CHENBRO MICOM CO., LTD.

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 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' REPORT

(26) PWCR 25004213

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

Opinion

We have audited the accompanying parent company only balance sheets of Chenbro Micom Co., Ltd. (the "Company") as at December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and parent company only notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters of the Company's 2025 parent company only financial statements are stated as follows:

Valuation of inventories

Description

Refer to Note 4(12) for accounting policy on inventory valuation, Note 5 for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(6) for description of allowance for inventory valuation losses. As of December 31, 2025, the Company's carrying amount of inventory amounted to NT$ 1,070,206 thousand.

The Company is primarily engaged in manufacturing and sales of computer peripheral equipment. As technology changes rapidly and the life cycle of electronic products is short, inventories may become obsolete within a short period. The Company measures inventories at the lower of cost and net realisable value, and assesses whether the value of inventories has declined. For inventories that are over a certain age and individually identified obsolete or slow-moving inventories, the net realisable values are determined by management based on historical data of inventory consumption. As the value of inventory is significant, the inventory items are numerous, and the accounting estimates are subject to management's judgement, we considered the valuation of inventories a key audit matter.

How our audit addressed the matter

Our procedures in relation to valuation of inventories included:

A. Obtaining the provision policies on allowance for inventory valuation losses and comparing whether the policies applied on allowance for inventory valuation losses are consistent for all periods. Assessing the estimation determined by the management and relevant accounting estimates of allowance for inventory loss.
B. Obtaining an understanding of judgement logic of parameters in the inventory cost and net realisable value calculation report and verifying the logical calculation accuracy of the report.
C. Matching information obtained in physical count of disposed and obsolete inventory against the list prepared by management and interviewing management and employees to examine the obsolete, slow-moving or damaged inventories that were included in the list.
D. Assessing the reasonableness of obsolete loss based on the inventory aging and clearance of inventory individually identified by management, and obtaining evidences.
E. Obtaining details of net realisable value of inventory and amount of obsolescence loss, recalculating the accuracy and comparing against historical data.

Existence of revenue

Description

Refer to Note 4(28) for accounting policy on revenue recognition and Note 6(21) for description of revenue. The Company is primarily engaged in manufacturing and sales of computer peripheral equipment. The Company's trading counterparties are mostly world-renowned companies with which the Company has long-term business partnership. As the sales of the Company's top 10 trading counterparties accounted for over 90%, the newly top 10 and significant changes in revenue of top 10 trading counterparties are significant to the financial statements, we considered the existence of sales revenue from the newly top 10 and significant changes in revenue of top 10 trading counterparties a key audit matter.

How our audit addressed the matter

Our procedures in relation to the reasonableness of revenue recognition included:

A. Assessing the revenue cycle and performing tests to determine whether the Company's revenue process is conducted in accordance with the internal control procedures.
B. Checking the related industry background in respect of the newly top 10 trading counterparties and obtaining the nature and reasonableness of the transactions.
C. Obtaining and selecting samples to verify related vouchers of the sales revenue from the newly top 10 and significant changes in revenue of top 10 trading counterparties and confirming whether the sales revenue transactions of these trading counterparties actually occurred.
D. Examining details of sales returns and discounts from the newly top 10 and significant changes in revenue of top 10 trading counterparties that occurred after the balance sheet date and confirming whether there were any significant sales returns and discounts that occurred.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and professional skepticism throughout the audit. We also:

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

B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

E. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Huang, Pei-Chuan　　　　　Pan, Hui-Lin

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 10, 2026

The accompanying parent company only 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 parent company only 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.

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 3,144,528	16	$ 2,163,264	16
1136	Current financial assets at amortised cost	6(4) and 8	10,000	-	110,000	1
1150	Notes receivable, net	6(5)	9,692	-	13,939	-
1170	Accounts receivable, net	6(5)	3,161,356	16	917,287	7
1180	Accounts receivable - related parties	7	2,937,216	15	1,180,996	9
1200	Other receivables		102,462	1	59,069	-
1210	Other receivables - related parties	7	16,926	-	23,554	-
130X	Inventories	6(6)	1,070,206	6	693,942	5
1410	Prepayments		17,831	-	37,738	-
1470	Other current assets		7,367	-	4,358	-
11XX	**Total current assets**		10,477,584	54	5,204,147	38
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2)	-	-	1,399	-
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	208,494	1	209,709	1
1535	Non-current financial assets at amortised cost	6(4) and 8	10,000	-	-	-
1550	Investments accounted for using equity method	6(7)(20)	4,860,795	25	4,347,264	32
1600	Property, plant and equipment	6(8) and 8	3,769,469	19	3,819,911	28
1780	Intangible assets	6(9)	52,995	-	58,837	-
1840	Deferred income tax assets	6(27)	157,244	1	77,349	1
1900	Other non-current assets	6(10)	18,339	-	19,972	-
15XX	**Total non-current assets**		9,077,336	46	8,534,441	62
1XXX	**Total assets**		$ 19,554,920	100	$ 13,738,588	100

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CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(11)	$ 800,840	4	$ 447,427	3
2130	Current contract liabilities	6(21)	3,907	-	6,957	-
2170	Accounts payable		1,813,830	9	1,010,112	7
2180	Accounts payable - related parties	7	2,507,982	13	1,444,562	11
2200	Other payables	6(12)	1,354,542	7	772,615	6
2220	Other payables - related parties	7	4,387	-	1,301	-
2230	Current income tax liabilities		709,699	4	147,183	1
2320	Long-term liabilities, current portion	6(14)	354,052	2	354,052	3
2365	Current refund liabilities		65,411	-	38,619	-
2399	Other current liabilities, others		2,221	-	2,559	-
21XX	**Total current liabilities**		7,616,871	39	4,225,387	31
	Non-current liabilities					
2530	Bonds payable	6(13)	-	-	960,192	7
2540	Long-term borrowings	6(14)	955,096	5	1,309,148	10
2570	Deferred income tax liabilities	6(27)	82,564	-	50,699	-
2600	Other non-current liabilities	6(15)	15,537	-	18,882	-
25XX	**Total non-current liabilities**		1,053,197	5	2,338,921	17
2XXX	**Total liabilities**		8,670,068	44	6,564,308	48
	Equity					
	Share capital	6(16)(17)				
3110	Common stock		1,253,192	6	1,209,877	9
	Capital surplus	6(18)				
3200	Capital surplus		1,571,586	8	383,452	3
	Retained earnings	6(19)				
3310	Legal reserve		1,287,330	7	1,093,782	8
3320	Special reserve		65,573	-	176,796	1
3350	Unappropriated retained earnings		6,990,954	36	4,420,844	32
	Other equity interest	6(20)				
3400	Other equity interest		(283,783)	(1)	(110,471)	(1)
3XXX	**Total equity**		10,884,852	56	7,174,280	52
	Significant contingent liabilities and unrecorded contract commitments	9				
	Significant events after the balance sheet date	6(19) and 11				
3X2X	**Total liabilities and equity**		$ 19,554,920	100	$ 13,738,588	100

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

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share data)

	Items	Notes	2025 AMOUNT	2025 %	2024 AMOUNT	2024 %
4000	Operating revenue	6(21) and 7	$ 18,517,400	100	$ 10,504,247	100
5000	Operating costs	6(6)(26) and 7	(13,817,159)	(75)	(8,577,155)	(82)
5900	Net operating margin		4,700,241	25	1,927,092	18
5910	Unrealised profit from sales		(602,072)	(3)	(149,681)	(1)
5920	Realised profit from sales		149,681	1	118,342	1
	Net realised loss from sales	6(7)	(452,391)	(2)	(31,339)	-
5950	Net operating margin		4,247,850	23	1,895,753	18
	Operating expenses	6(26) and 7				
6100	Selling expenses		(193,699)	(1)	(101,632)	(1)
6200	General and administrative expenses		(707,674)	(4)	(483,605)	(4)
6300	Research and development expenses		(303,024)	(1)	(198,351)	(2)
6450	Expected credit impairment (loss) gain	12(2)	(5,492)	-	1,232	-
6000	Total operating expenses		(1,209,889)	(6)	(782,356)	(7)
6500	Net other income		267,204	1	244,727	2
6900	Operating profit		3,305,165	18	1,358,124	13
	Non-operating income and expenses					
7100	Interest income	6(22)	38,983	-	27,303	-
7010	Other income	6(23) and 7	55,420	-	21,321	-
7020	Other gains and losses	6(24)	(1,036)	-	55,016	1
7050	Finance costs	6(25)	(53,711)	-	(64,301)	(1)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method, net	6(7)	992,909	5	893,181	9
7000	Total non-operating income and expenses		1,032,565	5	932,520	9
7900	**Profit before income tax**		4,337,730	23	2,290,644	22
7950	Income tax expense	6(27)	(779,386)	(4)	(357,113)	(4)
8200	**Profit for the year**		$ 3,558,344	19	$ 1,933,531	18

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CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share data)

	Items	Notes	Year ended December 31 2025 AMOUNT	2025 %	2024 AMOUNT	2024 %
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gain on remeasurement of defined benefit plan	6(15)	$ 1,874	-	$ 2,431	-
8316	Unrealised (loss) gain from investments in equity instruments measured at fair value through other comprehensive income	6(3)(20)	(1,215)	-	12,246	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(27)	(375)	-	(486)	-
8310	Other comprehensive income that will not be reclassified to profit or loss		284	-	14,191	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(20)	(17,415)	-	143,225	2
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(17,415)	-	143,225	2
8300	**Other comprehensive (loss) income for the year**		($ 17,131)	-	$ 157,416	2
8500	**Total comprehensive income for the year**		$ 3,541,213	19	$ 2,090,947	20
	Earnings per share (in dollars)	6(28)				
9750	Basic earnings per share		$ 29.06		$ 16.05	
9850	Diluted earnings per share		$ 28.41		$ 15.60	

