

# INNOCARE OPTOELECTRONICS CORPORATION

## 2026 Annual Shareholders' Meeting Minutes

**Method for Convening the Meeting:** Physical Shareholders' Meeting

**Time:** 09:00 am, May 29, 2026

**Venue:** 1F, The Performance Hall, Southern Taiwan Science Park Administration Building  
No. 22, Nanke 3rd Rd., Xinshi Dist., Tainan City

**Total shares represented by shareholders present in person or by proxy:** 26,715,993 shares (including 22,834,058 shares casted electronically, This represents 64.22% of the Company's total issued shares (excluding the 0 shares without voting rights as stipulated in Article 179, Paragraph 2 of the Company Law), which is 41,599,250 shares. The number of shares required to be present has been met

**Directors present:** Tai-Chi Pan, Chairman, Jyh-Chau Wang, Director, Jun-Hao Peng, Director Zhao-Hua Li, Director, Hung-Chi Li, Independent Director, Convener of the Audit Committee ), Yi-Hung Chou, Independent Director, Chi-Tsung Huang , Independent Director

**Non-voting delegates:** Chih-Sheng Lee, President, Hui-Xian Chien, Legal  
Ya-Ling Wong, Certified Public Accountant of Deloitte & Touche

**Chairman:** Tai-Chi Pan

**Recorder:** Jia-xing Cheng

**Commencement:** The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

**Chairman Remarks:** (Ommitted)

### **Reporting Items:**

I. 2025 Business Report (Ommitted).

II. Audit Committee Review Report (Ommitted)

III. Report on Allocation of 2025 Remuneration to Board of Directors and Employees. (Ommitted)

### **Ratification Items**

(Proposed by the Board of Directors)

### **Proposal I: 2025 Business Report and Financial Statements**

Explanatory note :

I. 2025 Financial Statements of the Company had been duly audited by CPA Wong Ya-Ling and CPA Shao Chih-Ming of Deloitte Taiwan.

II. 2025 Business Report and Financial Statements are attached hereto as **Attachment I & III** .

Resolution: RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results: 26,715,993 shares were represented at the time of voting (including 22,834,058 shares casted electronically and 0 shares casted by virtual meeting)

Voting Results		% of the Represented Share Present
Votes in favor	24,683,500	92.39%
Votes against	4,572	0.01%
Invalid votes	0	0.00%
Votes abstained / Not voted	2,027,921	7.59%

(Proposed by the Board of Directors)

**Proposal II: 2025 Earnings Distribution Table**

Explanatory note:

- I. Please refer to **Attachment IV** for 2025 Earnings Distribution Table.
- II. Proposed cash dividend distributed to shareholders is NT\$83,198,500 (NT\$ 2 per share). The distribution of cash dividends shall be accounted by dollars and rounded off to the integer. Fractional dividend amounts that are less than NT\$1 are aggregated and recorded as other income of the Company.
- III. In the event that there is change in capital of the Company affecting the outstanding shares of the Company, causing the distribution ratio shall be changed and adjusted, it is proposed that the Chairman be authorized to handle this situation.
- IV. It is proposed that the Chairman be authorized to decide the record date, the distribution date, and other related matters after this proposal is resolved by the shareholders meeting.

Resolution: RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results: 26,715,993 shares were represented at the time of voting (including 22,834,058 shares casted electronically and 0 shares casted by virtual meeting)

Voting Results		% of the Represented Share Present
Votes in favor	24,683,568	92.39%
Votes against	4,608	0.01%
Invalid votes	0	0.00%
Votes abstained / Not voted	2,027,817	7.59%

**Extemporary Motions:** None.

**Adjournment:** The meeting was adjourned at 09:10 am

There was no attending shareholder raised questions in this annual shareholders' meeting.

## **InnoCare Optoelectronics Corporation**

### **2025 Business Report**

Report on the Company's operating results for 2025 as follows.

#### **I. Report on Operating Results for 2025**

The last year was full of changes and surprises, and the global situation can be summarized as “turbulent”. During the year, InnoCare Optoelectronics Corporation (hereinafter referred to as “InnoCare”) continued to deepen its vertical integration strategy of “from components to systems”. Amid the global wave of digital healthcare transformation and precision medicine, we have not only consolidated our global leading position in thin film transistor (TFT) technology for X-ray sensors, but also actively advanced the cross-border expansion of smart healthcare solutions.

The Company runs businesses around the world, with raw materials supplied from many different countries and products sold and customers located in various regions, and it is unavoidable for the Company to be affected by political and economic activities. Over the past year, the US dollar, Japanese yen and other currencies have fluctuated significantly against the New Taiwan Dollar, changes in the situations in the Middle East have affected shipping from time to time, and tariffs have been used as a political and economic tool by a number of countries, all of which have made it more difficult for the Company to run its business. Although the external environment is unpredictable and difficult to control, the Company’s team is still committed to providing customers with better products, technology and services in order to enhance operational performance.

