CHENBRO MICOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED 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 TRANSLATED FROM CHINESE

(26) PWCR 25004224

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

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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 consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matters for the Group's 2025 consolidated financial statements are stated as follows:

Valuation of inventories

<u>Description</u>

Refer to Note 4(13) 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 Group's carrying amount of inventories was NT$3,925,138 thousand.

The Group 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 Group measures inventories at the lower of cost and net realisable value, and assesses whether the value of inventories has declined. For inventories exceeding a certain period and individually identified as obsolete, its net realisable value is calculated based on the historical information of individual inventory clearance which was periodically reviewed by management. 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 sales revenue

Description

Refer to Note 4(28) for the accounting policies on revenue recognition and Note 6(21) for details of revenue. The Group is primarily engaged in manufacturing and sales of computer peripheral equipment. The Group's trading counterparties are mostly world-renowned companies and with whom the Group has long-term business partnership. As the sales of the Company's top 10 trading counterparties accounted for about 80%, and the newly top 10 and significant changes in revenue of top 10 trading counterparties are significant to the consolidated 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 Group'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.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter paragraph on the parent company only financial statements of Chenbro Micom Co., Ltd. as at and for the years ended December 31, 2025 and 2024.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 consolidated financial statements.

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

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

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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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.

Pei-Chuan, Huang Hui-Lin, Pan

For and on behalf of PricewaterhouseCoopers, Taiwan

March 10, 2026

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

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
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)	$ 5,688,287	24	$ 3,799,819	23
1136	Current financial assets at amortised cost, net	6(4) and 8	223,325	1	740,616	5
1150	Notes receivable, net	6(5)	35,551	-	36,062	-
1170	Accounts receivable, net	6(5) and 7	6,423,560	27	3,633,865	22
1200	Other receivables		106,657	1	66,535	-
1220	Current income tax assets	6(27)	4,413	-	1,388	-
130X	Inventories	6(6)	3,925,138	17	2,186,657	13
1410	Prepayments		152,065	1	113,357	1
1470	Other current assets		24,218	-	6,697	-
11XX	**Total current assets**		16,583,214	71	10,584,996	64
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2)	132,586	1	66,979	-
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	12,600	-	600	-
1600	Property, plant and equipment	6(7) and 8	5,590,604	24	5,314,374	32
1755	Right-of-use assets	6(8)	79,698	-	54,731	-
1780	Intangible assets	6(9)	57,116	-	63,487	-
1840	Deferred income tax assets	6(27)	350,755	1	235,102	2
1900	Other non-current assets	6(7)(10)	441,288	2	113,833	1
15XX	**Total non-current assets**		6,873,141	29	6,058,815	36
1XXX	**Total assets**		$ 23,456,355	100	$ 16,643,811	100

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CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED 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	%
	Liabilities					
	Current liabilities					
2100	Short-term borrowings	6(11)	$ 1,221,962	5	$ 640,630	4
2130	Current contract liabilities	6(21)	42,482	-	81,718	1
2170	Accounts payable	7	6,196,272	27	3,721,259	22
2200	Other payables	6(12) and 7	2,159,771	9	1,514,315	9
2230	Current income tax liabilities		836,546	4	231,675	1
2280	Current lease liabilities		9,169	-	4,768	-
2320	Long-term liabilities, current portion	6(14)	366,852	2	354,052	2
2365	Current refund liabilities		73,958	-	79,084	1
2399	Other current liabilities		6,562	-	4,894	-
21XX	**Total current liabilities**		10,913,574	47	6,632,395	40
	Non-current liabilities					
2530	Bonds payable	6(13)	-	-	960,192	6
2540	Long-term borrowings	6(14)	1,331,966	6	1,711,014	10
2570	Deferred income tax liabilities	6(27)	93,349	-	55,740	-
2580	Non-current lease liabilities		25,443	-	2,970	-
2600	Other non-current liabilities	6(15)	15,315	-	17,658	-
25XX	**Total non-current liabilities**		1,466,073	6	2,747,574	16
2XXX	**Total liabilities**		12,379,647	53	9,379,969	56
	Equity					
	Equity attributable to owners of parent					
	Share capital	6(17)				
3110	Common stock		1,253,192	5	1,209,877	7
	Capital surplus	6(18)				
3200	Capital surplus		1,571,586	6	383,452	3
	Retained earnings	6(19)				
3310	Legal reserve		1,287,330	6	1,093,782	7
3320	Special reserve		65,573	-	176,796	1
3350	Unappropriated retained earnings		6,990,954	30	4,420,844	27
	Other equity interest	6(20)				
3400	Other equity interest		(283,783)	(1)	(110,471)	(2)
31XX	**Equity attributable to owners of the parent**		10,884,852	46	7,174,280	43
36XX	**Non-controlling interests**		191,856	1	89,562	1
3XXX	**Total equity**		11,076,708	47	7,263,842	44
	Significant contingent liabilities and unrecorded contract commitments	9				
	Significant events after the balance sheet date	6(19) and 11				
3X2X	**Total liabilities and equity**		$ 23,456,355	100	$ 16,643,811	100

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED 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	$ 22,001,340	100	$ 14,517,185	100
5000	Operating costs	6(6)(26) and 7	(15,407,205)	(70)	(10,727,398)	(74)
5900	Net operating margin		6,594,135	30	3,789,787	26
	Operating expenses	6(26) and 7				
6100	Selling expenses		(534,942)	(2)	(393,726)	(3)
6200	General and administrative expenses		(944,288)	(4)	(665,515)	(4)
6300	Research and development expenses		(406,625)	(2)	(287,280)	(2)
6450	Expected credit impairment (loss) gain	12(2)	(6,768)	-	993	-
6000	Total operating expenses		(1,892,623)	(8)	(1,345,528)	(9)
6500	Net other income (expenses)		65,921	-	62,017	-
6900	Operating profit		4,767,433	22	2,506,276	17
	Non-operating income and expenses					
7100	Interest income	6(4)(22)	74,717	-	58,996	-
7010	Other income	6(23)	88,278	-	32,003	-
7020	Other gains and losses	6(2)(8)(24)	(17,466)	-	91,683	1
7050	Finance costs	6(8)(25)	(80,951)	-	(77,865)	-
7000	Total non-operating income and expenses		64,578	-	104,817	1
7900	**Profit before income tax**		4,832,011	22	2,611,093	18
7950	Income tax expense	6(27)	(1,171,373)	(5)	(639,177)	(4)
8200	**Profit for the period**		$ 3,660,638	17	$ 1,971,916	14

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CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED 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 %
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial gains (losses) on defined benefit plans	6(15)	$ 1,874	-	$ 2,431	-
8316	Unrealised gains (losses) 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	1
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(17,415)	-	143,225	1
8300	**Total other comprehensive (loss) income for the year**		($ 17,131)	-	$ 157,416	1
8500	**Total comprehensive income for the year**		$ 3,643,507	17	$ 2,129,332	15
	Profit attributable to:					
8610	Owners of the parent		$ 3,558,344	16	$ 1,933,531	14
8620	Non-controlling interest		102,294	1	38,385	-
			$ 3,660,638	17	$ 1,971,916	14
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 3,541,213	17	$ 2,090,947	15
8720	Non-controlling interest		102,294	-	38,385	-
			$ 3,643,507	17	$ 2,129,332	15
	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 consolidated financial statements.