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

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

			Capital Reserves				Retained Earnings			Other Equity Interest			
	Notes	Share capital - common stock	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 (losses) from financial assets measured at fair value through other comprehensive income	Other equity - others	Total equity
2024													
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
Profit for the year		-	-	-	-	-	-	-	1,933,531	-	-	-	1,933,531
Other comprehensive income for the year	6(3)(20)	-	-	-	-	-	-	-	1,945	143,225	12,246	-	157,416
Total comprehensive income		-	-	-	-	-	-	-	1,935,476	143,225	12,246	-	2,090,947
Distribution of 2023 earnings	6(19)												
Legal reserve		-	-	-	-	-	108,610	-	(108,610)	-	-	-	-
Reversal of special reserve		-	-	-	-	-	-	(4,609)	4,609	-	-	-	-
Cash dividends		-	-	-	-	-	-	-	(602,935)	-	-	-	(602,935)
Issuance of convertible bonds payable	6(13)	-	-	-	154,262	-	-	-	-	-	-	-	154,262
Conversion of convertible bonds	6(13)	7	212	-	(30)	-	-	-	-	-	-	-	189
Issuance of restricted stocks	6(16)	4,000	-	-	-	110,800	-	-	-	-	-	(114,800)	-
Redemption of restricted stocks		(75)	-	-	-	75	-	-	-	-	-	-	-
Share-based payment	6(16)	-	16,971	-	-	(47,922)	-	-	-	-	-	36,110	5,159
Balance at December 31, 2024		$ 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
2025													
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
Profit for the year		-	-	-	-	-	-	-	3,558,344	-	-	-	3,558,344
Other comprehensive income (loss) for the year	6(3)(20)	-	-	-	-	-	-	-	1,499	(17,415)	(1,215)	-	(17,131)
Total comprehensive income		-	-	-	-	-	-	-	3,559,843	(17,415)	(1,215)	-	3,541,213
Distribution of 2024 earnings	6(19)												
Legal reserve		-	-	-	-	-	193,548	-	(193,548)	-	-	-	-
Reversal of special reserve		-	-	-	-	-	-	(111,223)	111,223	-	-	-	-
Cash dividends		-	-	-	-	-	-	-	(907,408)	-	-	-	(907,408)
Conversion of convertible bonds	6(13)	38,315	1,082,366	-	(154,232)	-	-	-	-	-	-	-	966,449
Issuance of restricted stocks	6(16)	5,000	-	-	-	260,000	-	-	-	-	-	(265,000)	-
Share-based payment	6(16)	-	33,240	-	-	(33,240)	-	-	-	-	-	110,318	110,318
Balance at December 31, 2025		$ 1,253,192	$ 1,227,804	$ 6,222	$ -	$ 337,560	$ 1,287,330	$ 65,573	$ 6,990,954	($ 107,839)	$ 67,884	($ 243,828)	$ 10,884,852

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

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 4,337,730	$ 2,290,644
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment loss (gain)	12(2)	5,492	(1,232)
Depreciation	6(8)(10)(26)	153,352	152,386
Amortisation	6(9)(26)	11,635	10,962
Net (gain) loss on financial assets at fair value through profit or loss	6(24)	(2,349)	2,500
Interest expense	6(25)	53,711	64,301
Interest income	6(22)	(38,983)	(27,303)
Dividend income	6(23)	(7,000)	(1,596)
Gain on disposal of property, plant and equipment	6(24)	(15)	(206)
Unfinished constructiom transferred to other expenses		2,360	-
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(7)	(992,909)	(893,181)
Net realised loss from sales	6(7)	452,391	31,339
Share-based payments	6(16)	110,318	5,159
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		4,247	(3,584)
Accounts receivable		(2,249,561)	(414,202)
Accounts receivable - related parties		(1,756,220)	1,102,310
Other receivables		(43,171)	(4,553)
Other receivables - related parties		6,628	45,137
Inventories		(376,264)	(209,020)
Prepayments		19,907	(11,805)
Other current assets		(3,009)	(1,651)
Changes in operating liabilities			
Current contract liabilities		(3,050)	(6,018)
Accounts payable		803,718	(161,446)
Accounts payable - related parties		1,063,420	783,692
Other payables (including related parties)		602,076	257,793
Current refund liabilities		26,792	18,622
Other current liabilities		(43)	91
Other non-current liabilities		(387)	(643)
Cash inflow generated from operations		2,180,816	3,028,496
Interest received		38,761	26,143
Interest paid		(43,727)	(45,467)
Income tax paid		(265,275)	(439,189)
Net cash flows from operating activities		1,910,575	2,569,983

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CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of non-current financial assets at fair value through other comprehensive income	12(3)	$ -	($ 165,919)
Return of capital from financial assets at fair value through other comprehensive income	12(3)	-	60,003
Acquisition of financial assets at amortised cost		(10,000)	(100,000)
Proceeds from disposal of financial assets at amortised cost		100,000	22,924
Acquisition of investments accounted for using equity method	6(7)	(356,368)	(476,100)
Acquisition of property, plant and equipment	6(29)	(121,657)	(90,733)
Proceeds from disposal of property, plant and equipment		1,272	206
Acquisition of intangible assets	6(29)	(4,042)	(3,704)
Increase in other non-current assets		(853)	(924)
Dividends received		372,940	1,596
Net cash flows used in investing activities		(18,708)	(752,651)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term borrowings	6(30)	2,019,607	1,413,434
Repayment of short-term borrowings	6(30)	(1,666,194)	(1,271,815)
Repayment of long-term borrowings (including current portion)	6(30)	(354,052)	(1,396,307)
Payment of the principal of lease liabilities	6(10)(30)	(2,556)	(2,050)
Net issuance of convertible bonds	6(13)(30)	-	1,091,530
Payment of cash dividends	6(19)	(907,408)	(602,935)
Net cash flows used in financing activities		(910,603)	(768,143)
Net increase in cash and cash equivalents		981,264	1,049,189
Cash and cash equivalents at beginning of year	6(1)	2,163,264	1,114,075
Cash and cash equivalents at end of year	6(1)	$ 3,144,528	$ 2,163,264

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

CHENBRO MICOM CO., LTD.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 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 is 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 financial statements were authorised for issuance by the Board of Directors on March 10, 2026.

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:

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

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’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 Company's financial condition and financial performance based on the Company'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
Amendments to IAS 21, 'Translation to a Hyperinflationary Presentation Currency'	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 Company's financial condition and financial performance based on the Company'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 applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The financial statements of the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

A. Except for the following items, the 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 Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in New Taiwan Dollars, which is the Company's functional currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the Company entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, if the Company still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets:

(a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;

(b) Assets held primarily for the purpose of trading;

(c) Assets that are expected to be realised within twelve months after the reporting period;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

The Company classifies all assets that do not meet the criteria above as non-current.

B. Liabilities that meet one of the following criteria are classified as current liabilities:

(a) Liabilities that are expected to be settled in the normal operating cycle;

(b) Liabilities arising primarily from trading activities;

(c) Liabilities that are due to be settled within twelve months after the reporting period;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

The Company classifies all liabilities that do not meet the criteria above as non-current.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:
   (a) The objective of the Company's business model is achieved by collecting contractual cash flows.
   (b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

D. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(9) Accounts and notes receivable

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

For financial assets at amortised cost including accounts receivable or contract assets that have a significant financing component, at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(12) Inventories

Inventories are stated at the lower of cost and net realisable value. Inventories are recorded at standard cost and variances are allocated to inventories and cost of goods sold at the balance sheet date. The cost of finished goods, semi-finished goods and work in process comprises raw materials, direct labour, other direct costs and related production overheads allocated based on normal operating capacity. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

(13) Investments accounted for using equity method / subsidiaries

A. Subsidiaries are all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Unrealised gains or losses on transactions between the Company and its subsidiaries have been eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company’s share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.

D. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners’ equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

(14) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3～50 years
Machinery and equipment	3.25～12 years
Mold equipment	2～4 years
Computer communication equipment	1～5 years
Testing equipment	3～10 years
Transportation equipment	6 years
Office equipment	3～10 years
Other equipment	3～10 years

(15) Leasing arrangements (lessee) - right-of-use assets / lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Variable lease payments that depend on an index or a rate.

The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(16) Intangible assets

A. Trademarks

Separately acquired trademarks are stated at historical cost. Trademarks have a finite useful life and are amortised on a straight-line basis over their estimated useful life of 10 years.

B. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 10 years.

C. Patents

Patents are stated at cost and amortised on a straight-line basis over its estimated useful life of 4 to 10 years.

(17) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets in which there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(18) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(19) <u>Accounts payable</u>

A. Accounts payable are liabilities for purchases of raw materials, goods or services.

B. The short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) <u>Derecognition of financial liabilities Convertible bonds payable</u>

Convertible bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Company's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Company classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

A. The embedded call options and put options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.

D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total carrying amount of the abovementioned liability component and 'capital surplus—share options'.

(21) <u>Derecognition of financial liabilities</u>

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(22) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(23) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date).

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(24) Share-based payment

A. For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

B. Restricted stocks:

(a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period.

(b) For restricted stocks where those stocks do not restrict distribution of dividends to employees and employees are not required to return the dividends received if they resign during the vesting period, the Company recognises the fair value of the dividends received by the employees who are expected to resign during the vesting period as compensation cost at the date of dividends declared.

(c) For restricted stocks where employees do not have to pay to acquire those stocks, the Company will redeem at no consideration and retire the unvested stocks if employees resign during the vesting period.

(25) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(26) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(27) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

A. The Company manufactures and sells computer cases and related products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

B. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales discounts and allowances. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. No element of financing is deemed present as the sales are made with a credit term after the transfer of controls in 45 to 60 days, which is consistent with market practice.

C. A receivable is recognised when the control of products are transferred as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

D. The Company offers sales discounts and allowances, which is estimated based on historical experience. Refund liability is recorded when the sales are recognised, and sales discounts and allowances are estimated based on sales amounts.

(29) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Company will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises expenses for the related costs for which the grants are intended to compensate.

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

The preparation of these financial statements does not require management to make critical judgements in applying the Company'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:

As 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 on 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 December 31, 2025, the carrying amount of inventories was $1,070,206.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Petty cash and cash on hand	$ 145	$ 15
Checking account deposits	1,694	187
Demand deposits	315,595	298,566
Foreign currency deposits	180,094	107,496
Time deposits	2,647,000	1,757,000
	$ 3,144,528	$ 2,163,264

A. The Company transacts 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 Company has reclassified restricted cash and cash equivalents 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

	December 31, 2025	December 31, 2024
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Put options of convertible bonds	$ -	$ 1,399

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

	Years ended December 31,	
	2025	2024
Financial assets mandatorily measured at fair value through profit or loss		
Put options of convertible bonds	$ 2,349	($ 2,500)

B. The Company 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	December 31, 2025	December 31, 2024
Non-current items:		
Equity instruments		
Listed stocks	$ 139,000	$ 146,500
Unlisted stocks	69,494	63,209
	$ 208,494	$ 209,709

A. The Company 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 $208,494 and $209,709 as at December 31, 2025 and 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:

	Years ended December 31, 2025	Years ended December 31, 2024
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	($ 1,215)	$ 12,246
Dividend income recognised in profit or loss		
Held at end of year	$ 7,000	$ 1,596

C. As at December 31, 2025 and 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 Company was $208,494 and $209,709, respectively.

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

(4) Financial assets at amortised cost

	December 31, 2025	December 31, 2024
Current items:		
Time deposits	$ -	$ 100,000
Pledged bank deposits (including time deposits)	10,000	10,000
	$ 10,000	$ 110,000
Non-current items:		
Time deposits	$ 10,000	$ -

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

	Years ended December 31, 2025	Years ended December 31, 2024
Interest income	$ 489	$ 545

B. As at December 31, 2025 and 2024, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Company was $20,000 and $110,000, respectively.

C. Information relating to credit risk is provided in Note 12(2). The trading partners of the Company's investment in time deposit are financial institutions with good credit quality, and the possibility of default is expected to be very low.

D. Information of financial assets at amortised cost pledged as collateral is provided in Note 8.

(5) Notes and accounts receivable

	December 31, 2025	December 31, 2024
Notes receivable	$ 9,692	$ 13,939
Accounts receivable	$ 3,167,205	$ 917,644
Less: Allowance for bad debts	(5,849)	(357)
	$ 3,161,356	$ 917,287

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

	December 31, 2025		December 31, 2024	
	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable
Not past due	$ 9,692	$ 2,868,690	$ 13,939	$ 799,271
Up to 30 days	-	182,587	-	94,944
31 to 60 days	-	88,756	-	22,639
61 to 90 days	-	2,577	-	439
91 to 180 days	-	22,879	-	224
Over 180 days	-	1,716	-	127
	$ 9,692	$ 3,167,205	$ 13,939	$ 917,644

The above ageing analysis was based on past due date.