As an enterprise focused on the independent design, research and development (R&D), and sales of X-ray sensors, the Company is dedicated to providing comprehensive and reliable X-ray imaging and sensing solutions to meet the needs of medical diagnostics and industrial non-destructive testing.

The Company's mission is to become a global leader in total solutions for X-ray sensing technology, manufacturing, and services, and to build a world-class one-stop service for X-ray sensors. The Company strives to realize its vision: “perceiving the future to enrich the current performance, and using AI smart vision to protect health and safety.” The Company continuously invests in the R&D of next-generation IGZO structures, high pixel-fill-factor device designs, and key scintillator manufacturing processes to strengthen its technological and product competitiveness. The Company is expanding its product portfolio to include medical X-ray sensor modules and industrial non-destructive testing equipment, while developing AI image analysis technologies to satisfy customer demand for high-quality and high-performance products. By integrating the global supply chain, the Company collaborates to build a strong alliance within the global medical device industry in smart healthcare, creating a remarkable new era for smart medical care and precision inspection.

Against the backdrop of rapid growth in Taiwan’s aging society, demand for home healthcare and long-term care services is rising sharply. With its innovative “Handheld X-ray Machine + Digital DR Panel” the company is actively leading Taiwan’s medical industry toward a smarter and more mobile healthcare landscape.

#### Core Strategies and Advantages:

1. **Mobile Healthcare:** Breaking through the constraints of traditional healthcare settings, the Company brings X-ray diagnostic imaging to patients’ homes, long-term care facilities, and remote areas.
2. **Low-Threshold Adoption:** The portable equipment is easy to operate and deploy, effectively lowering adoption costs and technical barriers for medical institutions.
3. **Real-Time Image Interpretation:** The digital DR panel delivers high-resolution images to support rapid decision-making in emergency care, surgery, and home healthcare.

#### Market Progress & Regulatory Breakthroughs:

1. **Cooperation Achievements:** The Company has successfully installed its systems in at least eight leading medical institutions, including Chi Mei Medical Center and National Cheng Kung University Hospital (NCKUH), and is actively expanding its partnerships.
2. **Regulatory Breakthroughs:** The Company has successfully met the radiation safety requirements of the Atomic Energy Council (AEC), established a dedicated application window, and significantly simplified the adoption process.

#### Clinical Applications & ESG Value:

1. **Diverse Applications:** The Company's services span a wide range of care settings, including long-term care and hospice, emergency and surgical support, and diagnostic imaging expansion for community clinics, meeting the needs of each setting.

2. **Sustainability Contributions:**

**Environmental:** By reducing the need for patient transport, the Company helps lower the carbon footprint of healthcare delivery.

**Social:** The Company promotes healthcare equality by extending diagnostic services to remote communities and long-term care facilities.

**Governance:** The Company is helping to establish standards for mobile healthcare, aligning with and supporting national health policies.

#### Future Outlook:

With Taiwan’s elderly population projected to exceed 40% by 2050, the potential of the home healthcare market is immense. Through collaborations with over 20 medical institutions, the Company has established a scalable business model. Evolving from a pure equipment provider into an enabler of collaborative healthcare, the Company is committed to creating triple bottom line value to build a more robust and intelligent healthcare system for Taiwan.

## II. Results of Business Plan Implementation

For the year ended December 31, 2025, the Company's net operating income was NT\$ 2,293,791 thousand, an increase of 15.29% over the previous year. This was mainly due to the release of new products from customers, the increase in overall demand, and the gradual growth of business performance in emerging markets, and the Company's in-depth cooperation with international medical brand customers also contributed to the sales. For the year ended December 31, 2025, the net profit attributable to shareholders of the Company was NT\$ 159,510 thousand, with an increase of 4.3% compared with the previous year, and the earnings per share was NT\$ 3.84, with an increase of 2.4% compared with the previous year.

## III. Results of Budget Execution

No financial forecast has been disclosed for 2025, therefore there is no need to disclose budget execution.

## IV. Analysis of Financial Income and Expenditure and Profitability

Item		2024	2025
Financial structure (%)	Debts to assets ratio	41.69	43.55
	Ratio of long-term capital to property, plant, and equipment	600.65	811.16
Solvency	Current ratio (%)	255.31	233.88
	Quick ratio (%)	188.26	174.68
	Time interest earned (times)	68.98	95.82
Profitability	Return on assets (%)	6.69	6.51
	Return on shareholder equity (%)	11.46	11.24
	Operating income as a percentage of paid-in capital (%)	8.05	32.62
	Net income before tax as a percentage of paid-in capital (%)	47.76	45.84
	Profit margin (%)	7.69	6.95
	Earnings per share (NTD)	3.75	3.84

## V. Status of Research and Development

With development and design of thin-film transistor-photodiode (TFT-PD) structure, detector module and testing image analysis as the core technology, the Company mainly develops X-ray flat panel detector related products based on this core technology, with the product categories covering components, modules, testing system and other different types, and they are mainly used for digital X-ray testing system in testing fields such as medical treatment and industrial manufacturing, etc. Since this type of product requires high precision, high reliability and durability, the product development and design verification often lasts for several years, so the product life cycle is generally over 5 to 7 years, and some even cost more than 10 years.

