

**Universal Vision Biotechnology Co., Ltd.**

**Parent Company Only Financial Statements for the  
Years Ended December 31, 2025 and 2024 and  
Independent Auditors' Report**

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Universal Vision Biotechnology Co., Ltd.

### **Opinion**

We have audited the accompanying parent company only financial statements of Universal Vision Biotechnology Co., Ltd. (the “Company”), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the “parent company only financial statements”).

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and its parent company only 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 Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis 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 parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter for the Company's financial statements for the year ended December 31, 2025 is described as follows:

#### Ophthalmology Business Division - Occurrence of Technical Service Revenue

The Company's ophthalmology business division 2025 operating revenue - technical service revenue is the main revenue and is growing year by year, which has a significant impact on independent financial statements; thus, we listed the occurrence of ophthalmology business division - technical service revenue as a key audit matter. For additional information on the accounting policy of revenue recognition, refer to Note 4.m. to the financial statements.

We have performed principal audit procedures for confirming the occurrence of the ophthalmology business division - technical service revenue as below:

1. We obtained an understanding of the design and tested the implementation effectiveness of internal control of the ophthalmology business division - technical service revenue.
2. We obtained the subsidiary ledger of the ophthalmology business division - technical service revenue and examined the contents, checked the contracts, relevant supporting documents and the collection of receivables to confirm the authenticity of the recognized technical service revenue.

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

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

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

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

#### **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 parent company only financial statements.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements 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 Wan-I Liao and Tsung-Yuan Tsai.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 5, 2026

Notice to Readers

*The accompanying parent company only 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 parent company only financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying parent company only 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 parent company only financial statements shall prevail.*

# UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

## PARENT COMPANY ONLY 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 (Notes 4 and 6)	\$ 327,557	6	\$ 93,414	2
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	1,233,479	21	1,295,373	24
Financial assets at amortized cost - current (Notes 4, 9 and 10)	-	-	24,000	-
Trade receivables (Notes 4, 11 and 23)	478,634	8	506,811	9
Trade receivables from related parties (Notes 4, 11 and 30)	5,997	-	7,189	-
Other receivables (Note 30)	6,731	-	9,255	-
Inventories (Notes 4 and 12)	263,815	5	255,774	5
Other current assets	51,969	1	35,107	1
Total current assets	2,368,182	41	2,226,923	41
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8 and 10)	108,744	2	111,073	2
Investments accounted for using the equity method (Notes 4 and 13)	499,035	8	527,848	10
Property, plant and equipment (Notes 4, 14 and 31)	1,778,658	31	1,578,576	29
Right-of-use assets (Notes 4 and 15)	877,410	15	858,064	16
Intangible assets (Notes 4 and 16)	3,693	-	4,263	-
Deferred tax assets (Notes 4 and 25)	61,327	1	54,990	1
Prepayments for equipment	36,885	1	-	-
Refundable deposits	35,117	1	33,085	1
Total non-current assets	3,400,869	59	3,167,899	59
<b>TOTAL</b>	<b>\$ 5,769,051</b>	<b>100</b>	<b>\$ 5,394,822</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Notes 17 and 31)	\$ 50,000	1	\$ 50,000	1
Trade payables (Note 18)	187,904	3	225,754	4
Payables for equipment (Note 20)	81,439	1	90,614	2
Other payables (Note 19)	219,238	4	228,258	4
Current tax liabilities (Notes 4 and 25)	140,658	2	143,900	3
Lease liabilities - current (Notes 4 and 15)	155,836	3	143,982	3
Other current liabilities (Note 23)	33,909	1	21,052	-
Total current liabilities	868,984	15	903,560	17
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities (Notes 4 and 25)	50,846	1	47,053	1
Lease liabilities - non-current (Notes 4 and 15)	767,842	13	750,713	14
Long-term accounts payable (Note 20)	57,781	1	70,908	1
Guarantee deposits	575	-	575	-
Total non-current liabilities	877,044	15	869,249	16
Total liabilities	1,746,028	30	1,772,809	33
<b>EQUITY (Note 22)</b>				
Share capital				
Ordinary shares	847,249	15	847,249	16
Capital surplus	381,924	7	381,924	7
Retained earnings				
Legal reserve	480,779	8	378,623	7
Special reserve	-	-	11,384	-
Unappropriated earnings	2,314,256	40	1,998,328	37
Total retained earnings	2,795,035	48	2,388,335	44
Other equity	(1,185)	-	4,505	-
Total equity	4,023,023	70	3,622,013	67
<b>TOTAL</b>	<b>\$ 5,769,051</b>	<b>100</b>	<b>\$ 5,394,822</b>	<b>100</b>

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

# UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

## PARENT COMPANY ONLY 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 4, 23 and 30)	\$ 3,649,649	100	\$ 3,513,460	100
OPERATING COSTS (Notes 12 and 24)	<u>(1,474,950)</u>	<u>(40)</u>	<u>(1,361,200)</u>	<u>(39)</u>
GROSS PROFIT	<u>2,174,699</u>	<u>60</u>	<u>2,152,260</u>	<u>61</u>
OPERATING EXPENSES (Notes 11, 21 and 24)				
Selling and marketing expenses	(485,388)	(14)	(433,851)	(12)
General and administrative expenses	(325,055)	(9)	(302,812)	(9)
Expected credit gain	<u>19</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>(810,424)</u>	<u>(23)</u>	<u>(736,663)</u>	<u>(21)</u>
PROFIT FROM OPERATIONS	<u>1,364,275</u>	<u>37</u>	<u>1,415,597</u>	<u>40</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 24 and 30)				
Interest income	62,533	2	36,248	1
Other income	6,051	-	7,263	-
Other gains and losses	(67,640)	(2)	(97,333)	(3)
Finance costs	(21,394)	(1)	(15,697)	-
Share of loss of subsidiaries, associates and joint ventures	<u>(19,381)</u>	<u>-</u>	<u>(27,339)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>(39,831)</u>	<u>(1)</u>	<u>(96,858)</u>	<u>(3)</u>
PROFIT BEFORE INCOME TAX	1,324,444	36	1,318,739	37
INCOME TAX EXPENSE (Notes 4 and 25)	<u>(281,807)</u>	<u>(8)</u>	<u>(254,018)</u>	<u>(7)</u>
NET PROFIT FOR THE YEAR	<u>1,042,637</u>	<u>28</u>	<u>1,064,721</u>	<u>30</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain on investments in equity instruments designated as at fair value through other comprehensive income	702	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(8,932)	-	23,420	1
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income	942	-	(3,559)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	<u>1,598</u>	<u>-</u>	<u>(3,972)</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>(5,690)</u>	<u>-</u>	<u>15,889</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,036,947</u>	<u>28</u>	<u>\$ 1,080,610</u>	<u>31</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 12.31</u>		<u>\$ 12.57</u>	
Diluted	<u>\$ 12.26</u>		<u>\$ 12.53</u>	

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

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.**

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

	Share Capital		Capital Surplus	Retained Earnings			Other Equity		Total Equity
	Shares	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	
	(In Thousands)								
BALANCE ON JANUARY 1, 2024	84,725	\$ 847,249	\$ 381,924	\$ 278,614	\$ 5,042	\$ 1,676,197	\$ (11,384)	\$ -	\$ 3,177,642
Appropriation of 2023 earnings									
Legal reserve	-	-	-	100,009	-	(100,009)	-	-	-
Special reserve	-	-	-	-	6,342	(6,342)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(593,074)	-	-	(593,074)
Changes in the Company's ownership interests in subsidiaries (Note 13)	-	-	-	-	-	(43,165)	-	-	(43,165)
Net profit for the year ended December 31, 2024	-	-	-	-	-	1,064,721	-	-	1,064,721
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	18,736	(2,847)	15,889
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	1,064,721	18,736	(2,847)	1,080,610
BALANCE ON DECEMBER 31, 2024	84,725	847,249	381,924	378,623	11,384	1,998,328	7,352	(2,847)	3,622,013
Appropriation of 2024 earnings									
Legal reserve	-	-	-	102,156	-	(102,156)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(635,437)	-	-	(635,437)
Reversal of special reserve	-	-	-	-	(11,384)	11,384	-	-	-
Changes in the Company's ownership interests in subsidiaries (Note 13)	-	-	-	-	-	(500)	-	-	(500)
Net profit for the year ended December 31, 2025	-	-	-	-	-	1,042,637	-	-	1,042,637
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	-	(7,145)	1,455	(5,690)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	1,042,637	(7,145)	1,455	1,036,947
BALANCE ON DECEMBER 31, 2025	84,725	\$ 847,249	\$ 381,924	\$ 480,779	\$ -	\$ 2,314,256	\$ 207	\$ (1,392)	\$ 4,023,023

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

# UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

## PARENT COMPANY ONLY 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	\$ 1,324,444	\$ 1,318,739
Adjustments for:		
Depreciation expense	461,903	408,802
Amortization expense	1,843	2,731
Expected credit loss reversed on trade receivables	(19)	-
Net loss on fair value changes of financial assets at fair value through profit or loss	61,894	100,222
Finance costs	21,394	15,697
Interest income	(62,533)	(36,248)
Dividend income	(15)	-
Share of loss of subsidiaries, associates and joint ventures	19,381	27,339
Loss on disposal of property, plant and equipment	438	5,296
Write-down of inventories	441	1,000
Net unrealized loss (gain) on foreign currency exchange	4,735	(1,155)
Gain and relief from lease modifications	(1,121)	(572)
Changes in operating assets and liabilities		
Trade receivables	28,196	7,639
Trade receivables from related parties	1,192	(1,560)
Other receivables	664	(352)
Inventories	(8,482)	(2,863)
Other current assets	(16,862)	(3,231)
Trade payables	(37,850)	(43,481)
Other payables	(9,062)	12,579
Other current liabilities	12,857	902
Cash generated from operations	1,803,438	1,811,484
Interest received	64,075	28,701
Dividends received	10	-
Interest paid	(3,954)	(3,307)
Income taxes paid	(285,995)	(270,031)
Net cash generated from operating activities	<u>1,577,574</u>	<u>1,566,847</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(848)	(113,521)
Proceeds from sale of financial assets at amortized cost	24,000	554,363
Purchase of financial assets at fair value through profit or loss	-	(1,395,595)
Payments for property, plant and equipment	(522,706)	(424,791)
Proceeds from disposal of property, plant and equipment	114	181
Increase in refundable deposits	(2,290)	(5,319)
Payments for intangible assets	(668)	(2,325)
Increase in prepayments for equipment	(36,885)	-
Net cash used in investing activities	<u>(539,283)</u>	<u>(1,387,007)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	-	50,000
Proceeds from guarantee deposits received	-	40
Repayments of the principal portion of lease liabilities	(168,711)	(146,707)
Dividends paid to owners of the Company	(635,437)	(593,074)
Net cash used in financing activities	<u>(804,148)</u>	<u>(689,741)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	234,143	(509,901)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>93,414</u>	<u>603,315</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 327,557</u>	<u>\$ 93,414</u>

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

# UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

## NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 1. GENERAL INFORMATION

Universal Vision Biotechnology Co., Ltd. (the “Company”) was incorporated in Taipei under the laws of the Republic of China (“ROC”) in August 1994 and is mainly engaged in operating the business of (1) sales of optical devices, glasses, lenses and other vision aid products (2) optometric services (3) sales and leasing of medical devices (4) providing of hospital management and technical consultancy services.

The Company’s shares have been listed on the mainboard of the Taipei Exchange (“TPEX”) since November 2004.

The parent company only financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Company’s board of directors on March 5, 2026.