B. As of December 31, 2025, December 31, 2024, and January 1, 2024, the balances of receivables (including notes receivable) from contracts with customers amounted to $3,176,897, $931,583 and $513,797, respectively.

C. The Company does not hold any collateral as security.

D. As at December 31, 2025 and 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's notes and accounts receivable were $9,692, $13,939, $3,161,356 and $917,287, respectively.

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

(6) Inventories

	December 31, 2025	December 31, 2024
Raw materials	$ 257,479	$ 185,131
Semi-finished goods	340,254	133,291
Work in process	119,058	106,821
Finished goods	353,416	268,699
	$ 1,070,207	$ 693,942

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

	Years ended December 31, 2025	Years ended December 31, 2024
Cost of goods sold	$ 13,860,971	$ 8,573,254
(Gain on reversal of) loss on decline in market value of inventory	(39,697)	10,339
Gain on physical inventory	(1,277)	(3,541)
Sale of scraps	(2,838)	(2,897)
	$ 13,817,159	$ 8,577,155

The Company generated a profit recovery in fiscal year 2025 due to the sale of some slow-moving and depreciating inventory.

B. The Company has no inventories pledged to others.

(7) Investments accounted for using equity method

	2025	2024
At January 1	$ 4,347,264	$ 2,866,097
Addition of investments accounted for using equity method	356,368	476,100
Share of profit or loss of investments accounted for using equity method	992,909	893,181
Net unrealised profit from inter-company transactions	(452,391)	(31,339)
Repatriation of subsidiary earnings	(365,940)	-
Changes in other equity items (Note 6(20))	(17,415)	143,225
At December 31	$ 4,860,795	$ 4,347,264

	December 31, 2025	December 31, 2024
Micom-Source Holding Co.	$ 2,983,140	$ 2,984,836
Chenbro Micom (USA) INC.	365,899	501,464
CLOUDWELL HOLDINGS, LLC.	133,060	137,982
Chenbro GmbH	42,171	37,791
Chen-Feng Precision Co., Ltd.	447,661	208,975
CHENBRO (MALAYSIA) SDN. BHD.	888,864	476,216
	$ 4,860,795	$ 4,347,264

Details of the Company’s subsidiaries are provided in Note 4(3) of the Company’s consolidated financial statements as of and for the year ended December 31, 2025.

(8) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Mold equipment	Computer communication equipment	Testing equipment	Transportation equipment	Office equipment	Others	Unfinished construction and equipment under acceptance	Total	Prepayments for business facilities (Note)
At January 1, 2025												
Cost	$ 1,268,972	$ 2,226,106	$ 361,182	$ 279,394	$ 90,277	$ 42,701	$ 3,110	$ 59,693	$ 110,289	$ 43,210	$ 4,484,934	$ -
Accumulated depreciation	-	(170,577)	(74,060)	(275,132)	(53,592)	(26,324)	(2,746)	(33,384)	(29,208)	-	(665,023)	-
	$ 1,268,972	$ 2,055,529	$ 287,122	$ 4,262	$ 36,685	$ 16,377	$ 364	$ 26,309	$ 81,081	$ 43,210	$ 3,819,911	$ -
2025												
Opening net book amount	$ 1,268,972	$ 2,055,529	$ 287,122	$ 4,262	$ 36,685	$ 16,377	$ 364	$ 26,309	$ 81,081	$ 43,210	3,819,911	$ -
Additions	-	9,502	76,570	324	3,018	400	-	460	13,697	-	103,971	268
Disposals	-	-	(1,100)	-	-	-	-	-	(157)	(2,360)	(3,617)	-
Transfers	-	-	40,850	-	-	-	-	-	-	(40,850)	-	-
Depreciation charges	-	(67,039)	(40,760)	(3,678)	(13,409)	(6,119)	(74)	(5,676)	(14,041)	-	(150,796)	-
Closing net book amount	$ 1,268,972	$ 1,997,992	$ 362,682	$ 908	$ 26,294	$ 10,658	$ 290	$ 21,093	$ 80,580	$ -	$ 3,769,469	$ 268
At December 31, 2025												
Cost	$ 1,268,972	$ 2,235,608	$ 477,218	$ 279,570	$ 93,295	$ 43,101	$ 370	$ 60,153	$ 110,868	$ -	$ 4,569,155	$ 268
Accumulated depreciation	-	(237,616)	(114,536)	(278,662)	(67,001)	(32,443)	(80)	(39,060)	(30,288)	-	(799,686)	-
	$ 1,268,972	$ 1,997,992	$ 362,682	$ 908	$ 26,294	$ 10,658	$ 290	$ 21,093	$ 80,580	$ -	$ 3,769,469	$ 268

Note: Prepayments for business facilities are shown as 'other non-current assets'. Details are provided in Note 6(10).

A. The significant components of the buildings include buildings and accessory equipment of buildings, which are depreciated over 10~50 years and 3~11 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 year.

D. The disposal of unfinished construction and equipment under acceptance for the current period was reclassified to other expenses.

	Land	Buildings	Machinery and equipment	Mold equipment	Computer communication equipment	Testing equipment	Transportation equipment	Office equipment	Others	Unfinished construction and equipment under acceptance	Total	Prepayments for business facilities (Note)
At January 1, 2024												
Cost	$ 1,268,972	$ 2,215,572	$ 302,923	$ 278,991	$ 96,648	$ 42,351	$ 2,740	$ 59,693	$ 38,049	$ 77,543	$ 4,383,482	$ 32,342
Accumulated depreciation	-	(104,669)	(40,252)	(270,016)	(44,833)	(20,477)	(2,740)	(24,732)	(15,070)	-	(522,789)	-
	$ 1,268,972	$ 2,110,903	$ 262,671	$ 8,975	$ 51,815	$ 21,874	$ -	$ 34,961	$ 22,979	$ 77,543	$ 3,860,693	$ 32,342
2024												
Opening net book amount	$ 1,268,972	$ 2,110,903	$ 262,671	$ 8,975	$ 51,815	$ 21,874	$ -	$ 34,961	$ 22,979	$ 77,543	$ 3,860,693	$ 32,342
Additions	-	8,714	40,643	-	520	-	370	-	6,011	19,696	75,954	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	1,820	17,616	1,258	-	580	-	-	66,355	(54,029)	33,600	(32,342)
Depreciation charges	-	(65,908)	(33,808)	(5,971)	(15,650)	(6,077)	(6)	(8,652)	(14,264)	-	(150,336)	-
Closing net book amount	$ 1,268,972	$ 2,055,529	$ 287,122	$ 4,262	$ 36,685	$ 16,377	$ 364	$ 26,309	$ 81,081	$ 43,210	$ 3,819,911	$ -
At December 31, 2024												
Cost	$ 1,268,972	$ 2,226,106	$ 361,182	$ 279,394	$ 90,277	$ 42,701	$ 3,110	$ 59,693	$ 110,289	$ 43,210	$ 4,484,934	$ -
Accumulated depreciation	-	(170,577)	(74,060)	(275,132)	(53,592)	(26,324)	(2,746)	(33,384)	(29,208)	-	(665,023)	-
	$ 1,268,972	$ 2,055,529	$ 287,122	$ 4,262	$ 36,685	$ 16,377	$ 364	$ 26,309	$ 81,081	$ 43,210	$ 3,819,911	$ -

Note: Prepayments for business facilities are shown as ‘other non-current assets’. Details are provided in Note 6(10).

A. The significant components of the 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 year resulted from the transfer from inventories amounting to $1,258.

D. No borrowing cost was capitalized as part of property, plant and equipment for this year.

(9) Intangible assets

	Trademarks	Computer software	Patents	Total
At January 1, 2025				
Cost	$ 1,477	$ 119,368	$ 5,436	$ 126,281
Accumulated amortisation	(886)	(61,464)	(5,094)	(67,444)
	$ 591	$ 57,904	$ 342	$ 58,837
2025				
At January 1	$ 591	$ 57,904	$ 342	$ 58,837
Additions	20	4,399	-	4,419
Transfers (Note)	-	1,374	-	1,374
Amortisation charge	(115)	(11,414)	(106)	(11,635)
At December 31	$ 496	$ 52,263	$ 236	$ 52,995
At December 31, 2025				
Cost	$ 1,497	$ 125,141	$ 5,436	$ 132,074
Accumulated amortisation	(1,001)	(72,878)	(5,200)	(79,079)
	$ 496	$ 52,263	$ 236	$ 52,995

	Trademarks	Computer software	Patents	Total
At January 1, 2024				
Cost	$ 1,332	$ 114,797	$ 5,140	$ 121,269
Accumulated amortisation	(721)	(50,713)	(5,048)	(56,482)
	$ 611	$ 64,084	$ 92	$ 64,787
2024				
At January 1	$ 611	$ 64,084	$ 92	$ 64,787
Additions	145	4,571	296	5,012
Amortisation charge	(165)	(10,751)	(46)	(10,962)
At December 31	$ 591	$ 57,904	$ 342	$ 58,837
At December 31, 2024				
Cost	$ 1,477	$ 119,368	$ 5,436	$ 126,281
Accumulated amortisation	(886)	(61,464)	(5,094)	(67,444)
	$ 591	$ 57,904	$ 342	$ 58,837

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

Details of amortisation on intangible assets are as follows:

	Years ended December 31,	
	2025	2024
Manufacturing expenses	$ 1,664	$ 1,478
Selling expenses	1,501	437
Administrative expenses	8,308	8,543
Research and development expenses	162	504
	$ 11,635	$ 10,962

(10) Other non-current assets

	December 31, 2025	December 31, 2024
Right-of-use assets	$ 2,906	$ 4,286
Guarantee deposits paid	2,255	1,402
Prepayments for intangible assets	-	1,374
Prepayments for business facilities	268	-
Others	12,910	12,910
	$ 18,339	$ 19,972

A. The Company leases various assets including office, warehouse, business vehicles, parking spaces, coffee machine and printers, etc. Rental contracts are typically made for periods of 3 months to 3 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. For the years ended December 31, 2025 and 2024, the depreciation charges of right-of-use assets were $2,556 and $2,050, respectively.

D. For the years ended December 31, 2025 and 2024, the additions to right-of-use assets were $1,176 and $3,492, respectively.

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

	Years ended December 31,	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 48	$ 30
Expense on short-term lease contracts	1,247	1,835
Expense on leases of low-value assets	567	615

F. For the years ended December 31, 2025 and 2024, the Company’s total cash outflow for leases was $4,418 and $4,530 (of which $2,556 and $2,050 represents payments of the principal of lease liabilities), respectively.

(11) Short-term borrowings

Type of borrowings	December 31, 2025	Interest rate range	Collateral
Short-term borrowings	$ 800,840	4.10%~4.48%	A promissory note of the same amount was issued as collateral.

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Short-term borrowings	$ 447,427	4.85%~5.20%	A promissory note of the same amount was issued as collateral.

