

FORTUNE INFORMATION SYSTEMS CORP.
2026 Annual Meeting of Shareholders Minutes
(Translation)

Method of Convening the Meeting : Hybrid shareholders' meeting

Time : 9:30 am, Wednesday, May 27, 2026

Place : 7F, No 185, Xinhua 1st Rd, Neihu Dist, Taipei City (Taipei Design Material Center)

Video Conference Platform : Taiwan Depository & Clearing Corporation "Shareholders'

e-Services–Shareholders' Video Conference Platform"

(URL:<http://stockservices.tdcc.com.tw>)

Total outstanding shares of the Company: 69,961,249 shares

Total shares represented by shareholders present in person or by proxy: 36,149,120 shares

Percentage of shareholding of the shareholders present in person or by proxy: 51.67%

Attending Directors:

Director YUAN, HSING-WEN 、Independent Director TSANG, KWOK-HAW (Convener of the Audit Committee, Member of the Compensation Committee) 、Director TANG, YU-HUA 、Director YANG, CHENG-NING.

A total of 4 directors attended, which exceeded half of the current 6 directors.

Other Attendees:

CHEN, XIU-YUE (Principal accounting officer)

CHIU, HUANG-CHUAN (Attorney-at-Law Kew & Lord)

TSAI, YU-LING (CPA, Deloitte & Touche)

Chairperson: YUAN, HSING-WEN



Secretary: TU, CHIA-WEN



I. Call the Meeting to Order

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

II. Chairperson Remarks (Omitted)

III. Matters for Reporting

1. The 2025 Business Report.

The 2025 Business Report is attached hereto as Attachment 1.

2. The 2025 Audit Committee Report.

The 2025 Audit Committee Report is attached hereto as Attachment 2.

3. Report on 2025 Employees' Remuneration.

3.1. Article 27-3 of the Company's Articles of Incorporation promulgate that : When the company has profit in a given year, a portion of the pre-tax net profit before deducting employee compensation should be set aside as employee compensation, at a rate of 6%. However, if the company still has accumulated losses, the amount should be reserved for future use to make up for the losses.

3.2. The company's pre-tax net profit before deducting employee compensation for the year 2025 amounted to NT\$105,930,392. Pursuant to Article 27-3 of the Company's Articles of Incorporation, it is proposed to set aside 6% for employee compensation, amounting to NT\$6,355,824.

3.3. The aforementioned employee compensation is proposed to be fully disbursed in cash. For the portion of compensation that belongs to managerial personnel, it will be separately submitted to the Remuneration Committee and the Board of Directors for review. Authorize the Chairman of the Board to allocate and approve the remaining employee compensation.

4. Report on Transactions with Related Parties for 2025.

The Report on Transactions with Related Parties for 2025 is attached hereto as Attachment 3.

5. Report on Execution of Endorsements and Guarantees for 2025.

As of December 31, 2025, the total outstanding balance of endorsements and guarantees provided by the Company and its subsidiaries amounted to NT\$500 million, with the actual utilized amount totaling NT\$50,380 thousand. All such endorsements and guarantees were conducted in accordance with the Company's Regulations Governing Endorsements and Guarantees, and the relevant information has been duly disclosed in compliance with applicable regulations. Details are as follows:

Unit: NT\$ thousands

Company Name	Outstanding Balance of Endorsements/ Guarantees at Period-End	Actual Amount Drawn on Endorsements/ Guarantees	Maximum Limit of Endorsements/ Guarantees	Limit of Endorsements/ Guarantees to Single Enterprise
Fortune Information Systems Corp	300,000	50,380	1,275,258	637,629
Company Total	300,000	50,380	1,275,258	637,629
Fortune Technology Corp	200,000	0	502,612	251,306
Subsidiaries Total	200,000	0	502,612	251,306

IV. Matters for Ratification

Proposal 1:

Adoption of the 2025 Business Report and Financial Statements. (proposed by the board of directors)

Explanatory note:

1. The individual financial statements and consolidated financial statements of the Company for the fiscal year 2025 have been audited and certified by Deloitte & Touche. The aforementioned financial statements, along with the business report, have been submitted to the Audit Committee for review, and no discrepancies have been found. The audit report is on file.
2. For the fiscal year 2025, the Company's business report, auditor's audit report, and the aforementioned financial statements are available for reference in Attachment 1 and Attachment 4.

Voting Results:

Shares represented at the time of voting: 36,149,120 Votes

Result	% of Total Votes Present
Votes in favor: 35,186,176 Votes	97.33%
Votes against: 58,892 Votes	0.16%
Votes invalid: 0 Votes	0.00%
Votes abstained: 904,052 Votes	2.51%

* including votes casted electronically

RESOLVED, that the 2025 Business Report and Financial Statements were hereby accepted as submitted.

Proposal 2:

Adoption of the Proposal for Distribution of 2025 Profits. (proposed by the board of directors)

Explanatory note:

1. The 2025 Earnings Distribution Proposal is attached hereto as Attachment 5.
2. The Company's 2025 Net Profit After Tax is NT\$87,508,701, less Remeasurements of Defined Benefit Plans Recognized in Retained Earnings of NT\$2,050,442. After appropriating Legal Reserve of NT\$8,545,825 in accordance with the law and appropriating Special Reserve of NT\$977,402 (changes in other equity deductions), and adding Beginning Undistributed Earnings of NT\$231,420,816, the Distributable Earnings are NT\$307,355,848. The distribution is proposed as follows:

Cash Dividends of NT\$69,961,249, calculated based on the number of outstanding common shares eligible for distribution as of February 26, 2026, which is 69,961,249 shares, with a distribution of NT\$1 per share After the resolution by the Shareholders' Meeting, the Board of Directors shall determine the record date for distribution.

3. Cash dividends are calculated and rounded down to the nearest whole NT dollar. Any fractional amount less than NT\$1 shall be aggregated into the Company's other income.
4. Regarding the aforementioned distribution proposal, if, prior to the record date for dividend distribution, there is any change in the number of outstanding shares resulting in a change in the cash dividend distribution ratio per share, the Shareholders' Meeting is requested to authorize the Board of Directors to handle all related matters with full authority.

Voting Results:

Shares represented at the time of voting: 36,149,120 Votes

Result	% of Total Votes Present
Votes in favor: 35,201,056 Votes	97.37 %
Votes against: 52,012 Votes	0.14%
Votes invalid: 0 Votes	0.00%
Votes abstained: 896,052 Votes	2.495%

* including votes casted electronically

RESOLVED, that the above proposal was hereby approved as proposed.

V. Matters for Election

Proposal 1:

By-election of One Independent Director (proposed by the board of directors).

Explanatory note:

1. Mr Wang Jiann-Chyuan, an Independent Director of the 25th Term of the Company, was discharged from office due to his passing on January 8, 2026 Pursuant to Article 15 of the Articles of Incorporation, a by-election for one independent director seat is proposed at this year's shareholders' meeting The Company adopts a candidate nomination system for directors (including independent directors), and the nomination process shall be conducted in compliance with relevant laws and regulations.
2. The newly elected independent director shall assume office immediately upon the adjournment of this

shareholders' meeting until the expiration of the current term (ie, from May 27, 2026 to June 29, 2028).

3. For the list of independent director candidates approved by the Board of Directors on April 7, 2026, please refer to Attachment 6.

Election Result:

Elected Independent Directors:

Title	Name	Votes Received
Independent Director	HUANG, SHIH-CHANG	34,677,523

VI. Matter for the Other

Proposal 1:

Proposal to Lift the Non-Compete Restrictions on the Newly Elected Directors (proposed by the board of directors).

Explanatory Note:

1. If any of the newly elected independent directors of the 25th Term invest in or operate other businesses that are within the same or similar scope of business as the Company and serve as directors thereof, and such conduct does not impair the interests of the Company, it is proposed, in accordance with Article 209 of the Company Act, that the shareholders' meeting approve the release of these directors and their representatives from the non-compete restrictions.
2. For details regarding the release of non-compete restrictions for the 25th term directors, please refer to Attachment 7.

Voting Results:

Shares represented at the time of voting: 36,149,120 Votes

Result	% of Total Votes Present
Votes in favor: 35,061,288 Votes	96.99 %
Votes against: 102,833 Votes	0.28%
Votes invalid: 0 Votes	0.00%
Votes abstained: 984,999 Votes	2.73%

* including votes casted electronically

RESOLVED, that the above proposal was hereby approved as proposed.

VII. Special Motion: None

VIII. Adjournment

Meeting Adjourned: 09:55 a.m., 27 May, 2026

※ There was no questions from shareholders.

IX. Attachments

1. 2025 Business Report
2. Audit Committee Report
3. Report on Transactions with Related Parties for 2025
- 4 CPA Audit Report and Financial Statements
5. Earnings Distribution Statement
6. List of Independent Director Candidates
7. Details on Exemption from Non-Compete for Newly Elected Directors

Attachment 1

FORTUNE INFORMATION SYSTEMS CORP.

2025 Business Report

The main business activities are information system integration, providing comprehensive integrated functions including planning and building enterprise public/private cloud infrastructure and cloud platform solutions, network information security planning, backup and disaster recovery solutions, IT integration services for financial institutions, cloud monitoring and management, application software development, document digitization services, logistics and warehousing management systems, IT consulting services for the insurance industry, and outsourced IT equipment maintenance and management. We possess complete after-sales service and diversified solutions.

The 2025 financial status, execution result of business plan, and profits:

Unit: NT\$1,000

Item	2025	2024	Change %
Operating revenue	2,694,203	2,246,252	19.94%
Operating costs	2,428,195	2,001,170	21.34%
Gross profit	266,008	245,082	8.54%
Gross profit margin	10%	11%	
Operating expenses	179,843	172,871	4.03%
Profit from operations	86,165	72,211	19.32%
Non-operating income and expenses	21,672	18,020	20.27%
Income before income tax	107,837	90,231	19.51%
Net income	87,509	66,865	30.87%

In 2025, the Company's operating revenue increased by 19.94% compared to the previous year, benefiting from the financial industry's digital transformation and cloud migration demand, continued expansion of cloud infrastructure investment, large-scale procurement of licensed software and AI applications, and information security demand. Accompanying the massive PC replacement wave driven by the Microsoft Windows 10 End-of-Support (EOS) requirement to upgrade to Windows 11, the Company achieved steady growth in storage and backup/disaster recovery, cloud, information security solutions, and PCs and other infrastructure. However, constrained by changes in vendor sales policies and intense competition in large-scale projects, the average gross profit margin declined to 10%. Profit from operations grew by 19.32% year-on-year, and net income also grew by 30.87% year-on-year.

Looking ahead, market research firm IDC released five major trends to watch in Taiwan's ICT market in 2026, including:

1. Composite AI architecture has taken shape.
2. The age of Agentic AI economics is arriving — Agentic AI will be deployed at scale in 2026.
3. AI-enabled connectivity technology is rising; "ultra-high bandwidth" and "ultra-low latency" become core requirements.
4. Demand for machine identity management is heating up; identity security is becoming a critical decision point for information security in the AI era.
5. Edge AI drives hybrid architecture, creating new opportunities for industrial applications.

Based on the above trends, in 2026 we face the global trends of digitalization and sustainable development, driving enterprises to quickly respond to market demand and technological changes. Building an enterprise-level governance platform integrating Artificial Intelligence (AI), multi-cloud management, information security protection, and ESG sustainability functions, high-margin zero-trust security solutions, and subscription-based services for self-developed software products will become the three major growth engines for the future.

In terms of product, technology, and supply chain development, three strategies are formulated: product and technology enhancement strategy, diversified business development strategy, and supply chain optimization strategy. Leveraging technological and resource advantages, we will focus on six key directions to enhance innovation capability and market competitiveness. The six directions for business development are as follows:

1. Promote CMP Cloud Management Platform: Provide customers with a one-stop management solution for hybrid cloud and multi-cloud environments, improve IT operations efficiency, and further expand into application scenarios such as energy management.
2. Strengthen Software Quality Governance (TiCS): Introduce automated testing tools and software development best practices, improve software development and operations quality, reduce error costs, and ensure the delivery quality of large-scale projects.
3. Extend Smart Locker and AIoT Applications: Combine IoT sensing with AI analysis technology to launch innovative applications such as smart storage lockers and smart venue management, creating new revenue sources.
4. Deepen Zero-Trust Security: Expand the portfolio of security products and services, providing zero-trust security architecture solutions covering endpoints, firewalls, and the cloud, to meet the increasingly elevated information security needs of enterprises.
5. Promote AI-Driven Intelligent Operations: Apply artificial intelligence technology to optimize the maintenance and operations management of IT systems, such as introducing the AIOps platform, improving service efficiency and reducing manual operational risks.
6. Enter Carbon Inventory and Energy Governance (ESG Solutions): Apply AI and big data technology to areas such as enterprise carbon footprint inventory and energy management, providing ESG digital solutions that comply with regulations and international standards, assisting enterprises in achieving sustainability goals.

The above product and technology enhancement strategies will help the Company seize market opportunities such as the landing of AI applications, accelerated cloud transformation, and enterprise security upgrades, driving business growth and improving overall profitability. In

particular, the global AI industry is entering the era of "enterprise-level platform battles," and enterprises face challenges such as information security protection and system integration when introducing AI — which is precisely the professional strength of the Company as a System Integrator (SI) Through concrete actions in product innovation and technical strength, differentiated competitive advantages will be built, achieving simultaneous growth in revenue and gross profit.

In terms of corporate governance, the Company will simultaneously strengthen the following foundations:

1. AI Governance: Establish an AI governance framework, AI ethics, and risk management principles to ensure the safe application of artificial intelligence.
2. PMO Construction: Establish a dedicated Project Management Office (PMO) to improve execution efficiency and quality.
3. Talent Optimization: Implement comprehensive human resources enhancement plans, explore the implementation of long-term incentive measures, improve employee retention rates and cohesion, and align talent strategies with the Company's growth objectives.
4. Promote Sustainability-Related Operations:
 - ISO Certification-related:
 - ISO 27001: Information Security Management, including internal and external audits and information security testing
 - ISO 14064-1: Greenhouse Gas Management, collecting data and promoting verifier training
 - ISO 50001: Energy Management System, completing internal and external audits and action plan reviews
 - Environmental Protection and Energy Conservation: Formulate specific goals, reduce electricity consumption and waste, and implement other environmental protection measures.
 - Promote enterprise value enhancement plans to facilitate long-term development and shareholder interests.

In recent years, the Company has continuously invested in industry and technology development directions, which are in line with world trends and market demands, and also bring key advantages to customers Adhering to the philosophy of "Integrity, Service, Innovation," we set out with "Continuously Upgrading New Momentum," providing faster and more complete professional services to meet customer needs, and aspiring to become the most competitive information service enterprise.

Chairman: YUAN, HSING-WEN

General Manager: TANG, YU-HUA; YANG, CHENG-NING

Principal Accounting Officer: CHEN, XIU-YUE

Attachment 2

Audit Committee Report

The Board of Directors has prepared the Corporation's 2025 Business Report, Distribution of 2025 profits and Financial Statements Deloitte & Touche was retained to audit the Financial Statements of Fortune Information Systems Corp and has issued an audit report relating to the Financial Statements The Business Report, Distribution of 2025 profits and Financial Statements have been reviewed and determined to be correct and accurate by all the Audit Committee members According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

FORTUNE INFORMATION SYSTEMS CORP.

TSANG, KWOK-WAH
Chairman of the Audit Committee

March 6, 2026

Attachment 3

FORTUNE INFORMATION SYSTEMS CORP.

