COVER SHEET

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A member of AC Industrials

Integrated Micro-Electronics, Inc.
North Science Avenue,
Special Export Processing Zone
Laguna Technopark
Binan Laguna 4024
Philippines

Tel +63 2 7756 6840; +63 2 7756 6940
Tel +63 49 544 0312
www.global-imi.com

CERTIFICATION

We, ROBERT WILLIAM HEESE (Chief Finance Officer and Compliance Officer) and LAURICE S. DELA CRUZ (Vice President, Finance and Corporate Controller, Deputy Compliance Officer) of Integrated Micro-Electronics, Inc. (the "Corporation"), with SEC Registration Number 94419 and with principal office at North Science Avenue, Laguna Technopark-Special Processing Zone, Binan, Laguna, do hereby certify and state that: state under oath that:

1) In compliance with Securities and Exchange Commission (SEC) Memorandum Circular no. 9, series of 2022, the Company is timely filing its September 30, 2026 SEC Form 17-Q by sending the same (in portable document format) through email to icdsubmission@sec.gov.ph and by uploading the same through PSE EDGE in accordance with the relevant PSE rules and procedures.

2) The information contained in the September 30, 2026 SEC Form 17-Q dated November 13, 2026 is true and correct to the best of our knowledge.

3) We are executing this certification this November 13, 2026 to attest to the truthfulness of the foregoing facts and for whatever legal purpose it may serve.

ROBERT WILLIAM HEESE
Chief Finance Officer and Compliance Officer

LAURICE S. DELA CRUZ
Vice President, Finance and Corporate Controller and Deputy Compliance Officer

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended**: September 30, 2026**

2. Commission Identification No.: **94419**

3. BIR Tax Identification No.: **000-409-747-000**

4. Exact name of issuer as specified in its charter: **INTEGRATED MICRO-ELECTRONICS, INC.**

5. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**

6. Industry Classification Code: ☐ (SEC Use Only)

7. Address of issuer's principal office: **North Science Avenue, Laguna Technopark-Special Processing Zone (LT-SEZ), Bo. Biñan, Biñan, Laguna**

   Postal Code: **4024**

8. Issuer's telephone number, including area code: **(632) 756-6840**

9. Former name, former address and former fiscal year: **Not applicable**

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares Issued and Outstanding
Common *	2,224,503,705

* Net of 8,681,734 treasury shares;

11. Are any or all of the securities listed on a Stock Exchange? Yes [**x**] No [ ]

    2,198,161,438 common shares are listed with the Philippine Stock Exchange as of September 30, 2026.

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports): Yes [**x**] No [ ]

    (b) has been subject to such filing requirements for the past ninety (90) days: Yes [**x**] No [ ]

Item 1. Financial Statements

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED BALANCE SHEET

AS OF SEPTEMBER 30, 2026

(With Comparative Audited Figures as of December 31, 2025)
(In thousands)

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	**$80,034**	$76,518
Receivables – net (Note 5)	**220,342**	222,249
Inventories (Note 7)	**184,365**	162,125
Contract assets (Note 6)	**44,582**	43,544
Other current assets (Note 8)	**26,316**	13,890
Total Current Assets	**555,639**	518,326
Noncurrent Assets		
Property, plant and equipment - net (Note 9)	**86,651**	93,073
Goodwill (Note 17)	**38,666**	38,666
Intangible assets - net (Note 10)	**2,174**	2,524
Right-of-use assets (Note 18)	**10,351**	12,777
Deferred tax assets	**2,054**	1,951
Financial assets at FVOCI	**415**	2,352
Other noncurrent assets (Note 11)	**6,789**	7,304
Total Noncurrent Assets	**147,100**	158,647
	$702,739	$676,973
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses (Note 12)	**$209,265**	$187,448
Contract liabilities (Note 6)	**4,819**	3,313
Loans payable (Note 13)	**95,174**	96,942
Current portion of long-term debt (Note 14)	**3,752**	99,067
Current portion of lease liabilities (Note 18)	**1,799**	3,603
Income tax payable	**2,353**	2,883
Other current liabilities	**595**	597
Total Current Liabilities	**317,757**	393,853
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debt (Note 14)	**89,344**	–
Lease liabilities (Note 18)	**10,550**	11,039
Net retirement liabilities	**7,840**	10,473
Deferred tax liabilities	**674**	1,003
Other noncurrent liabilities	**3,969**	4,887
Total Noncurrent Liabilities	**112,377**	27,402
Total Liabilities	**430,134**	421,255

(Forward)

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
EQUITY (Note 15)		
Equity Attributable to Equity Holders of the Parent Company		
Capital stock - common	**$42,846**	$42,721
Subscribed capital stock	**324**	688
Additional paid-in capital	**192,880**	193,871
Subscriptions receivable	**(1,146)**	(2,566)
Unappropriated retained earnings	**76,915**	53,011
Treasury stock	**(575)**	(1,013)
Other components of equity	**(917)**	680
Cumulative translation adjustment	**(23,023)**	(16,975)
Remeasurement losses on defined benefit plans	**(14,699)**	(14,699)
Total Equity	**272,605**	255,718
	$702,739	$676,973

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 AND 2025
(In thousands, except Earnings per Share)

	2026 (Unaudited)		2025 (Unaudited)	
	Jul to Sep	**Jan to Sep**	Jul to Sep	Jan to Sep
REVENUES FROM CONTRACTS WITH CUSTOMERS (Note 18)	**$238,622**	**$703,190**	$251,820	$748,981
COST OF SALES	**213,869**	**629,736**	226,069	676,463
GROSS PROFIT	**24,753**	**73,454**	25,751	72,518
OPERATING EXPENSES	**(10,520)**	**(32,851)**	(13,356)	(44,505)
OTHERS - Net				
Interest and bank charges	**(3,743)**	**(11,745)**	(4,816)	(15,825)
Foreign exchange gains (losses)	**(646)**	**(1,596)**	286	2,325
Interest income	**42**	**192**	165	678
Miscellaneous income (losses) – net	**(452)**	**(1,094)**	(26)	1,742
INCOME BEFORE INCOME TAX	**9,434**	**26,360**	8,004	16,933
PROVISION FOR INCOME TAX	**(1,168)**	**(4,081)**	(1,148)	(3,671)
NET INCOME	**$8,266**	**$22,279**	$6,856	$13,262
Net Income Attributable to:				
Equity holders of the Parent Company	**$8,266**	**$22,279**	$7,245	$14,834
Non-controlling interests	–	**–**	(389)	(1,572)
	$8,266	**$22,279**	$6,856	$13,262
Earnings Per Share:				
Basic and diluted (Note 17)		**$0.0100**		$0.0067

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 AND 2025
(In thousands)

	2026 (Unaudited)		2025 (Unaudited)	
	Jul to Sep	**Jan to Sep**	Jul to Sep	Jan to Sep
NET INCOME FOR THE PERIOD	**$8,266**	**$22,279**	$6,856	$13,262
OTHER COMPREHENSIVE INCOME (LOSS)				
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:				
Exchange differences arising from translation of foreign operations	**(773)**	**(6,047)**	2,972	27,587
Other comprehensive income (loss) not to be reclassified into profit or loss in subsequent periods:				
Fair value changes on financial assets at FVOCI – net of tax	**(49)**	**(1,597)**	(153)	(143)
	(822)	**(7,644)**	2,819	27,444
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**$7,444**	**$14,635**	$9,675	$40,706
Total Comprehensive Income (Loss) Attributable to:				
Equity holders of the Parent Company	**$7,444**	**$14,635**	$10,064	$42,278
Non-controlling interests	**–**	**–**	(389)	(1,572)
	$7,444	**$14,635**	$9,675	$40,706

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026 AND 2025

(In thousands)

	Attributable to Equity Holders of the Parent Company											
							Other Comprehensive Income (Loss)					
	Capital Stock-Common	Subscribed Capital Stock	Additional Paid-in Capital	Subscriptions Receivable	Retained Earnings	Treasury Stock	Other Components of Equity	Cumulative Translation Adjustment (Note 15)	Remeasurement losses on defined benefit plans	Attributable to Equity Holders of the Parent Company	Attributable to Non-controlling Interests (Note 15)	Total
Balances at January 1, 2026	$42,721	$688	$193,870	($2,566)	$53,011	($1,013)	$680	($16,975)	($14,699)	$255,717	$–	$255,718
Issued shares during the period	125	(125)	(195)	–	–	437	–	–	–	242	–	242
Refund on subscriptions	–	–	–	(2)	–	–	–	–	–	(2)	–	(2)
Cost of share-based payments (Note 15)	–	–	388	–	–	–	–	–	–	388	–	388
Forfeitures during the period	–	(239)	(1,183)	1,422	–	–	–	–	–	–	–	–
Sale of financial assets at FVOCI	–	–	–	–	1,625	–	–	–	–	1,625	–	1,625
	42,846	324	192,880	(1,146)	54,636	(575)	680	(16,975)	(14,699)	257,970	–	257,970
Net income	–	–	–	–	22,279	–	–	–	–	22,279	–	22,279
Other comprehensive income (loss)	–	–	–	–	–	–	(1,597)	(6,047)	–	(7,644)	–	(7,644)
Total comprehensive income (loss)	–	–	–	–	22,279	–	(1,597)	(6,047)	–	14,635	–	14,635
Balances at September 30, 2026	$42,846	$324	$192,880	($1,146)	$76,915	($575)	($917)	($23,022)	($14,699)	$272,605	$–	$272,605

	Attributable to Equity Holders of the Parent Company											
							Other Comprehensive Income (Loss)					
	Capital Stock-Common	Subscribed Capital Stock	Additional Paid-in Capital	Subscriptions Receivable	Retained Earnings	Treasury Stock	Other Components of Equity	Cumulative Translation Adjustment (Note 15)	Remeasurement losses on defined benefit plans	Attributable to Equity Holders of the Parent Company	Attributable to Non-controlling Interests (Note 15)	Total
Balances at January 1, 2025	$42,721	$688	$193,764	($2,561)	$39,485	($1,013)	$830	($44,153)	($11,186)	$218,575	$4,746	$223,321
Issued shares during the period	–	–	–	–	–	–	–	–	–	–	–	–
Refund on subscriptions	–	–	–	(3)	–	–	–	–	–	(1)	–	(1)
Cost of share-based payments (Note 15)	–	–	40	–	–	–	–	–	–	40	–	40
Forfeitures during the period	–	–	–	–	–	–	–	–	–	–	–	–
	42,721	688	193,804	(2,564)	39,485	(1,013)	830	(44,153)	(11,186)	218,614	4,746	$223,360
Net income (loss)	–	–	–	–	14,834	–	–	–	–	14,834	(1,572)	13,262
Other comprehensive income (loss)	–	–	–	–	–	–	(143)	27,715	–	27,572	(128)	27,444
Total comprehensive income (loss)	–	–	–	–	14,834	–	(143)	27,715	–	42,406	(1,700)	40,706
Balances at September 30, 2025	$42,721	$688	$193,804	($2,564)	$54,319	($1,013)	$687	($16,438)	($11,186)	$261,018	$3,046	264,064

	Attributable to Equity Holders of the Parent Company											
							Other Comprehensive Income (Loss)					
	Capital Stock-Common	Subscribed Capital Stock	Additional Paid-in Capital	Subscriptions Receivable	Retained Earnings	Treasury Stock	Other Components of Equity	Cumulative Translation Adjustment (Note 15)	Remeasurement losses on defined benefit plans	Attributable to Equity Holders of the Parent Company	Attributable to Non-controlling Interests (Note 15)	Total
Balances at January 1, 2025	$42,721	$688	$193,764	($2,561)	$39,485	($1,013)	$830	($44,153)	($11,186)	$218,575	$4,746	$223,321
Issued shares during the period	–	–	–	–	–	–	–	–	–	–	–	–
Refund on subscriptions	–	–	–	(5)	–	–	–	–	–	(5)	–	(5)
Cost of share-based payments (Note 15)	–	–	106	–	–	–	–	–	–	106	–	106
Forfeitures during the period	–	–	–	–	–	–	–	–	–	–	–	–
	42,721	688	193,870	(2,566)	39,485	(1,013)	830	(44,153)	(11,186)	218,676	4,746	$223,422
Net income (loss)	–	–	–	–	13,526	–	–	–	–	13,526	(6,719)	6,807
Other comprehensive income (loss)	–	–	–	–	–	–	(150)	27,178	(3,512)	23,516	1,973	25,489
Total comprehensive income (loss)	–	–	–	–	13,526	–	(150)	27,178	(3,512)	37,042	(4,746)	32,296
Balances at December 31, 2025	$42,721	$688	$193,870	($2,566)	$53,011	($1,013)	$680	($16,975)	($14,699)	$255,717	$–	$255,718

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Nine months ended September 30	
	2026 (Unaudited)	2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**$26,360**	$16,933
Adjustments for:		
Depreciation of property, plant and equipment (Note 9)	**13,044**	14,985
Interest expense	**11,048**	15,589
Amortization of right-of-use assets (Note 18)	**2,692**	4,815
Unrealized foreign exchange losses (gains)	**1,408**	(782)
Loss on sale of property, plant and equipment (Note 9)	**149**	650
Amortization of intangible assets (Note 10)	**568**	573
Loss on lease modifications	**136**	–
Cost of share-based payments	**388**	40
Gain on insurance claims	**(91)**	(91)
Interest income	**(192)**	(678)
Gain on sale of subsidiary	**–**	(2,146)
Provision of impairment loss on property, plant and equipment	**–**	(447)
Operating income before working capital changes	**55,510**	49,441
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Loans and receivables	**(1,489)**	26,233
Inventories	**(23,157)**	10,799
Contract asset	**(1,483)**	9,781
Other current assets	**(12,702)**	4,747
Increase (decrease) in:		
Accounts payable and accrued expenses	**23,295**	(45)
Contract liabilities	**1,506**	(21)
Retirement liabilities	**(2,522)**	(1,638)
Net cash provided by operations	**38,958**	99,297
Income tax paid	**(5,068)**	(3,052)
Interest paid	**(11,089)**	(14,316)
Interest received	**192**	674
Net cash provided by operating activities	**22,993**	82,603
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of:		
Property, plant and equipment (Note 9)	**(8,438)**	(4,606)
Intangible assets (Note 10)	**(235)**	(188)
Proceeds from sale of property, plant and equipment	**200**	290
Proceed from sale of subsidiary	**–**	8,682
Sale of financial assets at FVOCI (Note 20)	**1,760**	–
Decrease (increase) in other noncurrent assets	**(617)**	1,219
Net cash (used in) provided by investing activities	**(7,330)**	5,397
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of loans	**(110,397)**	(60,673)
Availment of loans	**102,658**	3,808
Payments of lease liabilities	**(3,468)**	(5,518)
Proceeds from issuance of shares (Note 15)	**242**	–
Refund on subscriptions	**(2)**	(3)
Decrease in other noncurrent liabilities	**(918)**	(1,972)
Net cash used in financing activities	**(11,885)**	(64,358)
NET FOREIGN EXCHANGE DIFFERENCE IN CASH AND CASH EQUIVALENTS	**(262)**	159
NET INCREASE IN CASH AND CASH EQUIVALENTS	**3,516**	23,801
CASH AND CASH EQUIVALENTS AT JANUARY 1	**76,518**	91,944
CASH AND CASH EQUIVALENTS AT SEPTEMBER 30	**$80,034**	$115,745

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information and Basis of Financial Statement Preparation

Integrated Micro-Electronics, Inc. (IMI or the Parent Company), a stock corporation organized and registered under the laws of the Republic of the Philippines on August 8, 1980, has four wholly-owned subsidiaries, namely: IMI International (Singapore) Pte. Ltd. (IMI Singapore), IMI USA, Inc. (IMI USA), and PSi Technologies, Inc. (PSi) (collectively referred to as the Group). The Parent Company is 52.03% owned by AC Industrial Technology Holdings, Inc. (AC Industrials), a wholly-owned subsidiary of Ayala Corporation (AC), a corporation incorporated in the Republic of the Philippines and listed in the Philippine Stock Exchange (PSE). AC is 47.81% owned by Mermac, Inc. (Ultimate Parent Company) and the rest by the public.

The registered office address of the Parent Company is at North Science Avenue, Laguna Technopark- Special Economic Zone (LT-SEZ), Bo. Biñan, Biñan, Laguna.

The Parent Company was listed by way of introduction in the PSE on January 21, 2010. It has completed its follow-on offering and listing of 215,000,000 common shares on December 5, 2014.

On March 2, 2018, the Parent Company completed the stock rights offer and listing of 350,000,000 common shares to all eligible stockholders.

The Parent Company is registered with the Philippine Economic Zone Authority (PEZA) as an exporter of printed circuit board assemblies (PCBA), flip chip assemblies, electronic sub-assemblies, box build products and enclosure systems. It also provides the following solutions: product design and development, test and systems development, automation, advanced manufacturing engineering, and power module assembly, among others. It serves diversified markets that include those in the automotive, industrial, medical, storage device, and consumer electronics industries, and non-electronic products (including among others, automobiles, motorcycles, solar panels) or parts, components or materials of non-electronic products, as well as to perform and provide information technology services such as but not limited to data labeling/encoding or image annotation services.

The accompanying unaudited interim condensed consolidated financial statements were approved and authorized for release by the Audit Committee on November 4, 2026.

2. Group Information

The consolidated financial statements include the financial statements of the Parent Company and the following subsidiaries:

	Percentage of Ownership		Country of	
Subsidiary	**2026**	2025	Incorporation	Functional Currency
IMI International (Singapore) Pte. Ltd. (IMI SG)	**100.00%**	100.00%	Singapore	United States Dollar (USD)
Speedy-Tech Electronics Ltd. (STEL) Group	**100.00%**	100.00%	Singapore	USD
IMI (Chengdu) Ltd. (IMICD) [ab]	**–**	–	China	Renminbi (RMB)
IMI Technology (Shenzhen) Co. Ltd. (IMI SZ)	**100.00%**	100.00%	China	USD
IMI Smart Technology (Shenzhen) Co. Ltd. [f]	**100.00%**	100.00%	China	RMB
IMI Innovative Technology (Shenzhen) Co., Ltd. [f]	**100.00%**	100.00%	China	RMB
Speedy-Tech Electronics (HK) Limited (STHK)	**100.00%**	100.00%	Hong Kong	USD
Speedy-Tech Electronics (Jiaxing) Co., Ltd. (STJX)	**100.00%**	100.00%	China	RMB
Speedy-Tech (Philippines), Inc. (STPH) [f]	**100.00%**	100.00%	Philippines	USD
Cooperatief IMI Europe U.A.	**100.00%**	100.00%	Netherlands	Euro (EUR)
Integrated Micro-Electronics Bulgaria EOOD	**100.00%**	100.00%	Bulgaria	EUR
Microenergia EOOD (Microenergia)	**100.00%**	100.00%	Bulgaria	Bulgarian Lev (BGN)
Integrated Micro-Electronics d.o.o. Niš (IMI Serbia)	**100.00%**	100.00%	Serbia	Serbian Dinar (RSD)
Integrated Micro-Electronics Czech Republic s.r.o. [c]	**–**	–	Czech Republic	EUR

Subsidiary	Percentage of Ownership 2026	2025	Country of Incorporation	Functional Currency
Integrated Micro-Electronics Mexico, S.A.P.I. de C.V.	**100.00%**	100.00%	Mexico	USD
IMI France SAS (IMI France) [f]	**100.00%**	100.00%	France	EUR
VIA Optronics AG (VIA) [d]	**–**	–	Germany	EUR
Germaneers GmbH	**–**	–	Germany	EUR
VIA Optronics (Philippines), Inc.	**–**	–	Philippines	PHP
VIA Optronics GmbH (VIA GmbH)	**–**	–	Germany	USD
VIA Optronics Suzhou Co. Ltd. (VIA Suzhou)	**–**	–	China	USD
VIA Optronics LLC (VIA LLC)	**–**	–	USA	USD
VIA Optronics (Taiwan) Ltd	**–**	–	Taiwan	Taiwan Dollar
VTS-Touchsensor Co., Ltd. (VTS)	**–**	–	Japan	Japanese Yen (JPY)
Integrated Micro-Electronics UK Limited (IMI UK) [f]	**100.00%**	100.00%	United Kingdom	British Pounds (GBP)
IMI USA [a]	**100.00%**	100.00%	USA	USD
IMI Japan [e]	**–**	–	Japan	JPY
PSi	**100.00%**	100.00%	Philippines	USD

[a] Production ceased in December 2024
[b] The entity's liquidation was completed on December 30, 2025
[c] On July 31, 2025, IMI Czech was sold to KEBODA Deutschland GmbH & Co. KG.
[d] On December 31, 2025, VIA was sold through a management buy-out.
[e] Liquidated on March 28, 2025
[f] In the process of liquidation / dormant

Sale of Subsidiaries

Sale of IMI Czech Republic

On July 31, 2025, IMI announced the completion of the sale of its 100% equity interest in Integrated Micro-Electronics Czech Republic s.r.o. to Keboda Deutschland GmbH & Co. KG, a subsidiary of Keboda Technology Co., Ltd., a publicly listed company based in China. Keboda is a leading system solution provider for automotive intelligent and energy-efficient electronics components.

As disclosed on June 4, 2025, the transaction was executed through IMI's subsidiary, Coöperatief IMI Europe U.A. After successful completion of all conditions pertinent to the transaction, the deal officially closed on July 31, 2025. The total consideration amounts to €9.99 million ($11.69 million), subject to post-closing adjustments. As of December 31, 2025, Cooperatief has received €7.41 million ($11.14 million) out of the total proceeds, while the rest are still subject to an agreement on escrow and post-closing adjustments.

This strategic divestment is in line with IMI's ongoing efforts to streamline its global manufacturing footprint. With this transaction, IMI is better equipped to enhance operational efficiency, increase facility utilization, and drive overall profitability in the region. High value customers that were previously managed by the Czech facility have been successfully transitioned into IMI's Bulgaria and Serbia manufacturing sites.

Sale of VIA Optronics

On November 27, 2025, IMI have entered into an agreement to sell through its wholly-owned subsidiary, Coöperatief IMI Europe U.A., its 50.32% equity interest in VIA Optronics AG to Kronen 3140 GmbH (to be known in the future as V-PTR Beteiligungs GmbH) which is owned by some members of VIA's management and advisory team.

This strategic divestment is part of IMI's portfolio realignment strategy which aims to sharpen the Group's focus on its core strengths in the automotive and industrial EMS sectors. The move also supports the optimization of IMI's global footprint to concentrate capital and management allocation into high-growth, high-profitability markets. The transfer of legal ownership in the shares occurred on December 31, 2025.

3. Summary of Significant Accounting Policies

Basis of Preparation

The accompanying unaudited interim condensed consolidated financial statements of the Group have been prepared using the historical cost basis, except for financial assets and liabilities at fair value through profit or loss (FVPL) and financial assets through other comprehensive income (FVOCI). The unaudited interim condensed consolidated financial statements are presented in United States (U.S.) Dollar ($), and all values are rounded to the nearest thousands except when otherwise indicated.

Statement of Compliance

The interim condensed consolidated financial statements as of and for the nine months periods ended September 30, 2026 and 2025 have been prepared in accordance with the Philippine Accounting Standard (PAS) 34 (Amended), *Interim Financial Reporting*. Accordingly, the unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual audited consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as of and for the year ended December 31, 2025, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

The preparation of the financial statements in compliance with PFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The estimates and assumptions used in the accompanying unaudited interim condensed consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the unaudited interim condensed consolidated financial statements. Actual results could differ from such estimates.

Except as otherwise stated, the significant accounting judgments, estimates and assumptions used in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements as at and for the year ended December 31, 2025.

Basis of Consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

a. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
b. Exposure, or rights, to variable returns from its involvement with the investee, and
c. The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a. The contractual arrangement with the other vote holders of the investee
b. Rights arising from other contractual arrangements
c. The Group's voting rights and potential voting rights

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses

control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included or excluded in the consolidated financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

Non-controlling interests pertain to the equity in a subsidiary not attributable, directly or indirectly to the Parent Company. Any equity instruments issued by a subsidiary that are not owned by the Parent Company are non-controlling interests including preferred shares and options under share-based transactions. The portion of profit or loss and net assets in subsidiaries not wholly-owned are presented separately in the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of financial position, separately from the Parent Company's equity. Non-controlling interests are net of any outstanding subscription receivable.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

In accounting for call and put options over non-controlling interests, management determines whether it has present access to the returns associated with the non-controlling interests. If the options give the Group access to the returns over the non-controlling interests, the Group consolidates the acquiree as if it acquired a 100% interest.

If the options do not give the Group present access to the returns over the non-controlling interests, the Group takes the view that the non-controlling interests should be accounted for in accordance with PFRS 10, *Consolidated Financial Statements,* and must be presented within equity separate from the equity of the Parent Company, until the option is exercised.

The call option is accounted for under PFRS 9, *Financial Instruments,* as a derivative instrument carried at fair value through profit or loss.

The financial liability for the put option is accounted for under PFRS 9 like any other written put option on equity instruments. On initial recognition, the corresponding debit is made to a component of equity attributable to the parent, not to the non-controlling interest. All subsequent changes in the carrying amount of the financial liability that result from the remeasurement of the present value payable on exercise are recognized in profit or loss also attributable to the parent.

If the put option is exercised, the entity accounts for an increase in its ownership interest. At the same time, the entity derecognizes the financial liability and reverses the component of equity that was reduced on initial recognition. If the put option expires unexercised, the financial liability is reclassified to the same component of equity that was reduced on initial recognition.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Parent Company. The difference is included as part of additional paid-in capital.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while the resulting gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those of the previous financial years except for the new PFRS Accounting Standards, amended PFRS Accounting Standards and improvements to PFRS Accounting Standards which were adopted beginning January 1, 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have significant impact on the consolidated financial statements of the Group.

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements, unless otherwise indicated.

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

4. Cash and Cash Equivalents

This account consists of:

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Cash on hand	**$52**	$51
Cash in banks	**79,982**	76,467
	$80,034	$76,518

Cash in banks earns interest at the respective bank deposit rates. Cash equivalents have maturities of varying periods of up to six months and earn interest at the respective cash equivalents rates.

5. Receivables – net

This account consists of:

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Trade	**$214,591**	$216,403
Nontrade	**5,606**	3,416
Due from related parties (Note 20)	**320**	478
Receivable from employees	**283**	312
Others	**518**	3,954
	221,318	224,563
Less:		
Allowance for ECLs	**976**	2,314
	$220,342	$222,249

Trade
Trade receivables arise from manufacturing and other related services for electronic products and components and have credit terms averaging 70 days from invoice date.

Nontrade
Nontrade receivables represent billings to customers for production and test equipment and all other charges agreed with the customers in carrying out business operations. These receivables have credit terms averaging 45 days from invoice date.

Receivable from Employees
Receivable from employees mostly pertain to non-interest bearing short-term loans granted to the Group's employees which are collectible through salary deduction.

Others
The amount in other receivables pertains to due from Keboda related to the sale of IMI CZ, which includes €2,119,505 held under escrow (nil as of September 30, 2026 and $3,099,829 as of December 31, 2025).

Allowance for ECLs
Trade receivables, nontrade receivables, receivable from insurance and receivable from employees with aggregate nominal value of $0.98 million and $2.31 million as of September 30, 2026 and December 31, 2025, respectively, were individually assessed to be impaired and fully provided with allowance for ECL. The decrease pertains to write-off of receivables previously provisioned amounting to $1.32 million.

Reversals for ECL recognized for the nine-month period ended September 30, 2026 and 2025 amounted to $0.42 million and $0.57 million, respectively. Provisions during the period form part of "Operating Expenses".

6. Contract Balances

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Contract assets	**$44,582**	$43,544
Contract liabilities	**4,819**	3,313

Contract assets are initially recognized for revenue earned from manufacturing of goods as receipt of consideration is conditional on successful completion of the services. When goods are shipped or goods are received by the customer, depending on the corresponding agreement with the customers, the amounts recognized as contract assets are reclassified to trade receivables. Payments are received from customers depending on the credit terms.

For the periods ended September 30, 2026 and 2025, the Group did not recognize a provision for expected credit losses on contract assets.

Contract liabilities include short-term advances received to render manufacturing services. The increase in contract liabilities was mainly due to increase in advance payments received from new and existing customers during the period.

The Group applied the practical expedient in PFRS 15 on the disclosure of information about the transaction price allocated to remaining performance obligations given the customer contracts have original expected duration of one year or less.

7. Inventories

Increase in inventories mainly due to push-out of demand and buildup of inventories in preparation for ramp-up of new businesses.

Net reversals for inventory obsolescence and allowance for decline in inventories, recognized for the nine-month period ended September 30, 2026 and 2025 amounted to ($0.80) million and ($1.00) million, respectively.

8. Other Current Assets

This account consists of:

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Input taxes	**$6,657**	$5,342
Prepayments	**3,718**	2,478
Advances to suppliers	**8,857**	2,886
Tax credits	**7,084**	3,184
	$26,316	$13,890

Input Taxes
This account includes input tax expected to be applied against output tax within 12 months from the balance sheet date. Input tax is recognized when an entity in the Group purchases goods or services from a supplier or vendor.

Prepayments
Prepayments include prepayments for rent, insurance for life, fire and product liability & recall.

Advances to Suppliers
This account represents advance payments made to suppliers for purchase of direct materials and capital expenditures.

Tax Credits
Tax credits represent recoverable taxes of IMI MX and BG such as VAT refundable and business tax and amounts withheld from income tax payments of the Parent Company and PSi.

9. Property, Plant and Equipment – net

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Property, Plant and Equipment	**$257,370**	$256,267
Less: Accumulated Depreciation	**163,776**	156,251
Accumulated Impairment losses	**6,943**	6,943
Property, Plant and Equipment (Net)	**$86,651**	$93,073

Additions to property, plant and equipment for the nine-month period ended September 30, 2026 amounted to $8.44 million, mainly for expansion and maintain existing assets.

Depreciation expense amounted to $13.04 million and $14.99 million for the nine-month period ended September 30, 2026 and 2025, respectively.

The Group recognized gains (losses) from disposal and retirement of certain machineries and

facilities equipment, furniture and fixtures, and tools and instruments for the nine-month period ended September 30, 2026 and 2025 amounting to ($0.15) million and ($0.65) million, respectively.

10. Intangible Assets – net

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Intangible Assets	**$62,168**	$64,285
Less: Accumulated amortization	**53,807**	55,574
Accumulated impairment losses	**6,187**	6,187
Intangible Assets (Net)	**$2,174**	$2,524

Intangible assets consist of product development costs, intellectual properties, customer relationships, and software licenses.

Product development costs include capitalized costs arising from the development phase of certain projects which are still undergoing qualification.

Software licenses, which include computer software, applications and modules, have a net book value of $2.12 million and $2.34 million as of September 30, 2026 and December 31, 2025, respectively. Additional licenses acquired for the year amounted to $0.23 million.

Amortization for all intangibles amounted to $0.57 million and $0.57 million for the nine-month period ended September 30, 2026 and 2025, respectively. No impairment loss was recognized for these intangible assets.

11. Other Noncurrent Assets

This account consists of:

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Deferred charges	**$4,960**	$5,422
Lease receivables	**661**	733
Miscellaneous deposits	**858**	833
Pension asset – net	**161**	172
Others	**149**	144
	$6,789	$7,304

Deferred charges represent tooling items customized based on the specifications of the customers and to be repaid as part of the price of the manufactured items. An impairment loss was booked amounting to $1.07 million due to end of life program.

Miscellaneous deposits comprise utilities and rent deposits.

Lease receivables relate to the sub-lease agreements with third parties covering manufacturing space and warehouse (see Note 18).

12. Accounts Payable and Accrued Expenses

This account consists of:

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Trade payables	**$149,474**	$130,543
Accrued expenses	**26,022**	26,566
Employee-related accruals	**21,270**	16,536
Nontrade payables	**5,043**	5,195
Taxes and government-related payable	**3,216**	2,787
Accrued interest payable	**1,384**	2,016
Advances from customers	**1,273**	1,830
Customers' deposits	**1,572**	1,495
Due to related parties (Note 20)	**11**	480
	$209,265	$187,448

Trade Payables
Trade payables are noninterest-bearing and are normally settled on 30 to 90-day average terms.

Accrued Expenses
Accrued expenses consist mainly of accruals for taxes, supplies, professional fees, utilities, insurance, and freight and brokerage.

Employee-Related Accruals
This account consists mainly of accrued compensation and benefits, including accrued salaries, leave credits and other employee benefits.

Nontrade Payables
This account consists of obligations related to outsourced manpower, logistics and freight forwarders, professional and service fees and other nontrade-related payables. These payables are normally settled on 30 to 60-day terms.

Advances from Customers
Advances from customers include financial liabilities pertaining to commercial agreements with certain customers. These advances are generally applied against related billings to customers.

Taxes and Government-related Payables
Taxes payable pertain to taxes due other than corporate income tax and remittances related to government agencies such as social security and insurance, housing fund and health insurance.

Customer Deposits
Customer deposits pertain to advance payment from customers as a manufacturing bond.

13. Loans Payable

This account consists of borrowings of the following entities:

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Parent Company	**$89,600**	$88,800
IMI Singapore	**5,500**	8,000
STEL	**74**	142
	$95,174	$96,942

Parent Company
As of September 30, 2026 and December 31, 2025, the Parent Company has unsecured short-term loans aggregating to $89.6 million and $88.8 million, respectively, with maturities ranging from 28 to 31 days, and fixed annual interest rates ranging from 4.79% to 6.52% in 2026 and 4.85% to 6.50% in 2025

IMI SG
The loans of IMI SG are from existing credit facilities with Singapore-based bank which bear annual interest of 6.40% to 6.43% and have maturity of 30 days.

STEL
The loans of STEL are from existing revolving credit facilities with China-based banks and bear annual interest rate ranging from 2.90% in 2026.

14. Long-Term Debt

This account consists of borrowings of the following entities:

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Parent Company	**$93,096**	$99,067
Less current portion:		
Parent Company	**3,752**	99,067
Noncurrent portion	**$89,344**	$–

Parent Company
The long-term debt of the Parent Company was obtained from a Philippine bank. The existing long-term debt matured on July 30, 2026 and subsequently refinanced in the amount of $93.8 million for a term of five years, subject to a floating rate based on 3-month Secured Overnight Financing Rate ("SOFR") plus spread of 2.75% with a floor rate of 3.75%, payable quarterly. Annual interest rate in 2025 is at 7.30%.

Loan covenants related to the Parent Company's loans as of December 31, 2025 are as follows:

- The ratio of net debt to equity shall not exceed 1.75:1 with reference to the borrower's consolidated financial statements;
- Maintenance of debt service coverage ratio of at least 1.25:1 on the consolidated financial statements;
- Maintenance at all times of a current ratio of at least 1:1 on the consolidated financial statements;

The refinanced long-term debt has the following covenants:

- Debt to Equity Ratio does not exceed 2.0X
- Current Ratio does not fall below 1.0X
- Minimum Debt Service Coverage Ratio of 1.25X

The Parent Company is compliant with these debt covenants as at September 30, 2026 and December 31, 2025.

15. **Equity**

Dividends
No dividend payment was declared to common shareholders for the nine-month period ended September 30, 2026 and 2025.

Additional paid-in Capital
On August 8, 2025, the Philippine Stock Exchange (PSE) approved the Parent Company's application of its proposed issuance of 112,500,000 Stock Appreciation Rights (SAR), which may be cash-settled or equity-settled, at the option of the Parent Company, in favor of its qualified employees pursuant to its 2025 SAR Plan. The PSE also approved the exemption from registration requirements under Section 8 and 12 of the Securities Regulation Code. The Parent Company recorded cost of share-based payments amounting to $0.39 million for the period ended September 30, 2026 in relation to the grant.

On February 25, 2026, the Board of Directors of the Parent Company approved the amendment to the 2025 Employee Stock Option Program in the form of the Stock Appreciation Rights Plan (the "SAR Plan") allowing eligible employees the early exercise of 15,500,000 common shares, subject to conditions stated in the SAR Plan. The shares will be issued from the Parent Company's available listed treasury shares.

On August 26,2026, the Board of Directors of the Parent Company further approved the amendment to the SAR Plan, amending the grant schedule.

Treasury Stock
As of September 30, 2026, four (4) eligible grantees have partially exercised their SAR options and purchased a total of 7,454,240 common shares sourced from the listed treasury shares of the Parent Company. The shares were crossed at the prevailing market price at the time of exercise, while the grantees acquired the shares at the exercise price fixed in accordance with the terms of the Plan. Following the purchases, the treasury shares decreased from 15,892,224 to 8,437,984. The difference between the proceeds and the cost of treasury stock was recorded as a debit to the "Additional paid in capital" account.

Cumulative Translation Adjustments
This account pertains to cumulative translation adjustments of subsidiaries with functional currency other than the Group's presentation currency (see Note 2). Exchange differences arising from translation of foreign operations for the period September 30, 2026 arose mainly from appreciation of the Euro against the USD.

Capital Management
The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

No changes were made in the objectives, policies and processes during the period ended September 30, 2026 and December 31, 2025.

The Group monitors capital using a gearing ratio of debt-to-equity and net debt-to-equity. The Group considers bank borrowings in the determination of debt, which consist of trust receipts and loans payable and long-term bank debt. Net debt is equivalent to the total bank borrowings, less cash and cash equivalents.

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
Trust receipts and loans payable	**$95,174**	$96,942
Long-term bank borrowings	**93,096**	99,067

Total bank debt	**188,270**	196,009
Less cash and cash equivalents	**80,034**	76,518
Net bank debt	**$108,236**	$119,491
Total equity	**272,605**	255,718
Debt-to-equity ratio	**0.69:1**	0.77:1
Net debt-to-equity ratio	**0.40:1**	0.47:1

The Group is not subject to externally-imposed capital requirements.

16. Earnings per Share

The following table presents information necessary to calculate EPS on net income attributable to equity holders of the Parent Company:

	Sep 30, 2026 (Unaudited)	Sep 30, 2025 (Unaudited)
	(In thousands)	
Net Income	**$22,279**	$14,834
Weighted average number of common shares outstanding	**2,207,870**	2,207,870
Basic and diluted	**$0.0100**	$0.0067

As of September 30, 2026 and 2025, the Parent Company has no dilutive potential common shares.

17. Segment Information

Management monitors operating results per geographical area for the purpose of making decisions about resource allocation and performance assessment. It evaluates the segment performance based on gross revenue, interest income and expense and net income before and after tax of its major manufacturing sites. The Parent Company and PSi are combined under Philippine segment, STEL Group is categorized under China segment, IMI BG, IMI CZ and IMI Serbia are combined under Europe based on the industry segment and customers served, IMI Mexico is presented under Mexico segment, VIA under Germany segment, and IMI USA, IMI Japan, IMI UK and IMI Singapore/ROHQ are combined being the holding and support facilities for strategic management, research and development, engineering development and sales and marketing.

Prior period information is consistent with the current year basis of segmentation.

The Parent Company and its subsidiaries generally account for inter-segment revenue and transfers as if the revenue and transfers were to third parties at current market prices. These transactions are accounted for in accordance with PFRS.

Intersegment revenues, cost of sales, and operating expenses are eliminated on consolidation.

The amount of segment assets and liabilities is based on measurement principles that are similar to those used in measuring assets and liabilities in the consolidated statement of financial position, which is in accordance with PFRS.

The following tables present revenue and profit information regarding the Group's geographical segments per legal entity's parent or main business location for the nine-month period ended September 30, 2026 and 2025:

September 30, 2026 (Unaudited)	Philippines	China	Europe	Mexico	Germany	Singapore/ USA/IMI UK	Consolidation and Eliminations	Total
Revenue:								
Third party	$198,571	$111,273	$284,796	$88,141	$–	$20,409	$–	$703,190
Intersegment	14,779	14,491	7,937	502	–	751	(38,460)	$–
Total revenue	$213,350	$125,764	$292,733	$88,643	$–	$21,160	($38,460)	$703,190
Segment interest income	$2,311	$1,957	$903	$–	$–	$791	(5,770)	$ 192
Segment interest expense and bank charges	$11,478	$1,571	$1,027	$2,367	$–	$1,066	(5,764)	$11,745
Segment profit (loss) before income tax	$15,220	$7,102	$22,072	(9,885)	$–	13,387	(21,536)	$26,360
Segment provision for income tax	(1,961)	(958)	(1,355)	34	–	(3)	162	(4,081)
Segment profit (loss) after income tax	$13,259	$6,144	$20,717	($9,851)	$–	$13,384	($21,374)	$22,279
Net income (loss) attributable to the equity holders of the Parent Company	$13,259	$6,144	$20,717	($9,851)	$–	$13,384	($21,373)	$22,279

September 30, 2025 (Unaudited)	Philippines	China	Europe	Mexico	Germany	Singapore/ USA/Japan/IMI UK	Consolidation and Eliminations	Total
Revenue:								
Third party	$176,164	$110,448	$270,937	$101,323	$70,307	$19,802	$–	$748,981
Intersegment	12,619	20,185	34,508	140	–	800	(68,252)	$–
Total revenue	$188,783	$130,633	$305,445	$101,463	$70,307	$20,602	($68,252)	$748,981
Segment interest income	$3,035	$1,752	$771	$–	$198	$908	($5,986)	$ 678
Segment interest expense and bank charges	$14,565	$1,612	$1,215	$2,015	$979	$1,651	($6,212)	$15,825
Segment profit (loss) before income tax	$11,738	$3,781	$16,683	($3,889)	($1,836)	$10,463	($20,007)	$16,933
Segment provision for income tax	(1,762)	(35)	(852)	–	(1,007)	–	(15)	($3,671)
Segment profit (loss) after income tax	$9,976	$3,746	$15,831	($3,889)	($2,843)	$10,463	($20,022)	$13,262
Net income (loss) attributable to the equity holders of the Parent Company	$9,976	$3,746	$15,831	($3,889)	($1,271)	$10,463	($20,022)	$14,834

Intersegment revenues, cost of sales, and operating expenses are eliminated on consolidation.

The following table presents segment assets of the Group's geographical segments as of September 30, 2026 and December 31, 2025:

	Philippines	China	Europe	Mexico	Germany	USA/Japan/ Singapore/UK	Consolidation and Eliminations	Total
September 30, 2026 (Unaudited)	**$543,408**	**$151,358**	**$276,054**	**$96,218**	**$−**	**$258,512**	**(622,811)**	**$702,739**
December 31, 2025 (Audited)	$529,021	$156,977	$262,079	$95,715	$−	$264,404	(631,223)	676,973

Investments in subsidiaries and intersegment receivables amounting to $464.56 million and $178.99 million as of September 30, 2026, respectively, and $469.50 million and $195.09 million as of December 31, 2025, respectively are eliminated in consolidation.

Goodwill acquired through business combinations recognized at consolidated level had been allocated to the following CGUs:

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
STEL	**$38,225**	$38,225
Parent Company	**441**	441
	$38,666	$38,666

Revenue from Contracts with Customers

Revenues from contracts with customers are further disaggregated by type, customer's nationality, market segment and timing of revenue recognition, as management believes it best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

The following table presents revenue by type:

	Sep 30, 2026 (Unaudited)	Sep 30, 2025 (Unaudited)
	(In thousands)	
Manufacturing of goods	**$699,786**	$744,592
Non-recurring engineering services	**3,404**	4,389
Revenue from contracts with customers	**$703,190**	$748,981

The following table presents revenue from contracts with customers per timing of revenue recognition for each reportable segment:

	Sep 30, 2026 (Unaudited)		
	Revenue recognized over time	**Revenue recognized at point in time**	**Total**
	(In thousands)		
Philippines	**$198,571**	**$–**	**$198,571**
China	**111,273**	**–**	**111,273**
Europe	**284,539**	**257**	**284,796**
Mexico	**84,994**	**3,147**	**88,141**
Germany	**–**	**–**	**–**
Singapore	**20,409**	**–**	**20,409**
Revenue from contracts with customers	**$699,786**	**$3,404**	**$703,190**

	September 30, 2025 (Unaudited)		
	Revenue recognized over time	Revenue recognized at point in time	Total
		(In thousands)	
Philippines	$176,164	$–	$176,164
China	110,299	149	110,448
Europe	267,878	3,059	270,937
Mexico	100,142	1,181	101,323
Germany	70,307	–	70,307
USA/Singapore	19,180	622	19,802
Revenue from contracts with customers	$743,970	$5,011	$748,981

The following table presents revenues from external customers based on customer's nationality:

	Sep 30, 2026 (Unaudited)	Sep 30, 2025 (Unaudited)
	(In thousands)	
Europe	**$556,454**	$543,605
America	**78,992**	82,314
Japan	**29,898**	44,660
Asia/Others	**37,846**	78,402
	$703,190	$748,981

Revenues are attributed to countries on the basis of the customer's location. The current top customer accounts for 14% and 15% of the Group's total revenue for the nine-month period ended September 30, 2026 and 2025, respectively.

The following table presents revenues per market segment:

	Sep 30, 2026 (Unaudited)	Sep 30, 2025 (Unaudited)
	(In thousands)	
Automotive	**$451,705**	$482,094
Industrial	**214,623**	221,599
Medical	**19,060**	17,001
Consumer	**8,055**	15,917
Telecom	**4**	2,392
Multiple markets / Others	**9,743**	9,978
	$703,190	$748,981

18. **Lease Commitments**

Set out below are the carrying amounts of the Group's right-of-use assets presented under non-current assets, and the movements during the period:

	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
At beginning of period	**$12,777**	$30,018
Additions/modifications	**252**	(753)
Terminations	**–**	(6,441)
Amortization expense	**(2,692)**	(6,074)
Disposal through subsidiary sold	**–**	(4,619)
Cumulative translation adjustment	**14**	646
As end of period	**$10,351**	$12,777

Set out below are the carrying amounts of the Group's lease liabilities and the movements during the period:

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	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)
	(In thousands)	
At beginning of period	**$14,643**	$30,880
Additions/modifications	**388**	–
Interest expense on lease liabilities	**592**	1,241
Rental payments	**(3,468)**	(7,101)
Termination	**–**	(6,441)
Gain on lease termination	**–**	–
Disposal through subsidiary sold	**–**	(4,624)
Cumulative translation adjustment	**194**	688
At end of period	**$12,349**	$14,643
Current	**$1,799**	$3,603
Noncurrent	**$10,550**	$11,039

The following are the amounts recognized in consolidated statements of income:

	Sep 30, 2026 (Unaudited)	Sep 30, 2025 (Unaudited)
	(In thousands)	
Amortization expense of right-of-use assets	**$2,692**	$4,815
Interest expense on lease liabilities	**592**	1,107
Expense related to short-term leases and low-value assets (included in cost of sales)	**630**	762
	$3,914	$6,684

The Group's lease agreements have terms of fixed payments and there are no variable payment provisions.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. Management exercises significant judgment in determining whether these extension and termination options are reasonably certain to be exercised.

19. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates. Related parties may be individuals or corporate entities.

The Group, in its regular conduct of business, has entered into transactions with subsidiaries, affiliate, and other related parties principally consisting of advances, loans and reimbursement of expenses. Sales and purchases of goods and services as well as other income and expenses to and from related parties are made at normal commercial prices and terms.

Terms and Conditions of Transactions with Related Parties
The Group has a Related Party Transactions (RPT) Committee that evaluates and governs related party transactions. Prior to finalization of any related party agreement, the management shall report for review and approval to the RPT Committee all new and proposed significant related party transaction above the threshold set by the RPT Committee.

Outstanding balances at year-end are unsecured and settlement occurs in cash unless otherwise stated. For the nine-month period ended September 30, 2026 and 2025, the Group has not recorded any impairment on receivables relating to amounts owed by related parties. Impairment assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

In the ordinary course of business, the Group transacts with its related parties. The transactions and balances of accounts with related parties follow:

a. Transactions with BPI, a related party

As of September 30, 2026 and December 31, 2025, the Group maintains current and savings accounts with BPI amounting to $0.70 million and $0.36 million, respectively.

Total interest income earned from investments with BPI amounted to $1,151 and $979 for the nine-month period ended September 30, 2026 and 2025, respectively.

The Parent Company has outstanding short and long terms loans with BPI amounting to $117.14 million and $131.50 million as of September 30, 2026 and December 31, 2025, respectively.

b. Outstanding balances of the Group's related party transactions with its affiliates follow:

	Receivables		Payables	
	2026	2025	**2026**	**2025**
Intermediate Parent:				
Ayala Corporation (AC)	**$–**	$–	**$–**	$335
Entities Under Common Control:				
KTM Asia Motor Manufacturing Inc. (KAMMI)	**224**	403	**–**	–
Merlin Solar Technologies (Phils.) Inc. (MSTPI)	**96**	75	**–**	–
Ayala International Holdings Ltd (AIHL)	**–**	–	**–**	–
AREIT, Inc.	**–**	–	**–**	127
HMC, Inc. (HMCI)	**–**	–	**–**	–
BPI	**–**	–	**3**	3
Globe Telecom, Inc. (GTI)	**–**	–	**1**	13
Innove Communication, Inc. (ICI)	**–**	–	**7**	–
Ayala Land Inc. (ALI)	**–**	–	–	2
	$320	$478	**$11**	480

i. Transaction with AC and AIHL pertains to management fee on corporate and support services.
ii. Transaction with KAMMI and MSTPI pertains to trade related receivables.
iii. Payable to BPI pertain to employee-related transactions.
iv. Payables to GTI pertain to building rental (co-location), software maintenance (WiFi, Zoom, etc.), internet connections and cybersecurity services. These are due and demandable.
v. Payable to HMCI pertain to provision of health services.
vi. Payables to AREIT pertain to leased land.
vii. Payables to ALI pertain to hotel accommodation billings.

c. Revenue/income and expenses from the Group's affiliates follow:

	Revenue/Income		Expenses	
	Sep 30, 2026 (Unaudited)	Sep 30, 2025 (Unaudited)	**Sep 30, 2026 (Unaudited)**	Sep 30, 2025 (Unaudited)
		(In thousands)		
Intermediate Parent:				
AC	**$–**	$–	**$34**	$31
Entities Under Common Control:				
KAMMI	**–**	342	**–**	–
MSTPI	**483**	150	**–**	–
BPI	**1**	–	**36**	37
AREIT, Inc. (AREIT)	**–**	–	**1,177**	1,184
Laguna AAAWater Corp. (LAWC)	**–**	–	**–**	–
Innove Communication, Inc. (ICI)	**–**	–	**65**	74
GTI	**–**	–	**62**	64
Ayala Group Legal (AG Legal)	**–**	–	**–**	5
HMC, Inc. (HMCI)	–	–	**51**	99
Ayala Greenfield	–	–	**–**	–
	$ 484	$ 492	**$1,425**	$1,494

Revenue/income from its affiliates pertains to the following transactions:

i. Revenues from KAMMI and MSTPI pertain to subcontracting services related to manufacturing activities and lease.
ii. Interest income earned from investments with BPI.

Expenses incurred from related party transactions include:

i. Administrative services charged by AC.
ii. Rental expense from the lease contract between the Parent Company and AREIT (Formerly with TLI).
iii. Water allocation charged by LAWC.
iv. Building rental, leased lines, internet connections, cellphone charges and ATM connections with GTI.
v. Health services from HMCI.
vi. Consultations on legal matters and assistance on regulatory and legal requirements from AG Legal.
vii. Staff house rent expenses paid with BPI.
viii. Dues and fees paid with AGDC.

d. Revenue and expenses eliminated at the Group level follow:

i. Intercompany revenues mainly pertain to billings of IMI USA to IMI Singapore, trade related transactions from certain customers and interest income of the Parent Company, IMI Singapore and STSN for loans granted to PSi, and IMI MX.

ii. Expenses incurred from related party transactions include interest expense of PSi and IMI MX from loans granted by the Parent Company, IMI Singapore and STSN and trade related transactions from certain customers.

20. Fair Values of Financial Instruments

Fair Values of Financial Assets and Financial Liabilities where the Carrying Amounts Approximate Fair Values

Financial assets and financial liabilities that are liquid or are short-term in nature which consist of cash, receivables, accounts payables and accrued expenses, with maturity of less than one year, are assumed to have carrying amounts approximating their fair values.

Below are the fair values of financial assets and financial liabilities that are either carried at fair value or where the carrying amounts do not approximate fair values as of September 30, 2026 and December 31, 2025:

	Carrying Amounts		Fair Values	
	Sep 30, 2026	Dec 31, 2025	**Sep 30, 2026**	Dec 31, 2025
	(In thousands)			
Financial assets:				
Financial assets at FVOCI	**$415**	$2,352	**$415**	$2,352
Financial liabilities:				
Noncurrent portion of long-term debt	**$89,344**	$–	**$93,120**	$–

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Financial assets at FVOCI pertain to investments in club shares. Fair value is based on quoted prices. In 2026, the Parent Company sold an investment in club shares with a fair value of $1.76 million.

Noncurrent portion of long-term debt – The fair value of long-term debt is estimated by using the discounted cash flow method using the current incremental borrowing rates for similar borrowings, with maturities consistent with those remaining for the liability being valued.

Fair Value Hierarchy

The following tables provide the fair value hierarchy of the Group's assets and liabilities:

	September 30, 2026			
	Fair Value Measurement Using			
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets measured at fair value:				
Financial assets at FVOCI	**$–**	**$415**	**$–**	**$415**
Liabilities for which fair values are disclosed:				
Long-term debt	**$–**	**$–**	**$93,120**	**$93,120**

	December 31, 2025			
	Fair Value Measurement Using			
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets measured at fair value:				
Financial assets at FVOCI	$–	$2,352	$–	$2,352
Liabilities for which fair values are disclosed:				
Long-term debt	$–	$–	$–	$–

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

21. Financial Risk Management Objectives and Policies

The Group's principal financial instruments, composed of trust receipts and loans payable, long-term debt and other financial liabilities, were issued primarily to raise financing for the Group's operations. The Group has various financial instruments such as cash and cash equivalents, receivables and accounts payable and accrued expenses which arise directly from its operations.

The main purpose of the Group's financial instruments is to fund its operational and capital expenditures. The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, credit risk and foreign currency risk. The Group also enters into currency forwards to manage the currency risk arising from its operations and financial instruments.

The Group's risk management policies are summarized below:

Interest Rate Risk

The Group's exposure to market risk for changes in interest rates relates primarily to its long-term debt obligations with floating interest rates. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debt.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's income before income tax (through the impact on floating rate borrowings) for the years ended September 30, 2026 and 2025. There is no other impact on the Group's equity other than those already affecting income.

	Effect on Net Income before Tax	
Increase/Decrease in Basis Points	**Sep 30, 2026 (Unaudited)**	Sep 30, 2025 (Unaudited)
+100	**($740)**	($1,797)
-100	**740**	1,797

The following table shows the information about the Group's debt as of September 30, 2026 and 2025 that are exposed to interest rate risk presented by maturity profile:

	Sep 30, 2026 (Unaudited)	Sep 30, 2025 (Unaudited)
Within one year	**$9,326**	$237,591
One to five years	**89,344**	2,008
	$98,670	$239,599

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Group's exposure to liquidity risk relates primarily to its short-term and long-term obligations. The Group seeks to manage its liquidity profile to be able to finance its capital expenditures and operations. The Group maintains a level of cash and cash equivalents deemed sufficient to finance its operations. As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. To cover financing requirements, the Group intends to use internally-generated funds and loan facilities with local and foreign banks. Surplus funds are placed with reputable banks.

Credit Risk

Credit risk is the risk that the Group's counterparties to its financial assets will fail to discharge their contractual obligations. The Group's major credit risk exposure relates primarily to its holdings of cash and cash equivalents, and receivables from customers and other third parties. Credit risk management involves dealing with institutions for which credit limits have been established. The treasury policy sets credit limits for each counterparty. The Group trades only with recognized, creditworthy third parties. The Group has a well-defined credit policy and established credit procedures. The Group extends credit to its customers consistent with sound credit practices and industry standards. The Group deals only with reputable, competent and reliable customers who pass the Group's credit standards. The credit evaluation reflects the customer's overall credit strength based on key financial and credit characteristics such as financial stability, operations, focus market and trade references. All customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group's maximum exposure to credit risk as of September 30, 2026 and December 31, 2025 is the carrying amounts of the financial assets. The Group's maximum exposure for cash and cash equivalents excludes the carrying amount of cash on hand.

The Group has 22% and 35% of trade receivables relating to three major customers as of September 30, 2026 and December 31, 2025, respectively.

As of September 30, 2026 and December 31, 2025, the aging analysis of trade receivables follows:

			Past due but not impaired				
	Total	**Current**	**<30 days**	**30-60 days**	**60-90 days**	**90-120 days**	**>120 days**
Aging September 30, 2026 (Unaudited)	**$214,591**	**$179,855**	**$21,241**	**$8,004**	**$2,412**	**$360**	**$2,719**
December 31, 2025 (Audited)	$216,403	$178,777	$19,147	$5,754	$1,783	$2,754	$8,188

Foreign Currency Risk

The Group's foreign exchange risk results primarily from movements of the functional currency of each legal entity against other currencies. As a result of significant transactions denominated in RMB, PHP and EUR the consolidated statements of income can be affected significantly by movements in the USD versus these currencies. In 2026 and 2025, the Group entered into currency forward contracts to hedge its risks associated with foreign currency fluctuations.

The Group manages its foreign exchange exposure risk by matching, as far as possible, receipts and payments in each individual currency. Foreign currency is converted into the relevant domestic currency as and when the management deems necessary. The unhedged exposure is reviewed and monitored closely on an ongoing basis and management will consider hedging any material exposure where appropriate.