In response to evolving market demands and end-user applications, the demand for X-ray flat panel detectors has expanded rapidly from traditional static DR and mammograph to dynamic fields such as dentistry, surgical C-Arms, CT, gastrointestinal imaging, and industrial CT. The core technical requirements across these applications consistently center on high spatial resolution and high frame rates.

To continuously strengthen its technological and product competitiveness, the Company is now focusing on the development of products with smaller pixel pitches and higher resolution designs. These advancements enable the capture of finer image details, which is particularly critical for the early detection of lesions. Furthermore, the Company is actively increasing the adoption of IGZO technology in its products. By continuously improving the device speed, the Company is enabling higher-frequency applications, including 2D and 3D imaging modes. Additionally, through the optimization of scintillator materials and manufacturing processes, the Company is able to achieve clearer images with lower noise, thereby further reducing the radiation dose received by patients. Meanwhile, to address applications in high-end manufacturing, advanced packaging, and energy inspection within the industrial sector, the Company is continuously enhancing the X-ray tolerance of its devices, thereby increasing product value and competitiveness.

Overall, the X-ray flat panel detector industry has been evolving rapidly over the past one to two years toward higher image quality, greater intelligence, more flexible applications, and lower radiation doses. The integration of AI, in particular, is injecting new vitality into the industry, heralding a future where medical imaging diagnostics will be more precise, efficient, and patient-centric.

The expenses for research and development were NT\$218,938 thousand in 2025, accounting for 9.54% of net income from operations. The Company had 81 approved domestic and foreign patents in total, showing the development achievements of the R&D team. In the future, we will continue to invest R&D resources, launch high-value-added products, as well as improve customer loyalty and market competitiveness. In the meantime, the Company will also regularly review the patent portfolio that it holds and patent application status of the competitors, so as to guarantee maximum benefit as much as possible in terms of patent layout and related expenditures.

Chairman:

Managerial Officer:

Chief Accountant:

## Attachment 2

# Audit Committee Review Report

The Board of Directors has duly submitted the 2025 business report, financial statements, and the proposal of earnings distribution. The financial statements has been duly reviewed and approved by CPAs of Deloitte Taiwan with the issuance of Independent Auditor's Report.

The Audit Committee of the Company, have completed the audit and review, and had found nothing inconsistent with any of the above business report, financial statements, and the proposal of earnings distribution. Therefore, I issue this audit report for acknowledgment in accordance with the Securities and Exchange Act and the Company Act.

To

Annual Shareholders' Meeting of the Company in 2026

Convener of the Audit Committee  
Li, Hung-Chi  
Date: March 3, 2026

## Independent Auditors' Report and Financial Statements

### INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
InnoCare Optoelectronics Corporation

#### Opinion

We have audited the accompanying financial statements of InnoCare Optoelectronics Corporation (the "Company"), which comprise the balance sheets as of December 31, 2025 and 2024, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

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

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the financial statements for the year ended December 31, 2025 is stated as follows:

#### Cutoff of Operating Revenue Recognition

The Company is mainly engaged in the manufacturing and sale of X-ray flat panel detectors. On the basis of the shipping terms agreed between customers and the Company, the Company recognizes operating revenue when satisfying the performance obligation by transferring control of a promised good or service to the customer. The operating revenue might not be recorded in the correct accounting period due to various shipping terms. Therefore, the cutoff of operating revenue recognition was considered a key audit matter. The main audit procedure we performed in response to the key audit matter described above included understanding and testing the design and implementation as well as the operating effectiveness of the internal controls relevant to the cutoff of operating revenue recognition, sampling from a specific period of journals of sales close to the balance sheet date, examining the delivery notices and external shipping documents, and confirmed operating revenue was recognized in the appropriate period.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Ya-Ling Wong and Chih-Ming Shao.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 3, 2026

Notice to Readers

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

*For the convenience of readers, the independent 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. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.*