Report on Transactions with Related Parties for 2025

Pursuant to Article 8-1 of the Company's "Procedures for Transactions with Related Parties, Specific Companies and Group Enterprises," the Board of Directors approved transactions with related party ZeroOne Technology (Stock) Co, Ltd (hereinafter "ZeroOne Technology") for purchases/sales, services, or technical services for 2025, with an estimated annual transaction amount of NT\$300,000 thousand. In 2025, transactions were conducted in accordance with the transaction pricing principles approved by the Board of Directors, and the actual transaction amount did not exceed the estimated amount. The detailed transaction amounts are as follows:

Unit: NT\$ thousands

Purchasing/ Selling Company	Name of Counterparty	Cumulative Transaction Amount (2025/5/22 – 12/31) (Note 1)	Transaction Terms	Board- Approved Transaction Limit
Fortune Information Systems Corp	ZeroOne Technology	18,337	1 General transaction terms: Payment 60 days after month-end billing by related party 2 VMware software installment payments: In accordance with the "VMware Software Installment Purchase Framework Agreement" signed with the related party, installment payments may be adopted on a case-by-case basis. The number of installments and the amount due for each installment shall be based on the Company's purchase order or the related party's quotation confirmed by the Company's counter-signature. ※ Transaction prices and payment terms are comparable to those of non-related parties.	300,000
Fortune Technology Corp	ZeroOne Technology	112,838		
Total	131,175			300,000
2025 Consolidated Operating Revenue	2,694,203			
As a Percentage of Operating Revenue	4.87%			

Attachment 4

CPA Audit Report and Financial Statements

[Note: The financial statements in this attachment are presented in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers as required by the Taiwan Financial Supervisory Commission, and include the Independent Auditors' Report, Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows for Fortune Information Systems Corporation for the fiscal year ended December 31, 2025, together with the related notes. Please refer to the Chinese version of this document for the complete financial statements.]

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders

Fortune Information Systems Corp.

Opinion

We have audited the accompanying parent company only financial statements of Fortune Information Systems Corporation (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, parent company only statements of changes in equity and parent company only statements of cash flows for the years then ended, and the related notes to the parent company only financial statements, including a summary of significant accounting policies.

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 Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the ROC. 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 ROC, 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 descriptions of the key audit matters of the 2025 parent company only financial statements are as follows:

Revenue recognition for system integration

The Company's primary revenue is derived from system integration services. Revenue is recognized based on the stage of completion of each contract, which is measured by the proportion of costs incurred to date relative to the estimated total contract costs. As the determination of the stage of completion involves significant judgment, contracts with significant amounts that remain incomplete at the end of the period may materially affect the accuracy of revenue recognition for system integration. Accordingly, the recognition of revenue from such significant and incomplete system integration contracts at period-end is considered a key audit matter.

Our audit procedures in response to the above key audit matter included understanding and evaluating the processes related to the accuracy of revenue recognition for system integration; performing detailed testing of contracts that were incomplete at period-end to verify the accuracy of costs incurred; and reviewing whether there were any significant subsequent adjustments to the estimated total contract costs and the stage of completion.

Responsibilities of Management and Those Charged with Governance for the Parent Company only Financial Statements

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 its 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 auditing standards generally accepted in the ROC 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 auditing standards generally accepted in the ROC, 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 and is 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 group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 audit resulting in this independent auditors' report are Cai, You-Ling and Liu, Wen-Ling.

Deloitte & Touche

Taipei, Taiwan

Republic of China

Mar. 6, 2026

FORTUNE INFORMATION SYSTEMS CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

	December 31, 2025		December 31, 2024	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 181,747	11	\$ 433,333	24
Contract assets (Note 16)	343,729	20	221,210	12
Notes receivable (Note 7)	755	-	2,780	-
Accounts receivables (Note 7, 16 and 22)	129,433	8	116,613	6
Other receivables (Note 22)	4,429	-	2,774	-
Inventories (Note 8)	100,131	6	106,003	6
Prepayments (Note 22)	15,718	1	26,222	2
Other current assets	<u>1,255</u>	<u>-</u>	<u>1,056</u>	<u>-</u>
Total current assets	<u>777,197</u>	<u>46</u>	<u>909,991</u>	<u>50</u>
NON-CURRENT ASSETS				
Investments accounted for using the equity method (Note 9)	550,487	32	524,359	29
Property, plant and equipment (Note 10)	207,374	12	210,548	11
Right-of-use assets (Note 11)	13,525	1	18,391	1
Investment properties (Note 12)	59,629	3	60,253	3
Other intangible assets	309	-	143	-
Deferred tax assets (Note 18)	620	-	729	-
Refundable deposits	88,651	5	75,071	4
Long-term accounts receivables (Note 7)	8,920	1	5,176	-
Net defined benefit assets (Note 14)	<u>-</u>	<u>-</u>	<u>28,203</u>	<u>2</u>
Total non-current assets	<u>929,515</u>	<u>54</u>	<u>922,873</u>	<u>50</u>
TOTAL	<u>\$ 1,706,712</u>	<u>100</u>	<u>\$ 1,832,864</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities (Note 16)	\$ 30,580	2	\$ 44,432	3
Notes payable	3	-	20	-
Accounts payables (Note 22)	213,057	13	335,121	18
Other payables (Note 13 and 22)	120,582	7	122,391	7
Current tax liabilities	11,622	1	11,441	1
Lease liabilities (Note 11 and 22)	7,179	-	6,450	-
Other current liabilities	<u>37,824</u>	<u>2</u>	<u>36,185</u>	<u>2</u>
Total current liabilities	<u>420,847</u>	<u>25</u>	<u>556,040</u>	<u>31</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Note 18)	10	-	5,642	-
Lease liabilities (Note 11 and 22)	6,496	-	11,985	1
Other non-current liabilities	<u>4,101</u>	<u>-</u>	<u>4,101</u>	<u>-</u>
Total non-current liabilities	<u>10,607</u>	<u>-</u>	<u>21,728</u>	<u>1</u>
Total liabilities	<u>431,454</u>	<u>25</u>	<u>577,768</u>	<u>32</u>
EQUITY (Note 15)				
Common stock	<u>699,612</u>	<u>41</u>	<u>699,612</u>	<u>38</u>
Capital surplus	<u>62,361</u>	<u>4</u>	<u>62,361</u>	<u>3</u>
Retained earnings				
Legal reserve	197,382	11	190,121	11
Special reserve	-	-	3,480	-
Unappropriated earnings	<u>316,880</u>	<u>19</u>	<u>298,168</u>	<u>16</u>
Total retained earnings	<u>514,262</u>	<u>30</u>	<u>491,769</u>	<u>27</u>
Other equity interests	(<u>977</u>)	<u>-</u>	<u>1,354</u>	<u>-</u>
Total equity	<u>1,275,258</u>	<u>75</u>	<u>1,255,096</u>	<u>68</u>
TOTAL	<u>\$ 1,706,712</u>	<u>100</u>	<u>\$ 1,832,864</u>	<u>100</u>

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

FORTUNE INFORMATION SYSTEMS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 16 and 22)	\$ 1,504,690	100	\$ 1,243,701	100
OPERATING COSTS (Notes 8, 17 and 22)	<u>1,332,511</u>	<u>89</u>	<u>1,087,734</u>	<u>87</u>
GROSS PROFIT FROM OPERATIONS	172,179	11	155,967	13
OPERATING EXPENSES (Notes 17 and 22)	<u>123,802</u>	<u>8</u>	<u>114,126</u>	<u>9</u>
OPERATING INCOME	<u>48,377</u>	<u>3</u>	<u>41,841</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES (Note 17 and 22)				
Interest income	2,895	-	1,676	-
Other income	18,870	2	10,239	1
Other gains and losses, net	49	-	1,799	-
Finance costs	(1,075)	-	(502)	-
Share of profit or loss of subsidiaries accounted for using the equity method (Note 9)	<u>30,459</u>	<u>2</u>	<u>28,145</u>	<u>2</u>
Total non-operating income and expenses	<u>51,198</u>	<u>4</u>	<u>41,357</u>	<u>3</u>
INCOME BEFORE INCOME TAX	99,575	7	83,198	7
INCOME TAX EXPENSE (Note 18)	<u>12,066</u>	<u>1</u>	<u>16,333</u>	<u>2</u>
NET INCOME	<u>87,509</u>	<u>6</u>	<u>66,865</u>	<u>5</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Note 14 and 18)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit plans	\$ -	-	\$ 7,180	1
Income tax related to items that will not be reclassified subsequently to profit or loss	(2,050)	-	(1,435)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations	(2,331)	-	4,834	-
Other comprehensive income, net of income tax	(4,381)	-	10,579	1
TOTAL COMPREHENSIVE INCOME	<u>\$ 83,128</u>	<u>6</u>	<u>\$ 77,444</u>	<u>6</u>
EARNINGS PER SHARE (NT\$, Note 19)				
Basic earnings per share	<u>\$ 1.25</u>		<u>\$ 0.96</u>	
Diluted earnings per share	<u>\$ 1.25</u>		<u>\$ 0.95</u>	

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

FORTUNE INFORMATION SYSTEMS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

	<u>Capital Stock - Common Stock</u>		<u>Capital Surplus</u>	<u>Earnings</u>			<u>Others</u>	<u>Total Equity</u>
	<u>Shares</u> <u>(In Thousands)</u>	<u>Amount</u>		<u>Legal Capital Reserve</u>	<u>Special Capital Reserve</u>	<u>Unappropriated Earnings</u>	<u>Foreign Currency Translation Reserve</u>	
BALANCE, JANUARY 1, 2024	69,961	\$ 699,612	\$ 62,361	\$ 182,351	\$ 3,279	\$ 289,498	(\$ 3,480)	\$ 1,233,621
Distribution of 2023 earnings								
Legal capital reserve	-	-	-	7,770	-	(7,770)	-	-
Special capital reserve	-	-	-	-	201	(201)	-	-
Cash dividends to shareholders	-	-	-	-	-	(55,969)	-	(55,969)
Net income for the year ended December 31, 2024	-	-	-	-	-	66,865	-	66,865
Other comprehensive income (loss), net of income tax for the year ended December 31, 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,745</u>	<u>4,834</u>	<u>10,579</u>
Total comprehensive income (loss) for the year ended December 31, 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,610</u>	<u>4,834</u>	<u>77,444</u>
BALANCE, DECEMBER 31, 2024	69,961	699,612	62,361	190,121	3,480	298,168	1,354	1,255,096
Distribution of 2024 earnings								
Legal capital reserve	-	-	-	7,261	-	(7,261)	-	-
Special capital reserve	-	-	-	-	(3,480)	3,480	-	-
Cash dividends to shareholders	-	-	-	-	-	(62,966)	-	(62,966)
Net income for the year ended December 31, 2025	-	-	-	-	-	87,509	-	87,509
Other comprehensive income (loss), net of income tax for the year ended December 31, 2025	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,050)</u>	<u>(2,331)</u>	<u>(4,381)</u>
Total comprehensive income (loss) for the year ended December 31, 2025	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,459</u>	<u>(2,331)</u>	<u>83,128</u>
BALANCE, DECEMBER 31, 2025	<u>69,961</u>	<u>\$ 699,612</u>	<u>\$ 62,361</u>	<u>\$ 197,382</u>	<u>\$ -</u>	<u>\$ 316,880</u>	<u>(\$ 977)</u>	<u>\$ 1,275,258</u>

