

Management Report for Third Fiscal Quarter 2025

Hsinchu, Taiwan, November 14th, 2025 – eMemory Technology Inc. (TPE: 3529) reported financial results for its fiscal quarter, which ended September 30th, 2025.

Executive Summary

- Q3 2025 revenue was NT\$ 952.42 million, up 1.7% sequentially and up 5.9% year-over-year. Operating Margin was 57.6%, down 0.7 ppt QoQ but up 1.5 ppts YoY. Net income was NT\$ 487.14 million, an increase of 21.8% sequentially and an increase of 17.7% year-over-year.
- Licensing growth will be driven by:
 - ✓ 10 years contract including 18 3nm tape outs for US defense applications and 3nm CPU for AI server will drive strong PUF security license growth.
 - ✓ Strong licenses for embedded ReRAM and NeoFlash technologies that replace external memories.
- Royalty growth is expected to accelerate due to customers' tape outs moving into mass production for:
 - ✓ RF chips for a leading U.S. smartphone customer's in-house modem module.
 - ✓ DDR5-related applications for a major Korean memory manufacturer.
 - ✓ AI servers featuring secure BMCs, SSD controllers, and networking chips.
 - ✓ Automotive applications in ADAS, networking.
 - ✓ Secure embedded controllers for PC/ NB.
 - ✓ ASIC applications from various customers.

Financial Results

(Amounts in thousands of NT\$)

	Q3 2025	Q2 2025	QoQ	Q3 2024	YoY	Q1-Q3 2025	Q1-Q3 2024	YoY
Revenue	952,422	936,535	1.7%	899,477	5.9%	2,800,691	2,595,251	7.9%
Gross Margin	100%	100%	-	100%	-	100%	100%	-
Operating Expenses	404,068	390,644	3.4%	394,561	2.4%	1,184,099	1,174,533	0.8%
Operating Income	548,354	545,891	0.5%	504,916	8.6%	1,616,592	1,420,718	13.8%
Operating Margin	57.6%	58.3%	-0.7ppt	56.1%	1.5ppts	57.7%	54.7%	3.0ppts
*Net Income	487,135	399,995	21.8%	413,969	17.7%	1,348,836	1,319,642	2.2%
Net Margin	51.3%	42.5%	8.8ppts	45.5%	5.8ppts	47.9%	50.3%	-2.4ppts
EPS (NT\$)	6.52	5.36	21.6%	5.54	17.7%	18.06	17.68	2.1%
ROE	57.0%	50.4%	6.6ppts	54.6%	2.4ppts	52.6%	58.0%	-5.4ppts

*Net income attributable to Shareholders of the Company

Revenue Analysis

(Amounts in thousands of NT\$)

	Q3 2025	Q2 2025	QoQ	Q3 2024	YoY	Q1-Q3 2025	Q1-Q3 2024	YoY
Licensing	347,011	317,976	9.1%	290,639	19.4%	905,204	818,679	10.6%
Royalty	605,411	618,559	-2.1%	608,838	-0.6%	1,895,487	1,776,572	6.7%
Total	952,422	936,535	1.7%	899,477	5.9%	2,800,691	2,595,251	7.9%

(Amounts in thousands of US\$)

	Q3 2025	Q2 2025	QoQ	Q3 2024	YoY	Q1-Q3 2025	Q1-Q3 2024	YoY
Licensing	11,546	10,274	12.4%	9,019	28.0%	29,167	25,665	13.6%
Royalty	20,596	19,440	5.9%	18,714	10.1%	60,422	55,468	8.9%
Total	32,142	29,714	8.2%	27,733	15.9%	89,589	81,133	10.4%

Revenue analysis by technology

(Amounts in thousands of NT\$)

	Q3 2025								
	Total Revenue			Licensing Revenue			Royalty Revenue		
	% of Q3 Revenue	QoQ	YoY	% of Q3 Licensing	QoQ	YoY	% of Q3 Royalty	QoQ	YoY
NeoBit	24.5%	4.6%	-6.1%	23.2%	34.2%	-11.3%	25.3%	-6.2%	-3.1%
NeoFuse	61.0%	3.4%	11.2%	42.8%	18.4%	70.9%	71.4%	-0.8%	-0.7%
PUF-Based	5.4%	9.1%	46.2%	14.5%	8.1%	44.1%	0.2%	83.9%	326.9%
MTP	9.1%	-17.3%	-7.2%	19.5%	-21.3%	-13.3%	3.1%	0.9%	24.8%

