

**Chenfull International
Company Limited and
Subsidiaries**

**Consolidated Financial
Statements for the Three
Months Ended Mar. 31, 2026
and 2025 and Independent
Auditors' Review Report**

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§ TABLE OF CONTENTS §

Item	Page	Financial Statements Note Number
Cover Page	1	-
Table of Contents	2	-
Independent Auditors' Review Report	3 ~ 4	-
Consolidated Balance Sheets	5	-
Consolidated Statements of Comprehensive Income	6 ~ 7	-
Consolidated Statements of Changes in Equity	8	-
Consolidated Statements of Cash Flows	9 ~ 10	-
Notes to the Consolidated Financial Statements		
(1) Company History	11	1
(2) Approval Date and Procedures of the Financial Statements	11	2
(3) Application of Newly Issued and Revised Standards and Interpretations	11 ~ 14	3
(4) Summary of Significant Accounting Policies	14 ~ 16	4
(5) Major Sources of Significant Accounting Judgments, Estimates, and Assumptions	16	5
(6) Description of Significant Accounting Items	16 ~ 59	6 ~ 28
(7) Related Party Transactions	59 ~ 60	29
(8) Assets Pledged as Collateral	60	30
(9) Significant Contingent Liabilities and Unrecognized Contract Commitments	60 ~ 61	31
(10) Significant Losses from Disasters	-	-
(11) Significant Subsequent Events	-	-
(12) Others	61 ~ 62	32
(13) Disclosure Items		
1. Information on Significant Transactions	63 、 66 ~ 67 、 70	33
2. Information on Investments in Subsidiaries	63 、 68	33
3. Information on Investments in Mainland China	63 、 69	33
(14) Segment Information	64 ~ 65	34

INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors and Shareholders

Chenfull International Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Chenfull International Company Limited and its subsidiaries (collectively, the "Company") as of Mar. 31, 2026 and 2025, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three 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 for the matters described in the Basis for Conclusion paragraph, We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As described in Note 11 to the consolidated financial statements, the financial statements of certain non-significant subsidiaries included in the above consolidated financial statements for the same reporting periods were not reviewed by independent accountants. As of Mar. 31, 2026 and 2025, the total assets of these subsidiaries amounted to NT\$351,717 thousand and NT\$252,083 thousand, respectively,

representing 5.09% and 4.26% of the consolidated total assets, respectively; the total liabilities amounted to NT\$42,773 thousand and NT\$33,977 thousand, respectively, representing 1.90% and 2.47% of the consolidated total liabilities, respectively. For the three-month periods ended Mar. 31, 2026 and 2025, the total comprehensive income (loss) of these subsidiaries amounted to NT\$12,156 thousand and NT\$(7,257) thousand, respectively, representing 7.87% and (6.55%) of the consolidated total comprehensive income, respectively.

Conclusion

Based on our reviews, except for the possible effects on the consolidated financial statements if the financial statements of the immaterial subsidiaries described in the Basis for Conclusion paragraph had been reviewed by accountants, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as of Mar. 31, 2026 and 2025, and its consolidated financial performance and consolidated cash flows for the three months then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting,” as endorsed and made effective 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

May 7, 2026

Chenfull International Company Limited and Subsidiaries
Consolidated Balance Sheets
2026.3.31 And 2025.12.31&3.31

(In Thousands of New Taiwan Dollars)

Code	Asstes	2026.3.31		2025.12.31		2025.3.31	
		Amounts	%	Amounts	%	Amounts	%
	Current Assets						
1100	Cash and Cash Equivalents (Notes 6 and 28)	\$ 432,345	6	\$ 449,825	7	\$ 348,806	6
1110	Financial Assets at Fair Value Through Profit or Loss – Current (Notes 7 and 28)	182,921	3	176,139	3	138,321	2
1140	Contract Assets – Current (Note 22)	866,687	13	840,234	13	1,131,030	19
1150	Notes Receivable, Net (Notes 9 and 28)	20,112	-	18,109	-	14,061	-
1172	Accounts Receivable (Notes 9 and 28)	821,552	12	675,398	11	571,140	10
1200	Other Receivables (Notes 9 and 28)	15,504	-	9,318	-	8,046	-
1220	Current Income Tax Assets (Note 4)	-	-	-	-	95	-
130X	Inventories (Note 10)	656,707	10	657,252	10	714,620	12
1410	Prepayments (Note 16)	278,533	4	138,259	2	32,312	1
1476	Other Financial Assets – Current (Notes 16, 28 and 30)	27,001	-	26,642	1	27,544	1
1479	Other Current Assets (Note 16)	10,811	-	10,683	-	10,883	-
11XX	Total Current Assets	3,312,173	48	3,001,859	47	2,996,858	51
	Non-Current Assets						
1510	Financial assets at fair value through profit or loss – non-current(Notes 7 and 28)	28,569	-	28,794	-	-	-
1517	Financial Assets at Fair Value Through Other Comprehensive Income – Non-Current (Notes 8 and 28)	161,670	2	162,043	3	152,711	3
1600	Property, Plant and Equipment (Note 12)	2,887,460	42	2,636,022	41	2,162,115	36
1755	Right-of-Use Assets (Note 13)	98,787	1	100,461	2	105,484	2
1760	Investment Property (Note 14)	307,717	5	308,528	5	311,264	5
1780	Other Intangible Assets (Note 15)	11,114	-	12,582	-	16,060	-
1840	Deferred Income Tax Assets (Note 4)	45,395	1	45,094	1	43,963	1
1980	Other Financial Assets – Non-Current (Notes 16, 28 and 30)	34,543	1	34,543	1	34,543	1
1990	Other Non-Current Assets (Notes 16 and 28)	23,271	-	21,602	-	91,694	1
15XX	Total Non-Current Assets	3,598,526	52	3,349,669	53	2,917,834	49
1XXX	Total Assets	\$ 6,910,699	100	\$ 6,351,528	100	\$ 5,914,692	100
Code	Liabilities and Equity						
	Current Liabilities						
2100	Short-term Borrowings (Notes 17 and 28)	\$ 410,000	6	\$ 420,000	7	\$ 310,000	5
2130	Contract Liabilities – Current (Note 22)	290,223	5	251,741	4	141,602	2
2170	Accounts Payable (Notes 18 and 28)	-	-	240	-	-	-
2219	Other Payables (Notes 19 and 28)	424,809	6	343,114	5	348,131	6
2230	Current Income Tax Liabilities (Note 4)	419,647	6	386,009	6	248,725	4
2280	Lease Liabilities – Current (Notes 13 and 28)	82,524	1	48,851	1	102,405	2
2399	Other Current Liabilities (Note 19)	5,875	-	5,830	-	5,695	-
21XX	Total Current Liabilities	3,784	-	3,203	-	4,272	-
Code	Liabilities and Equity	1,636,862	24	1,458,988	23	1,160,830	19
	Non-Current Liabilities						
2540	Long-term Borrowings (Notes 17 and 28)	473,101	7	241,808	4	69,458	1
2570	Deferred Income Tax Liabilities (Note 4)	19,770	-	17,509	-	13,689	-
2580	Lease Liabilities – Non-Current (Notes 13 and 28)	102,483	2	103,969	2	108,358	2
2640	Net Defined Benefit Liabilities – Non-Current (Note 4)	15,541	-	20,674	-	21,752	1
2670	Other Non-Current Liabilities (Notes 19 and 28)	949	-	999	-	1,257	-
25XX	Total Non-Current Liabilities	611,844	9	384,959	6	214,514	4
2XXX	Total Liabilities	2,248,706	33	1,843,947	29	1,375,344	23
	Equity Attributable to Owners of the Company (Note 21)						
	Share Capital						
3110	Common Stock	1,137,605	16	1,137,605	18	1,137,605	19
	Capital Surplus						
3211	- Capital Surplus – Premium on Common Stock	258,010	4	258,010	4	258,010	4
3213	- Capital Surplus – Conversion Premium on Convertible Bonds	207,018	3	207,018	3	207,018	4
3220	- Capital Surplus – Treasury Stock Transactions	2,567	-	2,567	-	1,863	-
3230	- Capital Surplus – Differences between Consideration Paid or Received for Subsidiaries’ Equity and Book Value	544,174	8	544,174	9	544,174	9
3235	- Capital Surplus – Recognized Changes in Ownership Interests in Subsidiaries	211,006	3	211,006	3	211,006	4
3270	- Capital Surplus – Merger Surplus	10,618	-	10,618	-	10,618	-
3200	Total Capital Surplus	1,233,393	18	1,233,393	19	1,232,689	21
	Retained Earnings						
3310	- Legal Reserve	549,971	8	549,971	8	510,355	9
3320	- Special Reserve	-	-	-	-	15,491	-
3350	- Unappropriated Retained Earnings	989,878	14	872,616	14	873,349	15
3300	Total Retained Earnings	1,539,849	22	1,422,587	22	1,399,195	24
	Other Equity						
3410	- Exchange Differences on Financial Statements of Foreign Operations	(15,048)	-	(16,788)	-	(14,427)	-
3420	- Unrealized Valuation Gains or Losses on Financial Assets at Fair Value Through Other Comprehensive Income	44,231	-	44,604	1	44,515	1
3400	Total Other Equity	29,183	-	27,816	1	30,088	1
3500	Treasury Stock	(31,717)	-	(31,717)	-	(31,717)	(1)
31XX	Total Equity Attributable to Owners of the Company	3,908,313	56	3,789,684	60	3,767,860	64
36XX	Non-controlling Interests	753,680	11	717,897	11	771,488	13
3XXX	Total Equity	4,661,993	67	4,507,581	71	4,539,348	77
	Total Liabilities and Equity	\$ 6,910,699	100	\$ 6,351,528	100	\$ 5,914,692	100

Chenfull International Company Limited and Subsidiaries

Consolidated Statements Of Comprehensive Income

2026 & 2025.1.1-3.31

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2026.1.1-3.31		2025.1.1-3.31	
		Amounts	%	Amounts	%
	Operating Revenue (Note 22)				
4100	Sales Revenue	\$ 727,769	72	\$ 538,399	66
4520	Construction Revenue	276,202	28	272,701	34
4600	Service Revenue	1,055	-	1,801	-
4000	Total Operating Revenue	<u>1,005,026</u>	<u>100</u>	<u>812,901</u>	<u>100</u>
	Operating Costs (Notes 10 and 23)				
5110	Cost of Goods Sold	526,651	53	356,270	44
5520	Construction Costs	214,417	21	214,355	26
5600	Service Costs	910	-	912	-
5000	Total Operating Costs	<u>741,978</u>	<u>74</u>	<u>571,537</u>	<u>70</u>
5900	Gross Profit	<u>263,048</u>	<u>26</u>	<u>241,364</u>	<u>30</u>
	Operating Expenses (Note 23)				
6100	Selling Expenses	20,844	2	17,950	2
6200	Administrative Expenses	65,193	7	71,290	9
6300	Research and Development Expenses	13,446	1	14,917	2
6450	Reversal of Expected Credit Loss	2,926	-	(4,085)	-
6000	Total Operating Expenses	<u>102,409</u>	<u>10</u>	<u>100,072</u>	<u>13</u>
6900	Operating Income	<u>160,639</u>	<u>16</u>	<u>141,292</u>	<u>17</u>
	Non-operating Income and Expenses (Note 23)				
7100	Interest Income	1,820	-	2,156	1
7010	Other Income	2,597	-	2,104	-
7020	Other Gains and Losses	25,448	3	(6,543)	(1)
7050	Finance Costs	(1,596)	-	(2,336)	-
7000	Total Non-operating Income and Expenses	<u>28,269</u>	<u>3</u>	<u>(4,619)</u>	<u>-</u>

(Next Page)

(Previous Page)

Code		2026.1.1-3.31		2025.1.1-3.31	
		Amounts	%	Amounts	%
7900	Profit Before Tax	\$ 188,908	19	\$ 136,673	17
7950	Income Tax Expense (Notes 4 and 25)	(35,863)	(4)	(26,933)	(3)
8200	Net Profit for the Period	<u>153,045</u>	<u>15</u>	<u>109,740</u>	<u>14</u>
	Other Comprehensive Income (Net)				
8310	Items Not to Be Reclassified to Profit or Loss				
8316	Unrealized Valuation Gains or Losses on Equity Instruments at Fair Value Through Other Comprehensive Income	(373)	-	263	-
8360	Items That May Be Reclassified Subsequently to Profit or Loss				
8361	Exchange Differences on Translation of Financial Statements of Foreign Operations	<u>1,740</u>	<u>-</u>	<u>833</u>	<u>-</u>
8300	Total Other Comprehensive Income (Net)	<u>1,367</u>	<u>-</u>	<u>1,096</u>	<u>-</u>
8500	Total Comprehensive Income for the Period	<u>\$ 154,412</u>	<u>15</u>	<u>\$ 110,836</u>	<u>14</u>
	Net Profit Attributable to:				
8610	Owners of the Company	\$ 117,262	12	\$ 79,083	10
8620	Non-controlling Interests	<u>35,783</u>	<u>3</u>	<u>30,657</u>	<u>4</u>
8600		<u>\$ 153,045</u>	<u>15</u>	<u>\$ 109,740</u>	<u>14</u>
	Total Comprehensive Income Attributable to:				
8710	Owners of the Company	\$ 118,629	12	\$ 80,179	10
8720	Non-controlling Interests	<u>35,783</u>	<u>3</u>	<u>30,657</u>	<u>4</u>
8700		<u>\$ 154,412</u>	<u>15</u>	<u>\$ 110,836</u>	<u>14</u>
	Earnings Per Share (Note 26)				
	From Continuing Operations				
9710	Basic	<u>\$ 1.04</u>		<u>\$ 0.70</u>	
9810	Diluted	<u>\$ 1.03</u>		<u>\$ 0.70</u>	

Chenfull International Company Limited and Subsidiaries
Consolidated Statements Of Changes In Equity
2026 And 2025.1.1-3.31

(In Thousands of New Taiwan Dollars)

