciation	-	226	9,042	7,105	11,084	-	27,457
Disposal	-	-	-	(860)	(3,830)	-	(4,690)
Effect of changes in exchange rates	-	77	5,268	1,118	4,216	-	10,679
Balance at March 31, 2025	<u>\$ -</u>	<u>8,701</u>	<u>451,248</u>	<u>185,494</u>	<u>389,731</u>	<u>-</u>	<u>1,035,174</u>
Carrying value:							
January 1, 2026	<u>\$ 1,717,843</u>	<u>476</u>	<u>741,338</u>	<u>109,015</u>	<u>113,945</u>	<u>263,242</u>	<u>2,945,859</u>
March 31, 2026	<u>\$ 1,715,088</u>	<u>459</u>	<u>726,390</u>	<u>102,152</u>	<u>106,784</u>	<u>279,795</u>	<u>2,930,668</u>
January 1, 2025	<u>\$ 1,718,344</u>	<u>1,050</u>	<u>733,693</u>	<u>130,136</u>	<u>115,280</u>	<u>102,473</u>	<u>2,800,976</u>
March 31, 2025	<u>\$ 1,722,284</u>	<u>857</u>	<u>732,531</u>	<u>126,120</u>	<u>114,030</u>	<u>108,040</u>	<u>2,803,862</u>

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

As of March 31, 2026, December 31 and March 31, 2025, the detail of property, plant and equipment pledged for car purchasing payables, bank borrowings and credit facilities, please refer to note 8.

As of March 31, 2026, December 31 and March 31, 2025, the bank has priority claim over the Group's property, plant and equipment amounting to \$3,192 thousand, \$3,078 thousand and \$4,156 thousand, respectively.

(h) Right-of-use assets

The Group leases its assets including its land, buildings, transportation equipment and other equipment. Information about leases, for which the Group is the lessee, is presented below:

	<u>Land and buildings</u>	<u>Transportation equipment</u>	<u>Other equipment</u>	<u>Total</u>
Cost:				
Balance at January 1, 2026	\$ 468,503	7,400	6,421	482,324
Additions	16,476	2,887	-	19,363
Write-off	(21,808)	(988)	-	(22,796)
Effect of changes in foreign exchange rates	6,652	(112)	77	6,617
Balance at March 31, 2026	<u>\$ 469,823</u>	<u>9,187</u>	<u>6,498</u>	<u>485,508</u>
Balance at January 1, 2025	\$ 439,882	10,686	6,631	457,199
Additions	94,752	610	-	95,362
Write-off	(75,947)	-	-	(75,947)
Effect of changes in exchange rates	8,674	419	85	9,178
Balance at March 31, 2025	<u>\$ 467,361</u>	<u>11,715</u>	<u>6,716</u>	<u>485,792</u>
Accumulated depreciation:				
Balance at January 1, 2026	\$ 177,203	4,152	4,840	186,195
Depreciation	28,317	812	209	29,338
Write-off	(21,808)	(988)	-	(22,796)
Effect of changes in exchange rates	3,178	(45)	66	3,199
Balance at March 31, 2026	<u>\$ 186,890</u>	<u>3,931</u>	<u>5,115</u>	<u>195,936</u>
Balance at January 1, 2025	\$ 229,199	6,427	4,150	239,776
Depreciation	25,074	854	216	26,144
Write-off	(75,551)	-	-	(75,551)
Effect of changes in exchange rates	3,955	292	54	4,301
Balance at March 31, 2025	<u>\$ 182,677</u>	<u>7,573</u>	<u>4,420</u>	<u>194,670</u>
Carrying value:				
January 1, 2026	<u>\$ 291,300</u>	<u>3,248</u>	<u>1,581</u>	<u>296,129</u>
March 31, 2026	<u>\$ 282,933</u>	<u>5,256</u>	<u>1,383</u>	<u>289,572</u>
January 1, 2025	<u>\$ 210,683</u>	<u>4,259</u>	<u>2,481</u>	<u>217,423</u>
March 31, 2025	<u>\$ 284,684</u>	<u>4,142</u>	<u>2,296</u>	<u>291,122</u>

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Intangible assets

The carrying amount of the intangible assets of the Group were as follows:

	<u>Goodwill</u>	<u>Trademark</u>	<u>Customer relationship</u>	<u>Total</u>
January 1, 2026 (Balance at March 31, 2026)	\$ 2,756	-	-	2,756
January 1, 2025	\$ 2,756	-	395	3,151
March 31, 2025	\$ 2,756	-	99	2,855

For the three months ended March 31, 2026 and 2025, the Group did not have any significant purchase, disposal, or provision (reversal) of impairment on intangible assets. For the information on amortization fee for the three months ended March 31, 2026 and 2025, please refer to note 12. None of the Group's intangible assets has been pledged as collateral. For other related information, please refer to note 6(i) of the consolidated financial statements for the year ended December 31, 2025.

(j) Short-term and long-term borrowings

The details, terms and clauses of the Group's short-term and long-term borrowings were as follows:

(i) Short-term borrowings

	<b>March 31, 2026</b>				
	<b>Currency</b>	<b>Interest rate (%)</b>	<b>Maturity year</b>		<b>Amount</b>
	Secured loans	USD	5.35		2026
Secured loans	KRW	3.18~3.98	2026	31,039	
Unsecured loans	EUR	2.854	2026	36,694	
Unsecured loans	GBP	5.05	2026	31,883	
Unsecured loans	JPY	2.63727	2026	10,015	
Unsecured loans	CNY	2.54~3.70	2026	94,864	
Total				<b>\$ 266,856</b>	
	<b>December 31, 2025</b>				
	<b>Currency</b>	<b>Interest rate (%)</b>	<b>Maturity year</b>		<b>Amount</b>
	Secured loans	USD	5.35		2026
Secured loans	KRW	3.22~3.82	2026	33,010	
Unsecured loans	EUR	2.829	2026	36,905	
Unsecured loans	GBP	5.59	2026	23,487	
Unsecured loans	JPY	2.242	2026	40,160	
Unsecured loans	CNY	2.65~4.28	2026	84,333	
Unsecured loans	TWD	1.8	2026	10,000	
Total				<b>\$ 240,470</b>	

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>March 31, 2025</b>			
	<b>Currency</b>	<b>Interest rate (%)</b>	<b>Maturity year</b>	<b>Amount</b>
Secured loans	USD	6.2	2025	\$ 134,387
Secured loans	KRW	3.61~3.83	2025	33,543
Unsecured loans	AUD	5.2039	2025	6,242
Unsecured loans	EUR	3.453	2025	35,946
Unsecured loans	GBP	5.48	2025	14,406
Unsecured loans	CNY	2.20182~3.9	2025	145,783
Unsecured loans	TWD	2.22	2025	10,000
Total				<b><u>\$ 380,307</u></b>

As of March 31, 2026, December 31 and March 31, 2025, the unused credit facilities of the Group's short-term borrowings amounted to \$2,898,153 thousand, \$2,861,762 thousand and \$3,151,361 thousand, respectively.