	Q1-Q3 2025					
	Total Revenue		Licensing Revenue		Royalty Revenue	
	% of Revenue	YoY	% of Licensing	YoY	% of Royalty	YoY
NeoBit	24.4%	2.1%	21.8%	-7.1%	25.7%	6.3%
NeoFuse	62.3%	10.6%	43.3%	27.7%	71.5%	6.5%
PUF-Based	4.2%	27.6%	12.6%	25.7%	0.1%	337.0%
MTP	9.1%	-0.4%	22.3%	-3.3%	2.7%	13.0%

(Amounts in thousands of US\$)

	Q3 2025								
	Total Revenue			Licensing Revenue			Royalty Revenue		
	% of Q3 Revenue	QoQ	YoY	% of Q3 Licensing	QoQ	YoY	% of Q3 Royalty	QoQ	YoY
NeoBit	24.6%	13.2%	3.2%	23.3%	40.6%	-4.2%	25.4%	2.9%	7.5%
NeoFuse	61.0%	10.0%	21.8%	42.5%	21.0%	81.5%	71.3%	6.8%	9.8%
PUF-Based	5.4%	10.5%	57.3%	14.6%	9.3%	54.8%	0.2%	105.3%	387.5%
MTP	9.0%	-13.2%	0.8%	19.6%	-18.1%	-6.4%	3.1%	9.8%	38.6%

	Q1-Q3 2025					
	Total Revenue		Licensing Revenue		Royalty Revenue	
	% of Revenue	YoY	% of Licensing	YoY	% of Royalty	YoY
NeoBit	24.4%	4.2%	21.8%	-4.4%	25.6%	8.2%
NeoFuse	62.3%	12.9%	43.1%	30.1%	71.6%	8.8%
PUF-Based	4.2%	33.9%	12.8%	31.9%	0.1%	352.9%
MTP	9.1%	2.7%	22.3%	-0.3%	2.7%	16.2%

- NeoBit : OTP technology covers from 0.5um to 55nm.
- NeoFuse : OTP technology covers mainly from 0.18um to 2nm.
- PUF-Based : PUF technology covers mainly from 0.13um to 3nm.
- MTP : MTP technology covers from 0.15um to 12nm, offering high-density memory and allowing up to 100K rewritable times with zero additional masking layers.

Royalty revenue analysis by wafer size (8-inch vs 12-inch)

Wafer Size	Q3 2025			Q1-Q3 2025	
	% of Royalty	QoQ	YoY	% of Royalty	YoY
8-Inch	40.6%	-0.6%	-1.4%	41.1%	4.2%
12-Inch	59.4%	-3.1%	0.0%	58.9%	8.5%

Key Business Developments

Licensing

- Technology License
 - ✓ 22 licensing contracts were signed during this quarter.
 - ✓ As of September 30th, 2025, we have technologies under development for the adoption of 202 different process platforms, ranging from 0.25um to 2nm.

Development of Key Technologies

	2nm	3nm	4/5nm	6/7nm	12/16/ 17nm	22/ 28nm	40nm	55/ 65nm	80/ 90nm	0.11/ 0.13um	0.15~ 0.18um	0.25/ 0.28um	0.3/ 0.35um	0.4/ 0.5um	Total
Qualified	0	2	6	4	16	66	30	63	44	117	274	42	53	11	728
Developing	2	3	2	2	7	28	13	29	24	42	47	2	0	1	202

- Design License
 - ✓ A total of 173 product tape-outs occurred in the third quarter of 2025.
 - 1 tape-out at 5nm for Network IC.
 - 6 tape-outs at 12nm/14nm/16nm for OLED Driver, MCU, Network IC, AI SoC and Others.
 - 33 tape-outs at 22nm/28nm for OLED Driver, Sensor-related, MCU, Network IC, LED Driver, AI SoC, ISP, T-con, MultiMedia, Oscillator, Motor Driver and Others.
 - 14 tape-outs at 40nm for OLED Driver, MCU, TDDI, LED Driver, LCOS and SSD controller.
 - 13 tape-outs at 55nm/65nm for PMIC, LCD Driver, OLED Driver, MCU, TDDI and T-con.
 - 14 tape-outs at 80nm/90nm for PMIC, LCD Driver, Sensor-related, TDDI, LED Driver and Others.
 - 25 tape-outs at 0.13um for PMIC, LCD Driver, Sensor-related, MCU, Network IC, TDDI, LED Driver, TOUCH and Others.
 - 65 tape-outs at 0.18um for PMIC, Sensor-related, MCU, Fingerprint, T-con, MultiMedia, Oscillator, Clock and Others.
 - 1 tape-out at 0.25um for Others.
 - 1 tape-out for DRAM.
 - ✓ As of September 30th, 2025, eMemory's cumulative number of design licenses has increased to 8,230—a direct result of our ongoing effort in expanding and diversifying our technologies for adoption in a wide range of applications.