### 3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have material impact on the Company’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 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
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

## Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

### 1) The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- a) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
  - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
  - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- b) To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- c) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

### 2) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

- The Group having no practical ability to withdraw, stop or cancel the payment instruction;
- The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

Except for the above impact, as of the date the parent company only financial statements were authorized for issue, the Company has assessed that the application of other standards will not have a material impact on the Company’s financial position and financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<b><u>New, Amended and Revised Standards and Interpretations</u></b>	<b><u>Effective Date Announced by IASB (Note 1)</u></b>
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 IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

- 1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when the Company sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Company loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Company sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Company’s interest as an unrelated investor in the associate or joint venture, i.e., the Company’s share of the gain or loss is eliminated. Also, when the Company loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Company’s interest as an unrelated investor in the associate or joint venture, i.e., the Company’s share of the gain or loss is eliminated.

- 2) IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Company shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Company shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Company shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows

Except for the above impact, as of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing the other impacts of the above amended standards and interpretations on the Company’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### **4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

##### **a. Statement of compliance**

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

##### **b. Basis of preparation**

The parent company only financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for the asset or liability.

When preparing these parent company only financial statements, the Company used the equity method to account for its investments in subsidiaries, associates and joint ventures. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owners of the Company in its consolidated financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the consolidated basis were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries, associates and joint ventures, the share of other comprehensive income of subsidiaries, associates and joint ventures and the related equity items, as appropriate, in these parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items denominated on a foreign currency that are measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting the parent company only financial statements, the functional currencies of the Company and its foreign operations (including subsidiaries in other countries) that are translated into the presentation currency, the New Taiwan dollar as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

e. Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and short-term, highly liquid investments that are readily convertible into fixed amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the above definition and are held for short-term cash commitments rather than investment or other purposes are presented as cash equivalents. Time deposits that do not meet the preceding definition include financial assets at amortized cost - current and non-current.

f. Inventories

Inventories consist of merchandise inventory and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs necessary to make the sale. Inventories are recorded at the weighted-average cost at the end of the reporting period.

g. Investments in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity (including a structured entity) that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are accounted for as equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

When the Company's share of loss of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further loss, if any.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides this, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Company directly disposed of the related assets or liabilities.

Profit or loss resulting from downstream transactions is eliminated in full only in the parent company only financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries is recognized only in the parent company only financial statements and only to the extent of interests in the subsidiaries that are not related to the Company.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Before that asset reaches its intended use are measured at the lower of cost or net realizable value, and any proceeds from selling price and the cost are recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Intangible assets

1) Intangible assets acquired separately

Intangible assets with definite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

## 2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

### j. Impairment of property, plant and equipment, right-of-use asset, intangible assets other than goodwill and assets related to contract costs

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

Before the Company recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Company expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract cost is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

### k. Financial instruments

Financial assets and financial liabilities are recognized when the Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

## 1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

### a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost, investments in debt instruments at FVTOCI and investments in equity instruments at FVTOCI.

#### i. Financial assets at FVTPL

Financial asset is classified as at FVTPL when such financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends, interest earned and remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 29.

#### ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables at amortized cost, trade receivables from related parties, other receivables and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial asset; and
- ii) Financial assets that is not credit impaired on purchase or origination but has subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Credit impaired financial asset is refers to the fact that the issuer or the debtor have occurred significant financial difficulty, breach of contract, such as a default, it is becoming probable that the debtor will enter bankruptcy or undergo a financial reorganization, or the disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and
- ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv. Investments in equity instruments at FVTOCI

On initial recognition, the Corporation and its subsidiaries may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Corporation and its subsidiaries' right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets and contract assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), investments in debt instruments at FVTOCI and contract assets.

The Company always recognizes lifetime expected credit loss (ECLs) for trade receivables. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Company determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Company):

- i. Internal or external information shows that the debtor is unlikely to pay its creditors.
- ii. Financial asset is more than 120 days past due unless the Company has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

1. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

## Warranties

Provisions for the expected cost of warranty obligations to assure that products comply with agreed-upon specifications are recognized on the date of sale of the relevant products at the best estimate by the management of the Company of the expenditures required to settle the Company's obligations.

### m. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

#### 1) Revenue from the sale of goods and medical consumables

Revenue from the sale of goods and medical devices comes from the sales of optometry products for vision correction and the sale of ophthalmic medicines and medical devices provided to the operations of the optometric segment department. Sales of goods and medical devices are recognized as revenue and accounts receivable when the customer has full discretion over the manner of distribution and use of the goods and bears the risks of the goods.

#### 2) Revenue from brand licensing, technical services and consultancy services

The customary contracts signed by the ophthalmology business division include brand licensing, technical services and consultancy services regarding professional instruments, and brand licensing, technical and consulting services for vision medical and vision biomedical departments in ophthalmic medical institutions. Revenue from technical and medical services is recognized based on the actual operation of the optometric segment department, revenue from consultancy services is recognized as revenue and accounts receivable when the services are provided; revenue from brand licensing revenue is recognized as revenue and accounts receivable at a certain proportion during the licensing period.

### n. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

#### 1) The Company as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Company subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Company, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on the straight-line basis over the lease terms.

Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred.

## 2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the parent company only balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term or lease payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the parent company only balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

### o. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

### p. Employee benefits

#### 1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

#### 2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

## q. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### 1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

### 2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

## 5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Company considers the possible impact of climate change and related government policies and regulations on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

### Key Sources of Estimation Uncertainty

#### Estimated impairment of financial assets

The provision for impairment of trade receivables is based on assumptions on probability of default and loss given default. The Company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Company's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. For details of the key assumptions and inputs used, see Notes 10 and 11. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

## 6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Cash on hand	\$ 2,127	\$ 1,815
Checking accounts and demand deposits	<u>325,430</u>	<u>91,599</u>
	<u>\$ 327,557</u>	<u>\$ 93,414</u>

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets at fair value through profit or loss (FVTPL) - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Mutual funds	<u>\$ 1,233,479</u>	<u>\$ 1,295,373</u>

Refer to Note 34, Table 3 for financial instruments measured at fair value through profit or loss. These financial assets are not pledged as collateral.

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Non-current</u>		
Investments in equity instruments	\$ 1,550	\$ -
Investments in debt instruments	<u>107,194</u>	<u>111,073</u>
	<u>\$ 108,744</u>	<u>\$ 111,073</u>

### a. Investments in equity instruments

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Non-current</u>		
Domestic investments		
Listed stocks	<u>\$ 1,550</u>	<u>\$ -</u>

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

Investments in equity instruments at FVTOCI are not pledged as collateral.

### b. Investments in debt instruments

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Non-current</u>		
Foreign investments		
U.S. Treasury bonds	<u>\$ 107,194</u>	<u>\$ 111,073</u>

- 1) In 2024, the Company bought 20-year and 30-year U.S. Treasury bonds with a coupon rate of 4.75% and an effective interest rate of 4.47%-4.69%.
- 2) Refer to Note 10 for information relating to the credit risk management and impairment of investments in debt instruments at fair value through other comprehensive income.
- 3) Refer to Note 34, Table 3 for information relating to the breakdown below at fair value through other comprehensive income. The financial assets are not pledged as collateral.

## 9. FINANCIAL ASSETS AT AMORTIZED COST

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Current</u>		
Domestic investments		
Time deposits with original maturities of more than 3 months (a)	\$ <u>-</u>	\$ <u>24,000</u>
a. The interest rate for time deposits with original maturities of more than 3 months was approximately 1.58% per annum as of December 31, 2024.		
b. Refer to Note 10 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.		

## 10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments classified as at FVTOCI and as at amortized cost were as follows:

### December 31, 2025

	<u>At FVTOCI</u>
Gross carrying amount	\$ 109,811
Less: Allowance for impairment loss	<u>-</u>
Amortized cost	109,811
Adjustment to fair value	<u>(2,617)</u>
	<u>\$ 107,194</u>

### December 31, 2024

	<u>At FVTOCI</u>	<u>At Amortized Cost</u>
Gross carrying amount	\$ 114,632	\$ 24,000
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
Amortized cost	114,632	<u>\$ 24,000</u>
Adjustment to fair value	<u>(3,559)</u>	
	<u>\$ 111,073</u>	

The policy adopted by the Company is to invest only in debt instruments with low credit risks. The Company takes into account the historical default loss rate and the expected prospect of the industry in which its business operates in the measurement of 12-month expected credit loss or expected lifetime credit loss of debt instruments. As of December 31, 2025 and 2024, due to the low credit risk of debtors and sufficient cash flow for contract settlements, provision for expected credit loss has not been made for financial assets at amortized cost and FVTOCI.

## 11. TRADE RECEIVABLES

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
At amortized cost		
Gross carrying amount	\$ 489,531	\$ 517,727
Less: Allowance for impairment loss	<u>(10,897)</u>	<u>(10,916)</u>
	478,634	506,811
Gross carrying amount - related parties	<u>5,997</u>	<u>7,189</u>
	<u>\$ 484,631</u>	<u>\$ 514,000</u>

For the optometric segment, the sales of goods are paid in cash or by credit card. The average credit period for the ophthalmology business was 120 days from the end of the month; receivables are evaluated for any sign of impairment at the end of the reporting period. If there is objective evidence that the estimated cash flow of accounts receivable will be adversely affected, such accounts receivable shall be assessed for impairment.

In order to minimize credit loss, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The Company measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Company's different customer base.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Company's provision matrix:

### December 31, 2025

	<u>Not Past Due</u>	<u>1 to 30 Days</u>	<u>31 to 60 Days</u>	<u>61 to 150 Days</u>	<u>Over 151 Days</u>	<u>Total</u>
Expected credit loss rate	0-19.27%	0-50.00%	0-50.00%	0-66.67%	100.00%	
Gross carrying amount	\$ 484,631	\$ -	\$ -	\$ -	\$ 10,897	\$ 495,528
Loss allowance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,897)</u>	<u>(10,897)</u>
Amortized cost	<u>\$ 484,631</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 484,631</u>

December 31, 2024

	<u>Not Past Due</u>	<u>1 to 30 Days</u>	<u>31 to 60 Days</u>	<u>61 to 150 Days</u>	<u>Over 151 Days</u>	<u>Total</u>
Expected credit loss rate	0%-33.79%	0%-100.00%	100.00%	100.00%	100.00%	
Gross carrying amount	\$ 512,174	\$ 1,845	\$ -	\$ 16	\$ 10,881	\$ 524,916
Loss allowance	<u>-</u>	<u>(19)</u>	<u>-</u>	<u>(16)</u>	<u>(10,881)</u>	<u>(10,916)</u>
Amortized cost	<u>\$ 512,174</u>	<u>\$ 1,826</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 514,000</u>

The movements of the loss allowance of trade receivables were as follows:

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Balance on January 1	\$ 10,916	\$ 10,916
Less: Net remeasurement of loss allowance	<u>(19)</u>	<u>-</u>
Balance on December 31	<u>\$ 10,897</u>	<u>\$ 10,916</u>

## 12. INVENTORIES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Merchandise inventory	\$ 59,251	\$ 34,813
Consumables	<u>204,564</u>	<u>220,961</u>
	<u>\$ 263,815</u>	<u>\$ 255,774</u>

The cost of goods sold related to inventories for the years ended December 31, 2025 and 2024 was \$1,041,546 thousand and \$986,329 thousand, respectively.

The cost of goods sold included write-down of inventories in the amounts of \$441 thousand and \$1,000 thousand, respectively.