(ii) Long-term borrowings

	<b>March 31, 2026</b>			
	<b>Currency</b>	<b>Interest rate (%)</b>	<b>Maturity year</b>	<b>Amount</b>
Secured loans	TWD	1.47	2032	\$ 150,000
Unsecured loans	TWD	2.038	2030	50,000
Total				<b><u>\$ 200,000</u></b>
Non-current				<b><u>\$ 200,000</u></b>

	<b>December 31, 2025</b>			
	<b>Currency</b>	<b>Interest rate (%)</b>	<b>Maturity year</b>	<b>Amount</b>
Secured loans	TWD	1.47	2032	\$ 100,000
Unsecured loans	TWD	2.038	2030	50,000
Total				<b><u>\$ 150,000</u></b>
Non-current				<b><u>\$ 150,000</u></b>

	<b>March 31, 2025</b>			
	<b>Currency</b>	<b>Interest rate (%)</b>	<b>Maturity year</b>	<b>Amount</b>
Unsecured loans	TWD	2.038	2030	<b><u>\$ 50,000</u></b>
Non-current				<b><u>\$ 50,000</u></b>

As of March 31, 2026 and December 31, 2025 and March 31, 2025, the unused credit facilities of the Group's long-term borrowings amounted to \$806,800 thousand, \$856,800 thousand and \$50,000 thousand.

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

For the risk information of the Group interest rate, foreign currency and liquidity risk, please refer to note 6(t).

(iii) Collateral of loans

The Group has mortgaged their assets as collateral of loans. Please refer to note 8.

(k) Provisions

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Warranties	<u>\$ 23,044</u>	<u>23,044</u>	<u>24,205</u>

For the three months ended March 31, 2026 and 2025, the Group did not have any significant change on the provisions. For other relative information, please refer to note 6(k) of the consolidated financial statements for the year ended December 31, 2025.

(l) Lease liabilities

The Group's lease liabilities were as follow:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Current	<u>\$ 109,448</u>	<u>105,296</u>	<u>94,528</u>
Non-current	<u>\$ 204,229</u>	<u>212,403</u>	<u>210,937</u>

For the maturity analysis, please refer to note 6(t).

The amounts recognized in profit or loss were as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Interest on lease liabilities	<u>\$ 3,677</u>	<u>4,016</u>
Expenses relating to short-term leases	<u>\$ 3,301</u>	<u>3,607</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 1,343</u>	<u>728</u>

The amounts recognized in the statement of cash flows for the Group was as follows:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Total cash outflow for leases	<u>\$ 35,441</u>	<u>33,869</u>

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Leases of land, buildings and structures

The Group leases land, buildings and structures for use as office premises, factory plants and warehouse locations. The lease terms range from three to ten years.

In addition, the Group leases parking spaces with lease terms of one year. These leases are short-term leases, and the Group has elected to apply the recognition exemption and therefore does not recognize the related right-of-use assets and lease liabilities.

(ii) Other leases

The Group leases photocopying equipment with lease terms range from two to six years.

(m) Employee benefits

(i) Defined benefit plans

In the prior fiscal year, there was no material volatility of the market, material reimbursement and settlement or other material one-time events. As a result, pension cost in the consolidated interim financial statements was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate as of December 31, 2025 and 2024.

The Group's expenses recognized in profit or loss were as follows:

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<u>2026</u>	<u>2025</u>
Operating costs	\$ 66	95
Selling expenses	34	60
Administration expenses	156	192
Research and development expenses	<u>26</u>	<u>36</u>
Total	<u>\$ 282</u>	<u>383</u>

(ii) Defined contribution plans

According to the defined contribution plans, the Group made contributions to the Bureau of Labor Insurance and the local authorities of the consolidated overseas subsidiaries. The Group recognized pension costs of the defined contribution plans in profit or loss were as follows:

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<u>2026</u>	<u>2025</u>
Operating costs	\$ 2,037	1,968
Selling expenses	11,264	9,769
Administration expenses	2,229	2,364
Research and development expenses	<u>2,781</u>	<u>2,825</u>
Total	<u>\$ 18,311</u>	<u>16,926</u>

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(n) Income tax

Income tax expense was best estimated by multiplying pretax income for the interim reporting period by the effective tax rate which was forecasted by the management.

The amount of income tax were as follows:

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<b>2026</b>	<b>2025</b>
Current tax expense		
Current period	\$ 52,118	42,080
Income tax expense from continuing operations	<b>\$ 52,118</b>	<b>42,080</b>

The tax returns of the Company have been assessed by the tax authorities for all years through 2024.

(o) Capital and other equity

Except for those mentioned below, there were no significant changes in capital for the three months ended March 31, 2026 and 2025. Please refer to note 6(o) to the consolidated financial statements for the year ended December 31, 2025, for related information.

(i) Retained earnings

The Company's amended articles of incorporation stipulates that the Company's earnings distribution may be made on a quarterly basis after the close of each quarter. When allocating earnings, the Company shall first estimate and reserve the remuneration to employees and the taxes to be paid, offset prior years' deficits, provide 10% as legal reserve, provide or reverse a special reserve in accordance with relevant laws or regulations or as requested by authorities in charge. After the abovementioned appropriations, the distribution of the remaining earnings, if any, by way of stock dividends should be proposed by the board of directors and is subject to the stockholders' approval; by way of cash dividends should be approved by the board of directors. The Company's net earnings from the current year shall be used to pay income tax, offset prior years' deficits, provide 10% as legal reserve, provide or reverse a special reserve in accordance with relevant laws or regulations or as requested by authorities in charge. After the abovementioned appropriations, the distribution of the remaining earnings, if any, should be proposed by the board of directors and is subject to the stockholders' approval. For earning distribution issued in cash may be passed by the Board of Directors with more than two-thirds of the directors' attendance, and be resolved by more than half of the directors, then be reported to the shareholders' general meeting.

The Company's business cycle is in the constant growth stage. In consideration of the Company's future capital requirements, its long term financial plan and shareholders' satisfaction as to cash inflow, the Company's articles of incorporation stipulate that the board of directors may propose 30% or more of the distributable earnings as dividends, of which at least 10% should be distributed as cash dividends. However, such distribution depends on the current earnings and the capital condition, and is subject to the approval of stockholders.

