Code：8383

ChenFull International Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the
Six Months Ended Jun. 30, 2026 and 2025 and
Independent Auditors' Review Report

Address: No. 9-1, Ln. 187, Guandong Rd., East Dist.,
Hsinchu City 300, Taiwan (R.O.C.)

Tel: +886-3-322-0022

§ TABLE OF CONTENTS §

ITEM	PAGE	FINANCIAL STATEMENTS NOTES
Cover Page	1	-
Table of Contents	2	-
Independent Auditors' Review Report	3～5	-
Consolidated Balance Sheet	6	-
Consolidated Statement of Comprehensive Income	7	-
Consolidated Statement of Changes in Equity	8	-
Consolidated Statement of Cash Flows	9～10	-
Notes to the Consolidated Financial Statements		
(1) Company History	11	1
(2) Date and Procedures for Approval of the Financial Statements	11	2
(3) Application of New and Amended Standards and Interpretations	11～15	3
(4) Summary of Material Accounting Policy Information	15～17	4
(5) Material Accounting Judgments and Key Sources of Estimation and Uncertainty	17	5
(6) Details of Significant Accounts	17～60	6～29
(7) Related Party Transactions	60～61	30
(8) Assets Pledged as Collateral	61	31
(9) Significant Contingent Liabilities and Unrecognized Commitments	61~62	32
(10) Significant Loss from Disaster	-	-
(11) Significant Subsequent Events	-	-
(12) Others	62～64	33
(13) Additional Disclosures		
1. Information on Significant Transactions	64、65、68~69、70～72	34
2. Information on Investees	64、65、71	34
3. Information on Investments in Mainland China	65、72	34
(14) Operating Segments Information	65～67	35

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
ChenFull International Company Limited

Introduction

We have reviewed the accompanying consolidated balance sheets of ChenFull International Company Limited and its subsidiaries (collectively, the "Company") as of June 30, 2026 and 2025, the related consolidated statements of comprehensive income for the three months ended June 30, 2026 and 2025 and for the six months ended June 30, 2026 and 2025, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except for the matter described in the Basis for Qualified 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 Independent Auditor of Entity." A

review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As described in Note 11 to the consolidated financial statements, the financial statements of certain non-significant subsidiaries included in the consolidated financial statements were not reviewed by independent auditors. As of June 30, 2026 and 2025, the total assets of these subsidiaries amounted to NT$412,221 thousand and NT$257,744 thousand, representing 5.72% and 4.32% of the consolidated total assets, respectively; and their total liabilities amounted to NT$55,513 thousand and NT$34,182 thousand, representing 2.06% and 1.92% of consolidated total liabilities, respectively. For the periods from April 1 to June 30, 2026 and 2025, and from January 1 to June 30, 2026 and 2025, the total comprehensive income of these subsidiaries amounted to NT$47,339 thousand, NT$10,288 thousand, NT$59,495 thousand, and NT$3,031 thousand, accounting for 22.13%, 25.19%, 16.15%, and 2.00% of the consolidated total comprehensive income, respectively.

Conclusion

Based on our reviews, except for the effects of such adjustments, if any, as might have been determined to be necessary had the financial statements of the subsidiaries described in the Basis for Qualified Conclusion paragraph had been reviewed by independent auditors, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as of June 30, 2026 and 2025, its consolidated financial performance for the three months

ended June 30, 2026 and 2025, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China
August 14, 2026

ChenFull International Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

2026/6/30&2025/12/31&6/30

(In Thousands of New Taiwan Dollars)

Code	Assets	2026/06/30 Amounts	%	2025/12/31 Amounts	%	2025/06/30 Amounts	%
	Current Assets						
1100	Cash and Cash Equivalents (Notes 6 and 29)	$ 410,443	6	$ 449,825	7	$ 305,942	5
1110	Financial Assets at Fair Value Through Profit or Loss – Current (Notes 7 and 29)	197,150	3	176,139	3	145,306	3
1140	Contract Assets – Current (Note 22)	1,210,941	17	840,234	13	1,030,669	17
1150	Notes Receivable – Non-related Parties (Notes 9 and 29)	18,345	-	18,109	-	30,005	1
1172	Accounts Receivable – Non-related Parties (Notes 9 and 29)	857,859	12	675,398	11	597,893	10
1200	Other Receivables (Notes 9 and 29)	11,768	-	9,318	-	14,158	-
1220	Current Income Tax Assets (Note 4)	716,424	10	657,252	10	-	-
130X	Inventories (Note 10)	70,631	1	138,259	2	723,142	12
1410	Prepayments (Note 16)	26,953	-	26,642	1	47,013	1
1476	Other Financial Assets – Current (Notes 16, 29 and 31)	10,736	-	10,683	-	25,409	-
1479	Other Current Assets (Note 16)	3,531,250	49	3,001,859	47	10,643	-
11XX	Total Current Assets	$ 410,443	6	$ 449,825	7	2,930,180	49
	Non-current Assets						
1510	Financial Assets at Fair Value Through Profit or Loss – Non-current (Notes 7 and 29)	49,467	1	28,794			
1517	Financial Assets at Fair Value Through Other Comprehensive Income – Non-current (Notes 8 and 29)	163,041	2	162,043	3	152,396	2
1600	Property, Plant and Equipment (Note 12)	2,918,089	40	2,636,022	41	2,255,095	38
1755	Right-of-use Assets (Note 13)	97,113	1	100,461	2	103,810	2
1760	Investment Properties (Note 14)	307,958	4	308,528	5	310,352	5
1780	Other Intangible Assets (Note 15)	10,569	-	12,582	-	14,887	-
1840	Deferred Income Tax Assets (Note 4)	49,057	1	45,094	1	54,558	1
1980	Other Financial Assets – Non-current (Notes 16, 29 and 31)	34,543	1	34,543	1	34,543	1
1990	Other Non-current Assets (Note 16)	48,180	1	21,602	-	109,868	2
15XX	Total Non-current Assets	3,678,017	51	3,349,669	53	3,035,509	51
1XXX	Total Assets	$ 7,209,267	100	$ 6,351,528	100	$ 5,965,689	100
Code	Liabilities and Equity						
	Current Liabilities						
2100	Short-term Borrowings (Notes 17 and 29)	$ 300,000	4	$ 420,000	7	$ 250,000	4
2130	Contract Liabilities – Current (Notes 4 and 22)	259,802	3	251,741	4	-	-
2150	Notes Payable (Notes 18 and 29)	-	-	240	-	167,558	3
2170	Accounts Payable (Notes 18 and 29)	567,483	8	343,114	5	347,748	6
2219	Other Payables (Notes 19 and 29)	701,681	10	386,009	6	704,128	12
2230	Current Income Tax Liabilities (Note 4)	83,742	1	48,851	1	50,442	1
2280	Lease Liabilities – Current (Notes 13 and 29)	5,922	-	5,830	-	5,739	-
2399	Other Current Liabilities (Note 19)	3,526	-	3,203	-	5,984	-
21XX	Total Current Liabilities	1,922,156	26	1,458,988	23	1,531,599	26
	Non-current Liabilities						
2540	Long-term Borrowings (Notes 17 and 29)	624,710	9	241,808	4	103,782	2
2570	Deferred Income Tax Liabilities (Note 4)	28,759	-	17,509	-	12,595	-
2580	Lease Liabilities – Non-current (Notes 13 and 29)	100,985	2	103,969	2	106,906	2
2640	Net Defined Benefit Liabilities – Non-current (Note 4)	15,547	-	20,674	-	21,723	-
2670	Other Non-current Liabilities – Others (Notes 19 and 29)	502	-	999	-	1,070	-
25XX	Total Non-current Liabilities	770,503	11	384,959	6	246,076	4
2XXX	Total Liabilities	2,692,659	37	1,843,947	29	1,777,675	30
	Equity Attributable to Owners of the Parent (Note 21)						
	Share Capital						
3110	Common Stock	1,137,605	16	1,137,605	18	1,137,605	19
	Capital Surplus						
3211	Capital Surplus – Share Premium on Common Stock	258,010	4	258,010	4	258,010	4
3213	Capital Surplus – Conversion Premium of Convertible Bonds	207,018	3	207,018	3	207,018	4
3220	Capital Surplus – Treasury Share Transactions	2,567	-	2,567	-	1,863	-
3230	Capital Surplus – Differences Between Consideration and Carrying Amount of Subsidiaries Acquired or Disposed	544,174	7	544,174	9	544,174	9
3235	Capital Surplus – Changes In Ownership Interests in Subsidiaries	211,006	3	211,006	3	211,006	4
3270	Capital Surplus –Merger Premium	10,618	-	10,618	-	10,618	-
3200	Total Capital Surplus	1,233,393	17	1,233,393	19	1,232,689	21
	Retained Earnings						
3310	Legal Reserve	588,491	8	549,971	8	549,971	9
3320	Special Reserve	850,996	12	872,616	14	-	-
3350	Unappropriated Earnings	1,439,487	20	1,422,587	22	610,149	10
3300	Total Retained Earnings					1,160,120	19
	Other Equity	(14,624)	-	(16,788)	-		
3410	Exchange Differences on Translation of Foreign Financial Statements	45,602	-	44,604	1	(21,472)	(1)
3420	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	30,978	-	27,816	1	44,200	1
3400	Total Other Equity	(31,717)	-	(31,717)	-	22,728	-
3500	Treasury Shares	3,809,746	53	3,789,684	60	(31,717)	-
31XX	Total Equity Attributable to Owners of the Parent					3,521,425	59
		706,862	10	717,897	11		
36XX	Non-controlling Interests					666,589	11
		4,516,608	63	4,507,581	71		
3XXX	Total Equity					4,188,014	70
		$ 7,209,267	100	$ 6,351,528	100		
	Total Liabilities and Equity	1,137,605	16	1,137,605	18	$ 5,965,689	100

