CYBERLINK CORP. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REVIEW REPORT

For the Three Months Ended March 31, 2026 and 2025

(Stock Code 5203)

Address: 15F., No.100, Minquan Rd., Xindian Dist., New Taipei City 231, Taiwan (R.O.C.)

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

CYBERLINK CORP. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REVIEW REPORT FOR THE THREE MONTHS ENDED MARCH 31, 2026 and 2025

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Independent Auditor's Review Report

(2026) Finance Review Report No. 26000150

To the Board of Directors and Stockholders of CyberLink Corp.

Introduction

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

Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of 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 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, as well as 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 the International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

PwC Taiwan

Huang, Chin-Lien

Certified Public Accountant

Lai, Chung-Hsi

April 29, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Accounting Standard 34, "Interim Financial Reporting" as endorsed and made effective by the Financial Supervisory Commission of the Republic of China. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China. The English version of the consolidated financial statements used for translation was not reviewed by the CPA.

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

CYBERLINK CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025

(The balance sheets as of March 31, 2026 and 2025 are reviewed, not audited)

Unit: Amounts expressed in thousands of New Taiwan Dollars

			March 31, 2026 (Reviewed)		December 31, 2025 (Audited)		March 31, 2025 (Reviewed)	
	ASSETS	Notes	Amount	%	Amount	%	Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 542,636	9	$ 590,113	10	$ 573,274	9
1110	Current financial assets at fair value through profit or loss	6(2)	727,837	12	605,410	10	40,297	1
1136	Current financial assets at amortized cost	6(3)	1,312,000	21	1,257,200	21	1,917,878	30
1170	Accounts receivable, net	6(5)	80,053	1	107,332	2	86,719	1
1200	Other receivables		3,296	-	2,981	-	3,697	-
1210	Other receivables - related parties	7	4,197	-	2,910	-	2,405	-
1220	Current income tax assets		5,859	-	5,085	-	2,299	-
130X	Inventories		3,615	-	3,429	-	2,891	-
1470	Other current assets		19,519	1	25,872	-	27,495	1
11XX	**Total current assets**		2,699,012	44	2,600,332	43	2,656,955	42
	Non-current assets							
1510	Non-current financial assets at fair value through profit or loss	6(2)	164,853	3	196,487	3	253,453	4
1517	Non-current financial assets at fair value through other comprehensive income	6(4)	-	-	-	-	248	-
1550	Investments accounted for using the equity method	6(6)	1,613,434	26	1,582,772	26	1,663,867	27
1600	Property, plant and equipment, net	6(7)	419,602	7	420,952	7	438,842	7
1755	Right-of-use assets	6(8) and 7	6,864	-	8,498	-	13,398	-
1760	Investment property, net	6(10)	1,189,095	19	1,192,004	20	1,200,732	19
1840	Deferred income tax assets		57,600	1	64,156	1	68,188	1
1900	Other non-current assets		5,571	-	7,487	-	12,934	-
15XX	**Total non-current assets**		3,457,019	56	3,472,356	57	3,651,662	58
1XXX	**Total assets**		$ 6,156,031	100	$ 6,072,688	100	$ 6,308,617	100

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

CYBERLINK CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025

(The balance sheets as of March 31, 2026 and 2025 are reviewed, not audited)

Unit: Amounts expressed in thousands of New Taiwan Dollars

			March 31, 2026 (Reviewed)		December 31, 2025 (Audited)		March 31, 2025 (Reviewed)	
	Liabilities and Equity	Notes	Amount	%	Amount	%	Amount	%
	Current liabilities							
2130	Current contract liabilities	6(22)	$ 491,109	8	$ 476,472	8	$ 483,698	8
2170	Accounts payable	6(11)	31,627	-	36,559	1	27,902	-
2200	Other payables	6(12)	420,968	7	483,457	8	413,400	7
2230	Income tax payable		552	-	11,206	-	23,338	-
2280	Current lease liabilities	6(8) and 7	4,258	-	5,514	-	6,789	-
2300	Other current liabilities	6(13)	38,482	1	43,954	1	65,493	1
21XX	**Total current liabilities**		986,996	16	1,057,162	18	1,020,620	16
	Non-current liabilities							
2550	Non-current provisions	6(14)	305,072	5	299,743	5	315,137	5
2570	Deferred income tax liabilities		10,967	-	8,451	-	8,451	-
2580	Non-current lease liabilities	6(8) and 7	2,879	-	3,218	-	7,054	-
2600	Other non-current liabilities	6(15)	62,395	1	62,694	1	65,754	1
25XX	**Total non-current liabilities**		381,313	6	374,106	6	396,396	6
2XXX	**Total Liabilities**		1,368,309	22	1,431,268	24	1,417,016	22
	Equity							
	Equity attributable to shareholders of the parent							
	Capital Stock	6(18)						
3110	Common stock		793,426	13	793,426	13	790,988	13
	Capital surplus	6(19)						
3200	Capital surplus		2,347,621	38	2,344,336	39	2,314,874	37
	Retained earnings	6(20)						
3310	Legal reserve		1,092,794	18	1,092,794	18	1,092,794	17
3320	Special reserve		55,636	1	55,636	1	186,303	3
3350	Unappropriated earnings		620,758	10	514,804	8	518,293	8
	Other equity interest	6(21)						
3400	Other equity interest		(122,513)	(2)	(159,576)	(3)	(11,651)	-
31XX	**Equity attributable to shareholders of the parent**		4,787,722	78	4,641,420	76	4,891,601	78
3XXX	**Total equity**		4,787,722	78	4,641,420	76	4,891,601	78
	Significant Contingent Liabilities and Unrecognized Contract Commitments	6(8)(9) and 7						
	Significant Events after the balance sheet date	11						
3X2X	**Total liabilities and equity**		$ 6,156,031	100	$ 6,072,688	100	$ 6,308,617	100

The accompanying notes are an integral part of these consolidated financial statements.

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

CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Three Months Ended March 31, 2026 and 2025
(Reviewed, not audited)

Unit: Amounts expressed in thousands of New Taiwan Dollars, except for Earnings per share

Code	Item	Notes	Three Months Ended March 31, 2026 Amount	%	Three Months Ended March 31, 2025 Amount	%
4000	Net revenue	6(22)	$ 585,334	100	$ 571,525	100
5000	Operating costs	6(23) (28)	(90,690)	(15)	(91,133)	(16)
5900	Gross profit		494,644	85	480,392	84
	Operating expenses	6(16) (28) (29) and 7				
6100	Sales and marketing expenses		(209,731)	(36)	(206,376)	(36)
6200	General and administrative expenses		(35,307)	(6)	(31,162)	(5)
6300	Research and development expenses		(182,048)	(31)	(175,534)	(31)
6450	Expected credit gain	12(2)	11,057	2	-	-
6000	Total operating expenses		(416,029)	(71)	(413,072)	(72)
6900	Operating income		78,615	14	67,320	12
	Non-operating income and expenses					
7100	Interest income	6(3)(24)	12,530	2	19,420	3
7010	Other income	6(9)(10) (25) and 7	20,882	3	19,878	3
7020	Other gains or losses	6(2)(26)	15,723	3	15,353	3
7050	Financial costs	6(8)(27) and 7	(31)	-	(57)	-
7000	Total non-operating income and expenses		49,104	8	54,594	9
7900	**Income before income tax**		127,719	22	121,914	21
7950	Income tax expenses	6(30)	(21,765)	(4)	(19,612)	(3)
8200	**Net income for the period**		$ 105,954	18	$ 102,302	18
	Other comprehensive (loss) income					
	Components of other comprehensive income that will be reclassified to profit or loss subsequently					
8361	Exchange differences arising on translation of foreign operations	6(21)	$ 8,885	1	$ 21,748	4
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(6)(21)	28,178	5	22,237	4
8360	Components of other comprehensive income that will be reclassified to profit or loss subsequently		37,063	6	43,985	8
8300	**Other comprehensive income (net)**		$ 37,063	6	$ 43,985	8
8500	**Total comprehensive income**		$ 143,017	24	$ 146,287	26
	Net income, attributable to:					
8610	Shareholders of the parent		$ 105,954	18	$ 102,302	18
	Total comprehensive income, attributable to:					
8710	Shareholders of the parent		$ 143,017	24	$ 146,287	26
	Earnings per share (EPS) (NT$)	6(31)				
9750	Basic earnings per share		$	1.34	$	1.29
9850	Diluted earnings per share		$	1.32	$	1.27

The accompanying notes are an integral part of these consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Three Months Ended March 31, 2026 and 2025
(Reviewed, not audited)

Unit: Amounts expressed in thousands of New Taiwan Dollars

		Equity attributable to shareholders of the parent							
				Retained earnings			Other equity interest		
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences arising on translation of foreign operations	Unrealized financial assets profit or loss measured at fair value through other comprehensive income	Total equity
Three months ended March 31, 2025									
Balance at January 1, 2025		$ 789,593	$2,295,299	$1,092,794	$ 186,303	$ 415,991	($ 43,341)	($ 12,295)	$4,724,344
Net income for the period		-	-	-	-	102,302	-	-	102,302
Other comprehensive income for the period	6(21)	-	-	-	-	-	43,985	-	43,985
Total comprehensive income		-	-	-	-	102,302	43,985	-	146,287
Share-based payment transactions	6(17)(19)	-	1,884	-	-	-	-	-	1,884
Exercise of employee stock options	6(18)(19)	1,395	10,226	-	-	-	-	-	11,621
Change in net equity of associates accounted for using the equity method	6(6)(19)	-	7,465	-	-	-	-	-	7,465
Balance at March 31, 2025		$ 790,988	$2,314,874	$1,092,794	$ 186,303	$ 518,293	$ 644	($ 12,295)	$4,891,601
Three months ended March 31, 2026									
Balance at January 1, 2026		$ 793,426	$2,344,336	$1,092,794	$ 55,636	$ 514,804	($ 147,033)	($ 12,543)	$4,641,420
Net income for the period		-	-	-	-	105,954	-	-	105,954
Other comprehensive income for the period	6(21)	-	-	-	-	-	37,063	-	37,063
Total comprehensive income		-	-	-	-	105,954	37,063	-	143,017
Share-based payment transactions	6(17)(19)	-	801	-	-	-	-	-	801
Change in net equity of associates accounted for using the equity method	6(6)(19)	-	2,484	-	-	-	-	-	2,484
Balance at March 31, 2026		$ 793,426	$2,347,621	$1,092,794	$ 55,636	$ 620,758	($ 109,970)	($ 12,543)	$4,787,722

The accompanying notes are an integral part of these consolidated financial statements.

CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Three Months Ended March 31, 2026 and 2025
(Reviewed, not audited)

Unit: Amounts expressed in thousands of New Taiwan Dollars

	Notes	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Cash flows from operating activities			
Net income before income tax		$ 127,719	$ 121,914
Adjustments			
Adjustments to reconcile profit (loss)			
Loss (Gains) on financial assets at fair value through profit or loss	6(2)(26)	(2,666)	1,323
Depreciation expense	6(7)(8)(10)	7,945	7,699
Expected credit gains	6(28)	(11,057)	-
Interest income	6(24)	(12,530)	(19,420)
Interest expenses	6(8)(27)	31	57
Cost of employee stock options	6(17)(29)	801	1,884
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets mandatorily measured at fair value through profit or loss		(120,000)	48,423
Refund of investment from liquidation of financial assets measured at fair value through profit or loss	6(2)	34,808	-
Accounts receivable		39,018	(16,267)
Other receivables		(349)	273
Other receivables - related parties		(1,287)	(218)
Inventories		(186)	109
Other current assets		6,358	3,295
Other non-current assets		1,347	2,202
Changes in operating liabilities			
Current contract liabilities		14,682	48,688
Accounts payable		(5,140)	(2,779)
Other payables		(61,403)	(24,843)
Other current liabilities		(5,430)	5,578
Current and non-current provisions of liabilities		5,329	4,307
Other non-current liabilities		269	61
Cash inflow generated from operations		18,259	182,286
Interest received		12,568	19,410
Interest paid		(31)	(57)
Income tax paid		(24,218)	(14,081)
Income tax returned		150	-
Net cash inflow from operating activities		6,728	187,558

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CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Three Months Ended March 31, 2026 and 2025
(Reviewed, not audited)

Unit: Amounts expressed in thousands of New Taiwan Dollars

	Notes	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Cash flows from investing activities			
Acquisition of financial assets at amortized cost		($ 800,000)	($ 1,129,140)
Proceeds from disposal of financial assets at amortized cost		750,900	912,660
Acquisition of property, plant and equipment	6(32)	(5,475)	(5,251)
Decrease in refundable deposits		576	407
Net cash outflow from investing activities		(53,999)	(221,324)
Cash flows from financing activities			
Decrease in deposits received	6(33)	(568)	-
Repayment of the principal portion of lease liabilities	6(8)(33)	(1,595)	(1,535)
Exercise of employee stock options		-	11,621
Net cash flows from (used in) financing activities		(2,163)	10,086
Effects of changes in exchange rates		1,957	9,236
Net decrease in cash and cash equivalents		(47,477)	(14,444)
Cash and cash equivalents at beginning of year		590,113	587,718
Cash and cash equivalents at end of year		$ 542,636	$ 573,274

The accompanying notes are an integral part of these consolidated financial statements.

Unit: Amounts expressed in thousands of New Taiwan Dollars
(EXCEPT AS OTHERWISE INDICATED)

1. History and Organization

CyberLink Corp. (the "Company") was incorporated under the Company Law of the Republic of China (R.O.C.) in August 1990. The Company and its subsidiaries (collectively referred to herein as the "Group") are primarily engaged in the design and sale of computer software. The Securities and Futures Commission of the Republic of China approved the Company's shares for listing on the GreTai Securities Market (formerly Over-The-Counter Securities Exchange) and the shares started trading on October 11, 2000. The Company's shares have been listed on the Taiwan Stock Exchange Corporation since September 27, 2004.

2. The Date of Authorization for Issuance of the Consolidated Financial Statements and Procedures for Authorization

The consolidated financial statements were authorized for issuance by the Board of Directors on April 29, 2026.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (the "IFRS") as endorsed and released by the Financial Supervisory Commission (the "FSC")

New standards, interpretations, and amendments endorsed and issued by the FSC, effective from 2026, are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS No. 9 and IFRS No. 7 "Amendments to the classification and measurement of financial instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity".	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

Except for the items listed below, the Group has assessed that the aforementioned standards and interpretations do not have a material impact on the Group's financial position and financial performance:

Amendments to IFRS No. 9 and IFRS No. 7 "Amendments to the classification and measurement of financial instruments"

(a) The amendment clarifies the recognition and derecognition dates of certain financial assets and liabilities. It adds that when using an electronic payment system to settle a financial liability (or part of it) in cash, an enterprise is permitted to consider the financial liability as derecognized before the settlement date if and only if the enterprise initiates the payment instruction, provided that the following conditions are met:

1. The enterprise does not have the ability to revoke, stop or cancel the payment designation;
2. The enterprise has no actual ability to obtain cash for settlement due to the payment order;
3. The delivery risk related to the electronic payment system is not significant.

(b) The update to investments in equity instruments designated at fair value through other comprehensive income through irrevocable election (FVOCI). requires disclosure of the fair value of each type of equity instrument, and it is no longer necessary to disclose the fair value information of each individual instrument. Additionally, the entity should disclose the fair value gains and losses recognized in other comprehensive income during the reporting period, separately showing the fair value gains and losses related to investments derecognized during the reporting period and those related to investments held at the end of the reporting period, as well as the accumulated other comprehensive income transferred to equity due to the derecognition of investments during the reporting period.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations, and amendments issued by IASB, but not yet included in the IFRSs as endorsed by the FSC, are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS No. 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note)
IFRS No. 19 "Subsidiaries Without Public Accountability: Disclosures"	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note: In a press release dated September 25, 2025, the FSC announced that public companies will be required to adopt IFRS 18 starting from 2028; however, enterprises may elect to early adopt IFRS 18 once it has been endorsed by the FSC.

Except for the items listed below, the Group has assessed that the aforementioned standards and interpretations do not have a material impact on the Group's financial position and financial performance:

IFRS No. 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1 and introduces a new structure for the statement of profit or loss, adds requirements for the disclosure of management performance measures (MPMs), and enhances the principles for aggregation and disaggregation applied in the primary financial statements and the notes.

4. Summary of Significant Accounting Policies

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2025, except for the compliance statement, the basis of preparation, the basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

1. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and released by the FSC.
2. The consolidated financial statements should be read together with the consolidated financial statements for the year ended December 31, 2025.

(2) Basis of preparation

1. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
   (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
   (b) Financial assets at fair value through other comprehensive income.
   (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
2. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC interpretations endorsed and released by the FSC (collectively referred to herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

1. Basis for preparation of the consolidated financial statements:

   The basis for preparation of these consolidated financial statements is consistent with those for the preparation of consolidated financial statements for the year ended December 31, 2025.

2. Subsidiaries included in the consolidated financial statements:

Name of Investor	Company Name of Subsidiary	Major Operating Activities	Ownership (%) March 31, 2026	Ownership (%) December 31, 2025	Ownership (%) March 31, 2025
CyberLink Corp.	CyberLink.com Corp. (CyberLink-USA)	Sale of software	100%	100%	100%
CyberLink Corp.	CyberLink International Technology Corp. (CyberLink-B.V.I)	Investment activities	100%	100%	100%
CyberLink Corp.	CyberLink Inc. (CyberLink-Japan)	Sale of software	100%	100%	100%

Note: For the purpose of integrating Group resources, planning overall operational strategies, enhancing management efficiency, and reducing operating costs, the Company resolved at the Board of Directors meeting on April 29, 2026 to merge with its wholly owned subsidiary CyberLink-B.V.I, with the Company being the surviving entity after the merger.

3. Subsidiaries not included in the consolidated financial statements:

   None.

4. Adjustments for subsidiaries with different balance sheet dates:

   None.

5. Significant restrictions:

   None.

6. Subsidiaries that have non-controlling interests that are material to the Group:

   None.

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The income tax expense for the interim period is calculated by applying the estimated average effective tax rate for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. Critical Accounting Judgments, Estimates and Key Sources of Assumption Uncertainty

There have been no significant changes during the period; please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2025.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand and revolving funds	$ 9,565	$ 2,758	$ 50
Checking accounts	45,781	64,393	102,472
Demand deposits	463,290	499,390	470,752
Time deposits	24,000	23,572	-
	$ 542,636	$ 590,113	$ 573,274

1. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
2. The Group has no cash and cash equivalents pledged to others.

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

Item	March 31, 2026	December 31, 2025	March 31, 2025
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Money market funds	$ 721,519	$ 601,280	$ 40,134
Valuation adjustment	6,318	4,130	163
	$ 727,837	$ 605,410	$ 40,297
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Private fund	$ 291,446	$ 286,789	$ 303,206
Unlisted stocks	-	22,850	22,994
Subtotal	291,446	309,639	326,200
Valuation adjustment	(126,593)	(113,152)	(72,747)
	$ 164,853	$ 196,487	$ 253,453

1. Amounts recognized in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Three Months Ended March 31,	
	2026	2025
Financial assets mandatorily measured at fair value through profit or loss		
Private fund	$ 60	($ 1,590)
Money market funds	2,427	267
Unlisted stocks	179	-
	$ 2,666	($ 1,323)

2. From February to March 2026, the investee company completed its liquidation procedures and deregistration, resulting in a return of investment from liquidation distributions amounting to NT$34,808. In July 2025, the investee company disposed of part of its investment targets and returned part of the investment cost amounting to NT$5,226. In addition, in July 2025, the investee company reduced its capital and returned investment funds amounting to NT$144.