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group's Board of Directors resolved to appropriate the 2025 earnings from July to December and January to June. These earnings were appropriated as follows:

	<b>2025</b>	<b>2025</b>
	<b>July – December</b>	<b>January – June</b>
	<b>March 10, 2026</b>	<b>August 7, 2025</b>
Resolution Date of ATEN's Board of Directors		
Cash dividends to shareholders	<b>\$ 298,678</b>	<b>119,471</b>
Cash dividends per share (NTD)	<b>\$ 2.5</b>	<b>1.0</b>

The Group's Board of Directors resolved to appropriate the 2024 earnings from July to December and January to June. These earnings were appropriated as follows:

	<b>2024</b>	<b>2024</b>
	<b>July – December</b>	<b>January – June</b>
	<b>February 25,</b>	<b>August 8, 2024</b>
	<b>2025</b>	<b>August 8, 2024</b>
Resolution Date of ATEN's Board of Directors		
Cash dividends to shareholders	<b>\$ 250,889</b>	<b>203,101</b>
Cash dividends per share (NTD)	<b>\$ 2.1</b>	<b>1.7</b>

(ii) Other equities (net of tax)

	<b>Foreign exchange differences arising from foreign operations</b>	<b>Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income</b>	<b>Non-controlling interests</b>	<b>Total</b>
Balance as of January 1, 2026	\$ (129,302)	(4,000)	(7,653)	(140,955)
Foreign exchange differences arising from foreign operations	(12,809)	-	(1,386)	(14,195)
Balance as of March 31, 2026	<b>\$ (142,111)</b>	<b>(4,000)</b>	<b>(9,039)</b>	<b>(155,150)</b>
Balance as of January 1, 2025	\$ (150,870)	(920)	(7,583)	(159,373)
Foreign exchange differences arising from foreign operations	40,262	-	89	40,351
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	(2,976)	-	(2,976)
Disposal of investments in equity instruments designed at fair value through other comprehensive income	-	(104)	-	(104)
Balance as of March 31, 2025	<b>\$ (110,608)</b>	<b>(4,000)</b>	<b>(7,494)</b>	<b>(122,102)</b>

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(p) Earnings per share

The calculation of the Group's basic earnings per share and diluted earnings per share for the three months ended March 31, 2026 and 2025 was as follows:

(i) Basic earnings per share

	Unit: thousand of shares For the three months ended March 31	
	2026	2025
Net income attributable to ordinary shareholders of the Company	\$ 128,893	108,750
Weighted-average number of ordinary shares	119,471	119,471
Basic earnings per share (NTD)	\$ 1.08	0.91

(ii) Diluted earnings per share

	Unit: thousand of shares For the three months ended March 31	
	2026	2025
Net income attributable to ordinary shareholders of the Company	\$ 128,893	108,750
Weighted-average number of ordinary shares (basic)	119,471	119,471
Impact of potential common shares		
Effect of employee share bonus	1,426	1,169
Weighted-average number of ordinary shares (diluted)	120,897	120,640
Diluted earnings per share (NTD)	\$ 1.07	0.90

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(q) Revenue from contracts with customers

(i) Disaggregation of revenue

	<b>For the three months ended March 31, 2026</b>		
	<b>Computer peripheral products</b>	<b>Other</b>	<b>Total</b>
Primary geographical markets:			
Japan	\$ 218,384	-	218,384
Taiwan	180,847	34,397	215,244
United States	206,063	-	206,063
South Korea	119,828	-	119,828
China	79,889	-	79,889
Others	453,773	-	453,773
	<b>\$ 1,258,784</b>	<b>34,397</b>	<b>1,293,181</b>
Major product lines:			
IT infrastructure management solutions	\$ 820,587	-	820,587
Video products	190,998	-	190,998
Others	247,199	34,397	281,596
	<b>\$ 1,258,784</b>	<b>34,397</b>	<b>1,293,181</b>
	<b>For the three months ended March 31, 2025</b>		
	<b>Computer peripheral products</b>	<b>Other</b>	<b>Total</b>
Primary geographical markets:			
Japan	\$ 204,207	-	204,207
United States	194,952	-	194,952
Taiwan	127,775	33,557	161,332
South Korea	109,444	-	109,444
China	82,217	-	82,217
Others	452,549	-	452,549
	<b>\$ 1,171,144</b>	<b>33,557</b>	<b>1,204,701</b>
Major product lines:			
IT infrastructure management solutions	\$ 748,121	-	748,121
Video products	214,288	-	214,288
Others	208,735	33,557	242,292
	<b>\$ 1,171,144</b>	<b>33,557</b>	<b>1,204,701</b>

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Contract balance

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Notes receivable	\$ 2,526	2,821	4,379
Accounts receivable, net	717,998	780,156	729,531
Less: allowance for impairment	288	618	280
Total	<u>\$ 720,236</u>	<u>782,359</u>	<u>733,630</u>
Contract assets	<u>\$ 6,573</u>	<u>20,685</u>	<u>4,432</u>

Please refer to note 6(e) for the disclosure of accounts receivable and its impairment.

(r) Remuneration to employees, directors and supervisors

On May 28, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 10%~16% shall be allocated as employee remuneration (including a minimum of 15%~35% to those base-level employees) and a maximum of 2% as remunerations for directors and supervisors. The amounts of employee, directors' and supervisors' remuneration, to be distributed in cash or stock, should be decided in the board meeting, with two thirds of the board members attending the meeting, and over half of the attendees approving the amounts for distribution that are to be reported at the shareholders meeting. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, may include employees of the subsidiaries who meet certain specific requirements.

In accordance with the Company's articles before amendment, the net income before tax, after deducting the remuneration to employees, directors and supervisors, shall first be offset against any deficit, then 10%~16% will be distributed as employee remuneration and less than 2% will be allocated as directors' and supervisors' remuneration. The amounts of employee, directors' and supervisors' remuneration, to be distributed in cash or stock, should be decided in the board meeting, with two thirds of the board members attending the meeting, and over half of the attendees approving the amounts for distribution that are to be reported at the shareholders meeting. Employees who are entitled to receive the above-mentioned employee remuneration, in share or cash, include the employees of the subsidiaries of the Group who meet certain specific requirement.

For the three months ended March 31, 2026 and 2025, the estimated amounts of employees' compensation were \$28,154 thousand and \$23,642 thousand, respectively, and the estimated amounts of directors' remuneration were \$1,877 thousand and \$1,576 thousand, respectively. The estimated amounts mentioned above are based on the net profit before tax, excluding employee compensation and directors' remuneration, of each respective ending period, multiplied by the percentage of the employee compensation, and the directors' remuneration, as specified in the Company's article. The estimations are recorded under operating cost or operating expenses. If there are any subsequent adjustments to the actual remuneration amount, the adjustments will be regarded as changes in accounting estimate and will be reflected in profit or loss in the following year.

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
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For the years ended December 31, 2025 and 2024, the remunerations to employees amounted to \$77,465 thousand and \$104,184 thousand, respectively, and the remunerations to directors amounted to \$5,164 thousand and \$8,335 thousand, respectively. The amounts are identical to those of the actual distributions. The information is available on the Market Observation Post System.