Future Growth Drivers

Licensing growth will be driven by:

- 10 years contract including 18 3nm tape outs for US defense applications and 3nm CPU for AI server will drive strong PUF security license growth.
- Strong licenses for embedded ReRAM and NeoFlash technologies that replace external memories.

Royalty growth is expected to accelerate due to customers' tape outs moving into mass production for:

- RF chips for a leading U.S. smartphone customer's in-house modem module.
- DDR5-related applications for a major Korean memory manufacturer.
- AI servers featuring secure BMCs, SSD controllers, and networking chips.
- Automotive applications in ADAS, networking.
- Secure embedded controllers for PC/ NB.
- ASIC applications from various customers.

New IP Technology and Business Development

- New IP Technologies:
 - ✓ OTP: Continuing joint development with TSMC on 2nm technologies and IPs.
 - ✓ ReRAM: Co-developing FinFET technologies and IPs with Korea's largest company.
 - ✓ NeoFlash: Collaborating with multiple foundries to develop BCD process technologies and IPs at various nodes.
 - ✓ Security: Accelerating the development of security server hardware and software for Security-as-a-Service.
- Business Platform Development:
 - ✓ Jointly developing end-to-end chiplet security solutions with multiple partners to ensure chiplet supply chain protection. The main collaborations focus on supply chain security and chip authentication, ensuring that every chip's role can be securely verified locally.
 - ✓ Collaborating with Arm to develop PUF-based Security Root of Trust to enhance the security capabilities of Arm's Runtime Security Engine.
 - ✓ Working with automotive system suppliers and hospitals to provide a PUF-based HSM server platform for OTA software protection and DID-based personal privacy protection.

Financial Review

Gross margin

The gross margin remained at 100%.

Operating expenses

The total operating expenses in Q3 2025 were NT\$ 404.07 million and represented 42.4% of the total revenue. The operating expenses were up 3.4% QoQ and up 2.4% YoY.

Non-operating items and income tax expense

- Non-operating gain for the quarter was NT\$ 33.47 million, mainly due to a foreign exchange gain of NT\$ 21.48 million and interest income of NT\$ 11.02 million.
- Q1-Q3 2025 effective tax rate was 16.4%.

Net Income and EPS

- Net income attributable to shareholders of the company for the quarter was NT\$ 487.14 million, an increase of 21.8% sequentially and an increase of 17.7% year-over-year.
- Earnings per share was NT\$ 6.52 in Q3 2025. ROE was 57%.

Current assets and current liabilities

- As of September 30th, 2025, cash decreased by NT\$ 1,539.04 million from June 30th, 2025, to NT\$ 2,746.42 million.
- Total current assets including cash totaled NT\$ 3,084.40 million, with a decrease of NT\$ 1,482.11 million from June 30th, 2025.

- Total current liabilities decreased by NT\$ 1,923.76 million from June 30th, 2025, to NT\$ 765.03 million.
- The net working capital was NT\$ 2,319.37 million and the current ratio was 4x.

Cash flows

- As of September 30th, 2025, net cash generated from operating activities totaled NT\$ 1,388.99 million, including NT\$ 1,604.03 million from income before income tax, NT\$ 131.08 million from depreciation and amortization, and NT\$ 346.12 million used in other operating activities.
- Net cash used in investing activities was NT\$ 304.36 million in Q1-Q3 2025, primarily related to the increase in capital expenditure.
- Net cash used in financing activities was NT\$ 1,616.91 million in Q1-Q3 2025, mainly attributable to the dividend payout.
- As a result, total cash decreased from NT\$ 3,307.75 million to NT\$ 2,746.42 million from December 31st, 2024, to September 30th, 2025.

Employee

- As of September 30th, 2025, eMemory has 304 full-time employees, including 220 R&D engineers. Our subsidiaries, PUFsecurity has 40 full-time employees, including 28 R&D engineers, and eMemory Japan has 2 full-time employees.