   The amount of dividend income recognized in profit or loss in relation to financial assets at fair value through profit or loss for the three months ended March 31, 2026 and 2025 was all $0.

3. The Group has no financial assets at fair value through profit or loss pledged to others.
4. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Current financial assets at amortized cost

Item	March 31, 2026	December 31, 2025	March 31, 2025
Current items:			
Time deposits with original maturity of more than three months	$ 1,312,000	$ 1,257,200	$ 1,917,878

1. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

	Three Months Ended March 31,	
	2026	2025
Interest income	$ 12,307	$ 19,402

2. As at March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was $1,312,000, $1,257,200 and $1,917,878, respectively.

3. The Group has no financial assets at amortized cost pledged to others.
4. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2). The counterparties of the Group's time deposit investment are financial institutions with high credit quality, so it expects that the probability of counterparty default is remote.

(4) Non-current financial assets at fair value through other comprehensive income

Item	March 31, 2026	December 31, 2025	March 31, 2025
Non-current items:			
Unlisted stocks	$ 13,000	$ 12,858	$ 13,303
Valuation adjustment	(13,000)	(12,858)	(13,055)
	$ -	$ -	$ 248

1. The Group has elected to classify unlisted stock investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments as of March 31, 2026, December 31, 2025 and March 31, 2025 was $0, $0 and $248.
2. As of March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was $0, $0 and $248.
3. The Group has no financial assets at fair value through other comprehensive income pledged to others.
4. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(5) Accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable	$ 80,053	$ 176,053	$ 164,112
Less: Loss allowance	-	(68,721)	(77,393)
	$ 80,053	$ 107,332	$ 86,719

1. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Not Past Due	$ 72,148	$ 102,955	$ 78,317
Past Due			
Up to 30 days	5,067	2,956	6,374
31 to 90 days	533	84	1,885
Over 91 days	2,305	70,058	77,536
	$ 80,053	$ 176,053	$ 164,112

The above ageing analysis was based on past due date.

2. As of March 31, 2026, December 31, 2025 and March 31, 2025, accounts receivable were all from contracts with customers. Additionally, as of January 1, 2025, the balance of accounts receivable from contracts with customers amounted to $146,287.
3. As of March 31, 2026, December 31, 2025 and March 31, 2025, without taking into consideration other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable was $80,053, $107,332 and $86,719, respectively.
4. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(6) Investments accounted for using the equity method

	Three Months Ended March 31,	
	2026	2025
At January 1	$ 1,582,772	$ 1,634,165
Changes in capital surplus (Note 6(19))	2,484	7,465
Changes in other equity items (Note 6(21))	28,178	22,237
At March 31	$ 1,613,434	$ 1,663,867

1. The basic information of the associate is as follows:

		Shareholding ratio				
Company Name	Principal place of business	March 31, 2026	December 31, 2025	March 31, 2025	Nature of relationship	Method of Measurement
Perfect Corp.(Cayman)	Cayman	36.29%	36.29%	36.29%	Investments accounted for using the equity method	Equity method

2. The Group holds a 36.29% equity interest in Perfect Corp. (Cayman). Given that the Group appointed only one out of seven directors on the current Board of Directors of Perfect Corp. (Cayman), and the Perfect Corp. (Cayman)'s Articles of Incorporation set forth that there is no obligation to hold a shareholders' meeting on a regular basis every year, the Group has no ability to dominate the relevant activities of Perfect Corp. (Cayman), and the Group has no control, but has significant influence, over Perfect Corp. (Cayman).
3. The fair value of the Group's investments accounted for using equity method with publicly quoted market prices is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Perfect Corp.(Cayman)	$ 1,975,194	$ 2,091,029	$ 2,215,590

4. The Group's subsidiary CyberLink-B.V.I. and Alice H. Chang (whose relationship with the Company is as the representative of the Company's institutional director) jointly entered into a consortium agreement on March 18, 2026 and submitted a preliminary and non-binding proposal to affiliated company Perfect Corp.(Cayman) for the acquisition of all outstanding shares and privatization. The proposed privatization contemplates a cash purchase price of US$1.95 per ordinary share, to be funded by Perfect Corp.(Cayman)'s own funds.
The Group will subsequently submit a preliminary agreement to Perfect Corp.(Cayman). However, the relevant investment details remain subject to the completion of price reasonableness assessments and other necessary evaluation procedures by the Board of Directors and the special committee established by Perfect Corp.(Cayman), as well as the execution of formal transaction documents by both parties. As of April 29, 2026, the aforementioned transaction had not yet been completed.

(7) Property, plant and equipment, net

	Three Months Ended March 31, 2026					
	Land	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Total
At January 1						
Cost	$ 315,665	$ 152,770	$ 28,653	$ 1,585	$ 1,054	$ 499,727
Accumulated depreciation	-	(61,602)	(15,594)	(1,359)	(220)	(78,775)
	$ 315,665	$ 91,168	$ 13,059	$ 226	$ 834	$ 420,952
At January 1	$ 315,665	$ 91,168	$ 13,059	$ 226	$ 834	$ 420,952
Additions	-	2,186	37	-	-	2,223
Depreciation expense	-	(1,866)	(1,464)	(28)	(44)	(3,402)
Net exchange differences	(142)	(29)	1	(1)	-	(171)
At March 31	$ 315,523	$ 91,459	$ 11,633	$ 197	$ 790	$ 419,602
At March 31						
Cost	$ 315,523	$ 154,917	$ 28,690	$ 1,592	$ 1,054	$ 501,776
Accumulated depreciation	-	(63,458)	(17,057)	(1,395)	(264)	(82,174)
	$ 315,523	$ 91,459	$ 11,633	$ 197	$ 790	$ 419,602

	Three Months Ended March 31, 2025					
	Land	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Total
At January 1						
Cost	$ 319,968	$ 149,570	$ 26,315	$ 1,930	$ 1,054	$ 498,837
Accumulated depreciation	-	(55,610)	(14,370)	(1,608)	(44)	(71,632)
	$ 319,968	$ 93,960	$ 11,945	$ 322	$ 1,010	$ 427,205
At January 1	$ 319,968	$ 93,960	$ 11,945	$ 322	$ 1,010	$ 427,205
Additions	-	1,050	6,363	-	-	7,413
Depreciation expense	-	(1,746)	(1,317)	(50)	(44)	(3,157)
Net exchange differences	6,054	1,308	9	10	-	7,381
At March 31	$ 326,022	$ 94,572	$ 17,000	$ 282	$ 966	$ 438,842
At March 31						
Cost	$ 326,022	$ 152,289	$ 32,790	$ 1,986	$ 1,054	$ 514,141
Accumulated depreciation	-	(57,717)	(15,790)	(1,704)	(88)	(75,299)
	$ 326,022	$ 94,572	$ 17,000	$ 282	$ 966	$ 438,842

(8) Leasing arrangements - lessee

1. The Group leases various assets including offices and transportation equipment. Rental contracts for the three months ended March 31, 2026 and 2025 were typically made for periods from 2023 to 2029. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leased assets may neither be used as security for borrowing purposes nor have their rights transferred to others in other forms such as business transfer or combination.
2. Short-term leases with a lease term of 12 months or less comprise parking spaces rented by the Group in Taiwan and leased offices in the United States.
3. The information of right-of-use assets is as follows:

	Three Months Ended March 31, 2026		
	Buildings	Transportation equipment	Total
At January 1			
Cost	$ 19,748	$ 2,904	$ 22,652
Accumulated depreciation	(11,734)	(2,420)	(14,154)
	$ 8,014	$ 484	$ 8,498
At January 1	$ 8,014	$ 484	$ 8,498
Depreciation expense	(1,392)	(242)	(1,634)
At March 31	$ 6,622	$ 242	$ 6,864
At March 31			
Cost	$ 19,748	$ 2,904	$ 22,652
Accumulated depreciation	(13,126)	(2,662)	(15,788)
	$ 6,622	$ 242	$ 6,864

	Three Months Ended March 31, 2025		
	Buildings	Transportation equipment	Total
At January 1			
Cost	$ 19,748	$ 2,904	$ 22,652
Accumulated depreciation	(6,169)	(1,452)	(7,621)
	$ 13,579	$ 1,452	$ 15,031
At January 1	$ 13,579	$ 1,452	$ 15,031
Depreciation expense	(1,391)	(242)	(1,633)
At March 31	$ 12,188	$ 1,210	$ 13,398
At March 31			
Cost	$ 19,748	$ 2,904	$ 22,652
Accumulated depreciation	(7,560)	(1,694)	(9,254)
	$ 12,188	$ 1,210	$ 13,398

4. Lease liabilities relating to lease contracts:

	March 31, 2026	December 31, 2025	March 31, 2025
Total lease liabilities	$ 7,137	$ 8,732	$ 13,843
Less: Current portion (shown as 'current lease liabilities')	(4,258)	(5,514)	(6,789)
	$ 2,879	$ 3,218	$ 7,054

5. The information on profit and loss accounts relating to lease contracts is as follows:

	Three Months Ended March 31,	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 31	$ 57
Expense on short-term lease contracts	729	538
	$ 760	$ 595

6. For the three months ended March 31, 2026 and 2025, the Group's total cash outflow for leases was $2,355 and $2,130, respectively, which included expenses on short-term lease contracts of $729 and $538, interest expenses on lease liabilities of $31 and $57, and payments of lease liabilities of $1,595 and $1,535, respectively.
7. Please refer to Note 7 for the office leases with related parties.