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

(Please refer to the review report of Deloitte & Touche, dated August 14, 2026)

Chairperson: Chang, Alice Manager: Chang, Alice Chief Accounting Officer: Kung, Greg

ChenFull International Co., Ltd. and Subsidiaries

Consolidated Statement of Comprehensive Income

2026&2025/4/1-6/30&2026&2025/1/1-6/30

(In Thousands of New Taiwan Dollars)
Except, Earnings per Share (EPS) is in NTD

Code		2026/4/1-6/30 Amounts	%	2025/4/1-6/30 Amounts	%	2026/1/1-6/30 Amounts	%	2025/1/1-6/30 Amounts	%
	Operating Revenue (Note 22)								
4100	Sales Revenue	$ 673,470	48	$ 499,135	67	$1,401,239	58	$1,037,534	67
4520	Construction Revenue	734,936	52	244,688	33	1,011,138	42	517,389	33
4600	Service Revenue	795	-	1,520	-	1,850	-	3,321	-
4000	Total Operating Revenue	1,409,201	100	745,343	100	2,414,227	100	1,558,244	100
	Operating Costs (Notes 10 and 23)								
5110	Cost of Goods Sold	485,306	35	368,689	49	1,011,957	42	724,959	46
5520	Construction Costs	605,973	43	185,437	25	820,390	34	399,792	26
5600	Costs of Services	933	-	912	-	1,843	-	1,824	-
5000	Total Operating Costs	1,092,212	78	555,038	74	1,834,190	76	1,126,575	72
5900	Gross Profit	316,989	22	190,305	26	580,037	24	431,669	28
	Operating Expenses (Note 23)								
6100	Selling Expenses	20,400	1	18,835	3	41,244	2	36,785	3
6200	General and Administrative Expenses	81,603	6	53,218	7	146,796	6	124,508	8
6300	Research and Development Expenses	11,746	1	16,539	2	25,192	1	31,456	2
6450	Expected Credit Losses	2,564	-	5,285	1	5,490	-	1,200	-
6000	Total Operating Expenses	116,313	8	93,877	13	218,722	9	193,949	13
6900	Operating Income	200,676	14	96,428	13	361,315	15	237,720	15
	Non-operating Income and Expenses (Note 23)								
7100	Interest Income	2,637	-	2,175	-	4,457	-	4,331	-
7010	Other Income	11,071	1	11,497	2	13,668	1	13,601	1
7020	Other Gains and Losses	56,715	4	(48,223)	(7)	82,163	3	(54,766)	(3)
7050	Finance Costs	(1,803)	-	(2,253)	-	(3,399)	-	(4,589)	-
7000	Total Non-operating Income and Expenses	68,620	5	(36,804)	(5)	96,889	4	(41,423)	(2)
7900	Income Before Income Tax	269,296	19	59,624	8	458,204	19	196,297	13
7950	Income Tax Expense (Notes 4 and 25)	(57,132)	(4)	(11,417)	(2)	(92,995)	(4)	(38,350)	(3)
8200	Net Income	212,164	15	48,207	6	365,209	15	157,947	10
	Other Comprehensive Income (Loss), Net of income tax								
8310	Items that will not be Reclassified Subsequently to Profit or Loss								
8316	Unrealized Gain (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	1,371	-	(315)	-	998	-	(52)	-
8360	Items that may be Reclassified Subsequently to Profit or Loss								
8361	Exchange Differences on Translation of Foreign Financial Statements	424	-	(7,045)	(1)	2,164	-	(6,212)	-
8300	Total Other Comprehensive Income (Loss), Net of income tax	1,795	-	(7,360)	(1)	3,162	-	(6,264)	-
8500	Total Comprehensive Income	$ 213,959	15	$ 40,847	5	$ 368,371	15	$ 151,683	10
	Net Income Attributable to:								
8610	Shareholders of the Parent	$ 182,364	13	$ 43,651	6	$ 299,626	12	$ 122,734	8
8620	Non-controlling Interests	29,800	2	4,556	-	65,583	3	35,213	2
8600		$ 212,164	15	$ 48,207	6	$ 365,209	15	$ 157,947	10
	Total Comprehensive Income Attributable to:								
8710	Shareholders of the Parent	$ 184,159	13	$ 36,291	5	$ 302,788	12	$ 116,470	8
8720	Non-controlling Interests	29,800	2	4,556	-	65,583	3	35,213	2
8700		$ 213,959	15	$ 40,847	5	$ 368,371	15	$ 151,683	10
	Earnings per Share (Note 26)								
	From Continuing Operations:								
9710	Basic	$ 1.62		$ 0.39		$ 2.66		$ 1.09	
9810	Diluted	$ 1.61		$ 0.39		$ 2.64		$ 1.08	

The accompanying notes are an integral part of these consolidated financial statements.
(Please refer to the review report of Deloitte & Touche, dated August 14, 2026)
Chairperson: Chang, Alice Manager: Chang, Alice Chief Accounting Officer: Kung, Greg

ChenFull International Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025

(In Thousands of New Taiwan Dollars)

	Equity Attributable to Sharedholders of the Parent											
	Share Capital			Retained Earnings			Other Equity					
	Number of Shares (in thousands)	Amounts	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Treasury Shares	Total Equity	Non-controlling Interests	Total Equity
Balance, January 1, 2025	113,761	$ 1,137,605	$ 1,232,689	$ 510,355	$ 15,491	$ 794,266	($ 15,260)	$ 44,252	($ 31,717)	$ 3,687,681	$ 740,831	$ 4,428,512
Earnings Distribution and Appropriation for 2024												
Appropriation to Legal Reserve	-	-	-	39,616	-	(39,616)	-	-	-	-	-	-
Appropriation to Special Reserve	-	-	-	-	(15,491)	15,491	-	-	-	-	-	-
Cash Dividends to Shareholders	-	-	-	-	-	(282,726)	-	-	-	(282,726)	-	(282,726)
Cash Dividends Paid to Non-controling Interests	-	-	-	-	-	-	-	-	-	-	(109,455)	(109,455)
Net Income for the Period January 1 to June 30, 2025	-	-	-	-	-	122,734	-	-	-	122,734	35,213	157,947
Other Comprehensive Income (Loss), Net of Tax, for the Period January 1 to June 30, 2025	-	-	-	-	-	-	(6,212)	(52)	-	(6,264)	-	(6,264)
Total Comprehensive Income for the Period January 1 to June 30, 2025	-	-	-	-	-	122,734	(6,212)	(52)	-	116,470	35,213	151,683
Balance, June 30, 2025	113,761	$ 1,137,605	$ 1,232,689	$ 549,971	$ -	$ 610,149	($ 21,472)	$ 44,200	($ 31,717)	$ 3,521,425	$ 666,589	$ 4,188,014
Balance, January 1, 2026	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
Appropriation and Distribution of 2025 Earnings												
Appropriation to Legal Reserve	-	-	-	38,520	-	(38,520)	-	-	-	-	-	-
Reversal of Special Reserve	-	-	-	-	-	(282,726)	-	-	-	(282,726)	-	(282,726)
Cash Dividends to Shareholders	-	-	-	-	-	-	-	-	-	-	(76,618)	(76,618)
Cash Dividends Paid to Non-controling Interests	-	-	-	-	-	299,626	-	-	-	299,626	65,583	365,209
Net Income for the Period January 1 to June 30, 2026	-	-	-	-	-	-	2,164	998	-	3,162	-	3,162
Other Comprehensive Income (Loss), Net of Tax, for the Period January 1 to June 30, 2026	-	-	-	-	-	299,626	2,164	998	-	302,788	65,583	368,371
Total Comprehensive Income for the Period January 1 to June 30, 2026	113,761	$ 1,137,605	$ 1,233,393	$ 588,491	$ -	$ 850,996	($ 14,624)	$ 45,602	($ 31,717)	$ 3,809,746	$ 706,862	$ 4,516,608
Balance, June 30, 2026	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

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

(Please refer to the review report of Deloitte & Touche, dated August 14, 2026)

Chairperson: Chang, Alice Manager: Chang, Alice Chief Accounting Officer: Kung, Greg

ChenFull International Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025

(In Thousands of New Taiwan Dollars)