# INNOCARE OPTOELECTRONICS CORPORATION

## BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 407,193	17	\$ 403,225	18
Financial assets at fair value through profit or loss (Note 7)	-	-	19,600	1
Accounts receivable (Notes 9 and 20)	130,071	6	139,456	6
Accounts receivable from related parties (Notes 20 and 28)	585,048	25	519,560	24
Other receivables (Note 9)	4,038	-	8,223	-
Other receivables from related parties (Note 28)	22,357	1	10,606	1
Inventories (Note 10)	533,293	23	480,620	22
Other current assets	11,901	1	12,210	1
Total current assets	1,693,901	73	1,593,500	73
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income (Note 8)	52,150	2	-	-
Investments accounted for using the equity method (Note 11)	336,165	15	305,326	14
Property, plant and equipment (Notes 12 and 28)	142,097	6	174,648	8
Right-of-use assets (Notes 13 and 28)	53,378	2	69,982	3
Intangible assets	12,352	1	11,755	1
Deferred tax assets (Note 22)	30,835	1	25,375	1
Prepayments for equipment (Note 12)	2,124	-	7,225	-
Other non-current assets (Note 28)	2,394	-	2,394	-
Total non-current assets	631,495	27	596,705	27
<b>TOTAL</b>	<b>\$ 2,325,396</b>	<b>100</b>	<b>\$ 2,190,205</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 14)	\$ 80,000	3	\$ 100,000	5
Contract liabilities (Note 20)	1,933	-	5,540	-
Accounts payable (Note 15)	190,400	8	137,696	6
Accounts payable to related parties (Note 28)	315,756	14	236,374	11
Other payables (Notes 12 and 16)	127,421	5	165,063	7
Other payable to related parties (Note 28)	22,466	1	21,838	1
Current tax liabilities (Note 22)	16,009	1	18,484	1
Provision (Note 17)	13,945	1	7,174	-
Lease liabilities (Notes 13 and 28)	12,081	1	12,667	1
Other current liabilities (Note 16)	30,172	1	26,129	1
Total current liabilities	810,183	35	730,965	33
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities (Note 22)	17	-	-	-
Lease liabilities (Notes 13 and 28)	41,800	2	57,928	3
Net defined benefit liabilities (Note 18)	555	-	524	-
Guarantee deposits received	16,835	-	17,561	1
Investments accounted for using the equity method - credit balance (Note 11)	230	-	-	-
Total non-current liabilities	59,437	2	76,013	4
Total liabilities	869,620	37	806,978	37
<b>EQUITY (Notes 19 and 24)</b>				
Common stock	415,992	18	415,025	19
Capital collected in advance	-	-	21	-
Capital surplus	455,407	20	455,024	21
Retained earnings				
Legal reserve	81,213	4	65,954	3
Special reserve	54,990	2	25,616	1
Unappropriated earnings	516,748	22	476,577	22
Total retained earnings	652,951	28	568,147	26
Other equity	(68,574)	(3)	(54,990)	(3)
Total equity	1,455,776	63	1,383,227	63
<b>TOTAL</b>	<b>\$ 2,325,396</b>	<b>100</b>	<b>\$ 2,190,205</b>	<b>100</b>

The accompanying notes are an integral part of the financial statements.

# INNOCARE OPTOELECTRONICS CORPORATION

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 20 and 28)	\$ 2,120,405	100	\$ 1,800,945	100
OPERATING COSTS (Notes 10, 21 and 28)	<u>1,663,765</u>	<u>79</u>	<u>1,389,940</u>	<u>77</u>
GROSS PROFIT	456,640	21	411,005	23
UNREALIZED GAIN ON SALES	(14,624)	(1)	(13,187)	(1)
REALIZED GAIN ON SALES	<u>13,187</u>	<u>1</u>	<u>11,229</u>	<u>1</u>
NET GROSS PROFIT	<u>455,203</u>	<u>21</u>	<u>409,047</u>	<u>23</u>
OPERATING EXPENSES (Notes 21 and 28)				
Selling and marketing expenses	42,931	2	46,218	3
General and administrative expenses	108,473	5	99,421	5
Research and development expenses	<u>217,394</u>	<u>10</u>	<u>270,873</u>	<u>15</u>
Total operating expenses	<u>368,798</u>	<u>17</u>	<u>416,512</u>	<u>23</u>
OPERATING INCOME	<u>86,405</u>	<u>4</u>	<u>(7,465)</u>	<u>-</u>
NON-OPERATING INCOME AND EXPENSES (Notes 21, 25 and 28)				
Interest income	9,743	-	9,109	-
Other income	63,545	3	124,534	7
Other gains and losses	(25,855)	(1)	29,147	2
Financial cost	(1,937)	-	(2,879)	-
Share of profit of subsidiaries accounted for using the equity method	<u>42,683</u>	<u>2</u>	<u>25,030</u>	<u>1</u>
Total non-operating income and expenses	<u>88,179</u>	<u>4</u>	<u>184,941</u>	<u>10</u>
INCOME BEFORE INCOME TAX	174,584	8	177,476	10
INCOME TAX EXPENSE (Note 22)	<u>15,074</u>	<u>-</u>	<u>24,537</u>	<u>1</u>
NET INCOME	<u>159,510</u>	<u>8</u>	<u>152,939</u>	<u>9</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 18 and 22)				