(9) Leasing arrangements - lessor

1. Leases to unrelated parties

The Group leases various assets including two short sections numbered 229 in Xihu Section in Neihu District of Taipei; 1F to-9F., of Building-B of "Sun-Tech Plaza" located in Neihu

District of Taipei. Rental contracts are typically made for a period between 1 and 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights on the leased assets, leased assets may neither be used as security for borrowing purposes nor, in all or in part, be lent to others or corporates through sublease, sharing, transfer or any other form.

2. Leases to related parties

   The Group leases assets including the offices on the 6F and 14F of the "Jiang-Ling Information" Building located in Xindian District of New Taipei City, and an office in Minato, Tokyo, Japan. Rental contracts are typically made for periods of 1 to 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights over the leased assets, leased assets may neither be used as security for borrowing purposes nor, in all or in part, be lent to others or corporations through sublease, sharing, transfer or any other form. Rents are collected at the beginning of the next month.

3. For the three months ended March 31, 2026 and 2025, the Group recognized rent income in the amounts of $18,729 and $18,518, respectively, based on the lease contracts above, and there was no variable lease payments.

4. The maturity analysis of the lease payments receivable under the operating leases is as follows:

	March 31, 2026
Within 1 year	$ 53,395
2027	39,867
2028	24,958
2029	16,959
	$ 135,179

	December 31, 2025	March 31, 2025
Within 1 year	$ -	$ 51,947
2026	74,582	59,126
2027	43,284	39,436
2028	28,434	28,434
2029	20,436	20,436
2030	1,449	1,449
	$ 168,185	$ 200,828

(10) Investment property

	Three Months Ended March 31, 2026		
	Land	Buildings	Total
At January 1			
Cost	$ 799,024	$ 593,470	$ 1,392,494
Accumulated depreciation	-	(200,490)	(200,490)
	$ 799,024	$ 392,980	$ 1,192,004
At January 1	$ 799,024	$ 392,980	$ 1,192,004
Depreciation expense	-	(2,909)	(2,909)
At March 31	$ 799,024	$ 390,071	$ 1,189,095
At March 31			
Cost	$ 799,024	$ 593,470	$ 1,392,494
Accumulated depreciation	-	(203,399)	(203,399)
	$ 799,024	$ 390,071	$ 1,189,095

	Three Months Ended March 31, 2025		
	Land	Buildings	Total
At January 1			
Cost	$ 799,024	$ 593,470	$ 1,392,494
Accumulated depreciation	-	(188,853)	(188,853)
	$ 799,024	$ 404,617	$ 1,203,641
At January 1	$ 799,024	$ 404,617	$ 1,203,641
Depreciation expense	-	(2,909)	(2,909)
At March 31	$ 799,024	$ 401,708	$ 1,200,732
At March 31			
Cost	$ 799,024	$ 593,470	$ 1,392,494
Accumulated depreciation	-	(191,762)	(191,762)
	$ 799,024	$ 401,708	$ 1,200,732

1. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Three Months Ended March 31,	
	2026	2025
Rental income from investment property	$ 18,138	$ 17,886
Direct operating expenses arising from the investment property that generated rental income during the period	$ 4,015	$ 4,019
Direct operating expenses arising from the investment property that did not generate rental income during the period	$ -	$ -

2. The fair values of the investment property held by the Group as of March 31, 2026, December 31, 2025 and March 31, 2025 were $2,585,851, $2,546,271 and $2,494,270, respectively, and were estimated based on market trading prices of similar properties in the nearby areas which belong to Level 3 information.

(11) Accounts payable

	March 31, 2026	December 31, 2025	March 31, 2025
Royalty expense	$ 30,621	$ 35,234	$ 26,961
Others	1,006	1,325	941
	$ 31,627	$ 36,559	$ 27,902

(12) Other payables

	March 31, 2026	December 31, 2025	March 31, 2025
Employees' compensation and directors’ remuneration	$ 139,522	$ 138,168	$ 114,626
Promotional fees	131,158	130,035	152,892
Payroll	54,271	120,147	56,443
Royalty collection	20,044	19,687	20,802
Professional service fees	12,293	12,872	11,960
Employees’ rewards	15,095	9,380	15,095
Payables for equipment	28	3,443	2,541
Other accrued expenses	41,102	36,728	33,518
Other payables	7,455	12,997	5,523
	$ 420,968	$ 483,457	$ 413,400

(13) Other current liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Refund liability	$ 33,333	$ 32,121	$ 37,900
Current provisions of liabilities	-	-	21,589
Withholding tax	3,972	9,551	4,271
Others	1,177	2,282	1,733
	$ 38,482	$ 43,954	$ 65,493

(14) Provisions

	Three Months Ended March 31, 2026		
	Royalty	Cost of software bug-fixing	Total
At January 1	$ 291,133	$ 8,610	$ 299,743
Additional provisions	-	49	49
Net exchange differences	5,280	-	5,280
At March 31	$ 296,413	$ 8,659	$ 305,072

	Three Months Ended March 31, 2025		
	Royalty	Cost of software bug-fixing	Total
At January 1	$ 325,046	$ 7,373	$ 332,419
Additional provisions	-	143	143
Net exchange differences	4,164	-	4,164
At March 31	$ 329,210	$ 7,516	$ 336,726

Analysis of total provisions:

	March 31, 2026	December 31, 2025	March 31, 2025
Current	$ -	$ -	$ 21,589
Non-current	305,072	299,743	315,137
	$ 305,072	$ 299,743	$ 336,726

1. Royalty
   The Group estimates the possible royalty expenses based on the industry characteristics, other known events and management's judgment, and recognizes such expenses within the 'cost of goods sold' when related products are sold. Any changes in industry circumstances might affect the provision for royalty liabilities. Provisions shall be paid when the patent owner claims payment or shall be paid after negotiation.
2. Cost of software bug-fixing
   The Group provides software bug-fixing for programs for free from time to time. The Group estimates relevant debug-fixing costs and liabilities and accounts for it as common product warranty obligations.

(15) Other non-current liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Accrued pension liabilities	$ 52,151	$ 51,882	$ 54,966
Guarantee deposits received	10,244	10,812	10,788
	$ 62,395	$ 62,694	$ 65,754

(16) Pensions

1. (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an appropriate portion of the employees' monthly salaries and wages to the retirement fund deposited with the Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company assesses the balance in the aforementioned labor pension reserve account by December 31 every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by the following March.

   (b) For the three months ended March 31, 2026 and 2025, the pension costs recognized by the Company in accordance with the pension measures above were $563 and $601, respectively.

   (c) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2026, amount to $759.

2. (a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in a lump sum upon termination of employment.

   (b) For the three months ended March 31, 2026 and 2025, the pension costs recognized by the Company in accordance with the pension measures above were $8,333 and $7,633, respectively.

   (c) The pension costs under local pension regulations of the foreign subsidiaries for the three months ended March 31, 2026 and 2025 were $954 and $757, respectively.

(17) Share-based payment

1. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (in thousands)	Contract period	Vesting conditions
Employee stock options	July 26, 2022	2,000	7 years	2 years' service: exercise 50% 3 years' service: exercise 75% 4 years' service: exercise 100%

2. Details of the share-based payment arrangements are as follows:

	Three Months Ended March 31,			
	2026		2025	
	No. of options (in thousands)	Weighted – average exercise price (in dollars)	No. of options (in thousands)	Weighted – average exercise price (in dollars)
Options outstanding at January 1	1,545	$ 80.00	1,938	$ 83.30
Options exercised	-	-	(140)	83.30
Options outstanding at March 31	1,545	80.00	1,798	83.30
Options exercisable at March 31	1,066		821	

3. The weighted average stock prices on the exercise dates of the stock options executed for the three months ended Mar 31, 2026 and 2025 were $0 and $83.30, respectively.

4. As of March 31, 2026, December 31, 2025, and March 31, 2025, the range of exercise prices of stock options outstanding was $80.00, $80.00 and $83.30 (in dollars), respectively; the weighted-average remaining contractual period was 3.32 years, 3.57 years and 4.32 years, respectively.

5. The fair value of stock options granted on the grant date is measured using the Black-Scholes option pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends	Risk-free interest rate	Fair value per unit (in dollars)
Employee stock options	July 26, 2022	$ 89.5	$ 89.5	32.10%	4.88	0.00%	1.06%	$26.4355

Note: The expected volatility is estimated by taking into account the historical trading data (days) of the Company's shares and using a sample interval equal to the expected duration of the stock option.

6. Expenses arising from share-based payment transactions are as follows:

	Three Months Ended March 31,	
	2026	2025
Cost of employee stock options	$ 801	$ 1,884

(18) Capital Stock

As of March 31, 2026, the Company's authorized capital was $1,610,000, consisting of 161,000 thousand shares of ordinary stock (including 21,000 thousand shares reserved for employee stock options), and the paid-in capital was $793,426 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number (shares in thousands) of the Company's ordinary shares outstanding are as follows:

	Three Months Ended March 31,	
	2026	2025
At January 1	79,342	78,959
Exercise of employee stock options	-	140
At March 31	79,342	79,099

(19) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized as mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	Three Months Ended March 31, 2026				
	Share premium	Employee stock options	Expired employee stock options in proportion to the Group's ownership	Net change in equity of associates	Total
At January 1	$ 131,994	$ 39,155	$ 60,144	$ 2,113,043	$ 2,344,336
Share-based payment transactions	-	801	-	-	801
Recognition of change in equity of associates in proportion to the Group's ownership	-	-	-	2,484	2,484
At March 31	$ 131,994	$ 39,956	$ 60,144	$ 2,115,527	$ 2,347,621

	Three Months Ended March 31, 2025				
	Share premium	Employee stock options	Expired employee stock options in proportion to the Group's ownership	Net change in equity of associates	Total
At January 1	$ 94,674	$ 43,597	$ 60,144	$ 2,096,884	$ 2,295,299
Share-based payment transactions	-	1,884	-	-	1,884
Exercise of employee stock options	13,854	(3,628)	-	-	10,226
Recognition of change in equity of associates in proportion to the Group's ownership	-	-	-	7,465	7,465
At March 31	$ 108,528	$ 41,853	$ 60,144	$ 2,104,349	$ 2,314,874