Cautionary Statement

This report contains forward-looking statements, which are subject to risk factors associated with the semiconductor and intellectual property business. We believe that the expectations reflected in these statements are reasonable. However, they may be affected by a variety of variables, many of which are beyond our control. These variables could cause actual results or trends to differ materially which include, but are not limited to: wafer price fluctuation, actual demand, rapid technology change, delays or failures in customers' tape-outs into wafer production, our ability to negotiate, monitor and enforce agreements for the determination and payment of royalties, any bug or fault in our technology which leads to significant damage to our technology and reputation, actual or potential litigation, semiconductor industry cycle and general economic conditions. Unless required by law, eMemory undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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-Financial Statements to Follow-

eMemory Technology Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

	September 30, 2025		December 31, 2024		September 30, 2024			September 30, 2025		December 31, 2024		September 30, 2024	
ASSETS	Amount	%	Amount	%	Amount	%	LIABILITIES AND EQUITY	Amount	%	Amount	%	Amount	%
CURRENT ASSETS							CURRENT LIABILITIES						
Cash	\$2,746,424	68	\$3,307,749	74	\$2,658,912	70	Short-term loans	\$ 20,000	-	\$ -	-	\$ -	-
Accounts receivable - net	305,142	7	300,961	7	283,301	7	Contract liabilities - current	74,947	2	73,423	2	77,233	2
Other receivables	1,363	-	1,516	-	1,445	-	Other payables	200,659	5	217,868	5	202,767	5
Prepayments	25,377	1	20,287	1	23,961	1	Other payables - related parties	95	-	55	-	35	-
Other current assets	6,098	-	6,271	-	4,552	-	Bonuses payable to employees and directors	432,846	11	429,284	9	380,010	10
Total current assets	<u>3,084,404</u>	<u>76</u>	<u>3,636,784</u>	<u>82</u>	<u>2,972,171</u>	<u>78</u>	Payables on equipment	681	-	7,400	-	3,534	-
							Current tax liabilities	30,684	1	124,483	3	52,868	2
NON-CURRENT ASSETS							Lease liabilities - current	3,077	-	5,351	-	2,674	-
Financial assets at fair value through other comprehensive income - noncurrent	2,642	-	4,620	-	4,700	-	Other current liabilities	<u>2,042</u>	<u>-</u>	<u>2,039</u>	<u>-</u>	<u>2,592</u>	<u>-</u>
Financial assets at amortized cost - noncurrent	120	-	120	-	118	-	Total current liabilities	<u>765,031</u>	<u>19</u>	<u>859,903</u>	<u>19</u>	<u>721,713</u>	<u>19</u>
Investment accounted for using the equity method	6,121	-	8,681	-	9,718	-							
Property, plant and equipment	485,615	12	482,569	11	477,486	13	NON-CURRENT LIABILITIES						
							Deferred tax liabilities	1,395	-	941	-	-	-
Right-of-use assets	6,074	-	11,269	-	6,368	-	Lease liabilities - noncurrent	3,192	-	6,202	-	3,838	-
Intangible assets	101,486	3	84,839	2	98,569	3	Net defined benefit liabilities - noncurrent	6,287	-	6,817	-	12,512	-
Deferred tax assets	3,291	-	3,276	-	4,094	-	Guarantee deposits received	<u>20</u>	<u>-</u>	<u>10</u>	<u>-</u>	<u>10</u>	<u>-</u>
Prepayments for equipment	375,640	9	224,714	5	225,196	6	Total non-current liabilities	<u>10,894</u>	<u>-</u>	<u>13,970</u>	<u>-</u>	<u>16,360</u>	<u>-</u>
Refundable deposits	<u>1,618</u>	<u>-</u>	<u>1,680</u>	<u>-</u>	<u>1,519</u>	<u>-</u>	Total liabilities	<u>775,925</u>	<u>19</u>	<u>873,873</u>	<u>19</u>	<u>738,073</u>	<u>19</u>
Total non-current assets	<u>982,607</u>	<u>24</u>	<u>821,768</u>	<u>18</u>	<u>827,768</u>	<u>22</u>							
							EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY						
							Ordinary shares	<u>746,865</u>	<u>19</u>	<u>746,633</u>	<u>17</u>	<u>746,623</u>	<u>20</u>
							Capital surplus	<u>132,013</u>	<u>3</u>	<u>122,218</u>	<u>3</u>	<u>121,484</u>	<u>3</u>
							Retained earnings						
							Legal reserve	945,823	23	761,844	17	761,844	20
							Special reserve	5,728	-	5,170	-	5,170	-
							Unappropriated earnings	<u>1,455,762</u>	<u>36</u>	<u>1,934,071</u>	<u>43</u>	<u>1,413,927</u>	<u>37</u>
							Total retained earnings	<u>2,407,313</u>	<u>59</u>	<u>2,701,085</u>	<u>60</u>	<u>2,180,941</u>	<u>57</u>
							Other equity						
							Exchange differences on the translation of the financial statements of foreign operations	(394)	-	251	-	595	-
							Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(<u>7,958</u>)	<u>-</u>	(<u>5,980</u>)	<u>-</u>	(<u>5,900</u>)	<u>-</u>
							Total other equity	(<u>8,352</u>)	<u>-</u>	(<u>5,729</u>)	<u>-</u>	(<u>5,305</u>)	<u>-</u>
							Total equity attributable to shareholders of the Company	3,277,839	81	3,564,207	80	3,043,743	80
							NON-CONTROLLING INTERESTS	<u>13,247</u>	<u>-</u>	<u>20,472</u>	<u>1</u>	<u>18,123</u>	<u>1</u>
							Total equity	<u>3,291,086</u>	<u>81</u>	<u>3,584,679</u>	<u>81</u>	<u>3,061,866</u>	<u>81</u>
TOTAL	<u>\$4,067,011</u>	<u>100</u>	<u>\$4,458,552</u>	<u>100</u>	<u>\$3,799,939</u>	<u>100</u>	TOTAL	<u>\$4,067,011</u>	<u>100</u>	<u>\$4,458,552</u>	<u>100</u>	<u>\$3,799,939</u>	<u>100</u>