		Equity Attributable to Owners of the Company											
							Other Equity Items						
		Capital Stock		Capital Surplus	Retained Earnings			Exchange Differences on Translation of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	Total	Non-controlling Interests	Total Equity
Code		Shares (In Thousands)	Amounts		Legal Capital Reserve	Special Reserve	Unappropriated Earnings						
A1	2025.1.1 Balance	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
D1	2025.1.1-3.31 Net Profit	-	-	-	-	-	79,083	-	-	-	79,083	30,657	109,740
D3	2025.1.1-3.31 Other Comprehensive Income After Tax	-	-	-	-	-	-	833	263	-	1,096	-	1,096
D5	2025.1.1-3.31 Total Comprehensive Income	-	-	-	-	-	79,083	833	263	-	80,179	30,657	110,836
Z1	2025.3.31 Balance	113,761	\$ 1,137,605	\$ 1,232,689	\$ 510,355	\$ 15,491	\$ 873,349	(\$ 14,427)	\$ 44,515	(\$ 31,717)	\$ 3,767,860	\$ 771,488	\$ 4,539,348
A1	2026.1.1Balance	113,761	\$ 1,137,605	\$ 1,233,393	\$ 549,971	\$ -	\$ 872,616	(\$ 16,788)	\$ 44,604	(\$ 31,717)	\$ 3,789,684	\$ 717,897	\$ 4,507,581
D1	2026.1.1-3.31 Net Profit	-	-	-	-	-	117,262	-	-	-	117,262	35,783	153,045
D3	2026.1.1-3.31 Other Comprehensive Income After Tax	-	-	-	-	-	-	1,740	(373)	-	1,367	-	1,367
D5	2026.1.1-3.31 Comprehensive Income	-	-	-	-	-	117,262	1,740	(373)	-	118,629	35,783	154,412
Z1	2026.3.31 Balance	113,761	\$ 1,137,605	\$ 1,233,393	\$ 549,971	\$ -	\$ 989,878	(\$ 15,048)	\$ 44,231	(\$ 31,717)	\$ 3,908,313	\$ 753,680	\$ 4,661,993

Chenfull International Company Limited and Subsidiaries
Consolidated Statements Of Cash Flows

2026 And 2025.1.1-3.31

(In Thousands of New Taiwan Dollars)

Code		2026. 1.1-3.31	2025. 1.1-3.31
	Cash Flows from Operating Activities		
A10000	Profit before tax for the period	\$ 188,908	\$ 136,673
A20010	Gains and losses		
A20100	Depreciation expense	34,333	33,833
A20200	Amortization Expense	1,509	2,310
A20300	Reversal of expected credit losses	2,926	(4,085)
A20400	Net loss (gain) on financial assets at fair value through profit or loss	(4,142)	13,281
A20900	Finance costs	1,596	2,336
A23800	Inventory write-down and obsolescence loss (reversal)	6,541	5,056
A21200	Interest income	(1,820)	(2,156)
A21300	Dividend income	(699)	(119)
A22500	Gain on disposal of property, plant, and equipment	(3,087)	(497)
A23100	Gain on disposal of financial assets at fair value through profit or loss	(8,708)	(3,359)
A29900	Realized deferred income	(12)	(12)
A30000	Net changes in operating assets and liabilities		
A31125	Contract assets	(26,453)	(66,657)
A31130	Notes receivable	(2,003)	660
A31150	Accounts receivable	(149,080)	(13,586)
A31200	Inventories	(5,996)	(54,613)
A31230	Prepayments	(140,274)	(3,500)
A31240	Other current assets	(6,534)	2,269
A32125	Contract liabilities	38,482	(3,660)
A32130	Notes payable	(240)	-
A32150	Accounts payable	81,695	(25,378)
A32180	Other payables	(30,538)	(28,839)
A32230	Other current liabilities	581	914
A32240	Net defined benefit liabilities	(5,133)	(31)
A33000	Cash generated from operations	(28,148)	(9,160)
A33100	Interest received	2,040	2,400
A33300	Interest paid	(1,386)	(2,380)
A33500	Income taxes paid	(665)	(33)
AAAA	Net cash outflow from operating activities	(28,159)	(9,173)

(Next Page)

(Previous Page)

Code		2026. 1.1-3.31	2025. 1.1-3.31
	Investing Activities Cash Flows		
B00100	Acquisition of financial assets at fair value through profit or loss	(\$ 89,158)	(\$ 93,727)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	95,451	76,998
B02700	Purchase of property, plant, and equipment	(218,187)	(53,996)
B02800	Proceeds from disposal of property, plant, and equipment	3,767	740
B04500	Purchase of intangible assets	(41)	(2,483)
B06500	Increase in other financial assets	(359)	(236)
B06700	Increase in other non-current assets	(2,964)	(2,190)
B07600	Decrease in other non-current assets	699	119
B03700	Dividends received	(515)	-
B03800	Increase in pledged deposits	-	213
BBBB	Decrease in pledged deposits	(211,307)	(74,562)
	Financing Activities Cash Flows		
C00100	Increase in short-term borrowings	410,000	510,000
C00200	Decrease in short-term borrowings	(420,000)	(530,000)
C01600	Obtained long-term borrowings	231,293	-
C03000	Receipt of pledged deposits	-	62
C03100	Refund of guarantee deposits received	(38)	-
C04020	Principal repayment of lease liabilities	(1,441)	(1,396)
CCCC	Net cash inflow (outflow) from financing activities	219,814	(21,334)
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	2,172	1,053
EEEE	Net Decrease in Cash and Cash Equivalents	(17,480)	(104,016)
E00100	Cash and Cash Equivalents at Beginning of Period	449,825	452,822
E00200	Cash and Cash Equivalents at End of Period	\$ 432,345	\$ 348,806

Chenfull International Company Limited and Subsidiaries
Notes To Consolidated Financial Statements

2026 and 2025.1.1-3.31

(Amounts in Thousands of New Taiwan Dollars,
Unless Specified Otherwise)

1、Company History:

Chenfull International Co., Ltd. (the “Company”) was established in April 1982. Chenfull’s business scope includes semiconductor control equipment system engineering; buying, selling, designing, manufacturing, and constructing cleanroom, ultrapure water equipment pipelines, and various chemical engineering equipment; manufacturing and trading of various hydraulic, mechanical parts, factory engineering pipeline materials, and precision molds; design planning of machinery and equipment for entire shoe factories and the manufacturing, processing, and trading of related material products; as well as the manufacturing and trading of various aircraft equipment.

Chenfull’s stock has been listed and traded on the Taipei Exchange (TPEX) since September 2004.

This consolidated financial report is expressed in functional New Taiwan dollars of Chenfull.

2、Approval date and procedures of financial statements:

The consolidated financial statements were authorized for issuance by the Board of Directors on May 7, 2026.

3、New standards, amendments and interpretations adopted:

- (1) First-time adoption of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC), and Interpretation Bulletins (SIC) endorsed and issued into effect by the Financial Supervisory

Commission (hereinafter referred to as the “FSC”) (collectively, the “IFRS Accounting Standards”)

The adoption of the IFRS Accounting Standards endorsed and issued into effect by the FSC is not expected to have a material impact on the accounting policies of the consolidated Company. °

- (2) IFRS Accounting Standards issued by the IASB but not yet endorsed and become effective by the FSC.

Newly Issued / Amended / Revised Standards and Interpretations	Effective Date Issued by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined
IFRS 18 “Presentation and Disclosure in Financial Statements”	2027.1.1 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 Amendments)	2027.1.1
Amendments to IAS 21 “Lack of Exchangeability”	2027.1.1

Note1: Unless otherwise stated, the above newly issued/amended/revised standards or interpretations are effective for annual reporting periods beginning after the respective effective dates.

Note2: On September 25, 2025, the Financial Supervisory Commission (“FSC”) announced that entities in Taiwan shall adopt IFRS 18 effective January 1, 2028. Early adoption is also permitted after IFRS 18 has been endorsed by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and the related consequential amendments

IFRS 18 will replace IAS 1 “Presentation of Financial Statements.” The major changes under the standard include the following:

- The consolidated Company shall assess whether it has specific main business activities involving investing in particular types of assets and providing financing to customers, and accordingly classify income and expense items in the statement of profit or loss into the operating, investing, financing, income tax, and discontinued operations categories.
- The statement of profit or loss shall present subtotals and totals for operating profit or loss, profit or loss before financing and income taxes, and profit or loss.
- Guidance is provided to strengthen aggregation and disaggregation requirements: the consolidated Company is required to identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events, and to classify and aggregate them based on shared characteristics, so that each line item presented in the primary financial statements has at least one similar characteristic. Items with dissimilar characteristics shall be disaggregated in the primary financial statements and notes. The consolidated Company shall label such items as “other” only when a more informative label cannot be identified.
- Additional disclosures are required for management-defined performance measures: when the consolidated Company communicates management’s view of an aspect of the consolidated Company’s overall financial performance outside the financial statements and to users of the financial statements, it shall disclose, in a single note to the financial statements, information regarding management-defined performance measures, including a description of the measure, how it is calculated, reconciliations to subtotals or totals specified by IFRS Accounting Standards, and the income tax and non-controlling interest effects of the related reconciling items.

In addition, IAS 7 “Statement of Cash Flows” is amended as follows:

When the consolidated Company uses the indirect method to prepare cash flows from operating activities, operating profit or loss shall be used as the starting point for reconciliation.

Interest and dividends received by the consolidated Company shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. If the consolidated Company is determined to have specific main business activities, it shall consider the categories in which dividend income, interest income, and interest expense are presented in the statement of profit or loss in determining the classification of dividends received, interest received, and

interest paid in the statement of cash flows. However, each of the aforementioned cash flows may be classified into only one category in the statement of cash flows.

As of the date the consolidated financial statements were authorized for issue, the consolidated Company is still assessing the impact of the amendments to the standards and interpretations on its financial position and financial performance. The related impacts will be disclosed upon completion of the assessment.

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 International Accounting Standard (IAS) 34 “Interim Financial Reporting” as endorsed and issued into effect by the Financial Supervisory Commission. These consolidated financial statements do not include all the disclosures required for a full set of annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS).

(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 measurement is classified into Levels 1 to 3 based on the observability and significance of input data:

- (1) Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities that are available on the measurement date.
- (2) Level 2 inputs: Observable inputs other than quoted prices included within Level 1 that are directly (i.e., as prices) or indirectly (i.e., derived from prices) observable for the asset or liability.
- (3) Level 3 inputs: Unobservable inputs for the asset or liability.

(3) Basis of Consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company (subsidiaries). The consolidated statement of comprehensive income includes the results of subsidiaries from the date of acquisition or up to the date of disposal, as applicable, during the reporting period. The financial statements of the subsidiaries have been adjusted, where necessary, to ensure consistency with the accounting policies adopted by the Group. All intra-group transactions, balances, income, and expenses are fully eliminated in preparing the consolidated financial statements. The total comprehensive income of subsidiaries is attributed to 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 interest in a Subsidiary 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 Subsidiary. 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 details of subsidiaries, shareholding ratios, and principal business activities, please refer to Note 11, Schedule 2, and Schedule 3.

(4) Other Significant Accounting Policies

Except as described below, please refer to the summary of significant accounting policies in the consolidated financial statements for the year ended 2025.

1. Defined Benefit Post-employment Benefits

Pension costs for the interim period are calculated based on the pension cost rate determined by actuarial valuation at the end of the previous year, applied to the period from the beginning of the year to the end of the interim reporting period. Adjustments are made for significant market fluctuations, plan amendments,

settlements, or other significant one-time events during the current period.

2. Income Tax Expense

Income tax expense is the total of current income tax and deferred income tax. The interim income tax expense is assessed on an annual basis, using the estimated annual effective tax rate to calculate the income tax on pre-tax profit for the interim period.

5、Significant Sources of Uncertainty in Accounting Judgments, Estimates, and Assumptions

In developing significant accounting estimates, the Group has taken into consideration the possible effects of inflation and fluctuations in market interest rates on major assumptions and estimates related to projected cash flows, growth rates, discount rates, profitability, and other relevant factors. Management will continue to review these estimates and underlying assumptions. For other information, please refer to the disclosures regarding significant accounting judgments and major sources of estimation uncertainty in the consolidated financial statements for the year 2025.

6、Cash and Cash Equivalents

	2026.3.31	2025.12.31	2025.3.31
Cash on hand and petty cash	\$ 588	\$ 385	\$ 654
Checking accounts and demand deposits	257,431	278,764	191,136
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	99,153	97,401	99,598
Fully entrusted investment accounts			
Current account deposits	75,173	73,275	57,418
	<u>\$ 432,345</u>	<u>\$ 449,825</u>	<u>\$ 348,806</u>

The Company entered into a discretionary investment management agreement with Time Securities Investment Consulting Co., Ltd.. As of Mar. 31, 2026, Dec. 31, 2025, and Mar. 31, 2025, the bank deposits held in the discretionary investment accounts amounted to NT\$75,173 thousand, NT\$73,275 thousand, and NT\$57,418 thousand, respectively.

The ranges of interest rates for bank deposits and time deposits at the balance sheet dates were as follows:

	2026.3.31	2025.12.31	2025.3.31
Bank balance	0.35%~0.705%	0.005%~0.89%	0.65%~0.80%
Time deposits	3.36%~3.70%	3.70%~3.72%	4.17%

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

	2026.3.31	2025.12.31	2025.3.31
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic listed shares investments	\$ 61,503	\$ 58,897	\$ 39,247
Mutual funds	<u>121,418</u>	<u>117,242</u>	<u>99,074</u>
	<u>\$ 182,921</u>	<u>\$ 176,139</u>	<u>\$ 138,321</u>

Financial assets at FVTPL –

Non-current

Financial assets mandatorily classified as at FVTPL

Non-derivative financial assets

— Domestic limited partnership investments

	<u>\$ 28,569</u>	<u>\$ 28,794</u>	<u>\$ -</u>
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8、Financial Assets Measured at Fair Value Through Other Comprehensive Income

Equity Instrument Investments

	2026.3.31	2025.12.31	2025.3.31
<u>Non-current</u>			
Domestic investments			
Emerging stocks			
Ordinary shares	\$ 71,047	\$ 71,204	\$ 1,691
Unlisted stocks			
Ordinary shares	<u>90,623</u>	<u>90,839</u>	<u>151,020</u>
	<u>\$ 161,670</u>	<u>\$ 162,043</u>	<u>\$ 152,711</u>

The Company invests in unlisted (over-the-counter) stocks for medium- to long-term strategic purposes and expects to generate profits through long-term investment. Management believes that recognizing short-term fair value fluctuations of such investments in profit or loss would be inconsistent with the aforementioned long-term investment strategy; therefore, these investments are designated to be measured at fair value through other comprehensive income.