(20) Retained earnings

1. Under the Company's Articles of Incorporation, the current year's earnings, net of tax, shall first be used to offset prior year's operating losses (including the adjustment amount of undistributed earnings), then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the total capital stock balance, and setting aside or reversal for special reserve shall be made in accordance with the Securities and Exchange Act. The Board of Directors should present the distribution of the remaining earnings along with undistributed earnings at the beginning of the periods (including adjustment amount of undistributed earnings) for the approval of the shareholders.
2. The Company's dividend policy is aligned with the development plan for the present and the future taking into consideration investment environment, capital requirement, domestic and overseas competition condition and profit of shareholders. Annual distribution of stockholders' bonus should not be less than 50% of current distributable earnings, and may be in the form of stock dividend and cash dividend. Presently, the distribution of cash dividend should not be less than 20% of annual dividend appropriations, however, if the Company has significant plans for capital expenditures, after approval at the shareholders' meeting, cash dividends can be distributed lower than 20% of annual dividends appropriations.
3. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
4. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When the debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

5.(a) On March 26, 2026, the appropriation of the 2025 earnings was approved by the Board of Directors' meeting, and on June 19, 2025, the appropriation of the 2024 earnings was resolved at the shareholders' meeting, and the details are as follows:

	Year ended December 31			
	2025		2024	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ -		$ -	
(Reversed) Provision of special reserve	103,940		(130,667)	
Cash dividends	285,633	$ 3.60	308,485	$ 3.90

(b) As of April 29, 2026, the aforementioned appropriation of the 2025 earnings proposal has not yet been resolved by the shareholders' meeting.

(c) The Company's legal reserve had exceeded paid-in capital, thus, according to laws, the Company could not appropriate the legal reserve. When the Company appropriated earnings for the year ended December 31, 2025 and 2024, it determined not to provide legal reserve.

(21) Other equity items

	Three Months Ended March 31, 2026		
	Unrealized gains (losses) on valuation	Currency translation	Total
At January 1	($ 12,543)	($ 147,033)	($ 159,576)
Currency translation:			
- Group	-	8,885	8,885
- Associates	-	28,178	28,178
At March 31	($ 12,543)	($ 109,970)	($ 122,513)

	Three Months Ended March 31, 2025		
	Unrealized gains (losses) on valuation	Currency translation	Total
At January 1	($ 12,295)	($ 43,341)	($ 55,636)
Currency translation:			
- Group	-	21,748	21,748
- Associates	-	22,237	22,237
At March 31	($ 12,295)	$ 644	($ 11,651)

(22) Net revenue

	Three Months Ended March 31,	
	2026	2025
Revenue from contracts with customers	$ 585,334	$ 571,525

1. Disaggregation of revenue from contracts with customers

   The Group derives revenue from the transfer of goods and services rendered both over time and at a point in time, in the following major product lines and geographical regions:

	Taiwan		America		Japan		Other region		
Year ended March 31, 2026	Media Creation	Media Experience and Entertainment and others	Media Creation	Media Experience and Entertainment and others	Media Creation	Media Experience and Entertainment and others	Media Creation	Media Experience and Entertainment and others	Total
Revenue from contracts with customers	$ 13,842	$ 13,834	$ 331,849	$ 46,116	$ 80,704	$ 37,632	$ 36,258	$ 25,099	$ 585,334
Timing of revenue recognition									
At a point in time	$ 1,730	$ 12,809	$ 121,898	$ 44,514	$ 27,980	$ 36,564	$ 27,775	$ 7,801	$ 281,071
Over time	12,112	1,025	209,951	1,602	52,724	1,068	8,483	17,298	304,263
	$ 13,842	$ 13,834	$ 331,849	$ 46,116	$ 80,704	$ 37,632	$ 36,258	$ 25,099	$ 585,334

Year ended March 31, 2025	Taiwan Media Creation	Taiwan Media Experience and Entertainment and others	America Media Creation	America Media Experience and Entertainment and others	Japan Media Creation	Japan Media Experience and Entertainment and others	Other region Media Creation	Other region Media Experience and Entertainment and others	Total
Revenue from contracts with customers	$ 14,830	$ 17,551	$ 309,784	$ 58,074	$ 71,038	$ 51,415	$ 34,227	$ 14,606	$ 571,525
Timing of revenue recognition									
At a point in time	$ 3,041	$ 16,299	$ 94,542	$ 50,954	$ 25,356	$ 49,897	$ 9,613	$ 14,436	$ 264,138
Over time	11,789	1,252	215,242	7,120	45,682	1,518	24,614	170	307,387
	$ 14,830	$ 17,551	$ 309,784	$ 58,074	$ 71,038	$ 51,415	$ 34,227	$ 14,606	$ 571,525

2. Contract liabilities:

(a) The Group has recognized the following revenue-related contract liabilities:

Empty	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Contract liabilities:				
Advance sales receipts	$ 491,109	$ 476,472	$ 483,698	$ 435,006

(b) Revenue recognized that was included in the contract liability balance at the beginning of the year

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Revenue recognized that was included in the contract liabilities balance at the beginning of the year		
Advance sales receipts	$ 222,409	$ 193,466

(23) Operating costs

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Service cost of platform	$ 55,030	$ 54,118
Royalty cost	25,095	25,411
Cost of goods sold	3,594	4,081
Others	6,971	7,523
	$ 90,690	$ 91,133

Starting from Q3 2025, the Group reclassified certain items within "other operating expenses" that are cost-related to "operating costs" based on their nature. Corresponding reclassifications have been made to the Q1 2025 financial statements to ensure comparability with the Q1 2026 financial statements.

(24) Interest income

	Three Months Ended March 31,	
	2026	2025
Interest income from financial assets measured at amortized cost	$ 12,307	$ 19,402
Bank deposits	223	18
	$ 12,530	$ 19,420

(25) Other income

	Three Months Ended March 31,	
	2026	2025
Rental income	$ 18,729	$ 18,518
Grant income	645	669
Service revenue	558	300
Other income - others	950	391
	$ 20,882	$ 19,878

(26) Other gains or losses

	Three Months Ended March 31,	
	2026	2025
Currency exchange gains	$ 17,030	$ 20,662
(Loss) Gains on financial assets at fair value through profit or loss	2,666	(1,323)
Depreciation expenses on investment property	(2,909)	(2,909)
Others	(1,064)	(1,077)
	$ 15,723	$ 15,353

(27) Financial costs

	Three Months Ended March 31,	
	2026	2025
Interest expense - lease liabilities	$ 31	$ 57

(28) Costs and expenses by nature

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Employee benefit expenses	$ 264,869	$ 252,554
Promotional fees	103,928	116,591
Service cost of platform	55,030	54,118
Royalty cost	25,095	25,411
Professional service fees	13,550	16,798
Expected credit gains	(11,057)	-
Cost of goods sold	3,594	4,081
Depreciation of property, plant and equipment	3,402	3,157
Product expenses	15,262	2,981
Depreciation of right-of-use assets	1,634	1,633
Others	31,412	26,881
Total cost of sales and operating expenses	$ 506,719	$ 504,205

(29) Employee benefit expenses

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Wages and Salaries	$ 230,147	$ 217,099
Insurance fees	15,727	16,623
Pension costs	9,850	8,991
Cost of employee stock options	801	1,884
Directors' remuneration	3,173	3,031
Other personnel expenses	5,171	4,926
	$ 264,869	$ 252,554

1. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 3.0% for employees' compensation (of which no less than 20% shall be for entry-level employees) and shall not be higher than 1.5% for directors' remuneration.

2. For the three months ended March 31, 2026 and 2025, employees' compensation and directors' remuneration recognized in salary expenses were accrued as follows:

	Three Months Ended March 31,	
	2026	2025
Employees' compensation	$ 22,860	$ 22,860
Directors' remuneration	2,294	2,150
	$ 25,154	$ 25,010

For the three months ended March 31, 2026 and 2025, employees' compensation was estimated and accrued at 14.95% and 15.95%, respectively, of the distributable profit for the current period, and the directors' remuneration was estimated and accrued at 1.50% and 1.50%, respectively, of the distributable profit for the current year as of the end of the reporting period.

The employees' compensation and directors' remuneration, for 2025 as resolved by the Board of Directors on February 25, 2026, were in agreement with the amounts recognized in the 2025 financial statements, of which employees' compensation will be distributed in cash. As of March 31, 2026 remuneration to employees had not yet been paid.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(30) Income tax

1. Income tax expenses

	Three Months Ended March 31,	
	2026	2025
Current income tax:		
Current income tax expense recognized for the current period	$ 12,693	$ 19,559
Total current income tax	12,693	19,559
Deferred income tax:		
Origination and reversal of temporary differences	9,072	53
Total deferred income tax	9,072	53
Income tax expense recognized in profit or loss	$ 21,765	$ 19,612

2. The Company's income tax returns through 2024 have been assessed and approved by the Tax Authority.

(31) Earnings per share (EPS) (NT$)

	Three Months Ended March 31, 2026		
	Amount after tax	Outstanding shares (share in thousands)	Earnings per share (EPS) (NT$)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent company	$ 105,954	79,342	$ 1.34
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent company	$ 105,954	79,342	
Assumed conversion of all dilutive potential ordinary shares			
Employees' stock options (Note)	-	-	
Employees' compensation	-	1,202	
Profit attributable to ordinary shareholders of the parent company plus assumed conversion of all dilutive potential ordinary shares	$ 105,954	80,544	$ 1.32

Note: The effect was anti-dilutive for the period from January to March 2026 and was therefore excluded from the calculation of diluted earnings per share.