(12) Other payables

	December 31, 2025	December 31, 2024
Remuneration due to directors' and employees' compensation	$ 424,533	$ 222,341
Wages and bonus payable	358,786	190,902
Payables for product development expenses	266,816	129,343
Payables for export freight and customs clearance charges	127,428	38,059
Payables for equipment and intangible assets	5,402	22,443
Others	171,577	169,527
	$ 1,354,542	$ 772,615

(13) Bonds payable

	December 31, 2025	December 31, 2024
Bonds payable	$ -	$ 999,800
Less: Discount on bonds payable	-	(39,608)
	$ -	$ 960,192

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 will be further 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 year ended December 31, 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 year ended December 31, 2025, convertible bonds amounting to $999,800 in total par value were requested for conversion into 3,831 thousand ordinary shares, and capital surplus-additional paid-in capital of $1,082,366 was recognized.

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, as explained above, all bond holders 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 borrowings	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2025
Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan (Note)	NTD 1,280,000 thousand, borrowings period is from February 8, 2021 to February 8, 2031, principal and interest are repayable monthly from March 15, 2024	1.275%	(Note)	$ 897,524
〃	NTD 736,000 thousand, borrowings period is from January 15, 2021 to January 15, 2028, principal and interest are repayable monthly from February 15, 2024	1.275%	〃	196,099
〃	NTD 640,000 thousand, borrowings period is from June 15, 2021 to June 15, 2028, principal and interest are repayable monthly from July 15, 2024	1.275%	〃	215,525
				1,309,148
Less: Current portion				(354,052)
				$ 955,096

Type of borrowings	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2024
Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan (Note)	NTD 1,280,000 thousand, borrowings 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)	$ 1,071,238
〃	NTD 736,000 thousand, borrowings 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
〃	NTD 640,000 thousand, borrowings period is from June 15, 2021 to June 15, 2028, principal and interest are repayable monthly from July 15, 2024	1.150% ~1.275%	〃	301,735
				1,663,200
Less: Current portion				(354,052)
				$ 1,309,148

Note : 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 December 31, 2025, no violations of legal regulations have occurred.

(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 to cover the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2025	December 31, 2024
Present value of defined benefit obligation	$ 34,919	$ 35,036
Fair value of plan assets	(20,420)	(18,112)
Net liability recognised in the balance sheet (shown as 'other non-current liabilities')	$ 14,499	$ 16,924

(c) Movements in present value of defined benefit obligation are as follows:

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2025			
Balance at January 1	$ 35,036	($ 18,112)	$ 16,924
Interest expense (income)	526	(272)	254
	35,562	(18,384)	17,178
Remeasurements:			
Return on plan assets	-	(1,231)	(1,231)
Change in financial assumptions	270	-	270
Experience adjustments	(913)	-	(913)
	(643)	(1,231)	(1,874)
Pension fund contribution	-	(805)	(805)
Balance at December 31	$ 34,919	($ 20,420)	$ 14,499

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2024			
Balance at January 1	$ 35,694	($ 15,694)	$ 20,000
Interest expense (income)	428	(188)	240
	36,122	(15,882)	20,240
Remeasurements:			
Return on plan assets	-	(1,345)	(1,345)
Change in financial assumptions	(472)	-	(472)
Experience adjustments	(614)	-	(614)
	(1,086)	(1,345)	(2,431)
Pension fund contribution	-	(885)	(885)
Balance at December 31	$ 35,036	($ 18,112)	$ 16,924

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2025 and 2024 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Years ended December 31,	
	2025	2024
Discount rate	1.30%	1.50%
Future salary increases	3.00%	3.00%

Assumptions regarding future mortality experience for the years ended December 31, 2025 and 2024 are set based on the 6th Taiwan Standard Ordinary Experience Mortality Table in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2025				
Effect on present value of defined benefit obligation	($ 337)	$ 345	$ 286	($ 281)
December 31, 2024				
Effect on present value of defined benefit obligation	($ 382)	$ 392	$ 332	($ 326)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

(f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2026 amount to $773.

(g) As of December 31, 2025, the weighted average duration of the retirement plan is 5 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	$	16,052
1-2 year(s)		1,716
2-5 years		6,348
Over 5 years		8,195
	$	32,311

B. Defined contribution plan

Effective July 1, 2005, the Company has 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 contributes 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. The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2025 and 2024 were $18,937 and $16,296, respectively.

(16) Share-based payment

A. For the years ended December 31, 2025 and 2024, the Company'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 year	400	209
Issued during the year	500	400
Vested during the year	(120)	(209)
Restricted stocks at the end of year	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:

	Years ended December 31,	
	2025	2024
Equity-settled	$ 110,318	$ 29,431

In addition, the compensation costs incurred on the share-based payment transactions were reversed in the amount of $0 and $24,272 for the years ended December 31, 2025 and 2024, respectively, due to the failure to meet the vesting condition.

(17) Ordinary shares

As of December 31, 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 $1,253,192 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)	3,831	1
At December 31	125,319	120,988

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

Note 2: Refer to Note 6(13) C. and D. 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 debit balance 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. (a) On May 29, 2025 and May 27, 2024, the shareholders resolved the appropriations of 2024 and 2023 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
	$ 989,733	$ 7.50	$ 706,936	$ 5.00

(b) On March 10, 2026, the Board of Directors has proposed the appropriations of 2025 earnings as follows:

	Year ended December 31, 2025	
	Amount	Dividend per share (in dollars)
Legal reserve	$ 355,984	$ -
Cash dividends to shareholders	1,754,468	14.00
	$ 2,110,452	$ 14.00

As of March 10, 2026, the abovementioned appropriations of 2025 earnings have not yet been resolved by the shareholders.

(20) Other equity items

	2025			
	Currency translation	Unrealised gains on valuation	Others, unearned compensation	Total
At January 1	($ 90,424)	$ 69,099	($ 89,146)	($ 110,471)
Valuation adjustment	-	(1,215)	-	(1,215)
Employee restricted stocks:				
- Stocks granted	-	-	(265,000)	(265,000)
- Transferred to expenses	-	-	110,318	110,318
Currency translation differences:				
- Group	(17,415)	-	-	(17,415)
At December 31	($ 107,839)	$ 67,884	($ 243,828)	($ 283,783)

	2024			
	Currency translation	Unrealised gains on valuation	Others, unearned compensation	Total
At January 1	($ 233,649)	$ 56,853	($ 10,456)	($ 187,252)
Valuation adjustment	-	12,246	-	12,246
Employee restricted stocks:				
- Stocks granted	-	-	(114,800)	(114,800)
- Transferred to expenses	-	-	36,110	36,110
Currency translation differences:				
- Group	143,225	-	-	143,225
At December 31	($ 90,424)	$ 69,099	($ 89,146)	($ 110,471)

(21) Operating revenue:

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of control of goods to customers in the following major product types and geographical regions:

(a) Information on products

	Years ended December 31,	
	2025	2024
Server cases and components of peripheral products	$ 18,359,084	$ 10,334,177
Personal computer cases	158,316	170,070
	$ 18,517,400	$ 10,504,247

(b) Geographical information

	Years ended December 31,	
	2025	2024
US	$ 10,056,520	$ 6,564,209
Taiwan	2,933,972	735,123
Singapore	2,353,773	346,472
China	2,058,032	1,981,341
Europe	957,988	668,872
Others	157,115	208,230
	$ 18,517,400	$ 10,504,247

B. Contract assets and liabilities

(a) The Company has recognised the following revenue-related contract assets and liabilities:

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities-sale of products	$ 3,907	$ 6,957	$ 12,975

(b) Revenue recognised that was included in the contract liability balance at the beginning of the year

	Years ended December 31,	
	2025	2024
Contract liabilities-sale of products	$ 1,546	$ 9,759

(22) Interest income

	Years ended December 31,	
	2025	2024
Interest income from bank deposits	$ 38,494	$ 26,758
Interest income from financial assets measured at amortised cost	489	545
	$ 38,983	$ 27,303

(23) Other income

	Years ended December 31,	
	2025	2024
Government grant revenues	$ 15,515	$ 3,284
Dividend income	7,000	1,596
Rental income	5,866	3,970
Other income, others	27,039	12,471
	$ 55,420	$ 21,321

(24) Other gains and losses

	Years ended December 31,	
	2025	2024
Net currency exchange gain	$ 6,266	$ 59,538
Gain on disposal of property, plant and equipment	15	206
Gain (loss) on financial assets measured at fair value through profit or loss	2,349	(2,500)
Other expenses	(9,666)	(2,228)
	($ 1,036)	$ 55,016

(25) Finance costs

	Years ended December 31,	
	2025	2024
Interest expense on bank borrowings	$ 43,658	$ 45,057
Interest expense on bonds payable	10,005	19,214
Interest expense on lease liabilities	48	30
	$ 53,711	$ 64,301

(26) Employee benefit, depreciation and amortisation expenses

	Years ended December 31,	
	2025	2024
Wages and salaries	$ 1,029,276	$ 634,655
Share-based payment	110,318	5,159
Labour and health insurance fees	44,105	35,964
Pension costs	19,191	16,536
Other personnel expenses	43,658	30,672
Employee benefit expense	$ 1,246,548	$ 722,986
Depreciation charges on property, plant and equipment	$ 153,352	$ 152,386
Amortisation charges on intangible assets	$ 11,635	$ 10,962

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. 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 years ended December 31, 2025 and 2024, employees' compensation were accrued at $328,048 and $171,809, respectively; while directors' remuneration was accrued at $96,485 and $50,532, respectively. The aforementioned amounts were recognised in salary expenses.

For the year ended December 31, 2025, employees' compensation and directors' remuneration amounted to $322,511 and $71,142 as resolved by the Board of Directors on March 10, 2026, respectively, and the differences with the amounts recognised in the current year's financial statements amounted to $5,537 and $25,343, respectively. The differences had been accounted for as changes in estimates in profit or loss for 2026.

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 had been accounted for as changes in 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 had been accounted for as changes in 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

(a) Components of income tax expense:

	Years ended December 31, 2025	Years ended December 31, 2024
Current tax:		
Current tax on profits for the year	$ 788,701	$ 307,016
Tax on undistributed surplus earnings	47,287	18,958
Prior year income tax over estimation	(8,197)	(15,232)
Total current tax	827,791	310,742
Deferred tax:		
Origination and reversal of temporary differences	(48,405)	46,371
Total deferred tax	(48,405)	46,371
Income tax expense	$ 779,386	$ 357,113

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Years ended December 31, 2025	Years ended December 31, 2024
Remeasurement of defined benefit obligation	$ 375	$ 486

B. Reconciliation between income tax expense and accounting profit:

	Years ended December 31, 2025	Years ended December 31, 2024
Tax calculated based on profit before tax and statutory tax rate	$ 867,546	$ 458,129
Prior year income tax over estination	(8,197)	(15,232)
Effects from items adjusted in accordance with tax regulations	3,026	18,160
Receipt of stock dividends from domestic investment companies	7,584	-
Tax exempt income by tax regulation	(8,984)	(1,596)
Tax on undistributed surplus earnings	47,287	18,958
Withholding tax from dividends distributed by foreign investee company accounted for equity method	30,752	-
Temporary differences not recognised as deferred tax liabilities	(173,006)	(127,937)
Others	13,378	6,631
Income tax expense	$ 779,386	$ 357,113

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

2025	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Allowance for inventory valuation loss and loss on obsolete and slow-moving inventories	$ 27,694	($ 7,940)	$ -	$ 19,754
Unrealised gain on inter-affiliate accounts	29,936	90,479	-	120,415
Unrealised gross profit	1,336	(1,336)	-	-
Allowance for bad debts	4,225	1,215	-	5,440
Unused compensated absences	2,342	485	-	2,827
Pension	6,362	(111)	(375)	5,876
Unrealised warranty provision	1,138	(1,138)	-	-
Unrealised exchange loss	1,988	(1,988)	-	-
Unrealized estimated expenses	2,328	604	-	2,932
	$ 77,349	$ 80,270	($ 375)	$ 157,244
-Deferred tax liabilities:				
Investment income	($ 50,699)	($ 25,577)	$ -	($ 76,276)
Unrealised exchange gain	-	(6,288)	-	(6,288)
	($ 50,699)	($ 31,865)	$ -	($ 82,564)

	2024			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Allowance for inventory valuation loss and loss on obsolete and slow-moving inventories	$ 25,626	$ 2,068	$ -	$ 27,694
Unrealised gain on inter-affiliate accounts	22,504	7,432	-	29,936
Unrealised gross profit	954	382	-	1,336
Allowance for bad debts	5,156	(931)	-	4,225
Unused compensated absences	1,715	627	-	2,342
Pension	6,977	(129)	(486)	6,362
Unrealised warranty provision	1,138	-	-	1,138
Unrealised exchange loss	10,412	(8,424)	-	1,988
Unrealized estimated expenses	-	2,328	-	2,328
	$ 74,482	$ 3,353	($ 486)	$ 77,349
-Deferred tax liabilities:				
Investment income	($ 975)	($ 49,724)	$ -	($ 50,699)

D. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2025 and 2024, the amounts of temporary differences unrecognised as deferred tax liabilities were $2,922,860 and $2,717,550, respectively.

E. The Company’s income tax returns through 2023 have been assessed and approved by the Tax Authority.

F. 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

	Year ended December 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the Company	$ 3,558,344	122,437	$ 29.06
Diluted earnings per share			
Profit attributable to ordinary shareholders of the Company	$ 3,558,344		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	-	2,029	
Employees' compensation	-	427	
Restricted stocks	-	363	
Profit attributable to ordinary shareholders of the Company plus assumed conversion of all dilutive potential ordinary shares	$ 3,558,344	125,256	$ 28.41

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the Company	$ 1,933,531	120,460	$ 16.05
Diluted earnings per share			
Profit attributable to ordinary shareholders of the Company	$ 1,933,531		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	15,371	3,556	
Employees' compensation	-	722	
Restricted stocks	-	171	
Profit attributable to ordinary shareholders of the Company plus assumed conversion of all dilutive potential ordinary shares	$ 1,948,902	124,909	$ 15.60

(29) Supplemental cash flow information

A. Investing activities with partial cash payments:

(a) Purchase of property, plant and equipment

	Years ended December 31,	
	2025	2024
Purchase of property, plant and equipment	$ 103,971	$ 109,554
Add: Opening balance of payable on equipment	22,443	37,222
Ending balance of prepayments for business facilities	268	-
Less: Opening balance of prepayments for business facilities	-	(32,342)
Ending balance of payable on equipment	(5,025)	(22,443)
Transferred from inventories	-	(1,258)
Cash paid during the year	$ 121,657	$ 90,733

(b) Acquisition of intangible assets

	Years ended December 31,	
	2025	2024
Acquisition of intangible assets	$ 5,793	$ 5,012
Add: Ending balance of prepayments for intangible assets	-	1,374
Less: Opening balance of prepayments for intangible assets	(1,374)	(2,682)
Ending balance of payable for intangible assets	(377)	-
Cash paid during the year	$ 4,042	$ 3,704

B. Financing activities with no cash flow effects:

	Years ended December 31,	
	2025	2024
Convertible bonds converted to capital stocks	$ 966,449	$ 189

(30) Changes in liabilities from financing activities

	2025		
	Short-term borrowings	Bonds payable	Long-term borrowings
At January 1, 2025	$ 447,427	$ 960,192	$ 1,663,200
Changes in cash flow from financing activities	346,309	-	(354,052)
Changes in other non-cash items	7,104	(960,192)	-
At December 31, 2025	$ 800,840	$ -	$ 1,309,148

	Lease liabilities (Note)	Liabilities from financing activities-gross
At January 1, 2025	$ 4,286	$ 3,075,105
Changes in cash flow from financing activities	(2,556)	(10,299)
Changes in other non-cash items	1,176	(951,912)
At December 31, 2025	$ 2,906	$ 2,112,894

	2024		
	Short-term borrowings	Bonds payable	Long-term borrowings
At January 1, 2024	$ 305,808	$ -	$ 3,059,507
Changes in cash flow from financing activities	141,619	1,091,530	(1,396,307)
Changes in other non-cash items	-	(131,338)	-
At December 31, 2024	$ 447,427	$ 960,192	$ 1,663,200

	Lease liabilities (Note)	Liabilities from financing activities-gross
At January 1, 2024	$ 2,844	$ 3,368,159
Changes in cash flow from financing activities	(2,050)	(165,208)
Changes in other non-cash items	3,492	(127,846)
At December 31, 2024	$ 4,286	$ 3,075,105

Note: Lease liabilities were shown as ‘other current liabilities’ and ‘other non-current liabilities’ according to their liquidity.

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

Names of related parties	Relationship with the Company
Micom Source Holding Company (MICOM)	Subsidiary
CLOUDWELL HOLDINGS, LLC. (CLOUDWELL)	Subsidiary
Chenbro GmbH (GmbH)	Subsidiary
Chenbro Micom (USA) INC. (CMI)	Subsidiary
Chen-Feng Precision Co., Ltd. (CTW)	Subsidiary
ChenPower Information Technology (Shanghai) Co., Ltd. (CPT)	Subsidiary
Chenbro Technology (Kunshan) Co., Ltd. (CSH)	Subsidiary
Dongguan Procase Electronic Co., Ltd. (DGP)	Subsidiary
CHENBRO (MALAYSIA) SDN. BHD. (CMJ)	Subsidiary
Qin Kun (Jinan) Precision Technology Co., Ltd. (CCJ)	Subsidiary
CLOUDWELL (USA) CORPORATION (CUO)	Subsidiary
Chen-Source Inc. (Chen-Source)	Other related party

(3) Significant related party transactions

A. Operating revenue and other income

	Years ended December 31, 2025	Years ended December 31, 2024
Sales of goods:		
Subsidiaries		
- CMI	$ 9,622,233	$ 6,493,710
- Other subsidiaries	292,254	341,146
	9,914,487	6,834,856
Other income - management revenue:		
Subsidiaries	2,995	3,531
Other income - rental income:		
Subsidiaries	36	36
	3,031	3,567
	$ 9,917,518	$ 6,838,423

(a) Sales of goods: Goods are sold based on normal prices and terms. Payment collection is 60 days and NET120 days after monthly billings.

(b) Management revenue: Revenue arises from managing administrative affairs on behalf of subsidiaries and payment collection is 60~90 days after monthly billings.

B. Purchases and other expenses

	Years ended December 31, 2025	Years ended December 31, 2024
Purchases:		
Subsidiaries		
- CSH	$ 5,384,064	$ 3,358,631
- DGP	1,218,379	990,148
- CTW	1,727,255	910,063
- Other subsidiaries	20,556	22,612
Other related parties	87,415	1,824
	8,437,669	5,283,278
Other expenses:		
Subsidiaries		
- CTW	1,624	2,280
Other related parties	1,111	48
	2,735	2,328
	$ 8,440,404	$ 5,285,606

(a) Purchases of goods: 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 processing services, utilities, cleaning, rent for short-term office leases, short-term leases of warehouse and management of warehouse on behalf of the Company, which were provided by the Company's subsidiaries and other related parties. Prices and terms are determined based on mutual agreements and payment term is 60 days after monthly billings.

C. Receivables from related parties

	December 31, 2025	December 31, 2024
Accounts receivable:		
Subsidiaries		
- CMI	$ 2,882,817	$ 1,166,341
- Other subsidiaries	54,399	14,655
	2,937,216	1,180,996
Other receivables:		
Subsidiaries		
- CSH	2,797	7,876
- DGP	6,692	11,841
- CTW	5,749	3,837
- Other subsidiaries	1,688	-
	16,926	23,554
	$ 2,954,142	$ 1,204,550

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

(b) Other receivables are amounts paid for purchase of materials on behalf of subsidiaries and other related parties.

D. Payables to related parties

	December 31, 2025	December 31, 2024
Accounts payable:		
Subsidiaries		
- CSH	$ 1,414,259	$ 983,616
- DGP	252,842	266,960
- CTW	786,560	193,254
- Other subsidiaries	1,892	23
Other related parties	52,429	709
	2,507,982	1,444,562
Other payables:		
Subsidiaries	4,273	1,301
Other related parties	114	-
	4,387	1,301
	$ 2,512,369	$ 1,445,863

(a) Accounts payable bear no interest.

(b) Other payables: The payables are expenses paid by subsidiaries and mold fee.

E. Property transactions

(a) Disposal of property, plant and equipment:

	Year ended December 31, 2025		Year ended December 31, 2024	
	Disposal proceeds	Gain on disposal	Disposal proceeds	Gain (loss) on disposal
Subsidiaries				
- CUO	$ 1,272	$ 15	$ -	$ -

(b) Acquisition of financial assets

	Accounts	No. of shares (shares in thousands)	Objects	Year ended December 31, 2025 Consideration
Subsidiaries				
- CMJ	Investment accounted for using equity method	50,036	stocks	$ 356,368

	Accounts	No. of shares (shares in thousands)	Objects	Year ended December 31, 2024 Consideration
Subsidiaries				
- CMJ	Investment accounted for using equity method	64,920	stocks	$ 476,100

(c) Disposal of financial assets:

				Year ended December 31, 2025	
	Accounts	No. of shares (shares in thousands)	Objects	Disposal proceeds	Gain (loss) on disposal
Subsidiaries					
- MICOM	Investment accounted for using equity method	Note	Note	$ 365,940	$ -

Note: As resolved by the Board of Directors of the subsidiaries CSH and CPT on June 2, 2025, cash dividends were distributed and remitted back to the parent company through MICOM in the amount of $365,940 in June 2025, and should be disclosed as a disposal of the investments accounted for using equity method.

(4) Key management compensation

	Years ended December 31,	
	2025	2024
Short-term employee benefits	$ 188,668	$ 104,023
Post-employment benefits	168	168
Share-based payments	9,764	3,265
	$ 198,600	$ 107,456

8. PLEDGED ASSETS

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

	Book value		
Pledged asset	December 31, 2025	December 31, 2024	Purpose
Time deposits (shown as 'current financial assets at amortised cost')	$ 10,000	$ 10,000	Customs duty guarantee
Land and buildings	$ 2,189,936	$ 2,235,057	Long-term borrowings (Notes 1 and 2)
Machinery and equipment	$ 263,778	$ 287,516	Long-term borrowings (Note 1)

Note 1: 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 2: 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.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

The Company's contracted but not yet incurred capital expenditures related to property, plant and equipment amounted to $11,993.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

(1) On January 13, 2026, the Board of Directors of the Company passed a resolution to increase the investment in the Texas subsidiary in the United States by NT$800 million and authorized the Chairman to execute the investment once or multiple times within the cumulative investment amount of NT$2 billion.