9、Notes Receivable, Accounts Receivable, Other Receivables, and Collections

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 20,383	\$ 18,380	\$ 14,332
Less: Allowance for impairment loss	(<u>271</u>)	(<u>271</u>)	(<u>271</u>)
	<u>\$ 20,112</u>	<u>\$ 18,109</u>	<u>\$ 14,061</u>
<u>Accoouts receivable</u>			
At amortized cost			
Gross carrying amount	\$ 841,246	\$ 706,684	\$ 591,750
Less: Allowance for impairment loss	(<u>19,694</u>)	(<u>31,286</u>)	(<u>20,610</u>)
	<u>\$ 821,552</u>	<u>\$ 675,398</u>	<u>\$ 571,140</u>
<u>Other receivables</u>			
Others	<u>\$ 15,504</u>	<u>\$ 9,318</u>	<u>\$ 8,046</u>
<u>Overdue receivables</u>			
At amortized cost			
Gross carrying amount	\$ 19,342	\$ 4,824	\$ 740
Less: Allowance for impairment loss	(<u>19,342</u>)	(<u>4,824</u>)	(<u>740</u>)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Notes Receivable

2026.3.31

	<u>Non-overdue</u>	<u>Overdue 1-90 days</u>	<u>Total</u>
ECL rate	1.33%	-	
Gross carrying amount	\$ 20,383	\$ -	\$ 20,383
Loss allowance (lifetime ECL)	(<u>271</u>)	<u>-</u>	(<u>271</u>)
	<u>\$ 20,112</u>	<u>\$ -</u>	<u>\$ 20,112</u>

2025.12.31

	Non-overdue	Overdue 1-90 days	Total
ECL rate	1.47%	-	
Gross carrying amount	\$ 18,380	\$ -	\$ 18,380
Loss allowance (lifetime ECL)	(<u>271</u>)	<u>-</u>	(<u>271</u>)
	<u>\$ 18,109</u>	<u>\$ -</u>	<u>\$ 18,109</u>

2025.3.31

	Non-overdue	Overdue 1-90 days	Total
ECL rate	1.89%	-	
Gross carrying amount	\$ 14,332	\$ -	\$ 14,332
Loss allowance (lifetime ECL)	(<u>271</u>)	<u>-</u>	(<u>271</u>)
	<u>\$ 14,061</u>	<u>\$ -</u>	<u>\$ 14,061</u>

The allowance for losses on notes receivable for the periods from January 1 to Mar. 31, 2026 and 2025 remained unchanged

(2) Accounts Receivable

Accounts Receivable Measured at Amortized Cost

The Company grants an average credit period of 60 days from the end of the month following the invoice date for sales of goods. In assessing the recoverability of accounts receivable, the Company considers any changes in the credit quality of the receivables from the original credit granting date to the balance sheet date.

To mitigate credit risk, the Company's management assigns a dedicated team responsible for determining credit limits, approving credit, and performing other monitoring procedures to ensure that appropriate actions have been taken to recover overdue receivables. In addition, at each balance sheet date, the Company performs an individual review of the recoverability of receivables to ensure that appropriate impairment losses are recognized for amounts that are deemed uncollectible.

Accordingly, management believes that the Company's credit risk has been significantly reduced.

The Company recognizes an allowance for accounts receivable based on lifetime expected credit losses. Lifetime expected credit losses are calculated using a provision matrix that takes into account the customer's historical default record, current financial condition, and industry and economic conditions. Based on the Company's historical experience, there is no significant difference in loss patterns among different customer groups; therefore, the provision matrix does not further distinguish between customer segments but instead applies expected credit loss rates based solely on the number of days past due. If there is evidence that a counterparty is experiencing severe financial difficulties and the Company cannot reasonably expect to recover the receivable amount—such as when the counterparty is undergoing liquidation—the Company writes off the related accounts receivable directly. However, collection efforts continue, and any amount subsequently recovered is recognized in profit or loss.

The allowance for doubtful accounts for accounts receivable is measured by the consolidated Company based on the provisioning matrix as follows :

Accounts receivable

2026.3.31

	Not Overdue	Overdue 1 - 90 Days	Overdue 91 - 180 Days	Overdue 181 - 270 Days	Overdue More Than 270 Days	Total
ECL rate	0%~0.71%	2.26%~4.23%	1%~65.34%	1%~95.29%	100%	
Gross carrying amount	\$ 758,500	\$ 70,169	\$ 2,132	\$ 8,870	\$ 1,575	\$ 841,246
Loss allowance (lifetime ECL)	(<u>5,350</u>)	(<u>2,924</u>)	(<u>1,393</u>)	(<u>8,452</u>)	(<u>1,575</u>)	(<u>19,694</u>)
Amortized cost	<u>\$ 753,150</u>	<u>\$ 67,245</u>	<u>\$ 739</u>	<u>\$ 418</u>	<u>\$ -</u>	<u>\$ 821,552</u>

2025.12.31

	Not Overdue	Overdue 1 - 90 Days	Overdue 91 - 180 Days	Overdue 181 - 270 Days	Overdue More Than 270 Days	Total
ECL rate	0.68%~1.28%	2.23%~5%	1%~61.84%	1%~92.45%	100%	
Gross carrying amount	\$ 677,006	\$ 3,617	\$ 8,870	\$ 1,575	\$ 15,616	\$ 706,684
Loss allowance (lifetime ECL)	(<u>8,639</u>)	(<u>90</u>)	(<u>5,485</u>)	(<u>1,456</u>)	(<u>15,616</u>)	(<u>31,286</u>)
Amortized cost	<u>\$ 668,367</u>	<u>\$ 3,527</u>	<u>\$ 3,385</u>	<u>\$ 119</u>	<u>\$ -</u>	<u>\$ 675,398</u>

2025.3.31

	Not Overdue	Overdue 1 – 90 Days	Overdue 91 – 180 Days	Overdue 181 – 270 Days	Overdue More Than 270 Days	Total
ECL rate	0%~0.57%	0.36%~5%	1%~56.33%	1%~88.62%	100%	
Gross carrying amount	\$ 542,546	\$ 29,971	\$ 3,513	\$ 7,884	\$ 7,836	\$ 591,750
Loss allowance (lifetime ECL)	(<u>3,088</u>)	(<u>720</u>)	(<u>1,979</u>)	(<u>6,987</u>)	(<u>7,836</u>)	(<u>20,610</u>)
Amortized cost	<u>\$ 539,458</u>	<u>\$ 29,251</u>	<u>\$ 1,534</u>	<u>\$ 897</u>	<u>\$ -</u>	<u>\$ 571,140</u>

The changes in the allowance for losses on accounts receivable are as follows :

	2026. 1.1-3.31	2025. 1.1-3.31
Beginning Balance	\$ 31,286	\$ 21,197
Add: Impairment Losses Recognized This Period	4,014	6,283
Less: Reversal of Impairment Losses This Period	-	(1,236)
Less: Reclassifications This Period	(15,606)	(5,641)
Foreign Currency Exchange Differences	-	7
Ending Balance	<u>\$ 19,694</u>	<u>\$ 20,610</u>

Changes in loss allowance for overdue receivables :

	2026. 1.1-3.31	2025. 1.1-3.31
Beginning Balance	\$ 4,824	\$ 4,225
Add: Reclassifications Transferred In This Period	15,606	5,641
Less: Reversal of Impairment Losses This Period	(1,088)	(9,132)
Foreign Currency Exchange Differences	-	6
Ending Balance	<u>\$ 19,342</u>	<u>\$ 740</u>

10 、Inventories

	2026.3.31	2025.12.31	2025.3.31
Raw materials	\$ 180,722	\$ 167,037	\$ 182,971
Work-in-process	358,762	361,266	402,174
Finished goods	117,094	128,812	129,340
Inventory goods	<u>129</u>	<u>137</u>	<u>135</u>
	<u>\$ 656,707</u>	<u>\$ 657,252</u>	<u>\$ 714,620</u>

Detailed costs of goods sold:

	2026. 1.1-3.31	2025. 1.1-3.31
Costs of sold inventories	\$ 529,648	\$ 357,422
Inventory Write-down and Obsolescence Losses (Reversal Gains)	6,541	5,056
Others	(9,538)	(6,208)
	<u>\$ 526,651</u>	<u>\$ 356,270</u>

11、Subsidiaries

(1) Subsidiaries included in the consolidated financial statements

The entities included in the preparation of these consolidated :

Investment Company	Subsidiary	Percentage of equity held			Note
		2026. 3.31.	2025. 12.31.	2025. 3.31.	
CHENFULL INTERNATIONAL CO., LTD.	CHENFENG MACHINERY & ENTERPRICE CO., LTD.	100%	100%	100%	-
	CHENFULL PRECISION CO., LTD	63%	63%	63%	Note
	CHENFULL HOLDING CO., LTD.	100%	100%	100%	-
CHENFULL HOLDING CO., LTD.	NEW OPPORTUNITY LIMITED	100%	100%	100%	-
NEW OPPORTUNITY LIMITED	CHENFENG MACHINERY (DONGGUAN) CO., LTD.	100%	100%	100%	-

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

(2) Information on subsidiaries with significant non-controlling interests

Subsidiary	Percentage of equity held as non-controlling interests and voting rights		
	2026.3.31	2025.12.31	2025.3.31
Chenfull Precision Co., Ltd.	37%	37%	37%

For information regarding the main business locations and the country of registration of the Company, please refer to Schedule 2.

Subsidiary	Profit and loss assigned to non-controlling interests	
	2026. 1.1- 3.31	2025. 1.1- 3.31
Chenfull Precision Co., Ltd.	<u>\$ 35,783</u>	<u>\$ 30,657</u>

Subsidiary	Non-controlling Entity		
	2026.3.31	2025.12.31	2025.3.31
Chenfull Precision Co., Ltd.	<u>\$ 753,680</u>	<u>\$ 717,897</u>	<u>\$ 771,488</u>

The following summarized financial information of Chenfull Precision Co., Ltd. is prepared based on amounts before interCompany transactions are eliminated :

Chenfull Precision Co., Ltd.

	2026.3.31	2025.12.31	2025.3.31
Current Assets	\$ 1,248,930	\$ 1,072,769	\$ 1,040,712
Non-Current Assets	2,264,151	2,014,978	1,620,115
Current Liabilities	(898,151)	(799,280)	(394,049)
Non-Current Liabilities	(577,816)	(348,068)	(181,529)
Equity	<u>\$ 2,037,114</u>	<u>\$ 1,940,399</u>	<u>\$ 2,085,249</u>
Equity Attributable to:			
Owners of the Company	\$ 1,283,434	\$ 1,222,502	\$ 1,313,761
Non-controlling Interests of Chenfull Precision Co.	<u>753,680</u>	<u>717,897</u>	<u>771,488</u>
	<u>\$ 2,037,114</u>	<u>\$ 1,940,399</u>	<u>\$ 2,085,249</u>

	2026. 1.1- 3.31	2025. 1.1 - 3.31
Operating Revenue	<u>\$ 604,395</u>	<u>\$ 426,760</u>
Net Profit for the Period	\$ 96,715	\$ 82,865
Other Comprehensive Income	<u>-</u>	<u>-</u>
Total Comprehensive Income	<u>\$ 96,715</u>	<u>\$ 82,865</u>
Net Profit Attributable to:		
Owners of the Company	\$ 60,932	\$ 52,208
Non-controlling Interests of Chenfull Precision Co.	<u>35,783</u>	<u>30,657</u>
	<u>\$ 96,715</u>	<u>\$ 82,865</u>
Total Comprehensive Income Attributable to:		
Owners of the Company	\$ 60,932	\$ 52,208
Non-controlling Interests of Chenfull Precision Co.	<u>35,783</u>	<u>30,657</u>
	<u>\$ 96,715</u>	<u>\$ 82,865</u>
Cash Flow		
Operating Activities	\$ 15,981	\$ 65,169
Investing Activities	(210,706)	(55,737)
Financing Activities	<u>179,852</u>	<u>(101,396)</u>
Net Cash Outflow	<u>(\$ 14,873)</u>	<u>(\$ 91,964)</u>

12 、 Real Estate, Factory Buildings, and Equipment

	Freehold land	Buildings	Machinery equipment	Other equipment	Construction in progress	Total
<u>Cost</u>						
2026.1.1Balance	\$1,208,292	\$1,107,090	\$1,099,594	\$ 365,116	\$ 589,110	\$4,369,202
Additions	-	1,088	977	1,495	278,593	282,153
Disposals	-	(158)	(21,196)	(199)	-	(21,553)
Reclassification	-	-	-	1,810	-	1,810
Net Exchange Difference	-	(99)	-	-	-	(99)
Additions	-	-	20	28	-	48
2026.3.31Balance	<u>\$1,208,292</u>	<u>\$1,107,921</u>	<u>\$1,079,395</u>	<u>\$ 368,250</u>	<u>\$ 867,703</u>	<u>\$4,631,561</u>
<u>Accumulated Depreciation and Impairment</u>						
2026.1.1Balance	\$ -	\$ 505,959	\$ 922,035	\$ 305,186	\$ -	\$1,733,180
Disposals	-	(158)	(20,516)	(199)	-	(20,873)
Depreciation Expense	-	9,872	15,268	6,609	-	31,749
Net Exchange Difference	-	-	20	25	-	45
2026.3.31Balance	<u>\$ -</u>	<u>\$ 515,673</u>	<u>\$ 916,807</u>	<u>\$ 311,621</u>	<u>\$ -</u>	<u>\$1,744,101</u>
2026.3.31Net Amount	<u>\$1,208,292</u>	<u>\$ 592,248</u>	<u>\$ 162,588</u>	<u>\$ 56,629</u>	<u>\$ 867,703</u>	<u>\$2,887,460</u>
2025.12.31 & 2026.1.1Net Amount	<u>\$1,208,292</u>	<u>\$ 601,131</u>	<u>\$ 177,559</u>	<u>\$ 59,930</u>	<u>\$ 589,110</u>	<u>\$2,636,022</u>