(Continued)

# INNOCARE OPTOELECTRONICS CORPORATION

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 63	-	\$ 171	-
Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(2,913)	-	(34,000)	(2)
Income tax relating to items that will not be reclassified subsequently to profit or loss	(13)	-	(34)	-
	<u>(2,863)</u>	<u>-</u>	<u>(33,863)</u>	<u>(2)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(10,671)	(1)	4,626	-
Other comprehensive income (loss), net of income tax	(13,534)	(1)	(29,237)	(2)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>\$ 145,976</u>	<u>7</u>	<u>\$ 123,702</u>	<u>7</u>
<b>EARNINGS PER SHARE (Note 23)</b>				
Basic	<u>\$ 3.84</u>		<u>\$ 3.75</u>	
Diluted	<u>\$ 3.79</u>		<u>\$ 3.64</u>	

The accompanying notes are an integral part of the financial statements.

(Concluded)

## INNOCARE OPTOELECTRONICS CORPORATION

STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)

	Capital				Retained Earnings			Unappropriated Earnings			Other Equity			Total Equity
	Common Stock	Capital Collected in Advance		Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity				
		\$	\$								\$	\$	\$	
BALANCE AT JANUARY 1, 2024	402,285	104	448,127	54,451	14,339	391,059	(23,616)	(2,000)	1,284,749					
Appropriation of the 2023 earnings	-	-	-	-	-	-	-	-	-					
Legal reserve	-	-	-	11,503	-	(11,503)	-	-	-					
Special reserve	-	-	11,277	-	(11,277)	-	-	-	-					
Cash dividends distributed by the Company	-	-	-	-	(44,294)	-	-	-	(44,294)					
Net income for the year ended December 31, 2024	-	-	-	-	-	152,939	-	-	152,939					
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	137	4,626	(34,000)	(29,237)					
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	153,076	4,626	(34,000)	123,702					
Employee share options	12,740	(83)	5,460	-	-	-	-	-	18,117					
Share-based payments	-	-	1,437	-	-	(484)	-	-	953					
BALANCE AT DECEMBER 31, 2024	415,025	21	455,024	65,954	25,616	476,577	(18,990)	(36,000)	1,383,227					
Appropriation of the 2024 earnings	-	-	-	-	-	-	-	-	-					
Legal reserve	-	-	-	15,259	-	(15,259)	-	-	-					
Special reserve	-	-	29,374	-	(29,374)	-	-	-	-					
Cash dividends distributed by the Company	-	-	-	-	(74,756)	-	-	-	(74,756)					
Net income for the year ended December 31, 2025	-	-	-	-	-	159,510	-	-	159,510					
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	50	(10,671)	(2,913)	(13,534)					
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	159,560	(10,671)	(2,913)	145,976					
Employee share options	967	(21)	383	-	-	-	-	-	1,329					
BALANCE AT DECEMBER 31, 2025	415,992	-	455,407	81,213	54,990	516,748	(29,661)	(38,913)	1,455,776					

The accompanying notes are an integral part of the financial statements.

# INNOCARE OPTOELECTRONICS CORPORATION

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 174,584	\$ 177,476
Adjustments for:		
Depreciation	71,024	72,211
Amortization	4,203	4,008
Finance costs	1,937	2,879
Interest income	(9,743)	(9,109)
Share-based payments	-	953
Share of profits of subsidiaries accounted for using the equity method	(42,683)	(25,030)
Write-down of inventories	17,822	10,178
Unrealized gain on sales	14,624	13,187
Realized gain on sales	(13,187)	(11,229)
Gain on disposal of property, plant and equipment	-	(67)
Unrealized gain on foreign exchange	(732)	(17,580)
Gain on lease modifications	(829)	-
Net changes in operating assets and liabilities		
Accounts receivable	9,611	(74,266)
Accounts receivable from related parties	(64,930)	(2,512)
Other receivables	3,962	8,778
Other receivables from related parties	(11,649)	8,918
Inventories	(70,495)	52,924
Other current assets	(37)	(3,899)
Contract liabilities	(3,618)	2,681
Accounts payable	53,004	3,151
Accounts payable to related parties	78,574	7,795
Other payables	(18,740)	17,146
Other payables to related parties	642	169
Provisions	6,771	(9,638)
Other current liabilities	4,036	11,725
Net defined benefit liabilities	94	204
Cash generated from operating activities	204,245	241,053
Income tax paid	(23,005)	(25,134)
Net cash generated from operating activities	<u>181,240</u>	<u>215,919</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(35,463)	-
Purchase of financial assets at fair value through profit or loss	-	(19,600)
Acquisition of investments accounted for using the equity method	(34)	-
Payments for property, plant, equipment	(41,890)	(89,056)
Proceeds from disposal of property, plant and equipment	-	47,670
Payments for intangible assets	(2,400)	(1,920)
Increase in other non-current assets	-	(279)