Information on the Group's foreign currency-denominated monetary assets and liabilities and their USD equivalent follows: (In Thousands)

Philippine Peso (₱)

	Sep 30, 2026 (Unaudited)		Dec 31, 2025 (Audited)	
	In USD	**In PHP**	In USD	In PHP
Cash and cash equivalents	**$1,436**	**₱ 89,930**	$1,474	₱86,666
Receivables	**2,383**	**149,291**	1,304	76,643
Miscellaneous deposits	**1,247**	**78,126**	656	38,546
Accounts payable and accrued expenses	**(11,857)**	**(742,699)**	(9,573)	(562,840)
Net retirement liabilities	**(7,220)**	**(452,248)**	(9,779)	(574,884)
Net foreign currency-denominated liabilities	**($14,011)**	**(₱877,600)**	($15,918)	(₱935,869)

Euro (€)

	Sep 30, 2026 (Unaudited)		Dec 31, 2025 (Audited)	
	In USD	**In EUR**	In USD	In EUR
Cash and cash equivalents	**$2,601**	**€2,292**	$6,790	€5,766
Receivables	**40,878**	**36,016**	36,029	30,601
Accounts payable and accrued expenses	**(36,035)**	**(31,748)**	(38,502)	(32,701)
Net foreign currency-denominated assets	**$7,444**	**€6,560**	$4,317	€3,666

Renminbi (RMB)

	Sep 30, 2026 (Unaudited)		Dec 31, 2025 (Audited)	
	In USD	**In RMB**	In USD	In RMB
Cash and cash equivalents	**$810**	**RMB 5,454**	$1,489	RMB 10,467
Receivables	**7,069**	**47,613**	2,318	16,294
Accounts payable and accrued expenses	**(14,948)**	**(100,678)**	(9,639)	(67,755)
Net foreign currency-denominated assets	**($7,069)**	**(RMB 47,611)**	($5,832)	(RMB 40,994)

Information on the Group's USD-denominated monetary assets and liabilities of the Parent Company's subsidiaries with functional currencies other than USD and which is also affected by movements of USD compared with their respective functional currencies as at September 30, 2026 and December 31, 2025 follows:

	Sep 30, 2026 (Unaudited)		
	In USD	**In EUR***	**In RMB***
Cash and cash equivalents	**$ 9,662**	**€1,706**	**RMB52,031**
Receivables	**16,294**	**493**	**105,977**
Accounts payable and accrued expenses	**(22,874)**	**(9,655)**	**(80,246)**
Net foreign currency-denominated assets	**$3,082**	**(€7,456)**	**RMB77,762**

**The USD-denominated monetary assets and liabilities are translated using EUR 0.8810 for $1 and RMB6.7351 for $1.*

	December 31, 2025 (Audited)		
	In USD	**In EUR***	**In RMB***
Cash and cash equivalents	$5,271	€ 1,191	RMB27,193
Receivables	14,403	1,522	88,639
Accounts payable and accrued expenses	(24,544)	(7,986)	(106,424)
Net foreign currency-denominated assets	($4,870)	(€5,273)	RMB9,408

**The USD-denominated monetary assets and liabilities are translated using EUR 0.8493 for $1 and RMB7.0288 for $1.*

Sensitivity Analysis

The following tables demonstrate sensitivity to a reasonably possible change in the USD exchange rate, with all other variables held constant, of the Group's income before income tax (due to changes in the fair value of monetary assets and liabilities) as of September 30, 2026 and September 30, 2025. The reasonably possible change was computed based on one-year average historical movement of exchange rates between the USD and other currencies.

There is no other impact on the Group's equity other than those already affecting income. The increase in USD rate as against other currencies demonstrates weaker functional currency while the decrease represents stronger USD value.

		Effect on Net Income before Tax	
Currency	Increase/Decrease in USD Rate	**Sep 30, 2026 (Unaudited)**	Sep 30, 2025 (Unaudited)
PHP	+1%	**$98**	$160
	-1%	**(98)**	(160)
EUR	+1%	**(74)**	(55)
	-1%	**74**	55
RMB	+1%	**(98)**	(68)
	1%	**98**	68

22. Contingencies

As of September 30, 2026, the Group is a party to legal proceedings arising in the ordinary course of its operations but which it believes would not materially and adversely affect its business, including but not limited to bankruptcy and liquidation proceedings of customers where the Group has filed creditor's claims, and certain labor cases, some of which are being resolved amicably.

The Group may also have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavorable decisions that result in penalties and/or delay the development of its projects. In such cases, the Group's business, financial condition, results of operations and cash flows could be materially and adversely affected.

One of the Group's subsidiaries is currently involved in an ongoing matter with the tax authorities relating to historical tax compliance issues. Management, in consultation with external legal counsel, believes that there are valid defenses and continues to contest the allegations. As of September 30, 2026 and December 31, 2025, no provision has been recognized in the financial statements as the finding remains under dispute through a formal judicial appeal process, and the company continues to pursue the corresponding administrative remedies. While management believes its position is supportable, an unfavourable outcome could result in the assessment of taxes, surcharges, interest, and penalties, which may be significant.

23. **Notes to Consolidated Statement of Cash Flows**

The following table shows the reconciliation of liabilities arising from financing activities:

		Cash Flows		Non-cash changes						
	Dec 31, 2025 (Audited)	Availment/ Collection	Settlement/ Payment	Reclass	Addition/ Reduction	Accretion of interest expense	Forfeitures	Waved Rentals	Foreign currency translation	**Sep 30, 2026 (Unaudited)**
Loans and trust receipts payable	$96,942	$10,500	(12,267)	$–	$–	$–	$–	$–	(1)	**$95,174**
Current portion of long-term debt	99,067	–	(98,129)	2,814	–	–	–	–	–	**3,752**
Noncurrent portion of long-term debt	–	92,158	–	(2,814)	–	–	–	–	–	**89,344**
Lease liabilities	14,643	–	(3,468)	–	388	592	–	–	194	**12,349**
Other noncurrent liabilities	4,887	–	–	–	–	–	–	–	(918)	**3,969**
Subscriptions receivable	(2,566)	(2)	–	–	–	–	1,422	–	–	**(1,146)**
	$212,973	$102,656	($113,864)	$–	$388	$592	$1,422	$–	($725)	**$203,442**

Most of the loans are from existing revolving credit lines.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

	For the Nine months ended 30 September	
	2026	**2025**
	(in US$ thousands, except Basic EPS)	
Revenues from Sales and Services	**$703,190**	$748,981
Cost of Goods Sold and Services	**629,736**	676,463
Gross Profit	**73,454**	72,518
Net Income Attributable to Equity Holders of the Parent Company	**22,279**	14,834
EBITDA[i]	**56,460**	52,788
Basic Earnings per Share (EPS)	**$0.0100**	$0.0067

Revenues from Sales and Services

Revenues for the first nine months of the year reached US$703 million, a 4% growth from US$679 million of core revenues in the same period of 2025. Growth was driven by higher volumes from automotive camera and lighting programs, medical segment customers, and continued momentum in the company's power module business, new opportunities in data center infrastructure and IMI's camera module business as vehicle manufacturers adopt more sophisticated driver monitoring systems and other camera-based safety functions.

VIA posted revenues of $70.3 million for the nine-months ended September 30, 2025.

Gross Profit and Gross Profit Margin

The stronger top line was accompanied by margin gains, improving profitability metrics across the board when compared to last year's core results. Gross profit reached US$73.5 million, with core gross margin improving to 10.4% from 9.0% in the prior-year period. GP% including VIA was at 9.7% as of September 30, 2025.

Net Income Attributable to Parent

Net income improved to $22.3 million for the nine months ended September 30, 2026 compared to $14.8 million from the same period last year. Core net income, excluding one-offs, grew 52% to

[i] *EBITDA Margin = EBITDA represents net operating income/loss after adding depreciation and amortization (including amortization of right-of-use assets in accordance with PFRS 16, Leases), other non-cash and one-off items, interest income and foreign exchange gains/losses. EBITDA and EBITDA Margin are not measures of performance under PFRS and investors should not consider EBITDA, EBITDA Margin or EBIT in isolation or as alternatives to net income as an indicator of our operating performance or to cash flows, or any other measure of performance under PFRS. Because there are various EBITDA calculation methods, our presentation of these measures may not be comparable to similarly titled measures used by other companies.*

US$24.1 million from US$15.8 million in the third quarter of 2026. The combination of revenue growth, improving utilization, sourcing discipline and higher-value programs continues to strengthen IMI's earnings profile.

EBITDA

Core EBITDA for the third quarter reached US$19.5 million, up 9.8% from US$17.8 million in the comparable period of 2025. For the first nine months, core EBITDA increased 12.0% to US$56.5 million from US$50.4 million a year earlier.

The results reflect progress across several areas of the business. Over the past two years, IMI has optimized its manufacturing footprint, strengthened sourcing and pricing discipline, improved factory utilization, and sharpened its commercial focus. These efforts have improved operating performance while creating a stronger platform for growth.

Financial Condition

IMI maintained its focus on balance-sheet discipline. Total debt stood at US$188.3 million as of September 30, 2026, down from US$196.0 million at year-end 2025, while its debt-to-equity ratio improved to 0.69x. Despite uneven demand in some industrial end markets, IMI remains focused on executing customer launches, scaling new programs and leveraging its global manufacturing footprint to support profitable expansion.

CAPEX for the quarter amounting to US$8.6 million spent mainly maintenance and some expansion capex. For the full year of 2026, the Company expects to invest ~$20 million, including planned expansionary capital expenditures to be funded by internally generated cash.

Key Performance Indicators of the Company

The table below sets forth the comparative performance indicators of the Company:

	As of end	
	Sep 30, 2026	**Dec 31, 2025**
Performance indicators		
Liquidity:		
Current ratio[a]	1.75x	1.32x
Solvency:		
Debt-to-equity ratio[b]	0.69x	0.77x

	For the nine months ended 30 Sep	
	2026	**2025**
Operating efficiency:		
Revenue growth/decline[c]	-6%	-11%
Profitability:		
Gross profit margin[d]	10.4%	9.7%
Net income margin[e]	3.2%	2.0%
Return on equity[f]	8.4%	6.2%
Return on assets[h]	3.2%	1.9%
[ii]EBITDA margin	8.0%	7.0%

[ii] *EBITDA Margin = EBITDA divided by revenues from sales and services where EBITDA represents net operating income after adding depreciation and amortization (including amortization of right-of-use assets in accordance with PFRS 16,*

[a] *Current assets/current liabilities*
[b] *Bank debts/Equity attributable to equity holders of the Parent Company*
[c] *(Current year less previous year revenue)/Previous year revenue*
[d] *Gross profit/Revenues*
[e] *Net income attributable to equity holders of the Parent Company/Revenues*
[f] *Net income attributable to equity holders of the Parent Company/Average equity attributable to Parent*
[g] *Net income attributable to equity holders of the Parent Company/Average common equity attributable to Parent*
[h] *Net income attributable to equity holders of the Parent Company/Total Assets*

In the above:

(i) The risk of effects of current geopolitical developments, including the conflict in the Middle East, after the reporting period may cause uncertainties that may impact the Company's liquidity. The Company is continuously monitoring its liquidity and solvency position.