Notice to Readers: The consolidated financial statements have been translated into English from the original Chinese version. If there is any conflict between the English version and the original Chinese version, the Chinese-language consolidated financial statements shall prevail.

eMemory Technology Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE	\$ 952,422	100	\$ 899,477	100	\$ 2,800,691	100	\$ 2,595,251	100
OPERATING COSTS	-	-	-	-	-	-	-	-
GROSS PROFIT	<u>952,422</u>	<u>100</u>	<u>899,477</u>	<u>100</u>	<u>2,800,691</u>	<u>100</u>	<u>2,595,251</u>	<u>100</u>
OPERATING EXPENSES								
Selling and marketing expenses	61,604	6	68,294	8	184,340	6	205,417	8
General and administrative expenses	77,928	8	79,660	9	241,529	9	235,343	9
Research and development expenses	264,393	28	246,547	27	759,080	27	732,132	28
Expected credit (reversal) loss	<u>143</u>	<u>-</u>	<u>60</u>	<u>-</u>	<u>(850)</u>	<u>-</u>	<u>1,641</u>	<u>-</u>
Total operating expenses	<u>404,068</u>	<u>42</u>	<u>394,561</u>	<u>44</u>	<u>1,184,099</u>	<u>42</u>	<u>1,174,533</u>	<u>45</u>
OPERATING INCOME	<u>548,354</u>	<u>58</u>	<u>504,916</u>	<u>56</u>	<u>1,616,592</u>	<u>58</u>	<u>1,420,718</u>	<u>55</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income	11,020	1	18,225	2	43,163	1	57,779	2
Other income	231	-	347	-	838	-	1,092	-
Other gains and losses	22,688	2	(33,460)	(3)	(53,416)	(2)	60,106	2
Finance costs	(191)	-	(95)	-	(428)	-	(468)	-
Share of loss of associates	<u>(281)</u>	<u>-</u>	<u>(811)</u>	<u>-</u>	<u>(2,714)</u>	<u>-</u>	<u>(2,429)</u>	<u>-</u>
Total non-operating income and expenses	<u>33,467</u>	<u>3</u>	<u>(15,794)</u>	<u>(1)</u>	<u>(12,557)</u>	<u>(1)</u>	<u>116,080</u>	<u>4</u>
PROFIT BEFORE INCOME TAX	581,821	61	489,122	55	1,604,035	57	1,536,798	59
INCOME TAX EXPENSE	<u>93,379</u>	<u>10</u>	<u>79,557</u>	<u>9</u>	<u>263,752</u>	<u>9</u>	<u>231,036</u>	<u>9</u>
NET PROFIT	<u>488,442</u>	<u>51</u>	<u>409,565</u>	<u>46</u>	<u>1,340,283</u>	<u>48</u>	<u>1,305,762</u>	<u>50</u>