(s) Non-operating income and expenses

(i) Interest income

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<u>2026</u>	<u>2025</u>
Interest income from bank deposits	\$ 2,594	4,750

(ii) Other income

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<u>2026</u>	<u>2025</u>
Dividend income	\$ -	1,119
Total other income—Other	4,459	3,255
Total other income	\$ 4,459	4,374

(iii) Other gains and losses

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<u>2026</u>	<u>2025</u>
Gains on disposal of property, plant and equipment	\$ 632	211
Gains (losses) on foreign exchange	(841)	28,429
Losses on financial assets / liabilities at fair value through profit or loss	(2,784)	(17,972)
Others	(582)	149
Net other gains and losses	\$ (3,575)	10,817

(iv) Finance costs

	<b>For the three months ended</b>	
	<b>March 31</b>	
	<u>2026</u>	<u>2025</u>
Interest expense	\$ 6,156	7,037

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(t) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and in the degree of exposure to credit risk, liquidity risk— interest rate risk and market risk arising from financial instruments. For the related information, please refer to note 6(t) of the consolidated financial statements for the year ended December 31, 2025.

(i) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within a year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>3-5 years</u>	<u>Over 5 years</u>
<b>March 31, 2026</b>							
Non-derivative financial liabilities							
Secured loans	\$ 243,400	255,393	97,478	2,211	20,517	76,307	58,880
Unsecured loans	223,456	229,151	176,858	10,968	10,764	30,560	-
Notes and accounts payable	347,199	347,199	347,199	-	-	-	-
Dividends Payable	302,451	302,451	302,451	-	-	-	-
Other payables	441,797	441,797	441,797	-	-	-	-
Lease liabilities	313,677	336,135	120,124	93,129	69,271	38,905	14,706
Deposits received	1,014	1,014	1,014	-	-	-	-
Derivative financial liabilities							
Other forward contracts:							
Outflow	3,221	3,221	3,221	-	-	-	-
	<u>\$ 1,876,215</u>	<u>1,916,361</u>	<u>1,490,142</u>	<u>106,308</u>	<u>100,552</u>	<u>145,772</u>	<u>73,586</u>
<b>December 31, 2025</b>							
Non-derivative financial liabilities							
Secured loans	\$ 145,585	153,826	48,187	1,470	7,589	51,049	45,531
Unsecured loans	244,885	250,680	198,133	5,994	10,815	35,739	-
Notes and accounts payable	356,868	356,868	356,868	-	-	-	-
Dividends Payable	119,471	119,471	119,471	-	-	-	-
Other payables	569,953	569,953	569,953	-	-	-	-
Lease liabilities	317,699	347,055	118,477	95,406	64,627	53,246	15,299
Deposits received	1,014	1,014	1,014	-	-	-	-
Derivative financial liabilities							
Other forward contracts:							
Outflow	7,985	7,985	7,985	-	-	-	-
	<u>\$ 1,763,460</u>	<u>1,806,852</u>	<u>1,420,088</u>	<u>102,870</u>	<u>83,031</u>	<u>140,034</u>	<u>60,830</u>
<b>March 31, 2025</b>							
Non-derivative financial liabilities							
Secured loans	\$ 167,930	172,192	172,192	-	-	-	-
Unsecured loans	262,377	268,085	214,773	1,019	10,968	41,325	-
Notes and accounts payable	337,170	337,170	337,170	-	-	-	-
Dividends Payable	254,189	254,189	254,189	-	-	-	-
Other payables	480,637	480,637	480,637	-	-	-	-
Lease liabilities	305,465	337,067	108,264	92,914	70,412	65,477	-
Deposits received	1,014	1,014	1,014	-	-	-	-
Derivative financial liabilities							
Other forward contracts:							
Outflow	9,463	9,463	9,463	-	-	-	-
	<u>\$ 1,818,245</u>	<u>1,859,817</u>	<u>1,577,702</u>	<u>93,933</u>	<u>81,380</u>	<u>106,802</u>	<u>-</u>

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group is not expecting the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(ii) Liquidity risk

1) Exchange rate risk

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

	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>
<b>March 31, 2026</b>			
Financial assets:			
Monetary items:			
USD	\$ 18,225	31.9800	582,842
JPY	271,328	0.2003	54,347
GBP	791	42.2296	33,402
EUR	5,762	36.6939	211,424
CNY	17,909	4.6275	82,874
AUD	1,223	21.9607	26,854
Financial liabilities:			
Monetary items:			
USD	\$ 7,512	31.9800	240,233
CNY	19,148	4.6275	88,606
THB	30,931	0.9731	30,099
EUR	573	36.6939	21,015
<b>December 31, 2025</b>			
Financial assets:			
Monetary items:			
USD	\$ 20,843	31.4380	655,264
JPY	282,135	0.2008	56,653
GBP	853	42.3187	36,100
EUR	5,626	36.9051	207,644
CNY	24,729	4.4978	111,225
Financial liabilities:			
Monetary items:			
USD	\$ 8,139	31.4380	255,882
CNY	25,155	4.4978	113,143
THB	27,703	0.9973	27,628
EUR	787	36.9051	29,058

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>
<b>March 31, 2025</b>			
Financial assets:			
Monetary items:			
USD	\$ 18,398	33.1820	610,467
JPY	199,353	0.2224	44,336
GBP	660	43.0039	28,404
EUR	7,548	35.9461	271,306
CNY	30,240	4.5700	138,196
Financial liabilities:			
Monetary items:			
USD	\$ 6,564	33.1820	217,805
CNY	32,232	4.5700	147,300
THB	24,215	0.9785	23,695

Note: Since the effect of foreign exchange risk derived from the transactions within the Group cannot be fully eliminated, analysis is based on the amounts prior to the eliminated adjustments.

The Group's exposure to foreign currency risk arises from the translation of foreign currency exchange gains and losses on cash and cash equivalents, trade and other receivables, loans and borrowings, and trade and other payables that are denominated in foreign currency. A 1% appreciation or depreciation of the NTD against the USD, JPY, EUR, CNY, GBP, THB and AUD as of March 31, 2026 and 2025 would have increased or decreased the net profit by \$6,118 thousand and \$7,039 thousand, respectively. The analysis is performed on the same basis for both periods.

Since the Group books its transaction in different functional currencies, the information on foreign exchange gains (loss) on monetary items is disclosed based on the total amount. For the three months ended March 31, 2026 and 2025, foreign exchange gains (including realized and unrealized portion) amounted to \$(841) thousand and \$28,429 thousand, respectively.

2) Interest rate risk

The financial assets of the consolidated company subject to fair value risk of interest rate changes are bank deposits; financial liabilities are short for term and long-term loans, the impact of changes in interest rates on the fair value of the underlying financial assets is not material.

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The following sensitivity analysis is based on the risk exposure of the interest rate on derivative and non-derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is on the basis of the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the management of the Group's assessment on the reasonably possible interval of interest rate change.

With all other variable factors remain constant. If the interest rate increases or decreases by 1%, the effect on the Group's income before tax is not material for the three months ended March 31, 2026 and 2025.

(iii) Fair value and carrying amount

1) Categories and fair value of financial instruments

Except for the followings, carrying amount of the Group's financial assets and liabilities are valued approximately to their fair value, and are not based on observable market date and the value measurements which are not reliable. No additional fair value disclosure is required in accordance to the Regulations.