<u>Cost</u>						
2025.1.1Balance	\$1,113,104	\$1,105,994	\$1,084,708	\$ 340,216	\$ 103,849	\$3,747,871
Additions	-	415	2,036	992	52,606	56,049
Disposals	-	-	(2,197)	(249)	-	(2,446)
Reclassification	-	-	4,392	-	-	4,392
Net Exchange						
Difference	-	-	9	11	-	20
2025.3.31Balance	<u>\$1,113,104</u>	<u>\$1,106,409</u>	<u>\$1,088,948</u>	<u>\$ 340,970</u>	<u>\$ 156,455</u>	<u>\$3,805,886</u>
<u>Accumulated</u>						
<u>Depreciation and</u>						
<u>Impairment</u>						
2025.1.1Balance	\$ -	\$ 467,061	\$ 862,609	\$ 285,037	\$ -	\$1,614,707
Disposals	-	-	(2,004)	(199)	-	(2,203)
Depreciation Expense	-	9,919	15,543	5,785	-	31,247
Net Exchange						
Difference	-	-	9	11	-	20
2025.3.31Balance	<u>\$ -</u>	<u>\$ 476,980</u>	<u>\$ 876,157</u>	<u>\$ 290,634</u>	<u>\$ -</u>	<u>\$1,643,771</u>
2025.3.31Net Amount	<u>\$1,113,104</u>	<u>\$ 629,429</u>	<u>\$ 212,791</u>	<u>\$ 50,336</u>	<u>\$ 156,455</u>	<u>\$2,162,115</u>

The consolidated Company, the Company, purchased agricultural land in the Dayuan District of Taoyuan City, covering an area of 5,639.26 m², under land numbers 0497, 0499, and 0500, for expansion and operational needs, with a cost of NT\$234,699 thousand. Due to legal restrictions, the Company is not yet allowed to register the ownership of agricultural land. Therefore, the Company entered into a name-lending agreement with an employee who holds self-cultivation status to purchase the land on its behalf. The contract specifies that the ownership of the land will be held by the Company. Additionally, the pre-registration of the land's ownership is under the Company, and the employee is prohibited from any disposition of the land without the Company's consent.

The consolidated Company's Subsidiary, Chenfull Precision Co., Ltd., for expansion and operational needs, purchased land located at 0035-0008, Xinzhang Xiaoduan, Puzih City, with a cost of NT\$581,528 thousand. Additionally, the pre-registration of the land's ownership was processed with the Chiayi County Government.

Depreciation expense is calculated using the straight-line method based on the following useful lives :

Buildings	
Main Factory Buildings	5 to 56 years
Electrical Engineering	20 to 21 years
Plumbing and Drainage	10 to 11 years
Equipment	
Air Conditioning Equipment	7 to 9 years
Other	2 to 21 years
Machinery and Equipment	2 to 11 years
Other Equipment	2 to 11 years

No impairment losses were recognized or reversed during the periods from Jan. 1 to Mar. 31, 2026 and 2025.

13、Lease Agreements

(1) Right-of-Use Assets

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Carrying Amount of Right-of-Use Assets			
Land	<u>\$ 98,787</u>	<u>\$ 100,461</u>	<u>\$ 105,484</u>
	<u>2026. 1.1- 3.31</u>	<u>2025. 1.1- 3.31</u>	
Depreciation Expense of Right-of-Use Assets			
Land	<u>\$ 1,674</u>	<u>\$ 1,674</u>	

Except for the Additions and recognized depreciation expenses listed above, there were no significant subleases or impairment of right-of-use assets for the merged Company during the periods from Jan. 1 to Mar. 31, 2026 and 2025.

(2) Lease liabilities

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Lease Liabilities – Book Value			
Current	<u>\$ 5,875</u>	<u>\$ 5,830</u>	<u>\$ 5,695</u>
Non-Current	<u>\$ 102,483</u>	<u>\$ 103,969</u>	<u>\$ 108,358</u>

The discount rate range for lease liabilities is as follows :

	2026.3.31	2025.12.31	2025.3.31
Land	3.126%	3.126%	3.126%

(3) Important Leasing Activities and Terms

The Company leases land for factory use, with the lease term from October 2020 to Dec. 2028. The lease payments were adjusted and increased starting January 2024, with the new lease term spanning from January 2024 to Dec. 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

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Short-term Lease Expenses	<u>\$ 3,549</u>	<u>\$ 3,374</u>
Low-value Asset Lease Expenses	<u>\$ 236</u>	<u>\$ 381</u>
Total Cash Outflows from Leases	<u>(\$ 6,080)</u>	<u>(\$ 6,050)</u>

The consolidated Company has chosen to apply the recognition exemption for leases that meet the criteria of short-term leases and leases of low-value assets, and therefore does not recognize right-of-use assets and lease liabilities for such leases.

14、Property

<u>Cost</u>	<u>Completed investment property</u>
2026.1.1Balance	\$ 335,715
Generated from property, plant and equipment	<u>99</u>
2026.3.31Balance	<u>\$ 335,814</u>

Accumulated Depreciation and Impairment

2026.1.1Balance	\$ 27,187
Depreciation Expense	<u>910</u>
2026.3.31Balance	<u>\$ 28,097</u>
2026.3.31Net Amount	<u>\$ 307,717</u>
2025.12.31&2026.1.1Net Amount	<u>\$ 308,528</u>

Completed
investment property

Cost

2025.1.1Balance	\$ 335,715
2025.3.31Balance	<u>\$ 335,715</u>

Accumulated Depreciation and Impairment

2025.1.1Balance	\$ 23,539
Depreciation Expense	<u>912</u>
2025.3.31Balance	<u>\$ 24,451</u>
2025.3.31Net Amount	<u>\$ 311,264</u>

The lease terms for investment properties range from 1 to 2 years. The lessee does not have a preferential purchase right for the investment properties at the end of the lease term.

The total amount of lease payments to be received in the future for operating lease rental of investment properties is as follows :

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Year 1	\$ 1,681	\$ 1,726	\$ 3,937
Year 2	<u>1,575</u>	<u>1,680</u>	<u>1,995</u>
	<u>\$ 3,256</u>	<u>\$ 3,406</u>	<u>\$ 5,932</u>

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

Main Building 20years

The fair value of investment properties as of Mar. 31, 2026 was NT\$360,135 thousand. Such fair value was not appraised by independent valuers and was assessed by the management of the Company with reference to market prices of comparable real estate transactions in neighboring areas.

15 、 Other Intangible Assets

	<u>Cost of computer software</u>
<u>Cost</u>	
2026.1.1Balance	\$ 46,640
Additions	<u>41</u>
2026.3.31Balance	<u>\$ 46,681</u>
 <u>Cumulative Amortization and Impairment</u>	
2026.1.1Balance	\$ 34,058
Amortization Expense	<u>1,509</u>
2026.3.31Balance	<u>\$ 35,567</u>
 2026.3.31Net Amount	<u>\$ 11,114</u>
 2025.12.31&2026.1.1Net Amount	<u>\$ 12,582</u>
 <u>Cost</u>	
2025.1.1Balance	\$ 41,054
Additions	<u>2,483</u>
2025.3.31Balance	<u>\$ 43,537</u>
 <u>Cumulative Amortization and Impairment</u>	
2025.1.1Balance	\$ 25,167
Amortization Expense	<u>2,310</u>
2025.3.31Balance	<u>\$ 27,477</u>
 2025.3.31Net Amount	<u>\$ 16,060</u>

Except for amortization expenses recognized, no significant disposals or impairment of the Company's other intangible assets occurred during the periods from Jan. 1 to Mar. 31, 2026 and 2025. °

Amortization expenses are calculated on a straight-line basis over the following useful lives :

Computer Software Costs 1 to 10 years

Amortization expenses summarized by function :

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Operating Costs	\$ 334	\$ 450
Operating Expenses	<u>1,175</u>	<u>1,860</u>
	<u>\$ 1,509</u>	<u>\$ 2,310</u>

16 、 Other Assets

	2026.3.31	2025.12.31	2025.3.31
<u>Current</u>			
Prepayments			
Prepaid Goods	\$ 269,537	\$ 129,636	\$ 26,534
Others	<u>8,996</u>	<u>8,623</u>	<u>5,778</u>
	<u>\$ 278,533</u>	<u>\$ 138,259</u>	<u>\$ 32,312</u>
Other Financial Assets – Current			
Time Deposits with Original Maturity Over 3 Months (1)	\$ 17,910	\$ 17,594	\$ 18,496
Pledged Time Deposits (1)	<u>9,091</u>	<u>9,048</u>	<u>9,048</u>
	<u>\$ 27,001</u>	<u>\$ 26,642</u>	<u>\$ 27,544</u>
Other Current Assets			
Temporary Payments	\$ 6,786	\$ 6,659	\$ 6,858
Advance Payments	<u>4,025</u>	<u>4,024</u>	<u>4,025</u>
	<u>\$ 10,811</u>	<u>\$ 10,683</u>	<u>\$ 10,883</u>
Non-Current Assets			
Other Financial Assets – Non-Current			
Pledged Time Deposits (1)(Note 30)	<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 Payments	17,500	16,346	87,729
Land Pending Transfer (3)	1,114	1,114	1,114
Deposits for Guarantees	<u>4,657</u>	<u>4,142</u>	<u>2,851</u>
	<u>\$ 23,271</u>	<u>\$ 21,602</u>	<u>\$ 91,694</u>

(1) As of Mar. 31, 2026, Dec. 31, 2025, and Mar. 31, 2025, the interest rate ranges for time deposits with original maturities of more than three months and pledged time deposits were 0.665%–1.85%, 0.665%–2.55%, and 0.665%–2.55% per annum, respectively.

(2) Other Receivables - Non-Current

The Company's Subsidiary, Chenfull International Co., Ltd., undertook subcontracted projects from Haohan Zhongxiao Engineering Co., Ltd. (hereinafter referred to as Haohan Company). Due to disputes between the parties regarding contract interpretation, payment, and deduction amounts, Chenfull International Co., Ltd. filed a lawsuit against Haohan Company for engineering payments totaling NT\$110,821 thousand. Subsequently, on Sep. 30, 2011, except for NT\$7,368 thousand which continued in litigation, the remaining amount was settled with Haohan Company's payment of NT\$92,499 thousand to Chenfull International Co., Ltd. (comprising receivable engineering payments and performance bond funds of NT\$84,851 thousand and litigation costs of NT\$7,648 thousand, recorded under other non-current assets), and a notarized settlement agreement was made.

The High Court ruled on Mar. 25, 2014, that Haohan Company shall pay Chenfull International Co., Ltd. engineering payments totaling NT\$9,383 thousand plus interest. A creditor's certificate was issued by the court on Jul. 25, 2014. Additionally, since Haohan Company did not

comply with the settlement payments, Chenfull International Co., Ltd. applied to the court for compulsory enforcement. Chenfull International Co., Ltd. also filed a claim of NT\$92,499 thousand against Haohan Company's former responsible person, Chen Shuitu, based on endorsement liability, which resulted in a final favorable judgment and a creditor's certificate issued by the court.

Through compulsory enforcement by the court, NT\$10,903 thousand has been recovered to date. Chenfull International Co., Ltd. has fully provided a 100% allowance for doubtful accounts on the net claim amount of NT\$73,948 thousand against Haohan Company.

(3) Land Pending Transfer

For the purpose of factory expansion and operations, the Company's Subsidiary, Chenfull International Co., Ltd., purchased agricultural land in Dayuan Township, Taoyuan County, land parcels No. 1065-0086 and 0015, totaling 6,454 square meters, with a recorded cost of NT\$25,120 thousand. Due to regulatory restrictions, Chenfull International Co., Ltd. is not yet permitted to register ownership of farmland. Therefore, on Oct. 21, 2002, Chenfull International Co., Ltd. (hereinafter referred to as Party A) entered into an agreement with Mr. Xu Zhihong, the former chairman of Chenfull International Co., Ltd. who holds the status of a self-farming farmer (hereinafter referred to as Party B), whereby Party B acted on behalf of Party A to purchase the agricultural land and completed the transfer procedures on Nov. 5, 2002. The contract stipulates the ownership of the land, with Party B agreeing to unconditionally waive any claims to the rights.

Furthermore, upon the relaxation of farmland transfer regulations or the reclassification under urban planning allowing transfer, Party B shall unconditionally provide the necessary documents for the transfer without any obstruction or demands for additional payments. Chenfull International Co., Ltd. obtained approval from the competent authority to change part of the land use classification in Aug. 2009 and has completed the transfer procedures. The new factory in Dayuan was

completed by the end of 2011 and serves as the production base for factory engineering pipe fittings manufacturing.

As of Mar. 31, 2026, a total of 281.98 square meters split from the original land parcel No. 1065-0015, identified as parcels No. 0488-0000 and 0484-0000, remain classified as agricultural and pastoral land and are reserved for government waterway management projects. These parcels are recorded under other non-current assets – others, at a value of NT\$1,114 thousand.

17、Loans

(1) Short-Term Loans

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
<u>Unsecured Loans</u>			
Bank Loans	<u>\$ 410,000</u>	<u>\$ 420,000</u>	<u>\$ 310,000</u>

The interest rates for bank revolving loans were 1.75%–1.95%, 1.80%–1.95%, and 1.80%–1.95% as of Mar. 31, 2026, Dec. 31, 2025, and Mar. 31, 2025, respectively.

(2) Long-Term Loans

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
<u>Secured Loans</u>			
Bank Loans	\$ 473,101	\$ 241,808	\$ 69,458
Less: Current Portion of Loans	<u>-</u>	<u>-</u>	<u>-</u>
Long-Term Loans	<u>\$ 473,101</u>	<u>\$ 241,808</u>	<u>\$ 69,458</u>

	Maturity Date	Significant Terms	Effective Interest Rate	2026.3.31	2025.12.31	2025.3.31
<u>Secured borrowings</u>						
Secured New Taiwan dollar bank borrowings from Bank of Taiwan	15-Nov-34	The grace period is from November 28, 2024 to Dec. 15, 2027, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan principal and interest will be repaid in 84 equal monthly installments. The loan maturity date is November 15, 2034.	1.35	\$ 69,458	\$ 69,458	\$ 69,458
Secured New Taiwan dollar bank borrowings from Bank of Taiwan	15-Nov-34	The grace period is from April 14, 2025 to Dec. 15, 2027, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan principal and interest will be repaid in 84 equal monthly installments. The loan maturity date is November 15, 2034.	1.35	34,324	34,324	-
Secured New Taiwan dollar bank borrowings from Bank of Taiwan	15-Nov-34	The grace period is from July 31, 2025 to Dec. 15, 2027, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan principal and interest will be repaid in 84 equal monthly installments. The loan maturity date is November 15, 2034.	1.35	63,159	63,159	-
Secured New Taiwan dollar bank borrowings from Bank of Taiwan	15-Nov-34	The grace period is from August 29, 2025 to Dec. 15, 2027, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan principal and interest will be repaid in 84 equal monthly installments. The loan maturity date is November 15, 2034.	1.35	24,857	24,857	-
Secured New Taiwan dollar bank borrowings from Bank of Taiwan	15-Nov-34	The grace period is from November 4, 2025 to Dec. 15, 2027, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan principal and interest will be repaid in 84 equal monthly installments. The loan maturity date is November 15, 2034.	1.35	50,010	50,010	-
Secured New Taiwan dollar bank borrowings from Bank of Taiwan	15-Nov-34	The grace period is from January 30, 2026 to Dec. 15, 2027, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan principal and interest will be repaid in 84 equal monthly installments. The loan maturity date is November 15, 2034.	1.35	50,010	-	-
Secured New Taiwan dollar bank borrowings from Bank of Taiwan	15-Nov-34	The grace period is from February 10, 2026 to Dec. 15, 2027, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan principal and interest will be repaid in 84 equal monthly installments. The loan maturity date is November 15, 2034.	1.35	50,010	-	-
Secured New Taiwan dollar bank borrowings from Bank of Taiwan	15-Nov-34	The grace period is from Mar. 2, 2026 to Dec. 15, 2027, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan principal and interest will be repaid in 84 equal monthly installments. The loan maturity date is November 15, 2034.	1.35	<u>131,273</u>	<u>-</u>	<u>-</u>
Less: Current portion				473,101	241,808	69,458
Long-term borrowings				<u>\$ 473,101</u>	<u>\$ 241,808</u>	<u>\$ 69,458</u>

The above bank borrowings were obtained for the construction of the Chiayi plant. Pursuant to the loan agreements, upon completion of the plant construction and registration of ownership preservation, the Group shall cancel the provisional registration on the land on which the Chiayi plant is located and create a joint mortgage over the land and the plant in favor of the lending bank.

18、Accounts Payable

	2026.3.31	2025.12.31	2025.3.31
<u>Notes payable</u>			
Non-operating	\$ -	\$ 240	\$ -
<u>Accounts payable</u>			
Operating	\$ 424,809	\$ 343,114	\$ 348,131

The average credit period for purchases of certain goods ranges from one to four months, and no interest is charged on accounts payable. The Group has adopted financial risk management policies to ensure that all payables are settled within the pre-agreed credit terms.

19、Other Liabilities

	2026.3.31	2025.12.31	2025.3.31
<u>Current Liabilities</u>			
Other Payables			
Payables for Equipment	\$ 169,975	\$ 106,009	\$ 6,181
Payables for Salaries and Bonuses	62,449	100,945	56,551
Payables for Employee Benefits	74,071	64,275	85,539
Payables for Director's Remuneration	10,050	8,000	10,530
Payables for Vacation Benefits	14,418	14,418	14,001
Accrued Interest Payable	656	446	132
Other	88,028	91,916	75,791
	<u>\$ 419,647</u>	<u>\$ 386,009</u>	<u>\$ 248,725</u>
<u>Other Current Liabilities</u>			
Advances Received	\$ 498	\$ 21	\$ 1,653
Amounts Collected on Behalf of Others	3,237	3,133	2,570
Deferred Income - Current (Note 24)	49	49	49
	<u>\$ 3,784</u>	<u>\$ 3,203</u>	<u>\$ 4,272</u>
<u>Non-Current Liabilities</u>			
Deferred Income			
Government Grants (Note 24)	\$ 29	\$ 41	\$ 77
Deposits Received	920	958	1,180
	<u>\$ 949</u>	<u>\$ 999</u>	<u>\$ 1,257</u>

20、Retirement Benefit Plans

The pension expenses related to defined benefit plans recognized for the three months ended Mar. 31, 2026 and 2025 were calculated based on the actuarially determined pension cost rates as of Dec. 31, 2025 and 2024, respectively, amounting to NT\$55 thousand and NT\$77 thousand, respectively.

21、Equity

(1) Share Capital

Common Stock

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Authorized Shares (in Thousand 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 Shares with Paid-in Capital (in Thousand 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 entitles the holder to one voting right and the right to receive dividends.

(2) Capital Reserve

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
<u>Available for Loss Offset, Cash Distribution, or Capital Increase (Note 1)</u>			
Premium on Stock Issuance	\$ 258,010	\$ 258,010	\$ 258,010
Premium on Convertible Bonds	207,018	207,018	207,018
Treasury Stock Transactions	2,567	2,567	1,863
Difference Between Actual Acquisition/Disposition of Subsidiary's Equity and Book Value	544,174	544,174	544,174
Merger Premium	10,618	10,618	10,618
<u>Available Only for Loss Offset</u>			
Recognition of Changes in Ownership Interests in Subsidiaries (Note 2)	<u>211,006</u>	<u>211,006</u>	<u>211,006</u>
	<u>\$ 1,233,393</u>	<u>\$ 1,233,393</u>	<u>\$ 1,232,689</u>

Note 1: Such capital surplus may be used to offset deficits. In addition, when the Company has no accumulated deficits, such capital surplus may be distributed in cash or capitalized by issuing new shares; provided, however, that when capitalized, the amount each year shall be limited to a certain percentage of the Company's paid-in capital.

Note 2: This type of capital reserve refers to the equity transaction effects recognized due to changes in the equity of subsidiaries when the Company has not actually acquired or disposed of Subsidiary shares, or adjustments to the Company's capital reserve recognized under the equity method for subsidiaries.

(3) Retained Earnings and Dividend Policy

According to the earnings distribution policy set forth in the Articles of Incorporation of Chenfull Company, where the Company has annual net income, it shall first pay all applicable taxes and offset prior years' losses, then appropriate 10% of the remainder as legal reserve, except when the accumulated legal reserve has reached the Company's total paid-in capital. The Company shall also appropriate or reverse special reserve in accordance with applicable laws and regulations or retain earnings as required. Any remaining earnings, together with accumulated undistributed earnings, shall be proposed by the Board of Directors in accordance with the Company's dividend policy and submitted to the shareholders' meeting for approval for distribution to shareholders in proportion to their shareholdings. For the policies regarding the distribution of employee compensation and remuneration to directors as stipulated in the Articles of Incorporation of the Company, please refer to Note 23(7), "Employee Compensation and Remuneration to Directors."

The dividend policy of Chenfull Company is formulated in consideration of the overall operating environment and industry characteristics, as well as the Company's future financial structure and capital budget, while taking into account profitability, undistributed earnings, and capital surplus, in order to determine an appropriate dividend distribution. In principle, the amount of dividends distributed shall not be less than 50% of the distributable earnings for the year, with cash dividends accounting for no less than 10% of the total dividends for the year, so as to achieve stable growth and maximize shareholders' interests.

The legal reserve shall be appropriated until its balance reaches the Company's total paid-in capital. The legal reserve may be used to offset losses. When the Company has no losses, the portion of the legal reserve exceeding 25% of the total paid-in capital may be distributed in cash or capitalized by issuing new shares.

On Mar. 11, 2026, the Board of Directors of Chenfull Company proposed, and on May 26, 2025, the shareholders' meeting resolved to approve, the earnings distribution proposals for 2025 and 2024, respectively, as follows:

	Appropriation of earnings	
	2025	2024
Legal Reserve	<u>\$ 38,520</u>	<u>\$ 39,616</u>
Special Reserve	<u>\$ -</u>	<u>(\$ 15,490)</u>
Cash Dividend	<u>\$ 282,726</u>	<u>\$ 282,726</u>
Cash Dividend Per Share (in NTD)	\$ 2.5	\$ 2.5

The proposal for the 2025 earnings distribution is still subject to approval by the shareholders' regular meeting scheduled to be held on May 29, 2026.

(4) Other equity items

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

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Beginning Balance	(\$ 16,788)	(\$ 15,260)
Generated During the Period		
Exchange Differences Arising from the Translation of Foreign Operations' Net Assets	<u>1,740</u>	<u>833</u>
Other Comprehensive Income for the Period	<u>1,740</u>	<u>833</u>
Ending Balance	(\$ <u>15,048</u>)	(\$ <u>14,427</u>)

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

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Beginning Balance	\$ 44,604	\$ 44,252
Generated During the Period		
Unrealized Gains (Losses)		
Equity Instruments	(<u>373</u>)	<u>263</u>
Other Comprehensive Income for the Period	(<u>373</u>)	<u>263</u>
Ending Balance	<u>\$ 44,231</u>	<u>\$ 44,515</u>

(5) Treasury stock

Purpose of buyback	Shares dividend (in thousands of shares)	Shares transferred to employees (in thousands of shares)	Buyback for retirement (in thousands of shares)	Shares held by subsidiaries (in thousands of shares)	Total (in thousands of shares)
2026.1.1					
Number of Shares on 2026.3.31	<u>63</u>	<u>670</u>	<u>-</u>	<u>219</u>	<u>952</u>
Number of Shares on 2026.3.31	<u>63</u>	<u>670</u>	<u>-</u>	<u>219</u>	<u>952</u>
2025.1.1					
Number of Shares on 2025.3.31	<u>63</u>	<u>670</u>	<u>-</u>	<u>219</u>	<u>952</u>
Number of Shares on 2025.3.31	<u>63</u>	<u>670</u>	<u>-</u>	<u>219</u>	<u>952</u>

Treasury shares held by Chenfull International Co., Ltd. Incorporated may not be pledged in accordance with the Securities and Exchange Act, and do not carry rights to dividend distribution or voting rights.

The following information relates to the shares of Chenfull International Co., Ltd. Incorporated held by subsidiaries as of the balance sheet date:

Subsidiary	Number of shares held (in thousands of shares)	Carrying amount	Market price
<u>2026.3.31</u>			
Chenfeng Machinery & Enterprise Co., Ltd.	282	<u>\$ 12,186</u>	<u>\$ 12,186</u>
<u>2025.12.31</u>			
Chenfeng Machinery & Enterprise Co., Ltd.	282	<u>\$ 11,397</u>	<u>\$ 11,397</u>
<u>2025.3.31</u>			
Chenfeng Machinery & Enterprise Co., Ltd.	282	<u>\$ 13,820</u>	<u>\$ 13,820</u>

Shares of Chenfull International Co., Ltd. Incorporated held by subsidiaries are accounted for as treasury shares. Except that such shares may not participate in Chenfull International Co., Ltd. Incorporated's cash capital increases and carry no voting rights, all other rights are the same as those of ordinary shareholders.

(6) Non-controlling interests

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Beginning Balance	<u>\$ 717,897</u>	<u>\$ 740,831</u>
Net Profit for the Period	<u>35,783</u>	<u>30,657</u>
Ending Balance	<u>\$ 753,680</u>	<u>\$ 771,488</u>

22、Revenue

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Revenue from Contracts with Customers		
Sales Revenue	\$ 727,769	\$ 538,399
Construction Revenue	276,202	272,701
Service Revenue	<u>1,055</u>	<u>1,801</u>
	<u>\$ 1,005,026</u>	<u>\$ 812,901</u>

(1) Customer Contracts Description

1.Sales Revenue

Since the customer has the right to determine the price and use the goods, and bears the primary responsibility for resale and the risk of obsolescence upon arrival at the customer's designated location, the Company recognizes revenue and accounts receivable at that point in time.

2.Construction Revenue

For real estate construction contracts where the property is under the customer's control during the construction process, the Company recognizes revenue progressively over time.

3.Service Revenue

Service revenue is derived from the operation services of the business center.

(2) Contract Balances

	2026.3.31	2025.12.31	2025.3.31	2025.1.1
Notes receivables (Note 9)	<u>\$ 20,112</u>	<u>\$ 18,109</u>	<u>\$ 14,061</u>	<u>\$ 14,721</u>
Accounts receivables (Note 9)	<u>\$ 821,552</u>	<u>\$ 675,398</u>	<u>\$ 571,140</u>	<u>\$ 553,482</u>
Contract Assets - Current				
Construction Contracts	<u>\$ 866,687</u>	<u>\$ 840,234</u>	<u>\$ 1,131,030</u>	<u>\$ 1,064,373</u>
Contract Liabilities - Current				
Goods Sales	\$ 20,406	\$ 16,948	\$ 23,755	\$ 31,127
Construction Contracts	<u>269,817</u>	<u>234,793</u>	<u>117,847</u>	<u>114,135</u>
	<u>\$ 290,223</u>	<u>\$ 251,741</u>	<u>\$ 141,602</u>	<u>\$ 145,262</u>

23、Net Income from Continuing Operations

(1) Interest Income

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Bank Deposits	\$ 1,348	\$ 1,753
Reverse Repurchase Agreements	44	-
Financial Assets Measured at Fair Value Through Profit or Loss	408	390
Others	20	13
	<u>\$ 1,820</u>	<u>\$ 2,156</u>

(2) Other Income

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Rental Income	\$ 266	\$ 246
Dividend Income	699	119
Other Income	1,632	1,739
	<u>\$ 2,597</u>	<u>\$ 2,104</u>

(3) Other Gains and Losses

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Gain on Disposal of Property, Plant, and Equipment	\$ 3,087	\$ 497
Gain on Disposal of Financial Assets		
Financial Assets Measured at Fair Value Through Profit or Loss	8,708	3,359
Gain on Financial Assets		
Financial Assets Measured at Fair Value Through Profit or Loss	4,142	(13,281)
Net Foreign Exchange Gain	10,994	5,443
Other Losses	(1,483)	(2,561)
	<u>\$ 25,448</u>	<u>(\$ 6,543)</u>

(4) Financial Costs

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Interest on Bank Loans	\$ 3,042	\$ 1,668
Interest on Lease Liabilities	854	899
Other Interest Expenses	(2,300)	(231)
	<u>\$ 1,596</u>	<u>\$ 2,336</u>

The relevant information on interest capitalization is as follows :

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Interest Capitalization Amount	\$ 2,300	\$ 231
Interest Capitalization Rate	1.35%	1.35%

(5) Depreciation and Amortization

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Property, Plant and Equipment	\$ 31,749	\$ 31,247
Investment Property	910	912
Right-of-Use Assets	1,674	1,674
Intangible Assets	<u>1,509</u>	<u>2,310</u>
	<u>\$ 35,842</u>	<u>\$ 36,143</u>
Depreciation Expense Summarized by Function		
Cost of Sales	\$ 31,230	\$ 30,595
Operating Expenses	<u>3,103</u>	<u>3,238</u>
	<u>\$ 34,333</u>	<u>\$ 33,833</u>
Amortization Expense Summarized by Function		
Cost of Sales	\$ 334	\$ 450
Operating Expenses	<u>1,175</u>	<u>1,860</u>
	<u>\$ 1,509</u>	<u>\$ 2,310</u>

(6) Employee Welfare Expenses

	2026.1.1 - 3.31	2025.1.1 - 3.31
Post-employment Benefits (Note 20)		
Defined Contribution Plan	\$ 6,847	\$ 6,131
Defined Benefit Plan	<u>55</u>	<u>77</u>
	<u>6,902</u>	<u>6,208</u>
Other Employee Benefits	<u>196,010</u>	<u>183,461</u>
Total Employee Benefit Expenses	<u>\$ 202,912</u>	<u>\$ 189,669</u>
Summarized by Function		
Cost of Sales	\$ 137,067	\$ 117,155
Operating Expenses	<u>65,845</u>	<u>72,514</u>
	<u>\$ 202,912</u>	<u>\$ 189,669</u>

(7) Employee Compensation and Director Remuneration

The Company shall appropriate employee compensation and directors' compensation from the current year's profit before tax, prior to the distribution of employee and directors' compensation, at rates of no less than 2% and no more than 2%, respectively.