(Continued)

# INNOCARE OPTOELECTRONICS CORPORATION

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

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	2025	2024
Interest received	\$ 9,950	\$ 8,902
Net cash used in investing activities	<u>(69,837)</u>	<u>(54,283)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term borrowings	320,000	100,000
Decrease in short-term borrowings	(340,000)	(170,000)
Increase in guarantee deposits received	-	10,643
Repayment of the principal portion of lease liabilities	(12,058)	(12,946)
Cash dividends paid	(74,756)	(44,294)
Exercise of employee share options	1,329	18,117
Interest paid	<u>(1,950)</u>	<u>(2,769)</u>
Net cash used in financing activities	<u>(107,435)</u>	<u>(101,249)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,968	60,387
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<u>403,225</u>	<u>342,838</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>\$ 407,193</u>	<u>\$ 403,225</u>

The accompanying notes are an integral part of the financial statements.

(Concluded)

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
InnoCare Optoelectronics Corporation

### **Opinion**

We have audited the accompanying consolidated financial statements of InnoCare Optoelectronics Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the consolidated financial statements for the year ended December 31, 2025 is stated as follows:

#### Cutoff of Operating Revenue Recognition

The Group is mainly engaged in the manufacturing and sale of X-ray flat panel detectors. On the basis of the shipping terms agreed between customers and the Group, the Group recognizes operating revenue when satisfying the performance obligation by transferring control of a promised good or service to the customer. The operating revenue might not be recorded in the correct accounting period due to various shipping terms. Therefore, the cutoff of operating revenue recognition was considered a key audit matter. The main audit procedure we performed in response to the key audit matter described above included understanding and testing the design and implementation as well as the operating effectiveness of the internal controls relevant to the cutoff of operating revenue recognition, sampling from a specific period of journals of sales close to the balance sheet date, examining the delivery notices and external shipping documents, and confirmed operating revenue was recognized in the appropriate period.

#### **Other Matter**

We have also audited the parent company only financial statements of InnoCare Optoelectronics Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

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 IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Ya-Ling Wong and Chih-Ming Shao.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 3, 2026

Notice to Readers

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

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

# INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 869,065	34	\$ 774,981	33
Financial assets at fair value through profit or loss (Note 7)	-	-	19,600	1
Notes receivable (Notes 9 and 20)	-	-	5,697	-
Accounts receivable (Notes 9 and 20)	777,841	30	693,085	29
Accounts receivable from related parties (Notes 20 and 28)	553	-	4,368	-
Other receivables (Note 9)	17,701	1	11,325	1
Other receivables from related parties (Note 28)	12,566	-	730	-
Current tax assets (Note 22)	3,434	-	2,846	-
Inventories (Note 10)	566,649	22	527,288	22
Other current assets	30,170	1	32,593	1
Total current assets	<u>2,277,979</u>	<u>88</u>	<u>2,072,513</u>	<u>87</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss (Note 7)	506	-	474	-
Financial assets at fair value through other comprehensive income (Note 8)	52,150	2	-	-
Property, plant and equipment (Notes 12 and 28)	142,897	6	176,190	8
Right-of-use assets (Notes 13 and 28)	54,950	2	73,597	3
Intangible assets	12,352	1	11,755	1
Deferred tax assets (Note 22)	30,835	1	25,375	1
Prepayments for equipment (Note 12)	2,124	-	7,225	-
Other non-current assets (Note 28)	4,837	-	5,093	-
Total non-current assets	<u>300,651</u>	<u>12</u>	<u>299,709</u>	<u>13</u>
<b>TOTAL</b>	<u>\$ 2,578,630</u>	<u>100</u>	<u>\$ 2,372,222</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 14)	\$ 80,000	3	\$ 100,000	4
Contract liabilities (Note 20)	2,054	-	5,709	-
Accounts payable (Note 15)	321,088	12	218,123	9
Accounts payable to related parties (Note 28)	301,225	12	203,266	9
Other payables (Notes 12 and 16)	156,696	6	191,638	8
Other payables to related parties (Note 28)	20,792	1	17,977	1
Current tax liabilities (Note 22)	25,334	1	23,286	1
Provisions (Note 17)	13,945	1	7,174	-
Lease liabilities (Notes 13 and 28)	13,516	-	14,452	1
Other current liabilities (Note 16)	39,357	2	30,141	1
Total current liabilities	<u>974,007</u>	<u>38</u>	<u>811,766</u>	<u>34</u>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities (Note 22)	17	-	-	-
Lease liabilities (Notes 13 and 28)	41,800	2	59,597	3
Net defined benefit liabilities (Note 18)	555	-	524	-
Guarantee deposits received	106,475	4	117,108	5
Total non-current liabilities	<u>148,847</u>	<u>6</u>	<u>177,229</u>	<u>8</u>
Total liabilities	<u>1,122,854</u>	<u>44</u>	<u>988,995</u>	<u>42</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 19 and 24)</b>				
Common stock	<u>415,992</u>	<u>16</u>	<u>415,025</u>	<u>17</u>
Capital collected in advance	-	-	21	-
Capital surplus	<u>455,407</u>	<u>18</u>	<u>455,024</u>	<u>19</u>
Retained earnings				
Legal reserve	81,213	3	65,954	3
Special reserve	54,990	2	25,616	1
Unappropriated earnings	<u>516,748</u>	<u>20</u>	<u>476,577</u>	<u>20</u>
Total retained earnings	<u>652,951</u>	<u>25</u>	<u>568,147</u>	<u>24</u>
Other equity	<u>(68,574)</u>	<u>(3)</u>	<u>(54,990)</u>	<u>(2)</u>
Total equity	<u>1,455,776</u>	<u>56</u>	<u>1,383,227</u>	<u>58</u>
<b>TOTAL</b>	<u>\$ 2,578,630</u>	<u>100</u>	<u>\$ 2,372,222</u>	<u>100</u>

