

# Management Report for Fourth Fiscal Quarter 2025

Hsinchu, Taiwan, February 11<sup>th</sup>, 2026 – eMemory Technology Inc. (TPE: 3529) reported financial results for its fiscal quarter, which ended December 31<sup>st</sup>, 2025.

## Executive Summary

- Q4 2025 revenue was NT\$ 1,048.36 million, up 10.1% sequentially and up 3.7% year-over-year. Operating Margin was 60.6%, up 3 ppts QoQ and up 4.6 ppts YoY. Net income was NT\$ 563.01 million, an increase of 15.6% sequentially and an increase of 9.4% year-over-year.
- For Licensing revenue, we expect continued strong growth, driven by increases in both the number of licenses and the average license price across our foundry and fabless customers.
- For Royalties, growth is accelerating, driven by the ramp-up of mass production across various new applications, higher ASPs from advanced nodes, additional PUF-related royalties, and higher royalty rates from MTP-related IPs.
- New application ramp-ups include:
  - ✓ Mobile: RF ICs for U.S.-based smartphone modem platforms.
  - ✓ Automotive: ADAS, networking-related applications, ISP, and LiDAR.
  - ✓ Cloud AI: BMCs, SSD controllers, networking-related applications, CXL controllers, and DIMMs.
  - ✓ Edge and Endpoint: Embedded controllers for notebooks and PCs, as well as security applications for various smart devices, including printer cartridges using embedded PUF for anti-counterfeiting.

## Financial Results

(Amounts in thousands of NT\$)

	Q4 2025 (unaudited)	Q3 2025	QoQ	Q4 2024	YoY	FY2025 (unaudited)	FY2024	YoY
Revenue	1,048,362	952,422	10.1%	1,010,717	3.7%	3,849,053	3,605,968	6.7%
Gross Margin	100.0%	100.0%	-	100.0%	-	100.0%	100.0%	-
Operating Expenses	412,617	404,068	2.1%	444,784	-7.2%	1,596,716	1,619,317	-1.4%
Operating Income	635,745	548,354	15.9%	565,933	12.3%	2,252,337	1,986,651	13.4%
Operating Margin	60.6%	57.6%	3.0ppcts	56.0%	4.6ppcts	58.5%	55.1%	3.4ppcts
*Net Income	563,013	487,135	15.6%	514,608	9.4%	1,911,849	1,834,250	4.2%
Net Margin	55.2%	51.3%	3.9ppcts	51.1%	4.1ppcts	49.8%	50.5%	-0.7ppt
EPS (NT\$)	7.54	6.52	15.6%	6.89	9.4%	25.60	24.57	4.2%
ROE	60.8%	57.0%	3.8ppcts	62.5%	-1.7ppcts	51.6%	55.7%	-4.1ppcts

\*Net income attributable to Shareholders of the Company

## Revenue Analysis

(Amounts in thousands of NT\$)

	Q4 2025	Q3 2025	QoQ	Q4 2024	YoY	FY2025	FY2024	YoY
Licensing	346,572	347,011	-0.1%	315,330	9.9%	1,251,776	1,134,009	10.4%
Royalty	701,790	605,411	15.9%	695,387	0.9%	2,597,277	2,471,959	5.1%
Total	1,048,362	952,422	10.1%	1,010,717	3.7%	3,849,053	3,605,968	6.7%

(Amounts in thousands of US\$)

	Q4 2025	Q3 2025	QoQ	Q4 2024	YoY	FY2025	FY2024	YoY
Licensing	11,209	11,546	-2.9%	9,819	14.2%	40,376	35,484	13.8%
Royalty	22,896	20,596	11.2%	21,688	5.6%	83,318	77,156	8.0%
Total	34,105	32,142	6.1%	31,507	8.2%	123,694	112,640	9.8%

## Revenue analysis by technology

(Amounts in thousands of NT\$)

	Q4 2025								
	Total Revenue			Licensing Revenue			Royalty Revenue		
	% of Q4 Revenue	QoQ	YoY	% of Q4 Licensing	QoQ	YoY	% of Q4 Royalty	QoQ	YoY
NeoBit	22.5%	0.8%	-1.1%	22.2%	-25.5%	16.5%	22.6%	3.6%	-7.9%
NeoFuse	58.5%	5.7%	-2.8%	27.3%	-22.1%	-23.0%	74.0%	20.3%	2.1%
PUF-Based	10.2%	106.9%	48.0%	30.0%	91.7%	45.5%	0.4%	47.7%	321.9%
MTP	8.8%	6.6%	33.9%	20.5%	4.7%	29.8%	3.0%	13.6%	49.9%

	FY2025					
	Total Revenue		Licensing Revenue		Royalty Revenue	
	% of Revenue	YoY	% of Licensing	YoY	% of Royalty	YoY
NeoBit	25.2%	6.6%	25.8%	16.1%	24.9%	2.5%
NeoFuse	59.9%	4.3%	34.5%	0.7%	72.1%	5.2%
PUF-Based	5.9%	40.0%	17.8%	37.4%	0.2%	386.9%
MTP	9.0%	6.9%	21.9%	3.6%	2.8%	21.7%

(Amounts in thousands of US\$)

	Q4 2025								
	Total Revenue			Licensing Revenue			Royalty Revenue		
	% of Q4 Revenue	QoQ	YoY	% of Q4 Licensing	QoQ	YoY	% of Q4 Royalty	QoQ	YoY
NeoBit	22.5%	-11.7%	3.2%	22.2%	-28.0%	20.6%	22.6%	-0.9%	-3.5%
NeoFuse	58.6%	7.0%	1.5%	27.3%	-23.8%	-20.2%	74.0%	15.4%	6.8%
PUF-Based	10.1%	84.7%	54.8%	30.0%	86.1%	52.2%	0.4%	43.5%	345.0%
MTP	8.8%	2.9%	39.0%	20.5%	1.2%	34.2%	3.0%	8.8%	57.6%

	FY2025					
	Total Revenue		Licensing Revenue		Royalty Revenue	
	% of Revenue	YoY	% of Licensing	YoY	% of Royalty	YoY
NeoBit	25.1%	9.6%	25.8%	20.0%	24.9%	5.0%
NeoFuse	59.9%	7.1%	34.4%	2.8%	72.1%	8.2%
PUF-Based	6.0%	46.6%	18.0%	43.9%	0.2%	410.8%
MTP	9.0%	10.4%	21.8%	6.9%	2.8%	26.0%

- 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)

(Amounts in thousands of NT\$)

Wafer Size	Q4 2025			FY 2025	
	% of Royalty	QoQ	YoY	% of Royalty	YoY
8-Inch	36.2%	3.3%	-10.5%	39.7%	0.1%
12-Inch	63.8%	24.5%	8.8%	60.3%	8.6%

(Amounts in thousands of US\$)

Wafer Size	Q4 2025			FY 2025	
	% of Royalty	QoQ	YoY	% of Royalty	YoY
8-Inch	36.2%	-1.1%	-6.2%	39.6%	2.6%
12-Inch	63.8%	19.6%	13.6%	60.4%	11.9%

## Key Business Developments

### Licensing

- Technology License
  - ✓ 7 licensing contracts were signed during this quarter.
  - ✓ As of December 31<sup>st</sup>, 2025, we have technologies under development for the adoption of 249 different process platforms, ranging from 0.25um to 2nm.

### Development of Key Technologies

	2nm	3nm	4/5nm	6/7nm	12/16/ 17nm	22/28 nm	40nm	55/65 nm	80/90 nm	0.11/ 0.13 um	0.15~ 0.18 um	0.25/ 0.28 um	0.3/ 0.35 um	0.4/0.5 um	Total
Qualified	0	2	6	4	16	70	32	67	45	117	275	42	53	11	740
Developing	4	4	2	2	15	48	17	39	26	43	46	2	0	1	249

- Design License
  - ✓ A total of 201 product tape-outs occurred in the fourth quarter.
    - 18 tape-outs (pre-order) at 3nm for defense-related application.
    - 1 tape-out at 5nm for AI SoC.
    - 2 tape-outs at 7nm for high-speed SerDes and SSD controller.
    - 3 tape-outs at 12nm/14nm/16nm for OLED Driver, Surveillance and ISP.
    - 34 tape-outs at 22nm/28nm for Sensor-related, OLED Driver, MCU, Network IC, IoT, ISP, FPGA, HDMI, Surveillance and Others.
    - 16 tape-outs at 40nm for Sensor-related, OLED Driver, MCU, LCD Driver and TDDI.
    - 24 tape-outs at 55nm/65nm for PMIC, In-silicon MEMS, OLED Driver, MCU, TDDI, LED Driver and Others.
    - 10 tape-outs at 80nm/90nm for PMIC, Sensor-related, OLED Driver, LCD Driver and TDDI.
    - 21 tape-outs at 0.13um for PMIC, Sensor-related, MCU, LCD Driver, Network IC and Clock.
    - 69 tape-outs at 0.18um for PMIC, Sensor-related, MCU, TDDI, MultiMedia, IoT, LED Driver, Oscillator and Others.