		<b>March 31, 2026</b>				
		<b>Carrying amount</b>	<b>Fair value</b>			
			<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit or loss						
Derivative financial assets	\$	2,888	-	2,888	-	2,888
Non derivative financial assets mandatorily measured at fair value through profit or loss						
		325,418	325,418	-	-	325,418
<b>Total</b>	<b>\$</b>	<b>328,306</b>	<b>325,418</b>	<b>2,888</b>	<b>-</b>	<b>328,306</b>
Financial liabilities at fair value through profit or loss						
Derivative financial liabilities	\$	(3,221)	-	(3,221)	-	(3,221)
		<b>December 31, 2025</b>				
		<b>Carrying amount</b>	<b>Fair value</b>			
			<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit or loss						
Derivative financial assets	\$	124	-	124	-	124
Non derivative financial assets mandatorily measured at fair value through profit or loss						
		241,460	241,460	-	-	241,460
<b>Total</b>	<b>\$</b>	<b>241,584</b>	<b>241,460</b>	<b>124</b>	<b>-</b>	<b>241,584</b>
Financial liabilities at fair value through profit or loss						
Derivative financial liabilities	\$	(7,985)	-	(7,985)	-	(7,985)

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	March 31, 2025				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ 964	-	964	-	964
Non derivative financial assets mandatorily measured at fair value through profit or loss	201,313	201,313	-	-	201,313
Total	<u>\$ 202,277</u>	<u>201,313</u>	<u>964</u>	<u>-</u>	<u>202,277</u>
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	<u>\$ (9,463)</u>	<u>-</u>	<u>(9,463)</u>	<u>-</u>	<u>(9,463)</u>

2) Valuation techniques in financial instruments measured at fair value

a) Non – derivative financial instruments

If there are quoted prices in the active markets for financial instruments, the fair value of those prices may be based on the quoted market prices. The market prices announced by Securities Exchange and Over the Counter are the benchmarks of the fair value of equity instruments and Liability instruments trading in active markets.

The fair value of financial assets and liabilities traded in the active markets will be based on the quoted market prices when the quoted prices can be obtained from the exchanges, brokers, underwriters, industrial unions, pricing service agencies or authorities, as well as if they can represent as the one usually traded in fair market transaction in practice. If the requirements above mentioned don't actually accomplish, the market ought to be seen inactive condition. Generally speaking, the index of inactive market are based on the large difference of the price between buying and selling transaction, the difference of the price between buying and selling transaction distinctively increasing or little quantity of trading volume.

The fair values of the Group's financial instruments trading in active markets are categorized by types and nature as follows:

Stocks of listed Companies and open-ended funds are financial assets possessing standard provision and trading in active markets. Their fair values are determined based on the market quotes and net assets value, respectively.

In addition to the aforementioned financial instruments trading in active markets, the fair values of other financial instruments are obtained through valuation or by referencing the quotes from counterparties. Such valuation technique involves referencing the fair value of financial instruments that are virtually alike in terms and characteristic, and using discounted cash flow model or other pricing models. Other pricing models may utilize the available market information on the balance sheet date such as yield curve from Over the Counter and the average quotes on the interest rates of Reuters Commercial Paper.

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

b) Derivative financial instrument

Derivatives are priced based on the pricing models widely accepted by markets. Forward Exchange Contracts are normally priced based on the current forward exchange rates or the forward interest rate estimated using interest rate parity theory.

3) Fair value hierarchy

The Company used the fair value that can be observed in the market to measure the value of assets and liabilities. Fair values levels are based on the degree in which the fair value can be observed and grouped in to Levels 1 to 3 as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.
- b) Level 2: inputs, other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

There was no such situation that the Group reclassified the financial instruments from one level to another as of the reporting date.

4) Transfers between level 1 and level 2

There was no significant transfer from level 2 financial instrument to level 1 financial instrument.

5) Reconciliation of Level 3 fair values

	<b>Fair value through other comprehensive income</b>
	<b>Unquoted equity instruments</b>
Balance at January 1, 2025	\$ 12,080
Recognized in other comprehensive income	(2,976)
Refund due to capital reduction	(8,100)
Disposal	(1,004)
Balance at March 31, 2025	\$ -

The aforementioned gains or losses were listed in “Unrealized gains (losses) from financial assets at fair value through other comprehensive income”.

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(u) Financial risk management

The objective and policies of the consolidated company are identical to those disclosed in note 6(u) of the consolidated financial statement for the year ended 2025.

(v) Capital management

The disclosure of objectives, policies and procedures of the Group's capital management are the same as those specified in the consolidated financial statements for the year ended December 31, 2025; and there were no significant changes in the Group's collective quantitative information from those disclosed in the consolidated financial statements for the year ended December 31, 2025. For related information, please refer to note 6(v) of the consolidated financial statements for the year ended December 31, 2025.

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

The Group's investing and financing activities which did not affect the current cash flow in the three months ended March 31, 2026 and 2025, were as follows:

For right-of-use assets under leases, please refer to note 6(h).

Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2026	Cash flows	Non-cash changes		March 31, 2026
			Effect of change in exchange rates	Others	
Short-term borrowings	\$ 240,470	28,959	(2,573)	-	266,856
Long-term borrowings	150,000	50,000	-	-	200,000
Lease liabilities	317,699	(30,797)	3,735	23,040	313,677
Deposits received	1,014	-	-	-	1,014
Total liabilities from financing activities	<u>\$ 709,183</u>	<u>48,162</u>	<u>1,162</u>	<u>23,040</u>	<u>781,547</u>

	January 1, 2025	Cash flows	Non-cash changes		March 31, 2025
			Effect of change in exchange rates	Others	
Short-term borrowings	\$ 366,758	11,343	2,206	-	380,307
Long-term borrowings	-	50,000	-	-	50,000
Lease liabilities	231,063	(29,534)	5,164	98,772	305,465
Deposits received	1,014	-	-	-	1,014
Total liabilities from financing activities	<u>\$ 598,835</u>	<u>31,809</u>	<u>7,370</u>	<u>98,772</u>	<u>736,786</u>

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(7) Related-party transactions**

Key management personnel compensation comprised:

	<b>For the three months ended March 31</b>	
	<b>2026</b>	<b>2025</b>
Short-term employee benefits	<b>\$ 25,344</b>	<b>21,312</b>

For the three months ended March 31, 2026 and 2025, the Group provided three vehicles at a cost of \$11,875 thousand and \$12,250 thousand respectively for key management personnel.