## 13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Investments in subsidiaries	<u>\$ 499,035</u>	<u>\$ 527,848</u>
Universal Group (BVI) Inc.	\$ 383,137	\$ 420,415
Taixue Investment Holdings Co., Ltd.	<u>115,898</u>	<u>107,433</u>
	<u>\$ 499,035</u>	<u>\$ 527,848</u>

Name of Subsidiary	Proportion of Ownership and Voting Rights	
	December 31	
	2025	2024
Universal Group (BVI) Inc.	100%	100%
Taixue Investment Holdings Co., Ltd.	100%	100%

In 2025 and 2024, Taixue Investment Holdings Co., Ltd. repurchased part of the equity of the subsidiary, resulting in the adjustment of the change in shareholding ratio, and adjustment to reduce the retained earnings of \$500 thousand and \$43,165 thousand, respectively.

Refer to Note 34, Tables 4 and 5 for the details of the subsidiaries indirectly held by the Company.

#### 14. PROPERTY, PLANT AND EQUIPMENT

	December 31							Total
	2025		2024		2025		2024	
Assets used by the Company					<u>\$ 1,778,658</u>		<u>\$ 1,578,576</u>	
	<u>Land</u>	<u>Buildings</u>	<u>Machine</u>	<u>Transport Equipment</u>	<u>Office Equipment</u>	<u>Leasehold Improvements</u>	<u>Unfinished Construction and Equipment Pending Acceptance</u>	
<u>Cost</u>								
Balance on January 1, 2025	\$ 179,865	\$ 67,108	\$ 1,804,068	\$ 1,376	\$ 240,047	\$ 518,051	\$ 95,112	\$ 2,905,627
Additions	-	-	286,030	-	45,876	98,582	69,916	500,404
Disposals	-	-	(11,250)	-	(4,541)	(713)	-	(16,504)
Reclassified	-	-	-	-	4,076	90,431	(95,112)	(605)
Balance on December 31, 2025	<u>\$ 179,865</u>	<u>\$ 67,108</u>	<u>\$ 2,078,848</u>	<u>\$ 1,376</u>	<u>\$ 285,458</u>	<u>\$ 706,351</u>	<u>\$ 69,916</u>	<u>\$ 3,388,922</u>
<u>Accumulated depreciation</u>								
Balance on January 1, 2025	\$ -	\$ 23,474	\$ 907,019	\$ 1,010	\$ 153,944	\$ 241,604	\$ -	\$ 1,327,051
Depreciation expense	-	1,297	191,047	152	39,362	67,307	-	299,165
Disposals	-	-	(11,174)	-	(4,302)	(476)	-	(15,952)
Balance on December 31, 2025	<u>\$ -</u>	<u>\$ 24,771</u>	<u>\$ 1,086,892</u>	<u>\$ 1,162</u>	<u>\$ 189,004</u>	<u>\$ 308,435</u>	<u>\$ -</u>	<u>\$ 1,610,264</u>
Carrying amount on December 31, 2025	<u>\$ 179,865</u>	<u>\$ 42,337</u>	<u>\$ 991,956</u>	<u>\$ 214</u>	<u>\$ 96,454</u>	<u>\$ 397,916</u>	<u>\$ 69,916</u>	<u>\$ 1,778,658</u>
<u>Cost</u>								
Balance on January 1, 2024	\$ 179,865	\$ 67,108	\$ 1,546,627	\$ 1,376	\$ 227,543	\$ 481,281	\$ 30,815	\$ 2,534,615
Additions	-	-	256,903	-	24,881	29,731	95,112	406,627
Disposals	-	-	(81,848)	-	(15,384)	(19,501)	-	(116,733)
Reclassified	-	-	82,386	-	3,007	26,540	(30,815)	81,118
Balance on December 31, 2024	<u>\$ 179,865</u>	<u>\$ 67,108</u>	<u>\$ 1,804,068</u>	<u>\$ 1,376</u>	<u>\$ 240,047</u>	<u>\$ 518,051</u>	<u>\$ 95,112</u>	<u>\$ 2,905,627</u>
<u>Accumulated depreciation</u>								
Balance on January 1, 2024	\$ -	\$ 22,177	\$ 821,699	\$ 797	\$ 131,644	\$ 195,862	\$ -	\$ 1,172,179
Depreciation expense	-	1,297	167,145	213	36,991	60,482	-	266,128
Disposals	-	-	(81,825)	-	(14,691)	(14,740)	-	(111,256)
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 23,474</u>	<u>\$ 907,019</u>	<u>\$ 1,010</u>	<u>\$ 153,944</u>	<u>\$ 241,604</u>	<u>\$ -</u>	<u>\$ 1,327,051</u>
Carrying amount on December 31, 2024	<u>\$ 179,865</u>	<u>\$ 43,634</u>	<u>\$ 897,049</u>	<u>\$ 366</u>	<u>\$ 86,103</u>	<u>\$ 276,447</u>	<u>\$ 95,112</u>	<u>\$ 1,578,576</u>

No impairment loss or reversal of impairment loss was recognized for the years ended December 31, 2025 and 2024 as there was no indication of impairment.

The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives as follows:

Building	
Main buildings	50 years
Decoration and partition works	3-6 years
Machine	1-11 years
Transport equipment	5 years
Office equipment	1-10 years
Leasehold improvements	Whichever is shorter, the lease term or useful term

Refer to Note 31 for property, plant and equipment used by the Company and pledged as collateral for bank borrowings.

## 15. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Carrying amount</u>		
Buildings	\$ 872,105	\$ 848,856
Transportation equipment	<u>5,305</u>	<u>9,208</u>
	<u>\$ 877,410</u>	<u>\$ 858,064</u>
	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Additions to right-of-use assets	<u>\$ 234,306</u>	<u>\$ 365,892</u>
Depreciation charge for right-of-use assets		
Buildings	\$ 157,379	\$ 137,155
Transportation equipment	<u>5,359</u>	<u>5,519</u>
	<u>\$ 162,738</u>	<u>\$ 142,674</u>
Income from the subleasing of right-of-use assets (presented in operating revenue)	<u>\$ (214,711)</u>	<u>\$ (185,557)</u>

Except for the above addition and recognized depreciation, the Company did not have significant sublease or impairment of right-of-use assets during the years ended December 31, 2025 and 2024.

### b. Lease liabilities

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Carrying amount</u>		
Current	<u>\$ 155,836</u>	<u>\$ 143,982</u>
Non-current	<u>\$ 767,842</u>	<u>\$ 750,713</u>

Ranges of discount rates for lease liabilities were as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Buildings	1.195%-2.72%	1.195%-2.72%
Transportation equipment	2.19%-2.72%	1.195%-2.32%

c. Material leasing activities and terms

The Company leases buildings for use as offices and retail stores with lease terms of 3 to 15 years. Lease contracts for part of retail stores contain variable payments which are determined at a specific percentage of sales generated from the respective stores. The Company does not have bargain purchase options to acquire the leasehold buildings at the end of the lease term. In addition, the Company is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Subleases

The Company subleases its right-of-use assets for buildings under operating leases. The maturity analysis of lease payments receivable under operating subleases was as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Year 1	\$ 161,339	\$ 188,853
Year 2	64,225	106,337
Year 3	<u>24,732</u>	<u>15,162</u>
	<u>\$ 250,296</u>	<u>\$ 310,352</u>

e. Other lease information

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Expenses relating to short-term leases	<u>\$ 352</u>	<u>\$ 132</u>
Expenses relating to low-value asset leases	<u>\$ 454</u>	<u>\$ 284</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 1,469</u>	<u>\$ 1,428</u>
Total cash outflow for leases	<u>\$ (170,986)</u>	<u>\$ (148,551)</u>

The Company's leases of certain buildings and office equipment qualify as short-term leases. The Company has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

## 16. INTANGIBLE ASSETS

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Computer software cost</u>		
Balance on January 1	\$ 28,377	\$ 28,176
Additions	668	2,325
Disposals	(10)	(3,392)
Reclassified	<u>605</u>	<u>1,268</u>
Balance on December 31	<u>\$ 29,640</u>	<u>\$ 28,377</u>
<u>Computer software accumulated amortization</u>		
Balance on January 1	\$ 24,114	\$ 24,775
Amortization expense	1,843	2,731
Disposals	<u>(10)</u>	<u>(3,392)</u>
Balance on December 31	<u>\$ 25,947</u>	<u>\$ 24,114</u>
Carrying amount on December 31	<u>\$ 3,693</u>	<u>\$ 4,263</u>

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software 3-6 years

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
An analysis of amortization by function		
Operating costs	\$ 64	\$ 114
Selling and marketing expenses	188	377
General and administrative expenses	<u>1,591</u>	<u>2,240</u>
	<u>\$ 1,843</u>	<u>\$ 2,731</u>

## 17. BORROWINGS

### Short-term Borrowings

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Secured borrowings (Note 31)</u>		
Bank loans	\$ 50,000	\$ -
<u>Unsecured borrowings</u>		
Line of credit borrowings	<u>-</u>	<u>50,000</u>
	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Range of interest rate	1.875%	1.91%

## 18. TRADE PAYABLES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Trade payables</u>		
Operating	\$ <u>187,904</u>	\$ <u>225,754</u>

The Company's credit terms with suppliers are 30-90 days from the end of the month.

## 19. OTHER PAYABLES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Payables for salaries or bonuses	\$ 90,441	\$ 89,149
Payables for remuneration of employees and directors	57,458	58,426
Payables for advertising fees	23,911	30,628
Payables for commodity tax	13,252	13,355
Payables for maintenance fees	10,600	15,128
Payables for professional service fees	4,980	4,245
Others	<u>18,596</u>	<u>17,327</u>
	<u>\$ 219,238</u>	<u>\$ 228,258</u>

## 20. PAYABLES FOR EQUIPMENT AND LONG-TERM ACCOUNTS PAYABLES

<u>Items</u>	<u>Period</u>	<u>December 31</u>		<u>Repayment Agreement</u>
		<u>2025</u>	<u>2024</u>	
Purchase of equipment	September 2020 - November 2030	\$ 139,220	\$ 161,522	Installment by contract
Less: Current portion		<u>(81,439)</u>	<u>(90,614)</u>	
		<u>\$ 57,781</u>	<u>\$ 70,908</u>	

Long-term payables include the Company's installments payable for purchase of equipment. The payment period ends in November 2030. The long-term payables due in future years are as follows:

<u>Payment Period</u>	<u>Amount</u>
2027.01.01-2027.12.31	\$ 30,563
2028.01.01-2028.12.31	17,797
2029.01.01-2029.12.31	8,327
2030.01.01-2030.11.30	<u>1,094</u>
	<u>\$ 57,781</u>

## 21. RETIREMENT BENEFIT PLANS

### Defined Contribution Plans

The Company adopted a pension plan under the Labor Pension Act (the “LPA”), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees’ individual pension accounts at 6% of monthly salaries and wages.

An analysis by function of the amount recognized in profit or loss in respect the defined contribution plans is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Operating expenses	<u>\$ 16,086</u>	<u>\$ 14,195</u>

## 22. EQUITY

### a. Share capital

#### Ordinary shares

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Shares authorized (in thousands of shares)	<u>200,000</u>	<u>200,000</u>
Shares authorized	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>84,725</u>	<u>84,725</u>
Shares issued	<u>\$ 847,249</u>	<u>\$ 847,249</u>

The ordinary shares have a par value of \$10 (in dollars). Holder of each share is entitled to one vote and right to dividend.

### b. Capital surplus

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*</u>		
Issuance of ordinary shares	\$ 185,652	\$ 185,652
Consideration received over the carrying amount of issued convertible bonds	168,011	168,011
Treasury share transactions	1,829	1,829
Expired employee share options and conversion differences on exercised employee share options	<u>26,432</u>	<u>26,432</u>
	<u>\$ 381,924</u>	<u>\$ 381,924</u>

\* Such capital surplus may be used to offset a deficit; when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company’s capital surplus and to once a year).