- 2 tape-outs at 0.25um for Sensor-related.
- 1 tape-out for DRAM.
- ✓ As of December 31<sup>st</sup>, 2025, eMemory's cumulative number of design licenses has increased to 8,431—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

For licensing revenue, we expect continued strong growth, driven by increases in both the number of licenses and the average license price across our foundry and fabless customers.

### Royalty Growth

For royalties, growth is accelerating, driven by the ramp-up of mass production across various new applications, higher ASPs from advanced nodes, additional PUF-related royalties, and higher royalty rates from MTP-related IPs.

New application ramp-ups include:

- Mobile: RF ICs for U.S.-based smartphone modem platforms.
- Automotive: ADAS, networking-related applications, ISP, and LiDAR.
- Cloud AI: BMCs, SSD controllers, networking-related applications, CXL controllers, and DIMMs.
- Edge and Endpoint: Embedded controllers for notebooks and PCs, as well as security applications for various smart devices, including printer cartridges using embedded PUF for anti-counterfeiting.

### IP & Security Platforms

- OTP: Advanced GAA OTP IP development with pioneer foundries, extending toward sub-3nm nodes.
- RRAM: Embedded RRAM platforms with key foundries and IDM for FinFET, BCD and automotive applications.
- NeoFlash: Deployment across foundries for BCD and mixed-signal processes in 12-inch fabs.
- Security IP: PUF-PQC achieves NIST FIPS 205 and SP 800-208 certification, reaching a milestone in comprehensive Post-Quantum Cryptography protection.

### Security Ecosystem Expansion

- Chiplet Security: End-to-end authentication and supply-chain trust for advanced packaging.
- CPU platform collaboration: PUF-based Security Root of Trust integrated with major CPU platforms.
- Automotive & Healthcare: PUF-based HSM servers supporting secure OTA and privacy protection.

## Financial Review

### Gross margin

- The gross margin remained at 100%.

### Operating expenses

- The total operating expenses in Q4 2025 were NT\$ 412.62 million and represented 39.4% of the total revenue. The operating expenses were up 2.1% QoQ but down 7.2% YoY. Through on-going org and process optimization as well as AI transformation, we were able to improve our operational efficiency, and that led to our overall expenses remaining broadly flat despite continued business expansion.

### Non-operating items and income tax expense

- Non-operating gain for the quarter was NT\$ 44.75 million, mainly due to a foreign exchange gain of NT\$ 19.80 million, government grant income of NT\$13.36 million, and interest income of NT\$ 11.43 million.
- FY 2025 effective tax rate was 16%.

### Net Income and EPS

- Net income attributable to shareholders of the company for the quarter was NT\$ 563.01 million, an increase of 15.6% sequentially and an increase of 9.4% year-over-year.
- Earnings per share was NT\$ 7.54 in Q4 2025. ROE was 60.8%.

### Current assets and current liabilities

- As of December 31<sup>st</sup>, 2025, cash increased by NT\$ 224.31 million from December 31<sup>st</sup>, 2024, to NT\$ 3,532.06 million.
- Total current assets including cash totaled NT\$ 3,801.22 million, with an increase of NT\$ 164.44 million from December 31<sup>st</sup>, 2024.
- Total current liabilities increased by NT\$ 20.02 million from December 31<sup>st</sup>, 2024, to NT\$ 879.92 million.
- The net working capital was NT\$ 2,921.30 million and the current ratio was 4.3x.