**(8) Pledged assets**

The carrying values of pledged assets were as follows:

<b>Pledged assets</b>	<b>Object</b>	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Cash and negotiable certificate of deposits (recorded under other financial assets – non current)	Guarantee for provisional attachment	\$ 50,000	50,000	50,000
Time deposits (recorded under other financial assets – non current)	Guarantee for customs	4,361	4,312	4,290
Negotiable certificate of deposits (recorded under other financial assets – non current)	Guarantee for provisional seizure	30,000	30,000	30,000
Time deposits (recorded under other financial assets – non current)	Guarantee for short-term borrowings	11,385	11,668	11,448
Property, plant and equipment	Guarantee for short-term borrowings	49,888	52,315	54,858
Property, plant and equipment	Guarantee for car purchasing	5,097	5,332	6,038
Property, plant and equipment	Guarantee for long-term borrowings	275,431	275,431	-
		<b>\$ 426,162</b>	<b>429,058</b>	<b>156,634</b>

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(9) Commitments and contingencies**

- (a) As of March 31, 2026, December 31 and March 31, 2025, subsidiary ATEN COMPUTER has the unrecognized construction contract amounting to \$4,365 thousand, \$16,123 thousand and \$16,065 thousand, respectively.
- (b) To expand the business and optimize the production lines for medium-to long-term, the Board of Directors approved a resolution for making use of the Company's land to build a factory in Taoyuan City Yangmei District on August 8, 2024. The total contract amount is \$549,333 thousand (excluding tax). As of March 31, 2026, December 31 and March 31, 2025 the amount invested is \$277,581 thousand, \$261,441 thousand and \$95,786 thousand and recorded as construction in progress and testing equipment.
- (c) As of March 31, 2026, December 31 and March 31, 2025, the outstanding bank drafts to secure credit facilities and financial instruments amounted to \$4,049,524 thousand, \$4,034,041 thousand and \$3,653,050 thousand, respectively.
- (d) YiFeng Technology Co., Ltd. filed lawsuit against the Company for the damage of the product that is under previous provisional attachment requested by the Company in September 2019. The Company has retained attorney to handle the case. The Company received the first and second instance judgment in favor of the Company from the Intellectual Property Court in June 2021 and August 2022, and YiFeng Technology Co., Ltd. filed an appeal in July 2021 and September 2022 respectively. The Supreme Court remanded to the Intellectual Property Court for retrial proceedings in October, 2024. The Company has retained attorneys to handle the cases, which were still in progress as of the reporting date.

**(10) Losses Due to Major Disasters: None.**

**(11) Subsequent Events: None.**

**(12) Other**

- (a) The following is a summary statement of employee benefits, depreciation and amortization expenses by function:

By nature	By function			Three months ended March 31 2026			Three months ended March 31 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits									
Salary	85,830	377,655	463,485	85,557	358,368	443,925			
Labor and health insurance	9,595	35,438	45,033	10,210	34,717	44,927			
Pension	2,103	16,490	18,593	2,063	15,246	17,309			
Directors' remuneration	-	3,291	3,291	-	3,076	3,076			
Others	5,246	13,245	18,491	5,559	12,317	17,876			
Depreciation	19,630	36,175	55,805	18,065	35,536	53,601			
Amortization	-	-	-	-	296	296			

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) Seasonality operations

The business of the Group is neither seasonal nor cyclical.

- (c) The Company filed criminal charges against its former employees for not following its policy, wherein they illegally gained profit for themselves during their service in 2015 to 2016. The suspects have already resigned from the Company at the end of 2016. After the Company filed the lawsuit, Taiwan Taipei District Court and Taiwan Taipei High Court ruled the defendant to be guilty and made the sentence in July 2019 and February 2020, respectively. The Company and both of the defendant filed appeal to the Taiwan Supreme Court in March 2020. The Supreme Court rendered a judgement on March 19, 2021 and declared that both defendants committed Subparagraph 2, Paragraph 1, Article 171 of Securities and Exchange Act for making the Company process the non-arm's length transactions and were both sentenced 32 months in prison. Both defendants turned in the criminal proceeds plus the interest amounted to \$3,174 thousand and \$3,342 thousand should be returned to the Company. The seized \$70,296 thousand and \$6,516 thousand criminal proceeds were returned to the Company in 2019 and 2021. In a civil action, the Taiwan Taipei District Court rendered a first-instance judgment in favor of the Company in June 2024. The defendants filed appeals. Upon the Company's application for compulsory enforcement with the Taiwan Taipei District Court, the Company collected enforcement proceeds amounting to \$1,194 thousand in January 2026 and obtained a certificate of claim for the portion not fully satisfied. With respect to the first item of the operative provisions of the first-instance judgment, the Taiwan High Court rendered a judgment in October 2025, ordering the defendants to jointly and severally pay principal and interest amounting to \$15,646 thousand. The defendants' appeals were dismissed by the Taiwan High Court due to failure to pay the required court fees, and the judgment became final and binding in January 2026.

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(13) Other disclosures**

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the three month ended March 31, 2026:

- (i) Loans to other parties: None.
- (ii) Guarantees and endorsements for other parties: None.
- (iii) Material securities held as of March 31, 2026 (excluding investment in subsidiaries, associates and joint ventures):

Unit: thousand dollars

Name of holder	Nature and name of security	Relationship with the security issuer	Account name	Ending balance				Remarks
				Number of shares	Book value	Holding percentage	Market value	
	Mutual fund:							
The Company	Fubon Money Market Fund	-	Financial assets at fair value through profit or loss – current	12,435	196,076	-	196,076	
The Company	SinoPac Money Market Fund	-	Financial assets at fair value through profit or loss – current	2,139	31,615	-	31,615	
The Company	Union Money Market Fund	-	Financial assets at fair value through profit or loss – current	2,457	34,453	-	34,453	
The Company	First Bank Taiwan Money Market Fund	-	Financial assets at fair value through profit or loss – current	3,368	54,787	-	54,787	
The Company	Fubon Chi-Hsiang Money Market Fund	-	Financial assets at fair value through profit or loss – current	510	8,487	-	8,487	
	Stock:							
HONG JHENG TECHNOLOGY CO.,LTD	Common Stock of Visionary Dynamics Co., Ltd.	-	Financial assets at fair value through other comprehensive income – non current	20	-	-	-	Note 1
	Bonds:							
The Company	Cathay Life Insurance Bonds	-	Financial assets at amortized cost – non current	-	80,000	-	80,639	

Note 1: The impairment loss was fully recognized.

- (iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Unit: thousand dollars

Name of Company	Counter-party	Relationship	Transaction details				The status and reason for deviation from arm's-length transaction		Account / note receivable (payable)		Remarks
			Purchase / Sale	Amount	Percentage of total purchases / sales	Credit period	Unit price	Credit period	Balance	Percentage of total accounts / notes receivable (payable)	
The Company	EXPAND ELECTRONIC CO., LTD.	Subsidiary	Purchase	128,741	44	30 days	No significant differences	Note 1	(60,792)	(24)	Note 2
EXPAND ELECTRONIC CO., LTD.	The Company	Subsidiary	(Sales)	(128,741)	(100)	30 days	No significant differences	Note 1	60,792	100	Note 2

Note 1: Payments are netted with the account receivable resulting from the Company purchasing on behalf of related parties.

Note 2: The transactions within the Group were eliminated in the consolidated financial statements.