Pursuant to the amendment to the Securities and Exchange Act in August 2024, The Company amended its Articles of Incorporation as approved by the shareholders' meeting in 2025, stipulating that no less than 10% of the employee compensation appropriated for the current year shall be allocated to grassroots employees.

The estimated employee and director remuneration for the periods from Jan. 1 to Mar. 31, 2026 and 2025 are as follows: :

Accrual rate

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Employee Compensation	3.61%	6.42%
Director Compensation	0.75%	1.06%

Amount

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
	Cash	Cash
Employee Compensation	\$ 4,839	\$ 6,272
Director Compensation	1,005	1,005

If the amounts subsequently change after the issuance date of the annual consolidated financial statements, such changes shall be accounted for as changes in accounting estimates and recognized in the following year.

The employee compensation and directors' compensation for 2025 and 2024 were resolved by the Board of Directors on Mar. 11, 2026 and Mar. 3, 2025, respectively, as follows:

	2025	2024
	Cash	Cash
Employee Compensation	\$ 32,048	\$ 23,865
Director Compensation	3,980	4,500

There was no difference between the actual amounts of employee compensation and directors' compensation resolved by the Board of Directors for 2025 and 2024 and the amounts recognized in the consolidated financial statements for those years.

For information regarding the employee compensation and directors' compensation resolved by the Board of Directors of Chenfull International Co., Ltd., please refer to the Market Observation Post System of the Taiwan Stock Exchange.

24、Government Grants

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

For the three-month periods ended Mar. 31, 2026 and 2025, income of NT\$12 thousand was recognized in both periods.

25、Income tax of continuing operations

(1) Income Tax Recognized in Profit or Loss

The major components of income tax expense are as follows：

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Current Income Tax Generated During the Period	\$ 34,338	\$ 27,742
Deferred Income Tax Generated During the Period	<u>1,525</u>	(<u>809</u>)
Income Tax Expense Recognized in Profit or Loss	<u>\$ 35,863</u>	<u>\$ 26,933</u>

(2) Income Tax Assessment

Except for Chenfull International Co., Ltd., the corporate income tax returns of Chenfeng Company and Chenfull Precision Co. have been assessed and approved by the tax authorities up to the year 2024.

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

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Net Income Used to Calculate Basic Earnings Per Share	<u>\$ 117,262</u>	<u>\$ 79,083</u>
Net Income Used to Calculate Diluted Earnings Per Share	<u>\$ 117,262</u>	<u>\$ 79,083</u>

<u>Number of ordinary shares</u>	(In thousands of shares)	
	2026. <u>1.1 - 3.31</u>	2025. <u>1.1 - 3.31</u>
Weighted Average Shares of Common Stock Used to Calculate Basic Earnings Per Share	112,809	112,809
Effect of Potential Dilutive Common Shares		
Employee Compensation	<u>730</u>	<u>481</u>
Weighted Average Shares of Common Stock Used to Calculate Diluted Earnings Per Share	<u>113,539</u>	<u>113,290</u>

If the consolidated Company has the option to issue stock or cash as employee compensation, when calculating diluted earnings per share, it is assumed that employee compensation will be issued in the form of stock. The weighted average number of shares outstanding will include these potential common shares with a dilutive effect in the calculation of diluted earnings per share. Even before the decision on the number of shares to be issued for employee compensation in the next year, the dilutive effect of these potential common shares will continue to be considered when calculating diluted earnings per share.

27 、 Capital Risk Management

The consolidated Company manages its capital to ensure that the enterprises within the group can continue as going concerns, optimizing the balance between debt and equity to maximize shareholder returns.

The capital structure of the consolidated Company consists of the net debt (i.e., borrowings minus cash and cash equivalents) and the equity attributable to the Company's shareholders (i.e., share capital, capital surplus, retained earnings, and other equity items).

The consolidated Company is not subject to any external capital requirements.

The senior management of the consolidated Company reviews the group's capital structure annually, considering the costs of different types of capital and the associated risks. Based on the recommendations of senior management, the consolidated Company will balance its overall capital structure by paying dividends, issuing new shares, repurchasing shares, issuing new debt, or repaying existing debt.

28 、 Financial Instruments

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

The management of the consolidated Company believes that the carrying amounts of financial assets and liabilities not measured at fair value approximate their fair values.

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

1. Fair Value Hierarchy

2026.3.31

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets</u>				
<u>Measured at Fair Value</u>				
<u>Through Profit or Loss</u>				
Domestic Listed				
(OTC) Stocks	\$ 61,503	\$ -	\$ -	\$ 61,503
Fund Beneficiary				
Certificates	121,418	-	-	121,418
Limited Partnership, LP	-	-	28,569	28,569
	<u>\$ 182,921</u>	<u>\$ -</u>	<u>\$ 28,569</u>	<u>\$ 211,490</u>

(Next Page)

(Previous Page)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets</u>				
<u>Measured at Fair Value</u>				
<u>Through Other</u>				
<u>Comprehensive</u>				
<u>Income</u>				
Equity Instruments				
Investments				
- Domestic Emerging				
OTC Stocks	\$ -	\$ 70,101	\$ 946	\$ 71,047
- Domestic Unlisted				
(OTC) Stocks	-	-	90,623	90,623
	<u>\$ -</u>	<u>\$ 70,101</u>	<u>\$ 91,569</u>	<u>\$ 161,670</u>

2025.12.31

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets</u>				
<u>Measured at Fair Value</u>				
<u>Through Profit or Loss</u>				
Domestic Listed				
(OTC) Stocks	\$ 58,897	\$ -	\$ -	\$ 58,897
Fund Beneficiary				
Certificates	117,242	-	-	117,242
Limited Partnership, LP	-	-	28,794	28,794
	<u>\$ 176,139</u>	<u>\$ -</u>	<u>\$ 28,794</u>	<u>\$ 204,933</u>

<u>Financial Assets</u>				
<u>Measured at Fair Value</u>				
<u>Through Other</u>				
<u>Comprehensive</u>				
<u>Income</u>				
Equity Instruments				
Investments				
- Domestic Emerging				
OTC Stocks	\$ -	\$ 70,013	\$ 1,191	\$ 71,204
- Domestic Unlisted				
(OTC) Stocks	-	-	90,839	90,839
	<u>\$ -</u>	<u>\$ 70,013</u>	<u>\$ 92,030</u>	<u>\$ 162,043</u>

2025.3.31

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets</u>				
<u>Measured at Fair Value</u>				
<u>Through Profit or Loss</u>				
Domestic Listed				
(OTC) Stocks	\$ 39,247	\$ -	\$ -	\$ 39,247
Fund Beneficiary				
Certificates	<u>99,074</u>	<u>-</u>	<u>-</u>	<u>99,074</u>
	<u>\$ 138,321</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,321</u>

<u>Financial Assets</u>				
<u>Measured at Fair Value</u>				
<u>Through Other</u>				
<u>Comprehensive</u>				
<u>Income</u>				
Equity Instruments				
Investments				
- Domestic Emerging				
OTC Stocks	\$ -	\$ -	\$ 1,691	\$ 1,691
- Domestic Unlisted				
(OTC) Stocks	<u>-</u>	<u>-</u>	<u>151,020</u>	<u>151,020</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 152,711</u>	<u>\$ 152,711</u>

There were no transfers between Level 1 and Level 2 fair value measurements for 2026 and for the period from Jan. 1 to Mar. 31, 2025.

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

2026.1.1-3.31

Financial assets	(FVTPL) Equity instruments	(FVOCI) Equity instruments	Total
Opening balance	\$ 28,794	\$ 92,030	\$ 120,824
Recognized in profit or loss (gains or losses on financial assets measured at fair value through profit or loss)	(225)	-	(225)
Recognized in other comprehensive income (unrealized valuation gains or losses on financial assets measured at fair value through other comprehensive income)	-	(461)	(461)
Closing balance	<u>\$ 28,569</u>	<u>\$ 91,569</u>	<u>\$ 120,138</u>

2025.1.1-3.31

Financial assets	(FVOCI) Equity instruments
Opening balance	\$ 152,448
Recognized in other comprehensive income (unrealized valuation gains or losses on financial assets measured at fair value through other comprehensive income)	263
Closing balance	<u>\$ 152,711</u>

3. Valuation techniques and inputs for Level 2 fair value measurements

Financial instrument category	Valuation techniques and inputs
Domestic emerging market stocks (non-active market)	Market approach: The quoted transaction prices of the shares in an active market are used as a basis. Appropriate discounts are applied to reflect the relatively insufficient liquidity of the underlying investee, and the adjusted prices are used as a reasonable basis for estimating fair value.

4. Valuation techniques and assumptions used in measuring fair value

The fair value of financial assets and financial liabilities is determined as follows:

Financial assets and financial liabilities with standard terms and conditions traded in an active market are measured at fair value based on quoted market prices. When market prices are not available, valuation techniques are used to estimate fair value. The estimates and assumptions used by the Group in applying valuation techniques are consistent with those that market participants would use in pricing the financial instruments.

The consolidated financial statements include unquoted equity investments and limited partnerships measured at fair value. The fair value of unquoted equity investments is determined using market-based valuation techniques, including the price-to-earnings ratio method, price-to-sales ratio method, and price-to-book ratio method, to estimate a reasonable fair value. The fair value of limited partnerships is measured based on their net asset value.

(3) Types of financial instruments

	2026.3.31	2025.12.31	2025.3.31
<u>Financial assets</u>			
Financial assets measured at fair value through profit or loss (FVTPL)			
Mandatorily measured at fair value through profit or loss	\$ 211,490	\$ 204,933	\$ 138,321
Financial assets measured at amortized cost (Note 1)	1,351,057	1,213,835	1,004,140
Refundable deposits	4,657	4,142	2,851
Financial assets measured at fair value through other comprehensive income (FVOCI)			
Equity instrument investments	161,670	162,043	152,711
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost (Note 2)	1,559,733	1,196,735	803,563
Guarantee deposits received	920	958	1,180

Note 1: The balance includes 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 balance includes financial liabilities measured at amortized cost, such as short-term borrowings, accounts payable, other payables (excluding employee benefits payable), and long-term borrowings.

(4) Objectives and policies of financial risk management

The primary objective of the Group's risk management is to manage market risk, credit risk, and liquidity risk arising from its operating activities. The Group identifies, measures, and manages the aforementioned risks in accordance with its overall policies and risk appetite.

The Group has established appropriate policies, procedures, and internal controls in accordance with relevant regulations for the management of the aforementioned financial risks. Significant financial activities are subject to review by the Board of Directors in accordance with relevant regulations and the internal control system. During financial management activities, the Group is required to strictly comply with the established financial risk management policies and related regulations.

1. Market risk

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

(1) Foreign exchange risk

At the balance sheet date, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the functional currency (including monetary items denominated in non-functional currencies that have been

eliminated in the consolidated financial statements) are presented in Note 32.

Sensitivity analysis

The Group is primarily affected by fluctuations in the USD exchange rate.

The table below illustrates in detail the sensitivity analysis when the New Taiwan Dollar (the functional currency) increases or decreases by 1% against each relevant foreign currency. The 1% rate represents the sensitivity ratio used within the Group when reporting foreign exchange risk to key management personnel, and also reflects management's assessment of a reasonably possible change in foreign exchange rates.

Positive amounts in the table indicate that when the New Taiwan Dollar depreciates by 1% against each relevant currency, pre-tax profit or equity will increase. Conversely, when the New Taiwan Dollar appreciates by 1% against each relevant foreign currency, the impact on pre-tax profit or equity will be an equal but opposite negative amount.

	<u>Impact of the US dollar (USD)</u>	
	<u>2026.</u>	<u>2025.</u>
	<u>1.1 - 3.31</u>	<u>1.1 - 3.31</u>
Profit or loss	\$ 7,052	\$ 5,058

(2) Interest rate risk

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

At the balance sheet date, the carrying amounts of financial assets and financial liabilities exposed to interest rate risk are as follows:

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Fair value interest rate risk			
– Financial assets	\$ 160,486	\$ 158,418	\$ 161,517
– Financial liabilities	518,358	529,799	424,053
Cash flow interest rate risk			
– Financial assets	332,815	352,207	248,722
– Financial liabilities	473,101	241,808	69,458

Sensitivity analysis

The fixed-rate financial assets and financial liabilities held by the Group, which are measured at amortized cost, are not included in this analysis. The sensitivity analysis for interest rate risk is based on financial assets outstanding at the balance sheet date. The Group uses a 0.25% increase/decrease in market interest rates as a reasonably possible change when reporting interest rate risk to management.