(ii) There were no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

(iii) Likewise, there were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

(iv) The effects of current geopolitical developments, including the conflict in the Middle East, after the reporting period may pose risks and unfavorable impact to the Company but will not materially affect the Company's ability to continue as going concern.

(v) There were no significant elements of income or loss that did not arise from continuing operations.

(vi) There are no seasonal aspects that may have a material effect on the financial condition of the Company.

Causes for any material changes
(Increase or decrease of 5% or more in the financial statements)

Income Statement Items
(Nine months ended 30 September 2026 versus 30 September 2025)

6% decrease in Revenue ($749.0M to $703.2M)
Decrease mainly due to the inclusion of VIA revenue last year ($70.3M), while core revenues increased by 4% driven by higher demand and new programs for mobility, camera and power module segments compared to last year.

7% decrease in Cost of sales ($676.5M to $629.7M)
Mainly related to the cost associated with the revenue of VIA last year. While the core cost of sales increased by only by 2% relevant to the revenue growth of 4%, due to cost optimization initiatives, improved efficiency and better utilization.

Leases), other non-cash and one-off items, interest income and foreign exchange gains/losses. EBITDA and EBITDA Margin are not measures of performance under PFRS and investors should not consider EBITDA, EBITDA Margin or EBIT in isolation or as alternatives to net income as an indicator of our operating performance or to cash flows, or any other measure of performance under PFRS. Because there are various EBITDA calculation methods, our presentation of these measures may not be comparable to similarly titled measures used by other companies.

26% decrease in Operating expenses ($44.5M to $32.9M)
Decrease mainly related to sale of VIA, with last year's operating expenses amounting to $13.5M. Slight increase in core operating expense from increase in people cost due to inflation, and the significant reversal of inventory provision last year.

26% decrease in Interest Expense ($15.8M to $11.7M)
Due to lower loan balances compared to Q3 2025.

169% decrease in Foreign exchange gains/(loss) ($2.3M to -$1.6M)
FX loss in 2026 from negative effect of stronger USD on balance sheet revaluation in relation to USD liabilities for sites with other than USD functional currency; last year's FX gain at $2.3M mainly from EUR depreciation (1.17 vs. 1.14)

163% decrease in Miscellaneous income ($1.7M to -$1.1M)
Other income last year was a result of reversal and clean-up of balance sheet items.

Balance Sheet items
(30 September 2026 versus 31 December 2025)

14% increase in Inventories ($162.1M to $184.4M)
Increase attributable to build up of inventories linked to increasing requirements in the coming quarters, while also impacted by supply chain constraints that affects conversion to finished goods.

89% increase in Other Current Assets ($13.9M to $26.3M)
Increase mainly from input taxes, prepayments and advances to suppliers.

19% decrease in Right-of-use assets ($10.4M to $11.2M)
Decrease from amortization during the first nine months of the year.

82% decrease in Financial assets at FVOCI ($2.4M to $0.4M)
Decrease from sale of club shares during the first half of the year.

12% increase in Accounts payable and accrued expenses ($187.4M to $209.3M)
Mainly due to increase in trade payables from increasing activities.

45% increase in Contract liabilities ($3.3M to $4.8M)
Increase mainly from increase in advances from customers.

18% decrease in Income tax payable ($2.9M to $2.4M)
Decrease was due to provisions recognized during the quarter.

50% decrease in Current portion of Lease liabilities ($3.6M to $1.8M)
Payment of lease liabilities in 2026.

33% decrease in Deferred tax liabilities ($1.0M to $0.7M)
Reversal of deferred tax liabilities unrealized forex gains and contract asset.

25% decrease in Net Retirement liabilities ($10.5M to $7.8M)
Decrease due to payment of retirement expenses related to the company's restructuring activities.

36% increase in Cumulative translation adjustments (-$17.0M to -$23.0M)
Arising from translation of management accounts in Europe denominated in their respective local currencies to the Parent Company's functional currency. The significant movement is due to depreciation of EUR against USD from 1.17 to 1.14, and RMB against USD from 7.02 to 6.74.

EXHIBIT 1
FINANCIAL RATIOS
For the Period Ended September 30, 2026 and 2025 and December 31, 2025

Ratios	Formula	Sep 30, 2026	Sep 30, 2025	Dec 31, 2025
(i) Current ratio	Current assets / Current Liabilities	**1.75**	**1.25**	1.32
(ii) Quick / Acid ratio	Current assets less inventories, contract assets and other current assets/Current liabilities	**0.95**	**0.74**	0.76
(iii) Solvency ratio	Total Assets / Total Liabilities	**1.63**	**1.52**	1.61
(iv) Debt ratio	Total Debt / Total Assets	**0.27**	**0.31**	0.29
(v) Debt-to-Equity ratio	Bank debts (loans and trust receipts payable and long-term debt) / Total Equity	**0.69**	**0.91**	0.77
(vi) Assets-to-Equity ratio	Total Assets / Total Equity	**2.58**	**2.91**	2.65
(vii) Interest rate coverage ratio	Earnings before interest and taxes / Interest Expense	**3.23**	**2.03**	
(viii) Profitability ratios				
GP margin	Gross Profit / Revenues	**10.4%**	**9.7%**	
Net profit margin	Net Income after Tax / Revenues	**3.2%**	**2.0%**	
EBITDA margin	EBITDA / Revenues	**8.0%**	**7.0%**	
Return on assets	Net Income after Tax / Total Asset	**3.2%**	**1.9%**	
Return on equity	Net Income after Tax / Average equity attributable to parent	**8.4%**	**6.2%**	

	(in US$'000)		
	Sep 30, 2026	**Sep 30, 2025**	**Dec 31, 2025**
Current Assets	555,639	583,629	518,326
Current Liabilities	317,757	468,735	393,854
Total Assets	702,739	768,849	676,973
Bank Debts	188,270	239,598	196,009
Total Liabilities	430,135	504,785	421,256
Total Equity	272,604	264,064	255,718
Average equity Attributable to parent	264,161	239,796	237,146
Revenues	703,190	748,981	
Gross Profit	73,454	72,518	
Net income attributable to equity holders of the parent	22,279	14,834	
Earnings before interest and taxes	37,914	32,080	
Interest expense	11,745	15,825	
EBITDA	56,460	52,788	

PART II--OTHER INFORMATION

1. At the Regular Annual Stockholders' meeting held on April 21, 2026 the stockholders considered and approved the following:

- Election of the following Board of Directors for the ensuing year:

  Alberto M. de Larrazabal (Chairman of the Board)
  Louis Sylvester Hughes
  Rafael C. Romualdez
  Jose Ignacio A. Carlos
  Jaime Z. Urquijo
  Roland Joseph L. Duchâtelet
  Mark Robert H. Uy
  Gilles Bernard
  Sherisa P. Nuesa (Independent Director)
  Jesse O. Ang (Independent Director)
  Ronald Luis S. Goseco (Independent Director)

- Appointment of Sycip, Gorres, Velayo & Co. as the external auditors of the Company for the ensuing year.

2. In the Organizational meeting held immediately after the Regular Annual Stockholders' meeting, the Board of Directors elected the following:

- Chairpersons and the Member of the Board Committees:

Executive Committee
Alberto M. de Larrazabal – Chairperson
Rafael C. Romualdez – Member
Roland Joseph L. Duchâtelet – Member

Corporate Governance Committee
Sherisa P. Nuesa – Chairperson
Ronald Luis S. Goseco – Member
Jesse O. Ang – Member

Finance Committee
Jaime Z. Urquijo – Chairperson
Alberto M. de Larrazabal – Member
Rafael C. Romualdez – Member

Related Party Transactions Committee
Ronald Luis S. Goseco – Chairperson
Rafael C. Romualdez – Member
Jesse O. Ang – Member

Nomination, Personnel and Compensation Committee
Sherisa P. Nuesa – Chairperson
Jaime Z. Urquijo – Member
Jesse O. Ang – Member

Audit, Risk and Sustainability Committee
Jesse O. Ang – Chairperson
Ronald Luis S. Goseco – Member
Jaime Z. Urquijo – Member

Proxy Validation Committee
Maria Franchette M. Acosta – Chairman
Laurice S. Dela Cruz – Member
Richard M. Teehingchon – Member

- Mr. Jesse O. Ang as our lead independent director;

- The officers under our By-Laws and Manual of Corporate Governance:

Louis Sylvester Hughes	-	Chief Executive Officer and President
Robert William Heese	-	Chief Finance Officer and Compliance Officer
Eric De Candido	-	Chief Operations Officer
Laurice S. Dela Cruz	-	Vice President, Finance and Corporate Controller, Deputy Compliance Officer, Acting Chief Risk Officer and Acting Chief Sustainability Officer
Anthony Raymond P. Rodriguez	-	Treasurer
Maria Margarita V. del Rosario	-	Chief Human Resources Officer
Cherie R. Sasan	-	Power Business Head
Julien Fournial	-	Global Head, Sales and Marketing
John Voltaire C. Madriaga	-	Data Protection Officer and ERM and Sustainability Manager
Maria Franchette M. Acosta	-	Corporate Secretary
Rosario Carmela G. Austria	-	Assistant Corporate Secretary
Rizza Anne O. Sy	-	Assistant Corporate Secretary

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Registrant **INTEGRATED MICRO-ELECTRONICS, INC.**

By:

ROBERT WILLIAM HEESE
Chief Finance Officer and Compliance Officer

Date: November 13, 2026

LAURICE S. DELA CRUZ
Vice President, Finance and Corporate Controller, Deputy Compliance Officer

Date: November 13, 2026