(2) On March 10, 2026, the Board of Directors of the Company resolved the following:

A. Refer to Note 6(26) for the resolution of employees' compensation and directors' remuneration for the year ended December 31, 2025.

B. Refer to Note 6(19) for the appropriation of 2025 earnings.

(3) The Company's second and third convertible bonds were issued on January 26, 2026 and February 3, 2026, respectively, with a term of 3 years. The total issuance amount was NT$800 million and NT$700 million, respectively, and the issuance price was NT$100.50 and NT$117.76 per bond, respectively.

12. OTHERS

(1) Capital management

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

(2) Financial instruments

A. Financial instruments by category

	December 31, 2025	December 31, 2024
Financial assets		
Financial assets at fair value through profit or loss		
Put options of convertible bonds	$ -	$ 1,399
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	208,494	209,709
Financial assets at amortised cost		
Cash and cash equivalents	3,144,528	2,163,264
Financial assets at amortised cost	20,000	110,000
Notes receivable	9,692	13,939
Accounts receivable (including related parties)	6,098,572	2,098,283
Other receivables (including related parties)	119,388	82,623
Guarantee deposits paid	2,255	1,402
	$ 9,602,929	$ 4,680,619

	December 31, 2025	December 31, 2024
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ 800,840	$ 447,427
Accounts payable (including related parties)	4,321,812	2,454,674
Other payables (including related parties)	1,358,929	773,916
Bonds payable	-	960,192
Long-term borrowings (including current portion)	1,309,148	1,663,200
Other current liabilities	-	-
	$ 7,790,729	$ 6,299,409
Lease liability	$ 2,906	$ 4,286

B. Financial risk management policies

(a) The Company'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 Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company'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 Company 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 Company is required to hedge its entire foreign exchange risk exposure with the Company treasury, and primarily hedge using natural hedge.

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

	December 31, 2025		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 200,418	31.43	$ 6,299,138
Non-monetary items			
USD:NTD	110,789	31.43	3,482,099
MYR:NTD	114,840	7.74	888,864
EUR:NTD	1,143	36.90	42,171
Financial liabilities			
Monetary items			
USD:NTD	$ 98,426	31.43	$ 3,093,529

	December 31, 2024		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 68,180	32.79	$ 2,235,622
Non-monetary items			
USD:NTD	110,530	32.79	3,624,282
MYR:NTD	64,968	7.33	476,216
EUR:NTD	1,107	34.14	37,791
Financial liabilities			
Monetary items			
USD:NTD	$ 64,407	32.79	$ 2,111,906

iv. The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2025 and 2024, amounted to $6,266 and $59,538, respectively.

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

	Year ended December 31, 2025		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 62,991	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 30,935	$ -

	Year ended December 31, 2024		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 22,356	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 21,119	$ -

Price risk

i. The Company’s equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income.

ii. Shares 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, other comprehensive income for the years ended December 31, 2025 and 2024 would have increased/decreased by $2,085 and $2,097, respectively, as a result of other comprehensive income on equity investments classified as at fair value through other comprehensive income.

<u>Cash flow and fair value interest rate risk</u>

i. The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. Borrowing with fixed rates expose the Company to fair value interest rate risk. For the years ended December 31, 2025 and 2024, the Company's borrowing at variable rates were mainly 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 years ended December 31, 2025 and 2024 would have decreased/increased by $105 and $166, 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 Company 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 Company's credit policy, the Company is responsible for managing and analysing the credit risk for each of the 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 Company adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.

vi. The Company classifies customers' accounts receivable in accordance with credit risk on trade. The Company applies the simplified approach using provision matrix and loss rate methodology to estimate expected credit loss under the provision matrix basis. The Company's notes receivable and accounts receivable-related parties have no significant impairment losses.

vii. The Company used the forecastability of The New Basel Capital Accord to adjust historical and timely information to assess the default possibility of accounts receivable. In 2025 and 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
December 31, 2025					
Expected loss rate	0.05%	0.05%	1.00%	5.00%	20.00%
Total book value	$ 2,868,690	$ 182,587	$ 88,756	$ 2,577	$ 22,879
Loss allowance	$ -	$ -	$ 851	$ 121	$ 4,339

	181 to 270 days past due	271 to 360 days past due	Over 361 days past due	Total
December 31, 2025				
Expected loss rate	30.00%	50.00%	100.00%	
Total book value	$ 1,716	$ -	$ -	$ 3,167,205
Loss allowance	$ 538	$ -	$ -	$ 5,849

	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
December 31, 2024					
Expected loss rate	0.03%	0.03%	1.00%	5.00%	20.00%
Total book value	$ 799,271	$ 94,944	$ 22,639	$ 439	$ 224
Loss allowance	$ -	$ -	$ 220	$ 21	$ 44

	181 to 270 days past due	271 to 360 days past due	Over 361 days past due	Total
December 31, 2024				
Expected loss rate	30.00%	50.00%	100.00%	
Total book value	$ 2	$ 102	$ 23	$ 917,644
Loss allowance	$ 1	$ 49	$ 22	$ 357

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

	Years ended December 31,	
	2025	2024
	Accounts receivable	Accounts receivable
At January 1	$ 357	$ 1,589
Provision (reversal) of impairment loss	5,492	(1,232)
At December 31	$ 5,849	$ 357

For the years ended December 31, 2025 and 2024, (loss) gains on impairment of accounts receivable arising from customer contracts amounted to ($5,492) and $1,232, respectively.

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

	December 31, 2025			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
Financial assets at amortised cost				
Time deposits	$ 20,000	$ -	$ -	$ 20,000

	December 31, 2024			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
Financial assets at amortised cost				
Time deposits	$ 110,000	$ -	$ -	$ 110,000

The financial assets at amortised cost held by the Company 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 units of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Company'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:

December 31, 2025	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	$ 807,173	$ -	$ -	$ -
Accounts payable	1,813,830	-	-	-
Accounts payable - related parties	2,507,982	-	-	-
Other payables	1,354,542	-	-	-
Other payables - related parties	4,387	-	-	-
Other current liabilities	-	-	-	-
Long-term borrowings (including current portion)	368,508	595,164	352,781	28,999
Lease liabilities (including current portion)	1,902	1,035	-	-

December 31, 2024	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	$ 452,731	$ -	$ -	$ -
Accounts payable	1,010,112	-	-	-
Accounts payable - related parties	1,444,562	-	-	-
Other payables	772,615	-	-	-
Other payables - related parties	1,301	-	-	-
Bonds payable	-	999,800	-	-
Other current liabilities	300	-	-	-
Long-term borrowings (including current portion)	372,916	732,300	409,158	204,282
Lease liabilities (including current portion)	2,297	2,111	-	-

iii. The Company 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 (including related parties), other receivables (including related parties), other current assets, guarantee deposits paid, short-term borrowings, contract liabilities, accounts payable (including related parties), other payables (including related parties), long-term borrowings and lease liabilities are approximate to their fair values.

	December 31, 2025			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ -	$ -	$ -	$ -

	December 31, 2024			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 960,192	$ -	$ 971,763	$ -

(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 of the nature of the assets and liabilities is as follows:

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 139,000	$ -	$ 69,494	$ 208,494

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Put options of convertible bonds	$ -	$ 1,399	$ -	$ 1,399
Financial assets at fair value through other comprehensive income				
Equity securities	146,500	-	63,209	209,709
	$ 146,500	$ 1,399	$ 63,209	$ 211,108

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

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

	Listed shares
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 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 Company'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 Company'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 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 years ended December 31, 2025 and 2024:

	2025	2024
	Equity securities	Equity securities
At January 1	$ 63,209	$ 91,547
Return of capital from financial assets at fair value through other comprehensive income	-	(60,003)
Recorded as unrealised gains on valuation of investments in equity instruments measured at fair value through other comprehensive income	6,285	31,665
At December 31	$ 69,494	$ 63,209

E. For the years ended December 31, 2025 and 2024, there was no transfer out from Level 3.

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 updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (first quartile)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 69,494	Market comparable companies	Price to book ratio multiple	1.43-1.88 (1.43)	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

	Fair value at December 31, 2024		Valuation technique	Significant unobservable input	Range (first quartile)	Relationship of inputs to fair value
Non-derivative equity instrument:						
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

H. The Company 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:

			December 31, 2025							
			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%	$	-	$	-	$	695	($	695)
	Discount for lack of marketability	±1%		-		-		232	(	232)

			December 31, 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%	$	-	$	-	$	632	($	632)
	Discount for lack of marketability	±1%		-		-		211	(	211)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please 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: Please refer to table 4.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

F. Significant inter-company transactions during the reporting periods: Please refer to table 6.

(2) Information on investees

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

(3) Information on investments in Mainland China

A. Basic information: Please 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	Year ended December 31, 2025	Percentage representing the account of the company (%)	Note
Chenbro Micom Co., Ltd.	Chenbro Technology (Kunshan) Co., Ltd.	Purchases	$ 5,384,064	43	
Chenbro Micom Co., Ltd.	Chenbro Technology (Kunshan) Co., Ltd.	Accounts payable	1,414,259	33	
Chenbro Micom Co., Ltd.	Dongguan Procase Electronic Co., Ltd.	Purchases	1,218,379	10	
Chenbro Micom Co., Ltd.	Dongguan Procase Electronic Co., Ltd.	Accounts payable	252,842	6	

14. OPERATING SEGMENT INFORMATION

Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers Article 22, a company is not required to present operating segment information within the scope of IFRS 8, in the parent company only financial statements.