	Three Months Ended March 31, 2025		
	Amount after tax	Weighted average outstanding shares (share in thousands)	Earnings per share (EPS) (NT$)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent company	$ 102,302	79,027	$ 1.29
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent company	$ 102,302	79,027	
Assumed conversion of all dilutive potential ordinary shares			
Employees' stock options	-	577	
Employees' compensation	-	656	
Profit attributable to ordinary shareholders of the parent company plus assumed conversion of all dilutive potential ordinary shares	$ 102,302	80,260	$ 1.27

(32) Supplemental cash flow information

Investment activities involving partial cash payments only:

	Three Months Ended March 31,	
	2026	2025
Purchase of property, plant and equipment	$ 2,223	$ 7,413
Add: Beginning balance for payables for equipment (excluding tax)	3,279	258
Less: Ending balance for payables for equipment (excluding tax)	(27)	(2,420)
Cash paid in the period	$ 5,475	$ 5,251

(33) Changes in liabilities from financing activities

	Three Months Ended March 31, 2026		
	Guarantee deposits received	Lease liabilities (including current portion)	Liabilities from financing activities-gross
At January 1	$ 10,812	$ 8,732	$ 19,544
Changes in cash flow from financing activities	(568)	(1,595)	(2,163)
At March 31	$ 10,244	$ 7,137	$ 17,381

	Three Months Ended March 31, 2025		
	Guarantee deposits received	Lease liabilities (including current portion)	Liabilities from financing activities-gross
At January 1	$ 10,788	$ 15,378	$ 26,166
Changes in cash flow from financing activities	-	(1,535)	(1,535)
At March 31	$ 10,788	$ 13,843	$ 24,631

7. Related-Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
Perfect Corp.(Cayman)	Associates
Perfect Mobile Corp. (Taiwan)	Associates (Subsidiary of Perfect Corp.(Cayman))
Perfect Corp.(Japan)	"
ClinJeff Corp.	Other related parties

(2) Significant related party transactions and balances

1. Other receivables

	March 31, 2026	December 31, 2025	March 31, 2025
Service revenue:			
Perfect Mobile Corp. (Taiwan)	$ 947	$ 371	$ 300
Rent income:			
Perfect Mobile Corp. (Taiwan)	661	661	661
Perfect Corp.(Japan)	647	648	719
	1,308	1,309	1,380
Payment on behalf of others			
Perfect Mobile Corp. (Taiwan)	1,840	1,061	600
Perfect Corp.(Japan)	102	169	125
	1,942	1,230	725
	$ 4,197	$ 2,910	$ 2,405

The Group provides legal, management and technical-related services to associates, and expenses were charged in accordance with the personnel costs related to the services that the Group provided. Service revenues for the three months ended March 31, 2026 and 2025 were as follows:

	Three Months Ended March 31,	
	2026	2025
Service revenue (shown as other income):		
Perfect Mobile Corp. (Taiwan)	$ 558	$ 300

2. Rental income (shown as other income)

	Three Months Ended March 31,	
	2026	2025
Perfect Mobile Corp. (Taiwan)	$ 1,894	$ 1,894
Perfect Corp.(Japan)	591	633
	$ 2,485	$ 2,527

The maturity analysis of lease payments receivable from operating leases is presented below. For related details, please refer to Note 6(9).

	March 31, 2026
Within 1 year	$ 7,431
2027	3,848
	$ 11,279

	December 31, 2025	March 31, 2025
Within 1 year	$ -	$ 3,726
2026	9,913	-
2027	3,848	-
	$ 13,761	$ 3,726

3. Lease transactions - lessee

(a) The Group has leased the office from ClinJeff Corp. Since February 2024, and the lease period is from May 2024 to April 2029, where the present value of cash payments was $6,751, calculated using the abovementioned lease period and discount rate. As of March 31, 2026, the accumulated depreciation recognized was $2,588.

(b) Total lease liabilities

(i) Ending balance

	March 31, 2026	December 31, 2025	March 31, 2025
ClinJeff Corp.	$ 4,227	$ 4,561	$ 5,671

(ii) Interest expenses:

	Three Months Ended March 31,	
	2026	2025
ClinJeff Corp.	$ 17	$ 23

(3) Key management Salary information

	Three Months Ended March 31,	
	2026	2025
Short-term employee benefits	$ 12,346	$ 13,365
Post-employment benefits	180	200
	$ 12,526	$ 13,565

8. Pledged Assets

None.

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

(1) Contingencies

None.

(2) Commitments

Except for those mentioned in Notes 6(8), 6(9) and 7, the Group has no other significant commitments.

10. Significant Disaster Loss

None.

11. Significant Events after the balance sheet date

Except as described in Note 4(3), other significant subsequent events are as follows:

For the purpose of maintaining the Company's credit and shareholders' rights, the Company resolved at the Board of Directors meeting on April 29, 2026 to repurchase 2,000 thousand shares of the Company's shares through the centralized securities exchange market at a repurchase price ranging from NT$45 to NT$90 per share during the period from April 30, 2026 to June 29, 2026.

12. Others

(1) Capital management

The Group’s objectives of capital management are to ensure the Group’s sustainable operation and to maintain an optimal capital structure to reduce the cost of capital, and to provide returns for shareholders. In order to maintain or adjust an optimal capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

(2) Financial instruments

1. Financial instruments by category

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss (including current and non-current)	$ 892,690	$ 801,897	$ 293,750
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ -	$ -	$ 248
Financial assets at amortized cost			
Cash and cash equivalents	$ 542,636	$ 590,113	$ 573,274
Current financial assets at amortized cost	1,312,000	1,257,200	1,917,878
Accounts receivable	80,053	107,332	86,719
Other receivables (including related parties)	7,493	5,891	6,102
Guarantee deposits paid (recognized under other non-current assets)	5,393	5,969	5,026
	$ 1,947,575	$ 1,966,505	$ 2,588,999

	March 31, 2026	December 31, 2025	March 31, 2025
Financial liabilities			
Financial liabilities at amortized cost			
Accounts payable	$ 31,627	$ 36,559	$ 27,902
Other payables	420,968	483,457	413,400
Guarantee deposits received (recognized under other non-current liabilities)	10,244	10,812	10,788
	$ 462,839	$ 530,828	$ 452,090
Lease liabilities (including current and non-current)	$ 7,137	$ 8,732	$ 13,843

2. Risk management policies
   (a) The Group’s activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.
   (b) Risk management is executed by the Group’s treasury department under the policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group’s operating units. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.
3. Significant financial risks and degrees of financial risks
   (a) Market risk

   Foreign exchange risk

   (i) The Group operates internationally and is exposed to exchange rate risk arising from transactions conducted by the Company and its subsidiaries in various functional currencies, primarily with USD and JPY. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

   (ii) The Group’s business involves some non-functional currency operations (the Company’s functional currency: NTD; other certain subsidiaries’ functional currency: USD and JPY). Significant financial assets and liabilities denominated in foreign currencies are as follows:

March 31, 2026						
				Sensitivity analysis		
Currency	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets						
Monetary items						
USD:NTD	$ 36,064	32.00	$ 1,154,048	1%	$ 11,540	$ -
EUR:NTD	654	36.71	24,008	1%	240	-
GBP:NTD	42	42.27	1,775	1%	18	-
USD:JPY	268	159.60	8,576	1%	86	-
Non-monetary items						
USD:NTD	50,419	32.00	1,613,434	1%	-	16,134
Financial liabilities						
Monetary items						
USD:NTD	505	32.00	16,160	1%	162	-
USD:JPY	705	159.60	22,560	1%	226	-

December 31, 2025						
				Sensitivity analysis		
Currency	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets						
Monetary items						
USD:NTD	$ 35,885	31.43	$ 1,127,866	1%	$ 11,279	$ -
EUR:NTD	396	36.90	14,612	1%	146	-
GBP:NTD	45	42.33	1,905	1%	19	-
USD:JPY	587	156.52	18,449	1%	184	-
Non-monetary items						
USD:NTD	51,460	31.43	1,617,402	1%	346	15,828
Financial liabilities						
Monetary items						
USD:NTD	626	31.43	19,675	1%	197	-
USD:JPY	866	156.52	27,218	1%	272	-

March 31, 2025						
				Sensitivity analysis		
Currency	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets						
Monetary items						
USD:NTD	$ 53,204	33.21	$ 1,766,905	1%	$ 17,669	$ -
EUR:NTD	283	35.97	10,180	1%	102	-
GBP:NTD	47	43.05	2,023	1%	20	-
USD:JPY	472	149.12	15,675	1%	157	-
Non-monetary items						
USD:NTD	51,359	33.21	1,705,640	1%	418	16,639
Financial liabilities						
Monetary items						
USD:NTD	474	33.21	15,742	1%	157	-
USD:JPY	600	149.12	19,926	1%	199	-

3. The total exchange gains, including realized and unrealized, arising from significant effects of foreign exchange fluctuation on the monetary items held by the Group for the three months ended March 31, 2026 and 2025 were $17,030 and $20,662, respectively.

Price risk

(i) The Group's equity instruments and funds, which are exposed to price risk, are the financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity and funds, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

(ii) The Group mainly invests in unlisted stocks and funds, and the value of these equity instruments and funds will be affected by the uncertainties from the future performance of the investment targets. If the prices of these equity instruments rise or fall by 1% while the other conditions remain unchanged, the net profit after tax for the three months ended March 31, 2026 and 2025 due to equity instruments measured at fair value through profit or loss will increase or decrease by $7,142 and $2,350, respectively; the other comprehensive income will increase or decrease by $0 and $2 respectively from the increase or decrease of equity investments classified as measured at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

(i) The Group's interest-bearing assets are mainly cash and cash equivalents and financial assets at amortized cost. The Group expects no significant cash flow interest rate risk on these assets as all their maturities are within 12 months.

(ii) The Group did not use any financial instruments to hedge interest rate risk.