Assuming all other variables remain constant, a 0.25% increase/decrease in market interest rates would result in a decrease/increase in the Group's pre-tax profit of NT\$88 thousand and an increase/decrease of NT\$112 thousand for the years 2026 and for the period from January 1 to Mar. 31, 2025, 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 exposure at the balance sheet date.

If equity prices had increased/decreased by 5%, profit or loss before tax would have increased/decreased by NT\$10,575 thousand and NT\$6,916 thousand for 2026 and for the period from January 1 to Mar. 31, 2025, respectively, due to changes in the fair value of financial assets measured at fair value through profit or loss. Other comprehensive income before tax would have increased/decreased by NT\$8,084 thousand and NT\$7,636 thousand for 2026 and for the period from January 1 to Mar. 31, 2025, respectively, due to changes in the fair value of financial assets measured at fair value through other comprehensive income.

The sensitivity of the Group's equity securities investments has not changed significantly compared to the prior year.

2. Credit risk

Credit risk refers to the risk of financial loss to the Group arising from a counterparty's failure to discharge its contractual obligations. As of the balance sheet date, the Group's maximum exposure to credit risk arising from potential failure of counterparties to perform their obligations primarily relates to the carrying amounts of financial assets recognized in the consolidated balance sheet.

The Group's policy is to conduct transactions only with reputable counterparties and, where necessary, to obtain sufficient collateral to mitigate the risk of financial loss arising from default. To reduce credit risk, the Group's management has established control procedures for determining and approving credit limits to ensure the collection of overdue receivables. In addition, the

Group reviews the recoverability of receivables individually at the balance sheet date to ensure that appropriate impairment losses are recognized for uncollectible amounts. Accordingly, management considers 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 Mar. 31, 2026, Dec. 31, 2025, and Mar. 31, 2025, receivables from the top five customers accounted for 69%, 54%, and 56% of total receivables, respectively, while the credit concentration risk of other receivables is not significant.

3. Liquidity risk

The Group manages and maintains sufficient cash and cash equivalents to support its operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilization of bank credit facilities and ensures compliance with loan covenants.

Bank borrowings represent an important source of liquidity for the Group. As of Mar. 31, 2026, Dec. 31, 2025, and Mar. 31, 2025, the Group's unused credit facilities are disclosed in (2) Financing facilities below.

(1) Maturity analysis of liquidity and interest rate risk of non-derivative financial liabilities

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

2026.3.31

	Less than 1 year	1-2 years	2-3 years	3+ years	Total
<u>Non-derivative financial liabilities</u>					
Accounts payable	\$ 424,809	\$ -	\$ -	\$ -	\$ 424,809
Lease liabilities	9,179	9,179	9,179	107,853	135,390
Other payables	251,167	-	-	-	251,167
Borrowings	<u>410,656</u>	<u>22,529</u>	<u>67,586</u>	<u>382,986</u>	<u>883,757</u>
	<u>\$ 1,095,811</u>	<u>\$ 31,708</u>	<u>\$ 76,765</u>	<u>\$ 490,839</u>	<u>\$ 1,695,123</u>

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

	Less than 1 year	1-3 years	3-6 years	6+ years	Total
Lease Liabilities	<u>\$ 9,179</u>	<u>\$ 18,358</u>	<u>\$ 27,537</u>	<u>\$ 80,316</u>	<u>\$ 135,390</u>

2025.12.31

	Less than 1 year	1-2 years	2-3 years	3+ years	Total
<u>Non-derivative financial liabilities</u>					
Notes payable	\$ 240	\$ -	\$ -	\$ -	\$ 240
Accounts payable	343,114	-	-	-	343,114
Lease liabilities	9,179	9,179	9,179	110,148	137,685
Other payables	191,127	-	-	-	191,127
Borrowings	<u>420,446</u>	<u>2,879</u>	<u>34,544</u>	<u>204,385</u>	<u>662,254</u>
	<u>\$ 964,106</u>	<u>\$ 12,058</u>	<u>\$ 43,723</u>	<u>\$ 314,533</u>	<u>\$1,334,420</u>

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

	Less than 1 year	1-3 years	3-6 years	6+ years	Total
Lease Liabilities	<u>\$ 9,179</u>	<u>\$ 18,358</u>	<u>\$ 27,537</u>	<u>\$ 82,611</u>	<u>\$ 137,685</u>

2025.3.31

	Less than 1 year	1-2 years	2-3 years	3+ years	Total
<u>Non-derivative financial liabilities</u>					
Accounts payable	\$ 348,131	\$ -	\$ -	\$ -	\$ 348,131
Lease liabilities	9,179	9,179	9,179	117,032	144,569
Other payables	75,842	-	-	-	75,842
Borrowings	<u>310,132</u>	<u>-</u>	<u>3,953</u>	<u>65,505</u>	<u>379,590</u>
	<u>\$ 743,284</u>	<u>\$ 9,179</u>	<u>\$ 13,132</u>	<u>\$ 182,537</u>	<u>\$ 948,132</u>

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

	Less than 1 year	1-3 years	3-6 years	6+ years	Total
Lease Liabilities	<u>\$ 9,179</u>	<u>\$ 18,358</u>	<u>\$ 27,537</u>	<u>\$ 89,495</u>	<u>\$ 144,569</u>

(2) Financing facilities

	2026.3.31	2025.12.31	2025.3.31
Unsecured bank credit facilities and commercial paper issuance facilities (reviewed annually)			
– Amount utilized	\$ 506,878	\$ 516,839	\$ 343,939
– Amount unutilized	<u>1,998,122</u>	<u>2,338,161</u>	<u>2,711,062</u>
	<u>\$ 2,505,000</u>	<u>\$ 2,855,000</u>	<u>\$ 3,055,001</u>
Secured bank credit facilities and commercial paper issuance facilities (reviewed annually)			
– Amount utilized	\$ 473,101	\$ 241,808	\$ 69,458
– Amount unutilized	<u>1,126,899</u>	<u>1,358,192</u>	<u>1,530,542</u>
	<u>\$ 1,600,000</u>	<u>\$ 1,600,000</u>	<u>\$ 1,600,000</u>

29、Related party transactions

Transactions, account balances, revenues, and expenses between Chenfull Corp. and its subsidiaries (which are related parties of Chenfull Corp.) have been fully eliminated upon consolidation and are therefore not disclosed in this note. Except as disclosed in other notes, transactions between the Group and other related parties are as follows.

Compensation of key management personnel

	2026. 1.1 - 3.31	2025. 1.1 - 3.31
Short-term employee benefits	\$ 5,523	\$ 6,885
Post-employment benefits	<u>129</u>	<u>149</u>
	<u>\$ 5,652</u>	<u>\$ 7,034</u>

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

30、Assets pledged as collateral

The following assets of the Group have been pledged as collateral for land development and performance guarantees required for business operations:：

	2026.3.31	2025.12.31	2025.3.31
Other financial assets – current			
Pledged time deposits	\$ 9,091	\$ 9,048	\$ 9,048
Other financial assets – non-current			
Pledged time deposits	<u>34,543</u>	<u>34,543</u>	<u>34,543</u>
	<u>\$ 43,634</u>	<u>\$ 43,591</u>	<u>\$ 43,591</u>

31、Material Contingent Liabilities and Unrecognized Contractual Commitments

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

- (1) As of Mar. 31, 2026, Chenfull Corp. had issued guarantee promissory notes totaling NT\$1,239,226 thousand in connection with credit facilities, contract performance, and project warranty obligations.
- (2) As of Mar. 31, 2026, Chenfull Precision Co., Ltd. had issued guarantee promissory notes totaling NT\$2,481,502 thousand in connection with credit facilities and contract performance obligations.
- (3) As of Mar. 31, 2026, Chenfull Corp. had received guarantee promissory notes issued by vendors totaling NT\$70,759 thousand for contract performance or warranty guarantees.

(4) As of Mar. 31, 2026, Chenfull Precision Co., Ltd. had received guarantee promissory notes issued by vendors totaling NT\$202,163 thousand for contract performance or warranty guarantees.

(5) The Group has entered into contractual commitments with various vendors for the purchase of equipment and construction of new plant facilities, with a total contract value of NT\$1,587,479 thousand. As of Mar. 31, 2026, NT\$885,203 thousand had been paid and recognized under prepayments for equipment and construction in progress.

32 、 Information on foreign currency assets and liabilities with significant impact

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

2026.3.31

	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
Foreign currency assets			
<u>Monetary items</u>			
USD	\$ 22,597	31.995 (USD : NTD)	\$ 722,993
CNY	10,490	4.629 (CNY : NTD)	48,560
EUR	144	36.71 (EUR : NTD)	5,287
			<u>\$ 776,840</u>
Foreign currency liabilities			
<u>Monetary items</u>			
USD	555	31.995 (USD : NTD)	\$ 17,754
CNY	1,336	4.629 (CNY : NTD)	6,183
EUR	11	36.71 (EUR : NTD)	413
			<u>\$ 24,350</u>

2025.12.31

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
<u>Monetary items</u>			
USD	\$ 15,815	31.43 (USD : NTD)	\$ 497,074
CNY	10,490	4.496 (CNY : NTD)	47,163
EUR	119	36.90 (EUR : NTD)	<u>4,390</u>
			<u>\$ 548,627</u>
Foreign currency liabilities			
<u>Monetary items</u>			
USD	451	31.43 (USD : NTD)	\$ 14,167
CNY	1,074	4.496 (CNY : NTD)	4,830
EUR	27	36.90 (EUR : NTD)	<u>981</u>
			<u>\$ 19,978</u>

2025.3.31

	Foreign currency	Exchange rate	Carrying amount
Foreign currency assets			
<u>Monetary items</u>			
USD	\$ 15,572	33.205 (USD : NTD)	\$ 517,079
CNY	1	4.573 (CNY : NTD)	4
EUR	37	35.97 (EUR : NTD)	1,329
JPY	20	0.222 (JPY : NTD)	<u>4</u>
			<u>\$ 518,416</u>
Foreign currency liabilities			
<u>Monetary items</u>			
USD	338	33.205 (USD : NTD)	\$ 11,239
CNY	9,510	4.573 (CNY : NTD)	43,489
EUR	6	35.97 (EUR : NTD)	<u>229</u>
			<u>\$ 54,957</u>

For 2026 and for the period from Jan.1 to Mar.31 2025 the Group recognized foreign exchange gains (including realized and unrealized gains) of NT\$10,994 thousand and NT\$5,443 thousand, respectively. Due to the variety of foreign currency transactions and the multiple functional currencies used by entities within the Group, it is not practicable to

disclose foreign exchange gains or losses by each individual foreign currency with significant impact.

33、Disclosure Notes:

(1) Significant Transaction Matters

(2) Information on Subsidiary Investments :

No.	Item	Note
1	Loans to Others.	N.A.
2	Endorsements and Guarantees for Others.	N.A.
3	Status Of Major Marketable Securities Held At The End Of The Period (Excluding Investments In Subsidiaries, Associates, And Joint Ventures).	Table 1
4	Amounts Of Purchases Or Sales With Related Parties Reaching NT\$100 Million Or 20% Of Paid-In Capital.	N.A.
5	Accounts Receivable From Related Parties Amounting To NT\$100 Million Or 20% Of Paid-In Capital.	N.A.
6	Others: Business Relationships And Significant Transactions Between The Parent And Subsidiaries And Among Subsidiaries, Including Transaction Amounts.	Table 4
7	Information On Investments In Other Entities.	Table 2

(3) Mainland China Investment Information:

No.	Item	Note
1	Name of Invested Mainland Company, Main Business Activities, Paid-in Capital, Investment Method, Fund Inflow and Outflow, Shareholding Ratio, Investment Gains and Losses, Ending Book Value of Investment, Repatriated Investment Gains, and Investment Limit for Mainland China.	Table 3
2	Major Transactions with Invested Mainland Companies Conducted Directly or Indirectly Through a Third Region, Including Prices, Payment Terms, and Unrealized Gains and Losses:	
	Purchase Amount and Percentage, and Ending Balance and Percentage of Related Payables.	N.A.
	Sales Amount and Percentage, and Ending Balance and Percentage of Related Receivables.	N.A.
	Property Transaction Amount and Resulting Gains and Losses.	N.A.
	Ending Balance and Purpose of Endorsed Notes, Guarantees, or Collateral Provided.	N.A.
	Maximum Balance, Ending Balance, Interest Rate Range, and Total Interest for the Period of Fund Lending.	N.A.
	Other Transactions with Significant Impact on Current Profits and Losses or Financial Position, such as the Provision or Receipt of Services.	N.A.

34 、 Department Information

Information provided to the chief operating decision-maker for resource allocation and performance evaluation of departments, focusing on the types of products or services delivered or provided. The reporting departments of the consolidated Company are as follows:

Engineering and Machinery Business– Factory operations, system integration, and shoe machinery.

Precision Business – Precision processing.