### Cash flows

- As of December 31<sup>st</sup>, 2025, net cash generated from operating activities totaled NT\$ 2,201.74 million, including NT\$ 2,284.53 million from income before income tax, NT\$ 176.38 million from depreciation and amortization, and NT\$ 259.17 million used in other operating activities.
- Net cash used in investing activities was NT\$ 313.24 million in FY 2025, primarily related to capital expenditure.
- Net cash used in financing activities was NT\$ 1,637.71 million in FY 2025, mainly attributable to the dividend payout.
- As a result, total cash increased from NT\$ 3,307.75 million to NT\$ 3,532.06 million from December 31<sup>st</sup>, 2024, to December 31<sup>st</sup>, 2025.

### Employee

- As of December 31<sup>st</sup>, 2025, eMemory had a total of 342 full-time employees, including 248 R&D engineers, representing 73% of the workforce.

## **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 (UNAUDITED) DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024		LIABILITIES AND EQUITY	2025		2024	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash	\$ 3,532,058	74	\$ 3,307,749	74	Contract liabilities - current	\$ 74,193	2	\$ 73,423	2
Accounts receivable - net	238,942	5	300,961	7	Other payables	220,494	5	217,868	5
Receivables from related parties	5,375	-	-	Other payables - related parties	170	-	55	-	
Other receivables	999	-	1,516	-	Bonuses payable to employees and directors	455,623	10	429,284	9
Current tax	146	-	-	Payables on equipment	12,524	-	7,400	-	
Prepayments	16,716	1	20,287	1	Current tax liabilities	104,292	2	124,483	3
Other current assets	<u>6,983</u>	<u>-</u>	<u>6,271</u>	<u>-</u>	Lease liabilities - current	3,429	-	5,351	-
Total current assets	<u>3,801,219</u>	<u>80</u>	<u>3,636,784</u>	<u>82</u>	Other current liabilities	<u>9,197</u>	<u>-</u>	<u>2,039</u>	<u>-</u>
NON-CURRENT ASSETS					Total current liabilities	<u>879,922</u>	<u>19</u>	<u>859,903</u>	<u>19</u>
Financial assets at fair value through other comprehensive income - noncurrent	1,215	-	4,620	-	NON-CURRENT LIABILITIES				
Financial assets at amortized cost - noncurrent	122	-	120	-	Deferred tax liabilities	1,073	-	941	-
Investment accounted for using the equity method	5,721	-	8,681	-	Lease liabilities - noncurrent	4,097	-	6,202	-
Property, plant and equipment	492,565	10	482,569	11	Net defined benefit liabilities - noncurrent	4,084	-	6,817	-
Right-of-use assets	7,390	-	11,269	-	Guarantee deposits received	<u>20</u>	<u>-</u>	<u>10</u>	<u>-</u>
Intangible assets	83,798	2	84,839	2	Total non-current liabilities	<u>9,274</u>	<u>-</u>	<u>13,970</u>	<u>-</u>
Deferred tax assets	3,898	-	3,276	-	Total liabilities	<u>889,196</u>	<u>19</u>	<u>873,873</u>	<u>19</u>
Prepayments for equipment	363,000	8	224,714	5	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY				
Refundable deposits	<u>1,642</u>	<u>-</u>	<u>1,680</u>	<u>-</u>	Ordinary shares	<u>746,865</u>	<u>16</u>	<u>746,633</u>	<u>17</u>
Total non-current assets	<u>959,351</u>	<u>20</u>	<u>821,768</u>	<u>18</u>	Capital surplus	<u>132,279</u>	<u>3</u>	<u>122,218</u>	<u>3</u>
				Retained earnings					
				Legal reserve	945,823	20	761,844	17	
				Special reserve	5,728	-	5,170	-	
				Unappropriated earnings	<u>2,020,810</u>	<u>42</u>	<u>1,934,071</u>	<u>43</u>	
				Total retained earnings	<u>2,972,361</u>	<u>62</u>	<u>2,701,085</u>	<u>60</u>	
				Other equity					
				Exchange differences on the translation of the financial statements of foreign operations	(255)	-	251	-	
				Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(9,385)	-	(5,980)	-	
				Total other equity	(9,640)	-	(5,729)	-	
				Total equity attributable to shareholders of the Company	3,841,865	81	3,564,207	80	
				NON-CONTROLLING INTERESTS	<u>29,509</u>	<u>-</u>	<u>20,472</u>	<u>1</u>	
				Total equity	<u>3,871,374</u>	<u>81</u>	<u>3,584,679</u>	<u>81</u>	
TOTAL	<u>\$ 4,760,570</u>	<u>100</u>	<u>\$ 4,458,552</u>	<u>100</u>	TOTAL	<u>\$ 4,760,570</u>	<u>100</u>	<u>\$ 4,458,552</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 (UNAUDITED) 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	\$ 3,849,053	100	\$ 3,605,968	100
OPERATING COSTS	—	—	—	—
GROSS PROFIT	<u>3,849,053</u>	<u>100</u>	<u>3,605,968</u>	<u>100</u>
OPERATING EXPENSES				
Selling and marketing expenses	265,142	7	285,557	8
General and administrative expenses	323,543	8	324,487	9
Research and development expenses	1,007,990	26	1,006,157	28
Expected credit loss	41	—	3,116	—
Total operating expenses	<u>1,596,716</u>	<u>41</u>	<u>1,619,317</u>	<u>45</u>
OPERATING INCOME	<u>2,252,337</u>	<u>59</u>	<u>1,986,651</u>	<u>55</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	54,591	1	71,484	2
Other income	1,030	—	1,386	—
Other gains and losses	(19,751)	—	99,164	3
Finance costs	(589)	—	(582)	—
Share of loss of associates	(3,088)	—	(3,470)	—
Total non-operating income and expenses	<u>32,193</u>	<u>1</u>	<u>167,982</u>	<u>5</u>
PROFIT BEFORE INCOME TAX	2,284,530	60	2,154,633	60
INCOME TAX EXPENSE	<u>365,917</u>	<u>10</u>	<u>332,375</u>	<u>9</u>
NET PROFIT FOR THE YEAR	<u>1,918,613</u>	<u>50</u>	<u>1,822,258</u>	<u>51</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	2,035	—	5,536	—
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(3,405)	—	(749)	—

