

**CHENBRO MICOM CO., LTD. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2025 AND 2024**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

(25) PWCR 25002038

To the Board of Directors and Stockholders of Chenbro Micom Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of CHENBRO MICOM CO., LTD. and subsidiaries (the "Group") as at September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

As explained in Note 4(3), the financial statements of insignificant consolidated subsidiaries were not reviewed by independent auditors. Total assets of these subsidiaries amounted to NT\$2,203,189 thousand and NT\$1,042,161 thousand, constituting 11% and 7% of the consolidated total assets as at September 30, 2025 and 2024, respectively, total liabilities amounted to NT\$1,044,674 thousand and NT\$771,511 thousand, both representing 9% of the consolidated total liabilities as at September 30, 2025 and 2024,

respectively, and the total comprehensive income amounted to NT\$160,685 thousand, NT\$62,076 thousand, NT\$214,098 thousand and NT\$129,977 thousand, constituting 13%, 10%, 9% and 8% of the consolidated total comprehensive income for the three months and nine months then ended, respectively.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of consolidated subsidiaries been reviewed by independent auditors as described in the *Basis for qualified conclusion* section above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

Pei-Chuan, Huang

Hui-Lin, Pan

For and on behalf of PricewaterhouseCoopers, Taiwan

November 6, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Assets			September 30, 2025		December 31, 2024		September 30, 2024				
			AMOUNT	%	AMOUNT	%	AMOUNT	%			
Current assets											
1100	Cash and cash equivalents	6(1)	\$	4,346,913	21	\$	3,799,819	23	\$	3,506,366	23
1136	Current financial assets at	6(4) and 8									
	amortised cost, net			311,886	1		740,616	5		317,384	2
1150	Notes receivable, net	6(5) and 7		83,482	-		36,062	-		36,124	-
1170	Accounts receivable, net	6(5) and 7		5,642,696	27		3,633,865	22		3,639,648	24
1200	Other receivables			109,717	1		66,535	-		50,734	-
1220	Current income tax assets	6(27)		3,758	-		1,388	-		4,009	-
130X	Inventories	6(6)		3,651,113	17		2,186,657	13		1,761,256	11
1410	Prepayments			149,722	1		113,357	1		111,007	1
1470	Other current assets			12,093	-		6,697	-		13,230	-
11XX	Total current assets			14,311,380	68		10,584,996	64		9,439,758	61
Non-current assets											
1510	Non-current financial assets at	6(2)									
	fair value through profit or loss			60,900	-		66,979	-		2,199	-
1517	Non-current financial assets at	6(3)									
	fair value through other										
	comprehensive income			223,107	1		209,709	1		272,364	2
1535	Non-current financial assets at	6(4) and 8									
	amortised cost			600	-		600	-		600	-
1600	Property, plant and equipment	6(7) and 8		5,406,821	26		5,314,374	32		5,247,058	34
1755	Right-of-use assets	6(8)		78,450	1		54,731	-		55,875	-
1780	Intangible assets	6(9)		58,807	-		63,487	-		63,584	1
1840	Deferred income tax assets			260,080	1		235,102	2		206,842	1
1900	Other non-current assets	6(7)(10)		498,207	3		113,833	1		80,100	1
15XX	Total non-current assets			6,586,972	32		6,058,815	36		5,928,622	39
1XXX	Total assets		\$	20,898,352	100	\$	16,643,811	100	\$	15,368,380	100

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	September 30, 2025		December 31, 2024		September 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Liabilities								
Current liabilities								
2100	Short-term borrowings	6(11)	\$ 1,002,936	5	\$ 640,630	4	\$ 495,171	3
2130	Current contract liabilities	6(21)	46,473	-	81,718	1	36,803	-
2170	Accounts payable	7	5,734,417	28	3,721,259	22	3,269,899	21
2200	Other payables	6(12) and 7	1,887,542	9	1,514,315	9	1,444,778	10
2230	Current income tax liabilities		567,375	3	231,675	1	136,495	1
2280	Current lease liabilities		8,900	-	4,768	-	6,012	-
2320	Long-term liabilities, current portion	6(14)	362,578	2	354,052	2	354,052	2
2365	Current refund liabilities		63,534	-	79,084	1	86,602	1
2399	Other current liabilities		3,357	-	4,894	-	4,835	-
21XX	Total current liabilities		<u>9,677,112</u>	<u>47</u>	<u>6,632,395</u>	<u>40</u>	<u>5,834,647</u>	<u>38</u>
Non-current liabilities								
2530	Bonds payable	6(13)	-	-	960,192	6	955,352	6
2540	Long-term borrowings	6(14)	1,424,712	7	1,711,014	10	1,798,896	12
2570	Deferred income tax liabilities		49,983	-	55,740	-	20,812	-
2580	Non-current lease liabilities		25,936	-	2,970	-	2,984	-
2600	Other non-current liabilities	6(15)	17,268	-	17,658	-	20,248	-
25XX	Total non-current liabilities		<u>1,517,899</u>	<u>7</u>	<u>2,747,574</u>	<u>16</u>	<u>2,798,292</u>	<u>18</u>
2XXX	Total liabilities		<u>11,195,011</u>	<u>54</u>	<u>9,379,969</u>	<u>56</u>	<u>8,632,939</u>	<u>56</u>
Equity								
Equity attributable to owners of parent								
	Share capital	6(17)						
3110	Common stock		1,215,785	6	1,209,877	7	1,209,877	8
3130	Certificate of entitlement to new shares from convertible bond		37,407	-	-	-	-	-
	Capital surplus	6(18)						
3200	Capital surplus		1,571,586	8	383,452	3	383,452	3
	Retained earnings	6(19)						
3310	Legal reserve		1,287,330	6	1,093,782	7	1,093,782	7
3320	Special reserve		65,573	-	176,796	1	176,796	1
3350	Unappropriated retained earnings		5,920,173	28	4,420,844	27	3,947,379	26
	Other equity interest	6(20)						
3400	Other equity interest		(547,107)	(3)	(110,471)	(2)	(160,403)	(2)
31XX	Equity attributable to owners of the parent		<u>9,550,747</u>	<u>45</u>	<u>7,174,280</u>	<u>43</u>	<u>6,650,883</u>	<u>43</u>
36XX	Non-controlling interests		<u>152,594</u>	<u>1</u>	<u>89,562</u>	<u>1</u>	<u>84,558</u>	<u>1</u>
3XXX	Total equity		<u>9,703,341</u>	<u>46</u>	<u>7,263,842</u>	<u>44</u>	<u>6,735,441</u>	<u>44</u>
	Significant contingent liabilities and unrecorded contract commitments	9						
3X2X	Total liabilities and equity		<u>\$ 20,898,352</u>	<u>100</u>	<u>\$ 16,643,811</u>	<u>100</u>	<u>\$ 15,368,380</u>	<u>100</u>

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share data)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2025		2024		2025		2024	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(21) and 7	\$ 5,664,598	100	\$ 4,271,629	100	\$ 15,261,339	100	\$ 10,652,248	100
5000 Operating costs	6(6)(26) and 7	(3,889,927)	(69)	(3,039,828)	(71)	(10,658,984)	(70)	(7,818,727)	(73)
5900 Net operating margin		<u>1,774,671</u>	<u>31</u>	<u>1,231,801</u>	<u>29</u>	<u>4,602,355</u>	<u>30</u>	<u>2,833,521</u>	<u>27</u>
Operating expenses	6(26) and 7								
6100 Selling expenses		(136,024)	(2)	(95,156)	(2)	(354,737)	(2)	(277,689)	(3)
6200 General and administrative expenses		(243,157)	(4)	(170,962)	(4)	(618,552)	(4)	(485,351)	(4)
6300 Research and development expenses		(105,365)	(2)	(79,040)	(2)	(275,654)	(2)	(204,383)	(2)
6450 Expected credit impairment gain (loss)	12(2)	(2,547)	-	3,450	-	(3,821)	-	(6,514)	-
6000 Total operating expenses		(487,093)	(8)	(341,708)	(8)	(1,252,764)	(8)	(973,937)	(9)
6500 Net other income (expenses)		<u>5,497</u>	<u>-</u>	<u>3,594</u>	<u>-</u>	<u>72,591</u>	<u>-</u>	<u>61,325</u>	<u>-</u>
6900 Operating profit		<u>1,293,075</u>	<u>23</u>	<u>893,687</u>	<u>21</u>	<u>3,422,182</u>	<u>22</u>	<u>1,920,909</u>	<u>18</u>
Non-operating income and expenses									
7100 Interest income	6(4)(22)	15,133	-	13,618	-	53,719	-	40,425	-
7010 Other income	6(23)	31,727	1	11,290	-	47,103	-	21,000	-
7020 Other gains and losses	6(2)(8)(24)	26,334	-	(20,497)	-	(74,597)	-	54,625	1
7050 Finance costs	6(8)(25)	(18,818)	-	(19,444)	-	(61,279)	-	(56,099)	-
7000 Total non-operating income and expenses		<u>54,376</u>	<u>1</u>	<u>(15,033)</u>	<u>-</u>	<u>(35,054)</u>	<u>-</u>	<u>59,951</u>	<u>1</u>
7900 Profit before income tax		<u>1,347,451</u>	<u>24</u>	<u>878,654</u>	<u>21</u>	<u>3,387,128</u>	<u>22</u>	<u>1,980,860</u>	<u>19</u>
7950 Income tax expense	6(27)	(317,627)	(6)	(216,361)	(5)	(835,034)	(5)	(485,468)	(5)
8200 Profit for the period		<u>\$ 1,029,824</u>	<u>18</u>	<u>\$ 662,293</u>	<u>16</u>	<u>\$ 2,552,094</u>	<u>17</u>	<u>\$ 1,495,392</u>	<u>14</u>

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share data)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2025		2024		2025		2024	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
Other comprehensive income									
Components of other comprehensive income that will not be reclassified to profit or loss									
8316 Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)(20)	\$ 13,086	-	(\$ 28,402)	(1)	\$ 13,398	-	\$ 14,898	-
8310 Other comprehensive income (loss) that will not be reclassified to profit or loss		13,086	-	(28,402)	(1)	13,398	-	14,898	-
Components of other comprehensive income that will be reclassified to profit or loss									
8361 Financial statements translation differences of foreign operations	6(20)	171,538	3	(10,896)	-	(245,367)	(2)	106,636	1
8360 Other comprehensive income (loss) that will be reclassified to profit or loss		171,538	3	(10,896)	-	(245,367)	(2)	106,636	1
8300 Total other comprehensive income (loss) for the period		<u>\$ 184,624</u>	<u>3</u>	<u>(\$ 39,298)</u>	<u>(1)</u>	<u>(\$ 231,969)</u>	<u>(2)</u>	<u>\$ 121,534</u>	<u>1</u>
8500 Total comprehensive income for the period		<u>\$ 1,214,448</u>	<u>21</u>	<u>\$ 622,995</u>	<u>15</u>	<u>\$ 2,320,125</u>	<u>15</u>	<u>\$ 1,616,926</u>	<u>15</u>
Profit attributable to:									
8610 Owners of the parent		\$ 993,320	17	\$ 643,769	16	\$ 2,489,062	16	\$ 1,462,011	14
8620 Non-controlling interest		36,504	1	18,524	-	63,032	1	33,381	-
		<u>\$ 1,029,824</u>	<u>18</u>	<u>\$ 662,293</u>	<u>16</u>	<u>\$ 2,552,094</u>	<u>17</u>	<u>\$ 1,495,392</u>	<u>14</u>
Comprehensive income attributable to:									
8710 Owners of the parent		\$ 1,177,944	20	\$ 604,471	15	\$ 2,257,093	15	\$ 1,583,545	15
8720 Non-controlling interest		36,504	1	18,524	-	63,032	-	33,381	-
		<u>\$ 1,214,448</u>	<u>21</u>	<u>\$ 622,995</u>	<u>15</u>	<u>\$ 2,320,125</u>	<u>15</u>	<u>\$ 1,616,926</u>	<u>15</u>
Earnings per share (in dollars)	6(28)								
9750 Basic earnings per share		<u>\$ 8.01</u>		<u>\$ 5.34</u>		<u>\$ 20.45</u>		<u>\$ 12.14</u>	
9850 Diluted earnings per share		<u>\$ 7.93</u>		<u>\$ 5.19</u>		<u>\$ 19.90</u>		<u>\$ 11.82</u>	