- (v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Unit: thousand dollars

Name of related party	Counter-party	Relationship	Balance of receivables from related party	Turnover rate	Overdue amount		Amounts received in subsequent period	Allowances for bad debts
					Amount	Action taken		
The Company	ATEN INFOTECH N.V.	Subsidiary	129,406	2.80	-		36,694 (As of April 30, 2026)	-
The Company	ATEN TECHNOLOGY INC.	Subsidiary	128,269	1.89	-		18,085 (As of April 30, 2026)	-
EXPAND INTERNATIONAL CO., LTD.	The Company	The ultimate parent company	191,889	-	-	Depend on capital budgeting	- (As of April 30, 2026)	-

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(vi) Business relationships and significant intercompany transactions:

Unit: thousand dollars

No.	Name of company	Name of counter-party	Existing relationship with the counter-party	Transaction details			
				Account name	Amount	Trading terms	Percentage of the total consolidated revenue or total assets
0	The Company	ATEN TECHNOLOGY INC.	1	Sales revenue	65,793	No significant differences	5 %
0	The Company	ATEN INFOTECH N.V.	1	Sales revenue	84,382	No significant differences	7 %
0	The Company	ATEN CHINA CO., LTD.	1	Sales revenue	55,409	No significant differences	4 %
0	The Company	ATEN JAPAN CO., LTD.	1	Sales revenue	79,491	No significant differences	6 %
0	The Company	ATEN KOREA CO., LTD.	1	Sales revenue	85,906	No significant differences	7 %
0	The Company	ATEN UK LTD.	1	Sales revenue	20,383	No significant differences	2 %
0	The Company	ATECH PERIPHERALS.	1	Sales revenue	64,557	No significant differences	5 %
0	The Company	ATEN POLAND SP. Z O. O.	1	Sales revenue	18,384	No significant differences	1 %
0	The Company	ATEN ADVANCE PRIVATE LIMITED	1	Sales revenue	29,903	No significant differences	2 %
0	The Company	ATEN TECHNOLOGY INC.	1	Accounts receivable	128,269	155 days	2 %
0	The Company	ATEN INFOTECH N.V.	1	Accounts receivable	129,406	150 days	2 %
1	EXPAND INTERNATIONAL CO., LTD.	The Company	2	Accounts receivable	191,889	Payments are netted with the accounts receivable resulting from the Company purchasing on behalf of related parties.	3 %
2	ATEN FOREMOST INTERNATIONAL CO., LTD.	The Company	2	Sales revenue	21,792	Payments are netted with the accounts receivable resulting from the Company purchasing on behalf of related parties.	2 %
3	EXPAND ELECTRONIC CO., LTD.	The Company	2	Sales revenue	128,741	The Company is its only customer	10 %
4	ATEN CANADA TECHNOLOGIES INC.	The Company	2	Sales revenue	27,779	The Company is its only customer	2 %
5	ATEN COMPUTER PRODUCTS CO., LTD.	The Company	2	Sales revenue	41,821	Payments are netted with the accounts receivable resulting from the Company purchasing on behalf of related parties.	3 %

Note 1: Company numbering is as follows:

- (1) Parent company is 0.
- (2) Subsidiary starts from 1.

Note 2: The number of the relationship with the transaction counterparty represents the following:

- (1) 1 represents downstream transactions.
- (2) 2 represents upstream transactions.
- (3) 3 represents sidestream transactions.

Note 3: For balance sheet items, over 1% of total consolidated assets, and for profit or loss items, over 1% of total consolidated revenue were selected for disclosure.

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) Information on investees:

The following is the information on investees for the three month ended March 31, 2026 (excluding information on investees in Mainland China):

Unit: thousand dollars

Name of investor	Name of investee	Location	Scope of business	Original cost		Ending balance			Net income (loss) of investee	Investment income (losses)	Remarks
				March 31, 2026	December 31, 2025	Shares	Ratio of shares	Book value			
The Company	TOPMOST INTERNATIONAL CO., LTD.	Cayman	Investing	22,183	22,183	700,000	100 %	578,219	(3,015)	(3,015)	note 1
The Company	ATEN JAPAN CO., LTD.	Japan	Trading of computer peripheral equipment	25,105	25,105	1,600	100 %	144,214	24,487	24,487	note 1
The Company	ATEN US HOLDINGS INC.	USA	Investing	564,150	564,150	4,849,914	100 %	19,346	(27,484)	(27,484)	note 1
The Company	FOREMOST INTERNATIONAL CO., LTD.	Mauritius	Investing	69,730	69,730	2,180,628	100 %	24,652	3,734	3,734	note 1
The Company	ATECH PERIPHERALS.	Taiwan	Manufacturing and trading of computer peripheral equipment	90,479	90,479	10,000,000	100 %	152,981	18,849	18,851	note 1
The Company	ATEN INFOTECH N.V.	Belgium	Trading of computer peripheral equipment	54,197	54,197	58,343	100 %	44,723	(10)	(10)	note 1
The Company	ATEN COMPUTER PRODUCTS CO., LTD.	Thailand	Manufacturing of computer peripheral equipment	452,304	452,304	4,799,998	100 %	345,124	1,985	1,985	note 1
The Company	VISIONTOP CO., LTD.	Taiwan	Specialized printing	81,345	81,345	5,958,228	60 %	69,627	2,780	1,655	note 1
The Company	HONG JHENG TECHNOLOGY CO., LTD.	Taiwan	Investing	16,778	16,778	100,000	100 %	4,108	(1)	(3)	note 1
The Company	HONG YUAN CO., LTD.	Taiwan	Investing	16,778	16,778	100,000	100 %	4,192	(1)	(3)	note 1
The Company	ATEN ANZ PTY LTD.	Australia	Trading of computer peripheral equipment	77,350	77,350	3,500,000	100 %	11,101	(1,441)	(1,441)	note 1
The Company	RCM FULLY AUTOMATION CO., LTD.	Taiwan	Trading of computer peripheral equipment	7,800	7,800	780,000	26 %	4,954	(1,787)	(343)	note 1
The Company	ATEN INFO COMMUNICATION LIMITED LIABILITY COMPANY	Turkey	Trading of computer peripheral equipment	23,714	23,714	7,000	100 %	4,270	618	618	note 1
The Company	ATEN POLAND SP. Z O. O.	Poland	Trading of computer peripheral equipment	8,295	8,295	20,000	100 %	6,362	(673)	(673)	note 1
The Company	ATEN ROMANIA S.R.L	Romania	Trading of computer peripheral equipment	5,839	5,839	80,000	100 %	12,737	213	213	note 1
The Company	ATEN SOUTH AFRICA	South Africa	Trading of computer peripheral equipment	7,572	7,572	4,300	100 %	3,080	83	83	note 1
The Company and HONGYUAN CO., LTD.	ATEN ADVANCE PRIVATE LIMITED	India	Trading of computer peripheral equipment	9,030	9,030	2,200,000	100 %	42,971	5,316	5,316	note 1
The Company and HONGYUAN CO., LTD.	ATEN LATAM MEXICO S.A. DE C.V.	Mexico	Trading of computer peripheral equipment	13,827	13,827	8,700,000	100 %	7,784	411	411	note 1
The Company and HONGYUAN CO., LTD.	PT ATEN TECHNOLOGY INDONESIA	Indonesia	Trading of computer peripheral equipment	5,099	5,099	2,500	100 %	4,042	95	95	note 1
TOPMOST INTERNATIONAL CO., LTD.	ATEN EUROPE LTD.	UK	Investing	67,279	67,279	1,069,000	100 %	291,461	13,632	13,632	note 1
TOPMOST INTERNATIONAL CO., LTD.	I/O MASTER INC.	Samoa	Investing	9,782	9,782	700,000	100 %	40,255	(4,901)	(4,901)	note 1
ATEN US HOLDING INC.	ATEN NEW JERSEY INC.	USA	Trading of computer peripheral equipment	17,592	17,592	20	20 %	315	493	99	note 1
ATEN US HOLDING INC.	ATEN TECHNOLOGY INC.	USA	Trading of computer peripheral equipment	544,271	544,271	17,672,084	100 %	65,010	(27,891)	(27,874)	note 1
ATEN TECHNOLOGY INC.	ATEN NEW JERSEY INC.	USA	Trading of computer peripheral equipment	-	-	80	80 %	1,260	493	394	note 1
ATEN EUROPE LTD.	ATEN UK LTD.	UK	Trading of computer peripheral equipment	46,298	46,298	850,000	100 %	1,407	3,204	3,204	note 1
ATEN EUROPE LTD.	ATEN KOREA CO., LTD.	Korea	Trading of computer peripheral equipment	34,811	34,811	102,000	85 %	104,661	11,492	9,768	note 1
I/O MASTER INC.	ATEN CANADA TECHNOLOGIES INC.	Canada	Research and development	3	3	300	100 %	48,841	(4,901)	(4,901)	note 1
I/O MASTER INC.	IOGEAR, Inc.	USA	Trading of computer peripheral equipment	3	3	10	100 %	-	-	-	note 1
ATECH PERIPHERALS.	RCM FULLY AUTOMATION CO., LTD.	Taiwan	Trading of computer peripheral equipment	22,066	22,066	2,220,000	74 %	17,628	(1,787)	(1,323)	note 1