CHENBRO MICOM CO., LTD.
CASH AND CASH EQUIVALENTS
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Description	Exchange Rate	Amount
Petty cash and cash on hand			$ 145
Checking account deposits			1,694
Demand deposits - NTD deposits			315,595
- Foreign deposits	USD deposits 5,724	31.43	179,908
	CNY deposits 41	4.50	186
Time deposit - NTD deposits	The interest rates range from 1.225% to 1.650%; they will be due between January and March of 2026.		2,647,000
			$ 3,144,528

CHENBRO MICOM CO., LTD.
NET ACCOUNTS RECEIVABLE
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Customer Name	Amount	Note
Accounts receivable		
Company A	$ 815,221	Full names must not be disclosed as specified in the contract.
Company B	601,796	"
Company C	223,558	"
Company D	210,354	"
Company E	204,941	"
Company F	160,506	"
Others	950,829	The balance of each customer does not exceed 5% of the amount of this account.
	3,167,205	
Less: Allowance for bad debts	(5,849)	
	$ 3,161,356	
Accounts receicable - related parties		
Chenbro Micom (USA) INC.	$ 2,882,817	
Chenbro GmbH	51,642	
Cloudwell (USA) Corporation	2,757	
	$ 2,937,216	

CHENBRO MICOM CO., LTD.
INVENTORIES
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Items	Amount: Cost	Amount: Market Value	Note
Raw materials	$ 296,466	$ 449,017	The net realizable values of raw materials and finished goods are adopted as their market prices.
Semi-finished goods	363,592	629,706	
Work in process	119,058	119,058	
Finished goods	389,863	436,705	
	1,168,979	$ 1,634,486	
Less: Allowance for valuation loss and obsolete and slow-moving inventories	(98,772)		
	$ 1,070,207		

CHENBRO MICOM CO., LTD.
CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Beginning Balance		Addition		Decrease		Ending Balance			Market Value or Net Assets Value			
Name	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount (Note 1)	Number of shares (in thousands)	Amount (Note 1)	Number of shares (in thousands)	Percentage of Ownership	Amount	Unit Price (NTD)	Total Amount	Valuation Basis	For collateralize and pledge
Micom-Source Holding Co.	22,323	$ 2,984,836	-	$ 413,211	-	($ 414,907)	22,323	100%	$ 2,983,140	133.64	$ 3,072,745	Equity method	None
CLOUDWELL HOLDINGS, LLC	3,600	137,982	-	793	-	(5,715)	3,600	100%	133,060	36.96	133,063	"	"
Chenbro GmbH	250	37,791	-	4,380	-	-	250	100%	42,171	168.69	45,610	"	"
Chenbro Micom (USA) INC.	10,000	501,464	-	-	-	(135,565)	10,000	100%	365,899	36.59	904,275	"	"
Chen-Feng Precision Co., Ltd.	6,320	208,975	3,791	238,686	-	-	10,111	70%	447,661	44.27	447,661	"	"
CHENBRO (MALAYSIA) SDN. BHD.	64,920	476,216	50,036	413,839	-	(1,191)	114,956	100%	888,864	7.73	888,864	"	"
Total		$ 4,347,264		$ 1,070,909		($ 557,378)			$ 4,860,795				

Note 1: The increase (decrease) during this period refers to capital increases, the realised (unrealised) gross margin recognized by equity method, investment income (losses) and the cumulative translation adjustment recognized for this period.

CHENBRO MICOM CO., LTD.
CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6.(8) for relevant movements.

CHENBRO MICOM CO., LTD.
SHORT-TERM BORROWINGS
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Types of borrowings	Ending Balance	Contract Period	Range of Interest Rate	Financing facility	Pledge or collateral	Note
Unsecured borrowings						
Citibank Taiwan, Ltd.	$ 94,290	2025/10/17-2026/1/5	4.48%	$ 298,585	A promissory note of the same amount was issued as collateral.	
"	62,860	2025/12/16-2026/3/16	4.25%	298,585	"	
"	62,860	2025/12/18-2026/3/18	4.25%	298,585	"	
"	78,575	2025/11/20-2026/2/12	4.44%	298,585	"	
The Shanghai Commercial & Savings Bank, Ltd.	156,525	2025/9/11-2026/3/10	4.19%	157,150	"	
Cathay United Bank	62,860	2025/8/21-2026/2/13	4.35%	6,286,000	"	
"	62,860	2025/10/27-2026/1/16	4.26%	6,286,000	"	
"	62,860	2025/11/17-2026/3/6	4.30%	6,286,000	"	
Yuanta Commercial Bank Co., Ltd.	62,860	2025/10/27-2026/1/27	4.35%	9,429,000	"	
"	94,290	2025/12/26-2026/1/23	4.10%	9,429,000	"	
	$ 800,840					

CHENBRO MICOM CO., LTD.
ACCOUNTS PAYABLE
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Name of supplier	Amount	Note
Accounts payable		
Supplier A	$ 430,023	Full name must not be disclosed as specified in the contract.
Supplier B	418,561	"
Supplier C	105,880	"
Others	859,366	The balance of each supplier does not exceed 5% of the amount of this account.
	$ 1,813,830	
Accounts payable - related parties		
Chenbro Technology (Kunshan) Co., Ltd.	$ 1,414,259	
Dongguan Procase Electronic Co., Ltd.	252,842	
Chen-Feng Precision Co., Ltd.	786,560	
Others	54,321	The balance of each supplier does not exceed 5% of the amount of this account.
	$ 2,507,982	

CHENBRO MICOM CO., LTD.
OTHER PAYABLES
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6.(12) for details of other payables.

CHENBRO MICOM CO., LTD.
LONG-TERM BORROWINGS
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6.(14) for details of long-term borrowings.

CHENBRO MICOM CO., LTD.
OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Item	Volume (in thousands of units)	Amount
Server cases, peripheral products and components	1,570	$ 18,359,084
Personal computer cases	146	158,316
		$ 18,517,400

CHENBRO MICOM CO., LTD.
OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Item	Amount
Raw materials at the beginning of the year	$ 268,894
Add: Purchases during this year	2,963,291
Expenses reclassified to raw materials	9,963
Gain on physical inventory	1,246
Less: Raw materials at the end of the year	(296,466)
Raw materials reclassified to expenses	(53,882)
Raw materials sold	(199,651)
Raw materials consumed during this year	2,693,395
Direct labor	58,048
Manufacturing expenses	746,908
Manufacturing cost	3,498,351
Add: Work in progress at the beginning of the year	106,821
Outsourced processing fees reclassified to work-in-process	846,865
Less: Work in progress at the end of the year	(119,058)
Cost of Semi-finished goods	4,332,979
Semi-finished goods at the beginning of the year	171,242
Add: Purchases during this year	4,233,356
Semi-finished goods processing costs and expenses reclassified to semi-finished goods	21,785
Gain on physical inventory	31
Less: Finished goods at the end of the year	(363,592)
Semi-finished goods reclassified to expenses	(56,922)
Semi-finished goods sold	(2,341,419)
Cost of finished goods	5,997,460
Finished goods at the beginning of the year	285,453
Add: Purchases during this year	5,427,644
Finished goods processing costs and expenses reclassified to semi-finished goods	1,185
Less: Finished goods at the end of the year	(389,863)
Finished goods reclassified to expenses	(1,978)
Production and sales costs for finished goods	11,319,901
Raw materials sold	199,651
Semi-finished goods sold	2,341,419
Cost of goods manufactured and sold	13,860,971
Gain on reversal of inventory	(39,697)
Gain on physical inventory	(1,277)
Sale of scraps	(2,838)
Operating costs	$ 13,817,159

CHENBRO MICOM CO., LTD.
MANUFACTURING EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Items	Amount	Note
Indirect labor	$ 274,592	Including pension costs.
Import expenses	138,517	
Service expense	92,165	
Depreciation charges	85,122	
Others	156,512	The balance of each item did not exceed 5% of the total amount of this account.
	$ 746,908	

CHENBRO MICOM CO., LTD.
SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Item	Amount	Note
Salaries and wages	$ 149,604	Including pension costs.
Export expenses	9,739	
Others	34,356	The balance of each item did not exceed 5% of the total amount of this account.
	$ 193,699	

CHENBRO MICOM CO., LTD.
GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Salaries and wages	$ 351,156	Including pension costs.
Directors' remuneration	96,485	
Depreciation charges	63,819	
Service expenses	64,044	
Donation fees	45,320	
Others	86,850	The balance of each item did not exceed 5% of the total amount of this account.
	$ 707,674	

CHENBRO MICOM CO., LTD.
RESEARCH AND DEVELOPMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars)

Item	Amount	Note
Salaries and wages	$ 241,437	Including pension costs.
Service expenses	16,239	
Others	45,348	The balance of each item did not exceed 5% of the total amount of this account.
	$ 303,024	

CHENBRO MICOM CO., LTD.
CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Function / Nature	Year ended December 31, 2025			Year ended December 31, 2024		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Salaries and wages	$ 311,109	$ 732,000	$ 1,043,109	$ 193,080	$ 396,202	$ 589,282
Directors' remuneration	-	96,485	96,485	-	50,532	50,532
Labour and health insurance fees	20,383	23,722	44,105	15,657	20,307	35,964
Pension costs	8,994	10,197	19,191	7,142	9,394	16,536
Other personnel expenses	22,995	20,663	43,658	16,083	14,589	30,672
Total	$ 363,481	$ 883,067	$ 1,246,548	$ 231,962	$ 491,024	$ 722,986
Depreciation charges	$ 85,122	$ 68,230	$ 153,352	$ 82,134	$ 70,252	$ 152,386
Amortisation charges	$ 1,570	$ 10,065	$ 11,635	$ 1,478	$ 9,484	$ 10,962

Note:

1. As at December 31, 2025 and 2024, the Company had 520 and 469 employees, respectively, both including 7 non-employee directors.

2.A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information：

(1) Average employee benefit expense in current year was $2,242 thousand. (“Total employee benefit expense for this year - Total directors’ remuneration” / “Number of employees for this year - Number of directors who did not concurrently serve as employees”).

Average employee benefit expense in previous year was $1,456 thousand. (“Total employee benefit expense for the prior year - Total directors’ remuneration” / “Number of employees for the prior year - Number of directors who did not concurrently serve as employees”).

CHENBRO MICOM CO., LTD.
CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION (Cont.)
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

(2) Average employees salaries in current year was $2,033 thousand. (Total salary and wages for this year / “Number of employees for this year - Number of directors who did not concurrently serve as employees”).

Average employees salaries in previous year was $1,276 thousand. (Total salary and wages for the prior year / “Number of employees for the prior year - Number of directors who did not concurrently serve as employees”).

(3) The increase of the average employee salary and wages is 59.33%. (“Average employee salary and wages for this year - Average employee salary and wages for the prior year” / Average employee salary and wages for the prior year).

(4) Please disclose the company's remuneration policy (including directors, independent director, managerial officers and employees).

Directors:

(A) When the directors of the company perform their duties, regardless of the company's operating profit or loss, the company may pay remuneration, and the remuneration is authorized to the board of directors according to the degree of participation in the company's operations and the value of its contribution, and shall be negotiated with consideration.

(B) Under the amended articles of incorporation approved at the Company's 2025 Annual General Meeting, if there is a profit, the directors' remuneration shall be allocated at a rate not exceeding 3% of the profit for the year.

Managers and employees:

(A) Under the amended articles of incorporation approved at the Company's 2025 Annual General Meeting, if the Company has a profit for the year, not less than 3% shall be allocated as employee remuneration. Of the employee remuneration mentioned above, not less than 1% shall be allocated as remuneration for rank-and-file employees.

(B) Based on the salary survey level, the company's annual operating performance and profit status, the company determines the salary adjustment level for the current year after comprehensive consideration. At the same time, implement reward differentiation and strive for fairness in the salary structure; follow the company's performance appraisal policy, implement the link between strategic goals and performance appraisal, and use the appraisal results as the basis for employee/manager salary, promotion, training and development, so as to exert the incentive effect .

CHENBRO MICOM CO., LTD.