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

		Equity attributable to owners of the parent													
			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 from financial assets measured at fair value through other comprehensive income	Other equity, others	Total	Non-controlling interests	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	$ 51,177	$ 5,577,835
Profit for the year		-	-	-	-	-	-	-	1,933,531	-	-	-	1,933,531	38,385	1,971,916
Other comprehensive income for the year	6(3)(20)	-	-	-	-	-	-	-	1,945	143,225	12,246	-	157,416	-	157,416
Total comprehensive income for the year		-	-	-	-	-	-	-	1,935,476	143,225	12,246	-	2,090,947	38,385	2,129,332
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)	-	(602,935)
Issuance of convertible bonds payable	6(13)	-	-	-	154,262	-	-	-	-	-	-	-	154,262	-	154,262
Conversion of convertible bonds	6(13)	7	212	-	(30)	-	-	-	-	-	-	-	189	-	189
Issuance of restricted stocks	6(16)(17)	4,000	-	-	-	110,800	-	-	-	-	-	(114,800)	-	-	-
Redemption of restricted stocks		(75)	-	-	-	75	-	-	-	-	-	-	-	-	-
Share-based payment	6(16)	-	16,971	-	-	(47,922)	-	-	-	-	-	36,110	5,159	-	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	$ 89,562	$ 7,263,842
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	$ 89,562	$ 7,263,842
Profit for the year		-	-	-	-	-	-	-	3,558,344	-	-	-	3,558,344	102,294	3,660,638
Other comprehensive income (loss) for the year	6(3)(20)	-	-	-	-	-	-	-	1,499	(17,415)	(1,215)	-	(17,131)	-	(17,131)
Total comprehensive income (loss) for the year		-	-	-	-	-	-	-	3,559,843	(17,415)	(1,215)	-	3,541,213	102,294	3,643,507
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)	-	(907,408)
Conversion of convertible bonds	6(13)	38,315	1,082,366	-	(154,232)	-	-	-	-	-	-	-	966,449	-	966,449
Issuance of restricted stocks	6(16)	5,000	-	-	-	260,000	-	-	-	-	-	(265,000)	-	-	-
Share-based payment	6(16)	-	33,240	-	-	(33,240)	-	-	-	-	-	110,318	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	$ 191,856	$11,076,708

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED 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		$ 4,832,011	$ 2,611,093
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment loss (gain)	12(2)	6,768	(993)
Depreciation	6(7)(8)(26)	374,165	332,993
Amortization	6(9)(26)	13,037	12,595
Net (gain) loss on financial assets at fair value through profit or loss	6(2)(24)	(4,791)	2,500
Interest expense	6(25)	80,951	77,865
Interest income	6(22)	(74,717)	(58,996)
Dividend income	6(23)	(7,000)	(1,596)
Gain on disposal of property, plant and equipment	6(24)	(659)	(40)
Other expenses		2,360	-
Gains arising from lease modifications	6(8)(24)	(30)	-
Share-based payment	6(16)	110,318	5,159
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		511	(24,223)
Accounts receivable		(2,796,468)	(33,910)
Other receivables		(41,790)	(4,102)
Inventories		(1,738,481)	(344,959)
Prepayments		(38,708)	(23,095)
Other current assets		(17,521)	(2,238)
Non-current financial assets at fair value through profit or loss		(67,260)	(65,580)
Changes in operating liabilities			
Current contract liabilities		(39,236)	27,295
Accounts payable		2,475,013	683,756
Other payables		663,328	90,796
Current refund liabilities		(5,126)	58,129
Other current liabilities		1,668	83
Other non-current liabilities		(473)	(642)
Cash inflow generated from operations		3,727,870	3,341,890
Interest received		76,385	52,797
Interest paid		(69,383)	(57,158)
Income tax paid		(647,946)	(640,984)
Net cash flows from operating activities		3,086,926	2,696,545

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CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED 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 financial assets at fair value through other comprehensive income		$ -	($ 165,919)
Return of capital from financial assets at fair value		-	60,003
Acquisition of financial assets at amortised cost		(178,690)	(916,410)
Proceeds from disposal of financial assets at amortised cost		673,896	228,199
Acquisition of property, plant and equipment	6(29)	(984,302)	(789,127)
Proceeds from disposal of property, plant and equipment		6,207	499
Acquisition of intangible assets	6(9)(29)	(4,918)	(3,925)
Increase in other non-current assets		(12,459)	(3,927)
Dividends received		7,000	1,596
Net cash flows used in investing activities		(493,266)	(1,589,011)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(30)	2,964,290	1,601,057
Repayment of short-term borrowings	6(30)	(2,391,224)	(1,343,874)
Increase in long-term borrowings (including current portion)	6(30)	-	320,000
Repayment of long-term borrowings (including current portion)	6(30)	(362,768)	(1,405,303)
Payment of the principal of lease liabilities	6(30)	(7,573)	(9,040)
Net issuance of convertible bonds	6(13)(30)	-	1,091,530
Increase in guarantee deposits received	6(30)	-	272
Payment of cash dividends	6(19)	(907,408)	(602,935)
Net cash flows used in financing activities		(704,683)	(348,293)
Effect on foreign exchange difference		(509)	93,425
Net increase in cash and cash equivalents		1,888,468	852,666
Cash and cash equivalents at beginning of year	6(1)	3,799,819	2,947,153
Cash and cash equivalents at end of year	6(1)	$ 5,688,287	$ 3,799,819

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED 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 and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in computer software design, export and import of computer products and peripherals, and design, manufacturing, processing and trading of computer peripherals and system of expendables.

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

These consolidated financial statements were reported to the Board of Directors on 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 Group's financial condition and financial performance based on the Group's assessment.

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026

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

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

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

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies 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 consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", 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").

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group 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. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

B. Subsidiaries included in the consolidated financial statements:

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

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2025	Ownership (%) December 31, 2024	Description
PROCASE & MOREX Corporation	Dongguan Procase Electronic Co., Ltd.	Manufacturing and sales of computer and server chassis	88	88	
AMAC International Co.	Dongguan Procase Electronic Co., Ltd.	Manufacturing and sales of computer and server chassis	12	12	
CLOUDWELL HOLDINGS, LLC.	CLOUDWELL (USA) CORPORATION	Manufacturing and sales of computer and server chassis	100	-	Note 2
Chenbro Technology (Kunshan) Co., Ltd.	Qin Kun (Jinan) Precision Technology Co., Ltd.	Manufacturing and sales of computer and server chassis	100	-	Note 3

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

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

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

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

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

E. Significant restrictions: None.

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

(4) Foreign currency translation

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in New Taiwan Dollars., which is the Company’s functional and the Group’s presentation 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 group 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 Group 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.

(5) 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 Group 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 Group classifies all liabilities that do not meet the criteria above as non-current.

(6) 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.

(7) 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 Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

(8) 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 Group 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 Group measures the financial assets at fair value plus transaction costs. The Group 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 Group and the amount of the dividend can be measured reliably.

(9) 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 Group'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 Group 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 Group'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.

(10) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group 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.

(11) 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 Group 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 Group recognises the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

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

(13) 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 and work in progress 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.