FORTUNE INFORMATION SYSTEMS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 99,575	\$ 83,198
Adjustments for:		
Depreciation expense	12,029	12,399
Amortization expense	853	768
Expected credit loss	15	727
Finance costs	1,075	502
Interest income	(2,895)	(1,676)
Share of gain of subsidiaries accounted for using the equity method	(30,459)	(28,145)
Gain on disposal of non-current assets held for sale	-	(1,440)
Reversal of write-down of inventories	(543)	(509)
Gain on foreign exchange, net	9	(221)
Changes in operating assets and liabilities		
Contract assets	(122,519)	58,295
Notes receivable	2,025	(1,895)
Accounts receivable	(16,579)	4,153
Other receivables	(1,655)	35,844
Inventories	5,408	(39,372)
Prepayments	10,504	4,103
Other current assets	(199)	968
Net defined benefit assets	28,203	(260)
Contract liabilities	(13,852)	(5,412)
Notes payable	(17)	
Accounts payable	(122,064)	41,124
Other payables	(1,809)	(6,817)
Other current liabilities	1,639	22,649
Cash (used in) generated from operations	(151,256)	178,983
Interest received	2,895	1,676
Interest paid	(1,075)	(502)
Income taxes paid	(19,458)	(11,246)
Net cash (used in) generated from operating activities	(168,894)	168,911

(Continued)

FORTUNE INFORMATION SYSTEMS CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the disposal of non-current assets held for sale	\$ -	\$ 4,695
Acquisition of property, plant and equipment	(185)	(2,758)
Refundable deposits paid (refunded)	(13,580)	2,929
Acquisitions of Intangible assets	(729)	(357)
Dividends received	<u>2,000</u>	<u>24,748</u>
Net cash (used in) generated from investing activities	(<u>12,494</u>)	<u>29,257</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term bills payable	180,000	240,000
Decrease in short-term bills payable	(180,000)	(240,000)
Repayment of the principal portion of lease liabilities	(7,223)	(7,321)
Decrease in other non-current liabilities	-	(29)
Cash dividends paid	(<u>62,966</u>)	(<u>55,969</u>)
Net cash used in financing activities	(<u>70,189</u>)	(<u>63,319</u>)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(<u>9</u>)	<u>221</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(251,586)	135,070
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>433,333</u>	<u>298,263</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>\$ 181,747</u>	<u>\$ 433,333</u>

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

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders

Fortune Information Systems Corp.

Opinion

We have audited the accompanying consolidated financial statements of Fortune Information Systems Corporation and its subsidiaries (collectively, the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Key Audit Matters

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

The descriptions of the key audit matters of the 2025 consolidated financial statements are as follows:

Revenue Recognition for System Integration

The Group's primary revenue is derived from system integration services. Revenue is recognized based on the stage of completion of each contract, which is measured by the proportion of costs incurred to date relative to the estimated total contract costs. As the determination of the stage of completion involves significant judgment, contracts with significant amounts that remain incomplete at the end of the period may materially affect the accuracy of revenue recognition for system integration. Accordingly, the recognition of revenue from such significant and incomplete system integration contracts at period-end is considered a key audit matter.

Our audit procedures in response to the above key audit matter included understanding and evaluating the processes related to the accuracy of revenue recognition for system integration; performing detailed testing of contracts that were incomplete at period-end to verify the accuracy of costs incurred; and reviewing whether there were any significant subsequent adjustments to the estimated total contract costs and the stage of completion.

Other Matter

We have also audited The Group only financial statements of Fortune Information Systems Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion and an unqualified opinion with an emphasis of matter, respectively.

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

Financial Statements Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the

Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the FSC of the ROC, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the auditing standards generally accepted in the ROC, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partners on the audit resulting in this independent auditors' report are Cai, You-Ling and Liu, Wen-Ling

Deloitte & Touche

Taipei, Taiwan

Republic of China

Mar. 6, 2026

FORTUNE INFORMATION SYSTEMS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

	December 31, 2025		December 31, 2024	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 281,951	12	\$ 588,933	27
Financial assets at amortized cost (Note 7)	-	-	15,503	1
Contract assets (Note 19)	813,155	34	490,184	23
Notes receivable (Note 8 and 19)	1,821	-	4,097	-
Accounts receivables (Note 8 and 19)	254,723	11	267,059	12
Other receivables	1,336	-	542	-
Inventories (Note 10)	276,837	12	182,633	8
Prepayments (Note 25)	59,329	2	43,636	2
Non-current assets held for sale (Note 9)	19,658	1	20,710	1
Other current assets	<u>32,721</u>	<u>1</u>	<u>14,606</u>	<u>1</u>
Total current assets	<u>1,741,531</u>	<u>73</u>	<u>1,627,903</u>	<u>75</u>
NON-CURRENT ASSETS				
Property, plant and equipment (Note 12)	207,459	9	210,720	10
Right-of-use assets (Note 13)	14,647	1	20,859	1
Investment properties (Note 14)	59,629	2	60,253	3
Other intangible assets	400	-	249	-
Deferred tax assets (Note 21)	731	-	826	-
Refundable deposits	267,477	11	203,071	10
Long-term accounts receivables (Note 8)	99,449	4	5,176	-
Net defined benefit assets (Note 17)	<u>-</u>	<u>-</u>	<u>28,203</u>	<u>1</u>
Total non-current assets	<u>649,792</u>	<u>27</u>	<u>529,357</u>	<u>25</u>
TOTAL	<u>\$ 2,391,323</u>	<u>100</u>	<u>\$ 2,157,260</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 15)	\$ 110,000	5	\$ -	-
Contract liabilities (Note 19 and 25)	128,432	5	78,515	4
Notes payable	3	-	20	-
Accounts payables	485,818	20	572,423	27
Payables to related parties (Note 35)	130,125	6	-	-
Other payables (Note 16)	161,557	7	161,324	7
Current tax liabilities	16,285	1	13,323	1
Lease liabilities (Note 13 and 25)	8,324	-	7,800	-
Other current liabilities	<u>48,414</u>	<u>2</u>	<u>48,797</u>	<u>2</u>
Total current liabilities	<u>1,088,958</u>	<u>46</u>	<u>882,202</u>	<u>41</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Note 21)	10	-	5,642	-
Lease liabilities (Note 13 and 25)	6,496	-	13,131	1
Long-term payables to related parties (Note 35)	19,840	1	-	-
Other non-current liabilities	<u>761</u>	<u>-</u>	<u>1,189</u>	<u>-</u>
Total non-current liabilities	<u>27,107</u>	<u>1</u>	<u>19,962</u>	<u>1</u>
Total liabilities	<u>1,116,065</u>	<u>47</u>	<u>902,164</u>	<u>42</u>
EQUITY (Note 18)				
Common stock	<u>699,612</u>	<u>29</u>	<u>699,612</u>	<u>32</u>
Capital surplus	<u>62,361</u>	<u>3</u>	<u>62,361</u>	<u>3</u>
Retained earnings				
Legal reserve	197,382	8	190,121	9
Special reserve	-	-	3,480	-
Unappropriated earnings	<u>316,880</u>	<u>13</u>	<u>298,168</u>	<u>14</u>
Total retained earnings	<u>514,262</u>	<u>21</u>	<u>491,769</u>	<u>23</u>
Other equity interests	<u>(977)</u>	<u>-</u>	<u>1,354</u>	<u>-</u>
Total equity	<u>1,275,258</u>	<u>53</u>	<u>1,255,096</u>	<u>58</u>
TOTAL	<u>\$ 2,391,323</u>	<u>100</u>	<u>\$ 2,157,260</u>	<u>100</u>

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

FORTUNE INFORMATION SYSTEMS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 19 and 25)	\$ 2,694,203	100	\$ 2,246,252	100
OPERATING COSTS (Notes 10 and 20)	<u>2,428,195</u>	<u>90</u>	<u>2,001,170</u>	<u>89</u>
GROSS PROFIT FROM OPERATIONS	266,008	10	245,082	11
OPERATING EXPENSES (Notes 20 and 25)	<u>179,843</u>	<u>7</u>	<u>172,871</u>	<u>8</u>
OPERATING INCOME	<u>86,165</u>	<u>3</u>	<u>72,211</u>	<u>3</u>
NON-OPERATING INCOME AND EXPENSES (Note 20 and 25)				
Interest income	9,253	-	4,806	-
Other income	19,416	1	12,802	1
Other gains and losses, net	42	-	1,641	-
Finance costs	(<u>7,039</u>)	-	(<u>1,229</u>)	-
Total non-operating income and expenses	<u>21,672</u>	<u>1</u>	<u>18,020</u>	<u>1</u>
INCOME BEFORE INCOME TAX	107,837	4	90,231	4
INCOME TAX EXPENSE (Note 21)	<u>20,328</u>	<u>1</u>	<u>23,366</u>	<u>1</u>
NET INCOME	<u>87,509</u>	<u>3</u>	<u>66,865</u>	<u>3</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Note 17 and 21)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit plans	\$ -	-	\$ 7,180	-
Income tax related to items that will not be reclassified subsequently to profit or loss	(2,050)	-	(1,435)	-
Remeasurements of defined benefit plans				
Exchange differences arising on translation of foreign operations	(<u>2,331</u>)	-	<u>4,834</u>	-
Other comprehensive income, net of income tax	(<u>4,381</u>)	-	<u>10,579</u>	-
TOTAL COMPREHENSIVE INCOME	<u>\$ 83,128</u>	<u>3</u>	<u>\$ 77,444</u>	<u>3</u>
EARNINGS PER SHARE (NT\$, Note 22)				
Basic earnings per share	<u>\$ 1.25</u>		<u>\$ 0.96</u>	
Diluted earnings per share	<u>\$ 1.25</u>		<u>\$ 0.95</u>	

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

FORTUNE INFORMATION SYSTEMS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

							Others	
	<u>Capital Stock - Common Stock</u>			<u>Earnings</u>				
	<u>Shares</u>	<u>Amount</u>	<u>Capital Surplus</u>	<u>Legal Capital Reserve</u>	<u>Special Capital Reserve</u>	<u>Unappropriated Earnings</u>	<u>Foreign Currency Translation Reserve</u>	<u>Total Equity</u>
	<u>(In Thousands)</u>							
BALANCE, JANUARY 1, 2024	69,961	\$ 699,612	\$ 62,361	\$ 182,351	\$ 3,279	\$ 289,498	(\$ 3,480)	\$ 1,233,621
Distribution of 2023 earnings								
Legal capital reserve	-	-	-	7,770	-	(7,770)	-	-
Special capital reserve	-	-	-	-	201	(201)	-	-
Cash dividends to shareholders	-	-	-	-	-	(55,969)	-	(55,969)
Net income for the year ended December 31, 2024	-	-	-	-	-	66,865	-	66,865
Other comprehensive income (loss), net of income tax for the year ended December 31, 2024	-	-	-	-	-	5,745	4,834	10,579
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	72,610	4,834	77,444
BALANCE, DECEMBER 31, 2024	69,961	699,612	62,361	190,121	3,480	298,168	1,354	1,255,096
Distribution of 2024 earnings								
Legal capital reserve	-	-	-	7,261	-	(7,261)	-	-
Special capital reserve	-	-	-	-	(3,480)	3,480	-	-
Cash dividends to shareholders	-	-	-	-	-	(62,966)	-	(62,966)
Net income for the year ended December 31, 2025	-	-	-	-	-	87,509	-	87,509
Other comprehensive income (loss), net of income tax for the year ended December 31, 2025	-	-	-	-	-	(2,050)	(2,331)	(4,381)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	85,459	2,331	83,128
BALANCE, DECEMBER 31, 2025	69,961	\$ 699,612	\$ 62,361	\$ 197,382	\$ -	\$ 316,880	(\$ 977)	\$ 1,275,258