Code		2026/1/1-6/30	2025/1/1-6/30
	Cash Flows from Operating Activities		
A10000	Income Before Income Tax	$ 458,204	$ 196,297
A20010	Adjustments for:		
A20100	Depreciation Expense	66,922	67,963
A20200	Amortization Expense	2,979	4,705
A20300	Expected Credit Losses	5,490	1,200
A20400	Net Loss (Gain) on Financial Assets at Fair Value Through Profit or Loss	(53,292)	8,145
A20900	Finance Costs	3,399	4,589
A21200	Interest Income	(4,457)	(4,331)
A21300	Dividend Income	(9,533)	(9,711)
A22500	Gain on Disposal of Property, Plant and Equipment	(3,087)	(497)
A23100	Net Loss (Gain) on Disposal of Financial Assets at Fair Value Through Profit or Loss	(22,331)	(5,485)
A23700	Loss on Inventory Valuation and Obsolescence	16,950	13,272
A29900	Amortization of deferred revenue	(24)	(24)
A30000	Changes in Operating Assets and Liabilities:		
A31125	Contract Assets	(370,707)	33,704
A31130	Notes Receivable	(236)	(15,284)
A31150	Accounts Receivable	(187,951)	(45,541)
A31200	Inventories	(76,122)	(71,351)
A31230	Prepayments	67,628	(18,201)
A31240	Other Current Assets	2,997	4,812
A32125	Contract Liabilities	8,061	22,296
A32130	Notes Payable	(240)	-
A32150	Accounts Payable	224,369	(25,761)
A32180	Other Payables	35,014	(1,777)
A32230	Other Current Liabilities	323	2,626
A32240	Net Defined Benefit Liabilities	(5,127)	(60)
A33000	Cash Generated from Operations		
A33100	Interest Received	159,229	161,586
A33300	Interest Paid	4,612	4,541
A33500	Income Taxes Paid	(3,363)	(4,653)
AAAA	Net Cash Inflows (Outflows) from Operating Activities	(51,358)	(73,243)

Code		2026/1/1 -6/30	2025/1/1 -6/30
	Cash Flows from Investing Activities		
B00100	Acquisition of Financial Assets at Fair Value Through Profit or Loss	($ 229,013)	($ 162,840)
B00200	Proceeds from Disposal of Financial Assets at Fair Value Through Profit or Loss	262,952	146,388
B02700	Acquisition of Property, Plant and Equipment	(422,666)	(141,583)
B02800	Proceeds from Disposal of Property, Plant and Equipment	3,767	740
B04500	Acquisition of Intangible Assets	(966)	(3,705)
B06500	Increase in Other Financial Assets	(311)	-
B06600	Decrease in Other Financial Assets	-	1,899
B06700	Increase in Other Non-current Assets	(27,918)	(20,905)
B07600	Dividends Received	3,878	1,330
B03700	Increase in Refundable Deposits	(470)	(1)
BBBB	Net Cash Outflows from Investing Activities	(410,747)	(178,677)
	Cash Flows from Financing Activities		
C00100	Increase in Short-term Borrowings	960,000	760,000
C00200	Decrease in Short-term Borrowings	(1,080,000)	(840,000)
C01600	Proceeds from Long-term Borrowings	382,902	34,324
C03100	Refund of Deposits Received	(473)	(113)
C04020	Repayment of Lease Liabilities – Principal Portion	(2,892)	(2,804)
CCCC	Net Cash Inflows (Outflows) from Financing Activities	259,537	(48,593)
DDDD	Effects of Exchange Rate Changes on Cash and Cash Equivalents	2,708	(7,841)
EEEE	Net Decrease in Cash and Cash Equivalents	(39,382)	(146,880)
E00100	Cash and Cash Equivalents, Beginning of Period	449,825	452,822
E00200	Cash and Cash Equivalents, End of Period	$ 410,443	$ 305,942

The accompanying notes are an integral part of these consolidated financial statements.
(Please refer to the review report of Deloitte & Touche, dated August 14, 2026)
Chairperson: Chang, Alice Manager: Chang, Alice Chief Accounting Officer: Kung, Greg

1. Company History

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

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

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

2. Date and Procedures for Approval of the Financial Statements

These consolidated financial statements were reported to the Board of Directors and issued on August 14, 2026.

3. Application of New and Amended Standards and Interpretations

(1) Initial application ofthe amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC), and Standard Interpretations (SIC) (collectively, "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The application of the IFRS Accounting Standards endorsed and issued into effect by the FSC will not result in any material changes to the Group's accounting policies

(2) The IFRS Accounting Standards issued by International Accounting Standards Board (IASB) and endorsed by the FSC with effective date starting 2027

New, Amended and Revised Standards and Interpretations	Effective Date Issued by IASB
IFRS 18 *Presentation and Disclosure in Financial Statements*	January 1, 2027 (Note 1)
IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (including the 2025 Amendments)	January 1, 2027
Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency*	January 1, 2027
Amendments to IAS 28 *Fair Value Measurement Option for Investments in Associates and Joint Ventures*	January 1, 2027 (Note 2)

Note 1: Domestic entities are requied to apply IFRS18 starting January 1, 2028, with the option for early adoption.

Note 2: These amendments shall be applied concurrently with the application of IFRS 18.

IFRS 18 Presentation and Disclosure in Financial Statements, Related Consequential Amendments, and Amendments to IAS 28 Fair Value Measurement Option for Investments in Associates and Joint Ventures

IFRS 18 will replace IAS 1 Presentation of Financial Statements. The main changes introduced by IFRS 18 include the following:

The Group shall assess whether investing in specified types of assets and providing financing to customers constitute specified main business activities. Based on this assessment, income and expenses presented in the statement of profit or loss will be classified into the categories of operating, investing, financing, income taxes, and discontinued operations.

The statement of profit or loss will be required to present subtotals and totals, including operating profit or loss, profit or loss before financing and income taxes, and profit or loss.

Guidance is introduced to strengthen aggregation and disaggregation requirements. The Group shall identify assets, liabilities, equity,

income, expenses, and cash flows arising from individual transactions or other events and classify and aggregate them on the basis of shared characteristics so that each line item presented in the primary financial statements has at least one similar characteristic. Items that do not share similar characteristics shall be disaggregated in the primary financial statements and notes. The Group shall use the label “other” only when a more informative description cannot be identified.
Additional disclosures are required for management-defined performance measures (MPMs). When the Group communicates management's view of an aspect of the Group's overall financial performance outside the financial statements and to users of the financial statements, it shall disclose information about MPMs in a single note to the financial statements. Such disclosures include a description of the measure, how it is calculated, a reconciliation to the most directly comparable subtotal or total specified by IFRS Accounting Standards, and the income tax and non-controlling interest effects of the related reconciling items.

Upon initial application of IFRS 18, venture capital organizations, mutual funds, unit trusts, and similar entities (including entities investing indirectly through such entities) may elect to change their accounting policy for investments in associates or joint ventures from the equity method to fair value through profit or loss. The amendments to IAS 28 clarify that the term “similar entities” includes entities that, under IFRS 18, determine that investing in specified types of assets constitutes a main business activity. If the Group meets the above criteria, it may elect to make such a change upon initial application of IFRS 18.

In addition, consequential amendments have been made to IAS 7 Statement of Cash Flows, including the following:

When preparing cash flows from operating activities using the indirect method, the Group shall use operating profit or loss as the starting point for reconciliation.

Interest and dividends received shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. If the Group determines that it has specified 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 when determining the classification of dividends received, interest received, and interest paid in the statement of cash flows. However, each of these cash flows shall be classified in only one category of activities in the statement of cash flows.

The Group does not expect to adopt IFRS 18 and the related consequential amendments before their effective date.

Except for the impacts described above, as of the date the consolidated financial statements were authorized for issue, the Group is continuing to assess the potential effects of other amendments to standards and interpretations on its financial position and financial performance. The related impacts will be disclosed when the assessment is completed.

(3) The IFRS Accounting Standards issued by the IASB, but not yet Endorsed and issued into effective by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Issued by IASB (Note1)
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 20 *Regulatory Assets and Regulatory Liabilities*	January 1, 2029

Note: Unless otherwise specified, the above new, amended, and revised standards or interpretations are effective for annual reporting periods beginning on or after the respective effective dates.

As of the date the consolidated financial statements were authorized for issue, the Group 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 when the assessment has been completed.

4. Summary of Material Accounting Policy Information

(1) Statement of Compliance

These consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting," endorsed and issued into effective by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual financial statements prepared under the IFRS Accounting Standards endorsed and issued into effect by the FSC.

(2) Basis of Preparation

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

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

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

(3) Basis of Consolidation

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

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

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

(4) Other Significant Accounting Policies

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

i. Defined Benefit Post-Employment Benefits

Pension costs for the interim periods are calculated using the actuarially determined pension cost rate as of the end of the

prior fisical year, applied on a year-to-date basis. Adjustments are made for significant market fluctuations, material plan amendments, settlements, or other material one-time events occurring during the current period.

ii. Income Tax Expense

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

5. Material Accounting Judgments and Key Sources of Estimation and Uncertainty

In developing significant accounting estimates, the Group considers the potential impacts of inflation and fluctuations in market interest rates when making significant estimates relating to projected cash flows, growth rates, discount rates, profitability, and other relevant factors. Management will continue to review the estimates and underlying assumptions. For other information, please refer to the description of significant accounting judgments, estimates, and sources of estimation uncertainty in the consolidated financial statements for the year ended December 31, 2025.

6. Cash and Cash Equivalents

	2026/6/30	2025/12/31	2025/6/30
Cash on Hand and Revolving Fund	$ 591	$ 385	$ 488
Checking and Demand Deposits	222,396	278,764	159,458
Equivalents(Investments with Original Maturity within Three Months)			
- Time Deposits with Banks	98,703	97,401	87,885
Discretionary Investment Accounts			
- Demand Deposits	88,753	73,275	58,111
	$ 410,443	$ 449,825	$ 305,942

The Group entered into a discretionary investment management agreement with Time Securities Investment Advisory Co., Ltd. As of June 30, 2026, December 31, 2025, and June 30, 2025, bank deposits held in the discretionary investment accounts amounted to NT$88,753 thousand, NT$73,275 thousand, and NT$58,111 thousand, respectively. The interest rate ranges of bank deposits and time deposits at the balance sheet date were as follows:

	2026/6/30	2025/12/31	2025/6/30
Bank Deposits	0.35%～0.705%	0.005%～0.89%	0.635%～0.8%
Time Deposits	3.66%～3.70%	3.70%～3.72%	4.17%

7. Financial Assets at Fair Value Through Profit or Loss

	2026/6/30	2025/12/31	2025/6/30
Financial Assets – Current			
Mandatorily at Fair Value Through Profit or Loss Measurement			
Non-derivative Financial Assets			
– Domestic Listed (OTC) Stocks	$ 70,199	$ 58,897	$ 47,384
– Beneficiary Certificates	126,951	117,242	97,922
	$ 197,150	$ 176,139	$ 145,306
Financial Assets – Non-current			
Mandatorily at Fair Value Through Profit or Loss Measurement			
Non-derivative Financial Assets			
– Domestic Limited Partnerships	$ 49,467	$ 28,794	$ -

8. Financial Assets at Fair Value Through Other Comprehensive Income

	2026/6/30	2025/12/31	2025/6/30
Non-Current			
Domestic Investments			
Emerging Stocks			
Common Shares	$ 71,594	$ 71,204	$ 1,376
Unlisted (OTC) Stocks			
Common Shares	91,447	90,839	151,020
	$ 163,041	$ 162,043	$ 152,396

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

9. Notes Receivable, Accounts Receivable, Other Receivables, and Overdue Receivables

	2026/6/30	2025/12/31	2025/6/30
Notes Receivable			
At Amortized Cost			
Carrying Amounts	$ 18,616	$ 18,380	$ 30,276
Less: Allowance for Credit Losses	(271)	(271)	(271)
	$ 18,345	$ 18,109	$ 30,005

	2026/6/30	2025/12/31	2025/6/30
Accounts Receivable			
At Amortized Cost			
Carrying Amounts	$ 879,308	$ 706,684	$ 621,781
Less: Allowance for Credit Losses	(21,449)	(31,286)	(23,888)
	$ 857,859	$ 675,398	$ 597,893

	2026/6/30	2025/12/31	2025/6/30
Other Receivables			
Others	$ 11,768	$ 9,318	$ 14,158
Overdue Receivables			
At Amortized Cost			
Carrying Amounts	$ 20,151	$ 4,824	$ 2,664
Less: Allowance for Doubtful Accounts	(20,151)	(4,824)	(2,664)
	$ -	$ -	$ -

(1) Notes Receivable

2026/6/30	Not Past Due	Past Due Within 90 Days	Total
Expected Credit Loss Rate	1.46%	-	
Carrying Amounts	$ 18,616	$ -	$ 18,616
Allowance for Credit Losses (Lifetime Expected Credit Loss)	(271)	-	(271)
Amortized Cost	$ 18,345	$ -	$ 18,345

2025/12/31	Not Past Due	Past Due Within 90 Days	Total
Expected Credit Loss Rate	1.47%	-	
Carrying Amounts	$ 18,380	$ -	$ 18,380
Allowance for Credit Losses (Lifetime Expected Credit Loss)	(271)	-	(271)
Amortized Cost	$ 18,109	$ -	$ 18,109

2025/6/30	Not Past Due	Past Due Within 90 Days	Total
Expected Credit Loss Rate	0.90%	-	
Carrying Amounts	$ 30,276	$ -	$ 30,276
Allowance for Credit Losses (Lifetime Expected Credit Loss)	(271)	-	(271)
Amortized Cost	$ 30,005	$ -	$ 30,005

There was no change in the allowance for impairment loss on notes receivable for the six months ended June 30,2026 and 2025.

(2) Accounts Receivable

Accounts receivable measured at amortized cost

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

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

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

When there is evidence that a counterparty is experiencing significant financial difficulty and the Group does not reasonably expect to recover the receivable amount (e.g., the counterparty is in liquidation), the Group writes off the related accounts receivable. However, collection efforts continue, and any subsequent recoveries are recognized in profit or loss.

The Group measured the allowance for lodd on accounts receivable based on a provision matrix as follows:

2026/6/30

	Not Past Due	Past Due Within 90 Days	Past Due 91～180 Days	Past Due 181～270 Days	Past Due Over 270 Days	Total
Expected Credit Loss Rate	0.1%~0.83%	2.38%~5%	1%~65.46%	1%~95.26%	100%	
Carrying Amounts	$ 814,187	$ 52,095	$ 2,024	$ 2,132	$ 8,870	$ 879,308
Allowance for Credit Losses (Lifetime Expected Credit Loss)	(6,754)	(2,469)	(1,325)	(2,031)	(8,870)	(21,449)
Amortized Cost	$ 807,433	$ 49,626	$ 699	$ 101	$ -	$ 857,859

2025/12/31

	Not Past Due	Past Due Within 90 Days	Past Due 91～180 Days	Past Due 181～270 Days	Past Due Over 270 Days	Total
Expected Credit Loss Rate	0.68%~1.28%	2.23%~5%	1%~61.84%	1%~92.45%	100%	
Carrying Amounts	$ 677,006	$ 3,617	$ 8,870	$ 1,575	$ 15,616	$ 706,684
Allowance for Credit Losses (Lifetime Expected Credit Loss)	(8,639)	(90)	(5,485)	(1,456)	(15,616)	(31,286)
Amortized Cost	$ 668,367	$ 3,527	$ 3,385	$ 119	$ -	$ 675,398

2025/6/30

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

The movement in the allowance for loss on accounts receivable were as follows:

	2026 1/1-6/30	2025 1/1-6/30
Beginning Balance	$ 31,286	$ 21,197
Add: Provision for Impairment Losses during the Period	7,314	17,306
Less: Reversal of Impairment Losses during the Period	-	(1,195)
Less: Reclassification during the Period	(17,151)	(13,385)
Foreign Exchange Translation Differences	-	(35)
Balance, end of period	$ 21,449	$ 23,888

The movements in the allowance for loss on overdue receivables were as follows:

	2026 1/1-6/30	2025 1/1-6/30
Beginning Balance	$ 4,824	$ 4,225
Add: Reclassification during the Period	17,151	13,385
Less: Reversal of Impairment Losses during the Period	(1,824)	(14,911)
Less: Foreign Exchange Translation Differences	-	(35)
Balance, end of period	$ 20,151	$ 2,664

10. INVENTORIES

	2026/6/30	2025/12/31	2025/6/30
Raw Materials	$ 165,708	$ 167,037	$ 158,569
Work in Process	415,990	361,266	428,675
Finished Goods	134,679	128,812	135,671
Merchandise Inventory	47	137	227
	$ 716,424	$ 657,252	$ 723,142

Detailed costs of goods sold:

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Cost of Goods Sold	$ 484,983	$ 369,801	$1,014,631	$ 727,223
Loss on Inventory Valuation and Obsolescence	10,409	8,216	16,950	13,272
Others	(10,086)	(9,328)	(19,624)	(15,536)
	$ 485,306	$ 368,689	$1,011,957	$ 724,959

11. Subsidiaries

(1) Subsidiaries Included in the Consolidated Financial Statements

The components of the consolidated financial statements are as followings:

Name of Investing Company	Name of Subsidiary	Percentage of Ownership Interest 2026 6/30	2025 12/31	2025 6/30	Note
ChenFull International Co., Ltd.	Chenfeng Machinery & Enterprise 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: As a significant subsidiary, its financial reports were reviewed by independent auditors.

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

Name of Subsidiary	Proportion of ownership interests and voting rights held by Non-Controlling Interests 2026/6/30	2025/12/31	2025/6/30
ChenFull Precision Co., Ltd.	37%	37%	37%

Please refer to Table 2 for information on the principal place of business and country of incorporation.

Name of Subsidiary	Profit (Loss) Attributable to Non-Controlling Interests 2026 4/1--6/30	2025 4/1--6/30	2026 1/1-6/30	2025 1/1-6/30
ChenFull Precision Co., Ltd.	$29,800	$ 4,556	$65,583	$35,213

Name of Subsidiary	Non-Controlling Interests 2026/6/30	2025/12/31	2025/6/30
ChenFull Precision Co., Ltd.	$ 706,862	$ 717,897	$ 666,589

The following summarized financial information of ChenFull Precision Co., Ltd. has been presented before inter-company eliminations:

ChenFull Precision Co., Ltd.

	2026/6/30	2025/12/31	2025/6/30
Current Assets	$ 1,268,060	$ 1,072,769	$ 1,014,719
Non-Current Assets	2,322,494	2,014,978	1,729,381
Current Liabilities	(952,673)	(799,280)	(729,293)
Non-Current Liabilities	(727,310)	(348,068)	(213,091)
Equity	$ 1,910,571	$ 1,940,399	$ 1,801,716
Equity Attributable to:			
Owners of the Company	$ 1,203,709	$ 1,222,502	$ 1,135,127
Non-Controlling Interests of ChenFull Precision Co., Ltd.	706,862	717,897	666,589
	$ 1,910,571	$ 1,940,399	$ 1,801,716

	2026 1/1-6/30	2025 1/1-6/30
Operating Revenue	$1,171,369	$ 818,670
Net Income for the Period	$ 177,263	$ 95,177
Other Comprehensive Income	-	-
Total Comprehensive Income	$ 177,263	$ 95,177
Profit (Loss) Attributable to:		
Owners of the Company	$ 111,680	$ 59,964
Non-controlling Interests of Chen Full Precision Co., Ltd.	65,583	35,213
	$ 177,263	$ 95,177
Total Comprehensive Income Attributable to:		
Owners of the Company	$ 111,680	$ 59,964
Non-controlling Interests of Chen Full Precision Co., Ltd.	65,583	35,213
	$ 177,263	$ 95,177
Cash Flows:		
Operating Activities	$ 138,427	$ 83,805
Investing Activities	(436,840)	(151,036)
Financing Activities	270,010	(48,480)
Net Cash (Outflow) / Inflow	($ 28,403)	($ 115,711)

12. Real Estate, Factory Buildings, and Equipment

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Cost						
Balance at January 1, 2026	$1,208,292	$1,107,090	$1,099,594	$ 365,116	$ 589,110	$4,369,202
Additions	-	2,540	1,160	6,027	334,216	343,943
Disposals	-	(158)	(21,196)	(1,614)	-	(22,968)
Reclassifications	-	1,500	-	2,798	(2,488)	1,810
Reclassified as investment property	-	(1,273)	-	-	-	(1,273)
Net Exchange Differences	-	2	27	36	(1)	64
Balance at June 30, 2026	$1,208,292	$1,109,701	$1,079,585	$ 372,363	$ 920,837	$4,690,778
Accumulated Depreciation and Impairment						
Balance at January 1, 2026	$ -	$ 505,959	$ 922,035	$ 305,186	$ -	$1,733,180
Disposals	-	(158)	(20,516)	(1,614)	-	(22,288)
Depreciation Expense	-	19,815	28,467	13,449	-	61,731
Net Exchange Differences	-	-	27	39	-	66
Balance at June 30, 2026	$ -	$ 525,616	$ 930,013	$ 317,060	$ -	$1,772,689
Net Carrying Amount at June 30, 2026	$1,208,292	$ 584,085	$ 149,572	$ 55,303	$ 920,837	$2,918,089
Net Carrying Amount at December 31, 2025	$1,208,292	$ 601,131	$ 177,559	$ 59,930	$ 589,110	$2,636,022

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Cost						
Balance at January 1, 2025	$1,113,104	$1,105,994	$1,084,708	$ 340,216	$ 103,849	$3,747,871
Additions	-	1,675	5,437	3,277	169,427	179,816
Disposals	-	-	(2,197)	(249)	-	(2,446)
Reclassifications	-	-	4,882	265	-	5,147
Net Exchange Differences	-	-	(62)	(83)	-	(145)
Balance at June 30, 2025	$1,113,104	$1,107,669	$1,092,768	$ 343,426	$ 273,276	$3,930,243
Accumulated Depreciation and Impairment						
Balance at January 1, 2025	$ -	$ 467,061	$ 862,609	$ 285,037	$ -	$1,614,707
Disposals	-	-	(2,004)	(199)	-	(2,203)
Depreciation Expense	-	19,846	31,361	11,584	-	62,791
Net Exchange Differences	-	2	(63)	(86)	-	(147)
Balance at June 30, 2025	$ -	$ 486,909	$ 891,903	$ 296,336	$ -	$1,675,148
Net Carrying Amount at June 30, 2025	$1,113,104	$ 620,760	$ 200,865	$ 47,090	$ 273,276	$2,255,095

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

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

Depreciation expense is computed using the straight-line method over the following useful lives:

Buildings	
Main Plant Buildings	5-51 years
Electrical Engineering	20-21 years
Water Supply and Drainage Equipment	10-11 years
Air Conditioning Equipment	7-9 years
Others	2-21 years
Machinery and Equipment	2-11 years
Other Equipment	2-11 years

No impairment losses were recognized or reversed for the periods from January 1 to June 30, 2026 and 2025.

13. Lease Agreements

(1) Right of Use Assets

	2026/6/30	2025/12/31	2025/6/30
Carrying Amount of Right-of-Use Assets			
Land	$ 97,113	$ 100,461	$ 103,810

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Depreciation Expense of Right-of-Use Assets				
Land	$ 1,674	$ 1,674	$ 3,348	$ 3,348

Except for the depreciation expense recognized as mentioned above, the Group's right-of-use assets did not incur any significant subleasing or impairment for the periods from January 1 to June 30, 2026 and 2025.

(2) Lease liabilities

	2026/6/30	2025/12/31	2025/6/30
Lease Liabilities – Carrying Amounts			
Current	$ 5,922	$ 5,830	$ 5,739
Non-current	$ 100,985	$ 103,969	$ 106,906

Discount rates applied to lease liabilities are summarized as follows:

	2026/6/30	2025/12/31	2025/6/30
Land	3.126%	3.126%	3.126%

(3) Significant Leasing Activities and Terms

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

(4) Other lease information

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Short-term Lease Expense	$ 5,521	$ 3,287	$ 9,070	$ 6,661
Low-value Asset Lease Expense	$ 381	$ 361	$ 617	$ 742
Total Cash outflow for Leases			($ 14,276)	($ 11,993)

The Group elected to apply the recognition exemption for short-term leases and leases of low-value assets, and therefore did not recognize the related right-of-use assets and lease liabilities for such leases.

14. Investment Property

	Completed Investment Property
Cost	
Balance at January 1, 2026	$ 335,715
From Property, Plant and Equipment	1,273
Balance at June 30, 2026	$ 336,988
Accumulated Depreciation and Impairment	
Balance at January 1, 2026	$ 27,187
Depreciation Expense	1,843
Balance at June 30, 2026	$ 29,030
Net Carrying Amount at June 30, 2026	$ 307,958
Net Carrying Amount at December 31, 2025 and January 1, 2026	$ 308,528
Cost	
Balance at January 1, 2025	$ 335,715
Balance at June 30, 2025	$ 335,715
Accumulated Depreciation and Impairment	
Balance at January 1, 2025	$ 23,539
Depreciation Expense	1,824
Balance at June 30, 2025	$ 25,363
Net Carrying Amount at June 30, 2025	$ 310,352

The lease terms for investment properties leased out are between 1 and 2 years. The lessees do not have preferential purchase options on the investment properties upon the expiration of the lease terms.

The total future lease payments to be received under operating leases for investment properties are as follows:

	2026/6/30	2025/12/31	2025/6/30
Year 1	$ 1,686	$ 1,726	$ 3,278
Year 2	1,470	1,680	1,923
	$ 3,156	$ 3,406	$ 5,201

Depreciation expense is computed using the straight-line method over the following useful lives:

Main Building	20 years

The fair value of investment properties as of June 30, 2026 was NT$360,135 thousand. The fair value was not determined by independent appraisers but was assessed by the Group's management with reference to market prices of similar properties in neighboring areas.

15. Other Intangible Assets

	Computer Software Cost
Cost	
Balance at January 1, 2026	$ 46,640
Additions	966
Balance at June 30, 2026	$ 47,606
Accumulated Amortization and Impairment	
Balance at January 1, 2026	$ 34,058
Amortization Expense	2,979
Balance at June 30, 2026	$ 37,037
Net Carrying Amount at June. 30, 2026	$ 10,569
Net Carrying Amount at December 31, 2025 and January 1, 2026	$ 12,582
Cost	
Balance at January 1, 2025	$ 41,054
Additions	3,705
Balance at June 30, 2025	$ 44,759
Accumulated Amortization and Impairment	
Balance at January 1, 2025	$ 25,167
Amortization Expense	4,705
Balance at June 30, 2025	$ 29,872
Net Carrying Amount at June 30, 2025	$ 14,887

Except for the amortization expense recognized, the Group's other intangible assets did not incur any significant disposals or impairments for the periods from January 1 to June 30, 2026 and 2025.