(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 Group 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	5~50 years
Machinery and equipment	6~12 years
Mold equipment	2~4 years
Computer communication equipment	3~5 years
Testing equipment	3~10 years
Transportation equipment	6 years
Office equipment	3~10 years
Leasehold improvements	5 years
Other equipment	3~5 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 Group. 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 Group 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. For all other lease modifications, the lessee shall remeasure the lease liability and adjust the right-of-use asset correspondingly.

(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 lives 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 Group assesses at each balance sheet date the recoverable amounts of those assets where 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) Accounts payable

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) Convertible bonds payable

A. Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group’s common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group 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) Derecognition of financial liabilities

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 expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense 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 Group 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 expense and liability, 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) Employee 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 need 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 in the countries where the Company and its subsidiaries operate and generate taxable income. 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 consolidated 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 Group 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.

E. Current income tax assets and liabilities are offset and the net amount reported 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. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

(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 Group 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 Group 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 is 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 Group 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 Group 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 Group recognises expenses for the related costs for which the grants are intended to compensate.

(30) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

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

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

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

As of December 31, 2025, the carrying amount of inventories was $3,925,138.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Petty cash and cash on hand	$ 602	$ 301
Checking account deposits	122,460	47,111
Demand deposits	370,239	311,207
Time deposits	3,130,842	2,163,339
Foreign currency deposits	2,064,144	1,277,861
	$ 5,688,287	$ 3,799,819

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

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

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

	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
Private equity fund investment	132,586	65,580
	$ 132,586	$ 66,979

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)
Private Equity Investment	2,442	-
	$ 4,791	($ 2,500)

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

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

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

Items	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 Group has elected to classify stock investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $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	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	$ 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 Group 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

Items	December 31, 2025	December 31, 2024
Current items:		
Time deposits	$ 213,325	$ 730,616
Pledged bank deposits (including time deposits)	10,000	10,000
	$ 223,325	$ 740,616
Non-current items:		
Time deposits	$ 10,000	$ -
Pledged bank deposits (including time deposits)	2,600	600
	$ 12,600	$ 600

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

	Years ended December 31,	
	2025	2024
Interest income	$ 16,458	$ 9,835

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 Group was $235,925 and $741,216, respectively.

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

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

(5) Accounts and notes receivable

	December 31, 2025	December 31, 2024
Notes receivable	$ 35,551	$ 36,062
Accounts receivable	$ 6,431,292	$ 3,634,824
Less: Allowance for uncollectible accounts	(7,732)	(959)
	$ 6,423,560	$ 3,633,865

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

	December 31, 2025		December 31, 2024	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 6,054,707	$ 35,551	$ 3,431,340	$ 36,062
Up to 30 days	222,281	-	161,521	-
31 to 60 days	107,610	-	39,098	-
61 to 90 days	17,514	-	1,303	-
91 to 180 days	27,464	-	801	-
Over 181 days	1,716	-	761	-
	$ 6,431,292	$ 35,551	$ 3,634,824	$ 36,062

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 $6,466,843, $3,670,886 and $3,612,753, respectively.

C. The Group does not hold any collateral as security as at December 31, 2025 and 2024, and the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable was $35,551 and $36,062 and accounts receivable was $6,423,560 and $3,633,865, respectively.

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

(6) Inventories

	December 31, 2025	December 31, 2024
Raw materials	$ 480,529	$ 347,722
Semi-finished goods	515,307	404,247
Work in progress	242,915	206,288
Finished goods	2,686,387	1,228,400
	$ 3,925,138	$ 2,186,657

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

	Years ended December 31,	
	2025	2024
Cost of goods sold	$ 15,598,196	$ 10,748,219
(Gain on reversal of) loss on decline in market value of inventory	(148,686)	10,438
Sale of scraps	(41,198)	(27,480)
Gain on physical inventory	(1,107)	(3,779)
	$ 15,407,205	$ 10,727,398

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

B. The Group has no inventories pledged to others.

(7) Property, plant and equipment

	Land	Buildings and structures	Machinery and equipment	Mold equipment	Computer communication equipment	Testing equipment	Transportation equipment	Office equipment	Others	Unfinished construction and equipment under acceptance	Total	Prepayments for land, building, construction, and equipment (Note)
At January 1, 2025												
Cost	$ 1,648,851	$ 3,834,469	$ 1,075,672	$ 639,890	$ 135,779	$ 67,930	$ 20,672	$ 88,893	$ 160,590	$ 43,210	$ 7,715,956	$ 91,517
Accumulated depreciation and impairment	-	(1,058,769)	(576,999)	(471,621)	(93,002)	(48,350)	(20,081)	(61,218)	(71,542)	-	(2,401,582)	-
	$ 1,648,851	$ 2,775,700	$ 498,673	$ 168,269	$ 42,777	$ 19,580	$ 591	$ 27,675	$ 89,048	$ 43,210	$ 5,314,374	$ 91,517
2025												
Opening net book amount	$ 1,648,851	$ 2,775,700	$ 498,673	$ 168,269	$ 42,777	$ 19,580	$ 591	$ 27,675	$ 89,048	$ 43,210	$ 5,314,374	$ 91,517
Additions	-	52,384	193,825	106,277	11,275	2,885	2,260	5,674	18,364	200,055	592,999	347,464
Disposals	-	-	(4,347)	-	(36)	(41)	(24)	(102)	(998)	(2,360)	(7,908)	-
Transfers (Note)	-	31,820	53,860	-	-	-	-	7,080	1,440	(39,079)	55,121	(55,121)
Depreciation charges	-	(131,951)	(88,526)	(95,433)	(16,501)	(7,374)	(468)	(7,712)	(17,125)	-	(365,090)	-
Effects of foreign exchange	(3,172)	(6,035)	3,972	1,422	(13)	63	96	33	36	4,706	1,108	24,027
Closing net book amount	$ 1,645,679	$ 2,721,918	$ 657,457	$ 180,535	$ 37,502	$ 15,113	$ 2,455	$ 32,648	$ 90,765	$ 206,532	$ 5,590,604	$ 407,887
At December 31, 2025												
Cost	$ 1,645,679	$ 3,916,136	$ 1,281,801	$ 785,381	$ 145,948	$ 70,933	$ 19,134	$ 99,132	$ 156,944	$ 206,532	$ 8,327,620	$ 407,887
Accumulated depreciation and impairment	-	(1,194,218)	(624,344)	(604,846)	(108,446)	(55,820)	(16,679)	(66,484)	(66,179)	-	(2,737,016)	-
	$ 1,645,679	$ 2,721,918	$ 657,457	$ 180,535	$ 37,502	$ 15,113	$ 2,455	$ 32,648	$ 90,765	$ 206,532	$ 5,590,604	$ 407,887

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

A. The significant components of buildings include buildings and accessory equipment of buildings, which are depreciated over 10~50 years and 5~11 years, respectively.

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

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

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

	Land	Buildings and structures	Machinery and equipment	Mold equipment	Computer communication equipment	Testing equipment	Transportation equipment	Office equipment	Others	Unfinished construction and equipment under acceptance	Total	Prepayments for land, building, construction, and equipment (Note)
At January 1, 2024												
Cost	$ 1,340,612	$ 3,671,151	$ 956,474	$ 506,733	$ 138,434	$ 66,478	$ 19,722	$ 87,326	$ 86,610	$ 77,543	$ 6,951,083	$ 33,469
Accumulated depreciation and impairment	-	(902,052)	(488,398)	(443,604)	(79,837)	(40,458)	(19,060)	(50,423)	(52,572)	-	(2,076,404)	-
	$ 1,340,612	$ 2,769,099	$ 468,076	$ 63,129	$ 58,597	$ 26,020	$ 662	$ 36,903	$ 34,038	$ 77,543	$ 4,874,679	$ 33,469
2024												
Opening net book amount	$ 1,340,612	$ 2,769,099	$ 468,076	$ 63,129	$ 58,597	$ 26,020	$ 662	$ 36,903	$ 34,038	$ 77,543	$ 4,874,679	$ 33,469
Additions	303,387	106,642	84,173	160,789	2,854	100	370	764	7,433	20,650	687,162	91,490
Disposals	-	-	(361)	-	(23)	(4)	-	(1)	(70)	-	(459)	-
Transfers (Note)	-	1,820	19,453	1,258	-	830	-	-	66,355	(54,983)	34,733	(33,475)
Depreciation charges	-	(129,196)	(78,695)	(59,168)	(18,896)	(7,504)	(463)	(10,034)	(18,977)	-	(322,933)	-
Effects of foreign exchange	4,852	27,335	6,027	2,261	245	138	22	43	269	-	41,192	33
Closing net book amount	$ 1,648,851	$ 2,775,700	$ 498,673	$ 168,269	$ 42,777	$ 19,580	$ 591	$ 27,675	$ 89,048	$ 43,210	$ 5,314,374	$ 91,517
At December 31, 2024												
Cost	$ 1,648,851	$ 3,834,469	$ 1,075,672	$ 639,890	$ 135,779	$ 67,930	$ 20,672	$ 88,893	$ 160,590	$ 43,210	$ 7,715,956	$ 91,517
Accumulated depreciation and impairment	-	(1,058,769)	(576,999)	(471,621)	(93,002)	(48,350)	(20,081)	(61,218)	(71,542)	-	(2,401,582)	-
	$ 1,648,851	$ 2,775,700	$ 498,673	$ 168,269	$ 42,777	$ 19,580	$ 591	$ 27,675	$ 89,048	$ 43,210	$ 5,314,374	$ 91,517

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

A. The significant components of buildings include buildings and accessory equipment of buildings, which are depreciated over 10~50 years and 5~11 years, respectively.

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

C. The net difference of the transfers for this 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.

(8) Leasing arrangements - lessee

A. The Group leases various assets including land, office, warehouse, business vehicles, parking spaces, printers and landscaping, etc. Rental contracts are typically made for periods of 3 months to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. Short-term leases with a lease term of 12 months or less pertain to parking spaces and offices. Low-value assets pertain to coffee machine and printers.

C. The carrying amounts of right-of-use assets and the depreciation charge are as follows:

	December 31, 2025	December 31, 2024
	Carrying amount	Carrying amount
Land	$ 44,428	$ 47,061
Buildings	32,885	4,748
Transportation equipment	2,385	2,399
Others	-	523
	$ 79,698	$ 54,731

	Years ended December 31,	
	2025	2024
	Depreciation charge	Depreciation charge
Land	$ 948	$ 977
Buildings	6,184	6,495
Transportation equipment	1,536	1,844
Others	407	744
	$ 9,075	$ 10,060

D. For the years ended December 31, 2025 and 2024, the additions to right-of-use assets were $35,052 and $4,210, 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	$ 1,044	$ 184
Expense on short-term lease contracts	6,544	3,770
Expense on leases of low-value assets	1,225	1,300
Expense on variable lease payments	2,800	2,492
Gain on lease modification	30	-

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

H. For the years ended December 31, 2025 and 2024, the Group's total cash outflow for leases was $19,186 and $16,786 (of which $7,573 and $9,040 represents payments of the principal of lease liabilities), respectively.

I. Variable lease payments

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

J. Extension and termination options

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

(9) Intangible assets

	Trademarks	Computer software	Patents	Total
At January 1, 2025				
Cost	$ 1,477	$ 136,096	$ 5,436	$ 143,009
Accumulated amortisation	(886)	(73,542)	(5,094)	(79,522)
	$ 591	$ 62,554	$ 342	$ 63,487
2025				
At January 1	$ 591	$ 62,554	$ 342	$ 63,487
Additions	20	5,275	-	5,295
Transfers (Note)	-	1,374	-	1,374
Amortisation charge	(115)	(12,816)	(106)	(13,037)
Effects of foreign exchange	-	(3)	-	(3)
At December 31	$ 496	$ 56,384	$ 236	$ 57,116
At December 31, 2025				
Cost	$ 1,497	$ 142,839	$ 5,436	$ 149,772
Accumulated amortisation	(1,001)	(86,455)	(5,200)	(92,656)
	$ 496	$ 56,384	$ 236	$ 57,116

	Trademarks	Computer software	Patents	Total
At January 1, 2024				
Cost	$ 1,332	$ 130,814	$ 5,140	$ 137,286
Accumulated amortisation	(721)	(60,842)	(5,048)	(66,611)
	$ 611	$ 69,972	$ 92	$ 70,675
2024				
At January 1	$ 611	$ 69,972	$ 92	$ 70,675
Additions	145	4,792	296	5,233
Amortisation charge	(165)	(12,384)	(46)	(12,595)
Effects of foreign exchange	-	174	-	174
At December 31	$ 591	$ 62,554	$ 342	$ 63,487
At December 31, 2024				
Cost	$ 1,477	$ 136,096	$ 5,436	$ 143,009
Accumulated amortisation	(886)	(73,542)	(5,094)	(79,522)
	$ 591	$ 62,554	$ 342	$ 63,487

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

Details of amortisation on intangible assets are as follows:

	Years ended December 31, 2025	Years ended December 31, 2024
Manufacturing cost	$ 2,599	$ 2,609
Selling expenses	1,501	513
Administrative expenses	8,697	8,874
Research and development expenses	240	599
	$ 13,037	$ 12,595

(10) Other non-current assets

	December 31, 2025	December 31, 2024
Prepayments for land, building, construction, and equipment	$ 407,887	$ 91,517
Guarantee deposits paid	7,541	5,737
Prepayments for intangible assets	-	1,374
Others	25,860	15,205
	$ 441,288	$ 113,833

(11) Short-term borrowings

Type of borrowings	December 31, 2025	Interest rate	Collateral
Short-term borrowings	$ 826,340	4.10%~4.8%	A promissory note of the same amount was issued as collateral.
Short-term secured borrowings	395,622	3.97%~4.18%	Refer to Note 8.
	$ 1,221,962		

Type of borrowings	December 31, 2024	Interest rate	Collateral
Short-term borrowings	$ 447,427	4.85%~5.2%	A promissory note of the same amount was issued as collateral.
Short-term secured borrowings	193,203	4.84%	Refer to Note 8.
	$ 640,630		

(12) Other payables

	December 31, 2025	December 31, 2024
Wages and bonus payable	$ 593,010	$ 396,169
Payables for product development expenses	465,380	311,047
Remuneration due to directors' and employees' compensation	433,261	225,590
Payables for export freight and customs clearance charges	239,192	156,080
Payables for mold	107,952	111,674
Payables for construction, equipment and intangible assets	7,345	26,780
Others	313,631	286,975
	$ 2,159,771	$ 1,514,315

(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 had been reset as NT$260.8 (in dollars) according to the terms starting from July 2, 2025 (the effective date of price resetting).

iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of the Company's common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

B. Regarding the issuance of convertible bonds, the equity conversion options amounting to $154,262 were separated from the liability component and were recognised in 'capital surplus—share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets or liabilities at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 2.0417%.

C. For the 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 recognised.

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 bondholders have converted their bonds into common stock before the conversion date. Related information is provided in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(14) Long-term borrowings

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2025
Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan (Note 1)	NTD 1,280,000 thousand, borrowing period is from February 8, 2021 to February 8, 2031, principal and interest are repayable monthly from March 15, 2024	1.275%	(Note 1)	$ 897,524
〃	NTD 736,000 thousand, borrowing period is from January 15, 2021 to January 15, 2028, principal and interest are repayable monthly from February 15, 2024	1.275%	〃	196,099
〃	NTD 640,000 thousand, borrowing period is from June 15, 2021 to June 15, 2028, principal and interest are repayable monthly from July 15, 2024	1.275%	〃	215,525

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2025
Purchase of land and plant (Note 2)	NTD 35,000 thousand, borrowing period is from June 24, 2024 to June 24, 2039, principal and interest are repayable monthly from July 24, 2027	1.88%	(Note 2)	$ 35,000
〃	NTD 245,000 thousand, borrowing period is from June 24, 2024 to June 24, 2044, principal and interest are repayable monthly from July 24, 2027	1.88%	〃	245,000
Working capital (Note 2)	NTD 40,000 thousand, borrowing period is from June 24, 2024 to June 24, 2031, principal and interest are repayable monthly from July 24, 2026	1.88%	〃	40,000
Foreign currency borrowings	USD 2,800 thousand; borrowing period is from November 2023 to November 2033; principal and interest are repayable monthly from December 2023	6.7% ~ 7.724%	Real estate in the USA	69,670
				1,698,818
Less: Current portion				(366,852)
				$ 1,331,966

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2024
Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan (Note 1)	NTD 1,280,000 thousand, borrowing period is from February 8, 2021 to February 8, 2031, principal and interest are repayable monthly from March 15, 2024	1.150% ~ 1.275%	(Note 1)	$ 1,071,238
〃	NTD 736,000 thousand, borrowing period is from January 15, 2021 to January 15, 2028, principal and interest are repayable monthly from February 15, 2024	1.150% ~ 1.275%	〃	290,227
Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan (Note 1)	NTD 640,000 thousand, borrowing period is from June 15, 2021 to June 15, 2028, principal and interest are repayable monthly from July 15, 2024	1.150% ~ 1.275%	〃	301,735
Purchase of land and plant (Note 2)	NTD 35,000 thousand, borrowing period is from June 24, 2024 to June 24, 2039, principal and interest are repayable monthly from July 24, 2027	1.88%	(Note 2)	35,000
〃	NTD 245,000 thousand, borrowing period is from June 24, 2024 to June 24, 2044, principal and interest are repayable monthly from July 24, 2027	1.88%	〃	245,000

Type of borrowing	Borrowing period and repayment term	Interest rate	Collateral	December 31, 2024
Working capital (Note 2)	NTD 40,000 thousand, borrowing period is from June 24, 2024 to June 24, 2031, principal and interest are repayable monthly from July 24, 2026	1.88%	(Note 2)	$ 40,000
Foreign currency borrowings	USD 2,800 thousand; borrowing period is from November 2023 to November 2033; principal and interest are repayable monthly from December 2023	6.7% ~ 7.724%	Real estate in the USA	81,866
				2,065,066
Less: Current portion				(354,052)
				$ 1,711,014

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

If, during the contract period, there is a violation of any of the loan covenants, the budget of the National Development Fund may be frozen, there are changes in government policies, there is a need for capital procurement, or any other situation where the National Development Fund is not liable, the commission fee shall not be paid by the National Development Fund after notice and the interest rate of the loan shall be adjusted to the floating interest rate on a 2-year time deposit offered by the Directorate General of the Postal Remittances and Savings Bank plus 0.055% of annual interest and the markdown interest rate shall be no less than 0.9%. As of December 31, 2025, no violations of legal regulations have occurred.

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

(15) Pensions

A. Defined benefit plan

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

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

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

(c) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	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 obligations	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 securitisation 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 assets 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. The methods and types of assumptions used in preparing the sensitivity analysis and the method of caculationg net pension liability did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plan of the Group for the year ending December 31, 2026 amount to $733.

(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

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

(b) Other overseas companies have a defined contribution plan in accordance with the local regulations, and contributions to endowment insurance and pension reserve are based on employees' salaries and wages. Other than the periodic contribution, the overseas companies have no further obligations.

(c) The pension costs under the defined contribution pension plan of the Company and its domestic subsidiaries for the years ended December 31, 2025 and 2024 were $21,346 and $17,688, respectively.

(d) Micom-Source Holding Co., CLOUDWELL HOLDINGS, LLC., AMAC International Co., AMBER International Company, PROCASE & MOREX Corporation, and CLOUDWELL (USA) CORPORATION did not establish their pension plans or had no employees. In addition, the pension costs under the defined contribution pension plans of Chenbro Micom (USA) INC., Chenbro GmbH, CHENBRO (MALAYSIA) SDN. BHD., Chenbro Technology (Kunshan) Co., Ltd., ChenPower Information Technology (Shanghai) Co., Ltd., Dongguan Procase Electronic Co., Ltd., and Qin Kun (Jinan) Precision Technology Co., for the years ended December 31, 2025 and 2024 were $54,277 and $48,996, respectively.

(16) Share-based payment

A. For the years ended December 31, 2025 and 2024, the Group's share-based payment arrangements were as follows:

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

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

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

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

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

	2025	2024
	Quantity of stocks (in thousands)	Quantity of stocks (in thousands)
Restricted stocks at the beginning of 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) 3. and 4. for details of conversion of convertible bonds.

(18) Capital surplus

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

(19) Retained earnings

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

B. The Company's dividend policy is based on the current profit and consideration of the Company's growth in the future, capital budget plan and capital needs as well as consideration of shareholders' interest and long-term financial plan, etc. Earnings can be distributed to shareholders as cash dividends or stock dividends. Cash dividends shall account for at least 10% of the total dividends distributed. If cash dividends are lower than $0.20 (in dollars) per share, stock dividends will be issued instead.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debitbalance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amount of $65,573 previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-1090150022, dated March 31, 2021, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

E. On May 29, 2025 and May 27, 2024, the shareholders resolved the appropriations of 2024 and 2023 retained earnings, respectively, as follows:

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

F. On March 10, 2026 the Board of Directors has proposed the appropriations of the 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	Other, unearned compensation	Total
At January 1	($ 90,424)	$ 69,099	($ 89,146)	($ 110,471)
Valuation adjustment	-	(1,215)	-	(1,215)
Employee restricted shares:				
-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	Other, unearned compensation	Total
At January 1	($ 233,649)	$ 56,853	($ 10,456)	($ 187,252)
Valuation adjustment	-	12,246	-	12,246
Employee restricted shares:				
-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. The Group derives revenue from the transfer of control of goods to customers in the following major product types:

	Years ended December 31,	
	2025	2024
Server cases, peripheral products and components	$ 21,833,327	$ 14,343,018
Personal computer cases	168,013	174,167
	$ 22,001,340	$ 14,517,185

B. Contract liabilities

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

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities - sale of products	$ 42,482	$ 81,718	$ 54,423