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit in accordance with the laws and regulations until the amount of legal reserve is equivalent to the paid-in capital, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

If the Company distributes dividends and bonuses or all or part of the legal reserve and capital reserve in the form of cash distribution, the Company's board of directors is authorized to do so with the presence of more than two-thirds of the directors and the consent of more than half of the directors present and report to the shareholders meeting. For the policies on the distribution of compensation of employees and remuneration of directors, refer to compensation of employees and remuneration of directors in Note 24-g.

The Company is currently in the growing stage. The Company shall consider meeting future capital demand for business operations and its long-term financial plan, as well as satisfying the shareholders' demand for cash inflow when deciding to distribute dividends. The Company's Articles of Incorporation provide that shareholders' dividends may be distributed in the form of shares or cash where cash dividends to be distributed may not be less than 30% of total dividends distributed.

Appropriations of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The Company in accordance with the law when a special reserve is appropriated for cumulative net increases in fair value measurement of investment properties from prior period and cumulative net debit balance reserves from prior period, the sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period is used if the prior unappropriated earnings are not sufficient.

The appropriations of earnings for 2024 and 2023 were as follows:

	<b>Appropriation of Earnings</b>	
	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Legal reserve	<u>\$ 102,156</u>	<u>\$ 100,009</u>
Special (reverse) reserve	<u>\$ (11,384)</u>	<u>\$ 6,342</u>
Cash dividends	<u>\$ 635,437</u>	<u>\$ 593,074</u>
Cash dividends per share (NT\$)	\$ 7.50	\$ 7.00

The above 2024 and 2023 appropriations for cash dividends were resolved by the Company's board of directors on March 6, 2025 and March 13, 2024, respectively; the other proposed appropriations were resolved by the shareholders in their meeting on May 26, 2025 and June 19, 2024, respectively.

The appropriations of earnings for 2025, which were proposed by the Company's board of directors on March 5, 2026, were as follows:

	<b>For the Year Ended December 31, 2025</b>
Legal reserve	<u>\$ 104,213</u>
Special reserve	<u>\$ 1,185</u>
Cash dividends	<u>\$ 656,618</u>
Cash dividends per share (NT\$)	\$ 7.75

The above appropriation for cash dividends has been resolved by the Company's board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on May 28, 2026.

d. Special reserve

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ 11,384	\$ 5,042
Appropriations in respect of Debits to other equity items	-	6,342
Reversals Reversal of the debits to other equity items	<u>(11,384)</u>	<u>-</u>
Balance on December 31	<u>\$ -</u>	<u>\$ 11,384</u>

e. Other equity items

1) Exchange differences on translating the parent company only financial statements of foreign operations

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ 7,352	\$ (11,384)
Recognized for the year Exchange differences on the translation of the financial statements of foreign operations	(8,932)	23,420
Relevant income taxes benefit (expense)	<u>1,787</u>	<u>(4,684)</u>
Balance on December 31	<u>\$ 207</u>	<u>\$ 7,352</u>

2) Unrealized valuation loss on financial assets at FVTOCI

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ (2,847)	\$ -
Recognized for the year		
Unrealized gain (loss) - debt instruments	942	(3,559)
Unrealized gain - equity instruments	702	-
Relevant income taxes (expense) benefit	<u>(189)</u>	<u>712</u>
Balance on December 31	<u>\$ (1,392)</u>	<u>\$ (2,847)</u>

**23. REVENUE**

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Revenue from contracts with customers		
Sale of goods	\$ 952,943	\$ 840,819
Brand licensing and technical services	1,757,500	1,919,905
Medical consumables	568,510	470,147
Consultancy services	<u>155,985</u>	<u>97,032</u>
	3,434,938	3,327,903
Rental income	<u>214,711</u>	<u>185,557</u>
	<u>\$ 3,649,649</u>	<u>\$ 3,513,460</u>

a. Revenue from sales

1) Revenue from the sale of goods and medical consumables

Revenue from the sale of goods and medical devices comes from the sales of optometry products for vision correction and the sale of ophthalmic medicines and medical devices provided to the operations of the optometric segment department. Sales of goods and medical devices are recognized as revenue and accounts receivable when the customer has full discretion over the manner of distribution and use of the goods and bears the risks of the goods.

2) Revenue from brand licensing, technical services and consultancy services

The customary contracts signed by the ophthalmology business division include brand licensing, technical services and consultancy services regarding professional instruments, and brand licensing, technical and consulting services for vision medical and vision biomedical departments in ophthalmic medical institutions. Revenue from technical and medical services is recognized based on the actual operation of the optometric segment department, revenue from consultancy services is recognized as revenue and accounts receivable when the services are provided; revenue from brand licensing revenue is recognized as revenue and accounts receivable at a certain proportion during the licensing period.

b. Contract balances

	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>January 1, 2024</u>
Trade receivables (Note 11)	\$ 484,631	\$ 514,000	\$ 520,079
Contract liabilities (presented in other current liabilities)			
Sale of goods	\$ 30,838	\$ 18,504	\$ 16,887

Revenue in the current year that was recognized from the contract liability balance at the beginning of the year and from the performance obligations satisfied during the periods is summarized as follows:

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
From contract liabilities at the start of the year		
Sale of goods	\$ 18,504	\$ 16,887

c. Disaggregation of revenue

For the year ended December 31, 2025

	<u>Reportable Segments</u>		<u>Total</u>
	<u>Ophthalmology Business Division</u>	<u>Optometry Business Division</u>	
<u>Type of goods or services</u>			
Sale of goods	\$ -	\$ 952,943	\$ 952,943
Brand licensing and technical services	1,757,500	-	1,757,500
Medical consumables	568,510	-	568,510
Consultancy services	155,985	-	155,985
	<u>\$ 2,481,995</u>	<u>\$ 952,943</u>	<u>\$ 3,434,938</u>

For the year ended December 31, 2024

	<u>Reportable Segments</u>		<u>Total</u>
	<u>Ophthalmology Business Division</u>	<u>Optometry Business Division</u>	
<u>Type of goods or services</u>			
Sale of goods	\$ -	\$ 840,819	\$ 840,819
Brand licensing and technical services	1,919,905	-	1,919,905
Medical consumables	470,147	-	470,147
Consultancy services	97,032	-	97,032
	<u>\$ 2,487,084</u>	<u>\$ 840,819</u>	<u>\$ 3,327,903</u>

## 24. NET PROFIT FROM CONTINUING OPERATIONS

### a. Interest income

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Bank deposits	\$ 2,154	\$ 12,310
Financial assets at FVTPL	55,000	20,816
Investments in debt instruments at FVTOCI	4,956	2,779
Others	<u>423</u>	<u>343</u>
	<u>\$ 62,533</u>	<u>\$ 36,248</u>

### b. Other income

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Rental income	\$ 3,249	\$ 2,818
Others	<u>2,802</u>	<u>4,445</u>
	<u>\$ 6,051</u>	<u>\$ 7,263</u>

### c. Other gains and losses

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Loss on disposal of property, plant and equipment	\$ (438)	\$ (5,296)
Valuation loss of financial assets at FVTPL	(61,894)	(100,222)
Net foreign exchange (losses) gains	(5,469)	7,814
Gain from lease modifications	1,121	572
Others	<u>(960)</u>	<u>(201)</u>
	<u>\$ (67,640)</u>	<u>\$ (97,333)</u>

### d. Finance costs

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Interest on bank loans	\$ 3,986	\$ 3,301
Interest on lease liabilities	17,398	12,387
Others	<u>10</u>	<u>9</u>
	<u>\$ 21,394</u>	<u>\$ 15,697</u>

e. Depreciation and amortization

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
An analysis of depreciation by function		
Operating costs	\$ 375,552	\$ 325,004
Operating expenses	<u>86,351</u>	<u>83,798</u>
	<u>\$ 461,903</u>	<u>\$ 408,802</u>
An analysis of amortization by function		
Operating costs	\$ 64	\$ 114
Operating expenses	<u>1,779</u>	<u>2,617</u>
	<u>\$ 1,843</u>	<u>\$ 2,731</u>

For information on the amortization of intangible assets allocated to individual line items, please refer to Note 16.

f. Employee benefits expense

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Short-term benefits	\$ 451,361	\$ 410,517
Post-employment benefits (Note 21)		
Defined contribution plan	<u>16,086</u>	<u>14,195</u>
Total employee benefits expense	<u>\$ 467,447</u>	<u>\$ 424,712</u>
An analysis of employee benefits expense by function		
Operating expenses	<u>\$ 467,447</u>	<u>\$ 424,712</u>

g. Compensation of employees and remuneration of directors and supervisors

According to the Company's Articles, the Company accrues compensation of employees at the rates of 1% to 10% of which no less than 10% shall be allocated as compensation distributions for non-executive employees, and accrues remuneration of directors at rates of no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. However, if the Company has accumulated deficits, such deficits shall first be offset. Compensation of employees may be distributed in the form of shares or cash, and the recipients of such shares or cash may include employees of the Company's subsidiaries who meet certain qualifications.

The compensation of employees (including non-executive employees) and the remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Company's board of directors on March 5, 2026 and March 6, 2025, respectively, are as follows:

Amount

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
	<b>Cash</b>	<b>Cash</b>
Compensation of employees	\$ 41,457	\$ 41,315
Remuneration of directors	16,001	17,111

If there is a change in the amounts after the annual parent company only financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the parent company only financial statements for the years ended December 31, 2024 and 2023.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website.

## 25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

### a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax		
In respect of the current year	\$ 276,409	\$ 262,044
Income tax on unappropriated earnings	5,228	7,769
Adjustments for prior year	<u>1,116</u>	<u>(9,629)</u>
	282,753	260,184
Deferred tax		
In respect of the current year	<u>(946)</u>	<u>(6,166)</u>
Income tax expense recognized in profit or loss	<u>\$ 281,807</u>	<u>\$ 254,018</u>

A reconciliation of accounting profit and income tax expense is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Profit before tax from continuing operations	<u>\$ 1,324,444</u>	<u>\$ 1,318,739</u>
Income tax expense calculated at the statutory rate	\$ 264,889	\$ 263,748
Nondeductible expenses in determining taxable income	12,379	-
Tax-exempt income	(1,796)	(8,035)
Income tax on unappropriated earnings	5,228	7,769
Change in deferred tax	(9)	165
Adjustments for prior years' tax	<u>1,116</u>	<u>(9,629)</u>
Income tax expense recognized in profit or loss	<u>\$ 281,807</u>	<u>\$ 254,018</u>

b. Income tax recognized in other comprehensive income

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Deferred tax</u>		
In respect of the current year:		
Translation of foreign operations	\$ (1,787)	\$ 4,684
Unrealized loss (gain) on financial assets at FVTOCI	<u>189</u>	<u>(712)</u>
Total income tax (benefit) expense recognized in other comprehensive income	<u>\$ (1,598)</u>	<u>\$ 3,972</u>

c. Current tax assets and liabilities

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax liabilities		
Income tax payable	<u>\$ 140,658</u>	<u>\$ 143,900</u>

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities are as follows:

For the year ended December 31, 2025

<u>Deferred Tax Assets</u>	<u>Opening Balance</u>	<u>Recognized in Profit or Loss</u>	<u>Recognized in Other Comprehensive Income</u>	<u>Closing Balance</u>
Temporary differences				
Write-downs of inventory	\$ 394	\$ 88	\$ -	\$ 482
Unrealized exchange loss	-	575	-	575
Payables for annual leave	1,217	84	-	1,301
Estimated warranty cost	194	29	-	223
Amount exceeding allowance for bad debts	1,133	55	-	1,188
Unappropriated earnings of subsidiaries	51,340	5,669	-	57,009
Unrealized loss on financial assets at FVTOCI	<u>712</u>	<u>26</u>	<u>(189)</u>	<u>549</u>
	<u>\$ 54,990</u>	<u>\$ 6,526</u>	<u>\$ (189)</u>	<u>\$ 61,327</u>