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

# INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 20 and 28)	\$ 2,293,791	100	\$ 1,989,666	100
OPERATING COSTS (Notes 10, 21 and 28)	<u>1,699,340</u>	<u>74</u>	<u>1,437,382</u>	<u>72</u>
GROSS PROFIT	<u>594,451</u>	<u>26</u>	<u>552,284</u>	<u>28</u>
OPERATING EXPENSES (Notes 9, 21 and 28)				
Selling and marketing expenses	121,767	5	134,790	7
General and administrative expenses	117,735	5	109,037	5
Research and development expenses	218,938	10	275,035	14
Expected credit loss	<u>310</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>458,750</u>	<u>20</u>	<u>518,862</u>	<u>26</u>
OPERATING INCOME	<u>135,701</u>	<u>6</u>	<u>33,422</u>	<u>2</u>
NON-OPERATING INCOME AND EXPENSES (Notes 21, 25 and 28)				
Interest income	11,831	-	10,393	-
Other income	72,266	3	131,447	7
Other gains and losses	(27,107)	(1)	25,874	1
Finance cost	<u>(2,011)</u>	<u>-</u>	<u>(2,916)</u>	<u>-</u>
Total non-operating income and expenses	<u>54,979</u>	<u>2</u>	<u>164,798</u>	<u>8</u>
INCOME BEFORE INCOME TAX	190,680	8	198,220	10
INCOME TAX EXPENSE (Note 22)	<u>31,170</u>	<u>1</u>	<u>45,281</u>	<u>2</u>
NET INCOME	<u>159,510</u>	<u>7</u>	<u>152,939</u>	<u>8</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 18 and 22)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	63	-	171	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(2,913)	-	(34,000)	(2)
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(13)</u>	<u>-</u>	<u>(34)</u>	<u>-</u>

(Continued)

# INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>(10,671)</u>	<u>(1)</u>	<u>4,626</u>	<u>-</u>
Other comprehensive income (loss), net of income tax	<u>(13,534)</u>	<u>(1)</u>	<u>(29,237)</u>	<u>(2)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>\$ 145,976</u>	<u>6</u>	<u>\$ 123,702</u>	<u>6</u>
<b>NET INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 159,510	7	\$ 152,939	8
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 159,510</u>	<u>7</u>	<u>\$ 152,939</u>	<u>8</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 145,976	6	\$ 123,702	6
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 145,976</u>	<u>6</u>	<u>\$ 123,702</u>	<u>6</u>
<b>EARNINGS PER SHARE (Note 23)</b>				
Basic	<u>\$ 3.84</u>		<u>\$ 3.75</u>	
Diluted	<u>\$ 3.79</u>		<u>\$ 3.64</u>	

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

(Concluded)

## INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)

	Capital		Retained Earnings			Other Equity			Total Equity
	Common Stock	Collected in Advance	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2024	\$ 402,285	\$ 104	\$ 448,127	\$ 54,451	\$ 14,339	\$ 391,059	\$ (23,616)	\$ (2,000)	\$ 1,284,749
Appropriation of 2023 earning	-	-	-	-	-	(11,503)	-	-	-
Legal reserve	-	-	-	11,503	-	(11,277)	-	-	-
Special reserve	-	-	-	-	11,277	(44,294)	-	-	(44,294)
Cash dividends distributed by the Company	-	-	-	-	-	152,939	-	-	152,939
Net income for the year ended December 31, 2024	-	-	-	-	-	137	4,626	(34,000)	(29,237)
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	153,076	4,626	(34,000)	123,702
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	-	-	18,117
Employee share options	12,740	(83)	5,460	-	-	(484)	-	-	953
Share-based payments	-	-	1,437	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2024	415,025	21	455,024	65,954	25,616	476,577	(18,990)	(36,000)	1,383,227
Appropriation of 2024 earnings	-	-	-	-	-	(15,259)	-	-	-
Legal reserve	-	-	-	15,259	-	(29,374)	-	-	-
Special reserve	-	-	-	-	29,374	(74,756)	-	-	(74,756)
Cash dividends distributed by the Company	-	-	-	-	-	159,510	-	-	159,510
Net income for the year ended December 31, 2025	-	-	-	-	-	50	(10,671)	(2,913)	(13,534)
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	159,560	(10,671)	(2,913)	145,976
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	-	-	-	1,329
Employee share options	967	(21)	383	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2025	\$ 415,992	\$ -	\$ 455,407	\$ 81,213	\$ 54,990	\$ 516,748	\$ (29,661)	\$ (38,913)	\$ 1,455,776

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

# INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 190,680	\$ 198,220
Adjustments for:		
Depreciation	73,193	75,385
Amortization	4,203	4,008
Expected credit loss	310	-
Net gain on fair value changes of financial assets at fair value through profit or loss	(6)	(18)
Finance costs	2,011	2,916
Interest income	(11,831)	(10,393)
Share-based payments	-	953
Gain on disposal of property, plant and equipment	-	(173)
Write-down of inventories	16,096	10,206
Unrealized loss (gain) on foreign exchange	(6,874)	6,736
Gain on lease modifications	(829)	-
Net changes in operating assets and liabilities		
Notes receivable	5,451	20,481
Accounts receivable	(113,996)	(76,220)
Accounts receivable from related parties	12,123	(1,583)
Other receivables	(6,780)	19,336
Other receivables from related parties	(11,651)	56
Inventories	(55,275)	59,551
Other current assets	1,607	(10,985)
Contract liabilities	(3,646)	(4,712)
Accounts payable	120,525	(43,549)
Accounts payable to related parties	88,309	3,946
Other payables	(15,603)	16,330
Other payables to related parties	2,539	(434)
Provisions	6,771	(9,638)
Other current liabilities	9,202	14,069
Net defined benefit liabilities	94	204
Cash generated from operations	306,623	274,692
Income tax paid	(35,027)	(39,761)
Net cash generated from operating activities	<u>271,596</u>	<u>234,931</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(35,463)	-
Purchase of financial assets at fair value through profit or loss	(115)	(19,802)
Proceeds from sale of financial assets at fair value through profit or loss	83	246
Payments for property, plant, equipment	(41,442)	(89,056)
Proceeds from disposal of property, plant and equipment	-	48,734
Payments for intangible assets	(2,400)	(1,920)

(Continued)

# INNOCARE OPTOELECTRONICS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Increase in other non-current assets	\$ -	\$ (422)
Decrease in other non-current assets	139	-
Interest received	<u>12,038</u>	<u>10,186</u>
Net cash used in investing activities	<u>(67,160)</u>	<u>(52,034)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term borrowings	320,000	100,000
Decrease in short-term borrowings	(340,000)	(170,000)
Increase in guarantee deposits received	-	26,882
Decrease in guarantee deposits received	(5,374)	-
Repayment of the principal portion of lease liabilities	(13,999)	(14,964)
Cash dividends paid	(74,756)	(44,294)
Exercise of employee share options	1,329	18,117
Interest paid	<u>(2,024)</u>	<u>(2,801)</u>
Net cash used in financing activities	<u>(114,824)</u>	<u>(87,060)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE	<u>4,472</u>	<u>7,486</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	94,084	103,323
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>774,981</u>	<u>671,658</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 869,065</u>	<u>\$ 774,981</u>

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

(Concluded)

Attachment 4

**InnoCare Optoelectronics Corporation**  
**2025 Earnings Distribution Table**

Unit: NT\$

Item	Amount	Remark
Unappropriated retained earnings of previous years	357,188,098	
Add : Net income after tax of 2024	<u>159,510,089</u>	
Add : Actuarial losses of defined benefit plans	50,628	
Deduct : Legal reserve	(15,956,072)	
Deduct : Special reserve (Note 1)	(13,584,565)	
Unappropriated retained earnings as of December 31, 2025	487,208,178	
Distribution item (Note 2)		
Cash dividends of common stock	(83,198,500)	NT\$2 per share
Unappropriated retained earnings	404,009,678	

Note 1: The Company shall set aside a special reserve from the net deduction from shareholders' equity (including exchange differences from the translation of financial statements of foreign operations and Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income) for the current fiscal year.

Note 2: The retained earnings of 2024 are distributed first, in accordance with the Articles of Incorporation of the Company and the resolution of shareholders meeting.

Chairman:

Managerial Officer:

Chief Accountant: