

ChenFull International Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the
Six Months Ended June 30, 2025 and 2024 and
Independent Auditors' Review Repor

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INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
CHENFULL International Company Limited

Introduction

We have reviewed the accompanying consolidated balance sheets of CHENFULL International Company Limited and its subsidiaries (collectively, the "Company") as of June 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as 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 International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as described in the Basis for Qualified Conclusion paragraph, we conducted our review in accordance with Statement on Auditing Standards No. 2410, "Review of Financial Statements." A review of consolidated financial statements consists primarily of making inquiries, primarily of

persons responsible for financial and accounting matters, applying analytical procedures, and performing other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As described in Note 11 to the consolidated financial statements, the financial statements of certain non-material subsidiaries included in the above consolidated financial statements for the same periods have not been reviewed by independent accountants. As of June 30, 2025 and 2024, these subsidiaries had total assets of NT\$257,744 thousand and NT\$294,455 thousand, representing 4.32% and 5.13% of consolidated total assets, respectively, and total liabilities of NT\$34,182 thousand and NT\$37,166 thousand, representing 1.92% and 2.30% of consolidated total liabilities, respectively. For the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024, these subsidiaries had total comprehensive income of NT\$10,288 thousand, NT\$1,421 thousand, NT\$3,031 thousand, and NT\$15,788 thousand, representing 25.19%, 1.01%, 2.00%, and 6.00% of consolidated total comprehensive income, respectively.

Conclusion

Based on our reviews, except for the possible adjustments to the consolidated financial statements if the financial statements of the non-material subsidiaries described in the Basis for Qualified Conclusion paragraph had been reviewed by independent accountants, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as of June 30, 2025 and 2024, its consolidated financial performance for the three months

ended June 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the audit resulting in this independent auditors' report are Tseng, Chien-Ming and Liu, Shu-Lin.

Deloitte & Touche
Taipei, Taiwan
The Republic of China
August 14, 2025

ChenFull International Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

2025/6/30&2024/12/31&6/30

(In Thousands of New Taiwan Dollars)

Code	Assets	2025/06/30		2024/12/31		2024/06/30	
		Amounts	%	Amounts	%	Amounts	%
1100	Current Assets						
1110	Cash and Cash Equivalents (Notes 6 and 29)	\$ 305,942	5	\$ 452,822	8	\$ 946,044	16
1110	Financial Assets at Fair Value Through Profit or Loss - Current (Notes 7 and 29)	145,306	3	131,514	2	133,348	2
1140	Contract Assets - Current (Note 22)	1,030,669	17	1,064,373	18	774,451	14
1150	Notes Receivable - Non-related Parties (Notes 9 and 29)	30,005	1	14,721	-	1,697	-
1172	Accounts Receivable - Non-related Parties (Notes 9 and 29)	597,893	10	553,482	10	430,852	8
1200	Other Receivables (Notes 9 and 29)	14,158	-	10,787	-	14,027	-
1220	Current Income Tax Assets (Note 4)	-	-	94	-	88	-
130X	Inventories (Note 10)	723,142	12	665,063	11	612,984	11
1410	Prepayments (Note 16)	47,013	1	28,812	1	50,641	1
1476	Other Financial Assets - Current (Notes 16, 29 and 31)	25,409	-	27,308	1	27,059	-
1479	Other Current Assets (Note 16)	10,643	-	10,655	-	10,584	-
11XX	Total Current Assets	2,930,180	49	2,959,631	51	3,001,775	52
1517	Non-current Assets						
1600	Financial Assets at Fair Value Through Other Comprehensive Income - Non-current (Notes 8 and 29)	152,396	2	152,448	3	31,996	1
1755	Property, Plant and Equipment (Note 12)	2,255,095	38	2,133,164	36	2,094,910	36
1760	Right-of-use Assets (Note 13)	103,810	2	107,158	2	110,507	2
1780	Investment Properties (Note 14)	310,352	5	312,176	5	314,000	5
1840	Other Intangible Assets (Note 15)	14,887	-	15,887	-	17,615	-
1980	Deferred Income Tax Assets (Note 4)	54,558	1	44,808	1	46,446	1
1990	Other Financial Assets - Non-current (Notes 16, 29 and 31)	34,543	1	34,543	-	34,543	1
15XX	Other Non-current Assets (Note 16)	109,868	2	94,109	2	91,382	2
1XXX	Total Non-current Assets	3,035,509	51	2,894,293	49	2,741,399	48
1XXX	Total Assets	\$ 5,965,689	100	\$ 5,853,924	100	\$ 5,743,174	100
Code	Liabilities and Equity						
2100	Current Liabilities						
2110	Short-term Borrowings (Notes 17 and 29)	\$ 250,000	4	\$ 330,000	6	\$ 475,000	8
2130	Commercial Paper Payable (Notes 17 and 29)	-	-	-	-	40,000	1
2170	Contract Liabilities - Current (Notes 4 and 22)	167,558	3	145,262	2	170,277	3
2219	Accounts Payable (Notes 18 and 29)	347,748	6	373,509	6	255,581	4
2230	Other Payables (Notes 19 and 29)	704,128	12	275,555	5	464,425	8
2280	Current Income Tax Liabilities (Note 4)	50,442	1	74,695	1	48,594	1
2399	Lease Liabilities - Current (Notes 13 and 29)	5,739	-	5,651	-	5,563	-
21XX	Other Current Liabilities (Note 19)	5,984	-	3,358	-	2,449	-
21XX	Total Current Liabilities	1,531,599	26	1,208,030	20	1,461,889	25
2540	Non-current Liabilities						
2570	Long-term Borrowings (Notes 17 and 29)	103,782	2	69,458	1	-	-
2580	Deferred Income Tax Liabilities (Note 4)	12,595	-	15,136	-	16,821	-
2640	Lease Liabilities - Non-current (Notes 13 and 29)	106,906	2	109,798	2	112,646	2
2670	Net Defined Benefit Liabilities - Non-current (Note 4)	21,723	-	21,783	1	23,976	1
25XX	Other Non-current Liabilities - Others (Notes 19 and 29)	1,070	-	1,207	-	1,394	-
25XX	Total Non-current Liabilities	246,076	4	217,382	4	154,837	3
2XXX	Total Liabilities	1,777,675	30	1,425,412	24	1,616,726	28
3110	Equity Attributable to Owners of the Parent (Note 21)						
3110	Share Capital						
3110	Common Stock	1,137,605	19	1,137,605	19	1,137,605	20
3211	Capital Surplus						
3211	Capital Surplus - Share Premium	258,010	4	258,010	4	258,010	4
3213	Capital Surplus - Conversion Premium of Convertible Bonds	207,018	4	207,018	4	207,018	4
3220	Capital Surplus - Treasury Share Transactions	1,863	-	1,863	-	1,440	-
3230	Capital Surplus - Differences Between Consideration Paid and Carrying Amount of Subsidiary's Equity Acquired or Disposed	544,174	9	544,174	9	544,174	9
3235	Capital Surplus - Recognition of Changes in Ownership Interests in Subsidiaries	211,006	4	211,006	4	211,006	4
3270	Capital Surplus - Merger Surplus	10,618	-	10,618	-	10,618	-
3200	Total Capital Surplus	1,232,689	21	1,232,689	21	1,232,266	21
3310	Retained Earnings						
3310	Legal Reserve	549,971	9	510,355	9	510,355	9
3320	Special Reserve	-	-	15,491	-	15,491	-
3350	Unappropriated Earnings	610,149	10	794,266	14	594,592	11
3300	Total Retained Earnings	1,160,120	19	1,320,112	23	1,120,438	20
3410	Other Equity						
3410	Exchange Differences on Translation of Foreign Operations	(21,472)	(1)	(15,260)	-	(15,404)	-
3420	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	44,200	1	44,252	1	4,006	-
3400	Total Other Equity	22,728	-	28,992	1	(11,398)	-
3500	Treasury Shares	(31,717)	-	(31,717)	(1)	(31,717)	(1)
31XX	Total Equity Attributable to Owners of the Parent	3,521,425	59	3,687,681	63	3,447,194	60
36XX	Non-controlling Interests	666,589	11	740,831	13	679,254	12
3XXX	Total Equity	4,188,014	70	4,428,512	76	4,126,448	72
	Total Liabilities and Equity	\$ 5,965,689	100	\$ 5,853,924	100	\$ 5,743,174	100

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

(Please refer to the review report of Deloitte & Touche, dated August 14, 2025)

Chairperson: Chang, Alice Manager: Huang, Shu-Yuan Chief Accounting Officer: Kung, Greg

ChenFull International Co., Ltd. and Subsidiaries

Statement of Comprehensive Income

2025&2024/4/1-6/30&2025&2024/1/1-6/30

Code	(In Thousands of New Taiwan Dollars) However, Earnings per Share (EPS) is in NTD							
	2025/4/1-6/30		2024/4/1-6/30		2025/1/1-6/30		2024/1/1-6/30	
	Amounts	%	Amounts	%	Amounts	%	Amounts	%
Operating Revenue (Note 22)								
4100 Sales Revenue	\$ 499,135	67	\$ 493,016	71	\$ 1,037,534	67	\$ 873,585	67
4520 Construction Revenue	244,688	33	205,315	29	517,389	33	435,894	33
4600 Service Revenue	1,520	-	1,866	-	3,321	-	3,637	-
4000 Total Operating Revenue	<u>745,343</u>	<u>100</u>	<u>700,197</u>	<u>100</u>	<u>1,558,244</u>	<u>100</u>	<u>1,313,116</u>	<u>100</u>
Operating Costs (Notes 10 and 23)								
5110 Cost of Goods Sold	368,689	49	305,306	44	724,959	46	585,154	45
5520 Construction Costs	185,437	25	145,619	21	399,792	26	293,487	22
5600 Service Costs	912	-	912	-	1,824	-	1,824	-
5000 Total Operating Costs	<u>555,038</u>	<u>74</u>	<u>451,837</u>	<u>65</u>	<u>1,126,575</u>	<u>72</u>	<u>880,465</u>	<u>67</u>
5900 Gross Profit	<u>190,305</u>	<u>26</u>	<u>248,360</u>	<u>35</u>	<u>431,669</u>	<u>28</u>	<u>432,651</u>	<u>33</u>
Operating Expenses (Note 23)								
6100 Selling Expenses	18,835	3	19,789	3	36,785	3	44,802	4
6200 General and Administrative Expenses	53,218	7	66,633	9	124,508	8	123,478	9
6300 Research and Development Expenses	16,539	2	15,061	2	31,456	2	27,921	2
6450 Expected Credit Impairment Losses	5,285	1	4,125	1	1,200	-	2,034	-
6000 Total Operating Expenses	<u>93,877</u>	<u>13</u>	<u>105,608</u>	<u>15</u>	<u>193,949</u>	<u>13</u>	<u>198,235</u>	<u>15</u>
6900	<u>96,428</u>	<u>13</u>	<u>142,752</u>	<u>20</u>	<u>237,720</u>	<u>15</u>	<u>234,416</u>	<u>18</u>
Operating Income								
Non-operating Income and Expenses (Note 23)								
7100 Interest Income	2,175	-	8,737	1	4,331	-	14,859	1
7010 Other Income	11,497	2	6,142	1	13,601	1	8,249	-
7020 Other Gains and Losses	(48,223)	(7)	14,413	2	(54,766)	(3)	61,827	5
7050 Finance Costs	(2,253)	-	(2,861)	-	(4,589)	-	(4,355)	-
7000 Total Non-operating Income and Expenses	(36,804)	(5)	<u>26,431</u>	<u>4</u>	(41,423)	(2)	<u>80,580</u>	<u>6</u>
7900 Income Before Income Tax	59,624	8	169,183	24	196,297	13	314,996	24
7950 Income Tax Expense (Notes 4 and 25)	(11,417)	(2)	(29,157)	(4)	(38,350)	(3)	(56,122)	(4)
8200 Net Income for the Period	<u>48,207</u>	<u>6</u>	<u>140,026</u>	<u>20</u>	<u>157,947</u>	<u>10</u>	<u>258,874</u>	<u>20</u>
Other Comprehensive Income (OCI), Net of Tax								
8310 Items Not Reclassified to Profit or Loss								
8316 Unrealized Gains (Losses) on Equity Instruments at Fair Value Through Other Comprehensive Income	(315)	-	91	-	(52)	-	850	-
8360 Items That May Be Subsequently Reclassified to Profit or Loss								
8361 Exchange Differences on Translation of Foreign Operations	(7,045)	(1)	661	-	(6,212)	-	3,243	-
8300 Total Other Comprehensive Income, Net of Tax	(7,360)	(1)	<u>752</u>	<u>-</u>	(6,264)	<u>-</u>	<u>4,093</u>	<u>-</u>
8500 Total Comprehensive Income for the Period	<u>\$ 40,847</u>	<u>5</u>	<u>\$ 140,778</u>	<u>20</u>	<u>\$ 151,683</u>	<u>10</u>	<u>\$ 262,967</u>	<u>20</u>
Net Income Attributable to:								
8610 Owners of the Parent	\$ 43,651	6	\$ 101,542	14	\$ 122,734	8	\$ 196,490	15
8620 Non-controlling Interests	4,556	-	38,484	6	35,213	2	62,384	5
8600	<u>\$ 48,207</u>	<u>6</u>	<u>\$ 140,026</u>	<u>20</u>	<u>\$ 157,947</u>	<u>10</u>	<u>\$ 258,874</u>	<u>20</u>
Total Comprehensive Income Attributable to:								
8710 Owners of the Parent	\$ 36,291	5	\$ 102,294	15	\$ 116,470	8	\$ 200,583	15
8720 Non-controlling Interests	4,556	-	38,484	5	35,213	2	62,384	5
8700	<u>\$ 40,847</u>	<u>5</u>	<u>\$ 140,778</u>	<u>20</u>	<u>\$ 151,683</u>	<u>10</u>	<u>\$ 262,967</u>	<u>20</u>
Earnings per Share (Note 26)								
From Continuing Operations:								
9710 Basic	<u>\$ 0.39</u>		<u>\$ 0.90</u>		<u>\$ 1.09</u>		<u>\$ 1.74</u>	
9810 Diluted	<u>\$ 0.39</u>		<u>\$ 0.90</u>		<u>\$ 1.08</u>		<u>\$ 1.74</u>	

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

(Please refer to the review report of Deloitte & Touche, dated August 14, 2025)

Chairperson: Chang, Alice Manager: Huang, Shu-Yuan Chief Accounting Officer: Kung, Greg

ChenFull International Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
2025&2024/1/1-6/30

(In Thousands of New Taiwan Dollars)

	E q u i t y	A t t r i b u t a b l e	t o	O w n e r s o f t h e	P a r e n t	O t h e r											
						E q u i t y		U n r e a l i z e d G a i n s (L o s s e s)		E x c h a n g e D i f f e r e n c e s o n F i n a n c i a l A s s e t s a t F a i r V a l u e T h r o u g h O t h e r C o m p r e h e n s i v e I n c o m e		T r e a s u r y S h a r e s		T o t a l E q u i t y			
						N o m b r e d e S a r c h e s (en milliers)	A m o u n t s	C a p i t a l S u r p l u s	L e g a l R e s e r v e	S p e c i a l R e s e r v e	U n a p p r o p r i a t e d E a r n i n g s	O f F o r e i g n O p e r a t i o n s	O t h e r C o m p r e h e n s i v e I n c o m e	T r e a s u r y S h a r e s	T o t a l E q u i t y	N o n - c o n t r o l l i n g I n t e r e s t s	T o t a l E q u i t y
Balance as of January 1, 2024						113,761	\$ 1,137,605	\$ 1,232,266	\$ 493,635	\$ 13,106	\$ 586,843	(\$ 18,647)	\$ 3,156	(\$ 31,717)	\$ 3,416,247	\$ 682,543	\$ 4,098,790
Appropriation and Distribution of 2023 Earnings																	
Appropriation to Legal Reserve	-	-	-	-	-	16,720	-	-	(16,720)	-	-	-	-	-	-	-	-
Appropriation to Special Reserve	-	-	-	-	-	-	2,385	-	(2,385)	-	-	-	-	-	-	-	-
Cash Dividends Distributed to Shareholders of the Company	-	-	-	-	-	-	-	-	(169,636)	-	-	-	-	(169,636)	-	(169,636)	
Cash Dividends Distributed to Subsidiaries' Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(65,673)	(65,673)	
Net Income for the Period January 1 to June 30, 2024	-	-	-	-	-	-	-	196,490	-	-	-	-	-	196,490	62,384	258,874	
Other Comprehensive Income, Net of Tax, for the Period January 1 to June 30, 2024	-	-	-	-	-	-	-	-	3,243	-	850	-	-	4,093	-	4,093	
Total Comprehensive Income for the Period January 1 to June 30, 2024	-	-	-	-	-	-	196,490	-	3,243	-	850	-	-	200,583	62,384	262,967	
Balance as of June 30, 2024	<u>113,761</u>	<u>\$ 1,137,605</u>	<u>\$ 1,232,266</u>	<u>\$ 510,355</u>	<u>\$ 15,491</u>	<u>\$ 594,592</u>	<u>(\$ 15,404)</u>	<u>\$ 4,006</u>	<u>(\$ 31,717)</u>	<u>\$ 3,447,194</u>	<u>\$ 679,254</u>	<u>\$ 4,126,448</u>					
Balance as of January 1, 2025	113,761	\$ 1,137,605	\$ 1,232,689	\$ 510,355	\$ 15,491	\$ 794,266	(\$ 15,260)	\$ 44,252	(\$ 31,717)	\$ 3,687,681	\$ 740,831	\$ 4,428,512					
Appropriation and Distribution of 2024 Earnings																	
Appropriation to Legal Reserve	-	-	-	-	39,616	-	(39,616)	-	-	-	-	-	-	-	-	-	-
Reversal of Special Reserve	-	-	-	-	-	(15,491)	15,491	-	-	-	-	-	-	-	-	-	-
Cash Dividends Distributed to Shareholders of the Company	-	-	-	-	-	-	(282,726)	-	-	-	-	(282,726)	-	(282,726)	-	(282,726)	
Cash Dividends Distributed to Subsidiaries' Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	(109,455)	(109,455)		
Net Income for the Period January 1 to June 30, 2025	-	-	-	-	-	-	122,734	-	-	-	-	122,734	35,213	157,947			
Other Comprehensive Income, Net of Tax, for the Period January 1 to June 30, 2025	-	-	-	-	-	-	(6,212)	(52)	-	-	(6,264)	-	-	(6,264)	-	(6,264)	
Total Comprehensive Income for the Period January 1 to June 30, 2025	-	-	-	-	-	-	122,734	(6,212)	(52)	-	-	116,470	35,213	151,683			
Balance as of June 30, 2025	<u>113,761</u>	<u>\$ 1,137,605</u>	<u>\$ 1,232,689</u>	<u>\$ 549,971</u>	<u>\$ -</u>	<u>\$ 610,149</u>	<u>(\$ 21,472)</u>	<u>\$ 44,200</u>	<u>(\$ 31,717)</u>	<u>\$ 3,521,425</u>	<u>\$ 666,589</u>	<u>\$ 4,188,014</u>					

The accompanying notes are an integral part of these consolidated financial statements.
(Please refer to the review report of Deloitte & Touche, dated August 14, 2025)
Chairperson: Chang, Alice Manager: Huang, Shu-Yuan Chief Accounting Officer: Kung, Greg

ChenFull International Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS

2025&2024/1/1-6/30

Code		(In Thousands of New Taiwan Dollars)	
		2025/1/1-6/30	2024/1/1-6/30
	Cash Flows from Operating Activities		
A10000	Income Before Income Tax	\$ 196,297	\$ 314,996
A20010	Adjustments for:		
A20100	Depreciation Expense	67,963	71,461
A20200	Amortization Expense	4,705	4,270
A20300	Expected Credit Impairment Losses	1,200	2,034
A20400	Net Loss (Gain) on Financial Assets at Fair Value Through Profit or Loss	8,145	(8,644)
A20900	Finance Costs	4,589	4,355
A21200	Interest Income	(4,331)	(14,859)
A21300	Dividend Income	(9,711)	(4,977)
A22500	Gain on Disposal of Property, Plant and Equipment	(497)	(1,300)
A23100	Net Gain on Disposal of Financial Assets at Fair Value Through Profit or Loss	(5,485)	(11,311)
A23700	Inventory Valuation Loss and Obsolescence Loss	13,272	2,415
A29900	Realized Deferred Revenue	(24)	(24)
A30000	Changes in Operating Assets and Liabilities:		
A31125	Contract Assets	33,704	(240,359)
A31130	Notes Receivable	(15,284)	12,354
A31150	Accounts Receivable	(45,541)	(95,994)
A31200	Inventories	(71,351)	(498)
A31230	Prepayments	(18,201)	(36,789)
A31240	Other Current Assets	4,812	286
A32125	Contract Liabilities	22,296	(22,127)
A32150	Accounts Payable	(25,761)	(1,340)
A32180	Other Payables	(1,777)	6,222
A32230	Other Current Liabilities	2,626	(894)
A32240	Net Defined Benefit Liabilities	(60)	(3,255)
A33000	Cash Generated from Operations	161,586	(23,978)
A33100	Interest Received	4,541	14,070
A33300	Interest Paid	(4,653)	(3,900)
A33500	Income Taxes Paid	(73,243)	(17,194)
AAAA	Net Cash Inflows (Outflows) from Operating Activities	<u>88,231</u>	(<u>31,002</u>)

Code		2025/1/1	2024/1/1
		-6/30	-6/30
Cash Flows from Investing Activities			
B00100	Acquisition of Financial Assets at Fair Value Through Profit or Loss	(\$ 162,840)	(\$ 228,611)
B00200	Proceeds from Disposal of Financial Assets at Fair Value Through Profit or Loss	146,388	244,269
B02700	Acquisition of Property, Plant and Equipment	(141,583)	(484,088)
B02800	Proceeds from Disposal of Property, Plant and Equipment	740	1,300
B04500	Acquisition of Intangible Assets	(3,705)	(439)
B06500	Increase in Other Financial Assets	-	(35,572)
B06600	Decrease in Other Financial Assets	1,899	-
B06700	Increase in Other Non-current Assets	(20,905)	(1,469)
B07600	Dividends Received	1,330	922
B03700	Increase in Refundable Deposits	(1)	-
B03800	Decrease in Refundable Deposits	-	3,293
BBBB	Net Cash Outflows from Investing Activities	(178,677)	(500,395)
Cash Flows from Financing Activities			
C00100	Increase in Short-term Borrowings	760,000	1,330,000
C00200	Decrease in Short-term Borrowings	(840,000)	(875,000)
C01600	Proceeds from Long-term Borrowings	34,324	-
C00500	Increase in Commercial Paper Payables	-	40,000
C03000	Increase in Guarantee Deposits Received	-	106
C03100	Refund of Guarantee Deposits Received	(113)	-
C04020	Repayment of Lease Liabilities – Principal Portion	(2,804)	(2,717)
CCCC	Net Cash Inflows (Outflows) from Financing Activities	(48,593)	492,389
DDDD	Effects of Exchange Rate Changes on Cash and Cash Equivalents	(7,841)	4,065
EEEE	Net Decrease in Cash and Cash Equivalents	(146,880)	(34,943)
E00100	Cash and Cash Equivalents at Beginning of Period	<u>452,822</u>	<u>980,987</u>
E00200	Cash and Cash Equivalents at End of Period	<u>\$ 305,942</u>	<u>\$ 946,044</u>

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

(Please refer to the review report of Deloitte & Touche, dated August 14, 2025)
 Chairperson: Chang, Alice Manager: Huang, Shu-Yuan Chief Accounting Officer: Kung, Greg

ChenFull International Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

For the Periods from January 1 to June 30, 2025 and 2024

(Unless otherwise indicated, amounts are expressed in thousands of New Taiwan dollars)

1. Company History

CHENFULL International Co., Ltd. (hereinafter referred to as "Chenfull") was incorporated in April 1982. Its business scope includes system integration engineering for semiconductor process control equipment; the trading, design, manufacturing, and installation of cleanrooms, ultrapure water equipment pipelines, and various types of chemical engineering equipment; the manufacturing, processing, and trading of hydraulic machinery parts and precision molds; the planning, design, and trading of complete footwear manufacturing machinery and related material products; as well as the processing, manufacturing, and trading of various aeronautical equipment.

Chenfull's shares have been traded over the counter (OTC) on the Taipei Exchange since September 2004.

These consolidated financial statements are presented in New Taiwan dollars, the functional currency of Chenfull.

2. Date and Procedures of Authorization of Financial Statements

These consolidated financial statements were reported to the Board of Directors and issued on August 14, 2025.

3. Application of Newly Issued and Amended Standards and Interpretations

(1)Initial application of International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), IFRIC Interpretations, and SIC Interpretations endorsed and effective by the Financial Supervisory Commission (FSC) (collectively referred to as "IFRSs")

Amendments to IAS 21 "Lack of Exchangeability"

The application of the amendments to IAS 21 “Lack of Exchangeability” did not result in any significant changes to the Company’s accounting policies.

(2) IFRSs Endorsed by the FSC and Effective in 2026

Newly Issued / Amended / Revised Standards and Interpretations	Effective Date as Issued by IASB
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	2026/1/1
Amendments to IFRS 9 and IFRS 7: Contracts Involving Natural Dependency Electricity	2026/1/1
Annual Improvements to IFRS Accounting Standards – 2023 Cycle (Volume 11)	2026/1/1
IFRS 17: Insurance Contracts	2023/1/1
Amendments to IFRS 17	2023/1/1
Amendments to IFRS 17: Initial Application of IFRS 17 and IFRS 9 – Comparative Information	2023/1/1

As of the authorization date of these consolidated financial statements, the Group is still in the process of assessing the effects of the amendments on its financial position and performance. The related impacts will be disclosed once the assessment is complete.

(3) IFRSs Issued by the IASB but Not Yet Endorsed and Effective by the FSC

Newly Issued / Amended / Revised Standards and Interpretations	Effective Date as Issued by IASB(Note1)
Amendments to IFRS 10 and IAS 28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Undetermined
IFRS 18: Presentation and Disclosure in Financial Statements	2027/1/1
IFRS 19: Subsidiaries without Public Accountability Disclosures	2027/1/1

Note 1: Unless otherwise stated, the newly issued/amended/revised standards or interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will replace IAS 1 “Presentation of Financial Statements.” The main changes include:

- The statement of profit or loss shall classify income and expenses into operating, investing, financing, income tax, and discontinued operations categories.
- The statement of profit or loss shall present operating profit or loss, profit or loss before financing and income taxes, and relevant subtotals and totals.
- Guidance is provided to strengthen aggregation and disaggregation requirements: the Group shall identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events and classify and aggregate them based on shared characteristics so that each line item in the primary financial statements has at least one characteristic in common. Items with different characteristics shall be disaggregated in the primary financial statements and in the notes. The Group shall label items as “other” only when no more informative label can be found.
- Enhanced disclosures on management-defined performance measures: when the Group communicates publicly outside the financial statements, or communicates with users of financial statements regarding management’s view of an aspect of the Group’s overall financial performance, the Group shall disclose in a single note information about management-defined performance measures, including a description of the measure, how it is calculated, reconciliations to subtotals or totals specified by IFRSs, and the effects of income taxes and non-controlling interests on the reconciling items.

In addition to the above impacts, as of the authorization date of these consolidated financial statements, the Group is still in the process of assessing the effects of the amendments to each of the standards and

interpretations on its financial position and performance. The related impacts will be disclosed once the assessment is complete.

4. Summary of Significant Accounting Policies

(1) Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and made effective by the FSC. These consolidated financial statements do not include all the disclosures required for a complete set of annual financial statements prepared in accordance with IFRSs.

(2) Basis of Preparation

Except for financial instruments measured at fair value and net defined benefit liabilities recognized as the present value of defined benefit obligations less the fair value of plan assets, these consolidated financial statements have been prepared on a historical cost basis.

Fair value measurements are categorized into Levels 1 to 3 based on the observability and significance of the inputs used, as follows:

- i. **Level 1 inputs:** quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- ii. **Level 2 inputs:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- iii. **Level 3 inputs:** unobservable inputs for the asset or liability.

(3) Basis of Consolidation

These consolidated financial statements comprise the financial statements of the Company and its controlled entities (subsidiaries). The consolidated statements of comprehensive income include the operating results of subsidiaries from the date of acquisition or until the date of disposal during the reporting period. The financial statements of subsidiaries have been adjusted, where necessary, to align their accounting policies with those adopted by the Group. In preparing the consolidated financial statements, all intra-group transactions, balances, income, and expenses are fully eliminated. The total comprehensive income of subsidiaries is attributed to the owners of the Company and to non-controlling interests, even if this results in a deficit balance for non-controlling interests.

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

For the details of subsidiaries, including ownership percentages and business activities, please refer to Note 11, Table 2, and Table 3.

(4) Other Significant Accounting Policies

Except as stated below, please refer to the summary of significant accounting policies in the consolidated financial statements for the year ended 2024.

i. Defined Benefit Post-Employment Benefits

Pension costs for the interim periods are calculated using the actuarially determined pension cost rate as of the end of the previous fiscal year, applied on a year-to-date basis.

Adjustments are made for significant market fluctuations, material plan amendments, settlements, or other material one-time events occurring during the current period.

ii. Income Tax Expense

Income tax expense represents the sum of current income tax and deferred income tax. Interim income tax is measured on an annual basis by applying the tax rate that is expected to be applicable to the total annual profit to the pre-tax income of the interim period.

5. Major Sources of Accounting Judgments, Estimates, and Assumptions of Uncertainty

In applying accounting policies where relevant information is not readily available from other sources, management of the Group must make judgments, estimates, and assumptions based on historical experience and other relevant factors. Actual results may differ from these estimates.

In developing accounting estimates, the Group has considered the potential impacts of inflation, market interest rate fluctuations, and the effects of U.S. reciprocal tariff measures on projected cash flows, growth rates, discount rates, and profitability. Management will continue to review estimates and underlying assumptions on an ongoing basis.

After assessment by the Group's management, the accounting policies, estimates, and assumptions adopted by the Group do not involve significant judgments, estimates, or uncertainties.

6. Cash and Cash Equivalents

	<u>2025/6/30</u>	<u>2024/12/31</u>	<u>2024/6/30</u>
Cash on Hand and Working Fund	\$ 488	\$ 682	\$ 763
Checks and Demand Deposits with Banks	159,458	270,433	253,608
Cash Equivalents(Investments with Original Maturity)			

within Three Months)			
- Time Deposits with Banks	87,885	98,339	21,997
- Bonds Purchased under Resale Agreements	-	-	589,930
Discretionary Investment Accounts			
- Demand Deposits	58,111	83,368	79,746
	<u>\$ 305,942</u>	<u>\$ 452,822</u>	<u>\$ 946,044</u>

The Group entered into a discretionary investment management agreement with Time Securities Investment Advisory Co., Ltd. As of June 30, 2025, December 31, 2024, and June 30, 2024, bank deposits held in the discretionary investment accounts amounted to NT\$58,111 thousand, NT\$83,368 thousand, and NT\$79,746 thousand, respectively. The ranges of interest rates for bank deposits, time deposits, and repurchase agreements with bonds as of the balance sheet dates were as follows:

	2025/6/30	2024/12/31	2024/6/30
Bank Deposit	0.635%~0.8%	0.65%~4.30%	0.001%~4.45%
Fixed Deposit	4.17%	4.35%	1.69%~5.40%
Bond with Repurchase Agreement	-	-	5.50%~5.60%

7. Financial Instruments Measured at Fair Value Through Profit or Loss

	2025/6/30	2024/12/31	2024/6/30
Financial Assets - Current Mandatorily Measured at Fair Value through Profit or Loss Measurement			
Non-Derivative Financial Assets			
- Domestic Listed (OTC) Stocks	\$ 47,384	\$ 58,188	\$ 61,637
- Beneficiary Certificates of Funds	<u>\$ 97,922</u>	<u>\$ 73,326</u>	<u>\$ 71,711</u>
	<u><u>\$ 145,306</u></u>	<u><u>\$ 131,514</u></u>	<u><u>\$ 133,348</u></u>

8. Financial Assets Measured at Fair Value Through Other Comprehensive Income Equity Instrument Investments

	2025/6/30	2024/12/31	2024/6/30
Non-Current Domestic Investments			
Emerging Stocks			
Common Shares	\$ 1,376	\$ 1,726	\$ 1,163
Unlisted (OTC) Stocks			
Common Shares	<u>151,020</u>	<u>150,722</u>	<u>30,833</u>
	<u><u>\$ 152,396</u></u>	<u><u>\$ 152,448</u></u>	<u><u>\$ 31,996</u></u>

The Group invests in unlisted (non-OTC) equity securities for medium-to long-term strategic purposes and expects to benefit from these investments over the long term. Management of the Group believes that recognizing short-term fair value fluctuations of such investments in profit or loss would not be consistent with the aforementioned long-term investment strategy. Accordingly, the Group has elected to designate these investments as measured at fair value through other comprehensive income (FVOCI).

9. Notes Receivable, Accounts Receivable, Other Receivables, and Receivables Under Collection

	2025/6/30	2024/12/31	2024/6/30
Notes Receivable Measured at Amortized Cost			
Total Carrying Amounts	\$ 30,276	\$ 14,992	\$ 1,968
Less: Allowance for Losses	(<u>271</u>)	(<u>271</u>)	(<u>271</u>)
	<u><u>\$ 30,005</u></u>	<u><u>\$ 14,721</u></u>	<u><u>\$ 1,697</u></u>

	2025/6/30	2024/12/31	2024/6/30
Accounts Receivable Measured at Amortized Cost			
Total Carrying Amounts	\$ 621,781	\$ 574,679	\$ 442,153
Less: Allowance for Losses	(<u>23,888</u>)	(<u>21,197</u>)	(<u>11,301</u>)
	<u><u>\$ 597,893</u></u>	<u><u>\$ 553,482</u></u>	<u><u>\$ 430,852</u></u>
Other Receivables			
Others	<u>\$ 14,158</u>	<u>\$ 10,787</u>	<u>\$ 14,027</u>

	<u>2025/6/30</u>	<u>2024/12/31</u>	<u>2024/6/30</u>
Collections Receivable Measured at Amortized Cost			
Total Carrying Amounts	\$ 2,664	\$ 4,225	\$ 9,931
Less: Allowance for Doubtful Accounts	(<u>2,664</u>)	(<u>4,225</u>)	(<u>9,931</u>)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1)Notes Receivable

2025/6/30

	<u>Not Yet Past Due</u>	<u>Past Due 1~ 90Days</u>	<u>Total</u>
Expected Credit Loss Rate	0.90%	-	
Total Carrying Amounts	\$ 30,276	\$ -	\$ 30,276
Allowance for Losses (Lifetime Expected Credit Loss)	(<u>271</u>)	<u>-</u>	(<u>271</u>)
Amortized Cost	<u>\$ 30,005</u>	<u>\$ -</u>	<u>\$ 30,005</u>

2024/12/31

	<u>Not Yet Past Due</u>	<u>Past Due 1~ 90Days</u>	<u>Total</u>
Expected Credit Loss Rate	1.81%	-	
Total Carrying Amounts	\$ 14,992	\$ -	\$ 14,992
Allowance for Losses (Lifetime Expected Credit Loss)	(<u>271</u>)	<u>-</u>	(<u>271</u>)
Amortized Cost	<u>\$ 14,721</u>	<u>\$ -</u>	<u>\$ 14,721</u>

2024/6/30

	<u>Not Yet Past Due</u>	<u>Past Due 1~ 90Days</u>	<u>Total</u>
Expected Credit Loss Rate	13.77%	-	
Total Carrying Amounts	\$ 1,968	\$ -	\$ 1,968
Allowance for Losses (Lifetime Expected Credit Loss)	(<u>271</u>)	<u>-</u>	(<u>271</u>)

Amortized Cost \$ 1,697 \$ - \$ 1,697
There was no change in the allowance for notes receivable impairment for the periods from January 1 to June 30, 2025 and 2024.

(2) Accounts Receivable

Accounts receivable measured at amortized cost

The Group's average credit period for sales of goods is 60 days from the invoice date (end of month). In assessing the recoverability of accounts receivable, the Group considers any changes in the credit quality of accounts receivable from the date of initial credit granting to the balance sheet date.

To mitigate credit risk, management of the Group has assigned a dedicated team responsible for determining credit limits, approving credit, and implementing other monitoring procedures to ensure that appropriate actions are taken for the recovery of overdue receivables. In addition, at each balance sheet date, the Group reviews the recoverable amounts of receivables individually to ensure that appropriate impairment losses are recognized for uncollectible accounts. Accordingly, management considers that the Group's credit risk has been significantly reduced.

The Group recognizes an allowance for expected credit losses (ECL) on accounts receivable based on lifetime ECL. Lifetime ECL is calculated using a provision matrix that takes into account the customers' historical default records, current financial position, and industry and economic conditions. As the Group's historical credit loss experience indicates that there is no significant difference in loss patterns among different customer groups, the provision matrix is determined solely based on the number of days the accounts receivable are past due.

When there is evidence that a counterparty is experiencing significant financial difficulty and the Group does not reasonably expect to recover the receivable amount (e.g., the counterparty is in

liquidation), the Group writes off the related accounts receivable. However, collection efforts continue, and any subsequent recoveries are recognized in profit or loss.

The Group measured the allowance for accounts receivable impairment using a provision matrix as follows:

2025/6/30

	Not Yet Past Due	Past Due 1~90Days	Past Due 91~180Days	Past Due 181~270Days	Past Due Over 270 Days	Total
Expected Credit Loss Rate	0.37%~1.08%	1.08%~5%	1%~54.39%	1%~93.36%	100%	
Total Carrying Amounts	\$ 552,306	\$ 43,758	\$ 15,666	\$ 3,513	\$ 6,538	\$ 621,781
Allowance for Losses (Lifetime Expected Credit Loss)	(<u>3,756</u>)	(<u>1,820</u>)	(<u>8,494</u>)	(<u>3,280</u>)	(<u>6,538</u>)	(<u>23,888</u>)
Amortized Cost	<u>\$ 548,550</u>	<u>\$ 41,938</u>	<u>\$ 7,172</u>	<u>\$ 233</u>	<u>\$ -</u>	<u>\$ 597,893</u>

2024/12/31

	Not Yet Past Due	Past Due 1~90Days	Past Due 91~180Days	Past Due 181~270Days	Past Due Over 270 Days	Total
Expected Credit Loss Rate	0.43%~0.8%	0.43%~5%	9.5%~57.97%	50%~89.78%	100%	
Total Carrying Amounts	\$ 540,329	\$ 13,195	\$ 7,900	\$ 12,599	\$ 656	\$ 574,679
Allowance for Losses (Lifetime Expected Credit Loss)	(<u>4,303</u>)	(<u>400</u>)	(<u>4,571</u>)	(<u>11,267</u>)	(<u>656</u>)	(<u>21,197</u>)
Amortized Cost	<u>\$ 536,026</u>	<u>\$ 12,795</u>	<u>\$ 3,329</u>	<u>\$ 1,332</u>	<u>\$ -</u>	<u>\$ 553,482</u>

2024/6/30

	Not Yet Past Due	Past Due 1~90Days	Past Due 91~180Days	Past Due 181~270Days	Past Due Over 270 Days	Total
Expected Credit Loss Rate	0.49%~0.86%	0.49%~5%	6.92%~54.97%	33.33%~89.78%	100%	
Total Carrying Amounts	\$ 408,720	\$ 18,472	\$ 10,424	\$ 4,021	\$ 516	\$ 442,153
Allowance for Losses (Lifetime Expected Credit Loss)	(<u>3,524</u>)	(<u>215</u>)	(<u>5,537</u>)	(<u>1,509</u>)	(<u>516</u>)	(<u>11,301</u>)
Amortized Cost	<u>\$ 405,196</u>	<u>\$ 18,257</u>	<u>\$ 4,887</u>	<u>\$ 2,512</u>	<u>\$ -</u>	<u>\$ 430,852</u>

The reconciliation of the allowance for accounts receivable impairment is as follows:

	2025/1/1 -6/30	2024/1/1 -6/30
Beginning Balance	\$ 21,197	\$ 6,442
Add: Provision for Impairment Losses during the Period	17,306	9,392

Less: Reversal of Impairment	(1,195)	-
Losses during the Period		
Less: Reclassification during the Period	(13,385)	(4,563)
Foreign Exchange Translation Differences	(35)	30
Ending Balance	<u>\$ 23,888</u>	<u>\$ 11,301</u>

The movements in the allowance for doubtful collections were as follows:

	2025/1/1 -6/30	2024/1/1 -6/30
Beginning Balance	\$ 4,225	\$ 12,726
Add: Provision for Impairment Losses during the Period	13,385	4,563
Less: Reversal of Impairment Losses during the Period	(14,911)	(7,358)
Less: Reclassification during the Period	(35)	-
Foreign Exchange Translation Differences	<u>\$ 2,664</u>	<u>\$ 9,931</u>

10. INVENTORIES

	2025/6/30	2024/12/31	2024/6/30
Raw Materials	\$ 158,569	\$ 166,908	\$ 207,892
Work in Process	428,675	385,104	310,282
Finished Goods	135,671	112,898	92,310
Merchandise Inventory	<u>227</u>	<u>153</u>	<u>2,500</u>
	<u>\$ 723,142</u>	<u>\$ 665,063</u>	<u>\$ 612,984</u>

Detailed costs of goods sold:

	2025/4/1- 6/30	2024/4/1- 6/30	2025/1/1- 6/30	2024/1/1- 6/30
Cost of Goods Sold	\$ 369,801	\$ 310,226	\$ 727,223	\$ 599,819
Inventory Valuation and Obsolescence				
Losses	8,216	2,607	13,272	2,415
Others	(9,328)	(7,527)	(15,536)	(17,080)
	<u>\$ 368,689</u>	<u>\$ 305,306</u>	<u>\$ 724,959</u>	<u>\$ 585,154</u>

11. Subsidiaries

(1) Subsidiaries Included in the Consolidated Financial Statements

The consolidated financial statements comprise the following entities:

Name of Investing Company	Name of Subsidiary	Percentage of Ownership Interest			Description
		2025/6/30	2024/12/31	2024/6/30	
CHENFULL International Co., Ltd.	Chenfeng Machinery & Enterprise Co., Ltd	100%	100%	100%	-
	CHENFULL Precision Co., Ltd.	63%	63%	63%	註
	CHEN FULL HOLDING CO., LTD.	100%	100%	100%	-
CHEN FULL HOLDING CO., LTD.	NEW OPPORTUNITY LIMITED	100%	100%	100%	-
NEW OPPORTUNITY LIMITED	CHENFENG MACHINERY (DONGGUAN) CO.,	100%	100%	100%	-

Note: This represents a significant subsidiary, and its financial statements have been reviewed by independent auditors.

(2)Information on Subsidiaries with Material Non-controlling Interests

Name of Subsidiary	Equity and Voting Rights Held by Non-Controlling Interests		
	2025/6/30	2024/12/31	2024/6/30
CHENFULL Precision Co., Ltd.	37%	37%	37%
For information on the principal place of business and the country of incorporation, please refer to Table 2.			
Name of Subsidiary	Profit or Loss Attributable to Non-Controlling Interests		
	2025/4/1- -6/30	2024/4/1- -6/30	2025/1/1- -6/30
CHENFULL Precision Co., Ltd.	\$ 4,556	\$ 38,484	\$ 35,213
			\$ 62,384

Name of Subsidiary	Non-Controlling Interests		
	2025/6/30	2024/12/31	2024/6/30
CHENFULL Precision Co., Ltd.	\$ 666,589	\$ 740,831	\$ 679,254

The following summarized financial information of CHENFULL Precision Co., Ltd. is presented before eliminating intercompany transactions:

CHENFULL Precision Co., Ltd.

	2025/6/30	2024/12/31	2024/6/30
Current Assets	\$ 1,014,719	\$ 1,105,519	\$ 1,400,345
Non-Current Assets	1,729,381	1,593,340	1,543,865
Current Liabilities	(729,293)	(513,364)	(991,135)
Non-Current Liabilities	(213,091)	(183,111)	(117,125)
Equity	<u>\$ 1,801,716</u>	<u>\$ 2,002,384</u>	<u>\$ 1,835,950</u>

Equity Attributable to:

Owners of the Parent	\$ 1,135,127	\$ 1,261,553	\$ 1,156,696
Chen Full Precision Co., Ltd.			
Non-Controlling Interests	<u>666,589</u>	<u>740,831</u>	<u>679,254</u>
	<u>\$ 1,801,716</u>	<u>\$ 2,002,384</u>	<u>\$ 1,835,950</u>

	2025/1/1- 6/30	2024/1/1- 6/30
Operating Revenue	<u>\$ 818,670</u>	<u>\$ 718,140</u>
Net Income for the Period	\$ 95,177	\$ 168,620
Other Comprehensive Income	—	—
Total Comprehensive Income	<u>\$ 95,177</u>	<u>\$ 168,620</u>

	2025/1/1- 6/30	2024/1/1- 6/30
Profit (Loss) Attributable to:		
Owners of the Parent Company	\$ 59,964	\$ 106,236
Non-controlling Interests of Chen Full Precision Co., Ltd.	<u>35,213</u>	<u>62,384</u>
	<u>\$ 95,177</u>	<u>\$ 168,620</u>

Total Comprehensive Income Attributable to:		
Owners of the Parent Company	\$ 59,964	\$ 106,236
Non-controlling Interests of Chen Full Precision Co., Ltd.	<u>35,213</u>	<u>62,384</u>
	<u>\$ 95,177</u>	<u>\$ 168,620</u>

Cash Flows:

Operating Activities		\$ 83,805		\$ 180,112
Investing Activities		(151,036)		(515,015)
Financing Activities		(48,480)		497,283
Net Cash (Outflow) / Inflow		(<u>\$ 115,711</u>)		<u>\$ 162,380</u>

12. Real Estate, Factory Buildings, and Equipment

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Cost						
Balance as of January 1, 2025	\$ 1,113,104	\$ 1,105,994	\$ 1,084,708	\$ 340,216	\$ 103,849	\$ 3,747,871
Additions	-	1,675	5,437	3,277	169,427	179,816
Disposals	-	-	(2,197)	(249)	-	(2,446)
Reclassifications	-	-	4,882	265	-	5,147
Net Exchange Differences	—	—	(62)	(83)	—	(145)
Balance as of June 30, 2025	<u>\$ 1,113,104</u>	<u>\$ 1,107,669</u>	<u>\$ 1,092,768</u>	<u>\$ 343,426</u>	<u>\$ 273,276</u>	<u>\$ 3,930,243</u>

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Accumulated Depreciation and Impairment						
Balance as of January 1, 2025	\$ -	\$ 467,061	\$ 862,609	\$ 285,037	\$ -	\$ 1,614,707
Disposals	-	-	(2,004)	(199)	-	(2,203)
Depreciation Expense	-	19,846	31,361	11,584	-	62,791
Net Exchange Differences	—	2	(63)	(86)	—	(147)
Balance as of June 30, 2025	<u>\$ -</u>	<u>\$ 486,909</u>	<u>\$ 891,903</u>	<u>\$ 296,336</u>	<u>\$ -</u>	<u>\$ 1,675,148</u>
Net Carrying Amount as of June 30, 2025	<u>\$ 1,113,104</u>	<u>\$ 620,760</u>	<u>\$ 200,865</u>	<u>\$ 47,090</u>	<u>\$ 273,276</u>	<u>\$ 2,255,095</u>

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Net Carrying Amount as of December 31, 2024						
	<u>\$ 1,113,104</u>	<u>\$ 638,933</u>	<u>\$ 222,099</u>	<u>\$ 55,179</u>	<u>\$ 103,849</u>	<u>\$ 2,133,164</u>

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Cost						
Balance as of January 1, 2024	\$ 531,576	\$ 1,104,140	\$ 1,099,251	\$ 338,148	\$ 890	\$ 3,074,005
Additions	466,387	536	4,373	2,065	6,311	479,672
Disposals	-	-	(11,175)	(2,057)	-	(13,232)
Reclassifications	115,141	-	3,150	-	-	118,291
Net Exchange Differences	—	—	29	42	—	71
Balance as of June	<u>\$ 1,113,104</u>	<u>\$ 1,104,676</u>	<u>\$ 1,095,628</u>	<u>\$ 338,198</u>	<u>\$ 7,201</u>	<u>\$ 3,658,807</u>

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Accumulated Depreciation and Impairment Balance as of January 1, 2024	\$	-	\$ 426,167	\$ 820,750	\$ 263,884	\$	-	\$ 1,510,801
Disposals	-		-	(11,175)	(2,057)	-	-	(13,232)
Depreciation Expense	-		20,892	32,561	12,823	-		66,276
Net Exchange Differences	_____	-	_____ -	_____ 25	_____ 27	_____ -		_____ 52
Balance as of June 30, 2024	\$	-	\$ 447,059	\$ 842,161	\$ 274,677	\$	-	\$ 1,563,897

Net Carrying Amount as of June 30, 2024	\$ 1,113,104	\$ 657,617	\$ 253,467	\$ 63,521	\$ 7,201	\$ 2,094,910
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For the purpose of plant expansion and operational needs, Chenfull International Co., Ltd. of the Group acquired agricultural land with parcel numbers 0497, 0499, and 0500 located in Changfa Section, Dayuan District, Taoyuan City, with a total area of 5,639.26 square meters. The land was recognized as owned land at a cost of NT\$234,699 thousand. Due to legal restrictions, Chenfull was not permitted to register ownership of farmland. Accordingly, on March 3, 2023, Chenfull entered into a nominee registration agreement with an employee who qualified as a self-cultivating farmer, under which the employee held the land title on Chenfull's behalf. The agreement specified that the ownership of the land belonged to Chenfull. In addition, a pre-registration of the land ownership was filed in the name of Chenfull, and the employee is prohibited from disposing of the land in any manner without Chenfull's consent.

For the purpose of plant expansion and operational needs, CHENFULL Precision Co., Ltd. of the Group acquired land with parcel number 0035-0008 located in Xinzhuang Subsection, Xinzhuang Section, Puzi City, at a cost of NT\$581,528 thousand. Furthermore, a pre-registration of the land ownership was filed with the Chiayi County Government.

Depreciation expense is calculated on a straight-line basis over the following estimated useful lives:

Buildings	
Main Plant Buildings	5-56 years
Electrical Engineering	20-21 years
Water Supply and Drainage	
Equipment	10-11 years
Air Conditioning	
Equipment	7-9 years
Others	2-21 years
Machinery and Equipment	2-11 years
Other Equipment	2-11 years

No impairment losses were recognized or reversed for the periods from January 1 to June 30, 2025 and 2024.

13. Lease Agreements

(1) Right of Use Assets

	2025/6/30	2024/12/31	2024/6/30
Carrying Amount of Right-of-Use Assets			
Land	<u>\$ 103,810</u>	<u>\$ 107,158</u>	<u>\$ 110,507</u>
	2025/4/1- 6/30	2024/4/1- 6/30	2025/1/1- 6/30
Depreciation Expense of Right-of-Use Assets			
Land	<u>\$ 1,674</u>	<u>\$ 1,674</u>	<u>\$ 3,348</u>
			<u>\$ 3,361</u>

Except for the depreciation expense recognized as mentioned above, the Group's right-of-use assets did not incur any significant subleasing or impairment for the periods from January 1 to June 30, 2025 and 2024.

(2) Lease liabilities

	2025/6/30	2024/12/31	2024/6/30
Lease Liabilities - Carrying Amounts			
Current	<u>\$ 5,739</u>	<u>\$ 5,651</u>	<u>\$ 5,563</u>
Non-current	<u>\$ 106,906</u>	<u>\$ 109,798</u>	<u>\$ 112,646</u>

The discount rate ranges for lease liabilities were as follows:

	2025/6/30	2024/12/31	2024/6/30
Land	3.126%	3.126%	3.126%

(3) Significant Leasing Activities and Terms

The Group leases land for use as plants. The original lease term was from October 2020 to December 2028. The lease payments were adjusted upward starting in January 2024, and under the new contract, the lease term was extended from January 2024 to December 2040. For land leases located in the Republic of China, the lessor is entitled to adjust the lease payments in accordance with applicable laws and regulations.

(4) Other lease information

	2025/4/1- 6/30	2024/4/1- 6/30	2025/1/1- 6/30	2024/1/1- 6/30
Short-term Lease Expense	\$ 3,287	\$ 2,311	\$ 6,661	\$ 4,664
Low-value Asset Lease Expense	\$ 361	\$ 440	\$ 742	\$ 884
Lease Cash Outflows Total			(\$ 11,993)	(\$ 10,137)
The Group elected to apply the recognition exemption for short-term leases and leases of low-value assets, and therefore did not recognize the related right-of-use assets and lease liabilities for such leases.				

14. Investment Property

	Completed Investment Property
Cost	
Balance as of January 1, 2025	\$ 335,715
Balance as of June 30, 2025	\$ 335,715
Accumulated Depreciation and Impairment	
Balance as of January 1, 2025	\$ 23,539
Depreciation Expense	1,824
Balance as of June 30, 2025	\$ 25,363
Net Carrying Amount as of June 30, 2025	\$ 310,352
Net Carrying Amount as of December 31, 2024 and January 1, 2025	\$ 312,176

	Completed Investment Property		
Cost			
Balance as of January 1, 2024	<u>\$ 335,715</u>		
Balance as of June 30, 2024	<u>\$ 335,715</u>		
 Accumulated Depreciation and Impairment			
Balance as of January 1, 2024	\$ 19,891		
Depreciation Expense	<u>1,824</u>		
Balance as of June 30, 2024	<u>\$ 21,715</u>		
 Net Carrying Amount as of June 30, 2024	<u>\$ 314,000</u>		
The lease terms for investment properties leased out are between 1 and 2 years. The lessees do not have preferential purchase options on the investment properties upon the expiration of the lease terms.			
The total future lease payments to be received under operating leases for investment properties are as follows:			
	2025/6/30	2024/12/31	2024/6/30
Year 1	\$ 3,278	\$ 3,028	\$ 3,027
Year 2	<u>1,923</u>	<u>-</u>	<u>25</u>
	<u>\$ 5,201</u>	<u>\$ 3,028</u>	<u>\$ 3,052</u>

Depreciation expense is calculated on a straight-line basis over the following estimated useful lives:

Main Building 20 years
The fair value of investment properties as of June 30, 2025 was NT\$370,105 thousand. The fair value was not determined by independent appraisers but was assessed by the Group's management with reference to market prices of similar properties in neighboring areas.

15. Other Intangible Assets

	Computer Software Cost
Cost	
Balance as of January 1, 2025	\$ 41,054
Additions	<u>3,705</u>
Balance as of June 30, 2025	\$ 44,759

Accumulated Amortization and Impairment	
Balance as of January 1, 2025	\$ 25,167
Amortization Expense	<u>4,705</u>
Balance as of June 30, 2025	<u>\$ 29,872</u>
Net Carrying Amount as of June 30, 2025	<u>\$ 14,887</u>
Net Carrying Amount as of December 31, 2024 and January 1, 2025	<u>\$ 15,887</u>
Cost	
Balance as of January 1, 2024	\$ 39,176
Additions	439
Disposals	(<u>1,185</u>)
Balance as of June 30, 2024	<u>\$ 38,430</u>
Accumulated Amortization and Impairment	
Balance as of January 1, 2024	\$ 17,730
Amortization Expense	4,270
Disposals	(<u>1,185</u>)
Balance as of June 30, 2024	<u>\$ 20,815</u>
Net Carrying Amount as of June 30, 2024	<u>\$ 17,615</u>

Except for the amortization expense recognized, the Group's other intangible assets did not incur any significant disposals or impairments for the periods from January 1 to June 30, 2025 and 2024.

Amortization expense is calculated on a straight-line basis over the following estimated useful lives:

Computer Software Cost 1-5 years
 Amortization expense by function:

	2025/4/1- 6/30	2024/4/1- 6/30	2025/1/1- 6/30	2024/1/1- 6/30
Cost of Goods Sold	\$ 505	\$ 666	\$ 955	\$ 1,316
Operating Expenses	<u>1,890</u>	<u>1,470</u>	<u>3,750</u>	<u>2,954</u>
	<u>\$ 2,395</u>	<u>\$ 2,136</u>	<u>\$ 4,705</u>	<u>\$ 4,270</u>

16. Other Assets

2025/6/30	2024/12/31	2024/6/30
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Current Assets			
Prepayments			
Prepaid Purchases	\$ 42,002	\$ 24,514	\$ 42,868
Others	<u>5,101</u>	<u>4,298</u>	<u>7,773</u>
	<u><u>\$ 47,013</u></u>	<u><u>\$ 28,812</u></u>	<u><u>\$ 50,641</u></u>
Other Financial Assets – Current			
Time Deposits with Original Maturity Over 3 Months (1)	\$ 16,361	\$ 18,262	\$ 18,013
Pledged Time Deposits (1) (Note 31)	<u>9,048</u>	<u>9,046</u>	<u>9,046</u>
	<u><u>\$ 25,409</u></u>	<u><u>\$ 27,308</u></u>	<u><u>\$ 27,059</u></u>
Other Current Assets			
Temporary Payments	\$ 6,618	\$ 6,532	\$ 6,473
Payments on Behalf of Others	4,025	4,025	4,025
Employee Advances	<u>-</u>	<u>98</u>	<u>86</u>
	<u><u>\$ 10,643</u></u>	<u><u>\$ 10,655</u></u>	<u><u>\$ 10,584</u></u>
Non-current Assets			
Other Financial Assets – Non-current			
Pledged Time Deposits (1) (Note 31)	<u>\$ 34,543</u>	<u>\$ 34,543</u>	<u>\$ 34,543</u>
Other Non-current Assets			
Other Receivables (2)			
Other Receivables	\$ 73,948	\$ 73,948	\$ 73,948
Less: Allowance for Doubtful Accounts	(73,948)	(73,948)	(73,948)
Prepaid Equipment	105,689	89,931	86,183
Land Pending Transfer (3)	1,114	1,114	1,114
Deposits Paid	<u>3,065</u>	<u>3,064</u>	<u>4,085</u>
	<u><u>\$ 109,868</u></u>	<u><u>\$ 94,109</u></u>	<u><u>\$ 91,382</u></u>

(1) As of June 30, 2025, December 31, 2024, and June 30, 2024, the interest rate ranges for time deposits and pledged certificates of deposit with original maturities exceeding three months were 0.665%–2.550%, 0.54%–3.85%, and 0.54%–3.85% per annum, respectively.

(2) Other Receivables – Non-current

Chenfull International Co., Ltd. of the Group undertook a subcontracted project from Hau-Han Zhongxiao Engineering Co., Ltd. (hereinafter referred to as "Hau-Han"). Due to disputes over

contract interpretation, payment of amounts, and deductions, Chenfull filed a lawsuit against Hau-Han for construction payments totaling NT\$110,821 thousand. Subsequently, on September 30, 2011, except for the portion of NT\$7,368 thousand which remained in litigation, a settlement was reached whereby Hau-Han agreed to pay Chenfull NT\$92,499 thousand (including construction receivables and performance guarantee deposits of NT\$84,851 thousand, and litigation-related payments of NT\$7,648 thousand, recorded under other non-current assets). A notarized settlement agreement was executed accordingly. On March 25, 2014, the High Court ruled that Hau-Han should pay Chenfull NT\$9,383 thousand plus interest. A court-issued certificate of creditor's rights was obtained on July 25, 2014.

As Hau-Han failed to fulfill the settlement terms, Chenfull applied for compulsory enforcement through the court. In addition, Chenfull sued Hau-Han's former responsible person, Mr. Chen Shui-Tu, under endorsement liability for NT\$92,499 thousand, obtaining a final favorable judgment and securing a certificate of creditor's rights. Through court enforcement, Chenfull has subsequently recovered NT\$10,903 thousand. A full allowance for doubtful accounts has been recognized for the remaining claim against Hau-Han amounting to NT\$73,948 thousand.

(3) Land Pending Title Transfer

For the purpose of plant expansion and operational needs, the Group acquired agricultural land with parcel numbers 1065-0086 and 0015 located in Xucuo Port, Dayuan Township, Taoyuan County, with a total area of 6,454 square meters, recorded at a cost of NT\$25,120 thousand. Due to legal restrictions, Chenfull International Co., Ltd. (hereinafter referred to as "Party A") was not permitted to register ownership of farmland. Accordingly, on October 21, 2002, Party A entered into an agreement with Mr. Hsu

Chih-Hung, then Chairman of the Board and a qualified self-cultivating farmer (hereinafter referred to as "Party B"), under which Party B purchased the land on behalf of Party A. Title transfer was registered on November 5, 2002. The agreement stipulated that Party B unconditionally waived any rights to the land and, once the relevant farmland transfer regulations were relaxed or if rezoning under an urban planning amendment permitted the transfer, Party B would unconditionally provide all required documentation for transfer without obstruction or any unreasonable demand for additional payment.

In August 2009, Chenfull obtained approval from the competent authority for partial rezoning of the land and completed the title transfer. By the end of 2011, the new Dayuan plant was completed and designated as a production base for the manufacturing of plant engineering pipelines.

As of June 30, 2025, parcels 0488-0000 and 0484-0000, totaling 281.98 square meters and subdivided from parcel 1065-0015, remained classified as agricultural and pastoral land. These parcels were reserved by the government for waterway management projects and were recorded under "Other non-current assets - Others" at NT\$1,114 thousand.

17. Loans

(1) Short Term Loans

	2025/6/30	2024/12/31	2024/6/30
Unsecured Borrowings			
Bank Loans	<u>\$ 250,000</u>	<u>\$ 330,000</u>	<u>\$ 475,000</u>
The interest rates on bank revolving borrowings were 1.80%-1.95%, 1.80%-1.95%, and 1.78%-1.875% as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively.			

(2) Short-Term Notes Payable

	2025/6/30	2024/12/31	2024/6/30
Commercial Paper Payable	\$ -	\$ -	\$ 40,000
Less: Discount on Short-term	<u>-</u>	<u>-</u>	<u>-</u>

Notes Payable

\$ - \$ - \$ 40,000

The interest rate on short-term notes payable was 1.958% as of June 30, 2024.

(3) Long Term Loans

		2025/6/30	2024/12/31	2024/6/30
	Maturity Date	Significant Terms	Effective Interest Rate	2025/6/30 2024/12/31 2024/6/30
Secured Borrowings				
Bank Loans (Note 32)		\$ 103,782	\$ 69,458	\$ -
Less: Current Portion of Long-term Borrowings		<u> </u> -	<u> </u> -	<u> </u> -
Long-term Borrowings		<u> </u> <u>103,782</u>	<u> </u> <u>69,458</u>	<u> </u> <u>-</u>
Secured Borrowings				
Secured New Taiwan Dollar Bank Loans from Bank of Taiwan	2034.11.15	The loan term is from November 28, 2024, with a grace period until December 15, 2027. During the grace period, interest is paid monthly based on the loan amount. Starting December 15, 2027, principal and interest are repaid in 84 equal monthly installments, with the loan maturity date on November 15, 2034.	1.35	\$ 69,458 \$ 69,458 \$ -
Secured New Taiwan Dollar Bank Loans from Bank of Taiwan	2034.11.15	The loan term is from April 14, 2025, with a grace period until December 15, 2027. During the grace period, interest is paid monthly based on the loan amount. Starting December 15, 2027, principal and interest are repaid in 84 equal monthly installments, with the loan maturity date on November 15, 2034.	1.35	<u>34,324</u> <u> </u> - <u> </u> -
Less: Current Portion Long-term Borrowings			103,782 - -	<u> </u> <u>103,782</u> <u>69,458</u> <u>-</u>

The above bank borrowings were used for the construction of the Chiayi plant. In accordance with the loan agreement, upon completion of the plant construction and the registration of ownership, the provisional registration on the land where the Chiayi plant is located shall be canceled, and a joint mortgage on the land shall be established.

18. Accounts Payable

	2025/6/30	2024/12/31	2024/6/30
Accounts Payable			
Arising from Operations	<u>\$ 347,748</u>	<u>\$ 373,509</u>	<u>\$ 255,581</u>
The average credit period for the purchase of certain goods is between 1 and 4 months, and no interest is charged on accounts payable. The Group has established a financial risk management policy to ensure that all payables are settled within the agreed credit terms.			

19. Other Liabilities

	2025/6/30	2024/12/31	2024/6/30
Current			
Other Payables			
Payables for Equipment	\$ 42,361	\$ 4,128	\$ 2,854
Accrued Salaries and Bonuses	74,456	98,596	65,192
Accrued Employee Compensation	83,657	68,920	68,770
Accrued Directors' Compensation	12,540	8,520	12,080
Accrued Vacation Pay	14,333	13,670	13,496
Dividends Payable	392,181	-	235,309
Interest Payable	112	176	467
Others	<u>84,488</u>	<u>81,545</u>	<u>66,257</u>
	<u>\$ 704,128</u>	<u>\$ 275,555</u>	<u>\$ 464,425</u>
Other Current Liabilities			
Temporary Receipts	\$ 3,149	\$ 774	\$ 24
Collections on Behalf of Others	2,786	2,535	2,376
Deferred Revenue - Current (Note 24)	<u>49</u>	<u>49</u>	<u>49</u>
	<u>\$ 5,984</u>	<u>\$ 3,358</u>	<u>\$ 2,449</u>
Non-current			
Deferred Revenue			
Government Grants (Note 24)	\$ 65	\$ 89	\$ 114
Guarantee Deposits Received	<u>1,005</u>	<u>1,118</u>	<u>1,280</u>
	<u>\$ 1,070</u>	<u>\$ 1,207</u>	<u>\$ 1,394</u>

20. Retirement Benefit Plans

For the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, pension expenses related to defined benefit plans were calculated based on the pension cost rates determined by actuarial valuations as of December 31, 2024 and 2023, respectively, and amounted to NT\$72 thousand, NT\$82 thousand, NT\$149 thousand, and NT\$162 thousand.

21. Equity

(1) Share Capital

Common Stock

	2025/6/30	2024/12/31	2024/6/30
Authorized Shares (in thousands of shares)	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Authorized Capital	<u>\$1,500,000</u>	<u>\$1,500,000</u>	<u>\$1,500,000</u>
Issued and Fully Paid Shares (in thousands of shares)	<u>113,761</u>	<u>113,761</u>	<u>113,761</u>
Issued Capital	<u>\$1,137,605</u>	<u>\$1,137,605</u>	<u>\$1,137,605</u>
Each issued common share has a par value of NT\$10 and carries one voting right as well as the right to receive dividends.			

(2) Capital Reserve

	2025/6/30	2024/12/31	2024/6/30
May Be Used to Offset Deficits, Distribute Cash, or Capitalize into Share Capital (Note 1)			
Share Premium	\$ 258,010	\$ 258,010	\$ 258,010
Convertible Bonds Premium	207,018	207,018	207,018
Treasury Share Transactions	1,863	1,863	1,440
Difference Between Acquisition or Disposal Value of Subsidiary's Equity and Book Value	544,174	544,174	544,174
Merger Premium	10,618	10,618	10,618
May Only Be Used to Offset Deficits			
Recognized Changes in Ownership Interests in Subsidiaries (Note 2)	<u>211,006</u> <u>\$1,232,689</u>	<u>211,006</u> <u>\$1,232,689</u>	<u>211,006</u> <u>\$1,232,266</u>

Note 1: Such capital surplus may be used to offset a deficit, or, in the absence of a deficit, may be distributed in cash or capitalized

as share capital; however, capitalization is subject to an annual limit based on a certain percentage of the Company's paid-in capital.

Note 2: Such capital surplus represents the effects of equity transactions recognized when the Company did not actually acquire or dispose of the shares of its subsidiaries but changes occurred in the subsidiaries' equity, or the adjustments recognized by the Company under the equity method in relation to the capital surplus of its subsidiaries.

(3) Earnings Retention and Dividend Policy

According to the Articles of Incorporation of the Company, if there is any profit after the annual closing, the profit shall first be used to pay all taxes and to offset prior years' accumulated losses. Ten percent of the remaining profit shall then be appropriated as legal reserve; however, when the legal reserve has reached the total amount of the Company's paid-in capital, this requirement shall cease to apply. Thereafter, special reserve shall be appropriated or reversed, or part of the earnings retained, in accordance with applicable laws and regulations. Any remaining distributable earnings shall be combined with undistributed earnings from previous years, and the Board of Directors shall, in accordance with the Company's dividend policy, propose a distribution plan for shareholders' dividends, to be resolved by the shareholders' meeting and distributed in proportion to the total number of shares held. For the policy on employees' and directors' remuneration under the Articles of Incorporation, please refer to Note 23(7) Employees' and Directors' Remuneration.

The Company's dividend policy takes into account the overall business environment and industry characteristics, as well as the

Company's future financial structure and capital budget. Considering profitability, undistributed earnings, and capital surplus, the Company shall plan an appropriate dividend distribution. As a principle, not less than 50% of the distributable earnings of the year shall be distributed, in order to ensure sustainable development and maximize shareholders' interests, with the cash dividend portion not being less than 10% of the total dividends distributed for the year.

The legal reserve shall be appropriated until it equals the total paid-in capital of the Company. The legal reserve may be used to offset losses. When the Company has no accumulated losses, any portion of the legal reserve exceeding 25% of the Company's paid-in capital may be capitalized or distributed in cash.

On May 26, 2025, and May 30, 2024, the Company held its annual shareholders' meetings, where the earnings distribution plans for fiscal years 2023 and 2022 were approved, respectively, as follows:

Earnings Distribution Proposal		
	2024 Year	2023 Year
Legal Reserve	\$ 39,616	\$ 16,720
Special Reserve	(\$ 15,491)	\$ 2,385
Cash Dividends	\$ 282,726	\$ 169,636
Cash Dividend per Share (NTD)	\$ 2.5	\$ 1.5

(4) Other equity items

- i. Exchange differences from the translation of foreign operations' financial statements.

	2025/1/1	2024/1/1
	-6/30	-6/30
Beginning Balance		
Generated During the Period	(\$ 15,260)	(\$ 18,647)
Exchange Differences Arising	(<u>6,212</u>)	<u>3,243</u>

from Translating the Net Assets of Foreign Operations		
Other Comprehensive Income for the Period	(<u>6,212</u>)	<u>3,243</u>
Ending Balance	<u>(\$ 21,472)</u>	<u>(\$ 15,404)</u>

ii. Unrealized gains and losses on financial assets measured at fair value through other comprehensive income

	2025/1/1 -6/30	2024/1/1 -6/30
Beginning Balance	\$ 44,252	\$ 3,156
Generated During the Period		
Unrealized Gains (Losses)		
Equity Instruments	(<u>52</u>)	850
Other Comprehensive Income for the Period	(<u>52</u>)	850
Ending Balance	<u>\$ 44,200</u>	<u>\$ 4,006</u>

(5) Treasury stock

Reason for Recovery	Stock Dividends Distributed by Parent Company (in thousands of shares)	Shares Transferred to Employees (in thousands of shares)	Shares Repurchased for Cancellation (in thousands of shares)	Reclassified from Long-term Investment to Treasury Shares (in thousands of shares)	Total (in thousands of shares)
Number of Shares as of 2025/01/01	63	670	-	219	952
Number of Shares as of 2025/6/30	63	670	-	219	952
Number of Shares as of 2024/1/1	63	670	-	219	952
Number of Shares as of 2024/6/30	63	670	-	219	952

The treasury shares held by the Company are, in accordance with the Securities and Exchange Act, prohibited from being pledged and are not entitled to dividend distributions or voting rights. The information relating to the shares of the Company held by its subsidiaries as of the balance sheet date is as follows:

Name of Subsidiary	Number of Shares Held (in thousands of)	Book Amounts	Market Value

	shares)		
<u>2025/6/30</u> Chenfeng Machinery & Enterprise Co., Ltd.	282	<u>\$ 12,623</u>	<u>\$ 12,623</u>
<u>2024/12/31</u> Chenfeng Machinery & Enterprise Co., Ltd.	282	<u>\$ 12,792</u>	<u>\$ 12,792</u>

<u>2024/6/30</u> Chenfeng Machinery & Enterprise Co., Ltd.	282	<u>\$ 12,721</u>	<u>\$ 12,721</u>
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The treasury shares held by the Company are, in accordance with the Securities and Exchange Act, prohibited from being pledged and are not entitled to dividend distributions or voting rights.

The information relating to the shares of the Company held by its subsidiaries as of the balance sheet date is as follows:

(6) Non control ling interests

	2025/1/1 -6/30	2024/1/1 -6/30
Beginning Balance	<u>\$ 740,831</u>	<u>\$ 682,543</u>
Net Income for the Period	35,213	62,384
Cash Dividends to Shareholders of Chenfull		
Precision Subsidiary	(<u>109,455</u>)	(<u>65,673</u>)
Ending Balance	<u>\$ 666,589</u>	<u>\$ 679,254</u>

22. Revenue

	2025/4/1 -6/30	2024/4/1 -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Revenue from Customer Contracts				
Sales Revenue	\$ 499,135	\$ 493,016	\$ 1,037,534	\$ 873,585
Construction Revenue	244,688	205,315	517,389	435,894
Service Revenue	1,520	1,866	3,321	3,637
	<u>\$ 745,343</u>	<u>\$ 700,197</u>	<u>\$ 1,558,244</u>	<u>\$ 1,313,116</u>

(1) Description of Customer Contracts

i. Sales Revenue

Revenue and accounts receivable are recognized at the point when the goods are delivered to the customer's designated location, at which time the customer has the right to set the price and use of

the goods, bears the primary responsibility for resale, and assumes the risk of obsolescence.

ii. Construction Revenue

For construction contracts in which the real estate is under the customer's control as construction progresses, the Group recognizes revenue over time.

iii. Service Revenue

Service revenue is derived from the operation of business centers.

(2) Contract Balances

	2025/6/30	2024/12/31	2024/6/30	2024/1/1
Accounts Receivable (Note 9)	\$ 597,893	\$ 553,482	\$ 430,852	\$ 336,922
Contract Assets – Current				
Construction	\$ 1,030,669	\$ 1,064,373	\$ 774,451	\$ 534,092
Contract Liabilities – Current				
Sale of Goods	\$ 22,061	\$ 31,127	\$ 47,866	\$ 40,875
Construction	\$ 145,497	\$ 114,135	\$ 122,411	\$ 151,529
	\$ 167,558	\$ 145,262	\$ 170,277	\$ 192,404

23. Net Income from Continuing Operations

(1) Interest Income

	2025/4/1 -6/30	2024/4/1 -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Bank Deposits	\$ 1,750	\$ 1,635	\$ 3,503	\$ 2,816
Bonds Purchased under Repurchase Agreements	-	6,460	-	11,086
Financial Assets at Fair Value through Profit or Loss	405	375	795	675
Others	\$ 20	\$ 267	\$ 33	\$ 282
	\$ 2,175	\$ 8,737	\$ 4,331	\$ 14,859

(2) Other Income

	2025/4/1- -6/30	2024/4/1- -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Rental Income	\$ 332	\$ 322	\$ 578	\$ 597
Dividend Income	9,592	4,968	9,711	4,977
Other Income	\$ 1,573	\$ 852	\$ 3,312	\$ 2,675
	\$ 11,497	\$ 6,142	\$ 13,601	\$ 8,249

(3) Other Gains and Losses

	2025/4/1- -6/30	2024/4/1- -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Gain on Disposal of Property, Plant, and Equipment	\$ -	\$ -	\$ 497	\$ 1,300
Gain on Disposal of Financial Assets				
Financial Assets at Fair Value through Profit or Loss	2,126	320	5,485	11,311
(Loss) Gain on Financial Assets				
Financial Assets at Fair Value through Profit or Loss	5,136	1,562	(8,145)	8,644
Net Foreign Exchange (Loss) Gain	(54,908)	12,588	(49,465)	40,632
Other Losses	(577)	(57)	(3,138)	(60)
	<u><u>\$ 48,223)</u></u>	<u><u>\$ 14,413)</u></u>	<u><u>\$ 54,766)</u></u>	<u><u>\$ 61,827)</u></u>

(4) Financial Costs

	2025/4/1- -6/30	2024/4/1- -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Interest on Bank Loans	\$ 1,699	\$ 1,894	\$ 3,367	\$ 2,416
Interest on Short-term Notes	-	37	-	37
Interest on Lease Liabilities	887	930	1,786	1,872
Other Interest Expenses	-	-	-	30
Less: Amounts Capitalized as Qualifying Assets	(333)	(2,861)	(564)	(4,355)
	<u><u>\$ 2,253)</u></u>	<u><u>\$ 2,861)</u></u>	<u><u>\$ 4,589)</u></u>	<u><u>\$ 4,355)</u></u>

The relevant information on interest capitalization is as follows

	2025/1/1 -6/30	2024/1/1 -6/30
Capitalized Interest Amounts	\$ 564	\$ -
Capitalization Interest Rate	1.35%	-

(5) Depreciation and Amortization

	2025/4/1- -6/30	2024/4/1- -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Property, Plant, and Equipment	\$ 31,544	\$ 32,830	\$ 62,791	\$ 66,276

	2025/4/1- -6/30	2024/4/1- -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Investment Property	912	912	1,824	1,824
Right-of-Use Assets	1,674	1,674	3,348	3,361
Intangible Assets	<u>2,395</u>	<u>2,136</u>	<u>4,705</u>	<u>4,270</u>
	<u><u>\$ 36,525</u></u>	<u><u>\$ 37,552</u></u>	<u><u>\$ 72,668</u></u>	<u><u>\$ 75,731</u></u>

	2025/4/1 -6/30	2024/4/1 -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Depreciation Expense by Function				
Cost of Sales	\$ 30,865	\$ 30,876	\$ 61,460	\$ 62,397
Operating Expenses	<u>3,265</u>	<u>4,540</u>	<u>6,503</u>	<u>9,064</u>
	<u><u>\$ 34,130</u></u>	<u><u>\$ 35,416</u></u>	<u><u>\$ 67,963</u></u>	<u><u>\$ 71,461</u></u>
Amortization Expense by Function				
Cost of Sales	\$ 505	\$ 666	\$ 955	\$ 1,316
Operating Expenses	<u>1,890</u>	<u>1,470</u>	<u>3,750</u>	<u>2,954</u>
	<u><u>\$ 2,395</u></u>	<u><u>\$ 2,136</u></u>	<u><u>\$ 4,705</u></u>	<u><u>\$ 4,270</u></u>

(6) Employee Welfare Expenses

	2025/4/1- -6/30	2024/4/1- -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Post-employment Benefits				
Defined Contribution Plans	\$ 6,543	\$ 5,786	\$ 12,674	\$ 11,702
Defined Benefit Plans	<u>72</u>	<u>82</u>	<u>149</u>	<u>162</u>
(Note 20)	<u>6,615</u>	<u>5,868</u>	<u>12,823</u>	<u>11,864</u>
	<u><u>172,800</u></u>	<u><u>168,826</u></u>	<u><u>356,261</u></u>	<u><u>325,216</u></u>
Other Employee Benefits	<u><u>\$ 179,415</u></u>	<u><u>\$ 174,694</u></u>	<u><u>\$ 369,084</u></u>	<u><u>\$ 337,080</u></u>
Total Employee Benefits Expenses				
By Function	\$ 124,451	\$ 107,140	\$ 241,606	\$ 211,678
Cost of Sales	<u>54,964</u>	<u>67,554</u>	<u>127,478</u>	<u>125,402</u>
	<u><u>\$ 179,415</u></u>	<u><u>\$ 174,694</u></u>	<u><u>\$ 369,084</u></u>	<u><u>\$ 337,080</u></u>

(7) Employee Compensation and Directors' Remuneration

The Company accrues employee compensation and directors' remuneration at not less than 2% and not more than 2%, respectively, of profit before income tax, before deducting such compensation, in accordance with its Articles of Incorporation.

Pursuant to the amendment to the Securities and Exchange Act in August 2024, the Company resolved at the shareholders' meeting in 2025 to amend its Articles of Incorporation to stipulate that not less than 10% of the employee compensation for the year shall be allocated to basic-level employees.

The estimated employee compensation and directors' remuneration for the six months ended June 30, 2025 and 2024 are as follows:

Estimated Ratios

	2025/1/1 -6/30	2024/1/1 -6/30
Employee Compensation	5.36%	3.38%
Directors' Compensation	1.34%	1.02%

Amount

	2025/4/1	2024/4/1
	-6/30	-6/30
	Cash	Cash
Employee Compensation	\$ 1,758	\$ 3,826
Directors' Compensation	1,005	1,125

	2025/1/1	2024/1/1
	-6/30	-6/30
	Cash	Cash
Employee Compensation	\$ 8,030	\$ 7,476
Directors' Compensation	2,010	2,250

If the amounts of employee compensation and directors' remuneration change after the date of authorization for issuance of the annual consolidated financial statements, such changes are accounted for as changes in accounting estimates and are recognized in the following year.

The employee compensation and directors' remuneration for 2024 and 2023 were resolved by the Board of Directors on March 3, 2025 and February 22, 2024, respectively, as follows:

2024 Year 2023 Year

	Cash	Cash
Employee Compensation	\$ 23,865	\$ 10,090
Directors' Compensation	4,500	3,800

The actual amounts of employee compensation and directors' remuneration resolved by the Board of Directors for 2024 and 2023 did not differ from the amounts recognized in the consolidated financial statements for 2024 and 2023.

For information on the employee compensation and directors' remuneration resolved by the Company's Board of Directors in 2025 and 2024, please refer to the Taiwan Stock Exchange "Market Observation Post System."

24. Government Grants

In November 2019, the Group received a government grant of NT\$390 thousand for power and utility equipment. The amount was recognized as deferred income and is amortized to profit or loss over the useful lives of the related assets.

For the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, income of NT\$12 thousand, NT\$12 thousand, NT\$24 thousand, and NT\$24 thousand, respectively, was recognized.

25. Income tax of continuing operations

(1) Income Taxes Recognized in Profit or Loss

The major components of income tax expense are as follows:

	2025/4/1- -6/30	2024/4/1- -6/30	2025/1/1- -6/30	2024/1/1- -6/30
Current Income Tax				
Tax for the Period	\$ 17,666	\$ 31,842	\$ 45,408	\$ 49,923
Additional Tax on Undistributed Earnings	5,129	-	5,129	-
Adjustments for Prior Years	(1,449)	(2,050)	(1,449)	(2,050)
	<u>21,346</u>	<u>29,792</u>	<u>49,088</u>	<u>47,873</u>
Deferred Income Tax Generated During the Period	(9,929)	(635)	(10,738)	8,249
Income Tax Expense Recognized in Profit or Loss	<u>\$ 11,417</u>	<u>\$ 29,157</u>	<u>\$ 38,350</u>	<u>\$ 56,122</u>

(2) Status of Income Tax Assessments

The Company's corporate income tax returns have been assessed by the tax authorities through 2022.

The corporate income tax returns of CHENFULL Corporation and CHENFULL Precision Co., Ltd. have been assessed by the tax authorities through 2023.

26. Earnings per Share

The earnings and weighted average number of common shares used to calculate earnings per share are as follows:

Net profit for the period

	2025/4/1 -6/30	2024/4/1 -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Net Income for Calculating Basic				
Earnings per Share	<u>\$ 43,651</u>	<u>\$ 101,542</u>	<u>\$ 122,734</u>	<u>\$ 196,490</u>
Net Income for Calculating Diluted				
Earnings per Share	<u>\$ 43,651</u>	<u>\$ 101,542</u>	<u>\$ 122,734</u>	<u>\$ 196,490</u>
<u>Number of ordinary shares (in thousands of shares)</u>				

	2025/4/1 -6/30	2024/4/1 -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Weighted Average Number of Common Shares for Calculating Basic Earnings per Share	112,809	112,809	112,809	112,809
Effect of Potential Dilutive Common Shares: Employee Compensation	<u>179</u>	<u>166</u>	<u>357</u>	<u>241</u>
Weighted Average Number of Common Shares for Calculating Diluted Earnings per Share	<u>112,988</u>	<u>112,975</u>	<u>113,166</u>	<u>113,050</u>

If the Group has the option to distribute employee compensation in the form of shares or cash, the calculation of diluted earnings per share assumes that such compensation will be settled in shares. Accordingly, when such potential ordinary shares are dilutive, they are included in the weighted-average number of

outstanding shares for the calculation of diluted earnings per share. Prior to the determination of the number of shares to be distributed for employee compensation in the following year, the potential dilutive effect of such shares continues to be considered in the calculation of diluted earnings per share.

27. Cash Flow Information

Non-cash Transactions

Cash dividends resolved at the shareholders' meetings had not yet been distributed as of June 30, 2025 and 2024 (see Notes 19 and 21).

28. Capital Risk Management

The Group manages its capital to ensure that each entity within the Group can continue as a going concern, while seeking to maximize shareholder returns through the optimization of the debt-to-equity balance.

The capital structure of the Group consists of net debt (i.e., borrowings less cash and cash equivalents) and equity attributable to owners of the parent (i.e., share capital, capital surplus, retained earnings, and other equity items).

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

The Group's senior management reviews the capital structure annually, taking into account the cost and associated risks of each class of capital. Based on management's recommendations, the Group may balance its overall capital structure through the distribution of dividends, issuance of new shares, repurchase of shares, or the issuance or repayment of debt.

29. Financial Instruments

(1) Fair Value Information – Financial Instruments Not Measured at Fair Value

Management of the Group believes that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values.

(2) Fair Value Information – Financial Instruments Measured at Fair Value on a Recurring Basis

i. Fair Value Hierarchy

2025/6/30

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Domestic Listed (OTC) Stocks	\$ 47,384	\$ -	\$ -	\$ 47,384
Fund Beneficiary Certificates	<u>97,922</u>	<u>-</u>	<u>-</u>	<u>97,922</u>
	<u><u>\$ 145,306</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 145,306</u></u>
Financial Assets at Fair Value through Other Comprehensive Income				
Equity Instrument Investments				
– Domestic OTC Stocks	\$ -	\$ -	\$ 1,376	\$ 1,376
– Domestic Unlisted (OTC) Stocks	<u>-</u>	<u>-</u>	<u>151,020</u>	<u>151,020</u>
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 152,396</u></u>	<u><u>\$ 152,396</u></u>

2024/12/31

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Domestic Listed (OTC) Stocks	\$ 58,188	\$ -	\$ -	\$ 58,188
Fund Beneficiary Certificates	<u>73,326</u>	<u>-</u>	<u>-</u>	<u>73,326</u>
	<u><u>\$ 131,514</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 131,514</u></u>
Financial Assets at Fair Value through Other Comprehensive Income				
Equity Instrument Investments				
– Domestic OTC Stocks	\$ -	\$ -	\$ 1,726	\$ 1,726
– Domestic Unlisted (OTC) Stocks	<u>-</u>	<u>-</u>	<u>150,722</u>	<u>150,722</u>
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 152,448</u></u>	<u><u>\$ 152,448</u></u>

2024/6/30

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Domestic Listed (OTC) Stocks	\$ 61,637	\$ -	\$ -	\$ 61,637
Fund Beneficiary Certificates	<u>71,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>71,711</u>
	<u><u>\$ 133,348</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 133,348</u></u>
Financial Assets at Fair Value through Other Comprehensive Income Equity Instrument Investments				
– Domestic OTC Stocks	\$ -	\$ -	\$ 1,163	\$ 1,163
– Domestic Unlisted (OTC) Stocks	<u>\$ -</u>	<u>\$ -</u>	<u>30,833</u>	<u>30,833</u>
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 31,996</u></u>	<u><u>\$ 31,996</u></u>

For the six months ended June 30, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

ii. Adjustments for Financial Instruments Measured at Level 3 Fair Value

2025/1/1-6/30

Financial Assets	Financial Assets at Fair Value through Other Comprehensive Income
Beginning Balance	
Recognized in Other Comprehensive Income (Unrealized Valuation Gains/Losses of Financial Assets at Fair Value through Other Comprehensive Income)	
Ending Balance	

Beginning Balance	Financial Assets at Fair Value through Other Comprehensive Income
	\$ 152,448
Recognized in Other Comprehensive Income (Unrealized Valuation Gains/Losses of Financial Assets at Fair Value through Other Comprehensive Income)	
Ending Balance	

Beginning Balance	Financial Assets at Fair Value through Other Comprehensive Income
	\$ 152,448
Recognized in Other Comprehensive Income (Unrealized Valuation Gains/Losses of Financial Assets at Fair Value through Other Comprehensive Income)	
Ending Balance	

Beginning Balance	Financial Assets at Fair Value through Other Comprehensive Income
	\$ 152,448
Recognized in Other Comprehensive Income (Unrealized Valuation Gains/Losses of Financial Assets at Fair Value through Other Comprehensive Income)	
Ending Balance	

Beginning Balance	Financial Assets at Fair Value through Other Comprehensive Income
	\$ 152,448
Recognized in Other Comprehensive Income (Unrealized Valuation Gains/Losses of Financial Assets at Fair Value through Other Comprehensive Income)	
Ending Balance	

2024/1/1-6/30

Financial Assets at Fair Value through Other Comprehensive Income

	Income
	Equity
	Instruments
Financial Assets	
Beginning Balance	\$ 31,146
Recognized in Other Comprehensive Income (Unrealized Valuation Gains/Losses of Financial Assets at Fair Value through Other Comprehensive Income)	850
Ending Balance	<u>\$ 31,996</u>

iii. Valuation Techniques and Assumptions Used in Measuring Fair Value

The fair values of financial assets and financial liabilities are determined as follows:

For financial assets and financial liabilities with standard terms and conditions that are traded in active markets, fair value is determined by reference to quoted market prices. Where quoted market prices are not available, valuation techniques are applied. The estimates and assumptions used in the valuation techniques adopted by the Group are consistent with the information that market participants would use when pricing financial instruments.

Unlisted Equity Securities

The consolidated financial statements include unlisted equity securities measured at fair value. Fair value is estimated using market-based valuation methods, such as the price-to-earnings ratio and the price-to-book ratio, to assess a reasonable fair value.

(3) Types of Financial Instruments

	2025/6/30	2024/12/31	2024/6/30
Financial Assets			
At Fair Value through Profit or Loss			
Mandatorily at Fair Value through Profit or Loss	\$ 145,306	\$ 131,514	\$ 133,348
Financial Assets at Amortized Cost (Note 1)	1,007,950	1,093,663	1,454,222
Deposits Paid	3,065	3,064	4,085

Financial Assets at Fair Value through Other Comprehensive Income Equity Instrument Investments	152,396	152,448	31,996
Financial Liabilities			
At Amortized Cost (Note 2)	1,214,226	852,721	1,069,646
Deposits Received	1,005	1,118	1,280

Note 1:

The balances include financial assets measured at amortized cost, such as cash and cash equivalents, notes receivable, accounts receivable, other receivables, and other financial assets.

Note 2:

The balances include financial liabilities measured at amortized cost, such as short-term borrowings, commercial paper payable, accounts payable, other payables (excluding employee benefit payables), and long-term borrowings.

(4) Financial Risk Management Objectives and Policies

The Group's risk management objectives are primarily to manage market risk, credit risk, and liquidity risk associated with its operating activities. In accordance with the Group's policies and risk appetite, the Group identifies, measures, and manages these risks.

The Group has established appropriate policies, procedures, and internal controls for managing the aforementioned financial risks in compliance with relevant regulations. Significant financial activities are subject to review by the Board of Directors under applicable regulations and internal control systems. During the course of financial management activities, the Group is required to strictly adhere to the established financial risk management policies.

i. Market Risk

The Group's operating activities expose it primarily to financial risks arising from fluctuations in foreign currency exchange rates (see Note (1) below) and interest rate changes (see Note (2) below).

A. Foreign Exchange Risk

As of the balance sheet date, the carrying amounts of the Group's monetary assets and liabilities denominated in non-functional currencies (including monetary items denominated in non-functional currencies that were eliminated in the consolidated financial statements) are disclosed in Note 33.

Sensitivity Analysis

The Group is primarily exposed to fluctuations in the U.S. dollar exchange rate.

The table below sets out the Group's sensitivity analysis when the New Taiwan dollar (the functional currency) increases or decreases by 1% against each relevant foreign currency. The 1% sensitivity rate is the rate used internally by the Group for reporting foreign exchange risk to key management and represents management's assessment of the reasonably possible range of foreign currency exchange rate fluctuations.

A positive figure in the table indicates that a 1% depreciation of the New Taiwan dollar against the relevant foreign currency would result in an increase in profit before tax or equity by the corresponding amount; conversely, a 1% appreciation of the New Taiwan dollar against the relevant foreign currency would result in a decrease in profit before tax or equity by the same amount.

I m p a c t o f U S D

	2025/1/1 -6/30	2024/1/1 -6/30
	\$ 4,242	\$ 9,899

B. Interest Rate Risk

Interest rate risk refers to the risk that changes in market interest rates may cause fluctuations in the fair value or future cash flows of financial instruments.

As of the balance sheet date, the carrying amounts of the Group's financial assets and financial liabilities exposed to interest rate risk were as follows:

	2025/6/30	2024/12/31	2024/6/30
Subject to Fair Value			
Interest Rate Risk			
– Financial			
Assets	\$ 147,774	\$ 160,128	\$ 673,467
– Financial			
Liabilities	362,645	445,448	633,209
Subject to Cash Flow			
Interest Rate Risk			
– Financial			
Assets	217,632	353,863	333,416
– Financial			
Liabilities	103,782	69,458	-

Sensitivity Analysis

As the Group's fixed-rate financial assets and financial liabilities are measured at amortized cost, they are excluded from the analysis. The sensitivity analysis of interest rate risk is calculated based on the financial assets as of the balance sheet date.

The Group uses a 0.25% increase/decrease in market interest rates as a reasonable risk assessment for reporting interest rate fluctuations to management. Assuming all other variables remain constant, a 0.25% increase/decrease in market interest rates would result in an increase/decrease in the Group's profit before tax

for the six months ended June 30, 2025 and 2024 by NT\$142 thousand and NT\$417 thousand, respectively.

(3) Other Price Risk

The Group is exposed to equity price risk arising from investments in equity securities and fund beneficiary certificates.

Sensitivity Analysis

The following sensitivity analysis is based on the equity price risk as of the balance sheet date.

If equity prices had increased/decreased by 5%, profit or loss before tax for the six months ended June 30, 2025 and 2024 would have increased/decreased by NT\$7,265 thousand and NT\$6,667 thousand, respectively, as a result of changes in the fair value of financial assets measured at fair value through profit or loss. Other comprehensive income before tax for the six months ended June 30, 2025 and 2024 would have increased/decreased by NT\$7,620 thousand and NT\$1,600 thousand, respectively, as a result of changes in the fair value of financial assets measured at fair value through other comprehensive income.

The Group's sensitivity to equity securities price risk did not significantly change compared with the prior year.

ii. Credit Risk

Credit risk refers to the risk of financial loss to the Group resulting from a counterparty's failure to meet its contractual obligations. As of the balance sheet date, the Group's maximum exposure to credit risk primarily arises from the carrying amounts of financial assets recognized in the consolidated balance sheet.

The Group's policy is to conduct transactions only with counterparties of high credit quality and, when necessary, to obtain adequate collateral to mitigate potential financial losses arising from defaults. To reduce credit risk, the Group's management has established control procedures for credit limit determinations and approvals, ensuring that overdue receivables are appropriately collected. In addition, as of the balance sheet date, the Group reviews the recoverability of each receivable individually to ensure that uncollectible receivables are provided for with appropriate impairment losses. Accordingly, management believes that the Group's credit risk has been significantly reduced and is therefore limited.

The Group's credit risk is primarily concentrated among its top five customers. As of June 30, 2025, December 31, 2024, and June 30, 2024, receivables from the top five customers accounted for 67%, 61%, and 69% of the Group's total receivables, respectively. The credit concentration risk related to the remaining receivables is not considered significant.

iii. Liquidity Risk

The Group manages and maintains adequate levels of cash and cash equivalents to support operations and mitigate the impact of cash flow volatility. Management monitors the utilization of bank credit facilities and ensures compliance with loan covenants.

Bank borrowings represent a significant source of liquidity for the Group. As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group's unused credit facilities are disclosed in Note (2) Credit Facilities

A. Liquidity and Interest Rate Risk Table of Non-derivative Financial Liabilities

The maturity analysis of non-derivative financial liabilities is prepared based on the earliest date on which the Group may be required to repay, and is presented at undiscounted cash flows (including principal and estimated interest). The maturity analysis of other non-derivative financial liabilities is prepared based on the contractually agreed repayment dates.

2025/6/30

	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Non-derivative Financial Liabilities Accounts					
Payable Lease Liabilities	\$ 347,748	\$ -	\$ -	\$ -	\$ 347,748
Other Payables	512,584	-	-	-	512,584
Borrowings	<u>250,112</u>	<u>-</u>	<u>8,649</u>	<u>95,133</u>	<u>353,894</u>
	<u>\$ 1,119,623</u>	<u>\$ 9,179</u>	<u>\$ 17,828</u>	<u>\$ 209,870</u>	<u>\$ 1,356,500</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 Year	1 to 3 Years	3 to 6 Years	More than 6 Years	Total
Lease Liabilities	<u>\$ 9,179</u>	<u>\$ 18,358</u>	<u>\$ 27,537</u>	<u>\$ 87,200</u>	<u>\$ 142,274</u>

2024/12/31

	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Non-derivative Financial Liabilities Accounts					
Payable Lease Liabilities	\$ 373,509	\$ -	\$ -	\$ -	\$ 373,509
Other Payables	79,579	-	-	-	79,579
Borrowings	<u>330,175</u>	<u>-</u>	<u>-</u>	<u>69,458</u>	<u>399,633</u>
	<u>\$ 792,442</u>	<u>\$ 9,179</u>	<u>\$ 9,179</u>	<u>\$ 188,785</u>	<u>\$ 999,585</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 Year	1 to 3 Years	3 to 6 Years	More than 6 Years	Total
Lease Liabilities	\$ 9,179	\$ 18,358	\$ 27,537	\$ 91,790	\$ 146,864

2024/6/30

	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Non-derivative Financial Liabilities					
Accounts					
Payable Lease Liabilities	\$ 255,581	\$ -	\$ -	\$ -	\$ 255,581
Other Payables	9,179	9,179	9,179	123,916	151,453
Borrowings	298,598	-	-	-	298,598
Short-term Notes Payable	475,467	-	-	-	475,467
	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
	<u>\$ 1,078,825</u>	<u>\$ 9,179</u>	<u>\$ 9,179</u>	<u>\$ 123,916</u>	<u>\$ 1,221,099</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1-3 years	3-6 years	Over 6 years	Total
Lease Liabilities	\$ 9,179	\$ 18,358	\$ 27,537	\$ 96,379	\$ 151,453

B. Financing Limits

	2025/6/30	2024/12/31	2024/6/30
Unsecured Bank Credit Facilities and Commercial Paper Issuance Limits (Reviewed Annually)			
– Used Amounts	\$ 278,938	\$ 343,977	\$ 528,977
– Unused			
Amounts	<u>2,576,062</u>	<u>2,486,023</u>	<u>2,101,023</u>
	<u>\$ 2,855,000</u>	<u>\$ 2,830,000</u>	<u>\$ 2,630,000</u>
Secured Bank Credit Facilities and Commercial Paper Issuance Limits (Reviewed Annually)			
– Used Amounts	\$ 103,782	\$ 69,458	\$ -
– Unused			
Amounts	<u>1,496,218</u>	<u>1,530,542</u>	<u>-</u>
	<u>\$ 1,600,000</u>	<u>\$ 1,600,000</u>	<u>\$ -</u>

30. Related Party Transactions

Transactions, account balances, income, and expenses between Chenfull International Co., Ltd. and its subsidiaries (related parties of Chenfull) were eliminated in full upon consolidation and, therefore, are not disclosed in these notes. Except as otherwise disclosed in other notes, the transactions between the Group and other related parties were as follows:

Key Management Personnel Compensation

	2025/4/1 -6/30	2024/4/1 -6/30	2025/1/1 -6/30	2024/1/1 -6/30
Short-term Employee Benefits	\$ 6,934	\$ 5,610	\$ 13,819	\$ 11,051
Post-employment Benefits	149	128	298	256
	<u>\$ 7,083</u>	<u>\$ 5,738</u>	<u>\$ 14,117</u>	<u>\$ 11,307</u>

The remuneration of directors and other key management personnel is determined by the Remuneration Committee based on individual performance and market trends.

31. Pledged Assets

The Group's assets pledged as collateral for performance guarantees in connection with land development and business operations were as follows:

	2025/6/30	2024/12/31	2024/6/30
Other Financial Assets - Current			
Pledged Time Deposits	\$ 9,048	\$ 9,046	\$ 9,046
Other Financial Assets - Non-current			
Pledged Time Deposits	34,543	34,543	34,543
	<u>\$ 43,591</u>	<u>\$ 43,589</u>	<u>\$ 43,589</u>

32. Significant Contingent Liabilities and Unrecognized Contractual Commitments

Except as otherwise disclosed in other notes, the Group had the following significant commitments and contingencies:

(1) As of June 30, 2025, Chenfull International Co., Ltd. of the Group had issued guarantee notes totaling NT\$1,131,476 thousand in connection with credit lines, business performance, and project warranties.

(2) As of June 30, 2025, CHENFULL Precision Co., Ltd. of the Group had issued guarantee notes totaling NT\$2,681,463 thousand in connection with credit lines and business performance.

(3) As of June 30, 2025, Chenfull International Co., Ltd. of the Group had guarantee notes deposited by suppliers totaling NT\$70,624 thousand for performance or warranty guarantees.

(4) As of June 30, 2025, CHENFULL Precision Co., Ltd. of the Group had guarantee notes deposited by suppliers totaling NT\$171,688 thousand for performance or warranty guarantees.

(5) The Group entered into contracts with various suppliers for the purchase of equipment and the construction of new plants. The total contract amount was NT\$1,644,435 thousand, of which NT\$378,965 thousand had been paid as of June 30, 2025 (recorded under prepayments for equipment and property, plant and equipment under construction).

33. Information on Foreign Currency Assets and Liabilities with Significant Impact

The following information is presented in aggregate by foreign currencies other than the functional currency of each Group entity. The exchange rates disclosed represent the rates at which such foreign currencies were translated into the functional currency. Foreign currency assets and liabilities with significant impact were as follows:

2025/6/30

	Foreign Currency	Exchange Rate	Book Amounts
Foreign Currency Assets			
Monetary Items			

USD	\$ 14,770	29.30 (USD : NTD)	\$ 432,765
RMB	1	4.091 (RMB : NTD)	4
EUR	34	34.35 (EUR : NTD)	1,152
JPY	2,277	0.203 (JPY : NTD)	463
			<u>\$ 434,384</u>

Foreign
Currency
Liabilities

Monetary Items

USD	292	29.30 (USD : NTD)	\$ 8,557
RMB	8,562	4.091 (RMB : NTD)	35,027
EUR	3	34.35 (EUR : NTD)	89
			<u>\$ 43,673</u>

2024/12/31

	Foreign Currency	Exchange Rate	BookAmounts
<u>Foreign Currency Assets</u>			
<u>Monetary Items</u>			
USD	\$ 18,020	32.785 (USD : NTD)	\$ 590,780
RMB	1	4.478 (RMB : NTD)	4
EUR	179	34.14 (EUR : NTD)	6,098
JPY	17,551	0.21 (JPY : NTD)	<u>3,684</u>
			<u>\$ 600,566</u>

Foreign
Currency
Liabilities

Monetary Items

USD	582	32.785 (USD : NTD)	\$ 19,094
RMB	8,295	4.478 (RMB : NTD)	37,146
EUR	3	34.14 (EUR : NTD)	<u>112</u>
			<u>\$ 56,352</u>

2024/6/30

	Foreign Currency	Exchange Rate	BookAmounts
<u>Foreign Currency Assets</u>			

Monetary Items			
USD	\$ 30,608	32.45 (USD : NTD)	\$ 993,214
EUR	87	34.71 (EUR : NTD)	3,008
JPY	26,812	0.202 (JPY : NTD)	<u>5,408</u>
			<u>\$ 1,001,630</u>

Foreign
Currency
Liabilities

Monetary Items			
USD	104	32.45 (USD : NTD)	\$ 3,363
RMB	4,855	4.445 (RMB : NTD)	<u>21,580</u>
			<u>\$ 24,943</u>

For the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, the Group's foreign exchange gains and losses (including realized and unrealized) amounted to losses of NT\$54,908 thousand, gains of NT\$12,588 thousand, losses of NT\$49,465 thousand, and gains of NT\$40,632 thousand, respectively. Due to the wide variety of foreign currencies involved in transactions and functional currencies of the Group entities, foreign exchange gains and losses by individual currency with significant impact could not be disclosed.

34. Disclosure Notes:

(1) Significant Transaction Matters(2)Information on Subsidiary Investments

No.	Item	Note
1	Loans Granted to Others	None
2	Endorsements and Guarantees for Others	None
3	Significant Securities Held at the End of the Period (Excluding Investments in Subsidiaries, Associates, and Joint Ventures)	Table 1
4	Sales to or Purchases from Related Parties Amounting to NT\$100 Million or 20% or More of Paid-in Capital	None
5	Receivables from Related Parties Amounting to NT\$100 Million or 20% or More of Paid-in Capital	None
6	Others: Business Relationships and Significant Transactions among Parent and Subsidiaries and among Subsidiaries, and Corresponding Amounts	Table 4
7	Information on Investments in Subsidiaries and Affiliates	Table 2

(3) Mainland China Investment Information

No.	Item	Note
1	Name of Invested Company in Mainland China, Main Business Activities, Paid-in Capital, Investment Method, Capital Inflows and Outflows, Shareholding Percentage, Investment Gains or Losses, Ending Investment Book Amounts, Repatriated Investment Gains or Losses, and Investment Limit in Mainland China.	Table 3
2	Significant Transactions Directly or Indirectly with Invested Companies in Mainland China through a Third Region, Including Their Prices, Payment Terms, and Unrealized Gains or Losses: (1) Purchase Amounts and Percentages, and the Ending Balances and Percentages of Related Payables. (2) Sales Amounts and Percentages, and the Ending Balances and Percentages of Related Receivables. (3) Property Transactions Amounts and the Resulting Gains or Losses. (4) Ending Balances of Notes Endorsed or Guarantees Provided and Their Purposes. (5) Maximum Balance and Ending Balance of Financing, Interest Rate Range, and Total Interest for the Period. (6) Other Transactions Having a Significant Impact on Current Profit or Loss or Financial Position, such as Provision or Receipt of Services.	Table 5 Table 5 None None None None

35. Segment Information

The information provided to the chief operating decision maker for the purpose of allocating resources and assessing segment performance focuses on the types of products or services delivered. The reportable segments of the Group are as follows:

Engineering and Machinery Segment - Plant facilities, system integration, and shoe-making machinery.

Precision Segment - Precision processing.

(1) Segment Revenue and Operating Results

The revenue and operating results of the Group's continuing operations are analyzed by reportable segments as follows:

	Construction and Machinery Segment	Precision Segment	Common	Adjustments and Eliminations	Total
2025/01/01-06/30					
Revenue					
Revenue from External Customers	\$ 739,574	\$ 818,670	\$ -	\$ -	\$ 1,558,244
Inter-segment Revenue	1,348	-	-	(1,348)	-
Interest Income	<u>—</u>	<u>—</u>	4,331	<u>—</u>	4,331
Total Revenue	<u>\$ 740,922</u>	<u>\$ 818,670</u>	<u>\$ 4,331</u>	<u>(\$ 1,348)</u>	<u>\$ 1,562,575</u>
Interest Expense	<u>—</u>	<u>—</u>	<u>\$ 4,589</u>	<u>\$ —</u>	<u>\$ 4,589</u>
Depreciation and Amortization	<u>\$ 8,298</u>	<u>\$ 57,408</u>	<u>\$ 6,962</u>	<u>\$ —</u>	<u>\$ 72,668</u>
Pre-tax Profit from Continuing Operations	<u>\$ 101,526</u>	<u>\$ 116,714</u>	<u>(\$ 21,943)</u>	<u>\$ —</u>	<u>\$ 196,297</u>
2024/01/01-06/30					
Revenue					
Revenue from External Customers	\$ 594,976	\$ 718,140	\$ -	\$ -	\$ 1,313,116
Inter-segment Revenue	21,270	-	-	(21,270)	-
Interest Income	<u>—</u>	<u>—</u>	14,859	<u>—</u>	14,859
Total Revenue	<u>\$ 616,246</u>	<u>\$ 718,140</u>	<u>\$ 14,859</u>	<u>(\$ 21,270)</u>	<u>\$ 1,327,975</u>
Interest Expense	<u>—</u>	<u>—</u>	<u>\$ 4,355</u>	<u>\$ —</u>	<u>\$ 4,355</u>
Depreciation and Amortization	<u>\$ 9,866</u>	<u>\$ 58,563</u>	<u>\$ 7,302</u>	<u>\$ —</u>	<u>\$ 75,731</u>
Pre-tax Profit from Continuing Operations	<u>\$ 114,449</u>	<u>\$ 208,499</u>	<u>(\$ 7,952)</u>	<u>\$ —</u>	<u>\$ 314,996</u>

Interdepartmental sales are priced at market value.