(b) Revenue and net other income (expenses) 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	$ 51,115	$ 53,414

(22) Interest income

	Years ended December 31, 2025	Years ended December 31, 2024
Interest income from bank deposits	$ 58,259	$ 49,161
Interest income from financial assets measured at amortised cost	16,458	9,835
	$ 74,717	$ 58,996

(23) Other income

	Years ended December 31, 2025	Years ended December 31, 2024
Rental income	$ 6,212	$ -
Dividend income	7,000	1,596
Government grant revenues	32,015	8,806
Other income, others	43,051	21,601
	$ 88,278	$ 32,003

(24) Other gains and losses

	Years ended December 31, 2025	Years ended December 31, 2024
Net currency exchange (loss) gain	($ 12,013)	$ 97,306
Gain (loss) on financial assets measured at fair value through profit or loss	4,791	(2,500)
Gain on disposal of property, plant and equipment	659	40
Gain on lease modification	30	-
Others	(10,933)	(3,163)
	($ 17,466)	$ 91,683

(25) Finance costs

	Years ended December 31, 2025	Years ended December 31, 2024
Interest expense on bank borrowings	$ 69,902	$ 58,467
Interest expense on bonds payable	10,005	19,214
Interest expense on lease liabilities	1,044	184
	$ 80,951	$ 77,865

(26) <u>Employee benefit, depreciation and amortisation expenses</u>

	Years ended December 31,	
	2025	2024
Wages and salaries	$ 1,939,782	$ 1,430,328
Share-based payment	110,318	5,159
Labour and health insurance fees	81,554	68,602
Pension costs	75,877	66,924
Other personnel expenses	147,865	103,730
Employee benefit expense	$ 2,355,396	$ 1,674,743
Depreciation charges	$ 374,165	$ 332,993
Amortisation charges	$ 13,037	$ 12,595

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

B. For the years ended December 31, 2025 and 2024, employees' compensation were accrued at $336,776 and $175,058, respectively; while directors' remuneration were 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 were accounted for as changes in accounting 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 were accounted for as changes in accounting estimates in profit or loss for 2025.

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

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

(27) Income tax

A. Income tax expense

(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	$ 1,219,553	$ 573,764
Tax on undistributed surplus earnings	47,287	18,958
Prior year income tax over estimation	(17,048)	(20,927)
Total current tax	1,249,792	571,795
Deferred tax:		
Origination and reversal of temporary differences	(78,419)	67,382
Total deferred tax	(78,419)	67,382
Income tax expense	$ 1,171,373	$ 639,177

(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 obligations	$ 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 (Note)	$ 1,232,236	$ 724,375
Prior year income tax over estimation	(17,048)	(20,927)
Effects from items adjusted in accordance with tax regulations	3,026	23,812
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	(193,062)	(141,097)
Income tax expense on repatriated offshore funds	49,459	39,703
Effect from investment tax credits	-	(2,901)
Others	20,123	(1,150)
Income tax expense	$ 1,171,373	$ 639,177

Note: The basis for computing the applicable tax rate is the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits 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	$ 115,870	($ 17,311)	$ -	$ 98,559
Unrealised gain on inter-affiliate accounts	44,836	135,592	-	180,428
Unrealised gross profit	1,336	(1,336)	-	-
Allowance for bad debts	4,225	1,215	-	5,440
Unused compensated absences	2,555	487	-	3,042
Pension	6,362	(111)	(375)	5,876
Unrealised exchange loss	1,988	(1,988)	-	-
Unrealised warranty provision	1,138	(1,138)	-	-
Book-tax difference of costs on mold manufactoring	53,415	279	-	53,694
Unrealized estimated expenses	2,328	604	-	2,932
Others	1,049	(265)	-	784
	$ 235,102	$ 116,028	($ 375)	$ 350,755

	2025			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
－Deferred tax liabilities:				
Investment income	($ 54,885)	($ 31,746)	$ -	($ 86,631)
Book-tax difference of depreciation charges on fixed assets	(855)	425	-	(430)
Unrealised exchange gain	-	(6,288)	-	(6,288)
	($ 55,740)	($ 37,609)	$ -	($ 93,349)
	$ -	$ -	$ -	$ -

	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	$ 117,710	($ 1,840)	$ -	$ 115,870
Unrealised gain on inter-affiliate accounts	33,650	11,186	-	44,836
Unrealised gross profit	954	382	-	1,336
Allowance for bad debts	5,156	(931)	-	4,225
Unused compensated absences	1,921	634	-	2,555
Pension	6,977	(129)	(486)	6,362
Unrealised exchange loss	10,412	(8,424)	-	1,988
Unrealised warranty provision	1,138	-	-	1,138
Unrealized joint development liabilities	12,284	(12,284)	-	-
Book-tax difference of costs on mold manufactoring	57,736	(4,321)	-	53,415
Unrealized estimated expenses	-	2,328	-	2,328
Others	1,035	14	-	1,049
	$ 248,973	($ 13,385)	($ 486)	$ 235,102
－Deferred tax liabilities:				
Investment income	($ 975)	($ 53,910)	$ -	($ 54,885)
Book-tax difference of depreciation charges on fixed assets	-	(855)	-	(855)
Others	(768)	768	-	-
	($ 1,743)	($ 53,997)	$ -	($ 55,740)

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 temporary differences unrecognised as deferred tax liabilities were $2,922,860 and $2,717,550, respectively.

E. The amounts of deductible temporary differences that were not recognised as deferred tax assets are as follows:

	December 31, 2025	December 31, 2024
Deductible temporary differences	$ 127,978	$ 79,787

F. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority. The subsidiary, Chen-Feng Precision Co., Ltd.'s income tax returns through 2023 have been assessed and approved by the Tax Authority.

G. 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 parent	$ 3,558,344	122,437	$ 29.06
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 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 parent 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 parent	$ 1,933,531	120,460	$ 16.05
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 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 parent 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	$ 648,120	$ 721,895
Add: Opening balance of payable on construction and equipment	26,780	37,222
Ending balance of prepayments for construction and equipment	407,887	91,517
Less: Opening balance of prepayments for construction and equipment	(91,517)	(33,469)
Ending balance of payable on construction and equipment	(6,968)	(26,780)
Transferred from inventories	-	(1,258)
Cash paid during the year	$ 984,302	$ 789,127

(b) Acquisition of intangible assets:

	Years ended December 31, 2025	Years ended December 31, 2024
Acquisition of intangible assets	$ 6,669	$ 5,233
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	$ 4,918	$ 3,925

B. Financing activities with no cash flow effects:

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

(30) Changes in liabilities from financing activities

	Short-term borrowings	Bonds payable	Long-term borrowings
At January 1, 2025	$ 640,630	$ 960,192	$ 2,065,066
Changes in cash flow from financing activities	573,066	-	(362,768)
Impact of changes in foreign exchange rate	8,266	-	(3,480)
Changes in other non-cash items	-	(960,192)	-
At December 31, 2025	$ 1,221,962	$ -	$ 1,698,818

	Lease liability	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2025	$ 7,738	$ 803	$ 3,674,429
Changes in cash flow from financing activities	(7,573)	-	202,725
Impact of changes in foreign exchange rate	-	4	4,790
Changes in other non-cash items	34,447	-	(925,745)
At December 31, 2025	$ 34,612	$ 807	$ 2,956,199