Note 1: Eliminated in the consolidated financial statements.

(Continued)

**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Information on investment in mainland China:

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

Unit: thousand dollars

Name of investee in Mainland China	Scope of business	Issued capital	Method of investment (Note 1)	Cumulative investment (amount) from Taiwan as of January 1, 2026	Investment flow during current period		Cumulative investment (amount) from Taiwan as of March 31, 2026	Net income (loss) on investee	Direct / indirect investment holding percentage	Investment income (loss) (Note 4)	Book value	Accumulated remittance of earnings in current period
					Remittance amount	Repatriation amount						
EXPAND INTERNATIONAL CO., LTD. (Note 2)	Investing	21,383	(3)	21,383	-	-	21,383	(6,005)	100 %	(6,005) (1)	319,039	69,337
ATEN CHINA CO., LTD.	Trading of computer peripheral equipment	81,965 (Note 6)	(3)	51,394	-	-	51,394	(622)	100 %	(622) (2)	26,452	86,093
ATEN FOREMOST INTERNATIONAL CO., LTD.	Research and trading of computer peripheral equipment	29,315	(3)	29,315	-	-	29,315	2,989	100 %	2,989 (2)	36,149	-
EXPAND ELECTRONIC CO., LTD.	Manufacturing of computer peripheral products	67,184	(3)	34,706	-	-	34,706	(6,140)	100 %	(6,140) (1)	118,314	-

Note 1: The method of investment is divided into the following four categories:

- (1) Remittance from third-region companies to invest in Mainland China.
- (2) Through the establishment of third-region companies then investing in Mainland China.
- (3) Through transferring the investment to third-region existing companies then investing in Mainland China.
- (4) Other methods: EX: delegated investments.

Note 2: In response to the regulation toward processing plants in China and Chinese government's incentive rewards for processing plants turn funded enterprises, the Company's investment through third party companies to reinvest the mainland areas of existing processing plant in Shenzhen, mainland was converted to a wholly owned company (EXPAND ELECTRONIC CO., LTD.) on March 27, 2012.

Note 3: Aforementioned amounts have been eliminated upon consolidation.

Note 4: The basis used for recognizing net income (loss) for the period:

- (1) The amount of investment income (loss) was recognized under the equity method based on the financial statements which were reviewed by the auditor of the Company.
- (2) The amount of investment income (loss) from investees was recognized under the equity method based on the financial statements which were not reviewed by the auditor of the Company.

Note 5: The exchange rate is USD 1 to NTD31.980.

Note 6: ATEN CHINA CO., Ltd executed the capital increase with the amount of \$11,331 thousand in January 2026.

(ii) Limitation on investment in Mainland China:

Company name	Accumulated investment amount remitted from Taiwan to Mainland China at the end of the period	Investment (amount) approved by Investment Commission, Ministry of Economic Affairs	Maximum investment amount set by Investment Commission, Ministry of Economic Affairs
The Company	136,798	175,890	- (Note 1)

Note 1: The Company was certified as an operations center by the Industrial Development Bureau, Ministry of Economic Affairs, in approval letter No.11251033200, and the certification is valid from August 14, 2023 to August 13, 2026. The Company has no limitation on investment in Mainland China during the abovementioned period.

Note 2: The exchange rate is USD1 to NTD31.980.

(iii) Significant transactions:

Please refer to 13(a) item No. 6 for further information.

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**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(14) Segment information:**

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

	<u>Computer peripheral equipment</u>	<u>Others</u>	<u>Adjustments or elimination</u>	<u>Total</u>
<b>Three months ended March 31, 2026</b>				
Revenue:				
Revenue from external customers	\$ 1,258,784	34,397	-	1,293,181
Inter-segment revenues	<u>778,040</u>	<u>-</u>	<u>(778,040)</u>	<u>-</u>
<b>Total revenue</b>	<b><u>\$ 2,036,824</u></b>	<b><u>34,397</u></b>	<b><u>(778,040)</u></b>	<b><u>1,293,181</u></b>
<b>Reportable segment profit or loss</b>	<b><u>\$ 205,185</u></b>	<b><u>3,476</u></b>	<b><u>(24,802)</u></b>	<b><u>183,859</u></b>
<b>Three months ended March 31, 2025</b>				
Revenue:				
Revenue from external customers	\$ 1,171,144	33,557	-	1,204,701
Inter-segment revenues	<u>672,787</u>	<u>-</u>	<u>(672,787)</u>	<u>-</u>
<b>Total revenue</b>	<b><u>\$ 1,843,931</u></b>	<b><u>33,557</u></b>	<b><u>(672,787)</u></b>	<b><u>1,204,701</u></b>
<b>Reportable segment profit or loss</b>	<b><u>\$ 153,216</u></b>	<b><u>4,904</u></b>	<b><u>(4,446)</u></b>	<b><u>153,674</u></b>