Segment profit refers to the profit earned by each segment and excludes the allocation of headquarters management expenses and directors' remuneration, the share of profit or loss of

associates accounted for under the equity method, gains or losses on disposal of long-term equity investments under the equity method, rental income, interest income, gains or losses on disposal of property, plant and equipment, gains or losses on disposal of investments, foreign exchange gains or losses, gains or losses on financial instruments at fair value, interest expense, and income tax expense. These measurement amounts are provided to the chief operating decision maker for the purpose of allocating resources to the segments and assessing their performance.

(2) Department Assets and Liabilities

	Construction and Machinery Segment	Precision Segment	Common	Adjustments and Eliminations	Total
2025/6/30					
Assets					
Capital					
Expenditures for					
Non-current Assets	\$ 4,531	\$ 178,990	\$ -	\$ -	\$ 183,521
Segment Assets	\$ 2,071,244	\$ 2,744,100	\$ 1,150,345	\$ -	\$ 5,965,689
Segment Liabilities	\$ 458,006	\$ 755,994	\$ 563,675	\$ -	\$ 1,777,675
2024/12/31					
Assets					
Capital					
Expenditures for					
Non-current Assets	\$ 2,146	\$ 583,068	\$ -	\$ -	\$ 585,214
Segment Assets	\$ 2,012,901	\$ 2,698,859	\$ 1,142,164	\$ -	\$ 5,853,924
Segment Liabilities	\$ 441,017	\$ 696,475	\$ 287,920	\$ -	\$ 1,425,412
2024/6/30					
Assets					
Capital					
Expenditures for					
Non-current Assets	\$ 388	\$ 479,723	\$ -	\$ -	\$ 480,111
Segment Assets	\$ 1,756,386	\$ 2,944,210	\$ 1,042,578	\$ -	\$ 5,743,174
Segment Liabilities	\$ 377,340	\$ 996,426	\$ 242,960	\$ -	\$ 1,616,726

ChenFull International Co., Ltd. and Subsidiaries
Status of Significant Securities Held at End of Period
2025/6/30

Table1

(In Thousands of New Tawian Dollars, Unless Stated Otherwise)

Investee company	Types and Names of Marketable Securities (Note 1) Stocks - Unlisted OTC	Relationship with Issuers of Marketable Securities	Account title	End of period				Notes
				Number of shares / Units	Carrying Amounts	Ownership percentage %	Fair Value	
Chenfull Industrial Co., Ltd.	Mingchao Enterprise Co., Ltd. Stocks - Private	None	Financial Assets at Fair Value through Other Comprehensive Income - Non-current	3,104,110	\$ 73,036	9.24	\$ 73,036	
	Taiwan SME Development Corporation		Financial Assets at Fair Value through Other Comprehensive Income - Non-current	854,360	\$ 8,973	1.21	\$ 8,973	
	Natec Materials Co., Ltd.		"	1,200,000	\$ 55,211 \$ 64,184	1.74	\$ 55,211 \$ 64,184	
	Fund Beneficiary Certificates - Domestic Yuanta 2-10 Year Investment Grade Corporate Bond Fund		Financial Assets at Fair Value through Profit or Loss - Current	3,000,000	\$ 28,816	4.57	\$ 28,816	
	Cathay FTSE China A50 Fund	Parent Company	"	462,000	\$ 9,878 \$ 38,694	0.26	\$ 9,878 \$ 38,694	
	Stocks - Listed OTC		Financial Assets at Fair Value through Profit or Loss - Current	155,000	\$ 8,215	0.05	\$ 8,215	
	Fubon Financial B Class							
	Stocks - Listed OTC							
Chenfeng Machinery & Enterprise Co., Ltd.	Chenfull Industrial Co., Ltd.	None	Financial Assets at Fair Value through Other Comprehensive Income - Non-current	281,759	\$ 12,623	0.25	\$ 12,623	
	Stocks - OTC Emerging							

	Meiqiang Optical Co., Ltd.	None	Financial Assets at Fair Value through Other Comprehensive Income - Non-current	66,000	\$ 1,376	0.19	\$ 1,376	
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Investee company	Types and Names of Marketable Securities (Note 1) Stocks - Unlisted OTC	Relationship with Issuers of Marketable Securities	Account title	End of period				Notes
				Number of shares / Units	Carrying Amounts	Ownership percentage %	Fair Value	
	Stocks - Unlisted Meiki Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - Non-current	46,750	\$ -	0.19	\$ -	
	Global Union International Enterprise Co., Ltd.		" "	35,000	-	0.25	-	
	Naitec Technology Materials Co., Ltd.		" "	300,000	<u>13,800</u>	0.44	<u>13,800</u>	
	Fund Beneficiary Certificates - Domestic Cathay FTSE China A50 Fund		Financial assets at fair value through profit or loss - Current	490,000	\$ 10,476	0.27	\$ 10,476	
	Yuanta Japan Leading Enterprises Fund A		" "	1,002,004	10,972	0.05	10,972	
	Uni-President Taiwan High Dividend Momentum ETF		" "	666,000	9,151	0.03	9,151	
	Trust Investment Fund Yuanta Taiwan Top 50 ETF		" "	592,000	<u>28,629</u>	-	<u>28,629</u>	
	Stocks - Listed/OTC		Financial assets at fair value through profit or loss - Current	24,640	\$ 3,018	-	\$ 3,018	
	Feng Tay Enterprises Co., Ltd.		" "	155,000	8,215	0.05	8,215	
	Fubon Financial Holdings Preferred Share C		" "	160,000	2,392	-	2,392	

	KGI Financial Holdings Co., Ltd. Discretionary Investment Account (Note 2)	"	"	5,000	4,290	-	4,290	
	International Games System Co., Ltd. (IGS)	"	"	13,000	3,868	0.01	3,868	
	Global PMX Co., Ltd. (GPM)	"	"	7,000	6,174	-	6,174	
	Taiguang Electronic Materials Co., Ltd.	"	"	8,000	5,944	-	5,944	
	Chicony Power Technology Co., Ltd.	"	"	41,000	<u>5,268</u>	-	<u>5,268</u>	
					<u>\$ 39,169</u>		<u>\$ 39,169</u>	

Note 1: The term "securities" in this table refers to stocks, bonds, beneficiary certificates, and securities derived from the aforementioned items, within the scope of IFRS 9 "Financial Instruments."

Note 2: Refers to the method of signing a discretionary asset management agreement with an investment advisory company, whereby the trustee independently buys and sells in centralized trading markets.

Note 3: For information regarding investee subsidiaries, affiliated companies, and joint venture interests, please refer to Table 2 and Table 3.

ChenFull International Co., Ltd. and Subsidiaries
 Name of Investee Company, Location, and Other Related Information
 2025/1/1-6/30

Table2

(In Thousands of New Tawian Dollars, Unless Stated Otherwise)

Investing Company Name	Investee Company Name	Location	Principal Business Activities	Original Investment Amounts		Ending Balance Held			Investee Company Current Period (Loss) / Profit	Investment (Loss) Income Recognized This Period	Notes
				End of Current Period	End of Prior Period	Number of Shares	Percentage (%)	Carrying Amounts			
Chenfull Industrial Co., Ltd	Chenfeng Machinery & Enterprise Co., Ltd.	12F., No. 107, Sec. 4, Zhongxiao E. Rd., Da'an Dist, Taipei City 106, Taiwan	Business center operation and footwear equipment sales Engaging in holding business	\$ 132,880 (USD 2,000)	\$ 132,880 (USD 2,000)	15,280,000	100	\$ 193,524 67,210	\$ 1,714 117	\$ 1,714 117	Subsidiary
	CHEN FULL HOLDING CO., LTD.	Vistra Corporate Services Centre,Ground Floor NPF Building,Beach Road,Apia,Samoa	Processing and manufacturing of precision components and aircraft materials Engaging in holding business	60,448 (USD 2,000)	60,448 (USD 2,000)	-	100	1,135,127	95,177	59,964	Subsidiary (Note 1)
	ChenFull Precision Co., Ltd.	No. 28, Houke S. Rd., Houli Dist, Taichung City 421, Taiwan	Sales and contracting of precision machinery equipment, footwear equipment, ventilation equipment, and related parts	372,780 (USD 2,000)	372,780 (USD 2,000)	37,278,000	63	48,755 (USD 1,664)	478 (USD -15)	478 (USD -15)	Subsidiary
CHEN FULL HOLDING CO., LTD.	NEW OPPORTUNITY LIMITED	Vistra Corporate Services Centre,Ground Floor NPF Building,Beach Road,Apia,Samoa	Engaging in holding business	60,448 (USD 2,000)	60,448 (USD 2,000)	-	100	(USD 1,664)	(USD 478)	(USD 478)	Subsidiary
NEW OPPORTUNITY LIMITED	Chenfeng Machinery (Dongguan) Co., Ltd. (Note 2)	No. 23, Yanhe Rd., Houjie Town, Dongguan City, Guangdong Province, China	Sales and contracting of precision machinery equipment, footwear equipment, ventilation equipment, and related parts	60,448 (USD 2,000)	60,448 (USD 2,000)	-	100	48,726 (USD 1,663)	478 (USD -15)	478 (USD -15)	Subsidiary

Note 1: Significant non-controlling interest.

Note 2: For information regarding investee companies in Mainland China, please refer to Table 3.

ChenFull International Co., Ltd. and Subsidiaries

Investment Information in Mainland China

2025/1/1-6/30

Table3

(In Thousands of New Tawian Dollars, Unless Stated Otherwise)

Investee Company Name - Mainland China	Principal Business Activities	Paid-in Capital	Investment Method (Note 1)	Accumulated Investment Amounts Remitted from Taiwan at Beginning of Current Periods	Investment Remitted or Recovered This Period Amounts		Accumulated Investment Remitted from Taiwan at End of Current Period Amounts	Investee Company Current Period Profit or Loss	Direct or Indirect Shareholding Percentage of the Company %	Investment (Loss) / Income Recognized This Period (Note 2)	Carrying Amount of Investment at End of Period	Investment Income Remitted to Taiwan as of End of Current Period
					Remittance	Recovery						
Chenfeng Machinery (Dongguan) Co., Ltd.	Sales and contracting of precision machinery equipment, footwear equipment, ventilation equipment, and related parts	\$ 60,448 (USD 2,000)	(2)	\$ 60,448 (USD 2,000)	\$ -	\$ -	\$ 60,448 (USD 2,000)	(\$ 478) (USD -15)	100	(\$ 478) (USD -15) (2)-3	\$ 48,726 (USD 1,663)	\$ 44,358 (USD 1,440)

Accumulated Investment Remitted from Taiwan to Mainland China at End of Current Period Amounts	Investment Approved by the Investment Commission, Ministry of Economic Affairs Amounts	Investment Ceiling for Mainland China as Prescribed by the Investment Commission, Ministry of Economic Affairs
NTD 60,448 (USD 2,000)	NTD 60,448 (USD 2,000)	NTD 2,112,855 (USD 72,111)

Note 1: The investment methods are classified into the following three types; indicate the category accordingly:

Direct investment in Mainland China.

Investment in Mainland China via an investment company in a third region.

Other methods.

Note 2: In the "Investment Gain or Loss Recognized This Period" column:

If the investment is still in preparation and no gain or loss has been recognized, this should be indicated.

The basis for recognizing investment gain or loss is divided into the following three types and should be indicated:

Financial statements audited and certified by an international accounting firm cooperating with a certified public accountant in the Republic of China.

Financial statements audited and certified by the certified public accountant of the Taiwan parent company.

Others.

Note 3: Amounts in this table are presented in New Taiwan Dollars (TWD). For foreign currencies, they are converted into TWD at the spot exchange rate on the reporting date. (The spot exchange rate of USD as of June 30, 2025, is 29.30.)

ChenFull International Co., Ltd. and Subsidiaries
 Business Relationships and Significant Transactions Between Parent and Subsidiaries
 2025/1/1-6/30

Table4

(In Thousands of New Tawian Dollars, Unless Stated Otherwise)

No.	Name of Trader	Transaction Counterparty	Relationship with Trader	Transaction Details			
				Account	Amounts (Note4)	Transaction Terms	Percentage of Consolidated Total Revenue or Total Assets
0	ChenFull International Co., Ltd. and Subsidiaries	Chenfeng Machinery	1	Other Receivables	\$ 1,200	Comparable to General Customers "	0.02%
	ChenFull International Co., Ltd. and Subsidiaries	Chenfeng Machinery	1	Rental Income	1,200		0.08%
	ChenFull International Co., Ltd. and Subsidiaries	Chenfeng Machinery (Dongguan) Co., Ltd.	1	Accounts Payable	32,793	"	0.55%
	ChenFull International Co., Ltd. and Subsidiaries	Chenfeng Machinery (Dongguan) Co., Ltd.	1	Contract Liabilities	5,425	"	0.09%
	ChenFull International Co., Ltd. and Subsidiaries	Chenfeng Machinery (Dongguan) Co., Ltd.	1	Sales Revenue	1,341	"	0.09%
	ChenFull International Co., Ltd. and Subsidiaries	Chenfeng Machinery (Dongguan) Co., Ltd.	1	Purchases	7	"	-
	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Dividends Receivable	186,390	"	3.13%
	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Rental Income	2,460	"	0.16%
	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Other Income	447	"	0.03%
	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Rental Expenses	48	"	-
	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Manufacturing Expenses	3	"	-
	ChenFull Precision Co., Ltd.	Chenfeng Machinery (Dongguan) Co., Ltd.	3	Accounts Payable	153	"	-

Note 1: Information on business transactions between the parent company and subsidiaries should be indicated separately in the "Number" column. The numbering method is as follows:

The parent company is numbered 0.

Subsidiaries are sequentially numbered starting from 1 according to each company.

Note 2: The relationship with the trader falls into the following three types; indicate the category accordingly:

Parent company to subsidiary.

Subsidiary to parent company.

Subsidiary to subsidiary.

Note 3: The ratio of transaction amounts to consolidated total revenue or total assets is calculated as follows:

For balance sheet accounts, the ratio is calculated using the ending balance over consolidated total assets.

For income statement accounts, the ratio is calculated using cumulative amounts during the period over consolidated total revenue.

Note 4: This table only discloses one-way transactions. When preparing the consolidated financial statements, the above transactions have already been eliminated.

ChenFull International Co., Ltd. and Subsidiaries

The following significant transactions with investee companies in Mainland China, directly or indirectly conducted via a third region, and their prices, payment terms, unrealized gains or losses, and other related information

2025/1/1-6/30

Table5

(In Thousands of New Tawian Dollars, Unless Stated Otherwise)

Investee Company Name - Mainland China	Transaction Type	Purchases and Sales		Price	Transaction Terms		Notes and Accounts Receivable (Payable)		Unrealized Gain or Loss	Notes
		Amounts	Percentage		Payment Terms	Comparison with General Transactions	Amounts	Percentage		
Chenfeng Machinery (Dongguan) Co., Ltd.	Sales	\$ 1,341	0.09	Same as General Customers	Same as General Customers	Same as General Customers	\$ -	-	\$ -	
	Purchases	7	-	Same as General Customers	Same as General Customers	Same as General Customers	(32,793)	(0.55%)	(-)	