	Short-term borrowings	Bonds payable	Long-term borrowings
At January 1, 2024	$ 375,751	$ -	$ 3,144,778
Changes in cash flow from financing activities	257,183	1,091,530	(1,085,303)
Impact of changes in foreign exchange rate	7,696	-	5,591
Changes in other non-cash items	-	(131,338)	-
At December 31, 2024	$ 640,630	$ 960,192	$ 2,065,066

	Lease liability	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2024	$ 12,568	$ 538	$ 3,533,635
Changes in cash flow from financing activities	(9,040)	272	254,642
Impact of changes in foreign exchange rate	-	(7)	13,280
Changes in other non-cash items	4,210	-	(127,128)
At December 31, 2024	$ 7,738	$ 803	$ 3,674,429

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

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

(2) Name of related party and relationship

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

(3) Significant related party transactions

A. Operating revenue

	Years ended December 31, 2025	2024
Sales:		
Other related parties	$ 2,248	$ 1,189

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

B. Purchases and other expenses

	Years ended December 31, 2025	Years ended December 31, 2024
Purchases:		
Other related parties	$ 355,677	$ 102,572
Processing expenses:		
Other related parties	-	23
Other expenses:		
Other related parties	1,115	48
	$ 356,792	$ 102,643

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

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

C. Receivables from related parties

	December 31, 2025	December 31, 2024
Accounts receivable:		
Other related parties	$ 541	$ 769

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

D. Payables to related parties

	December 31, 2025	December 31, 2024
Accounts payable:		
Other related parties	$ 165,359	$ 17,129
Other payables - other expenses:		
Other related parties	884	-
	$ 166,243	$ 17,129

(4) Key management compensation

	Years ended December 31, 2025	Years ended December 31, 2024
Short-term employee benefits	$ 188,668	$ 113,614
Post-employment benefits	168	335
Share-based payments	9,764	3,265
	$ 198,600	$ 117,214

8. PLEDGED ASSETS

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

	Book value		
Pledged asset	December 31, 2025	December 31, 2024	Purpose
Time deposits (shown as 'current /non-current financial assets at amortised cost')	$ 12,600	$ 10,600	Customs duty guarantee
Land and buildings	$ 2,782,285	$ 2,842,105	Long-term borrowings (Notes 1, 2, 3 and 4)
Machinery and equipment	$ 263,778	$ 287,516	Long-term borrowings (Note 2)
Accounts receivable	$ 440,744	$ 219,764	Short-term borrowings (Note 5)

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

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

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

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

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

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

The Group's contracted but not yet incurred capital expenditures related to property, plant and equipment amounted to $728,081.

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(19) for the appropriation of 2025 earnings.

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

(3) The Company's second and third convertible corporate 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 Group's objectives when managing capital are to maintain an optimal financial structure and capital ratio in order to support operations and maximise interests for shareholders.

(1) Financial instruments

A. Financial instruments by category

	December 31, 2025	December 31, 2024
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets at fair value through profit or loss, mandatorily measured at fair value	$ 132,586	$ 66,979
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	5,688,287	3,799,819
Financial assets at amortised cost	235,925	741,216
Notes receivable	35,551	36,062
Accounts receivable	6,423,560	3,633,865
Other receivables	106,657	66,535
Guarantee deposits paid	7,541	5,737
	$ 12,838,601	$ 8,559,922

		December 31, 2025		December 31, 2024
Financial liabilities				
Financial liabilities at amortised cost				
Short-term borrowings	$	1,221,962	$	640,630
Accounts payable		6,196,272		3,721,259
Other payables		2,159,771		1,514,315
Bonds payable		-		960,192
Long-term borrowings (including current portion)		1,698,818		2,065,066
Guarantee deposits received		807		803
Other current liabilities		6,562		4,894
	$	11,284,192	$	8,907,159
Lease liabilities	$	34,612	$	7,738

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury, and primarily hedge using natural hedge.

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

	December 31, 2025		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 200,419	31.43	$ 6,299,169
USD:RMB	51,189	6.98	1,608,870
Non-monetary items			
USD:NTD	110,789	31.43	3,482,099
EUR:NTD	1,143	36.90	42,171
USD:RMB	67,035	6.98	2,106,925
MYR:NTD	114,840	7.74	888,864
Financial liabilities			
Monetary items			
USD:NTD	$ 98,571	31.43	$ 3,098,087
USD:RMB	19,213	6.98	603,865

	December 31, 2024		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 68,298	32.79	$ 2,239,491
USD:RMB	36,882	7.32	1,209,361
Non-monetary items			
USD:NTD	110,530	32.79	3,624,282
EUR:NTD	1,107	34.14	37,793
USD:RMB	64,271	7.32	2,107,455
MYR:NTD	64,968	7.33	476,216
Financial liabilities			
Monetary items			
USD:NTD	$ 64,494	32.79	$ 2,114,758
USD:RMB	19,475	7.32	638,585

iv. The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2025 and 2024, amounted to ($12,013) and $97,306, 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%	$ 62,992	$ -
USD:RMB	1%	16,089	-
Financial liabilities			
Monetary items			
USD:NTD	1%	30,981	-
USD:RMB	1%	6,039	-

	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%	$ 22,395	$ -
USD:RMB	1%	12,094	-
Financial liabilities			
Monetary items			
USD:NTD	1%	21,148	-
USD:RMB	1%	6,386	-

Price risk

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

ii. Shares were issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, the net profit after tax for the years ended December 31, 2025 and 2024 would have increased/decreased by $1,326 and $656, respectively due to gains or losses from equity instruments measured at fair value through profit or loss. 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.

Cash flow and fair value interest rate risk

i. The Group's interest rate risk primarily arises from various borrowings. Borrowings with variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. For the years ended December 31, 2025 and 2024, the Group's borrowings were issued at fixed rate and are denominated in New Taiwan dollars.

ii. If the borrowing interest rate of New Taiwan dollars had increased/decreased by 1 basis point with all other variables held constant, profit, net of tax for the years ended December 31, 2025 and 2024 would have decreased/increased by $130 and $198, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the financial assets at amortised cost and equity instruments stated at fair value through other comprehensive income.

ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.

iii. Individual risk limits are set based on internal or external factors in accordance with limits set by the supervisors of credit control. The utilisation of credit limits is regularly monitored.

iv. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.

vi. The Group classifies customer's accounts receivable in accordance with credit risk on trade. The Group applies the simplified approach using the provision matrix and loss rate methodology to estimate expected credit loss. The Group's notes receivable have no significant impairment losses.

vii. The Group used the forecastability of The New Basel Capital Accord to adjust historical and timely information to assess the default possibility of accounts receivable. As of December 31, 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	$ 6,054,707	$ 222,281	$ 107,610	$ 17,514	$ 27,464
Loss allowance	$ -	$ -	$ 1,002	$ 867	$ 5,324

	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	$ -	$ -	$ 6,431,292
Loss allowance	$ 539	$ -	$ -	$ 7,732

	Not past due	Up to 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 180 days past due
December 31, 2024					
Expected loss rate	0.03%	0.03%	1.00%	5.00%	20.00%
Total book value	$ 3,431,340	$ 161,521	$ 39,098	$ 1,303	$ 801
Loss allowance	$ -	$ -	$ 358	$ 182	$ 157