FORTUNE INFORMATION SYSTEMS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 107,837	\$ 90,231
Adjustments for:		
Depreciation expense	13,463	14,018
Amortization expense	997	1,651
Expected credit loss	15	721
Finance costs	7,039	1,229
Interest income	(9,253)	(4,806)
Loss on disposal or retirement of property, plant and equipment, net	-	145
Gain on disposal of non-current assets held for sale	-	(1,440)
Reversal of write-down of inventories	(474)	(198)
Loss (gain) on foreign exchange, net	342	(964)
Changes in operating assets and liabilities		
Contract assets	(322,971)	79,360
Notes receivable	2,276	(2,883)
Accounts receivable	(81,952)	(77,266)
Other receivables	(794)	37,105
Inventories	(94,738)	28,465
Prepayments	(15,693)	3,519
Other current assets	(18,020)	6,737
Net defined benefit assets	28,203	(260)
Contract liabilities	49,917	(11,081)
Notes payable	(17)	
Accounts payable	63,360	175,454
Other payables	313	3,949
Other current liabilities	(383)	22,629
Cash (used in) generated from operations	(270,533)	366,315
Interest received	9,253	4,806
Interest paid	(7,020)	(1,175)
Income taxes paid	(25,051)	(23,594)
Net cash (used in) generated from operating activities	(293,351)	346,352

(Continued)

FORTUNE INFORMATION SYSTEMS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of financial assets at amortized cost	(\$ 14,800)	(\$ 42,269)
Proceeds from disposal of financial assets at amortized cost	29,488	79,832
Proceeds from the disposal of non-current assets held for sale	-	4,695
Acquisition of property, plant and equipment	(185)	(2,937)
Proceeds from disposal of property, plant and equipment	-	9
Refundable deposits paid	(64,406)	(34,697)
Acquisitions of Intangible assets	(858)	(442)
Net cash (used in) generated from investing activities	(50,761)	4,191
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	290,000	120,000
Decrease in short-term borrowings	(180,000)	(150,000)
Increase in short-term bills payable	280,000	-
Decrease in short-term bills payable	(280,000)	(50,000)
Repayment of the principal portion of lease liabilities	(8,574)	(8,645)
Decrease in other non-current liabilities	(527)	(2,006)
Cash dividends paid	(62,966)	(55,969)
Net cash used in financing activities	37,933	146,620
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(803)	1,329
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(306,982)	205,252
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	588,933	383,681
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	\$ 281,951	\$ 588,933

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

(Concluded)

Attachment 5

FORTUNE INFORMATION SYSTEMS CORP.

Earnings Distribution Statement for the Year 2025

Unappropriated retained earnings as of December 31, 2024		\$ 231,420,816
Net profit	\$87,508,701	
Retained earnings recognized from remeasurement of defined benefit plan	<u>(2,050,442)</u>	
The amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period		85,458,259
Legal reserve appropriation		(8,545,825)
Appropriation of Special Reserve (Changes in Other Equity Deductions)		<u>(977,402)</u>
Retained earnings available for distribution		307,355,848
Appropriation:		
Cash dividends (NT\$ 1 per share) ¹		<u>69,961,249</u>
Balance of unappropriated retained earnings		<u>\$237,394,599</u>

Note: The cash dividend distribution ratio is calculated to the nearest whole NT\$. Any fractional amounts less than one NT\$ shall be aggregated into other income of the Company.

Chairman: YUAN, HSING-WEN

General Manager: TANG, YU-HUA; YANG, CHENG-NING

Principal Accounting Officer: CHEN, XIU-YUE

Attachment 6

List of Candidates for Independent Directors

No	Capacity	Name / Account Name	Shares Held	Name of Government or Legal Entity Represented	Major Educational and Professional Background
1	Independent Director	HUANG, SHIH-CHANG	0	N/A	Education: PhD in Public Finance, National Chengchi University Experience: Deputy Director, Taiwan Institute of Economic Research, Chung-Hua Institution for Economic Research Board Member, Taiwan Asia Pacific Industry Analysis Professional Association Independent Director, Asia Airways Secretary-General, Taiwan Asia Pacific Industry Analysis Professional Association Current Position: Researcher and Director, Taiwan Institute of Economic Research, Chung-Hua Institution for Economic Research Adjunct Deputy Director, Center for the Study of Public Finance, National Chengchi University Adjunct Assistant Professor, Department of Public Finance, National Chengchi University Board Member, Chinese Fiscal Association

Attachment 7

Details of the Release of Non-Competition Restrictions for Newly Elected Independent Directors

Name	Concurrent Position / Title
HUANG, SHIH-CHANG	Researcher and Director, Taiwan Institute of Economic Research, Chung-Hua Institution for Economic Research Adjunct Deputy Director, Center for the Study of Public Finance, National Chengchi University Adjunct Assistant Professor, Department of Public Finance, National Chengchi University Board Member, Chinese Fiscal Association