(Continued)

eMemory Technology Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized loss on investments in equity instruments at fair value through other comprehensive loss	(45)	-	(351)	-	(1,978)	-	(669)	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on the translation of the financial statements of foreign operations	485	-	686	-	(837)	-	663	-
Share of the other comprehensive (loss) income of associates accounted for using the equity method	(128)	-	(6)	-	10	-	(21)	-
Other comprehensive loss	312	-	329	-	(2,805)	-	(27)	-
TOTAL COMPREHENSIVE INCOME	<u>\$ 488,754</u>	<u>51</u>	<u>\$ 409,894</u>	<u>46</u>	<u>\$ 1,337,478</u>	<u>48</u>	<u>\$ 1,305,735</u>	<u>50</u>
NET PROFIT (LOSS)								
ATTRIBUTABLE TO:								
Shareholders of the Company	\$ 487,135	51	\$ 413,969	46	\$ 1,348,836	48	\$ 1,319,642	51
Non-controlling interests	<u>1,307</u>	<u>-</u>	<u>(4,404)</u>	<u>-</u>	<u>(8,553)</u>	<u>-</u>	<u>(13,880)</u>	<u>(1)</u>
	<u>\$ 488,442</u>	<u>51</u>	<u>\$ 409,565</u>	<u>46</u>	<u>\$ 1,340,283</u>	<u>48</u>	<u>\$ 1,305,762</u>	<u>50</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Shareholders of the Company	\$ 487,324	51	\$ 414,302	46	\$ 1,346,213	48	\$ 1,319,507	51
Non-controlling interests	<u>1,430</u>	<u>-</u>	<u>(4,408)</u>	<u>-</u>	<u>(8,735)</u>	<u>-</u>	<u>(13,772)</u>	<u>(1)</u>
	<u>\$ 488,754</u>	<u>51</u>	<u>\$ 409,894</u>	<u>46</u>	<u>\$ 1,337,478</u>	<u>48</u>	<u>\$ 1,305,735</u>	<u>50</u>
EARNINGS PER SHARE								
Basic	<u>\$ 6.52</u>		<u>\$ 5.54</u>		<u>\$ 18.06</u>		<u>\$ 17.68</u>	
Diluted	<u>\$ 6.51</u>		<u>\$ 5.54</u>		<u>\$ 18.02</u>		<u>\$ 17.64</u>	

(Concluded)