(Continued)

# EMEMORY TECHNOLOGY INC. AND SUBSIDIARIES

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

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on the translation of the financial statements of foreign operations	\$ (530)	-	\$ 349	-
Share of the other comprehensive (loss) income of associates accounted for using the equity method	<u>(20)</u>	<u>-</u>	<u>(21)</u>	<u>-</u>
Other comprehensive income for the year	<u>(1,920)</u>	<u>-</u>	<u>5,115</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b><u>\$ 1,916,693</u></b>	<b><u>50</u></b>	<b><u>\$ 1,827,373</u></b>	<b><u>51</u></b>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Shareholders of the Company	\$ 1,911,849	50	\$ 1,834,250	51
Non-controlling interests	<u>6,764</u>	<u>-</u>	<u>(11,992)</u>	<u>-</u>
	<b><u>\$ 1,918,613</u></b>	<b><u>50</u></b>	<b><u>\$ 1,822,258</u></b>	<b><u>51</u></b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:</b>	<b><u>\$ 1,909,973</u></b>	<b><u>50</u></b>	<b><u>\$ 1,839,227</u></b>	<b><u>51</u></b>
Shareholders of the Company	<u>6,720</u>	<u>-</u>	<u>(11,854)</u>	<u>-</u>
	<b><u>\$ 1,916,693</u></b>	<b><u>50</u></b>	<b><u>\$ 1,827,373</u></b>	<b><u>51</u></b>
EARNINGS PER SHARE				
Basic	\$ 25.60		\$ 24.57	
Diluted	<u>\$ 25.51</u>		<u>\$ 24.52</u>	

(Concluded)