	181 to 270 days past due	271 to 360 days past due	Over 361 days past due	Total
December 31, 2024				
Expected loss rate	30.00%	50.00%	100.00%	
Total book value	$ 636	$ 102	$ 23	$ 3,634,824
Loss allowance	$ 191	$ 49	$ 22	$ 959

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

	2025	2024
	Accounts receivable	Accounts receivable
At January 1	$ 959	$ 1,936
Provision for impairment loss	6,768	-
Reversal of impairment loss	-	(993)
Effect of exchange rate changes	5	16
At December 31	$ 7,732	$ 959

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	$ 235,925	$ -	$ -	$ 235,925

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

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

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Group's non-derivative financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date. The analysis is as follows:

Non-derivative financial liabilities:

December 31, 2025	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	$ 1,231,675	$ -	$ -	$ -
Accounts payable	6,196,272	-	-	-
Other payables	2,159,771	-	-	-
Lease liabilities	10,439	17,445	9,757	-
Other current liabilities	6,562	-	-	-
Long-term borrowings (including current portion)	391,833	673,222	435,182	307,417
Guarantee deposits received	807	-	-	-

Non-derivative financial liabilities:

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

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

(2) Fair value information

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

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

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

Level 3: Unobservable inputs for the asset or liability.

B. Financial instruments not measured at fair value

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

	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 on 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				
Private equity fund investment	$ -	$ -	$ 132,586	$ 132,586
Financial assets at fair value through other comprehensive income				
Equity securities	139,000	-	69,494	208,494
	$ 139,000	$ -	$ 202,080	$ 341,080

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Put options of convertible bonds	$ -	$ 1,399	$ -	$ 1,399
Private equity fund investment	-	-	65,580	65,580
Financial assets at fair value through other comprehensive income				
Equity securities	146,500	-	63,209	209,709
	$ 146,500	$ 1,399	$ 128,789	$ 276,688

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

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

	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 consolidated balance sheet date.

iii. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. The evaluation of derivative financial instruments is based on evaluation models widely accepted by market users, such as discount methods and option pricing models.

iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. The following chart is the movement of Level 3 for the years ended December 31, 2025 and 2024:

	2025	2024
	Equity securities	Equity securities
January 1	$ 128,789	$ 91,547
Acquired during the year	67,260	65,580
Benefits recognised in profit or loss	2,442	-
Return of capital from financial assets at fair value through other comprehensive income	-	(60,003)
Recorded as unrealised (losses) gains on valuation of investments in equity instruments measured at fair value through other comprehensive income	6,285	31,665
Effect of exchange rate changes	(2,696)	-
At December 31	$ 202,080	$ 128,789

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

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

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (first quartile)	Relationship of inputs to fair value
Non-derivative equity					
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
Venture capital shares Private equity fund investment	$ 132,586	Net asset value method	Not applicable	Not applicable	Not applicable

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

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

	Input	Change	December 31, 2025			
			Recognised in profit or loss		Recognised in other comprehensive income	
			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)

	Input	Change	December 31, 2024			
			Recognised in profit or loss		Recognised in other comprehensive income	
			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: Refer to table 1.

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

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 4.

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

F. Significant inter-company transactions during the reporting period: Refer to table 6.

(2) Information on investees

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

(3) Information on investments in Mainland China

A. Basic information: Refer to table 8.

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

Name of company	Counterparty	Accounts	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

(1) General information

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

(2) Measurement of segment information

The accounting policies of the operating segments are in agreement with the significant accounting policies summarised in Note 4. The Group's segment profit (loss) is measured with the operating income (loss), which is used as a basis for the Group in assessing the performance of the operating segments.

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

The accounting policies of the operating segments are in agreement with the significant accounting policies summarised in Note 4. The Group's segment profit (loss) is measured with the operating income (loss), which is used as a basis for the Group in assessing the performance of the operating segments. The Company and subsidiaries have only one reportable operating segment, thus, the reportable information is in agreement with those in the consolidated financial statements.

(4) Reconciliation for segment income (loss)

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

(5) Information on products

Details of revenue are as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Server cases, peripheral products and components	$ 21,833,327	$ 14,343,018
Personal computer cases	168,013	174,167
	$ 22,001,340	$ 14,517,185

(6) Geographical information

Geographical information for the years ended December 31, 2025 and 2024 is as follows:

	Year ended December 31, 2025		Year ended December 31, 2024	
	Revenue	Non-current assets	Revenue	Non-current assets
US	$ 8,256,746	$ 339,789	$ 6,685,798	$ 236,416
China	6,454,554	1,035,721	5,451,327	896,499
Taiwan	3,204,905	4,355,984	807,484	4,370,990
Singapore	2,353,773	-	346,472	-
Europe	1,549,617	313	973,548	590
Others	181,745	429,358	252,556	36,193
	$ 22,001,340	$ 6,161,165	$ 14,517,185	$ 5,540,688

(7) Major customer information

Major customer information of the Group for the years ended December 31, 2025 and 2024 is as follows:

	Year ended December 31, 2025		Year ended December 31, 2024	
	Revenue	Percentage of consolidated net operating income	Revenue	Percentage of consolidated net operating income
Company G	$ 2,544,204	12%	$ 696,240	5%
Company C	2,424,285	11%	2,090,354	14%
Company A	2,292,055	10%	2,214,078	15%
Company B	2,191,985	10%	2,430,857	17%
Company D	1,784,237	8%	1,492,590	10%

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES

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 Item	Collateral Value	Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 2)	Footnote
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	157,150	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. AND SUBSIDIARIES

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 classified into the following seven categories; fill in the number of category each case belongs to:

(1)Having business relationship.

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

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

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

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

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

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

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

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

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

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

(4) The original currency amount of maximum and outstanding endorsement/guarantee provided by Chenbro Micom (USA) INC. to CLOUDWELL HOLDINGS, LLC. was based on the credit limit of USD 2,800 thousand for the 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. AND SUBSIDIARIES

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

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2025 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. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT$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 Parties	Purchases	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. AND SUBSIDIARIES

Receivables from related parties reaching NT$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 5

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2025 (Note 3)	Turnover rate	Overdue receivables Amount	Overdue receivables 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. AND SUBSIDIARIES

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

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: 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; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

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

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

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

Note 6: Except for current profit (loss) for the 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. AND SUBSIDIARIES

Information on investees

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, 2024 (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 (Note 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	Sales of computer and server chassis	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 and holding company	109,365	109,365	3,600,000	100.00	133,060	793	793	Note 3
CHENBRO MICOM CO., LTD.	Chenbro GmbH	Germany	Sales of computer and server chassis	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 and sales of computer and server chassis	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 sales of computer and server chassis	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, 5 and 6

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.

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

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 (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2025: Remitted to Mainland China	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2025: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Net income (loss) 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	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
Chenbro Technology (Kunshan) Co., Ltd.	Manufacturing and sales of computer and server chassis	$ 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 sales of computer and server chassis	394,195	2	94,164	-	-	94,164	173,948	100.00	173,948	813,925	-	Notes 2, 4 and 12
ChenPower information Technology (ShangHai) Co., Ltd.	Sales of computer and server chassis	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	3	-	-	-	-	(2,275)	100.00	(2,275)	56,171	-	Notes 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 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 Dcecember 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 12)
CHENBRO MICOM CO., LTD.	$ 408,464	$ 349,835	$ -

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