(1) Department Revenue and Operating Results

The revenue and operating results of the continuing business units of the consolidated Company are analyzed by the reporting departments as follows:

	Engineering and Machinery Business	Precision Business	Common	Adjustments and Eliminations	Total
<u>2026.1.1-3.31</u>					
Revenue					
Revenue from External Customers	\$ 400,631	\$ 604,395	\$ -	\$ -	\$ 1,005,026
Interdepartmental Revenue	-	-	-	-	-
Interest Income	-	-	1,820	-	1,820
Total Revenue	<u>\$ 400,631</u>	<u>\$ 604,395</u>	<u>\$ 1,820</u>	<u>\$ -</u>	<u>\$ 1,006,846</u>
Interest Expense	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,596</u>	<u>\$ -</u>	<u>\$ 1,596</u>
Depreciation and Amortization	<u>\$ 4,428</u>	<u>\$ 28,588</u>	<u>\$ 2,826</u>	<u>\$ -</u>	<u>\$ 35,842</u>
Pre-Tax Profit from Continuing Operations	<u>\$ 69,306</u>	<u>\$ 120,172</u>	<u>(\$ 570)</u>	<u>\$ -</u>	<u>\$ 188,908</u>
<u>2025.1.1-3.31</u>					
Revenue					
Revenue from External Customers	\$ 386,141	\$ 426,760	\$ -	\$ -	\$ 812,901
Interdepartmental Revenue	1,348	-	-	(1,348)	-
Interest Income	-	-	2,156	-	2,156
Total Revenue	<u>\$ 387,489</u>	<u>\$ 426,760</u>	<u>\$ 2,156</u>	<u>(\$ 1,348)</u>	<u>\$ 815,057</u>
Interest Expense	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,336</u>	<u>\$ -</u>	<u>\$ 2,336</u>
Depreciation and Amortization	<u>\$ 4,134</u>	<u>\$ 28,542</u>	<u>\$ 3,467</u>	<u>\$ -</u>	<u>\$ 36,143</u>
Pre-Tax Profit from Continuing Operations	<u>\$ 56,015</u>	<u>\$ 102,875</u>	<u>(\$ 22,217)</u>	<u>\$ -</u>	<u>\$ 136,673</u>

Interdepartmental sales are priced at market value.

Department profit refers to the profit earned by each department, excluding allocated headquarters management costs, director compensation, equity-method investee profit and loss shares, gains or losses from disposal of equity-method long-term investments, rental income, interest income, gains or losses from disposal of fixed assets, gains or losses from disposal of investments, exchange gains or losses, financial instrument revaluation gains or losses, interest expenses, and income tax expenses. This measurement amount is provided to the chief operating decision-maker for resource allocation to departments and performance evaluation.

(2) Department Assets and Liabilities

	Engineering and Machinery Division	Precision Division	Common	Reconciliations and eliminations	Total
<u>2026.3.31</u>					
Assets					
Capital Expenditures on Non-Current Assets	\$ <u>1,807</u>	\$ <u>278,403</u>	\$ <u>1,984</u>	\$ <u>-</u>	\$ <u>282,194</u>
Departmental Assets	\$ <u>2,169,258</u>	\$ <u>3,513,081</u>	\$ <u>1,228,360</u>	\$ <u>-</u>	\$ <u>6,910,699</u>
Departmental Liabilities	\$ <u>572,449</u>	\$ <u>1,475,967</u>	\$ <u>200,290</u>	\$ <u>-</u>	\$ <u>2,248,706</u>
<u>2025.12.31</u>					
Assets					
Capital Expenditures on Non-Current Assets	\$ <u>11,067</u>	\$ <u>525,090</u>	\$ <u>10,595</u>	\$ <u>-</u>	\$ <u>546,752</u>
Departmental Assets	\$ <u>2,038,048</u>	\$ <u>3,087,747</u>	\$ <u>1,225,733</u>	\$ <u>-</u>	\$ <u>6,351,528</u>
Departmental Liabilities	\$ <u>542,283</u>	\$ <u>1,147,348</u>	\$ <u>154,316</u>	\$ <u>-</u>	\$ <u>1,843,947</u>
<u>2025.3.31</u>					
Assets					
Capital Expenditures on Non-Current Assets	\$ <u>2,807</u>	\$ <u>55,725</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>58,532</u>
Departmental Assets	\$ <u>2,110,737</u>	\$ <u>2,660,827</u>	\$ <u>1,143,128</u>	\$ <u>-</u>	\$ <u>5,914,692</u>
Departmental Liabilities	\$ <u>423,034</u>	\$ <u>575,578</u>	\$ <u>376,732</u>	\$ <u>-</u>	\$ <u>1,375,344</u>

Chenfull International Co., Ltd. and Subsidiaries
Status of significant securities held at the end of the period
2026.3.31

Table 1

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

Company held	Securities Type and Name (Note 1)	Relationship with the issuer of securities	Account Classification	End of period				Remarks
				Number of Shares/Units	Book Value	Percentage of Ownership	Fair Value	
Chenfull International Co., Ltd.	<u>Stocks - Non-listed/Over-the-Counter</u>							
	Mingchao Enterprise Co., Ltd.	None	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Non-current	3,412,174	<u>\$ 81,389</u>	9.10	<u>\$ 81,389</u>	
	<u>Emerging stock market shares</u>							
	Natech Materials Co., Ltd.	None	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Non-current	1,200,000	<u>\$ 56,081</u>	1.74	<u>\$ 56,081</u>	
	<u>Stocks - Non-publi</u>							
	Others(Note4)	None	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Non-current	-	<u>\$ 9,234</u>	-	<u>\$ 9,234</u>	
	<u>Beneficiary Certificates - Domestic</u>							
	Yuanta 2-10 Year Investment Grade Corporate Bond Fund	None	Financial Assets Measured at Fair Value Through Profit or Loss - Current	3,000,000	\$ 29,254	3.17	\$ 29,254	
	Others(Note4)	"	"	-	<u>12,363</u> <u>\$ 41,617</u>	-	<u>12,363</u> <u>\$ 41,617</u>	
	<u>Listed and OTC-listed stocks</u>							
	Others(Note4)	None	Financial Assets Measured at Fair Value Through Profit or Loss - Current	-	<u>\$ 7,998</u>	-	<u>\$ 7,998</u>	
	<u>Limited partnership</u>							
	Harvatek Sustainability and Climate Limited Partnership	None	Financial Assets Measured at Fair Value Through Profit or Loss Non-current	30,000,000	<u>\$ 28,569</u>	4.78	<u>\$ 28,569</u>	

(Next Page)

(Previous Page)

Company held	Securities Type and Name (Note 1)	Relationship with the issuer of securities	Account Classification	End of period				Remarks
				Number of Shares/Units	Book Value	Percentage of Ownership	Fair Value	
Chenfeng Machinery & Enterprice Co., Ltd	<u>Listed and OTC-listed stocks</u>							
	Chenfull International Co., Ltd.	Parent Company	Financial Assets Measured at Fair Value Through Other Comprehensive Income – Non-current	281,759	\$ <u>12,186</u>	0.25	\$ <u>12,186</u>	
	<u>Emerging market (Taipei Exchange) stocks</u> Others(Note4)	None	Financial Assets Measured at Fair Value Through Other Comprehensive Income – Non-current	-	\$ <u>14,966</u>	-	\$ <u>14,966</u>	
	<u>Domestic fund beneficiary certificates</u> Yuanta Taiwan Top 50 Securities Investment Trust Fund	None	Financial Assets Measured at Fair Value Through Profit or Loss - Current	592,000	\$ 42,831	-	\$ 42,831	
	Others(Note4)	"	"	-	<u>36,970</u> \$ <u>79,801</u>	-	<u>36,970</u> \$ <u>79,801</u>	
	<u>Listed and OTC-listed stocks</u> Others(Note4)	None	Financial Assets Measured at Fair Value Through Profit or Loss - Current	-	\$ <u>53,505</u>	-	\$ <u>53,505</u>	

Note 1: Securities referred to in this table include stocks, bonds, beneficiary certificates, and derivatives thereof, all of which fall within the scope of IFRS 9 “Financial Instruments.”

Note 2: Chenfeng Machinery & Enterprise Co., Ltd. has entered into a discretionary asset management agreement with an investment advisory Company, under which the trustee independently conducts trading of securities on the centralized exchange market.

Note 3: For information related to investments in subsidiaries, please refer to Schedules II and III.

Note 4: Individual securities whose amounts exceed 10% of the respective financial statement line item are disclosed separately; other securities with immaterial amounts are aggregated due to lack of materiality.

Chenfull International Co., Ltd. and Subsidiaries
Information on Invested Companies, Locations, and Other Related Details
2026.1.1-3.31

Table 2

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

Investor Company Name	Investee Company Name	Location	Main Business Activities	Original Investment Amount		Holdings at End of Period			Profit (Loss) of the Investee Company in the Period	Investment (Loss) Income Recognized in the Period	Remarks
				End of This Period	End of Last Period	Number of Shares	Percentage (%)	Book Value			
Chenfull International Co., Ltd.	Chenfeng Machinery & Enterprice Co., Ltd	12F, No. 107, Section 4, Zhongxiao East Road, Da'an District, Taipei City, Taiwan	Business Center Operations and Sales of Shoe-Making Equipment	\$ 132,880	\$ 132,880	15,280,000	100	\$ 238,920	\$ 11,214	\$ 11,214	Subsidiary
	CHEN FULL HOLDING CO., LTD.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Engaged in Holding Business	60,448 (USD 2,000)	60,448 (USD 2,000)	-	100	75,622	342	342	Subsidiary
	Chenfull Precision Co., Ltd.	No. 28, Houke South Road, Houli District, Taichung City, Taiwan	Manufacturing and Processing of Precision Components and Aircraft Materials	372,780	372,780	37,278,000	63	1,283,434	96,715	60,932	Subsidiary (Note1)
CHEN FULL HOLDING CO., LTD.	NEW OPPORTUNITY LIMITED	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Engaged in Holding Business	60,448 (USD 2,000)	60,448 (USD 2,000)	-	100	55,031 (USD 1,720)	(32) (USD -1)	(32) (USD -1)	Subsidiary
NEW OPPORTUNITY LIMITED	Chenfeng Machinery (Dongguan) Co., Ltd (Note2)	No. 23, Yanhe Road, Houjie Town, Dongguan City, Guangdong Province	Sales and Contracting of Precision Machinery Equipment, Shoe-Making Equipment, Ventilation Equipment, and Their Parts	60,448 (USD 2,000)	60,448 (USD 2,000)	-	100	55,031 (USD 1,720)	(32) (USD -1)	(32) (USD -1)	Subsidiary

Note 1: Represents significant non-controlling interests.

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

Chenfull International Co., Ltd. and Subsidiaries
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
2026.1.1-3.31

Table 3

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

Investee Company Name	Main Business Activities	Paid-in Capital	Investment Method (Note 1)	Cumulative Investment Amount Remitted from Taiwan at the Beginning of the Period	Investment Amount Remitted or Recovered in the Period		Cumulative Investment Amount Remitted from Taiwan at the End of the Period	Profit or Loss of the Investee Company in the Period	Direct or Indirect Shareholding Percentage of the Company's Investment (%)	Investment (Loss) Income Recognized in the Period (Note 2)	Ending Book Value of Investment	Investment Income Repatriated to Taiwan as of This Period
					Remitted	Recovered						
Chenfeng Machinery (Dongguan) Co., Ltd	Sales and Contracting of Precision Machinery Equipment, Shoe-Making Equipment, Ventilation Equipment, and Their Parts	\$ 60,448 (USD 2,000)	(2)	\$ 60,448 (USD 2,000)	\$ -	\$ -	\$ 60,448 (USD 2,000)	(\$ 32) (USD -1)	100	(\$ 32) (USD -1) (-)-3	\$ 55,031 (USD 1,720)	\$ 44,358 (USD 1,440)

Cumulative Investment Amount Remitted from Taiwan to Mainland China at the End of the Period	Investment Amount Approved by the Ministry of Economic Affairs Investment Commission	Investment Limit to Mainland China Based on the Regulations of the Ministry of Economic Affairs Investment Commission
NTD 60,448 (USD 2,000)	NTD 60,448 (USD 2,000)	NTD 2,344,988 (USD 73,292)

Note 1: The investment methods are divided into the following three types, and the type should be indicated:

1. Direct investment in Mainland China.
2. Investment in Mainland China through a third-party investment Company.
3. Other methods.

Note 2: In the current period's recognized investment profit and loss column:

1. If the investment is still under preparation and there is no recognized investment profit or loss, it should be noted.
2. The basis for recognizing investment profit and loss is divided into the following three types, and the basis should be noted:
 - (1) Financial statements audited or reviewed by an international accounting firm in cooperation with a CPA firm in the Republic of China (Taiwan).
 - (2) Financial statements audited or reviewed by the CPA of the parent Company in Taiwan.
 - (3) Other.

Note 3: The relevant amounts in this table are presented in New Taiwan Dollars. For foreign currencies, the amounts should be converted to New Taiwan Dollars using the spot exchange rate on the financial reporting date. ° (The spot exchange rate for USD as of Mar.31, 2026, was 31.995)

Chenfull International Co., Ltd. and Subsidiaries

INTERGROUP RELATIONSHIPS AND SIGNIFICANT INTERGROUP TRANSACTIONS

2026.1.1-3.31

Table 4 (In Thousands of New Tawian Dollars, Unless Stated Otherwise)

Serial Number	Trader Name	Counterparty	Relationship with Trader	Transaction Details			
				Serial Number	Trader Name	Counterparty	Relationship with Trader
0	Chenfull Company	Chenfeng Machinery	1	Rental Income	\$ 600	Comparable to General Customers	0.06%
0	Chenfull Company	Chenfeng Machinery (Dongguan) Co., Ltd.	1	Contract Liabilities	5,425	"	0.08%
0	Chenfull Company	Chenfeng Machinery (Dongguan) Co., Ltd.	1	Collection on behalf of others	171	"	-
0	Chenfull Company	Chenfull Precision Co., Ltd.	1	Rental Income	1,230	"	0.12%
0	Chenfull Company	Chenfull Precision Co., Ltd.	1	Other Income	465	"	0.05%
0	Chenfull Company	Chenfull Precision Co., Ltd.	1	Rental Expense	24	"	-
0	Chenfull Company	Chenfull Precision Co., Ltd.	1	Operating expenses	9	"	-

Note 1: Information of business accounts between the parent company and subsidiaries shall be labelled with numbers in the “NO.” column. The numbers are explained below:

- (1) Parent company is numbered 0.
- (2) Subsidiaries are numbered from 1 to onwards.

Note 2: There are three types of relationships. Only the types shall be labelled:

- (1) From parent company to subsidiary
- (2) From subsidiary to parent company
- (3) From subsidiary to subsidiary

Note 3: The calculation of the percentage of the amount to the consolidated total revenue or assets is as follows: if the transaction is classified in asset liabilities, the percentage of the period-end balance to the consolidated total assets shall be calculated; if the transaction is classified in profit or loss, the percentage of mid-period accumulated amounts to the consolidated total revenue shall be calculated.

Note 4: Only one-way transactions are disclosed in this Table. The transactions above have been offset when preparing the consolidated financial statement.