(iii) There was no borrowing as of March 31, 2026, December 31, 2025 and March 31, 2025, and thus there was no interest rate risk arising from borrowings.

(b) Credit risk

(i) Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments under contractual obligations. The main factor is that counterparties cannot repay in full the accounts receivable based on the agreed terms, or the Group fails to collect contract cash flows of funds measured at amortized cost and at fair value through profit or loss.

(ii) The Group manages its credit risk taking into consideration the entire Group's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analyzing the credit risk for each of its new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.

(iii) The Group adopts the assumptions under IFRS 9, default is considered to occur when the contract payments are past due over 90 days.

(iv) The Group adopts the following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

(A) If the contract payments are past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

(B) For investments in bonds that are traded over the counter, if any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low.

(v) The following indicators are used to determine whether the credit impairment of funds has occurred:

(A) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to its financial difficulties;

(B) The disappearance of an active market for that financial asset because of financial difficulties;

(C) Default or delinquency in interest or principal repayments;

(D) Adverse changes in national or regional economic conditions that are expected to cause a default.

(vi) The Group classifies customers' accounts receivable based on trade credit risk. The Group applies the modified approach, using a provision matrix, to estimate expected credit losses.

(vii) The Group adjusts the default rate adopted based on the historical and current information for a specific period by taking the economic forecast made by the Taiwan Institute of Economic Research into account, and estimates the loss allowance for accounts receivable.

(viii) The amount of the allowance for accounts receivable provided from applying the simplified approach by the Group is insignificant except for individual customers. The Group takes the customer's past default history and actual financial situation into consideration and adjusts the loss rate based on the historical and current information in a specific period, in order to estimate the loss allowance on accounts receivable. The loss rates on March 31, 2026, December 31, 2025, and March 31, 2025 are as follows:

March 31, 2026	Group	Individual (Note)	Total
Expected loss rate	0.00%~100.00%	100%	
Total book value	$ 80,053	$ -	$ 80,053
Loss allowance	$ -	$ -	$ -

December 31, 2025	Group	Individual (Note)	Total
Expected loss rate	0.00%~100.00%	100%	
Total book value	$ 107,332	$ 68,721	$ 176,053
Loss allowance	$ -	$ 68,721	$ 68,721

March 31, 2025	Group	Individual (Note)	Total
Expected loss rate	0.00%~1.11%	100%	
Total book value	$ 86,719	$ 77,393	$ 164,112
Loss allowance	$ -	$ 77,393	$ 77,393

Note: A foreign customer providing e-commerce payment services to the Group filed for reorganization, which was approved by the court of the relevant jurisdiction on September 25, 2023. The Group received notice of the creditor claim filing from the customer in January 2024, and the customer subsequently entered liquidation proceedings. After assessment, the Group determined that the accounts receivable arising from this customer were not reasonably expected to be recoverable. Accordingly, the Group recognized the full amount of such accounts receivable as expected credit loss impairment losses totaling NT$77,393 in 2024.

In addition, the Group recovered amounts of NT$8,672 and NT$11,057 in December 2025 and March 2026, respectively, and received notice from the court-appointed bankruptcy administrator on March 12, 2026 that the liquidation procedures had been completed.

I. The Group's simplified table of changes in loss allowance for accounts receivable is as follows:

	Three Months Ended March 31,	
	2026	2025
	Accounts receivable	Accounts receivable
At January 1	$ 68,721	$ 77,393
Reversal gain of impairment	(11,057)	-
Irrecoverable amount written off	(57,664)	-
At March 31	$ -	$ 77,393

(c) Liquidity risk

(i) Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

(ii) Surplus cash held by the operating entities over and above the balance required for working capital management is transferred to the Group treasury. Group treasury invests surplus cash in interest-bearing current accounts, time deposits, financial assets measured at amortized cost and short-term marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. As at March 31, 2026, December 31, 2025 and March 31, 2025, the Group held money market positions of $2,527,127, $2,385,572 and $2,428,927, respectively, that are expected to readily generate cash inflows for managing liquidity risk.

(iii) The table below analyses the Group's non-derivative financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

March 31, 2026	Within 1 year	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:			
Accounts payable	$ 31,627	$ -	$ -
Other payables	420,968	-	-
Lease liabilities (Note)	4,324	2,925	-
Other non-current liabilities - guarantee deposits received	2,715	7,529	-

December 31, 2025	Within 1 year	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:			
Accounts payable	$ 36,559	$ -	$ -
Other payables	483,457	-	-
Lease liabilities (Note)	5,599	3,276	-
Other non-current liabilities - guarantee deposits received	280	10,532	-

March 31, 2025	Within 1 year	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:			
Accounts payable	$ 27,902	$ -	$ -
Other payables	413,400	-	-
Lease liabilities (Note)	6,952	7,167	-
Other non-current liabilities - guarantee deposits received	1,567	8,653	568

Note: The amount includes interest expected to be paid in the future.

(2) Fair value information

1. The different levels of inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active when transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the beneficiary certificates of the Group's investments belongs to this category.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity instruments and funds without an active market is included in Level 3.

2. Fair value information of investment property at cost is provided in Note 6(10).
3. The carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, accounts receivable, other receivables (including related parties), financial assets at amortized cost, other financial assets (under other non-current assets), accounts payable, other payables and other financial liabilities (under other non-current liabilities)) are approximate to their fair values.
4. The related information of financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets is as follows:

(a) The related information on the natures of the assets is as follows:

March 31, 2026	Level 1	Level 2	Level 3	Total
ASSETS				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ -	$ -	$ -	$ -
Funds	727,837	-	164,853	892,690
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	-	-
Total	$ 727,837	$ -	$ 164,853	$ 892,690

December 31, 2025	Level 1	Level 2	Level 3	Total
ASSETS				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ -	$ -	$ 34,629	$ 34,629
Funds	605,410	-	161,858	767,268
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	-	-
Total	$ 605,410	$ -	$ 196,487	$ 801,897

March 31, 2025	Level 1	Level 2	Level 3	Total
ASSETS				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ -	$ -	$ 41,773	$ 41,773
Funds	40,297	-	211,680	251,977
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	248	248
Total	$ 40,297	$ -	$ 253,701	$ 293,998

(b) The methods and assumptions the Group used to measure fair value are as follows:

(i) The instruments for which the Group used market quoted prices as the fair values (that is, Level 1) are listed below according to their characteristics:

	Open-end funds
Market quotation	Net asset value

(ii) Except for the financial instruments with active markets mentioned above, the fair value of other financial instruments is determined using valuation techniques or based on counterparty quotes. The fair value derived from valuation techniques is estimated by referencing the current fair value of financial instruments with substantially similar terms and characteristics, using the discounted cash flow method, or applying other valuation techniques, including models based on market information available as of the consolidated balance sheet date.

(iii) The output of a valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using the valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk, etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes that adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet date. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

(iv) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

5. For the three months ended March 31, 2026 and 2025, there was no transfer into or out from Level 3.
6. The following chart is the movement of Level 3 for the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31, 2026		
	Equity securities	Debt instruments	Total
At January 1	$ 34,629	$ 161,858	$ 196,487
Return of investment from liquidation for the current period	(34,808)	-	(34,808)
The profit or loss recognized in income is recognized in the account of non-operating income and expense	179	60	239
Effect of exchange rate changes	-	2,935	2,935
At March 31	$ -	$ 164,853	$ 164,853

	Three Months Ended March 31, 2025		
	Equity securities	Debt instruments	Total
At January 1	$ 42,021	$ 209,034	$ 251,055
Acquired in the year		1,576	1,576
The profit or loss recognized in income is recognized in the account of non-operating income and expense	-	(1,590)	(1,590)
Effect of exchange rate changes	-	2,660	2,660
At March 31	$ 42,021	$ 211,680	$ 253,701

7. The following is quantitative information on significant unobservable inputs and a sensitivity analysis of changes in those inputs used in Level 3 fair value measurements:

		Fair value at March 31, 2026	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Non-derivative debt instrument:					
Private fund investment	$	164,853	Net asset value	Not applicable.	Not applicable.

		Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted stocks	$	34,629	Net asset value	Not applicable.	Not applicable.
Non-derivative debt instrument:					
Private fund investment		161,858	Net asset value	Not applicable.	Not applicable.

		Fair value at March 31, 2025	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted stocks	$	42,021	Discounted cash flow	Long-term revenue growth rate, weighted average cost of capital, long-term pre-tax operating margin, discount for lack of marketability, discount for lack of control	The higher the discount for lack of marketability, the lower the fair value; The higher the weighted average cost of capital and discount for lack of control, the lower the fair value; The higher the long-term revenue growth rate and long-term pre-tax operating margin, the higher the fair value
Non-derivative debt instrument:					
Private fund investment		211,680	Net asset value	Not applicable.	Not applicable.

8. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, the use of different valuation models or assumptions may result in different measurements. The following shows the effect on profit or loss or other comprehensive income from financial assets classified within Level 3 if the inputs used in the valuation models were to change:

			Three Months Ended March 31, 2026			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Inputs	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Funds	Not applicable.	±1%	$ 1,649	($ 1,649)	$ -	$ -
Total			$ 1,649	($ 1,649)	$ -	$ -

			Three Months Ended March 31, 2025			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Inputs	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Discount for lack of marketability, discount for lack of control	±1%	$ 418	($ 418)	$ 2	($ 2)
Funds	Not applicable.	±1%	2,117	(2,117)	-	-
Total			$ 2,535	($ 2,535)	$ 2	($ 2)

13. Supplementary Disclosures

(1) Significant transactions information

1. Lending to others: None.
2. Provision of endorsements and guarantees to others: None.
3. Holding of major securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 1.
4. Purchases or sales of goods with related parties reaching $100 million or 20% of paid-in capital or more: None.
5. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: None.
6. Significant inter-company transactions during the reporting period: Please refer to table 2.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 3.