Loans to others

Year ended December 31, 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 year ended December 31, 2025	Balance at December 31, 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
													Item	Value			
1	Micom-Source Holding Co.	Chenbro Micom (USA) INC.	Other receivables due from related parties	Yes	$ 612,885	$ 612,885	$ 314,300	0	Short-term financing	$ -	Operating Capital	$ -	None	$ -	$ 921,823	$ 1,536,372	Note 3
1	Micom-Source Holding Co.	CLOUDWELL HOLDINGS, LLC.	Other receivables due from related parties	Yes	166,050	166,050	157,150	0	Short-term financing	-	Operating Capital	-	None	-	$ 921,823	$ 1,536,372	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 year ended December 31, 2025 was USD 10 million.

Note 4: The maximum balance of Micom-Source Holding Co.'s loan to CLOUDWELL HOLDINGS, LLC. during the year ended December 31, 2025 was USD 5 million.

CHENBRO MICOM CO., LTD.

Provision of endorsements and guarantees to others

Year ended December 31, 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	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2025	Outstanding endorsement/ guarantee amount at December 31, 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	88,004	92,988	88,004	69,670	-	9.73	542,565	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 as follows:

(1) A company with which the Company does business

(2) A company in which the Company directly and indirectly holds more than 50 percent of the voting shares

(3) A company that directly and indirectly holds more than 50 percent of the voting shares in the Company

(4) Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares

(5) Where the Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project

(6) Where all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages

(7) Where companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other

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 year ended December 31, 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.

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

December 31, 2025

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

Table 3

				As of December 31, 2025				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
CHENBRO MICOM CO., LTD.	Diamond Creative Holding Limited	None	Non-current financial assets at fair value through other comprehensive income	625,879	$ 69,494	14.29%	$ 69,494	
CHENBRO MICOM CO., LTD.	JESS-LINK PRODUCTS CO., LTD.	None	Non-current financial assets at fair value through other comprehensive income	1,000,000	139,000	0.82%	139,000	
Micom-Source Holding Co.	Andra Capital Fund LP Private Equity Fund Investment	None	Non-current financial assets at fair value through profit or loss	_	132,586	_	132,586	

CHENBRO MICOM CO., LTD.

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

Year ended December 31, 2025

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

Table 4

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	Parent-subsidiary company	Sales	$ 9,622,233	51.96	OA 120 days	Note 1	Note 1	$ 2,882,817	47.20	Note 2
CHENBRO MICOM CO., LTD.	Chenbro GmbH	Parent-subsidiary company	Sales	278,020	1.50	60 days after monthly billing	Note 1	Note 1	51,642	0.85	Note 2
Chenbro Technology (Kunshan) Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Sales	5,384,064	79.54	60 days after monthly billing	Note 1	Note 1	1,414,259	70.40	Note 2
Chenbro Technology (Kunshan) Co., Ltd.	Dongguan Procase Electronic Co., Ltd.	Affiliate	Sales	200,227	2.96	90 days after monthly billing	Note 1	Note 1	105,278	5.24	Note 2
Chenbro Technology (Kunshan) Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	Affiliate	Sales	865,112	12.78	90 days after monthly billing	Note 1	Note 1	380,575	18.94	Note 2
Dongguan Procase Electronic Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Sales	1,218,379	29.83	60 days after monthly billing	Note 1	Note 1	252,842	16.37	Note 2
Dongguan Procase Electronic Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	Affiliate	Sales	2,843,722	69.63	90 days after monthly billing	Note 1	Note 1	1,278,853	82.80	Note 2
Chen-Feng Precision Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Sales	1,727,255	99.16	60 days after monthly billing	Note 1	Note 1	786,560	99.75	Note 2
Chen-Feng Precision Co., Ltd.	CHAU JIE TECHNOLOGY CO., LTD.	Other related party	Purchase	160,494	13.72	90 days after monthly billing	Note 1	Note 1	52,165	10.59	

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.

Receivables from related parties reaching $100 million or 20% of paid-in capital or more

December 31, 2025

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

Table 5

					Overdue receivables			
Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2025 (Note 3)	Turnover rate	Amount	Action taken	Amount collected subsequent to the balance sheet date (Note 1)	Allowance for doubtful accounts (Note 2)
CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	Parent-subsidiary company	Accounts receivable $ 2,882,817	4.75	$ -		$ 1,361,225	$ -
Chenbro Technology (Kunshan) Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Accounts receivable 1,414,259	4.49	23,760	Promptly demanding collection of the overdue receivables	881,984	-
Chenbro Technology (Kunshan) Co., Ltd.	Dongguan Procase Electronic Co., Ltd.	Affiliate	Accounts receivable 105,278	2.78	-		56,281	
Chenbro Technology (Kunshan) Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	Affiliate	Accounts receivable 380,575	2.96	-		201,428	-
Dongguan Procase Electronic Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Accounts receivable 252,842	4.69	-		166,188	-
Dongguan Procase Electronic Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	Affiliate	Accounts receivable 1,278,853	2.53	-		627,026	-
Chen-Feng Precision Co., Ltd.	CHENBRO MICOM CO., LTD.	Parent-subsidiary company	Accounts receivable 786,560	3.53	-		338,105	-

Note 1: Subsequent collections as of March 10, 2026.
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.

Significant inter-company transactions during the reporting period

Year ended December 31, 2025

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

Table 6

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount (Notes 3, 6 and 7)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 5)
0	CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	1	Sales	$ 9,622,233	Note 4	44
0	CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	1	Accounts receivable	2,882,817	Note 4	12
0	CHENBRO MICOM CO., LTD.	Chenbro GmbH	1	Sales	278,020	Note 4	1
1	Chenbro Technology (Kunshan) Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Sales	5,384,064	Note 4	24
1	Chenbro Technology (Kunshan) Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Accounts receivable	1,414,259	Note 4	6
1	Chenbro Technology (Kunshan) Co., Ltd.	Dongguan Procase Electronic Co., Ltd.	3	Sales	200,227	Note 4	1
1	Chenbro Technology (Kunshan) Co., Ltd.	Dongguan Procase Electronic Co., Ltd.	3	Accounts receivable	105,278	Note 4	0
1	Chenbro Technology (Kunshan) Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	3	Sales	865,112	Note 4	4
1	Chenbro Technology (Kunshan) Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	3	Accounts receivable	380,575	Note 4	2
2	Dongguan Procase Electronic Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Sales	1,218,379	Note 4	6
2	Dongguan Procase Electronic Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Accounts receivable	252,842	Note 4	1
2	Dongguan Procase Electronic Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	3	Sales	2,843,722	Note 4	13
2	Dongguan Procase Electronic Co., Ltd.	ChenPower Information Technology (Shanghai) Co., Ltd.	3	Accounts receivable	1,278,853	Note 4	5
3	Chen-Feng Precision Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Sales	1,727,255	Note 4	8
3	Chen-Feng Precision Co., Ltd.	CHENBRO MICOM CO., LTD.	2	Accounts receivable	786,560	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:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Transaction amounts less than NT$100 million or 20% of paid-in capital are not 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 year ended December 31, 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 December 31, 2025.

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

CHENBRO MICOM CO., LTD.

Information on investees (not including investees in Mainland China)

Year ended December 31, 2025

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

Table 7

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2025 (Note 3)	Initial investment amount: Balance as at December 31, 2025 (Note 3)	Shares held as at December 31, 2025: Number of shares	Shares held as at December 31, 2025: Ownership (%)	Shares held as at December 31, 2025: Book value (Note 3)	Net profit (loss) of the investee for the year ended December 31, 2025 (Note 3)	Investment income (loss) recognised by the Company for the year ended December 31, 2025 (Notes 3 and 4)	Footnote
CHENBRO MICOM CO., LTD.	Micom-Source Holding Co.	Cayman Islands	Holding company	$ 720,264	$ 720,264	22,323,002	100.00	$ 2,983,140	$ 482,928	$ 413,211	Notes 1 and 3
CHENBRO MICOM CO., LTD.	Chenbro Micom (USA) INC.	USA	General trading company	32,408	32,408	10,000,000	100.00	365,899	292,850	337,839	Notes 1 and 3
CHENBRO MICOM CO., LTD.	Cloudwell Holdings, LLC.	USA	Real estate leasing company	109,365	109,365	3,600,000	100.00	133,060	793	793	Note 3
CHENBRO MICOM CO., LTD.	Chenbro GmbH	Germany	General trading company	9,019	9,019	250,000	100.00	42,171	3,446	3,571	Notes 1 and 3
CHENBRO MICOM CO., LTD.	Chen-Feng Precession Co., Ltd.	Taiwan	Manufacturing of NCT	56,000	56,000	10,111,360	70.00	447,661	340,980	238,686	
CHENBRO MICOM CO., LTD.	CHENBRO (MALAYSIA) SDN. BHD.	Malaysia	Manufacturing and processing of computer cases	832,468	476,100	114,956,115	100.00	888,864	(1,191)	(1,191)	
Micom-Source Holding Co.	AMAC International Co.	Cayman Islands	Holding company	177,894	189,460	6,027,002	100.00	97,808	20,872	-	Notes 2, 3 and 4
Micom-Source Holding Co.	AMBER International Company	Cayman Islands	Holding company	258,983	258,983	8,239,890	100.00	1,284,573	293,404	-	Notes 2, 3 and 4
Micom-Source Holding Co.	PROCASE & MOREX Corporation	British Virgin Islands	Holding company	182,373	267,155	30,107	100.00	736,684	152,212	-	Notes 2, 3 and 4
CLOUDWELL HOLDINGS, LLC.	CLOUDWELL (USA) CORPORATION	USA	Manufacturing and sales of computer and server chassis	157,150	-	5,000	100.00	155,862	(1,276)	-	Notes 3, 4, and 5

Note 1: Investment income (loss) recognised for the year ended December 31, 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 year ended December 31, 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 December 31, 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.

CHENBRO MICOM CO., LTD.

Information on investments in Mainland China

Year ended December 31, 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	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 year ended December 31, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Net income of investee for the year ended December 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2025 (Note 1)	Book value of investments in Mainland China as of December 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2025	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Chenbro Technology (Kunshan) Co., Ltd.	Manufacturing and processing of computer cases	$ 314,300	$ 2	$ 314,300	$ -	$ -	$ 314,300	$ 245,686	100.00	$ 245,686	$ 952,110	$ 1,059,882	Notes 2, 3, 6, 7, 10 and 12
Dongguan Procase Electronic Co., Ltd.	Manufacturing and processing of computer cases	394,195	2	94,164	-	-	94,164	173,948	100.00	173,948	813,925	-	Notes 2, 4 and 12
ChenPower information Technology (Shang Hai) Co., Ltd.	Trading and order taking	66,003	2	-	-	-	-	97,134	100.00	97,134	340,890	73,188	Notes 2, 3, 8, 11 and 12
Qin Kun (Jinan) Precision Technology Co., Ltd.	Manufacturing and sales of computer and server chassis	58,537	2	-	-	-	-	(2,275)	100.00	(2,275)	56,171	-	Notes 2, 5, 9 and 12

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 Company reinvested through AMBER International Company.

Note 4: The Company reinvested through PROCASE & MOREX Corporation and AMAC International Co..

Note 5: The Company reinvested through Chenbro Technology (Kunshan) Co., Ltd..

Note 6: 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 7: 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 8: 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 9: 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 10: 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 11: 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 12: Except for current profit (loss) for the nine months ended December 31, 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 December 31, 2025.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 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 13)
CHENBRO MICOM CO., LTD.	$ 408,464	$ 349,835	$ -

Note 13: 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.