<b>Deferred Tax Liabilities</b>	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Compre- hensive Income</b>	<b>Closing Balance</b>
Temporary differences				
Depreciation expense financial and tax differences	\$ 44,690	\$ 6,104	\$ -	\$ 50,794
Unrealized exchange gain	524	(524)	-	-
Exchange differences on translation of the financial statements of foreign operations	<u>1,839</u>	<u>-</u>	<u>(1,787)</u>	<u>52</u>
	<u>\$ 47,053</u>	<u>\$ 5,580</u>	<u>\$ (1,787)</u>	<u>\$ 50,846</u>

For the year ended December 31, 2024

<b>Deferred Tax Assets</b>	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Compre- hensive Income</b>	<b>Closing Balance</b>
Temporary differences				
Write-downs of inventory	\$ 194	\$ 200	\$ -	\$ 394
Unrealized exchange loss	371	(371)	-	-
Payables for annual leave	1,094	123	-	1,217
Estimated warranty cost	176	18	-	194
Amount exceeding allowance for bad debts	1,121	12	-	1,133
Unappropriated earnings of subsidiaries	38,002	13,338	-	51,340
Unrealized loss on financial assets at FVTOCI	-	-	712	712
Exchange differences on translation of the financial statements of foreign operations	<u>2,845</u>	<u>-</u>	<u>(2,845)</u>	<u>-</u>
	<u>\$ 43,803</u>	<u>\$ 13,320</u>	<u>\$ (2,133)</u>	<u>\$ 54,990</u>

<u>Deferred Tax Liabilities</u>	<u>Opening Balance</u>	<u>Recognized in Profit or Loss</u>	<u>Recognized in Other Comprehensive Income</u>	<u>Closing Balance</u>
Temporary differences				
Depreciation expense financial and tax differences	\$ 38,060	\$ 6,630	\$ -	\$ 44,690
Unrealized exchange gain	-	524	-	524
Exchange differences on translation of the financial statements of foreign operations	-	-	1,839	1,839
	<u>\$ 38,060</u>	<u>\$ 7,154</u>	<u>\$ 1,839</u>	<u>\$ 47,053</u>

e. Income tax assessments

The income tax returns through 2023 of the Company in Taiwan have been assessed by Taiwan's tax authorities.

## 26. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Basic earnings per share	<u>\$ 12.31</u>	<u>\$ 12.57</u>
Diluted earnings per share	<u>\$ 12.26</u>	<u>\$ 12.53</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share are as follows:

### Net Profit for the Year

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Earnings used in the computation of basic earnings per share	\$ 1,042,637	\$ 1,064,721
Effect of potentially dilutive ordinary shares:		
Compensation of employees	-	-
Earnings used in the computation of diluted earnings per share	<u>\$ 1,042,637</u>	<u>\$ 1,064,721</u>

The weighted average number of ordinary shares outstanding (in thousands of shares) was as follows:

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	84,725	84,725
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>316</u>	<u>234</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>85,041</u>	<u>84,959</u>

If the Company offered to settle compensation paid to employees in cash or shares, the Company assumed that the entire amount of the compensation will be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

## 27. CASH FLOW INFORMATION

The Company's operating, investing and financing activities with only partial cash receipts and payment in 2025 and 2024 were as follows:

### a. Non-cash transactions

#### 1) Purchase of property, plant and equipment

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Increase in property, plant and equipment	\$ 500,404	\$ 406,627
Add: Payables for equipment and long-term accounts payable at the beginning of the year	161,522	179,853
Less: Payables for equipment and long-term accounts payable at the end of the year	(139,220)	(161,522)
Purchase taxes	<u>-</u>	<u>(167)</u>
Cash payments	<u>\$ 522,706</u>	<u>\$ 424,791</u>

#### 2) Interest received

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Interest income	\$ 62,533	\$ 36,248
Add: Interest receivable at the beginning of the year	8,447	1,188
Bonds premium amortization	86	44
Less: Interest receivable at the end of the year	(6,582)	(8,447)
Imputed interest on security deposits	<u>(409)</u>	<u>(332)</u>
Interest income received	<u>\$ 64,075</u>	<u>\$ 28,701</u>

3) Interest paid

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Interest expenses	\$ 21,394	\$ 15,697
Add: Interest payable at the beginning of the year	3	-
Less: Interest payable at the end of the year	(45)	(3)
Interest expense on lease liabilities	<u>(17,398)</u>	<u>(12,387)</u>
Interest expense paid	<u>\$ 3,954</u>	<u>\$ 3,307</u>

b. Changes in liabilities arising from financing activities

For the year ended December 31, 2025

	<b>Opening Balance</b>	<b>Cash Flows</b>	<b>Non-cash Changes</b>		<b>Closing Balance</b>
			<b>New Leases</b>	<b>Others</b>	
Short-term borrowings	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Guarantee deposits received	575	-	-	-	575
Lease liabilities	<u>894,695</u>	<u>(168,711)</u>	<u>233,497</u>	<u>(35,803)</u>	<u>923,678</u>
	<u>\$ 945,270</u>	<u>\$ (168,711)</u>	<u>\$ 233,497</u>	<u>\$ (35,803)</u>	<u>\$ 974,253</u>

For the year ended December 31, 2024

	<b>Opening Balance</b>	<b>Cash Flows</b>	<b>Non-cash Changes</b>		<b>Closing Balance</b>
			<b>New Leases</b>	<b>Others</b>	
Short-term borrowings	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000
Guarantee deposits received	535	40	-	-	575
Lease liabilities	<u>674,360</u>	<u>(146,707)</u>	<u>364,739</u>	<u>2,303</u>	<u>894,695</u>
	<u>\$ 674,895</u>	<u>\$ (96,667)</u>	<u>\$ 364,739</u>	<u>\$ 2,303</u>	<u>\$ 945,270</u>

## 28. CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Company is not subject to any externally imposed capital requirements.

## 29. FINANCIAL INSTRUMENTS

### a. Fair value of financial instruments that are not measured at fair value

The management of the Company considers that the carrying amount of the financial assets and liabilities not measured at fair value approximated the fair value.

### b. Fair value of financial instruments that are measured at fair value

#### Fair value hierarchy

#### December 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Mutual funds	\$ 1,233,479	\$ -	\$ -	\$ 1,233,479
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed stocks	\$ 1,550	\$ -	\$ -	\$ 1,550
Investments in debt instruments				
Overseas government bonds	107,194	-	-	107,194
	<u>\$ 108,744</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,744</u>

#### December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Mutual funds	\$ 1,295,373	\$ -	\$ -	\$ 1,295,373
Financial assets at FVTOCI				
Investments in debt instruments				
Overseas government bonds	\$ 111,073	\$ -	\$ -	\$ 111,073

### c. Categories of financial instruments

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets</u>		
Amortized cost (Note 1)	\$ 854,036	\$ 673,754
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	1,233,479	1,295,373
Financial assets at FVTOCI		
Equity instruments	1,550	-
Debt instruments	107,194	111,073
<u>Financial liabilities</u>		
Amortized cost (Note 2)	596,937	666,109

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, trade receivables, trade receivables from related parties, other receivables and refundable deposits.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, trade payables, payables on equipment, other payables, long-term accounts payable and guarantee deposits.

d. Financial risk management objectives and policies

The Company's major financial instruments included equity and debt instrument investments, trade receivables, trade payables, borrowings and lease liabilities. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risks), credit risk and liquidity risk.

1) Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other price risks(see (c) below).

a) Foreign currency risk

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 33.

Sensitivity analysis

The Company is mainly exposed to the USD.

The following table details the Company's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates a decrease in pre-tax profit and other equity associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

	<b>For the Year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Profit or loss	\$ 1,306 *	\$ 1,298 *

\* The result was mainly attributable to the exposure on outstanding deposits in USD and U.S. treasury bonds that were not hedged at the end of the reporting period.

b) Interest rate risk

The Company is exposed to interest rate risk because it borrows funds and holds deposits at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows.

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Fair value interest rate risk		
Financial assets	\$ 109,321	\$ 136,888
Cash flow interest rate risk		
Financial assets	325,430	91,599
Financial liabilities	50,000	50,000

#### Sensitivity analysis

The sensitivity analysis below was determined based on the Company's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. A 0.1% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.1% higher and all other variables were held constant, the Company's pre-tax profit for the years ended December 31, 2025 and 2024 would have increased by \$275 thousand and \$42 thousand, respectively.

#### c) Other price risks

The Company was exposed to equity price risk through its investments in funds, beneficiary certificates and investments in domestic listed ordinary shares. The Company's equity price risk is mainly concentrated in equity instruments that are from investments classified as financial assets measured at fair value through profit or loss and investments in financial assets at fair value through other comprehensive income. If the prices of the above investments decreased by 1% as of the reporting period end date, the Company's net income for the years ended December 31, 2025 and 2024 would have decreased by \$12,335 thousand and \$12,954 thousand, respectively, and comprehensive income for the years ended December 31, 2025 and 2024 would have decreased by \$12,350 thousand and \$12,954 thousand, respectively.

#### 2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. At the end of the reporting period, the Company's maximum exposure to credit risk, which would cause a financial loss to the Company due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Company, could be equal to the total of the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In addition, the Company would review the recoverable amount of each receivable at the end of the reporting period to ensure that impairment loss is recognized for unrecoverable receivables. As such, the Company's management concludes that the credit risk has been significantly reduced.

The important financial activities of the Company are reviewed by the board of directors in accordance with relevant rules and internal control systems. The Company follows the relevant financial and operating procedures for the overall financial risk management and segregation of responsibility.

### 3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, and continuously monitoring forecasted and actual cash flows as well as matching the maturity profiles of financial assets and liabilities. As of December 31, 2025 and 2024, the Company had available unutilized short-term bank loan facilities set out in (b) below.

#### a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following tables detail the Company's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest flows are at floating rate, the undiscounted amount was derived from the average interest rate at the end of the reporting period.

#### December 31, 2025

	<u>Less than 1 Year</u>	<u>1-2 Years</u>	<u>2-5 Years</u>	<u>5-10 Years</u>	<u>10-15 Years</u>
Non-interest bearing					
Accounts payable	\$ 187,904	\$ -	\$ -	\$ -	\$ -
Payables on equipment	81,439	-	-	-	-
Long-term accounts payable	-	30,563	27,218	-	-
Guarantee deposits	575	-	-	-	-
Lease liabilities	172,739	151,130	370,978	283,041	22,057
Fixed interest rate liabilities					
Short-term borrowings	<u>50,119</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 492,776</u>	<u>\$ 181,693</u>	<u>\$ 398,196</u>	<u>\$ 283,041</u>	<u>\$ 22,057</u>

#### December 31, 2024

	<u>Less than 1 Year</u>	<u>1-2 Years</u>	<u>2-5 Years</u>	<u>5-10 Years</u>	<u>10-15 Years</u>
Non-interest bearing					
Accounts payable	\$ 225,754	\$ -	\$ -	\$ -	\$ -
Payables on equipment	90,614	-	-	-	-
Long-term accounts payable	-	32,757	38,151	-	-
Guarantee deposits	575	-	-	-	-
Lease liabilities	158,786	151,939	343,768	277,282	30,143
Fixed interest rate liabilities					
Short-term borrowings	<u>50,152</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 525,881</u>	<u>\$ 184,696</u>	<u>\$ 381,919</u>	<u>\$ 277,282</u>	<u>\$ 30,143</u>

b) Financing facilities

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Unsecured bank overdraft facilities:*		
Amount used	\$ -	\$ 50,000
Amount unused	<u>870,000</u>	<u>820,000</u>
	<u>\$ 870,000</u>	<u>\$ 870,000</u>
Secured bank overdraft facilities:		
Amount used	\$ 50,000	\$ -
Amount unused	<u>350,000</u>	<u>400,000</u>
	<u>\$ 400,000</u>	<u>\$ 400,000</u>

\* Shared facilities with subsidiaries.