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent														
	Capital	Capital Reserves				Retained Earnings				Other Equity Interest			Total	Non-controlling interests	Total equity
	Share capital - common stock	Certificate of entitlement to new shares from convertible bond	Capital surplus, additional paid-in capital	Treasury stock transactions	Capital surplus, share options	Capital Surplus, restricted stock	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains from financial assets measured at fair value through other comprehensive income	Other equity, others			
<u>Nine months ended September 30, 2024</u>															
Balance at January 1, 2024	\$ 1,205,945	\$ -	\$ 95,015	\$ 6,222	\$ -	\$ 47,847	\$ 985,172	\$ 181,405	\$ 3,192,304	(\$ 233,649)	\$ 56,853	(\$ 10,456)	\$ 5,526,658	\$ 51,177	\$ 5,577,835
Profit for the period	-	-	-	-	-	-	-	-	1,462,011	-	-	-	1,462,011	33,381	1,495,392
Other comprehensive income	6(3)(20)	-	-	-	-	-	-	-	-	106,636	14,898	-	121,534	-	121,534
Total comprehensive income	-	-	-	-	-	-	-	-	1,462,011	106,636	14,898	-	1,583,545	33,381	1,616,926
Distribution of 2023 earnings															
Legal reserve	-	-	-	-	-	-	108,610	-	(108,610)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	(4,609)	4,609	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	-	(602,935)	-	-	-	(602,935)	-	(602,935)
Issuance of convertible bonds	6(13)	-	-	-	154,262	-	-	-	-	-	-	-	154,262	-	154,262
Conversion of convertible bonds	6(13)	7	-	212	(30)	-	-	-	-	-	-	-	189	-	189
Issuance of restricted stocks	6(16)(17)	4,000	-	-	-	110,800	-	-	-	-	-	(114,800)	-	-	-
Redemption of restricted stocks		(75)	-	-	-	75	-	-	-	-	-	-	-	-	-
Share-based payment	6(16)	-	-	16,971	-	(47,922)	-	-	-	-	-	20,115	(10,836)	-	(10,836)
Balance at September 30, 2024	\$ 1,209,877	\$ -	\$ 112,198	\$ 6,222	\$ 154,232	\$ 110,800	\$ 1,093,782	\$ 176,796	\$ 3,947,379	(\$ 127,013)	\$ 71,751	(\$ 105,141)	\$ 6,650,883	\$ 84,558	\$ 6,735,441
<u>Nine months ended September 30, 2025</u>															
Balance at January 1, 2025	\$ 1,209,877	\$ -	\$ 112,198	\$ 6,222	\$ 154,232	\$ 110,800	\$ 1,093,782	\$ 176,796	\$ 4,420,844	(\$ 90,424)	\$ 69,099	(\$ 89,146)	\$ 7,174,280	\$ 89,562	\$ 7,263,842
Profit for the period	-	-	-	-	-	-	-	-	2,489,062	-	-	-	2,489,062	63,032	2,552,094
Other comprehensive income (loss)	6(3)(20)	-	-	-	-	-	-	-	-	(245,367)	13,398	-	(231,969)	-	(231,969)
Total comprehensive income (loss)	-	-	-	-	-	-	-	-	2,489,062	(245,367)	13,398	-	2,257,093	63,032	2,320,125
Distribution of 2024 earnings															
Legal reserve	-	-	-	-	-	-	193,548	-	(193,548)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	(111,223)	111,223	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	-	(907,408)	-	-	-	(907,408)	-	(907,408)
Conversion of convertible bonds	6(13)	908	37,407	1,082,366	(154,232)	-	-	-	-	-	-	-	966,449	-	966,449
Issuance of restricted stocks	6(16)	5,000	-	-	-	260,000	-	-	-	-	-	(265,000)	-	-	-
Share-based payment	6(16)	-	-	33,240	-	(33,240)	-	-	-	-	-	60,333	60,333	-	60,333
Balance at September 30, 2025	\$ 1,215,785	\$ 37,407	\$ 1,227,804	\$ 6,222	\$ -	\$ 337,560	\$ 1,287,330	\$ 65,573	\$ 5,920,173	(\$ 335,791)	\$ 82,497	(\$ 293,813)	\$ 9,550,747	\$ 152,594	\$ 9,703,341

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 3,387,128	\$ 1,980,860
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment loss	12(2)	3,821	6,514
Depreciation	6(7)(8)(26)	276,603	255,593
Amortization	6(9)(26)	9,930	9,340
Net (gain) loss on financial assets at fair value through profit or loss	6(2)(24)	(2,349)	1,700
Interest expense	6(25)	61,279	56,099
Interest income	6(22)	(53,719)	(40,425)
Dividend income	6(23)	(7,000)	(1,596)
(Gain) loss on disposal of property, plant and equipment	6(24)	(1,130)	147
Gains arising from lease modifications	6(8)(24)	(30)	-
Share-based payment	6(16)	60,333	(10,836)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(47,420)	(24,285)
Accounts receivable		(2,012,604)	(47,263)
Other receivables		(46,363)	9,266
Inventories		(1,464,456)	80,602
Prepayments		(36,365)	(20,745)
Other current assets		(5,396)	(8,771)
Changes in operating liabilities			
Current contract liabilities		(35,245)	(17,620)
Accounts payable		2,013,158	232,396
Other payables		385,472	21,096
Current refund liabilities		(15,550)	65,647
Other current liabilities		(1,537)	24
Other non-current liabilities		(352)	(490)
Cash inflow generated from operations		2,468,208	2,547,253
Interest received		56,900	36,659
Interest paid		(51,819)	(41,993)
Dividends received		7,000	1,596
Income tax paid		(532,439)	(591,258)
Net cash flows from operating activities		1,947,850	1,952,257

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30 2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		\$ -	(\$ 165,919)
Acquisition of financial assets at amortised cost		(428,743)	(309,210)
Proceeds from disposal of financial assets at amortised cost		833,614	22,924
Acquisition of property, plant and equipment	6(29)	(810,645)	(614,378)
Proceeds from disposal of property, plant and equipment		5,650	167
Acquisition of intangible assets	6(9)(29)	(4,916)	(2,984)
Increase in other non-current assets		(8,961)	(810)
Net cash flows used in investing activities		(414,001)	(1,070,210)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(30)	2,115,862	1,074,939
Repayment of short-term borrowings	6(30)	(1,738,421)	(957,256)
Increase in long-term borrowings (including current portion)	6(30)	-	320,000
Repayment of long-term borrowings (including current portion)	6(30)	(272,080)	(1,314,524)
Payment of the principal of lease liabilities	6(30)	(7,192)	(6,996)
Net issuance of convertible bonds	6(13)(30)	-	1,091,530
Increase in guarantee deposits received	6(30)	-	272
Payment of cash dividends	6(19)	(907,408)	(602,935)
Net cash flows used in financing activities		(809,239)	(394,970)
Effect on foreign exchange difference		(177,516)	72,136
Net increase in cash and cash equivalents		547,094	559,213
Cash and cash equivalents at beginning of period	6(1)	3,799,819	2,947,153
Cash and cash equivalents at end of period	6(1)	\$ 4,346,913	\$ 3,506,366

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

Chenbro Micom Co., Ltd. was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) in December 1983. The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in computer software design, export and import of computer products and peripherals, and design, manufacturing, processing and trading of computer peripherals and system of expendables.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were reported to the Board of Directors on November 6, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027(Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027

Note : The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, “Interim financial reporting” that came into effect as endorsed by the FSC.
- B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:

The basis for preparation of the consolidated financial statements was consistent with that for the financial statements for the year ended December 31, 2024.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
Chenbro Micom Co., Ltd.	Micom-Source Holding Co.	Holding company	100	100	100	
Chenbro Micom Co., Ltd.	Chenbro Micom (USA) INC.	Sales of computer and server chassis	100	100	100	
Chenbro Micom Co., Ltd.	CLOUDWELL HOLDINGS, LLC.	Real estate leasing company and holding company	100	100	100	Note 4
Chenbro Micom Co., Ltd.	Chenbro GmbH	Sales of computer and server chassis	100	100	100	Note 4
Chenbro Micom Co., Ltd.	Chen-Feng Precision Co., Ltd.	Manufacturing and sales of computer and server chassis	70	70	70	Note 4
Chenbro Micom Co., Ltd.	CHENBRO (MALAYSIA) SDN.BHD.	Manufacturing and sales of computer and server chassis	100	100	-	Notes 1 and 4
Micom-Source Holding Co.	AMAC International Co.	Holding company	100	100	100	Note 4
Micom-Source Holding Co.	AMBER International Company	Holding company	100	100	100	
Micom-Source Holding Co.	PROCASE & MOREX Corporation	Holding company	100	100	100	
AMBER International Company	Chenbro Technology (Kunshan) Co., Ltd.	Manufacturing and sales of computer and server chassis	100	100	100	
AMBER International Company	ChenPower Information Technology (Shanghai) Co., Ltd.	Sales of computer and server chassis	100	100	100	
PROCASE & MOREX Corporation	Dongguan Procace Electronic Co., Ltd.	Manufacturing and sales of computer and server chassis	88	88	88	
AMAC International Co.	Dongguan Procace Electronic Co., Ltd.	Manufacturing and sales of computer and server chassis	12	12	12	
CLOUDWELL HOLDINGS, LLC.	CLOUDWELL (USA) CORPORATION	Manufacturing and sales of computer and server chassis	100	-	-	Notes 2 and 4
Chenbro Technology (Kunshan) Co., Ltd.	Qin Kun (Jinan) Precision Technology Co., Ltd.	Manufacturing and sales of computer and server chassis	100	-	-	Notes 3 and 4

Note 1: CHENBRO (MALAYSIA) SDN. BHD. was established on October 8, 2024.

Note 2: CLOUDWELL (USA) CORPORATION was established on December 20, 2024, with its funds in place by February 2025.

Note 3: Qin Kun (Jinan) Precision Technology Co., Ltd. was established on January 20, 2025.

Note 4: The financial statements of the entity as of and for the nine months ended September 30, 2025 and 2024 were not reviewed by the independent auditors as the entity did not meet the definition of a significant subsidiary.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Under the defined benefit plans, pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year.

(5) Income tax

The tax expense for the period comprises current and deferred tax. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements does not require management to make critical judgements in applying the Group's accounting policies. The management makes critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

The Group's inventories are stated at the lower of cost and net realisable value. There might be material changes to the evaluation of inventory value as the technology changes rapidly, the items of the inventory in the balance sheet date are numerous, and the identification of obsolete inventory and determination of net realisable value are subject to management's judgement.

As of September 30, 2025, the carrying amount of inventories was \$3,651,113.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Petty cash and cash on hand	\$ 487	\$ 301	\$ 429
Checking account deposits	164,173	47,111	61,699
Demand deposits	389,158	311,207	413,013
Time deposits	2,537,640	2,163,339	1,883,456
Foreign currency deposits	1,255,455	1,277,861	1,147,769
	<u>\$ 4,346,913</u>	<u>\$ 3,799,819</u>	<u>\$ 3,506,366</u>

A. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group has reclassified restricted cash and cash equivalents and time deposits with maturity over three months to 'current financial assets at amortised cost' and 'non-current financial assets at amortised cost'. Details of pledged assets are provided in Note 8.

(2) Financial assets at fair value through profit or loss

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Put options of convertible bonds	\$ -	\$ 1,399	\$ 2,199
Private equity fund investment	60,900	65,580	-
	<u>\$ 60,900</u>	<u>\$ 66,979</u>	<u>\$ 2,199</u>

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	<u>Three months ended September 30, 2025</u>	
	<u>2025</u>	<u>2024</u>
Financial assets mandatorily measured at fair value through profit or loss		
Put options of convertible bonds	(\$ 125)	(\$ 1,700)
	<u>Nine months ended September 30, 2025</u>	
	<u>2025</u>	<u>2024</u>
Financial assets mandatorily measured at fair value through profit or loss		
Put options of convertible bonds	\$ 2,349	(\$ 1,700)

B. The Group has no financial assets at fair value through profit or loss pledged to others.

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at fair value through other comprehensive income

Items	September 30, 2025	December 31, 2024	September 30, 2024
Non-current items:			
Equity instruments			
Listed stocks	\$ 161,500	\$ 146,500	\$ 162,000
Unlisted stocks	61,607	63,209	110,364
	<u>\$ 223,107</u>	<u>\$ 209,709</u>	<u>\$ 272,364</u>

A. The Group has elected to classify stock investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$223,107, \$209,709 and \$272,364 as at September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three months ended September 30,	
	2025	2024
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 13,086	(\$ 28,402)
Dividend income recognised in profit or loss	\$ 7,000	\$ 1,596
	Nine months ended September 30,	
	2025	2024
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 13,398	\$ 14,898
Dividend income recognised in profit or loss	\$ 7,000	\$ 1,596

C. As at September 30, 2025, December 31, 2024 and September 30, 2024, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was \$223,107, \$209,709 and \$272,364, respectively.

D. Information relating to credit risk is provided in Note 12(2).

(4) Financial assets at amortised cost

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Time deposits	\$ 301,886	\$ 730,616	\$ 307,384
Pledged bank deposits (including time deposits)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
	<u>\$ 311,886</u>	<u>\$ 740,616</u>	<u>\$ 317,384</u>
Non-current items:			
Pledged bank deposits (including time deposits)	<u>\$ 600</u>	<u>\$ 600</u>	<u>\$ 600</u>

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	<u>Three months ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Interest income	<u>\$ 2,980</u>	<u>\$ 2,260</u>
	<u>Nine months ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Interest income	<u>\$ 12,530</u>	<u>\$ 6,519</u>

B. As at September 30, 2025, December 31, 2024 and September 30, 2024, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was \$312,486, \$741,216 and \$317,984, respectively.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

D. Information on financial assets at amortised cost pledged to others is provided in Note 8.

(5) Accounts and notes receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ 83,482	\$ 36,062	\$ 36,124
Accounts receivable	\$ 5,647,428	\$ 3,634,824	\$ 3,648,177
Less: Allowance for uncollectible accounts	(4,732)	(959)	(8,529)
	<u>\$ 5,642,696</u>	<u>\$ 3,633,865</u>	<u>\$ 3,639,648</u>

A. The ageing analysis of accounts and notes receivable is as follows:

	September 30, 2025		December 31, 2024	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	\$ 5,102,200	\$ 83,482	\$ 3,431,340	\$ 36,062
Up to 30 days	351,910	-	161,521	-
31 to 60 days	110,806	-	39,098	-
61 to 90 days	43,752	-	1,303	-
91 to 180 days	3,851	-	801	-
Over 181 days	34,909	-	761	-
	<u>\$ 5,647,428</u>	<u>\$ 83,482</u>	<u>\$ 3,634,824</u>	<u>\$ 36,062</u>

	September 30, 2024	
	Accounts receivable	Notes receivable
Not past due	\$ 3,389,685	\$ 36,124
Up to 30 days	207,955	-
31 to 60 days	26,357	-
61 to 90 days	6,408	-
91 to 180 days	7,275	-
Over 181 days	10,497	-
	<u>\$ 3,648,177</u>	<u>\$ 36,124</u>

The above ageing analysis was based on past due date.

- B. As of September 30, 2025, December 31, 2024, September 30, 2024, and January 1, 2024, the balances of receivables (including notes receivable) from contracts with customers amounted to \$5,730,910, \$3,670,886, \$3,684,301 and \$3,612,753, respectively.
- C. The Group does not hold any collateral as security as at September 30, 2025, December 31, 2024 and September 30, 2024, and the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable was \$83,482, \$36,062 and \$36,124 and accounts receivable was \$5,642,696, \$3,633,865 and \$3,639,648, respectively.
- D. Information relating to credit risk is provided in Note 12(2).

(6) Inventories

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Raw materials	\$ 456,978	\$ 347,722	\$ 364,428
Semi-finished goods	441,312	404,247	379,948
Work in progress	224,804	206,288	148,184
Finished goods	2,528,019	1,228,400	868,696
	<u>\$ 3,651,113</u>	<u>\$ 2,186,657</u>	<u>\$ 1,761,256</u>

A. The cost of inventories recognised as expense for the period:

	<u>Three months ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Cost of goods sold	\$ 4,087,596	\$ 3,145,490
Sale of scraps	(8,278)	(2,759)
Gain on reversal of loss on decline in market value of inventory	(189,351)	(101,870)
Gain on physical inventory	(40)	(1,033)
	<u>\$ 3,889,927</u>	<u>\$ 3,039,828</u>

	<u>Nine months ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Cost of goods sold	\$ 10,904,108	\$ 7,846,865
Sale of scraps	(29,119)	(13,337)
Gain on reversal of loss on decline in market value of inventory	(215,065)	(12,020)
Gain on physical inventory	(940)	(2,781)
	<u>\$ 10,658,984</u>	<u>\$ 7,818,727</u>

The Group reversed a previous inventory write-down because certain slow-moving inventories which were previously provided with allowance were subsequently sold for the three months and nine months ended September 30, 2025.

B. The Group has no inventories pledged to others.

(7) Property, plant and equipment

	Land	Buildings and structures	Machinery and equipment	Mold equipment	Computer communication equipment	Testing equipment	Transportation equipment	Office equipment	Others	Unfinished construction and equipment under acceptance	Total	Prepayments for land, building, construction, and equipment (Note)
<u>At January 1, 2025</u>												
Cost	\$ 1,648,851	\$ 3,834,469	\$ 1,075,672	\$ 639,890	\$ 135,779	\$ 67,930	\$ 20,672	\$ 88,893	\$ 160,590	\$ 43,210	\$ 7,715,956	\$ 91,517
Accumulated depreciation and impairment	- (1,058,769)	(576,999)	(471,621)	(93,002)	(48,350)	(20,081)	(61,218)	(71,542)	- (2,401,582)	-	-	-
	<u>\$ 1,648,851</u>	<u>\$ 2,775,700</u>	<u>\$ 498,673</u>	<u>\$ 168,269</u>	<u>\$ 42,777</u>	<u>\$ 19,580</u>	<u>\$ 591</u>	<u>\$ 27,675</u>	<u>\$ 89,048</u>	<u>\$ 43,210</u>	<u>\$ 5,314,374</u>	<u>\$ 91,517</u>
<u>2025</u>												
Opening net book amount	\$ 1,648,851	\$ 2,775,700	\$ 498,673	\$ 168,269	\$ 42,777	\$ 19,580	\$ 591	\$ 27,675	\$ 89,048	\$ 43,210	\$ 5,314,374	\$ 91,517
Additions	-	48,455	114,702	73,611	8,630	2,807	2,244	5,445	11,444	100,992	368,330	432,390
Disposals	-	-	(3,360)	-	(11)	(35)	(24)	(102)	(988)	-	(4,520)	-
Transfers (Note)	-	30,391	53,310	-	-	-	-	7,079	1,440	(37,555)	54,665	(54,665)
Depreciation charges	-	(98,461)	(64,378)	(70,935)	(11,867)	(5,530)	(300)	(5,722)	(12,789)	-	(269,982)	-
Effects of foreign exchange	(5,458)	(32,624)	(8,956)	(7,693)	(292)	(162)	(17)	(48)	(347)	(449)	(56,046)	(1,775)
Closing net book amount	<u>\$ 1,643,393</u>	<u>\$ 2,723,461</u>	<u>\$ 589,991</u>	<u>\$ 163,252</u>	<u>\$ 39,237</u>	<u>\$ 16,660</u>	<u>\$ 2,494</u>	<u>\$ 34,327</u>	<u>\$ 87,808</u>	<u>\$ 106,198</u>	<u>\$ 5,406,821</u>	<u>\$ 467,467</u>
<u>At September 30, 2025</u>												
Cost	\$ 1,643,393	\$ 3,839,895	\$ 1,174,899	\$ 727,439	\$ 141,451	\$ 69,491	\$ 18,150	\$ 97,961	\$ 148,261	\$ 106,198	\$ 7,967,138	\$ 467,467
Accumulated depreciation and impairment	- (1,116,434)	(584,908)	(564,187)	(102,214)	(52,831)	(15,656)	(63,634)	(60,453)	- (2,560,317)	-	-	-
	<u>\$ 1,643,393</u>	<u>\$ 2,723,461</u>	<u>\$ 589,991</u>	<u>\$ 163,252</u>	<u>\$ 39,237</u>	<u>\$ 16,660</u>	<u>\$ 2,494</u>	<u>\$ 34,327</u>	<u>\$ 87,808</u>	<u>\$ 106,198</u>	<u>\$ 5,406,821</u>	<u>\$ 467,467</u>

Note: Prepayments for land, building, construction, and equipment are shown as ‘other non-current assets’. Details are provided in Note 6(10).

- A. The significant components of buildings include buildings and accessory equipment of buildings, which are depreciated over 10~50 years and 5~11 years, respectively.
- B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.
- C. No borrowing cost was capitalized as part of property, plant and equipment for this period.

	Land	Buildings and structures	Machinery and equipment	Mold equipment	Computer communication equipment	Testing equipment	Transportation equipment	Office equipment	Others	Unfinished construction and equipment under acceptance	Total	Prepayments for land, building, construction, and equipment (Note)
<u>At January 1, 2024</u>												
Cost	\$ 1,340,612	\$ 3,671,151	\$ 956,474	\$ 506,733	\$ 138,434	\$ 66,478	\$ 19,722	\$ 87,326	\$ 86,610	\$ 77,543	\$ 6,951,083	\$ 33,469
Accumulated depreciation and impairment	-	(902,052)	(488,398)	(443,604)	(79,837)	(40,458)	(19,060)	(50,423)	(52,572)	-	(2,076,404)	-
	<u>\$ 1,340,612</u>	<u>\$ 2,769,099</u>	<u>\$ 468,076</u>	<u>\$ 63,129</u>	<u>\$ 58,597</u>	<u>\$ 26,020</u>	<u>\$ 662</u>	<u>\$ 36,903</u>	<u>\$ 34,038</u>	<u>\$ 77,543</u>	<u>\$ 4,874,679</u>	<u>\$ 33,469</u>
<u>2024</u>												
Opening net book amount	\$ 1,340,612	\$ 2,769,099	\$ 468,076	\$ 63,129	\$ 58,597	\$ 26,020	\$ 662	\$ 36,903	\$ 34,038	\$ 77,543	\$ 4,874,679	\$ 33,469
Additions	303,387	105,763	49,750	55,589	2,661	100	-	240	3,545	26,177	547,212	58,089
Disposals	-	-	(233)	-	(9)	(4)	-	(1)	(67)	-	(314)	-
Transfers (Note)	-	1,820	18,494	1,098	-	829	-	-	189	12,137	34,567	(33,469)
Depreciation charges	-	(96,678)	(57,997)	(53,850)	(14,699)	(5,656)	(395)	(7,982)	(10,816)	-	(248,073)	-
Effects of foreign exchange	2,193	26,124	7,322	2,489	280	168	22	45	330	14	38,987	558
Closing net book amount	<u>\$ 1,646,192</u>	<u>\$ 2,806,128</u>	<u>\$ 485,412</u>	<u>\$ 68,455</u>	<u>\$ 46,830</u>	<u>\$ 21,457</u>	<u>\$ 289</u>	<u>\$ 29,205</u>	<u>\$ 27,219</u>	<u>\$ 115,871</u>	<u>\$ 5,247,058</u>	<u>\$ 58,647</u>
<u>At September 30, 2024</u>												
Cost	\$ 1,646,192	\$ 3,837,395	\$ 1,046,578	\$ 569,428	\$ 142,294	\$ 68,396	\$ 20,466	\$ 88,180	\$ 91,043	\$ 115,871	\$ 7,625,843	\$ 58,647
Accumulated depreciation and impairment	-	(1,031,267)	(561,166)	(500,973)	(95,464)	(46,939)	(20,177)	(58,975)	(63,824)	-	(2,378,785)	-
	<u>\$ 1,646,192</u>	<u>\$ 2,806,128</u>	<u>\$ 485,412</u>	<u>\$ 68,455</u>	<u>\$ 46,830</u>	<u>\$ 21,457</u>	<u>\$ 289</u>	<u>\$ 29,205</u>	<u>\$ 27,219</u>	<u>\$ 115,871</u>	<u>\$ 5,247,058</u>	<u>\$ 58,647</u>

Note: Prepayments for land, building, construction, and equipment are shown as 'other non-current assets'. Details are provided in Note 6(10)

- A. The significant components of buildings include buildings and accessory equipment of buildings, which are depreciated over 10~50 years and 5~11 years, respectively.
- B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.
- C. The net difference of the transfers for this period resulted from the transfer from inventories amounting to \$1,098.
- D. No borrowing cost was capitalized as part of property, plant and equipment for this period.

(8) Leasing arrangements - lessee

- A. The Group leases various assets including land, office, warehouse, business vehicles, parking spaces, printers and landscaping, etc. Rental contracts are typically made for periods of 3 months to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. Short-term leases with a lease term of 12 months or less pertain to parking spaces and offices. Low-value assets pertain to coffee machine and printers.
- C. The carrying amounts of right-of-use assets and the depreciation charge are as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 42,990	\$ 47,061	\$ 47,010
Buildings	33,220	4,748	5,784
Transportation equipment	2,240	2,399	2,372
Others	-	523	709
	<u>\$ 78,450</u>	<u>\$ 54,731</u>	<u>\$ 55,875</u>
	<u>Three months ended September 30,</u>		
	<u>2025</u>	<u>2024</u>	
	<u>Depreciation charge</u>	<u>Depreciation charge</u>	
Land	\$ 227	\$ 246	
Buildings	1,754	1,612	
Transportation equipment	350	377	
Others	86	186	
	<u>\$ 2,417</u>	<u>\$ 2,421</u>	
	<u>Nine months ended September 30,</u>		
	<u>2025</u>	<u>2024</u>	
	<u>Depreciation charge</u>	<u>Depreciation charge</u>	
Land	\$ 707	\$ 728	
Buildings	4,375	4,761	
Transportation equipment	1,131	1,473	
Others	408	558	
	<u>\$ 6,621</u>	<u>\$ 7,520</u>	

- D. For the three months and nine months ended September 30, 2025 and 2024, the additions to right-of-use assets were \$0, \$ 2,723, \$34,895 and \$3,424, respectively.

E. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended September 30,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 370	\$ 38
Expense on short-term lease contracts	1,942	1,022
Expense on leases of low-value assets	290	301
Expense on variable lease payments	730	672
Loss from lease modification	-	-
	Nine months ended September 30,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 679	\$ 140
Expense on short-term lease contracts	4,657	2,883
Expense on leases of low-value assets	921	954
Expense on variable lease payments	1,894	1,623
Gain on lease modification	30	-

F. The Group early terminated the building and machine leasing contract in February and May 2025. Right-of-use assets and lease liabilities have decreased by \$575 and \$605, respectively, and the gain on lease modification of \$30 was recognised.

H. For the nine months ended September 30, 2025 and 2024, the Group's total cash outflow for leases was \$15,343 and \$12,596 (of which \$7,192 and \$6,996 represents payments of the principal of lease liabilities), respectively.

I. Variable lease payments

Some of the Group's lease contracts contain variable lease payment terms that are determined and recognised as expense based on the actual usage during the period.

J. Extension and termination options

In determining the lease term, the Group takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. The assessment of lease period is reviewed if a significant event occurs which affects the assessment.

(9) Intangible assets

	Trademarks	Computer software	Patents	Total
<u>At January 1, 2025</u>				
Cost	\$ 1,477	\$ 136,096	\$ 5,436	\$ 143,009
Accumulated amortisation	(886)	(73,542)	(5,094)	(79,522)
	<u>\$ 591</u>	<u>\$ 62,554</u>	<u>\$ 342</u>	<u>\$ 63,487</u>
<u>2025</u>				
At January 1	\$ 591	\$ 62,554	\$ 342	\$ 63,487
Additions	20	4,059	-	4,079
Transfers (Note)	-	1,374	-	1,374
Amortisation charge	(86)	(9,764)	(80)	(9,930)
Effects of foreign exchange	-	(203)	-	(203)
At September 30	<u>\$ 525</u>	<u>\$ 58,020</u>	<u>\$ 262</u>	<u>\$ 58,807</u>
<u>At September 30, 2025</u>				
Cost	\$ 1,497	\$ 140,825	\$ 5,436	\$ 147,758
Accumulated amortisation	(972)	(82,805)	(5,174)	(88,951)
	<u>\$ 525</u>	<u>\$ 58,020</u>	<u>\$ 262</u>	<u>\$ 58,807</u>
	Trademarks	Computer software	Patents	Total
<u>At January 1, 2024</u>				
Cost	\$ 1,332	\$ 130,814	\$ 5,140	\$ 137,286
Accumulated amortisation	(721)	(60,842)	(5,048)	(66,611)
	<u>\$ 611</u>	<u>\$ 69,972</u>	<u>\$ 92</u>	<u>\$ 70,675</u>
<u>2024</u>				
At January 1	\$ 611	\$ 69,972	\$ 92	\$ 70,675
Additions	145	1,819	74	2,038
Amortisation charge	(138)	(9,173)	(29)	(9,340)
Effects of foreign exchange	-	211	-	211
At September 30	<u>\$ 618</u>	<u>\$ 62,829</u>	<u>\$ 137</u>	<u>\$ 63,584</u>
<u>At September 30, 2024</u>				
Cost	\$ 1,477	\$ 133,260	\$ 5,214	\$ 139,951
Accumulated amortisation	(859)	(70,431)	(5,077)	(76,367)
	<u>\$ 618</u>	<u>\$ 62,829</u>	<u>\$ 137</u>	<u>\$ 63,584</u>

Note: Transferred from prepayments for intangible assets (shown as other non-current assets).

Details of amortisation on intangible assets are as follows:

	Three months ended September 30,	
	2025	2024
Manufacturing cost	\$ 670	\$ 667
Selling expenses	410	71
Administrative expenses	2,190	2,223
Research and development expenses	76	132
	<u>\$ 3,346</u>	<u>\$ 3,093</u>
	Nine months ended September 30,	
	2025	2024
Manufacturing cost	\$ 1,947	\$ 1,976
Selling expenses	1,098	235
Administrative expenses	6,607	6,641
Research and development expenses	278	488
	<u>\$ 9,930</u>	<u>\$ 9,340</u>

(10) Other non-current assets

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Prepayments for land, building, construction, and equipment	\$ 467,467	\$ 91,517	\$ 58,647
Guarantee deposits paid	4,486	5,737	4,131
Prepayments for intangible assets	837	1,374	3,628
Others	25,417	15,205	13,694
	<u>\$ 498,207</u>	<u>\$ 113,833</u>	<u>\$ 80,100</u>

(11) Short-term borrowings

Type of borrowings	September 30, 2025	Interest rate	Collateral
Short-term borrowings	\$ 623,619	4.30%~4.86%	A promissory note of the same amount was issued as collateral. Refer to Note 8.
Short-term secured borrowings	379,317	4.15%~4.36%	
	<u>\$ 1,002,936</u>		
Type of borrowings	December 31, 2024	Interest rate	Collateral
Short-term borrowings	\$ 447,427	4.85%~5.2%	A promissory note of the same amount was issued as collateral. Refer to Note 8.
Short-term secured borrowings	193,203	4.84%	
	<u>\$ 640,630</u>		
Type of borrowings	September 30, 2024	Interest rate	Collateral
Short-term borrowings	<u>\$ 495,171</u>	4.93%~5.91%	A promissory note of the same amount was issued as collateral.

(12) Other payables

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Payables for product development expenses	409,790	311,047	212,290
Wages and bonus payable	367,945	396,169	297,382
Remuneration due to directors' and employees' compensation	299,341	225,590	171,228
Payables for export freight and customs clearance charges	222,842	156,080	180,316
Payables for mold	137,028	111,674	138,499
Payables for construction and equipment	15,080	26,780	28,703
Others	435,516	286,975	416,360
	<u>\$ 1,887,542</u>	<u>\$ 1,514,315</u>	<u>\$ 1,444,778</u>

(13) Bonds payable

	September 30, 2025	December 31, 2024	September 30, 2024
Bonds payable	\$ -	\$ 999,800	\$ 999,800
Less: Discount on bonds payable	-	(39,608)	(44,448)
	<u>\$ -</u>	<u>\$ 960,192</u>	<u>\$ 955,352</u>

A. The issuance of domestic convertible bonds by the Company:

(a) The terms of the first domestic unsecured convertible bonds issued by the Company are as follows:

- i. The Company issued \$1,000,000, 0% first domestic unsecured convertible bonds, as approved by the regulatory authority. The bonds mature 3 years from the issue date (January 19, 2024 ~ January 19, 2027) and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on January 19, 2024.
- ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue to the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
- iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model in the terms of the bonds on each effective date regulated by the terms. The conversion price was NT\$271 on the date of the bonds issuance. The aforementioned conversion price had been reset as NT\$266.6 (in dollars) according to the terms starting from July 1, 2024 (the effective date of price resetting), and had been reset as NT\$260.8 (in dollars) according to the terms starting from July 2, 2025 (the effective date of price resetting).
- iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of the Company's common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.
- v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

- B. Regarding the issuance of convertible bonds, the equity conversion options amounting to \$154,262 were separated from the liability component and were recognised in ‘capital surplus—share options’ in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognised in ‘financial assets or liabilities at fair value through profit or loss’ in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 2.0417%.
- C. For the nine months ended September 30, 2024, the bondholders exercised conversion rights on convertible bonds amounting to \$200 in total par value, of which \$7 was converted into ordinary shares. The net conversion amount exceeded the par value of the converted ordinary shares, and \$212 was transferred to capital surplus - additional paid-in capital. Additionally, the discount on bonds payable related to the converted bonds at the transition date, financial assets at fair value through profit or loss and capital surplus share options were \$10, \$1 and \$30, respectively, which were also transferred to capital surplus - additional paid-in capital.
- D. For the nine months ended September 30, 2025, convertible bonds amounting to \$999,800 in total par value were requested for conversion into 3,832 thousand ordinary shares, and capital surplus-additional paid-in capital of \$1,082,366 was recognized. Of these, 91 thousand ordinary shares were registered for change on September 18, 2025, and the remaining 3,741 thousand ordinary shares have not yet been registered for change as of September 30, 2025 (listed as "certificate of entitlement to new shares from convertible bonds" of \$37,407).
- E. On July 21, 2025, the Company had met the early redemption requirements in accordance with the terms of the bonds. The Company will exercise the redemption of the bonds during the period from August 11, 2025 to September 9, 2025. The redeemable price is 100% of the face value of the bond. The effective date for the bond redemption is set on September 9, 2025. However, all bondholders have converted their bonds into common stock before the conversion date. Related information is provided in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(14) Long-term borrowings

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	September 30, 2025
Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan (Note 1)	NTD 1,280,000 thousand, borrowing period is from February 8, 2021 to February 8, 2031, principal and interest are repayable monthly from March 15, 2024	1.275%	(Note 1)	\$ 940,953
"	NTD 736,000 thousand, borrowing period is from January 15, 2021 to January 15, 2028, principal and interest are repayable monthly from February 15, 2024	1.275%	"	219,631
"	NTD 640,000 thousand, borrowing period is from June 15, 2021 to June 15, 2028, principal and interest are repayable monthly from July 15, 2024	1.275%	"	237,077
Purchase of land and plant (Note 2)	NTD 35,000 thousand, borrowing period is from June 24, 2024 to June 24, 2039, principal and interest are repayable monthly from July 24, 2027	1.88%	(Note 2)	35,000
"	NTD 245,000 thousand, borrowing period is from June 24, 2024 to June 24, 2044, principal and interest are repayable monthly from July 24, 2027	1.88%	"	245,000

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	September 30, 2025
Working capital (Note 2)	NTD 40,000 thousand, borrowing period is from June 24, 2024 to June 24, 2031, principal and interest are repayable monthly from July 24, 2026	1.88%	(Note 2)	\$ 40,000
Foreign currency borrowings	USD 2,800 thousand; borrowing period is from November 2023 to November 2033; principal and interest are repayable monthly from December 2023	6.7% ~ 7.724%	Real estate in the USA	
				<u>69,629</u>
				1,787,290
Less: Current portion				(362,578)
				<u>\$ 1,424,712</u>

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2024
Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan (Note 1)	NTD 1,280,000 thousand, borrowing period is from February 8, 2021 to February 8, 2031, principal and interest are repayable monthly from March 15, 2024	1.150% ~ 1.275%	(Note 1)	\$ 1,071,238
„	NTD 736,000 thousand, borrowing period is from January 15, 2021 to January 15, 2028, principal and interest are repayable monthly from February 15, 2024	1.150% ~ 1.275%	„	290,227

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2024
Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan (Note 1)	NTD 640,000 thousand, borrowing period is from June 15, 2021 to June 15, 2028, principal and interest are repayable monthly from July 15, 2024	1.150% ~ 1.275%	(Note 1)	\$ 301,735
Purchase of land and plant (Note 2)	NTD 35,000 thousand, borrowing period is from June 24, 2024 to June 24, 2039, principal and interest are repayable monthly from July 24, 2027	1.88%	(Note 2)	35,000
"	NTD 245,000 thousand, borrowing period is from June 24, 2024 to June 24, 2044, principal and interest are repayable monthly from July 24, 2027	1.88%	"	245,000
Working capital (Note 2)	NTD 40,000 thousand, borrowing period is from June 24, 2024 to June 24, 2031, principal and interest are repayable monthly from July 24, 2026	1.88%	"	40,000
Foreign currency borrowings	USD 2,800 thousand; borrowing period is from November 2023 to November 2033; principal and interest are repayable monthly from December 2023	6.7% ~ 7.724%	Real estate in the USA	81,866
				2,065,066
Less: Current portion				(354,052)
				<u>\$ 1,711,014</u>

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	September 30, 2024
Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan (Note 1)	NTD 1,280,000 thousand, borrowing period is from February 8, 2021 to February 8, 2031, principal and interest are repayable monthly from March 15, 2024	1.150% ~ 1.275%	(Note 1)	\$ 1,114,667
"	NTD 736,000 thousand, borrowing period is from January 15, 2021 to January 15, 2028, principal and interest are repayable monthly from February 15, 2024	1.150% ~ 1.275%	"	313,759
"	NTD 640,000 thousand, borrowing period is from June 15, 2021 to June 15, 2028, principal and interest are repayable monthly from July 15, 2024	1.150% ~ 1.275%	"	323,287
Purchase of land and plant (Note 2)	NTD 35,000 thousand, borrowing period is from June 24, 2024 to June 24, 2039, principal and interest are repayable monthly from July 24, 2027	1.88%	(Note 2)	35,000
"	NTD 245,000 thousand, borrowing period is from June 24, 2024 to June 24, 2044, principal and interest are repayable monthly from July 24, 2027	1.88%	"	245,000

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	September 30, 2024
Working capital (Note 2)	NTD 40,000 thousand, borrowing period is from June 24, 2024 to June 24, 2031, principal and interest are repayable monthly from July 24, 2026	1.88%	(Note 2)	\$ 40,000
Foreign currency borrowings	USD 2,800 thousand; borrowing period is from November 2023 to November 2033; principal and interest are repayable monthly from December 2023	7.644% ~ 7.724%	Real estate in the USA	81,235
				2,152,948
Less: Current portion				(354,052)
				<u>\$ 1,798,896</u>

Note 1: The Company applied for Loans for Returning Overseas Taiwanese Businesses with the Bank of Taiwan in October 2020. The total amount of the loan was \$1,344,000. In July 2021, the Company applied for an adjustment of loan amount to \$2,656,000, and the loan term was 7 to 10 years after the first drawdown date. The interest rate of the loan was the floating interest rate on a 2-year time deposit offered by the Directorate General of the Postal Remittances and Savings Bank less 0.445% of annual interest and the markdown interest rate shall be no less than 0.4%. The commission fee shall be paid by the National Development Fund at an annual interest of 0.5%, and the payment period shall not exceed 5 years. The loan is mainly for construction of plant, purchase of machinery and equipment and working capital. The Company pledged promissory note of the same amount as the loan, machinery and equipment purchased with the loan proceeds and buildings as collateral.

If, during the contract period, there is a violation of any of the loan covenants, the budget of the National Development Fund may be frozen, there are changes in government policies, there is a need for capital procurement, or any other situation where the National Development Fund is not liable, the commission fee shall not be paid by the National Development Fund after notice and the interest rate of the loan shall be adjusted to the floating interest rate on a 2-year time deposit offered by the Directorate General of the Postal Remittances and Savings Bank plus 0.055% of annual interest and the markdown interest rate shall be no less than 0.9%. As of September 30, 2025, no violations of legal regulations have occurred.

Note 2: The subsidiary, Chen-Feng Precision Co., Ltd., obtained a loan from the Bank of Taiwan in the amount of \$320,000 in March 2024. The borrowing interests are the floating interest rate on a 2-year time deposit offered by the Directorate General of the Postal Remittances and Savings Bank plus 0.16% of annual interest and the floating interest rate on a 2-year time deposit offered by the Bank of Taiwan and Savings Bank plus 0.13 % of annual interest. The subsidiary provided the land and building located in Shulin District, New Taipei City as collateral.

(15) Pensions

A. Defined benefit plan

- (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.
- (b) The pension costs under the defined benefit pension plan of the Company for the three months and nine months ended September 30, 2025 and 2024 were \$58, \$60, \$185 and \$180, respectively.
- (c) Expected contributions to the defined benefit pension plan of the Group for the year ending December 31, 2026 amount to \$851.

B. Defined contribution plan

- (a) The Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

- (b) Other overseas companies have a defined contribution plan in accordance with the local regulations, and contributions to endowment insurance and pension reserve are based on employees' salaries and wages. Other than the periodic contribution, the overseas companies have no further obligations.
- (c) The pension costs under the defined contribution pension plan of the Company and its domestic subsidiaries for the three months and nine months ended September 30, 2025 and 2024 were \$5,517, \$4,609, \$15,662 and \$12,925, respectively.
- (d) Micom-Source Holding Co., CLOUDWELL HOLDINGS, LLC., AMAC International Co., AMBER International Company, PROCASE & MOREX Corporation, and CLOUDWELL (USA) CORPORATION did not establish their pension plans or had no employees. In addition, the pension costs under the defined contribution pension plans of Chenbro Micom (USA) INC., Chenbro GmbH, CHENBRO (MALAYSIA) SDN. BHD., Chenbro Technology (Kunshan) Co., Ltd., ChenPower Information Technology (Shanghai) Co., Ltd., Dongguan Procace Electronic Co., Ltd., and Qin Kun (Jinan) Precision Technology Co., for the three months and nine months ended September 30, 2025 and 2024 were \$13,704, \$12,561, \$40,724 and \$36,366, respectively.

(16) Share-based payment

- A. For the nine months ended September 30, 2025 and 2024, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Restricted stocks to employees (Note 1)	2020.8.11	1,200 thousand shares	4 years	Graded vesting at a certain percentage after one year of service and achieving the required KPI (Note 2)
"	2024.8.8	400 thousand shares	3 years	Graded vesting at a certain percentage after one year of service and achieving the required KPI (Note 3)
"	2025.8.7	500 thousand shares	3 years	"

Note 1: During the vesting period, the restricted stocks issued by the Company cannot be sold, pledged, transferred, donated, collateralised, or disposed in any other method, except for inheritance, and the shareholders' rights to attend, propose, speak and vote in the shareholders' meeting are executed by the trust institution according to the agreement. Employees are entitled to the cash and stock dividends distributed by the Company. The distributed cash and stock dividends are treated as meeting the vesting conditions and are not required to be kept in the trust institution. This also applies to capital reduction. If employees resign during the vesting period, the Company will redeem those stocks but employees are not required to return the dividends received.

Note 2: The vesting percentage for the employee who has one, two, three and four years of service with the Company since the grant date and achieves the performance condition is 25% each year.

Note 3: The vesting percentage for the employee who has one, two and three years of service with the Company since the grant date and achieves the performance condition is 30%, 30% and 40% each year.

B. Details of the above restricted stocks to employees are as follows:

	2025	2024
	Quantity of stocks (in thousands)	Quantity of stocks (in thousands)
Restricted stocks at the beginning of period	400	208
Issued during the period	500	400
Vested during the period	(120)	(208)
Restricted stocks at the end of period	780	400

C. The fair value of restricted stocks granted on grant date is measured based on the stock price on the grant date and the estimated annual employee turnover rate. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected option life	Fair value per unit (in dollars)
Restricted stocks to employees	2020.8.11	\$91.3	-	4 years	\$91.3
"	2024.8.8	287.0	-	3 years	287.0
"	2025.8.7	530.0	-	3 years	530.0

D. Expenses incurred on share-based payment transactions are shown below:

	Three months ended September 30,	
	2025	2024
Equity-settled	\$ 34,981	\$ 10,356
	Nine months ended September 30,	
	2025	2024
Equity-settled	\$ 60,333	\$ 13,436

(17) Ordinary shares

As of September 30, 2025, the Company's authorised capital was \$1,500,000, consisting of 150 million shares of ordinary stock (including 1 million shares reserved for employee stock options), and the paid-in capital was \$1,215,785, with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected. Movements in the number of the Company's ordinary shares outstanding (shares in thousands) are as follows:

	2025	2024
At January 1	\$ 120,988	\$ 120,587
Issuance of restricted stocks (Note 1)	500	400
Conversion of convertible bonds (Note 2)	91	1
At September 30	\$ 121,579	\$ 120,988

Note 1: Refer to Note 6(16) for details of restricted stocks.

Note 2: Refer to Note 6(13) 4. for details of conversion of convertible bonds.

(18) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(19) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the amount of legal reserve reaches total capital. The remaining shall take into account item D below for the related regulations of setting aside special reserve. The appropriation of the remaining earnings along with the unappropriated earnings of prior years depends on annual financial status and economic development and shall be proposed by the Board of Directors and approved by the shareholders.

- B. The Company's dividend policy is based on the current profit and consideration of the Company's growth in the future, capital budget plan and capital needs as well as consideration of shareholders' interest and long-term financial plan, etc. Earnings can be distributed to shareholders as cash dividends or stock dividends. Cash dividends shall account for at least 10% of the total dividends distributed. If cash dividends are lower than \$0.20 (in dollars) per share, stock dividends will be issued instead.
- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debitbalance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- (b) The amount of \$65,573 previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-1090150022, dated March 31, 2021, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.
- E. On May 29, 2025 and May 27, 2024, the shareholders resolved the appropriations of 2024 and 2023 retained earnings, respectively, as follows:

	Year ended December 31, 2024		Year ended December 31, 2023	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	\$ 193,548	\$ -	\$ 108,610	\$ -
Reversal of special reserve	(111,223)	-	(4,609)	-
Cash dividends to shareholders	907,408	7.50	602,935	5.00
	<u>\$ 989,733</u>	<u>\$ 7.50</u>	<u>\$ 706,936</u>	<u>\$ 5.00</u>

(20) Other equity items

2025				
	Currency translation	Unrealised gains on valuation	Other, unearned compensation	Total
At January 1	(\$ 90,424)	\$ 69,099	(\$ 89,146)	(\$ 110,471)
Valuation adjustment	-	13,398	-	13,398
Employee restricted shares:				
- Stocks granted	-	-	(\$ 265,000)	(\$ 265,000)
Currency translation differences:				
- Group	(245,367)	-	-	(245,367)
At September 30	(\$ 335,791)	\$ 82,497	(\$ 293,813)	(\$ 547,107)
2024				
	Currency translation	Unrealised gains on valuation	Other, unearned compensation	Total
At January 1	(\$ 233,649)	\$ 56,853	(\$ 10,456)	(\$ 187,252)
Valuation adjustment	-	14,898	-	14,898
Employee restricted shares:				
- Transferred to expenses	-	-	(114,800)	(114,800)
- Stocks granted	-	-	20,115	20,115
Currency translation differences:				
- Group	106,636	-	-	106,636
At September 30	(\$ 127,013)	\$ 71,751	(\$ 105,141)	(\$ 160,403)

(21) Operating revenue

A. The Group derives revenue from the transfer of control of goods to customers in the following major product types:

	Three months ended September 30,	
	2025	2024
Server cases, peripheral products and components	\$ 5,616,135	\$ 4,215,941
Personal computer cases	48,463	55,688
	<u>\$ 5,664,598</u>	<u>\$ 4,271,629</u>
	Nine months ended September 30,	
	2025	2024
Server cases, peripheral products and components	\$ 15,133,501	\$ 10,491,043
Personal computer cases	127,838	161,205
	<u>\$ 15,261,339</u>	<u>\$ 10,652,248</u>

B. Contract liabilities

(a) The Group has recognised the following revenue-related contract liabilities:

	September 30, 2025	December 31, 2024
Contract liabilities - sale of products	<u>\$ 46,473</u>	<u>\$ 81,718</u>
	September 30, 2024	January 1, 2024
Contract liabilities - sale of products	<u>\$ 36,803</u>	<u>\$ 54,423</u>

(b) Revenue and net other income (expenses) recognised that was included in the contract liability balance at the beginning of the period:

	Three months ended September 30,	
	2025	2024
Contract liabilities - sale of products	<u>\$ 44,965</u>	<u>\$ 9,249</u>
	Nine months ended September 30,	
	2025	2024
Contract liabilities - sale of products	<u>\$ 50,073</u>	<u>\$ 53,414</u>

(22) Interest income

	Three months ended September 30,	
	2025	2024
Interest income from bank deposits	\$ 12,153	\$ 11,358
Interest income from financial assets measured at amortised cost	2,980	2,260
	<u>\$ 15,133</u>	<u>\$ 13,618</u>
	Nine months ended September 30,	
	2025	2024
Interest income from bank deposits	\$ 41,189	\$ 33,906
Interest income from financial assets measured at amortised cost	12,530	6,519
	<u>\$ 53,719</u>	<u>\$ 40,425</u>

(23) Other income

	Three months ended September 30,	
	2025	2024
Rental income	\$ 1,692	\$ 1,571
Dividend income	7,000	1,596
Government grant revenues	11,117	3,426
Other income, others	11,918	4,697
	<u>\$ 31,727</u>	<u>\$ 11,290</u>
	Nine months ended September 30,	
	2025	2024
Rental income	\$ 4,769	\$ 2,925
Dividend income	7,000	1,596
Government grant revenues	13,398	4,783
Other income, others	21,936	11,696
	<u>\$ 47,103</u>	<u>\$ 21,000</u>

(24) Other gains and losses

	Three months ended September 30,	
	2025	2024
Net currency exchange gain (loss)	\$ 29,154	(\$ 18,775)
Loss on financial assets measured at fair value through profit or loss	(125)	(1,700)
Loss on disposal of property, plant and equipment	(154)	(15)
Others	(2,541)	(7)
	<u>\$ 26,334</u>	<u>(\$ 20,497)</u>

	Nine months ended September 30,	
	2025	2024
Net currency exchange (loss) gain	(\$ 75,206)	\$ 59,403
Gain (loss) on financial assets measured at fair value through profit or loss	2,349	(1,700)
Gain (loss) on disposal of property, plant and equipment	1,130	(147)
Gain on lease modification	30	-
Others	(2,900)	(2,931)
	<u>(\$ 74,597)</u>	<u>\$ 54,625</u>

(25) Finance costs

	Three months ended September 30,	
	2025	2024
Interest expense on bank borrowings	\$ 18,163	\$ 14,591
Interest expense on bonds payable	285	4,815
Interest expense on lease liabilities	370	38
	<u>\$ 18,818</u>	<u>\$ 19,444</u>

	Nine months ended September 30,	
	2025	2024
Interest expense on bank borrowings	\$ 50,595	\$ 41,585
Interest expense on bonds payable	10,005	14,374
Interest expense on lease liabilities	679	140
	<u>\$ 61,279</u>	<u>\$ 56,099</u>

(26) Employee benefit, depreciation and amortisation expenses

	Three months ended September 30,	
	2025	2024
Wages and salaries	\$ 473,068	\$ 372,257
Share-based payment	34,981	10,356
Labour and health insurance fees	23,548	19,840
Pension costs	19,279	17,230
Other personnel expenses	39,768	26,812
Employee benefit expense	<u>\$ 590,644</u>	<u>\$ 446,495</u>
Depreciation charges	<u>\$ 96,840</u>	<u>\$ 92,825</u>
Amortisation charges	<u>\$ 3,346</u>	<u>\$ 3,093</u>
	Nine months ended September 30,	
	2025	2024
Wages and salaries	\$ 1,296,047	\$ 1,027,968
Share-based payment	60,333	13,436
Labour and health insurance fees	62,346	51,356
Pension costs	56,571	49,471
Other personnel expenses	106,915	74,556
Employee benefit expense	<u>\$ 1,582,212</u>	<u>\$ 1,216,787</u>
Depreciation charges	<u>\$ 276,603</u>	<u>\$ 255,593</u>
Amortisation charges	<u>\$ 9,930</u>	<u>\$ 9,340</u>

A. According to the amended Articles of Incorporation of the Company as resolved by the shareholders at the 2025 annual general meeting, a ratio of profit of the current year distributable, shall be distributed as employees' compensation and directors' remuneration. For the Company, the ratio shall not be lower than 3% for employees' compensation, of which at least 1% shall be set aside for rank-and-file employees, and shall not be higher than 3% for directors' remuneration. In addition, according to the Articles of Incorporation of the domestic subsidiaries, the ratio shall not be lower than 2% for employees' compensation. Employees' compensation and directors' remuneration will be distributed in the form of stock or cash as resolved by the Board of Directors. Employees who are entitled to receive employees' compensation include employees of subsidiaries of the company meeting certain specific requirements. Related regulations were set by the Board of Directors. The distribution of employees' compensation and directors' remuneration should be reported to the stockholders. However, if the Company has accumulated deficit, the Company should cover accumulated losses first, then distribute employees' compensation and directors' remuneration proportionately as described above.

B. For the three months and nine months ended September 30, 2025 and 2024, employees' compensation were accrued at \$91,340, \$50,252, \$232,483 and \$129,386, respectively; while directors' remuneration were accrued at \$26,008, \$16,959, \$66,858 and \$37,211, respectively. The aforementioned amounts were recognised in salary expenses.

For the year ended December 31, 2024, employees' compensation and directors' remuneration amounted to \$170,851 and \$50,250 as resolved by the Board of Directors on March 11, 2025, respectively, and the differences with the amounts recognised in the current year's financial statements amounted to \$958 and \$282, respectively. The differences were accounted for as changes in accounting estimates in profit or loss for 2025.

For the year ended December 31, 2023, employees' compensation and directors' remuneration amounted to \$105,158 and \$30,929 as resolved by the Board of Directors on March 12, 2024, respectively, and the differences with the amounts recognised in the current year's financial statements amounted to \$368 and \$108, respectively. The differences were accounted for as changes in accounting estimates in profit or loss for 2024.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(27) Income tax

A. Income tax expense

Components of income tax expense:

	Three months ended September 30,	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 273,946	\$ 182,822
Tax on undistributed surplus earnings	-	-
Prior year income tax under (over) estimation	153	(34)
Total current tax	<u>274,099</u>	<u>182,788</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>43,528</u>	<u>33,573</u>
Total deferred tax	<u>43,528</u>	<u>33,573</u>
Income tax expense	<u>\$ 317,627</u>	<u>\$ 216,361</u>

	Nine months ended September 30,	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 837,665	\$ 425,344
Tax on undistributed surplus earnings	47,287	18,958
Prior year income tax over estimation	(19,183)	(20,034)
Total current tax	865,769	424,268
Deferred tax:		
Origination and reversal of temporary differences	(30,735)	61,200
Total deferred tax	(30,735)	61,200
Income tax expense	\$ 835,034	\$ 485,468

- B. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority. The subsidiary, Chen-Feng Precision Co., Ltd.'s income tax returns through 2023 have been assessed and approved by the Tax Authority.
- C. The Company had applied for investment of repatriated offshore funds back in Taiwan in 2021 and received a tax refund of \$4,009 from the National Taxation Bureau in November 2024.

(28) Earnings per share

	Three months ended September 30, 2025		
		Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
	Amount after tax		
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 993,320	123,948	\$ 8.01
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 993,320		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	228	535	
Employees' compensation	-	365	
Restricted stocks	-	369	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 993,548	125,217	\$ 7.93

Three months ended September 30, 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 643,769	120,495	\$ 5.34
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 643,769		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	3,852	3,689	
Employees' compensation	-	475	
Restricted stocks	-	126	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 647,621	124,785	\$ 5.19
Nine months ended September 30, 2025			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,489,062	121,728	\$ 20.45
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,489,062		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	8,004	2,712	
Employees' compensation	-	516	
Restricted stocks	-	518	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,497,066	125,474	\$ 19.90

Nine months ended September 30, 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,462,011	120,417	\$ 12.14
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,462,011		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	11,499	3,434	
Employees' compensation	-	582	
Restricted stocks	-	181	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 1,473,510	124,614	\$ 11.82

(29) Supplemental cash flow information

A. Investing activities with partial cash payments:

(a) Purchase of property, plant and equipment:

Nine months ended September 30,			
	2025	2024	
Purchase of property, plant and equipment	\$ 422,995	\$ 581,779	
Add: Opening balance of payable on construction and equipment	26,780	37,222	
Ending balance of prepayments for land, building, construction and equipment	467,467	58,647	
Less: Opening balance of prepayments for land, building, construction and equipment	(91,517)	(33,469)	
Ending balance of payable on construction and equipment	(15,080)	(28,703)	
Transferred from inventories	-	(1,098)	
Cash paid during the period	\$ 810,645	\$ 614,378	

(b) Acquisition of intangible assets:

	Nine months ended September 30,	
	2025	2024
Acquisition of intangible assets	\$ 5,453	\$ 2,038
Add: Ending balance of prepayments for intangible assets	837	3,628
Less: Opening balance of prepayments for intangible assets	(1,374)	(2,682)
Cash paid during the period	<u>\$ 4,916</u>	<u>\$ 2,984</u>

B. Financing activities with no cash flow effects:

	2025	2024
Cash dividends declared to shareholders	<u>\$ 966,449</u>	<u>\$ 189</u>

(30) Changes in liabilities from financing activities

	Short-term borrowings	Bonds payable	Long-term borrowings	Lease liability
At January 1, 2025	\$ 640,630	\$ 960,192	\$ 2,065,066	\$ 7,738
Changes in cash flow from financing activities	377,441	-	(272,080)	(7,192)
Impact of changes in foreign exchange rate	(15,135)	-	(5,696)	-
Changes in other non-cash items	-	(960,192)	-	34,290
At September 30, 2025	<u>\$ 1,002,936</u>	<u>\$ -</u>	<u>\$ 1,787,290</u>	<u>\$ 34,836</u>

	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2025	\$ 803	\$ 3,674,429
Changes in cash flow from financing activities	-	98,169
Impact of changes in foreign exchange rate	(38)	(20,869)
Changes in other non-cash items	-	(925,902)
At September 30, 2025	<u>\$ 765</u>	<u>\$ 2,825,827</u>

	Short-term borrowings	Bonds payable	Long-term borrowings	Lease liability
At January 1, 2024	\$ 375,751	\$ -	\$ 3,144,778	\$ 12,568
Changes in cash flow from financing activities	117,683	1,091,530	(994,524)	(6,996)
Impact of changes in foreign exchange rate	1,737	-	2,694	-
Changes in other non-cash items	-	(136,178)	-	3,424
At September 30, 2024	<u>\$ 495,171</u>	<u>\$ 955,352</u>	<u>\$ 2,152,948</u>	<u>\$ 8,996</u>

	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2024	\$ 538	\$ 3,533,635
Changes in cash flow from financing activities	272	207,965
Impact of changes in foreign exchange rate	-	4,431
Changes in other non-cash items	-	(132,754)
At September 30, 2024	<u>\$ 810</u>	<u>\$ 3,613,277</u>

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company's shares are held by the public, thus, there is no parent company or ultimate parent.

(2) Name of related party and relationship

Name of related party	Relationship with the Group
Chen-Source Inc.	Other related party
SUPPER LASERS INDUSTRY CO., LTD.	Other related party
DONGGUAN SUPPER LASERS INDUSTRY CO., LTD.	Other related party
CHAU JIE TECHNOLOGY CO., LTD.	Other related party

(3) Significant related party transactions

A. Operating revenue

	Three months ended September 30,	
	2025	2024
Sales:		
Other related parties	\$ <u>403</u>	\$ <u>116</u>
	Nine months ended September 30,	
	2025	2024
Sales:		
Other related parties	\$ <u>1,733</u>	\$ <u>460</u>

Goods are sold based on normal prices and terms. Payment term is 60~90 days after monthly billings.

B. Purchases and other expenses

		Three months ended September 30,	
		2025	2024
Purchases:			
Other related parties	\$	155,804	\$ 41,640
Other expenses:			
Other related parties		-	50
	\$	<u>155,804</u>	<u>\$ 41,690</u>
		Nine months ended September 30,	
		2025	2024
Purchases:			
Other related parties	\$	226,981	\$ 87,973
Other expenses:			
Other related parties		-	71
	\$	<u>226,981</u>	<u>\$ 88,044</u>

(a) Purchases: No similar transaction can be compared with. Prices and terms are determined based on mutual agreements and payment term is 60~90 days after monthly billings.

(b) Other expenses: It arises from short-term leases of warehouse and management of warehouse by other related parties on behalf of the Company. Prices and terms are determined based on mutual agreements, and the collection term is 60 days after monthly billings.

C. Receivables from related parties

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable:			
Other related parties	\$ -	\$ -	\$ 97
Accounts receivable:			
Other related parties	423	769	121
	<u>\$ 423</u>	<u>\$ 769</u>	<u>\$ 218</u>

The receivables from related parties are unsecured in nature and bear no interest.

D. Payables to related parties

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts payable:			
Other related parties	\$ 183,521	\$ 17,129	\$ 44,006
Other payables - other expenses:			
Other related parties	-	-	52
	<u>\$ 183,521</u>	<u>\$ 17,129</u>	<u>\$ 44,058</u>

(4) Key management compensation

	Three months ended September 30,	
	2025	2024
Short-term employee benefits	\$ 49,146	\$ 33,936
Post-employment benefits	42	68
Share-based payments	3,182	962
	<u>\$ 52,370</u>	<u>\$ 34,966</u>
	Nine months ended September 30,	
	2025	2024
Short-term employee benefits	\$ 133,215	\$ 86,382
Post-employment benefits	126	221
Share-based payments	5,083	2,066
	<u>\$ 138,424</u>	<u>\$ 88,669</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value			Purpose
	September 30, 2025	December 31, 2024	September 30, 2024	
Time deposits (shown as 'current /non-current financial assets at amortised cost')	\$ 10,600	\$ 10,600	\$ 10,600	Customs duty guarantee
Land and buildings	\$ 2,789,028	\$ 2,842,105	\$ 2,645,693	Long-term borrowings (Notes 1, 2, 3 and 4)
Machinery and equipment	\$ 267,708	\$ 287,516	\$ 229,576	Long-term borrowings (Note 2)
Accounts receivable	\$ 424,162	\$ 219,764	\$ -	Short-term borrowings (Note 5)

Note 1: In November, 2023, the subsidiary, CLOUDWELL HOLDINGS, LLC., signed a long-term borrowing contract for a credit line of USD 2.8 million with banks. The contract requires the subsidiary to pledge land and buildings as mortgage.

Note 2: The Company applied for Loans for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan and Preferential Loans for Returning Taiwanese Businesses for the Purchase of Land in Taiwan with the Bank of Taiwan in October 2020 and pledged promissory note of the same amount as the loan, machinery and equipment purchased from the loan, land in Lucao Township, Chiayi County and buildings as collateral.

Note 3: In August 2021, the Company signed a long-term borrowing contract for a credit line of \$372,000 with the Bank of Taiwan. The contract requires the Company to pledge land and buildings located on 18F & 19F, Xinzhuang District, New Taipei City as mortgage. The borrowing has been repaid in 2024. Consequently, the release of certain land and buildings pledged as collateral had been completed in April 2024.

Note 4: In June 2024, Chen-Feng Precision Co., Ltd. signed a long-term borrowing contract for a credit line of \$320,000 with the Bank of Taiwan. The contract requires the Company to pledge land and buildings located in Shulin District, New Taipei City as collateral.

Note 5: The subsidiary, Chenbro Technology (Kunshan) Co., Ltd., pledged its accounts receivable from the parent company, Chenbro Micom Co., Ltd., as collateral and was eliminated when preparing the consolidated financial statements.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

The Group's contracted but not yet incurred capital expenditures related to property, plant and equipment amounted to \$709,746.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to maintain an optimal financial structure and capital ratio in order to support operations and maximise interests for shareholders.

(2) Financial instruments

A. Financial instruments by category

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets at fair value through profit or loss, mandatorily measured at fair value	\$ 60,900	\$ 66,979	\$ 2,199
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	223,107	209,709	272,364
Financial assets at amortised cost			
Cash and cash equivalents	4,346,913	3,799,819	3,506,366
Financial assets at amortised cost	312,486	741,216	317,984
Notes receivable	83,482	36,062	36,124
Accounts receivable	5,642,696	3,633,865	3,639,648
Other receivables	109,717	66,535	50,734
Guarantee deposits paid	4,486	5,737	4,131
	<u>\$ 10,783,787</u>	<u>\$ 8,559,922</u>	<u>\$ 7,829,550</u>

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 1,002,936	\$ 640,630	\$ 495,171
Accounts payable	5,734,417	3,721,259	3,269,899
Other payables	1,887,542	1,514,315	1,444,778
Bonds payable	-	960,192	955,352
Long-term borrowings (including current portion)	1,787,290	2,065,066	2,152,948
Guarantee deposits received	765	803	810
Other current liabilities	3,357	4,894	4,835
	<u>\$ 10,416,307</u>	<u>\$ 8,907,159</u>	<u>\$ 8,323,793</u>
Lease liabilities	<u>\$ 34,836</u>	<u>\$ 7,738</u>	<u>\$ 8,996</u>

B. Financial risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury, and primarily hedge using natural hedge.

- iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2025			
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 152,017	30.45	\$ 4,628,918
USD:RMB	64,935	7.13	1,977,271
<u>Non-monetary items</u>			
USD:NTD	112,831	30.45	3,435,710
EUR:NTD	1,367	35.77	48,883
USD:RMB	60,569	7.13	1,844,336
MYR:NTD	115,197	7.22	831,721
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 113,362	30.45	\$ 3,451,873
USD:RMB	18,640	7.13	567,588

December 31, 2024			
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 68,298	32.79	\$ 2,239,491
USD:RMB	36,882	7.32	1,209,361
<u>Non-monetary items</u>			
USD:NTD	110,530	32.79	3,624,282
EUR:NTD	1,107	34.14	37,791
USD:RMB	64,271	7.32	2,107,455
MYR:NTD	64,968	7.33	476,216
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 64,494	32.79	\$ 2,114,758
USD:RMB	19,475	7.32	638,585
September 30, 2024			
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 67,192	31.65	\$ 2,126,627
USD:RMB	28,591	7.00	904,905
<u>Non-monetary items</u>			
USD:NTD	110,687	31.65	3,503,250
EUR:NTD	1,131	35.38	39,999
USD:RMB	63,305	7.00	2,003,591
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 57,250	31.65	\$ 1,811,963
USD:RMB	6,853	7.00	216,897

- iv. The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and nine months ended September 30, 2025 and 2024, amounted to \$29,154, (\$18,775), \$(75,206) and \$59,403, respectively.

- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Nine months ended September 30, 2025			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 46,289	\$ -
USD:RMB	1%	19,773	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	34,519	-
USD:RMB	1%	5,676	-
Nine months ended September 30, 2024			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 21,266	\$ -
USD:RMB	1%	9,049	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	18,120	-
USD:RMB	1%	2,169	-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income.
- ii. Shares were issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, the net profit after tax for the nine months ended September 30, 2025 and 2024 would have increased/decreased by \$609 and \$0, respectively due to gains or losses from equity instruments measured at fair value through profit or loss. Other comprehensive income for the nine months ended September 30, 2025 and 2024 would have increased/decreased by \$2,231 and \$2,724, respectively, as a result of other comprehensive income on equity investments classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's interest rate risk primarily arises from various borrowings. Borrowings with variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. For the nine months ended September 30, 2025 and 2024, the Group's borrowings were issued at fixed rate and are denominated in New Taiwan dollars.
- ii. If the borrowing interest rate of New Taiwan dollars had increased/decreased by 1 basis point with all other variables held constant, profit, net of tax for the nine months ended September 30, 2025 and 2024 would have decreased/increased by \$103 and \$155, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the financial assets at amortised cost and equity instruments stated at fair value through other comprehensive income.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.

- iii. Individual risk limits are set based on internal or external factors in accordance with limits set by the supervisors of credit control. The utilisation of credit limits is regularly monitored.
- iv. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- v. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.
- vi. The Group classifies customer's accounts receivable in accordance with credit risk on trade. The Group applies the simplified approach using the provision matrix and loss rate methodology to estimate expected credit loss. The Group's notes receivable have no significant impairment losses.
- vii. The Group used the forecastability of The New Basel Capital Accord to adjust historical and timely information to assess the default possibility of accounts receivable. As of September 30, 2025, December 31, 2024 and September 30, 2024, the loss allowance is as follows:

	Not past due	Up to 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 180 days past due
<u>September 30, 2025</u>					
Expected loss rate	0.05%	0.05%	1.00%	5.00%	20.00%
Total book value	\$ 5,102,200	\$ 351,910	\$ 110,806	\$ 43,752	\$ 3,851
Loss allowance	\$ -	\$ -	\$ 1,322	\$ 1,016	\$ 1,014
	181 to 270 days past due	271 to 360 days past due	Over 361 days past due	Total	
<u>September 30, 2025</u>					
Expected loss rate	30.00%	50.00%	100.00%		
Total book value	\$ 32,245	\$ 2,657	\$ 7	\$ 5,647,428	
Loss allowance	\$ 44	\$ 1,329	\$ 7	\$ 4,732	
	Not past due	Up to 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 180 days past due
<u>December 31, 2024</u>					
Expected loss rate	0.03%	0.03%	1.00%	5.00%	20.00%
Total book value	\$ 3,431,340	\$ 161,521	\$ 39,098	\$ 1,303	\$ 801
Loss allowance	\$ -	\$ -	\$ 358	\$ 182	\$ 157
	181 to 270 days past due	271 to 360 days past due	Over 361 days past due	Total	
<u>December 31, 2024</u>					
Expected loss rate	30.00%	50.00%	100.00%		
Total book value	\$ 636	\$ 102	\$ 23	\$ 3,634,824	
Loss allowance	\$ 191	\$ 49	\$ 22	\$ 959	

	Not past due	Up to 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 180 days past due
<u>September 30, 2024</u>					
Expected loss rate	0.03%	0.03%	1.00%	5.00%	20.00%
Total book value	\$ 3,389,685	\$ 207,955	\$ 26,357	\$ 6,408	\$ 7,275
Loss allowance	\$ -	\$ -	\$ 305	\$ 616	\$ 4,415
	181 to 270 days past due	271 to 360 days past due	Over 361 days past due	Total	
<u>September 30, 2024</u>					
Expected loss rate	30.00%	50.00%	100.00%		
Total book value	\$ 10,472	\$ 21	\$ 4	\$ 3,648,177	
Loss allowance	\$ 3,179	\$ 10	\$ 4	\$ 8,529	

viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	2025	2024
	Accounts receivable	Accounts receivable
At January 1	\$ 959	\$ 1,936
Provision for impairment loss	3,821	6,514
Effect of exchange rate changes	(48)	79
At September 30	\$ 4,732	\$ 8,529

ix. For investments in debt instruments at amortised cost, the credit rating levels are presented below:

	September 30, 2025			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
Financial assets at amortised cost				
-Time deposits	\$ 312,486	\$ -	\$ -	\$ 312,486
	December 31, 2024			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
Financial assets at amortised cost				
-Time deposits	\$ 741,216	\$ -	\$ -	\$ 741,216

September 30, 2024				
	12 months	Lifetime		Total
		Significant increase in credit risk	Impairment of credit	
Financial assets at amortised cost				
-Time deposits	\$ 317,984	\$ -	\$ -	\$ 317,984

The financial assets at amortised cost held by the Group are all time deposits with banks. The credit risk rating has no significant abnormal situation.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. The table below analyses the Group's non-derivative financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date. The analysis is as follows:

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
<u>September 30, 2025</u>				
Short-term borrowings	\$ 1,011,265	\$ -	\$ -	\$ -
Accounts payable	5,734,417	-	-	-
Other payables	1,887,542	-	-	-
Lease liabilities	10,168	16,696	11,165	-
Other current liabilities	3,357	-	-	-
Long-term borrowings (including current portion)	390,506	715,833	436,127	360,129
Guarantee deposits received	765	-	-	-

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
<u>December 31, 2024</u>				
Short-term borrowings	\$ 645,934	\$ -	\$ -	\$ -
Accounts payable	3,721,259	-	-	-
Other payables	1,514,315	-	-	-
Lease liabilities	4,863	2,946	175	-
Bonds payable	-	999,800	-	-
Other current liabilities	4,894	-	-	-
Long-term borrowings (including current portion)	393,473	804,595	504,180	503,006
Guarantee deposits received	803	-	-	-

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
September 30, 2024				
Short-term borrowings	\$ 503,179	\$ -	\$ -	\$ -
Accounts payable	3,269,899	-	-	-
Other payables	1,444,778	-	-	-
Lease liabilities	6,100	2,860	217	-
Bonds payable	-	999,800	-	-
Other current liabilities	4,835	-	-	-
Long-term borrowings (including current portion)	394,942	801,261	550,873	556,738
Guarantee deposits received	810	-	-	-

- iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

- A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

- B. Financial instruments not measured at fair value

- (a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, other receivables, guarantee deposits paid (shown as other non-current assets), short-term borrowings, accounts payable, other payables, lease liabilities, long-term borrowings (including current portion) and guarantee deposits received (shown as other non-current liabilities), are approximate to their fair values.

	September 30, 2025			
	Fair value			
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ -	\$ -	\$ -	\$ -

December 31, 2024				
	<u>Book value</u>	<u>Fair value</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Bonds payable	<u>\$ 960,192</u>	<u>\$ -</u>	<u>\$ 971,763</u>	<u>\$ -</u>
September 30, 2024				
	<u>Book value</u>	<u>Fair value</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Bonds payable	<u>\$ 955,352</u>	<u>\$ -</u>	<u>\$ 969,309</u>	<u>\$ -</u>

(b) The methods and assumptions of fair value estimate are as follows:

Bonds payable is measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

September 30, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial assets at fair value				
through profit or loss				
Private equity fund investment	\$ -	\$ -	\$ 60,900	\$ 60,900
Financial assets at fair				
value through other				
comprehensive income				
Equity securities	161,500	-	61,607	223,107
	<u>\$ 161,500</u>	<u>\$ -</u>	<u>\$ 122,507</u>	<u>\$ 284,007</u>

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Put options of convertible bonds	\$ -	\$ 1,399	\$ -	\$ 1,399
Private equity fund investment	-	-	65,580	65,580
Financial assets at fair value through other comprehensive income				
Equity securities	146,500	-	63,209	209,709
	<u>\$ 146,500</u>	<u>\$ 1,399</u>	<u>\$ 128,789</u>	<u>\$ 276,688</u>
September 30, 2024	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Put options of convertible bonds	\$ -	\$ 2,199	\$ -	\$ 2,199
Financial assets at fair value through other comprehensive income				
Equity securities	162,000	-	110,364	272,364
	<u>\$ 162,000</u>	<u>\$ 2,199</u>	<u>\$ 110,364</u>	<u>\$ 274,563</u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>
Market quoted price	Closing price

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

- iii. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. The evaluation of derivative financial instruments is based on evaluation models widely accepted by market users, such as discount methods and option pricing models.
- iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. The following chart is the movement of Level 3 for the nine months ended September 30, 2025 and 2024:

	2025	2024
	Equity securities	Equity securities
January 1	\$ 128,789	\$ 91,547
Recorded as unrealised (losses) gains on valuation of investments in equity instruments measured at fair value through other comprehensive income	(1,602)	18,817
Effect of exchange rate changes	(4,680)	-
At September 30	<u>\$ 122,507</u>	<u>\$ 110,364</u>

- E. For the nine months ended September 30, 2025, and 2024, there was no transfer out from Level3.
- F. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.
- G. The following is the qualitative information on significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	<u>Fair value at September 30, 2025</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (first quartile)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity					
Unlisted shares	\$ 61,607	Market comparable companies	Price to book ratio multiple	1.49-1.96 (1.54)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	25% (25%)	The higher the discount for lack of marketability, the lower the fair value
Venture capital shares	\$ 60,900	Based on the most recent transaction price in a non-active market	Not applicable	Not applicable	Not applicable
Private equity fund investment					
	<u>Fair value at December 31, 2024</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (first quartile)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity					
Unlisted shares	\$ 63,209	Market comparable companies	Price to book ratio multiple	1.71-1.96 (1.77)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	25% (25%)	The higher the discount for lack of marketability, the lower the fair value
Venture capital shares	\$ 65,580	Based on the most recent transaction price in a non-active market	Not applicable	Not applicable	Not applicable
Private equity fund investment					

	<u>Fair value at September 30, 2024</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (first quartile)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity					
Unlisted shares	110,364	Market comparable companies	Price to book ratio multiple	1.86-2.02 (1.93)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	25% (25%)	The higher the discount for lack of marketability, the lower the fair value

H. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

		<u>September 30, 2025</u>				
		<u>Change</u>	<u>Recognised in profit or loss</u>		<u>Recognised in other comprehensive income</u>	
<u>Input</u>			<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets						
Equity instrument	Price to book ratio multiple	±1%	-	-	\$ 616	(\$ 616)
	Discount for lack of marketability	±1%	-	-	205	(205)
		<u>December 31, 2024</u>				
		<u>Change</u>	<u>Recognised in profit or loss</u>		<u>Recognised in other comprehensive income</u>	
<u>Input</u>			<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets						
Equity instrument	Price to book ratio multiple	±1%	\$ -	\$ -	\$ 632	(\$ 632)
	Discount for lack of marketability	±1%	-	-	211	(211)

			September 30, 2024			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple	±1%	-	-	\$ 1,104	(\$ 1,104)
	Discount for lack of marketability	±1%	-	-	368	(368)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.
- D. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 4.
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 5.
- F. Significant inter-company transactions during the reporting period: Refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area:

Name of company	Counterparty	Accounts	Nine months ended September 30, 2025	Percentage representing the account of the company (%)	Note
Chenbro Micom Co., Ltd.	Chenbro Technology (Kunshan) Co., Ltd.	Purchases	\$ 3,989,528	41	
Chenbro Micom Co., Ltd.	Chenbro Technology (Kunshan) Co., Ltd.	Accounts payable	1,542,239	37	
Chenbro Micom Co., Ltd.	Dongguan Procace Electronic Co., Ltd.	Purchases	984,460	10	
Chenbro Micom Co., Ltd.	Dongguan Procace Electronic Co., Ltd.	Accounts payable	459,268	11	

14. OPERATING SEGMENT INFORMATION

(1) General information

Because each plant possesses similar economic characteristics, produces similar products under similar production process, uses the same machinery and equipment, as well as the distribution methods and customer categories are alike, the Company and subsidiaries' chief operating decision-maker has assessed that the Company and its subsidiaries only have one reportable operating segment. Furthermore, the measurement basis for the Company is in agreement with the basis stated in the reports reviewed by the chief operating decision-maker.

(2) Information about segment profit or loss, assets and liabilities

The Company and subsidiaries have only one reportable operating segment, thus, the reportable information is in agreement with those in the consolidated financial statements.

(3) Reconciliation for segment income (loss)

The segment operating profit provided to the chief operating decision-maker is measured in a manner consistent with that used for the statement of comprehensive income. Amounts of total assets and total liabilities of segments are not provided to the chief operating decision-maker to make strategic decisions. There is no difference between the presentation of segment report and income statement and accordingly, no reconciliation is required to be disclosed.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES

Loans to others

Nine months ended September 30, 2025

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 1

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2025	Balance at September 30, 2025	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 2)	Footnote
1	Micom- Source Holding Co. INC.	Chenbro Micom (USA) INC.	Other receivables due from related parties	Yes	\$ 596,505	\$ 593,775	\$ 304,500	0	Short-term financing	\$ -	Operating Capital	\$ -	None	\$ -	\$ 832,903	\$ 1,388,171	Note 3
1	Micom- Source Holding Co. LLC.	CLOUDWELL HOLDINGS, LLC.	Other receivables due from related parties	Yes	166,050	152,250	152,250	0	Short-term financing	-	Operating Capital	-	None	-	832,903	1,388,171	Note 4

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1)The Company is '0'.

(2)The subsidiaries are numbered in order starting from '1'.

Note 2: In accordance with the Company's "Procedures for Provision of Loans", for the purpose of loans between the Company's foreign subsidiaries or from foreign subsidiaries to the Company, for which the Company both have 100% shares directly or indirectly, limit on total loans granted by subsidiaries to a single party is 50% of subsidiaries' net assets and loans granted by subsidiaries to a single party is 30% of subsidiaries' net assets.

Note 3: The maximum balance of Micom-Source Holding Co.'s loan to Chenbro Micom (USA) INC. during the nine months ended September 30, 2025 was USD 19.5 million.

Note 4: The maximum balance of Micom-Source Holding Co.'s loan to CLOUDWELL HOLDINGS, LLC. during the nine months ended September 30, 2025 was USD 5 million.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Nine months ended September 30, 2025

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 2

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed Company name	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of September 30, 2025	Outstanding endorsement/ guarantee amount at September 30, 2025	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary (Note 4)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 4)	Provision of endorsements/ guarantees to the party in Mainland China (Note 4)	Footnote
1	Chenbro Micom (USA) INC.	CLOUDWELL HOLDINGS, LLC.	4	\$ 85,260	\$ 92,988	\$ 85,260	\$ 69,629	\$ -	9.87	\$ 518,315	N	N	N	Note 3

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1)The Company is '0'.

(2)The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

(1)Having business relationship.

(2)The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3)The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

(4)The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

(5)Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

(6)Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7)Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: The limit of endorsement guarantee is explained as follows:

(1) In accordance with the Company's "Procedures for Provision of Endorsements and Guarantees", ceiling on accumulated endorsements/guarantees to others and limit on endorsements/guarantees to a single party was 60% and 20% of the Company's net assets, respectively.

(2) In accordance with the Company's "Procedures for Provision of Endorsements and Guarantees", limit on endorsements/guarantees provided by the company to the subsidiaries holding more than 90% of the equity is 50% of the company's net assets.

(3) In accordance with the Company's "Procedures for Provision of Endorsements and Guarantees", limit on endorsements/guarantees provided by the company and its subsidiaries to the subsidiaries holding more than 90% of the equity is 60% of the company's net assets.

(4) The original currency amount of maximum and outstanding endorsement/guarantee provided by Chenbro Micom (USA) INC. to CLOUDWELL HOLDINGS, LLC. was based on the credit limit of USD 2,800 thousand for the nine months ended September 30, 2025, which was approved by the board of directors on November 8, 2023.

Note 4: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES

Holding of material marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

September 30, 2025

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 3

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of September 30, 2025				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
CHENBRO MICOM CO., LTD.	Diamond Creative Holding Limited	None	Non-current financial assets at fair value through other comprehensive income	625,879	\$ 61,607	14.29%	\$ 61,607	
CHENBRO MICOM CO., LTD.	JESS-LINK PRODUCTS CO., LTD.	None	Non-current financial assets at fair value through other comprehensive income	1,000,000	161,500	0.82%	161,500	
Micom-Source Holding Co.	Andra Capital Fund LP Private Equity Fund Investment	None	Non-current financial assets at fair value through profit or loss	-	60,900	-	60,900	

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

Nine months ended September 30, 2025

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 4

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	Parent-subsidiary company	Sales	\$ 6,503,218	53.71	OA 120 days	Note 1	Note 1	\$ 1,907,732	42.17	Note 2
CHENBRO MICOM CO., LTD.	Chenbro GmbH	Parent-subsidiary company	Sales	187,037	1.54	60 days after monthly billing	Note 1	Note 1	35,431	0.78	Note 2
Chenbro Technology (Kunshan) Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Sales	3,989,528	79.38	60 days after monthly billing	Note 1	Note 1	1,542,239	74.20	Note 2
Chenbro Technology (Kunshan) Co., Ltd.	Dongguan Procace Electronic Co., Ltd.	Affiliate	Sales	127,599	2.54	90 days after monthly billing	Note 1	Note 1	66,727	3.21	Note 2
Chenbro Technology (Kunshan) Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	Affiliate	Sales	630,002	12.54	90 days after monthly billing	Note 1	Note 1	327,023	15.73	Note 2
Dongguan Procace Electronic Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Sales	984,460	32.14	60 days after monthly billing	Note 1	Note 1	459,268	28.52	Note 2
Dongguan Procace Electronic Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	Affiliate	Sales	2,058,135	67.20	90 days after monthly billing	Note 1	Note 1	1,132,708	70.34	Note 2
Chen-Feng Precision Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Sales	1,024,730	98.75	90 days after monthly billing	Note 1	Note 1	598,607	99.69	Note 2

Note 1: Terms and prices for the abovementioned transactions are the same with third parties.

Note 2: The transactions were eliminated when preparing the consolidated financial statements.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
September 30, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 5

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2025		Overdue receivables		Amount collected subsequent to the balance sheet date (Note 1)	Allowance for doubtful accounts (Note 2)
			(Note 3)	Turnover rate	Amount	Action taken		
CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	Parent-subsidiary company	Accounts receivable \$ 1,907,732	5.64	\$ -		\$ 565,573	\$ -
Chenbro Technology (Kunshan) Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Accounts receivable 1,542,239	4.21	19,223	Promptly demanding collection of the overdue receivables	322,071	-
Chenbro Technology (Kunshan) Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	Affiliate	Accounts receivable 327,023	3.17	-		86,702	-
Dongguan Procace Electronic Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Accounts receivable 459,268	3.61	17,000	Promptly demanding collection of the overdue receivables	48,699	-
Dongguan Procace Electronic Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	Affiliate	Accounts receivable 1,132,708	2.61	-		297,114	-
Chen-Feng Precision Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Accounts receivable 598,607	3.45	-		55,005	-

Note 1: Subsequent collections as of November 7, 2025.

Note 2: As the related parties have excellent credit condition, no allowance for doubtful accounts was recognised.

Note 3: The transactions were eliminated when preparing the consolidated financial statements.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting period
Nine months ended September 30, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 6

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 5)
				General ledger account	Amount	Transaction terms	
0	CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	1	Sales	\$ 6,503,218	Note 4	43
0	CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	1	Accounts receivable	1,907,732	Note 4	9
0	CHENBRO MICOM CO., LTD.	Chenbro GmbH	1	Sales	187,037	Note 4	1
1	Chenbro Technology (Kunshan) Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Sales	3,989,528	Note 4	26
1	Chenbro Technology (Kunshan) Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Accounts receivable	1,542,239	Note 4	7
1	Chenbro Technology (Kunshan) Co., Ltd.	Dongguan Procace Electronic Co., Ltd.	3	Sales	127,599	Note 4	1
1	Chenbro Technology (Kunshan) Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	3	Sales	630,002	Note 4	4
1	Chenbro Technology (Kunshan) Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	3	Accounts receivable	327,023	Note 4	2
2	Dongguan Procace Electronic Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Sales	984,460	Note 4	6
2	Dongguan Procace Electronic Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Accounts receivable	459,268	Note 4	2
2	Dongguan Procace Electronic Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	3	Sales	2,058,135	Note 4	13
2	Dongguan Procace Electronic Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	3	Accounts receivable	1,132,708	Note 4	5
3	Chen-Feng Precision Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Sales	1,024,730	Note 4	7
3	Chen-Feng Precision Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Accounts receivable	598,607	Note 4	3

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1)Parent company is '0'.

(2)The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

Note 3: Transaction amounts less than NT\$100 million or less than 20% of paid-in capital will not be disclosed.

Note 4: There is no transaction similar to the above purchases and sales, which are determined in accordance with mutual agreement.

Note 5: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 6: Except for current profit (loss) for the nine months ended September 30, 2025 translated using the average exchange rate of that period, amounts in currencies other than NTD disclosed by investees are translated using

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 5)

the spot rate at September 30, 2025.

Note 7: The transactions were eliminated when preparing the consolidated financial statements.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES

Information on investees

Nine months ended September 30, 2025

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 7

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2025			Net profit (loss) of the investee for the nine months ended September 30, 2025	Investment income (loss) recognised by the Company for the nine months ended September 30, 2025	Footnote
				Balance as at September 30, 2025 (Note 3)	Balance as at December 31, 2024 (Note 3)	Number of shares	Ownership (%)	Book value (Note 3)	(Note 3)	(Note 3 and 4)	
CHENBRO MICOM CO., LTD.	Micom-Source Holding Co.	Cayman Islands	Holding company	\$ 720,264	\$ 720,264	22,323,002	100.00	\$ 2,727,980	\$ 321,282	\$ 292,807	Notes 1 and 3
CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	USA	Sales of computer and server chassis	32,408	32,408	10,000,000	100.00	576,155	280,535	297,672	Notes 1 and 3
CHENBRO MICOM CO., LTD.	Cloudwell Holdings, LLC.	USA	Real estate leasing company and holding company	109,365	109,365	3,600,000	100.00	131,575	3,520	3,520	Note 3
CHENBRO MICOM CO., LTD.	Chenbro GmbH	Germany	Sales of computer and server chassis	9,019	9,019	250,000	100.00	48,883	11,204	11,323	Notes 1 and 3
CHENBRO MICOM CO., LTD.	Chen-Feng Precession Co., Ltd.	Taiwan	Manufacturing and sales of computer and server chassis	56,000	56,000	6,319,600	70.00	356,050	210,106	147,074	-
CHENBRO MICOM CO., LTD.	CHENBRO (MALAYSIA) SDN. BHD.	Malaysia	Manufacturing and sales of computer and server chassis	832,468	476,100	114,956,115	100.00	831,721	1,388	1,388	-
Micom-Source Holding Co.	AMAC International Co.	Cayman Islands	Holding company	172,347	183,553	6,027,002	100.00	88,083	16,044	-	Notes 2, 3 and 4
Micom-Source Holding Co.	AMBER International Company	Cayman Islands	Holding company	250,908	250,908	8,239,890	100.00	1,105,411	177,974	-	Notes 2, 3 and 4
Micom-Source Holding Co.	PROCASE & MOREX Corporation	British Virgin Islands	Holding company	176,686	258,825	30,107	100.00	664,964	117,013	-	Notes 2, 3 and 4
CLOUDWELL HOLDINGS, LLC.	CLOUDWELL (USA) CORPORATION	USA	Manufacturing and sales of computer and server chassis	152,250	-	5,000	100.00	154,232	2,028	-	Notes 3, 4, 5 and 6

Note 1: Investment income (loss) recognised for the nine months ended September 30, 2025 includes recognition and elimination of realised and unrealised gain (loss) on upstream transactions.

Note 2: The indirect reinvestment company of the Company and investment income / loss recognised by Micom-Source Holding Co..

Note 3: Except for current profit (loss) for the nine months ended September 30, 2025 translated using the average exchange rate of that period, amounts in currencies other than NTD disclosed by investees are translated using the spot rate at September 30, 2025.

Note 4: Investment income / loss recognised by the Company includes only that of the subsidiaries in which the Company directly invested and that of investees accounted for using equity method.

Note 5: CLOUDWELL (USA) CORPORATION was established on December 20, 2024, with its funds in place by February 2025.

Note 6: The indirect reinvestment company of the Company and investment income / loss recognised by CLOUDWELL HOLDINGS, LLC..

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

Nine months ended September 30, 2025

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 8

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the nine months ended September 30, 2025	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Net income (loss) of investee for the nine months ended September 30, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2025	Book value of investments in Mainland China as of September 30, 2025	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2025	Footnote
Chenbro Technology (Kunshan) Co., Ltd.	Manufacturing and sales of computer and server chassis	\$ 304,500	2	\$ 304,500	\$ - \$ -	\$ 304,500	\$ 166,395	100.00	\$ 166,395	\$ 825,612	\$ 1,059,882	Notes 2, 4, 7, 8, 11 and 13
Dongguan Procace Electronic Co., Ltd.	Manufacturing and sales of computer and server chassis	381,904	2	91,228	- -	91,228	133,709	100.00	133,709	732,915	-	Notes 2, 5 and 13
ChenPower information Technology (ShangHai) Co., Ltd.	Sales of computer and server chassis	63,945	2	-	- -	-	58,823	100.00	58,823	285,809	73,188	Notes 2, 4, 9, 12 and 13
Qin Kun (Jinan) Precision Technology Co., Ltd.	Manufacturing and sales of computer and server chassis	55,519	3	-	- -	- (4,866)	100.00 (4,866)	50,695	-	Notes 3, 6, 10 and 13

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

- (1) Directly invest in a company in Mainland China..
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others

Note 2: The investment income / loss of current period were audited by independent auditors of the Company.

Note 3: The investment income / loss of current period were recognized based on the company's internally prepared financial statements.

Note 4: The Company reinvested through AMBER International Company.

Note 5: The Company reinvested through PROCASE & MOREX Corporation and AMAC International Co..

Note 6: The Company reinvested through Chenbro Technology (Kunshan) Co., Ltd..

Note 7: The Company distributed cash dividends of \$302,406 (net of taxation on earnings remitted from Mainland China) to the Company through the holding companies, AMBER International Company and Micom-Source Holding Co. on October 17, 2014.

Note 8: The Company distributed cash dividends of \$464,724 (net of taxation on earnings remitted from Mainland China) to the Company through the holding companies, AMBER International Company and Micom-Source Holding Co. on May 28, 2020.

Note 9: The Company incorporated on October 8, 2016 and was reinvested by Chenbro Technology (Kunshan) Co., Ltd. through AMBER International Company at an amount of USD\$ 2.1 million as capital of the Company on December 23, 2016.

Note 10: The Company was established on January 20, 2025 and received RMB 13 million as capital which was remitted from the earnings of Chenbro Technology (Kunshan) Co., Ltd. on February 13, 2025.

Note 11: The Company distributed cash dividends of \$292,752 (net of taxation on earnings remitted from Mainland China) to the Company through the holding companies, AMBER International Company and Micom-Source Holding Co. on June 30, 2025.

Note 12: The Company distributed cash dividends of \$73,188 (net of taxation on earnings remitted from Mainland China) to the Company through the holding companies, AMBER International Company and Micom-Source Holding Co. on June 30, 2025.

Note 13: Except for current profit (loss) for the nine months ended September 30, 2025 translated using the average exchange rate of that period, amounts in currencies other than NTD disclosed by investees are translated using the spot rate at September 30, 2025.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 12)
CHENBRO MICOM CO., LTD.	\$ 395,728	\$ 405,237	\$ -

Note 14: Pursuant to the Gong-Zhi-Zi Order No. 11251035860, certificate for qualified operational headquarters, issued by the Industrial Development Bureau, Ministry of Economic Affairs on September 7, 2023, there is no ceiling on accumulated investments in Mainland China for the period from September 4, 2023 to September 3, 2026.