Amortization expense is computed using the straight-line method over the following useful lives:

Computer Software Cost	1-10 years

Amortization expense by function:

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Cost of Goods Sold	$ 337	$ 505	$ 671	$ 955
Operating Expenses	1,133	1,890	2,308	3,750
	$ 1,470	$ 2,395	$ 2,979	$ 4,705

16. Other Assets

	2026/6/30	2025/12/31	2025/6/30
Current Assets			
Prepayments			
Prepaid Purchases	$ 62,222	$ 129,636	$ 42,002
Others	8,409	8,623	5,011
	$ 70,631	$ 138,259	$ 47,013
Other Financial Assets – Current			
Time Deposits with Original Maturity Over 3 Months (1)	$ 17,862	$ 17,594	$ 16,361
Pledged Time Deposits (1) (Note 31)	9,091	9,048	9,048
	$ 26,953	$ 26,642	$ 25,409
Other Current Assets			
Temporary Payments	$ 6,711	$ 6,659	$ 6,618
Payments on Behalf of Others	4,025	4,024	4,025
	$ 10,736	$ 10,683	$ 10,643
Non-current Assets			
Other Financial Assets – Non-current			
Pledged Time Deposits (1) (Note 31)	$ 34,543	$ 34,543	$ 34,543

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	42,454	16,346	105,689
Land Pending Transfer (3)	1,114	1,114	1,114
Deposits Paid	4,612	4,142	3,065
	$ 48,180	$ 21,602	$ 109,868

(1) As of June 30, 2026, December 31, 2025, and June 30, 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

ChenFull International Co., Ltd. of the Group undertook a subcontracted project from Hau-Han Zhongxiao Engineering Co., Ltd. (hereinafter referred to as “Hau-Han”). Due to disputes over contract interpretation, payment of amounts, and deductions, ChenFull filed a lawsuit against Hau-Han for construction payments totaling NT$110,821 thousand. Subsequently, on September 30, 2011, except for the portion of NT$7,368 thousand which remained in litigation, a settlement was reached whereby Hau-Han agreed to pay ChenFull NT$92,499 thousand (including construction receivables and performance guarantee deposits of NT$84,851 thousand, and litigation-related payments of NT$7,648 thousand, recorded under other non-current assets). A notarized settlement agreement was executed accordingly. On March 25, 2014, the High Court ruled that Hau-Han should pay ChenFull NT$9,383 thousand plus interest. A court-issued certificate of creditor’s rights was obtained on July 25, 2014.

As Hau-Han failed to fulfill the settlement terms, ChenFull applied for compulsory enforcement through the court. In addition,

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

(3) Land Pending Title Transfer

For the purpose of plant expansion and operational needs, the Group acquired agricultural land with parcel numbers 1065-0086 and 0015 located in Xucuo Port, Dayuan Township, Taoyuan County, with a total area of 6,454 square meters, recorded at a cost of NT$25,120 thousand. Due to legal restrictions, ChenFull International Co., Ltd. (hereinafter referred to as "Party A") was not permitted to register ownership of farmland. Accordingly, on October 21, 2002, Party A entered into an agreement with Mr. Hsu Chih-Hung, then Chairman of the Board and a qualified self-cultivating farmer (hereinafter referred to as "Party B"), under which Party B purchased the land on behalf of Party A. Title transfer was registered on November 5, 2002. The agreement stipulated that Party B unconditionally waived any rights to the land and, once the relevant farmland transfer regulations were relaxed or if rezoning under an urban planning amendment permitted the transfer, Party B would unconditionally provide all required documentation for transfer without obstruction or any unreasonable demand for additional payment.

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

As of June 30, 2026, parcels 0488-0000 and 0484-0000, totaling 281.98 square meters and subdivided from parcel 1065-0015, remained classified as agricultural and pastoral land. These parcels were reserved by the government for waterway management projects and were recorded under "Other non-current assets – Others" at NT$1,114 thousand.

17. Loans

(1) Short Term Loans

	2026/6/30	2025/12/31	2025/6/30
Unsecured Borrowings			
Bank Loans	$ 300,000	$ 420,000	$ 250,000

The interest rates on bank revolving borrowings were 1.75%～2.12%, 1.80%–1.95%, and 1.80%–1.95% as of June 30, 2026, December 31, 2025, and June 30, 2025, respectively.

(2) Long Term Loans

	2026/6/30	2025/12/31	2025/6/30
Secured Borrowings			
Bank Loans (Note 32)	$ 624,710	$ 241,808	$ 103,782
Less: Current Portion of Long-term Borrowings	-	-	-
Long-term Borrowings	$ 624,710	$ 241,808	$ 103,782

	Maturity Date	Significant Terms	Effective Interest Rate	June 30, 2026	December 31, 2025	June 30, 2025
Secured Borrowings						
Secured New Taiwan dollar bank loans from Bank of Taiwan	Nov. 15, 2034	The loan period from Nov. 28, 2024 to Dec. 15, 2027 is a grace period, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan will be repaid in 84 equal monthly installments of principal and interest. The maturity date is Nov. 15, 2034.	1.35%	$69,458	$69,458	$69,458
Secured New Taiwan dollar bank loans from Bank of Taiwan	Nov. 15, 2034	The loan period from Apr. 14, 2025 to Dec. 15, 2027 is a grace period, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan will be repaid in 84 equal monthly installments of principal and interest. The maturity date is Nov. 15, 2034.	1.35%	34,324	34,324	34,324

Secured New Taiwan dollar bank loans from Bank of Taiwan	Nov. 15, 2034	The loan period from July 31, 2025 to Dec. 15, 2027 is a grace period, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan will be repaid in 84 equal monthly installments of principal and interest. The maturity date is Nov. 15, 2034.	1.35%	63,159	63,159	–
Secured New Taiwan dollar bank loans from Bank of Taiwan	Nov. 15, 2034	The loan period from August 29, 2025 to Dec. 15, 2027 is a grace period, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan will be repaid in 84 equal monthly installments of principal and interest. The maturity date is Nov. 15, 2034.	1.35%	24,857	24,857	–
Secured New Taiwan dollar bank loans from Bank of Taiwan	Nov. 15, 2034	The loan period from Nov. 4, 2025 to Dec. 15, 2027 is a grace period, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan will be repaid in 84 equal monthly installments of principal and interest. The maturity date is Nov. 15, 2034.	1.35%	50,010	50,010	–
Secured New Taiwan dollar bank loans from Bank of Taiwan	Nov. 15, 2034	The loan period from Jan. 30, 2026 to Dec. 15, 2027 is a grace period, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan will be repaid in 84 equal monthly installments of principal and interest. The maturity date is Nov. 15, 2034.	1.35%	50,010	–	–
Secured New Taiwan dollar bank loans from Bank of Taiwan	Nov. 15, 2034	The loan period from February 10, 2026 to Dec. 15, 2027 is a grace period, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan will be repaid in 84 equal monthly installments of principal and interest. The maturity date is Nov. 15, 2034.	1.35%	50,010	–	–
Secured New Taiwan dollar bank loans from Bank of Taiwan	Nov. 15, 2034	The loan period from Mar. 2, 2026 to Dec. 15, 2027 is a grace period, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan will be repaid in 84 equal monthly installments of principal and interest. The maturity date is Nov. 15, 2034.	1.35%	131,273	–	–
Secured New Taiwan dollar bank loans from Bank of Taiwan	Nov. 15, 2034	The loan period from Apr. 30, 2026 to Dec. 15, 2027 is a grace period, during which interest is payable monthly based on the loan amount. Beginning Dec. 15, 2027, the loan will be repaid in 84 equal monthly installments of principal and interest. The maturity date is Nov. 15, 2034.	1.35%	151,609	–	–
Total				624,710	241,808	103,782
Less: Current portion of long-term borrowings				–	–	–
Long-term borrowings				**$624,710**	**$241,808**	**$103,782**

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

18. Accounts Payable

	2026/6/30	2025/12/31	2025/6/30
Notes Payable			
Non-operating	$ -	$ 240	$ -
Accounts Payable			
Arising from Operations	$ 567,483	$ 343,114	$ 347,748

The average credit period for the purchase of certain goods is between 1 and 4 months, and no interest is charged on accounts payable. The Group has established a financial risk management policy to ensure that all payables are settled within the agreed credit terms.

19. Other Liabilities

	2026/6/30	2025/12/31	2025/6/30
Current			
Other Payables			
Payables for Equipment	$ 27,286	$ 106,009	$ 42,361
Accrued Salaries and Bonuses	84,582	100,945	74,456
Accrued Employee Compensation	94,484	64,275	83,657
Remuneration Payable to Directors	12,093	8,000	12,540
Accrued Compensated Absences	14,685	14,418	14,333
Dividends Payable	359,344	-	392,181
Interest Payable	483	446	112
Others	108,724	91,916	84,488
	$ 701,681	$ 386,009	$ 704,128
Other Current Liabilities			
Temporary Receipts	$ 2	$ 21	$ 3,149
Collections on Behalf of Others	3,475	3,133	2,786
Deferred Revenue – Current(Note 24)	49	49	49
	$ 3,526	$ 3,203	$ 5,984
Non-current			
Deferred Revenue			
Government Grants(Note 24)	$ 17	$ 41	$ 65
Guarantee Deposits Received	485	958	1,005
	$ 502	$ 999	$ 1,070

20. Retirement Benefit Plans

For the periods from Aprl 1 to June 30, 2026 and 2025, and from January 1 to June 30, 2026 and 2025, pension expenses related to defined benefit plans were calculated based on the pension cost rates determined by actuarial valuations as of December 31, 2025 and 2024, respectively, and amounted to NT$66 thousand, NT$72 thousand, NT$121 thousand, and NT$149 thousand.