### 30. TRANSACTIONS WITH RELATED PARTIES

Besides information disclosed elsewhere in the other notes, details of transactions between the Company and other related parties are disclosed below.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
Taixue Jinghua Co., Ltd.	The Company's subsidiary
Taixue Jhongdou Co., Ltd.	The Company's subsidiary
Taixue Jhongke Co., Ltd.	The Company's subsidiary
Taixue Chongde Co., Ltd.	The Company's subsidiary
Taixue Keelung Co., Ltd.	The Company's subsidiary

b. Sales of goods

<u>Line Item</u>	<u>Related Party Category/Name</u>	<u>For the Year Ended December 31</u>	
		<u>2025</u>	<u>2024</u>
Sales	The Company's subsidiary	<u>\$ 18,554</u>	<u>\$ 39,061</u>
Other	The Company's subsidiary	<u>\$ 510</u>	<u>\$ 1,080</u>

c. Purchases of goods

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
The Company's subsidiary	<u>\$ -</u>	<u>\$ 458</u>

d. Receivables from related parties

<u>Line Item</u>	<u>Related Party Category/Name</u>	<u>December 31</u>	
		<u>2025</u>	<u>2024</u>
Trade receivables	The Company's subsidiary	<u>\$ 5,997</u>	<u>\$ 7,189</u>
Other receivables	The Company's subsidiary	<u>\$ 138</u>	<u>\$ 201</u>

e. Lease arrangements

Lease arrangements - the Company is lessor under operating leases

Lease income was as follows:

<u>Related Party Category/Name</u>	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
The Company's subsidiary	<u>\$ 51</u>	<u>\$ 69</u>

f. Remuneration of key management personnel

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Short-term employee benefits	\$ 32,190	\$ 29,802
Post-employment benefits	<u>355</u>	<u>336</u>
	<u>\$ 32,545</u>	<u>\$ 30,138</u>

The remuneration of directors and key executives, as determined by the remuneration committee, is based on the performance of individuals and market trends.

### 31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for quota application and for bank borrowings:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Property, plant and equipment	<u>\$ 222,202</u>	<u>\$ 223,499</u>

### 32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Company at December 31, 2025 and 2024 were as follows:

- a. As of December 31, 2025 and 2024, the contracts signed by the Company for purchase of equipment and application software systems were \$149,464 thousand and \$198,297 thousand, respectively, and the outstanding amounts were \$42,663 thousand and \$103,185 thousand, respectively.

- b. The Company, in response to Civil Judgment of Zhi-Zi No. 2, Year 2023 issued by the Taiwan Taipei District Court, retained legal counsel to file an appeal. On October 23, 2024, the Company received the judgment of Chongshang-Zi No. 000615, Year 2023 rendered by the Taiwan High Court. The Company sought punitive damages of \$2,000 thousand from Li-Ju Lai due to breach of contract by practicing elsewhere during the contract period of Chiayi Universal Eye Center. This claim was dismissed by the Taiwan High Court. Li-Ju Lai subsequently filed a countersuit against the Company for unjust enrichment in the amount of \$21,924 thousand, which was also dismissed by the Taiwan High Court.

The Company filed a petition for retrial on June 12, 2025, pursuant to applicable laws. The court subsequently rendered the judgment of Zai-Zi No.35, Year 2025 on November 11, 2025, dismissing the petition for retrial. In order to safeguard its rights and interests, the Company promptly filed an appeal with the Supreme Court on December 8, 2025. As of the date of these consolidated financial statements, the case is currently pending, and no final judgment has been rendered. Based on the Company's assessment, the litigation is not expected to have a material impact on the Company's operations or financial position.

### 33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Company's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currency of the Company and the related exchange rates between the foreign currencies and the functional currency were as follows:

#### Currency Unit: In Thousands of New Taiwan Dollars and Foreign Currencies

December 31, 2025

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Financial assets</u>			
Monetary items			
USD	\$ 4,155	31.4300 (USD:NTD)	<u>\$ 130,590</u>
Non-monetary items			
Investments accounted for using the equity method			
USD	12,190	31.4300 (USD:NTD)	<u>\$ 383,137</u>

December 31, 2024

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Financial assets</u>			
Monetary items			
USD	\$ 3,961	32.7850 (USD:NTD)	<u>\$ 129,846</u>
Non-monetary items			
Investments accounted for using the equity method			
USD	12,823	32.7850 (USD:NTD)	<u>\$ 420,415</u>

The significant realized and unrealized foreign exchange gains (losses) were as follows:

Foreign Currency	For the Year Ended December 31			
	2025		2024	
	Exchange Rate (Foreign Currency: Functional Currency)	Net Foreign Exchange Gains (Losses)	Exchange Rate (Foreign Currency: Functional Currency)	Net Foreign Exchange Gains (Losses)
USD	31.4300 (USD:NTD)	<u>\$ (5,469)</u>	32.7850 (USD:NTD)	<u>\$ 7,814</u>

### 34. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Significant marketable securities held (excluding investment in subsidiaries, associates and joint ventures). (Table 3)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (None)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (None)

b. Information on investees (Table 4)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 5)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
  - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
  - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
  - c) The amount of property transactions and the amount of the resultant gains or losses.
  - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

- e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
- f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.

### **35. SEGMENT INFORMATION**

The Company has disclosed operating segment information according to regulations. Refer to Note 36 to the 2025 consolidated financial statements for the operating segment information.

## UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

FINANCING PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Lender	Borrower	Financial Statement Account (Note 2)	Related Parties	Highest Balance for the Period (Note 3)	Ending Balance (Note 8)	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing (Note 4)	Business Transaction Amounts (Note 5)	Reason for Short-term Financing (Note 6)	Allowance for Impairment Loss	Collateral		Financing Limits for Each Borrower (Note 7)	Aggregate Financing Limits (Note 7)	Note
													Item	Value			
1	Kunshan Universal Trading Co., Ltd.	Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	Other receivables	Yes	\$ 44,716 RMB 10,000,000	\$ 44,716 RMB 10,000,000	\$ 22,358 RMB 5,000,000	3.5	b.	\$ -	Working capital needs	\$ -	No	\$ -	\$ 263,475	\$ 263,475	-

Note 1: Numbering sequence is as follows:

- a. The issuer is numbered 0.
- b. Investees are numbered sequentially starting from 1.

Note 2: Accounts receivable from associated companies, receivables from related parties, shareholder transactions, prepayments, temporary payments and other items in the account, if belong to the nature of capital loans, must be filled in this column.

Note 3: The highest balance for the period, and the loan limit that is still valid at the end of the year.

Note 4: Explanation of nature of financing:

- a. Transactions.
- b. Short-term financing.

Note 5: If the nature of the fund loan is a business transaction, the amount of the business transaction should be disclosed. The amount of business transactions refers to the amount of business transactions between the company that lends funds and the borrower in the most recent year.

Note 6: If the nature of the fund loan is short-term financing, the reason and the purpose of the loan should be specified, such as: repayment of borrowings, purchase of equipment, working capital, etc.

Note 7: According to the Regulations Governing the Lending of Funds to Others of Kunshan Uniners Trading Co., Ltd., the total amount of funds lent between companies in which the Company's ultimate parent directly or indirectly holds 100% of the voting shares shall not exceed the net worth of the lending company. The net worth of Kunshan Universal Trading Co., Ltd. amounted to \$263,475 thousand.

Note 8: For public companies proposed the lending of funds before the Board for resolution case by case pursuant to Paragraph 1, Article 14 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies," the amount approved by the Board but not yet being drawn down shall still be included in the amount for announcement for the disclosure of risk being assumed. If the loans are being repaid in the future, disclose the outstanding balance to reflect the adjustment of risk. For public companies proposed the lending of funds before the Board for resolution case by case pursuant to Paragraph 2, Article 14 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" whereby the Board resolved to authorize the Chairman to affect the drawdown or in revolving credit in tranches within specific limit and in the year, the amount and the limit approved by the Board shall still be announced as the outstanding balance. In subsequent retirement of loans, repeated drawdown shall still be considered and the amount and the limit approved by the Board shall still be announced as the outstanding balance.

## UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 4)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 5)	Actual Amount Borrowed (Note 6)	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 7)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 7)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 7)	Note
		Name	Relationship (Note 2)											
0	Universal Vision Biotechnology Co., Ltd.	Kunshan Universal Trading Co., Ltd.	b.	\$ 1,206,907	\$ 99,615 US\$ 3,000,000	\$ 94,290 US\$ 3,000,000	\$ - -	\$ -	2.34	\$ 2,011,512	Y	N	Y	-
1	Kunshan Universal Trading Co., Ltd.	Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	d.	131,738	46,258 RMB 10,000,000	44,716 RMB 10,000,000	10,732 RMB 2,400,000	-	1.11	131,738	N	N	Y	-

Note 1: Numbering sequence is as follows:

- a. The issuer is numbered 0.
- b. Investees are numbered sequentially starting from 1.

Note 2: The 7 types of relationships between the endorser/guarantor and endorseees/guarantees are as follows:

- a. Company with business transactions.
- b. Company where Universal Vision Biotechnology Co., Ltd. directly or indirectly holds more than 50% of its voting shares.
- c. Company that directly or indirectly holds more than 50% of the shares in Universal Vision Biotechnology Co., Ltd.
- d. Company where Kunshan Universal Trading Co., Ltd. directly or indirectly holds more than 90% of the voting shares.
- e. Companies fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- f. For investment purposes, where it is necessary that all investors endorse/guarantee for the Company according to the proportion of shares held.
- g. Joint guarantees for performance of presale housing sales contracts conducted between industry peers in accordance with the Consumer Protection Act.

Note 3: According to Universal Vision Biotechnology Co., Ltd. Endorsement/Guarantee Provided Enforcement Rules, the amount of the guarantee provided by Universal Vision Biotechnology Co., Ltd. shall not exceed 50% of its net worth; to single associated company overseas shall not exceed 30% of its net worth. The limited amount Universal Vision Biotechnology Co., Ltd. provided to individual entity is net worth of \$4,023,023 thousand  $\times$  30% = \$1,206,907 thousand; the total amount Universal Vision Biotechnology Co., Ltd. provided is limited to \$4,023,023 thousand  $\times$  50% = \$2,011,512 thousand. Kunshan Universal Trading Co., Ltd provided to individual entity is net worth of \$263,475 thousand  $\times$  50% = \$131,738 thousand.

Note 4: The maximum balance of endorsement guarantees for others in the current year.

Note 5: Amount approved by the Company's board of directors. The Company's board follows Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies Article 12-8 Hierarchy of decision-making authority and delegation that means the amount was decided by the chairman of the board of directors.

Note 6: Actual expenditure amount of the endorsed company within the range of the balance of the endorsement guarantee.

Note 7: "Y" must be filled in if endorsement guarantor for parent company is subsidiary company, endorsement guarantor for subsidiary company is parent company, and endorsement certificate is for mainland China company.

## UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

## SIGNIFICANT MARKETABLE SECURITIES HELD

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities (Note)	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares/Face Value	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Universal Vision Biotechnology Co., Ltd.	<u>Funds and beneficiary certificates</u>							
	CTBC U.S. Treasury 20+ Year Bond ETF	None	Financial assets at fair value through profit and loss - current	5,100,000	\$ 139,893	-	\$ 139,893	
	Yuanta U.S. Treasury 20+ Year Bond ETF	None	Financial assets at fair value through profit and loss - current	5,000,000	136,200	-	136,200	
	Cathay U.S. Treasury 20+ Year Bond ETF	None	Financial assets at fair value through profit and loss - current	5,000,000	141,500	-	141,500	
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	None	Financial assets at fair value through profit and loss - current	800,000	25,720	-	25,720	
	Cathay US Corporate A- and Above 10+ Years Liquid ETF	None	Financial assets at fair value through profit and loss - current	250,000	8,782	-	8,782	
	CTBC USD Corporate 10+ Year High Grade Capped Bond ETF	None	Financial assets at fair value through profit and loss - current	500,000	17,135	-	17,135	
	CTBC Banking Senior 10+ Year Bond ETF	None	Financial assets at fair value through profit and loss - current	800,000	29,392	-	29,392	
	Yuanta US 20+ Year BBB Corporate Bond ETF	None	Financial assets at fair value through profit and loss - current	750,000	25,268	-	25,268	
	CAPITAL BofA MERRILL LYNCH 10+ YEAR US BANKING INDEX EXCHANGE TRADED FUND	None	Financial assets at fair value through profit and loss - current	750,000	26,085	-	26,085	
	Cathay US Corporate 10+ Years Banking ETF	None	Financial assets at fair value through profit and loss - current	500,000	8,215	-	8,215	
	Fubon 20+ Years US Treasury Bond ETF	None	Financial assets at fair value through profit and loss - current	4,800,000	142,224	-	142,224	
	CAPITAL ICE 25+ YEAR US TREASURY EXCHANGE TRADED FUND	None	Financial assets at fair value through profit and loss - current	4,900,000	138,670	-	138,670	
	Sinopac ICE 20+ Year US Treasury ETF	None	Financial assets at fair value through profit and loss - current	6,000,000	141,360	-	141,360	
	KGI 25+ Years US Treasury Bond ETF	None	Financial assets at fair value through profit and loss - current	4,500,000	128,925	-	128,925	
	UPAMC US Treasury 20 Plus Year ETF	None	Financial assets at fair value through profit and loss - current	9,000,000	124,110	-	124,110	
					<u>\$ 1,233,479</u>		<u>\$ 1,233,479</u>	
	<u>Foreign bonds</u>							
	U.S. Treasury bonds	None	Financial assets at fair value through other comprehensive income - non-current	US3,400,000	<u>\$ 107,194</u>	-	<u>\$ 107,194</u>	

Note: For information on investments in subsidiaries, affiliated companies and joint venture, refer to Tables 4 and 5.

**TABLE 4**

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.**

**INFORMATION ON INVESTEEES**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars, Shares in Thousands of Shares)**

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Universal Vision Biotechnology Co., Ltd.	Universal Group (BVI) Inc.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investment	\$ 706,098	\$ 706,098	23,159	100.00	\$ 383,137	\$ (28,346)	\$ (28,346)	
	Taixue Investment Holdings Co., Ltd.	4F., No. 3-1 Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Investment	150,000	150,000	15,000	100.00	115,898	8,965	8,965	
Taixue Investment Holdings Co., Ltd.	Taixue Jinghua Co., Ltd.	4F., No. 3-1 Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment, western medicine	71,000	71,000	600	100.00	-	(146)	(146)	
	Taixue Jhongdou Co., Ltd.	4F., No. 3-1 Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment, western medicine	65,200	65,200	6,000	100.00	-	67	67	
	Eyeseer Medical Inc.	4F., No. 3-1 Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment	25,000	15,000	2,500	100.00	22,053	4,428	4,428	
	Taixue Jhongke Co., Ltd.	4F., No. 3-1 Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment, western medicine	18,500	1,000	3,500	58.33	23,388	16,186	2,403	
	Taixue Chongde Co., Ltd.	4F., No. 3-1 Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment	1,000	-	1,000	16.67	2,871	11,225	1,871	
	Taixue Keelung Co., Ltd.	4F., No. 3-1 Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment	1,000	-	1,000	16.67	960	(240)	(40)	
	Universal Group (BVI) Inc.	Universal Group Holding Co., Ltd.	Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands	Investment	704,333	704,333	23,209	100.00	382,742	(28,349)	(28,349)
Universal Group Holding Co., Ltd.	Universal International (Samoa) Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investment	697,966	697,966	23,000	100.00	382,586	(28,350)	(28,350)	

## UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

INFORMATION ON INVESTMENT IN MAINLAND CHINA  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2 b.(2))	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
Universal Vision Biotechnology (Shanghai) Co., Ltd.	Purchase and sale of ophthalmic surgical instruments, medical optical instruments, etc.	US\$ 23,000,000	(b) Universal International (Samoa) Co., Ltd.	\$ 697,966	\$ -	\$ -	\$ 697,966	\$ (28,350) RMB (6,495,647)	100.00	\$ (28,350) RMB (6,495,647)	\$ 382,585 RMB 85,558,910	\$ -
Taixue (Jiangsu) Investment Co., Ltd.	Investment	RMB 143,000,000	(b) Universal Vision Biotechnology (Shanghai) Co., Ltd.	-	-	-	-	(25,726) RMB (5,894,467)	100.00	(25,726) RMB (5,894,467)	369,250 RMB 82,576,663	-
Taixue Medical Investment Management (Zhejiang) Co., Ltd.	Enterprise and medical project investment	RMB 150,000,000	(b) Taixue (Jiangsu) Investment Co., Ltd.	-	-	-	-	(36,583) RMB (8,382,049)	70.00	(25,608) RMB (5,867,434)	234,085 RMB 52,349,322	-
Kunshan Universal Trading Co., Ltd.	Import and export of medical devices and related services	RMB 59,140,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	6,367	-	-	6,367	1,935 RMB 443,350	70.00	1,366 RMB 312,995	184,400 RMB 41,238,116	-
Taixue (Jiangsu) Glasses Co., Ltd.	Wholesale and retail of glasses	RMB 9,800,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	-	-	-	-	(428) RMB (98,114)	70.00	(300) RMB (68,680)	14,849 RMB 3,320,716	-
Ningbo Haishu Taixue Ophthalmic Outpatient Department Ltd.	Ophthalmology diagnosis and eyeglasses wholesale and retail	RMB 12,000,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	-	-	-	-	(6,811) RMB (1,560,573)	70.00	(4,498) RMB (1,030,591)	31,421 RMB 7,026,874	-
Taixue (Jiangsu) Medical Investment Management Co., Ltd.	Enterprise and medical project investment, management and consulting services	RMB 30,500,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	-	-	-	-	(35,277) RMB (8,082,767)	70.00	(24,656) RMB (5,649,215)	(1,101) RMB (246,116)	-
Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd.	Healthcare investment management	RMB 22,900,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	-	-	-	-	(3,325) RMB (761,719)	70.00	(2,548) RMB (583,820)	(40,133) RMB (8,974,972)	-
Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	Ophthalmology diagnosis and eyeglasses wholesale and retail	RMB 19,500,000	(b) Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd.	-	-	-	-	2,146 RMB 491,811	70.00	1,503 RMB 344,267	(38,064) RMB (8,512,367)	-
Suzhou Haiweishi Ophthalmic Clinic (LP)	The scope of ophthalmology and surgery is limited to outpatient surgery, and it also engages in spectacles and retail	RMB 14,300,000	(b) Taixue (Jiangsu) Medical Investment Management Co., Ltd. and Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd.	-	-	-	-	(10,958) RMB (2,510,813)	70.00	(7,671) RMB (1,757,569)	(135) RMB (30,114)	-
Hangzhou Lingping Taixue Ophthalmic Hospital Ltd.	Retail, medical device sales and medical services	(Note 4)	(b) Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	-	-	-	-	79 RMB 18,214	70.00	56 RMB 12,750	- RMB -	-
Taixue (Hangzhou) Glasses Co., Ltd.	Wholesale and retail of glasses and sale of medical devices	RMB 4,000,000	(b) Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	-	-	-	-	(2,914) RMB (667,610)	70.00	(2,040) RMB (467,327)	8,035 RMB 1,796,996	-
Hangzhou Taixue (II) Ophthalmic Outpatient Department Ltd.	Ophthalmic medical services and sale of medical devices	RMB 1,500,000	(b) Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	-	-	-	-	1,340 RMB 307,088	70.00	938 RMB 214,962	2,451 RMB 548,208	-

(Continued)

Company	Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
Universal Vision Biotechnology Co., Ltd.	\$ 706,098 (US\$ 23,159,000)	\$ 823,728 (US\$ 26,209,000) Exchange rate: 31.4300	\$ 2,413,814

Note 1: Three methods of investment are the following:

- a. Direct investment.
- b. Reinvestment in China through a company located in a third region (specify the investment company registered in the third jurisdiction).
- c. Other methods.

Note 2: The column of investment profit and loss recognized in the current period:

- a. If it is under preparation and there is no investment profit and loss, it should be indicated.
- b. The basis for recognition of investment gains and losses is divided into the following three types, which should be indicated.
  - 1) Financial statements certified by an international accounting firm that has a cooperative relationship with an accounting firm in the ROC.
  - 2) The financial statements have been audited by the accountant of the parent company of Taiwan.
  - 3) Other.

Note 3: According to the "Regulations Governing the Examination of Investment of Technical Cooperation in Mainland China" updated on August 29, 2008, the upper limit of the investment amount is "60% of the net value".

Note 4: Hangzhou Lingping Taixue Ophthalmic Hospital Ltd. was approved for dissolution by the shareholders on February 14, 2025, and the deregistration was completed in August 2025.

(Concluded)

# UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

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**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.**

**STATEMENT OF CASH AND CASH EQUIVALENTS**

**DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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<u>Name</u>	<u>Summary</u>	<u>Amount</u>
Cash		
Cash on hand		\$ 2,127
Bank deposit		
Demand deposits		301,720
Checking accounts		315
Foreign currency deposit	US\$744,361 @ 31.4300	<u>23,395</u>
		<u>\$ 327,557</u>

## UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT  
DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Name	Shares	Cost	Fair Value		Note
				Unit Price (NT\$)	Total Amount	
Share	Zheng Yang Biomedical Technology Co., Ltd.	229	\$ 7	\$ -	\$ -	
	Aventacell Biomedical Corp. Ltd.	<u>22</u>	<u>-</u>	-	<u>-</u>	
		<u>251</u>	<u>7</u>		<u>-</u>	
Funds and beneficiary certificates	CTBC U.S. Treasury 20+ Year Bond ETF	5,100,000	160,034	27.43	139,893	
	Yuanta U.S. Treasury 20+ Year Bond ETF	5,000,000	155,252	27.24	136,200	
	Cathay U.S. Treasury 20+ Year Bond ETF	5,000,000	162,141	28.30	141,500	
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	800,000	28,778	32.15	25,720	
	Cathay US Corporate A- and Above 10+ Years Liquid ETF	250,000	9,514	35.13	8,782	
	CTBC USD Corporate 10+ Year High Grade Capped Bond ETF	500,000	18,451	34.27	17,135	
	CTBC Banking Senior 10+ Year Bond ETF	800,000	30,786	36.74	29,392	
	Yuanta US 20+ Year BBB Corporate Bond ETF	750,000	27,357	33.69	25,268	
	CAPITAL BofA MERRILL LYNCH 10+ YEAR US BANKING INDEX EXCHANGE TRADED FUND	750,000	27,176	34.78	26,085	
	Cathay US Corporate 10+ Years Banking ETF	500,000	8,679	16.43	8,215	
	Fubon 20+ Years US Treasury Bond ETF	4,800,000	159,631	29.63	142,224	
	CAPITAL ICE 25+ YEAR US TREASURY EXCHANGE TRADED FUND	4,900,000	160,111	28.30	138,670	
	Sinopac ICE 20+ Year US Treasury ETF	6,000,000	161,434	23.56	141,360	
	KGI 25+ Years US Treasury Bond ETF	4,500,000	146,993	28.65	128,925	
	UPAMC US Treasury 20 Plus Year ETF	<u>9,000,000</u>	<u>139,258</u>	13.79	<u>124,110</u>	
		<u>48,650,000</u>	<u>1,395,595</u>		<u>1,233,479</u>	
			<u>\$ 1,395,602</u>		<u>\$ 1,233,479</u>	

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.****STATEMENT OF RECEIVABLES****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollar)**

<u>Name</u>	<u>Summary</u>	<u>Amount</u>
Unrelated parties		
Customer A	Technical services and other related income	\$ 69,771
Customer C	Technical services and other related income	48,537
Customer D	Technical services and other related income	33,866
Customer H	Technical services and other related income	32,096
Customer B	Technical services and other related income	31,542
Others (Note)		<u>273,719</u>
		489,531
Related parties		5,997
Less: Allowance for impairment loss		<u>(10,897)</u>
		<u>\$ 484,631</u>

Note: The amount of each item does not exceed 5% of the total account balance.