eMemory Technology Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Shareholders of the Company							Other Equity		Total	Non-Controlling Interests	Total Equity
	Ordinary Shares		Capital Surplus	Legal Reserve	Retained Earnings		Exchange Differences on the Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Loss				
	Number of Shares (In Thousands)	Amount			Special Reserve	Unappropriated Earnings			Total			
JANUARY 1, 2024	74,643	\$ 746,423	\$ 114,313	\$ 761,844	\$ 4,980	\$1,400,884	\$2,167,708	\$ 61	(\$ 5,231)	\$3,023,274	\$ 30,504	\$3,053,778
Allocation of 2023 earnings												
Reversal of special reserve	-	-	-	-	190	(190)	-	-	-	-	-	-
Dividends distributed by the Company	-	-	-	-	-	(1,306,409)	(1,306,409)	-	-	(1,306,409)	-	(1,306,409)
Change in percentage of ownership interests in subsidiaries	-	-	882	-	-	-	-	-	-	882	(882)	-
Change in capital surplus from investments in associates accounted for using the equity method	-	-	105	-	-	-	-	-	-	105	-	105
Net profit (loss) for the Nine months ended September 30, 2024	-	-	-	-	-	1,319,642	1,319,642	-	-	1,319,642	(13,880)	1,305,762
Other comprehensive loss for the Nine months ended September 30, 2024	-	-	-	-	-	-	-	534	(669)	(135)	108	(27)
Total comprehensive income (loss) for the Nine months ended September 30, 2024	-	-	-	-	-	1,319,642	1,319,642	534	(669)	1,319,507	(13,772)	1,305,735
Issuance of ordinary shares under employee share options	20	200	6,184	-	-	-	-	-	-	6,384	368	6,752
Share-based payments	-	-	-	-	-	-	-	-	-	-	1,905	1,905
BALANCE, SEPTEMBER 30, 2024	74,663	\$ 746,623	\$ 121,484	\$ 761,844	\$ 5,170	\$1,413,927	\$2,180,941	\$ 595	(\$ 5,900)	\$3,043,743	\$ 18,123	\$3,061,866
JANUARY 1, 2025	74,664	\$ 746,633	\$ 122,218	\$ 761,844	\$ 5,170	\$1,934,071	\$2,701,085	\$ 251	(\$ 5,980)	\$3,564,207	\$ 20,472	\$3,584,679
Allocation of 2024 earnings												
Reversal of special reserve	-	-	-	183,979	-	(183,979)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	558	(558)	-	-	-	-	-	-
Dividends distributed by the Company	-	-	-	-	-	(1,642,608)	(1,642,608)	-	-	(1,642,608)	-	(1,642,608)
Change in percentage of ownership interests in subsidiaries	-	-	2,481	-	-	-	-	-	-	2,481	(2,481)	-
Change in capital surplus from investments in associates accounted for using the equity method	-	-	144	-	-	-	-	-	-	144	-	144
Net profit (loss) for the Nine months ended September 30, 2025	-	-	-	-	-	1,348,836	1,348,836	-	-	1,348,836	(8,553)	1,340,283
Other comprehensive loss for the Nine months ended September 30, 2025	-	-	-	-	-	-	-	(645)	(1,978)	(2,623)	(182)	(2,805)
Total comprehensive income (loss) for the Nine months ended September 30, 2025	-	-	-	-	-	1,348,836	1,348,836	(645)	(1,978)	1,346,213	(8,735)	1,337,478
Issuance of ordinary shares under employee share options	23	232	7,170	-	-	-	-	-	-	7,402	2,745	10,147
Share-based payments	-	-	-	-	-	-	-	-	-	-	1,246	1,246
BALANCE, SEPTEMBER 30, 2025	74,687	\$ 746,865	\$ 132,013	\$ 945,823	\$ 5,728	\$1,455,762	\$2,407,313	(\$ 394)	(\$ 7,958)	\$3,277,839	\$ 13,247	\$3,291,086

eMemory Technology Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,604,035	\$ 1,536,798
Adjustments for:		
Depreciation expenses	41,702	34,287
Amortization expenses	89,375	76,505
Expected credit (reversal) loss	(850)	1,641
Finance costs	428	468
Interest income	(43,163)	(57,779)
Share-based payments	1,246	1,905
Share of loss of associates	2,714	2,429
Loss on disposal of intangible assets	-	82
Net loss (gain) on foreign currency exchange	21,279	(59,925)
Lease modification benefit	(26)	(9)
Intangible assets transferred to expenses	-	344
Changes in operating assets and liabilities		
Accounts receivable	3,596	(90,237)
Other receivable	(699)	-
Prepayments	(1,969)	1,874
Other current assets	173	422
Contract liabilities	1,524	(35)
Other payables	(17,233)	28,025
Other payables- related parties	40	35
Other current liabilities	3	113
Net defined benefit liabilities	(530)	(498)
Bonuses payable to employees and directors	3,562	30,979
Cash generated from operations	1,705,207	1,507,424
Interest received	44,160	59,313
Income tax paid	(360,378)	(228,657)
Net cash generated from operating activities	<u>1,388,989</u>	<u>1,338,080</u>

(Continued)

eMemory Technology Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(\$ 45,526)	(\$ 41,035)
Increase in refundable deposits	-	(825)
Decrease in refundable deposits	62	-
Acquisition of intangible assets	(107,972)	(96,201)
Increase in prepayments for equipment	(150,926)	(482)
Net cash used in investing activities	(304,362)	(138,543)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	20,000	-
Decrease in short-term loans	-	(30,000)
Increase in deposits received	10	-
Repayment of the principal portion of lease liabilities	(4,052)	(2,983)
Dividends paid	(1,642,597)	(1,306,402)
Exercise of employee share options	10,147	6,752
Interest paid	(415)	(488)
Net cash used in financing activities	(1,616,907)	(1,333,121)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(29,045)	60,972
NET DECREASE IN CASH	(561,325)	(72,612)
CASH AT THE BEGINNING OF THE PERIOD	3,307,749	2,731,524
CASH AT THE END OF THE PERIOD	<u>\$ 2,746,424</u>	<u>\$ 2,658,912</u>

(Concluded)