(3) Information on investments in Mainland China

1. Basic information: Please refer to table 4.
2. Significant transactions, either directly or indirectly through a third party, with investee companies in the Mainland Area: None.

14. Segment Reporting

(1) General information

The Group recognizes the reportable segments based on the reporting information used by the Chief Operating Decision-maker. The Chief Operating Decision-maker operates the business and evaluates performance by products. Its main business activities are related to the sale of "Media Creation" software. Information about operating results of other products is provided under the column heading "Media Experience, Entertainment and Others".

(2) Information about segments

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	Three Months Ended March 31, 2026		
	Media Creation	Media Experience and Entertainment and others	Total
Segment Revenue	$ 462,653	$ 122,681	$ 585,334
Segment Operating Income	$ 62,773	$ 15,842	$ 78,615
Segment income (loss), including:			
Depreciation expense	$ 4,020	$ 1,016	$ 5,036

	Three Months Ended March 31, 2025		
	Media Creation	Media Experience and Entertainment and others	Total
Segment Revenue	$ 429,879	$ 141,646	$ 571,525
Segment Operating Income	$ 51,184	$ 16,136	$ 67,320
Segment income (loss), including:			
Depreciation expense	$ 3,642	$ 1,148	$ 4,790

(3) Reconciliation for segment profit or loss

The Chief Operating Decision-Maker evaluates operating segment performance and allocates resources to operating segments based on segment revenues and operating income. Therefore, no reconciling adjustments are necessary.

CYBERLINK CORP. AND SUBSIDIARIES

Holding of major securities at the end of the period (not including subsidiaries, associates and joint ventures)

March 31, 2026

Table 1

Unit: Amounts expressed in thousands of New Taiwan Dollars

(EXCEPT AS OTHERWISE INDICATED)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of March31, 2026				Footnote (Note 4)
				Number of shares	Carrying amount (Note 3)	Ownership (%)	Fair value	
CyberLink Corp.	Yuanta Wan Tai Money Market Fund	None	Current financial assets at fair value through profit or loss	45,328,021	$ 727,837	2.68%	$ 727,837	
CyberLink Corp.	Fuh Hwa New Intelligence Fund	None	Non-current financial assets at fair value through profit or loss	3,000,000	60	1.90%	60	
CyberLink Corp.	Geothings Technology Co., Ltd	None	Non-current Financial assets at fair value through other comprehensive income	100,000	-	2.08%	-	
CyberLink Corp.	SKYMIZER TAIWAN INC.	None	Non-current Financial assets at fair value through other comprehensive income	40,000	-	0.89%	-	
CyberLink International Technology Corp.	Preferred stock of Cidana Inc.	None	Non-current Financial assets at fair value through other comprehensive income	500,000	-	3.56%	-	
CyberLink International Technology Corp.	Preferred stock of LOFTechnology, Inc.	None	Non-current Financial assets at fair value through other comprehensive income	100,000	-	0.57%	-	
CyberLink International Technology Corp.	CCV Fund I LP	None	Non-current financial assets at fair value through profit or loss	-	USD 5,150 (in thousands of dollars)	5.37%	USD 5,150 (in thousands of dollars)	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates, and other related derivative securities within the scope of IFRS 9, "Financial Instruments."

Note 2: Leave the column blank if the issuer of the marketable securities is a non-related party.

Note 3: Fill in the amount after adjustment at fair value and deduction of accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost after deduction of accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Note 5: This table includes marketable securities that the Company has determined should be disclosed based on the principle of materiality.

CYBERLINK CORP. AND SUBSIDIARIES

Significant inter-company transactions during the reporting periods

Three Months Ended March 31, 2026

Table 2

Unit: Amounts expressed in thousands of New Taiwan Dollars
(EXCEPT AS OTHERWISE INDICATED)

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	CyberLink Corp.	CyberLink Inc.	1	Sales revenue	$ 44,117	Note 4	7.5%
0	CyberLink Corp.	CyberLink Inc.	1	Receivables	14,559	Note 4, 5	0.2%
0	CyberLink Corp.	CyberLink.com Corp.	1	Sales revenue	59,149	Note 4	10.1%
0	CyberLink Corp.	CyberLink.com Corp.	1	Receivables	18,971	Note 4, 5	0.3%

Note 1: The numbers assigned to the transaction company with respect to inter-company transactions are as follows:
(a) Parent company is '0.'
(b) The subsidiaries are numbered in order starting from '1.'

Note 2: The relationship between transaction company and counterparty is classified into the following three categories; indicate the category number each case belongs to. (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose them twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose it.):
(a) Parent company to subsidiary.
(b) Subsidiary to parent company.
(c) Subsidiary to subsidiary.

Note 3: Regarding the percentage of transaction amount relative to consolidated total operating revenues or total assets, it is computed based on the period-end balance of the transaction relative to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period relative to consolidated total operating revenues for income statement accounts.

Note 4: Sales to subsidiaries are at normal prices and are collected 30 days after the delivery of goods.

Note 5: Receivables include accounts receivable and other receivables.

Note 6: Transaction amounts over $10,000 are disclosed; transactions are disclosed from both asset and revenue sides.

CYBERLINK CORP. AND SUBSIDIARIES

Information on investees

Three Months Ended March 31, 2026

Table 3

Unit: Amounts expressed in thousands of New Taiwan Dollars (EXCEPT AS OTHERWISE INDICATED)

Name of Investor	Investee (Note 1 and 2)	Location	Main business activities	Initial investment Amount: Balance as at March 31, 2026	Initial investment Amount: Balance as at December 31, 2025	Shares held as at March 31, 2026: Number of shares	Shares held as at March 31, 2026: Ownership (%)	Shares held as at March 31, 2026: Carrying amount	Net income of investee as of March 31, 2026 (Note 2(2))	Investment income (loss) recognized by the Company (Note 2(3))	Footnote
CyberLink Corp.	CyberLink.com Corp.	America	Sale of software	$136,327	$ 136,327	4,000,000	100%	$ 306,544	($ 4,052)	($ 4,052)	Direct subsidiary
CyberLink Corp.	CyberLink International Technology Corp.	B.V.I.	Investment activities	1,373,806	1,373,806	44,000,000	100%	1,809,018	27	27	Direct subsidiary
CyberLink Corp.	CyberLink Inc.	Japan	Sale of software	235,714	235,714	1,900	100%	173,160	3,035	3,035	Direct subsidiary
CyberLink International Technology Corp.	Perfect Corp.	Cayman	Investment activities	1,255,264 (USD 39,227 in thousands of dollars)	1,232,905 (USD 39,227 in thousands of dollars)	36,960,961	36.29%	1,613,434 (USD 50,420 in thousands of dollars)	74,412 (USD 2,353 in thousands of dollars)	-	Investments accounted for using the equity method

Note 1: If a public company has an overseas holding company and prepares consolidated financial statements as its primary financial report in accordance with local laws, it may disclose only the relevant information of the overseas holding company regarding its related overseas investee information.

Note 2: If the situation does not fall under Note 1, fill in the columns according to the following regulations:

(a) The columns of 'Investee,' 'Location,' 'Main business activities, " Initial investment amount' and 'Shares held as at March 31, 2026' should be filled in order with the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and the relationship between the Company (public company) and each of its investees (e.g., direct subsidiary or indirect subsidiary) should be noted in the 'footnote' column.

(b) The 'Net income (loss) of the investee' column should be filled in with the amount of net income (loss) of the investee for this period.

(c) The 'Investment income (loss) recognized by the Company for this period' column should be filled in with the Company (public company) recognized investment income (loss) of its direct subsidiary and recognized investment income (loss) of its investee accounted for under the equity method for this period. When filling in the recognized investment income (loss) of its direct subsidiary, the Company (public company) should confirm that the direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognized in accordance with regulations.

CYBERLINK CORP. AND SUBSIDIARIES

Information on investments in Mainland China

Three Months Ended March 31, 2026

Table 4

Unit: Amounts expressed in thousands of New Taiwan Dollars (EXCEPT AS OTHERWISE INDICATED)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2026	Amount of investment remitted or recovered during the period: Remitted to Mainland China	Amount of investment remitted or recovered during the period: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026	Net income of investee as of March 31, 2026	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the period (Note 2(2)B)	Carrying amount of investments in Mainland China as of March 31, 2026	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2026	Footnote
Perfect (Shanghai) Co., Ltd.	Trading of computer peripheral and software	$ 131,392 (USD 4,106 in thousands of dollars)	(2)	$ 64,128 (USD 2,004 in thousands of dollars)	$ -	$ -	$ 64,128 (USD 2,004 in thousands of dollars)	($ 3,694)	36.29%	$ -	$ 6,770	$ -	Note 4, 5

Company Name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
CyberLink Corp.	$ 64,128 (USD 2,004 in thousands of dollars)	$ 76,736 (USD 2,738 in thousands of dollars)	$2,872,633

Note 1:Investment methods are classified into the following three categories; fill in the number of the category that each case belongs to:

(a) Directly investment in a company in mainland China

(b) Investment through an existing company in a third-area country, which then invested in the investee in Mainland China.

(c) Others.

Note 2:In the ‘Investment income (loss) recognized by the Company for March 31, 2026’ column:

(a) It should be indicated if the investee was still in the process of incorporation and had not yet generated any profit during this period.

(b) Indicate the basis for investment income (loss) recognition by using the number of one of the following three categories:

A. The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

B. Financial report reviewed by CPAs of Perfect Corp. (Cayman)

C. Others.

Note 3:The numbers in this table are expressed in New Taiwan Dollars.

Note 4:Investment made through CyberLink International Technology Corp.

Note 5:Perfect (Shanghai) Co., Ltd. is a subsidiary directly invested in by Perfect Corp. (Cayman), which is the Group’s investee company recognized under the equity method.