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.**

**STATEMENT OF INVENTORY**

**DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars)**

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<u>Name</u>	<u>Book Value</u>	<u>Market Price</u>
Merchandise (Note 1)	\$ 59,339	<u>\$ 126,902</u>
Consumables (Note 2)	206,887	
Less: Allowance to reduce inventory to market	<u>(2,411)</u>	
	<u>\$ 263,815</u>	

Note 1: Market price is based on net realizable value.

Note 2: Consumables for own use.

## UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

STATEMENT OF CHANGES IN INVESTMENT ACCOUNTED FOR UNDER THE EQUITY METHOD  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollar)

Name	Amount at Beginning of Period		Addition in Current Period		Decrease in Current Period		Investment Return (Loss)	Adjustment of Accumulated Conversion	Balance at End of Period			Net Equity Value		Evaluation Basis	Guarantee or Pledge
	Quantity of Shares (Thousand)	Amount	Quantity of Shares (Thousand)	Amount	Quantity of Shares (Thousand)	Amount			Quantity of Shares (Thousand)	Proportion of Shareholding (%)	Amount	Unit Price (NT\$)	Total Amount		
Universal Group (BVI) Inc.	23,159	\$ 420,415	-	\$ -	-	\$ -	\$ (28,346)	\$ (8,932)	23,159	100	\$ 383,137	16.54	\$ 383,137	Equity	None
Taixue Investment Holdings Co., Ltd.	15,000	<u>107,433</u>	-	<u>-</u>	-	<u>(500)</u>	<u>8,965</u>	<u>-</u>	15,000	100	<u>115,898</u>	7.73	<u>115,898</u>	Equity	None
		<u>\$ 527,848</u>		<u>\$ -</u>		<u>\$ (500)</u>	<u>\$ (19,381)</u>	<u>\$ (8,932)</u>			<u>\$ 499,035</u>		<u>\$ 499,035</u>		

Note: The decrease in the current period of Taixue Investment Holding Co., Ltd. is due to the adjustment of the change in shareholding ratio of investment using the equity method to retained earnings of \$500 thousand.

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.****STATEMENT OF CHANGES IN COST OF RIGHT OF USE ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

---

<u>Name</u>	<u>Amount at Beginning of Period</u>	<u>Addition in Current Period</u>	<u>Decrease in Current Period</u>	<u>Balance at End of Period</u>	<u>Note</u>
Buildings	\$ 1,306,869	\$ 232,836	\$ (106,498)	\$ 1,433,207	
Transportation equipment	<u>16,602</u>	<u>1,470</u>	<u>(3,296)</u>	<u>14,776</u>	
	<u>\$ 1,323,471</u>	<u>\$ 234,306</u>	<u>\$ (109,794)</u>	<u>\$ 1,447,983</u>	

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.**

**STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF RIGHT OF USE ASSET  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)**

---

<u>Name</u>	<u>Amount at Beginning of Period</u>	<u>Addition in Current Period</u>	<u>Decrease in Current Period</u>	<u>Balance at End of Period</u>	<u>Note</u>
Buildings	\$ 458,013	\$ 157,379	\$ (54,290)	\$ 561,102	
Transportation equipment	<u>7,394</u>	<u>5,359</u>	<u>(3,282)</u>	<u>9,471</u>	
	<u>\$ 465,407</u>	<u>\$ 162,738</u>	<u>\$ (57,572)</u>	<u>\$ 570,573</u>	

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.****STATEMENT OF SHORT-TERM BORROWINGS****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

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<u>Creditor</u>	<u>Period</u>	<u>Rate (%)</u>	<u>Balance at End of Period</u>	<u>Financing Facilities</u>	<u>Collateral</u>
Short-term bank loans					
First Commercial Bank	2025.12.31- 2026.01.30	1.875	<u>\$ 50,000</u>	<u>\$ 400,000</u>	Property, plant and equipment
Total short-term loans			<u>\$ 50,000</u>	<u>\$ 400,000</u>	

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.**

**STATEMENT OF ACCOUNTS PAYABLE**

**DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars)**

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<b>Name</b>	<b>Summary</b>	<b>Amount</b>
Supplier J	Payment for purchase	\$ 73,174
Supplier I	Payment for purchase	33,830
Supplier B	Payment for purchase	20,034
Supplier K	Payment for purchase	16,539
Supplier F	Payment for purchase	11,854
Others (Note)		<u>32,473</u>
		<u>\$ 187,904</u>

Note: The amount of each item does not exceed 5% of the total account balance.

## UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

## STATEMENT OF LEASEHOLD LIABILITIES

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

<u>Name</u>	<u>Summary</u>	<u>Lease Term</u>	<u>Discount Rate</u>	<u>Leasehold Liabilities - Current</u>	<u>Leasehold Liabilities - Non-current</u>	<u>Amount</u>	<u>Note</u>
Buildings	Rental premises	2014.11.21-2037.11.15	1.195%-2.72%	\$ 151,668	\$ 766,705	\$ 918,373	
Transportation equipment	Car rental	2023.07.31-2027.06.21	2.19%-2.72%	<u>4,168</u>	<u>1,137</u>	<u>5,305</u>	
				<u>\$ 155,836</u>	<u>\$ 767,842</u>	<u>\$ 923,678</u>	

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.**

**STATEMENT OF REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)**

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<b>Name</b>	<b>Amount</b>
Operating income	
Sale of goods	\$ 952,943
Brand licensing and technical services	1,757,500
Medical consumables	568,510
Consultancy services	155,985
Rental income	<u>214,711</u>
Net operating income	<u>\$ 3,649,649</u>

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.**

**STATEMENT OF OPERATING COST  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)**

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<b>Name</b>	<b>Amount</b>
Inventory at beginning of period	\$ 255,774
Add: Purchase of inventory in current period	1,052,307
Warranty cost	143
Less: Inventory at end of period	(263,815)
Transfer for self-use	(3,053)
Transfer of medical consumables costs	<u>(396,939)</u>
Cost of goods sold	644,417
Ophthalmology business cost (Statement 13)	<u>830,533</u>
Operating cost	<u>\$ 1,474,950</u>

**UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.**

**STATEMENT OF OPERATING COST OF OPHTHALMOLOGY BUSINESS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars)**

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<u>Name</u>	<u>Summary</u>	<u>Amount</u>
Technical services		
Repair expenses		\$ 57,452
Depreciation		253,181
Amortization expense		<u>64</u>
		<u>310,697</u>
Medical consumables cost		<u>397,465</u>
Rent cost		
Depreciation		<u>122,371</u>
		<u>\$ 830,533</u>

## UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

## STATEMENT OF OPERATING EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Name	Selling and Marketing Expenses	General and Administrative Expenses	Expected Credit Gain	Total
Salary expense	\$ 209,227	\$ 212,744	\$ -	\$ 421,971
Advertising expense	143,934	7	-	143,941
Depreciations	69,178	17,173	-	86,351
Services expense	807	17,105	-	17,912
Expected credit gain	-	-	(19)	(19)
Others (Note)	<u>62,242</u>	<u>78,026</u>	<u>-</u>	<u>140,268</u>
	<u>\$ 485,388</u>	<u>\$ 325,055</u>	<u>\$ (19)</u>	<u>\$ 810,424</u>

Note: The amount of each item does not exceed 5% of the total account balance.

## UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31					
	2025			2024		
	Attributable to Cost of Operation	Attributable to Operating Cost	Total	Attributable to Cost of Operation	Attributable to Operating Cost	Total
Employee benefit expense						
Salary expense	\$ -	\$ 382,450	\$ 382,450	\$ -	\$ 350,279	\$ 350,279
Labor and health insurance	-	31,157	31,157	-	27,621	27,621
Pension expense	-	16,086	16,086	-	14,195	14,195
Remuneration to directors.	-	23,435	23,435	-	23,416	23,416
Other benefit expenses	-	14,319	14,319	-	9,201	9,201
	<u>\$ -</u>	<u>\$ 467,447</u>	<u>\$ 467,447</u>	<u>\$ -</u>	<u>\$ 424,712</u>	<u>\$ 424,712</u>
Depreciation	<u>\$ 375,552</u>	<u>\$ 86,351</u>	<u>\$ 461,903</u>	<u>\$ 325,004</u>	<u>\$ 83,798</u>	<u>\$ 408,802</u>
Amortization	<u>\$ 64</u>	<u>\$ 1,779</u>	<u>\$ 1,843</u>	<u>\$ 114</u>	<u>\$ 2,617</u>	<u>\$ 2,731</u>

Note 1: For the years 2025 and 2024, the Company had an average of 358 and 333 employees, respectively, which included 8 non-employee directors in each year.

Note 2: The average employee benefit expense in 2025 amounted to \$1,269 thousand and the average employee benefit expense in 2024 amounted to \$1,235 thousand.

Note 3: The average employee salary expense in 2025 amounted to \$1,093 thousand and the average employee salary expense in 2024 amounted to \$1,078 thousand.

Note 4: The average adjustment in employee salary expense was 1.39%.

Note 5: The remuneration of the directors of the Company is determined and authorized by the board of directors based on the amount of directors' participation in the Company's operations and the value of their contributions and the usual level of remuneration in the industry. According to the Company's Articles, the Company accrues compensation of employees at the rates of 1% to 10% of which no less than 10% shall be allocated as compensation distributions for non-executive employees, and accrues remuneration of directors at rates of no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The distribution of the compensation of employees and remuneration of directors shall be reviewed by the Compensation and Remuneration Committee, submitted to the board of directors for resolution and reported to shareholders.

The Company's remuneration policy for managers and employees requires the payment of remuneration after taking into account the salary level of the position in the industry, the scope of power and responsibilities of the position in the Company, and the contribution to the Company's operating goals. In the process of setting reasonable remuneration, the Company refers not only to the overall operational performance of the company, but also to the achievement rate of individual performance and the degree of contribution to the overall performance of the Company.

The Company's policy on remuneration of directors and general managers and the procedures for setting remuneration takes into consideration the positive relationship with business performance and future risks, and the relevant results of the performance evaluation of the board of directors.