21. Equity

(1) Share Capital

Common Stock

	2026/6/30	2025/12/31	2025/6/30
Authorized Shares (in thousands of shares)	150,000	150,000	150,000
Authorized Capital	$ 1,500,000	$ 1,500,000	$ 1,500,000
Number of Shareds Issued and Fully Paid (in thousands of shares)	113,761	113,761	113,761
Issued Capital	$ 1,137,605	$ 1,137,605	$ 1,137,605

Each issued common share has a par value of NT$10 and carries one voting right as well as the right to receive dividends.

(2) Capital Reserve

	2026/6/30	2025/12/31	2025/6/30
May Be Used to Offset Deficits, Distribute Cash, or Capitalize into Share Capital (Note 1)			
Share Premium	$ 258,010	$ 258,010	$ 258,010
Convertible Bonds Premium	207,018	207,018	207,018
Treasury Share Transactions	2,567	2,567	1,863
Difference Between Acquisition or Disposal Value of Subsidiary's Equity and Book Value	544,174	$ 544,174	$ 544,174
Merger Premium	10,618	10,618	10,618
May Only Be Used to Offset Deficits			
Recognized Changes in Ownership Interests in Subsidiaries (Note 2)	211,006	211,006	211,006
	$ 1,233,393	$ 1,233,393	$ 1,232,689

Note 1: Such capital surplus may be used to offset a deficit, or, in the absence of a deficit, may be distributed in cash or capitalized as share capital; however, capitalization is subject to an annual limit based on a certain percentage of the Company's paid-in capital.

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

(3) Earnings Retention and Dividend Policy

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

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

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

On May 29, 2026, and May 26, 2025, the Company held its annual shareholders' meetings, where the earnings distribution plans for fiscal years 2025 and 2024 were approved, respectively, as follows:

	Earnings Distribution Proposal	
	2025 Year	2024Year
Legal Reserve	$ 38,520	$ 39,616
Special Reserve	$ -	($ 15,491)
Cash Dividends	$ 282,726	$ 282,726
Cash Dividend per Share (NTD)	$ 2.5	$ 2.5

(4) Other Equity Items

i. Exchange differences on transiation of foreign operations

	2026 1/1-6/30	2025 1/1-6/30
Beginning Balance	($ 16,788)	($ 15,260)
Generated During the Period		
Exchange Differences Arising on the Transiation of the Net Assets of Foreign Operations	2,164	(6,212)
Other Comprehensive Income	2,164	(6,212)
Ending Balance	($ 14,624)	($ 21,472)

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

	2026 1/1-6/30	2025 1/1-6/30
Beginning Balance	$ 44,604	$ 44,252
Generated During the Period		
Unrealized Gains (Losses)		
Equity Instruments	998	(52)
Other Comprehensive Income	998	(52)
Ending Balance	$ 45,602	$ 44,200

(5) Treasury stock

Reason for Recovery	Stock Dividends Distributed by Parent Company (in thousands of shares)	Shares Transferred to Employees (in thousands of shares)	Shares Repurchased for Cancellation (in thousands of shares)	Reclassification of subsidiary-held parent company shares to treasury share (in thousands of shares)	Total (in housands of shares)
Number of Shares as of 2026/01/01	63	670	-	219	952
Number of Shares as of 2026/6/30	63	670	-	219	952
Number of Shares as of 2025/1/1	63	670	-	219	952
Number of Shares as of 2025/6/30	63	670	-	219	952

The treasury shares held by the Company are, in accordance with the Securities and Exchange Act, prohibited from being pledged and are not entitled to dividend distributions or voting rights.

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

Name of Subsidiary	Number of Shares Held (in thousands of shares)	Book Value	Market Value
2026/6/30			
Chenfeng Machinery & Enterprise Co., Ltd.	282	$ 18,427	$ 18,427
2025/12/31			
Chenfeng Machinery & Enterprise Co., Ltd.	282	$ 11,397	$ 11,397
2025/6/30			
Chenfeng Machinery & Enterprise Co., Ltd.	282	$ 12,623	$ 12,623

The treasury shares held by the Company are, in accordance with the Securities and Exchange Act, prohibited from being pledged and are not entitled to dividend distributions or voting rights.

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

(6) Non control ling interests

	2026 1/1-6/30	2025 1/1-6/30
Beginning Balance	$ 717,897	$ 740,831
Net Income for the Period	65,583	35,213
Cash Dividends to Shareholders of ChenFull Precision Subsidiary	(76,618)	(109,455)
Ending Balance	$ 706,862	$ 666,589

22. Revenue

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Revenue from Customer Contracts				
Sales Revenue	$ 673,470	$ 499,135	$ 1,401,239	$ 1,037,534
Construction Revenue	734,936	244,688	1,011,138	517,389
Service Revenue	795	1,520	1,850	3,321
	$ 1,409,201	$ 745,343	$ 2,414,227	$ 1,558,244

(1) Description of Customer Contracts

i. Sales Revenue

Revenue and accounts receivable are recognized at the point when the goods are delivered to the customer's designated location, at which time the customer has the right to set the price and use of the goods, bears the primary responsibility for resale, and assumes the risk of obsolescence.

ii. Construction Revenue

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

iii. Service Revenue

Service revenue is derived from the operation of business centers.

(2) Contract Balances

	2026/6/30	2025/12/31	2025/6/30	2025/1/1
Notes Receivable (Note 9)	$ 18,345	$ 18,109	$ 30,005	$ 14,721
Accounts Receivable (Note 9)	$ 857,859	$ 675,398	$ 597,893	$ 553,482
Contract Assets – Current				
Construction	$ 1,210,941	$ 840,234	$ 1,030,669	$ 1,064,373
Contract Liabilities – Current				
Sale of Goods	$ 15,620	$ 16,948	$ 22,061	$ 31,127
Construction	244,182	234,793	145,497	114,135
	$ 259,802	$ 251,741	$ 167,558	$ 145,262

23. Net Income from Continuing Operations

(1) Interest Income

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Bank Deposits	$ 1,985	$ 1,750	$ 3,333	$ 3,503
Bonds Purchased under Repurchase Agreements	229	-	273	-
Financial Assets at Fair Value through Profit or Loss	405	405	813	795
Others	18	20	38	33
	$ 2,637	$ 2,175	$ 4,457	$ 4,331

(2) Other Income

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Rental Income	$ 359	$ 332	$ 625	$ 578
Dividend Income	8,834	9,592	9,533	9,711
Other Income	1,878	1,573	3,510	3,312
	$ 11,071	$ 11,497	$ 13,668	$ 13,601

(3) Other Gains and Losses

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Gain on Disposal of Property, Plant, and Equipment	$ -	$ -	$ 3,087	$ 497
Gain on Disposal of Financial Assets				
Financial Assets at Fair Value through Profit or Loss	13,623	2,126	22,331	5,485
(Loss) Gain on Financial Assets				
Financial Assets at Fair Value through Profit or Loss	49,150	5,136	53,292	(8,145)
Net Foreign Exchange (Loss) Gain	(2,411)	(54,908)	8,583	(49,465)
Other Losses	(3,647)	(577)	(5,130)	(3,138)
	$ 56,715	($ 48,223)	$ 82,163	($ 54,766)

(4) Financial Costs

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Interest on Bank Loans	$ 3,717	$ 1,699	$ 6,759	$ 3,367
Interest on Lease Liabilities	843	887	1,697	1,786
Less: Amounts Capitalized as Qualifying Assets	(2,757)	(333)	(5,057)	(564)
	$ 1,803	$ 2,253	$ 3,399	$ 4,589

The relevant information on intere st capitalization is as follows

	2026 1/1-6/30	2025 1/1-6/30
Capitalized Interest Amounts	$ 5,057	$ 564
Capitalization Interest Rate	1.35%	1.35%

(5) Depreciation and Amortization

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Property, Plant, and Equipment	$ 29,982	$ 31,544	$ 61,731	$ 62,791
Investment Property	933	912	1,843	1,824
Right-of-Use Assets	1,674	1,674	3,348	3,348
Intangible Assets	1,470	2,395	2,979	4,705
	$ 34,059	$ 36,525	$ 69,901	$ 72,668

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Depreciation Expense by Function				
Cost of Sales	$ 29,408	$ 30,865	$ 60,638	$ 61,460
Operating Expenses	3,181	3,265	6,284	6,503
	$ 32,589	$ 34,130	$ 66,922	$ 67,963
Amortization Expense by Function				
Cost of Sales	$ 337	$ 505	$ 671	$ 955
Operating Expenses	1,133	1,890	2,308	3,750
	$ 1,470	$ 2,395	$ 2,979	$ 4,705