**EMMEMORY TECHNOLOGY INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**  
**(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Shareholders of the Company										Other Equity		
	Ordinary Shares			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 Income		
	Number of Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	61	\$ (5,231)	\$ 3,023,274	\$ 30,504	\$ 3,053,778	
BALANCE, 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	
Appropriation of 2023 earnings					190	(190)							
Special reserve	-	-	-	-	-	(1,306,409)	(1,306,409)						
Cash dividends distributed by the Company	-	-	-	-	-	(1,306,409)	(1,306,409)						(1,306,409)
Changes in percentage of ownership interests in subsidiaries	-	-	1,304	-	-	-	-			1,304	(1,304)		-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	109	-	-	-	-			109	-		109
Net profit (loss) for the year ended December 31, 2024	-	-	-	-	-	1,834,250	1,834,250			1,834,250	(11,992)		1,822,258
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	5,536	5,536	190	(749)	4,977	138		5,115
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	1,839,786	1,839,786	190	(749)	1,839,227	(11,854)		1,827,373
Issuance of ordinary shares under employee share options	21	210	6,492	-	-	-	-			6,702	590		7,292
Share-based payments	-	-	-	-	-	-	-			-	2,536		2,536
BALANCE, DECEMBER 31, 2024	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
Appropriation of 2024 earnings													
Legal reserve	-	-	-	183,979	-	(183,979)	-				-		-
Special reserve	-	-	-	-	558	(558)	-				-		-
Cash dividends distributed by the Company	-	-	-	-	-	(1,642,608)	(1,642,608)	-		(1,642,608)	-		(1,642,608)
Changes in percentage of ownership interests in subsidiaries	-	-	2,743	-	-	-	-			2,743	(2,743)		-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	148	-	-	-	-			148	-		148
Net profit for the year ended December 31, 2025	-	-	-	-	-	1,911,849	1,911,849	-		1,911,849	6,764		1,918,613
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	2,035	2,035	(506)	(3,405)	(1,876)	(44)		(1,920)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	1,913,884	1,913,884	(506)	(3,405)	1,909,973	6,720		1,916,693
Issuance of ordinary shares under employee share options	23	232	7,170	-	-	-	-			7,402	3,429		10,831
Share-based payments	-	-	-	-	-	-	-			-	1,631		1,631
BALANCE, DECEMBER 31, 2025	74,687	\$ 746,865	\$ 132,279	\$ 945,823	\$ 5,728	\$ 2,020,810	\$ 2,972,361	\$ (255)	\$ (9,385)	\$ 3,841,865	\$ 29,509		\$ 3,871,374

# EMEMORY TECHNOLOGY INC. AND SUBSIDIARIES

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

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 2,284,530	\$ 2,154,633
Adjustments for:		
Depreciation expenses	56,433	46,633
Amortization expenses	119,947	103,070
Expected credit loss	41	3,116
Finance costs	589	582
Interest income	(54,591)	(71,484)
Share-based payments	1,631	2,536
Share of loss of associates	3,088	3,470
Property, plant and equipment transferred to expenses	-	28
Loss on disposal of intangible assets	-	82
Net loss (gain) on foreign currency exchange	20,412	(93,508)
Lease modification benefit	(35)	(9)
Intangible assets transferred to expenses	-	1,718
Changes in operating assets and liabilities		
Accounts receivable	67,493	(97,605)
Accounts receivable - related parties	(5,317)	-
Prepayments	3,033	731
Other current assets	(712)	(1,297)
Contract liabilities	770	(3,845)
Other payables	2,612	43,128
Other payables - related parties	115	55
Other current liabilities	7,158	(440)
Net defined benefit liabilities	(698)	(657)
Bonuses payable to employees and directors	26,339	80,253
Cash generated from operations	2,532,838	2,171,190
Interest received	55,105	72,933
Income tax paid	(386,205)	(251,792)
Net cash generated from operating activities	<u>2,201,738</u>	<u>1,992,331</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(54,139)	(54,654)
Increase in refundable deposits	-	(986)
Decrease in refundable deposits	38	-
Acquisition of intangible assets	(120,856)	(109,310)
Increase in prepayments for equipment	(138,286)	-
Net cash used in investing activities	<u>(313,243)</u>	<u>(164,950)</u>

(Continued)

# EMEMORY TECHNOLOGY INC. AND SUBSIDIARIES

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

	2025	2024
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	\$ 20,000	\$ -
Decrease in short-term loans	(20,000)	(30,000)
Repayment of the principal portion of lease liabilities	(5,367)	(3,936)
Dividends paid	(1,642,597)	(1,306,402)
Decrease in guarantee deposits received	10	-
Exercise of employee share options	10,831	7,292
Interest paid	<u>(589)</u>	<u>(602)</u>
Net cash used in financing activities	<u>(1,637,712)</u>	<u>(1,333,648)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>(26,474)</u>	<u>82,492</u>
<b>NET INCREASE IN CASH</b>	<b>224,309</b>	<b>576,225</b>
<b>CASH AT THE BEGINNING OF THE YEAR</b>	<b><u>3,307,749</u></b>	<b><u>2,731,524</u></b>
<b>CASH AT THE END OF THE YEAR</b>	<b><u>\$ 3,532,058</u></b>	<b><u>\$ 3,307,749</u></b>

(Concluded)