(6) Employee Welfare Expenses

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Post-employment Benefits				
Defined Contribution Plans	$ 6,792	$ 6,543	$ 13,639	$ 12,674
Defined Benefit Plans (Note 20)	66	72	121	149
	6,858	6,615	13,760	12,823
Other Employee Benefits	222,008	172,800	418,018	356,261
Total Employee Benefits Expenses	$ 228,866	$ 179,415	$ 431,778	$ 369,084
By Function				
Cost of Sales	$ 150,512	$ 124,451	$ 287,579	$ 241,606
Operating Expenses	78,354	54,964	144,199	127,478
	$ 228,866	$ 179,415	$ 431,778	$ 369,084

(7) Employee Compensation and Directors' Remuneration

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

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

The estimated employee compensation and directors' remuneration for the six months ended June 30, 2026 and 2025 are as follows:

Estimated Ratios

	2026 1/1-6/30	2025 1/1-6/30
Employee Compensation	5.21%	5.36%
Directors' Compensation	0.57%	1.34%

Amount

	2026 4/1-6/30	2025 4/1-6/30
	Cash	Cash
Employee Compensation	$ 13,795	$ 1,758
Directors' Compensation	1,038	1,005

	2026 1/1-6/30	2025 1/1-6/30
	Cash	Cash
Employee Compensation	$ 18,634	$ 8,030
Directors' Compensation	2,043	2,010

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

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

	2025	2024
	Cash	Cash
Employee Compensation	$ 32,048	$ 23,865
Directors' Compensation	3,980	4,500

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

For information regarding the employee compensation and directors' compensation approved by the Board of Directors of ChenFull Company please visit the "Market Observation Post System" of the Taiwan Stock Exchange.

24. Government Grants

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

For the three months ended June 30, 2026 and 2025, and for the six months ended June 30, 2026 and 2025, income of NT$12 thousand, NT$12 thousand, NT$24 thousand, and NT$24 thousand, respectively, was recognized.

25. Income tax of continuing operations

(1) Income Taxes Recognized in Profit or Loss

The major components of income tax expense are as follows:

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Current Income Tax				
Tax for the Period	$ 47,923	$ 17,666	$ 82,261	$ 45,408
Additional Tax on Undistributed Earnings	1,625	5,129	1,625	5,129
Adjustments for Prior Years	2,363	(1,449)	2,363	(1,449)
	51,911	21,346	86,249	49,088
Deferred Income Tax Generated During the Period	5,221	(9,929)	6,746	(10,738)
Income Tax Expense Recognized in Profit or Loss	$ 57,132	$ 11,417	$ 92,995	$ 38,350

(2) Status of Income Tax Assessments

The corporate income tax returns of ChenFull International Co., Ltd., ChenFull Precision Co., Ltd., and ChenFeng Co., Ltd. have been assessed by the tax authorities through 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 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Net Income for Calculating Basic Earnings per Share	$ 182,364	$ 43,651	$ 299,626	$ 122,734
Net Income for Calculating Diluted Earnings per Share	$ 182,364	$ 43,651	$ 299,626	$ 122,734

Number of ordinary shares (in thousands of shares)

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Weighted Average Number of Common Shares for Calculating Basic Earnings per Share	112,809	112,809	112,809	112,809
Effect of Potential Dilutive Common Shares:				
Employee Compensation	285	179	592	357

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Weighted Average Number of Common Shares for Calculating Diluted Earnings per Share	113,094	112,988	113,401	113,166

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

27. Cash Flow Information

Non-cash Transactions

Cash dividends resolved at the shareholders' meetings had not yet been distributed as of June 30, 2026 and 2025 (see Notes 19 and 21).

28. Capital Risk Management

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

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

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

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

29. Financial Instruments

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

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

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

i. Fair Value Hierarchy

2026/6/30

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Domestic Listed (OTC) Stocks	$ 70,199	$ -	$ -	$ 70,199
Fund Beneficiary Certificates	126,951	-	-	126,951
	-	-	49,467	49,467
	$ 197,150	$ -	$ 49,467	$ 246,617
Financial Assets at Fair Value through Other Comprehensive Income				
Equity Instrument Investments				
—Domestic OTC Stocks	$ -	$ 70,163	$ 1,431	$ 71,594
—Domestic Unlisted (OTC) Stocks	-	-	91,447	91,447
	$ -	$ 70,163	$ 92,878	$ 163,041

2025/12/31

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Domestic Listed (OTC) Stocks	$ 58,897	$ -	$ -	$ 58,897
Fund Beneficiary Certificates	117,242	-	-	117,242
	-	-	28,794	28,794
	$ 176,139	$ -	$ 28,794	$ 204,933
Financial Assets at Fair Value through Other Comprehensive Income				
Equity Instrument Investments				
—Domestic OTC Stocks	$ -	$ 70,013	$ 1,191	$ 71,204
—Domestic Unlisted (OTC) Stocks	-	-	90,839	90,839
	$ -	$ 70,013	$ 92,030	$ 162,043

2025/6/30

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

For the six months ended June 30, 2026 and 2025, there were no transfers between Level 1 and Level 2 fair value measurements.

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

2026/1/1-6/30

Financial Assets	FVTPL Financial Assets	FVOCI Financial Assets	Total
	Equity Instruments	Equity Instruments	
Beginning balance	$ 28,794	$ 92,030	$ 120,824
Recognized in P&L – Gain (loss) on FVTPL financial assets	20,673	-	20,673
Recognized in OCI – Unrealized gain (loss) on FVOCI financial assets	-	848	848
Ending balance	$ 49,467	$ 92,878	$ 142,345

2025/1/1-6/30

Financial Assets	Financial Assets at Fair Value through Other Comprehensive Income
	Equity Instruments
Beginning Balance	$ 152,448
Recognized in Other Comprehensive Income (Unrealized Valuation Gains/Losses of Financial Assets at Fair Value through Other Comprehensive Income)	(52)
Ending Balance	$ 152,396

iii. Valuation Techniques and Inputs for Level 2 Fair Value Measurements

Financial Instrument Category	Valuation Techniques and Inputs
Shares traded on the Taipei Exchange Emerging Stock Board (not active)	Market approach: The fair value is determined based on quoted transaction prices in the market, adjusted by an appropriate discount to reflect the relatively limited liquidity of the shares, and such adjusted value is used as the basis for measuring fair value.

iv. Valuation Techniques and Assumptions Applied for Fair Value Measurement

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

The fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market prices. When market prices are not available, fair values are estimated using valuation techniques. The estimates and assumptions used by the Group in applying valuation techniques are consistent with those that market participants would use in pricing financial instruments.

The consolidated financial statements include investments in unquoted shares and limited partnerships measured at fair value. The fair value of unquoted shares is determined using market-based valuation approaches, including the price-to-earnings (P/E) ratio method, price-to-sales (P/S) ratio method, and price-to-book (P/B) ratio method, to estimate a reasonable fair value. The fair value of limited partnership investments is determined based on their net asset value.

(3) Types of Financial Instruments

	2026/6/30	2025/12/31	2025/6/30
Financial Assets			
At Fair Value through Profit or Loss			
Mandatorily at Fair Value through Profit or Loss	$ 246,617	$ 204,933	$ 145,306
Financial Assets at Amortized Cost (Note 1)	1,359,911	1,213,835	1,007,950
Deposits Paid	4,612	4,142	3,065
Financial Assets at Fair Value through Other Comprehensive Income			
Equity Instrument Investments	163,041	162,043	152,396
Financial Liabilities			
At Amortized Cost (Note 2)	1,981,228	1,196,735	1,214,226
Deposits Received	485	958	1,005

Note1: The balances include financial assets measured at amortized cost, such as cash and cash equivalents, notes receivable, accounts receivable, other receivables, and other financial assets.

Note2: The balances include financial liabilities measured at amortized cost, such as short-term borrowings, commercial paper payable, accounts payable, other payables (excluding employee benefit payables), and long-term borrowings.

(4) Financial Risk Management Objectives and Policies

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

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

i. Market Risk

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

A. Foreign Exchange Risk

As of the balance sheet date, the carrying amounts of the Group's monetary assets and liabilities denominated in

non-functional currencies (including monetary items denominated in non-functional currencies that were eliminated in the consolidated financial statements) are disclosed in Note 33.

Sensitivity Analysis

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

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

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

	Impact of USD	
	2026	2025
	1/1-6/30	1/1-6/30
Profit or Loss	$ 6,306	$ 4,242

B. Interest Rate Risk

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

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

	2026/6/30	2025/12/31	2025/6/30
Subject to Fair Value Interest Rate Risk			
－Financial Assets	$ 159,988	$ 158,418	$ 147,669
－Financial Liabilities	406,907	529,799	362,645
Subject to Cash Flow Interest Rate Risk			
－Financial Assets	311,360	352,207	217,737
－Financial Liabilities	624,710	241,808	103,782

Sensitivity Analysis

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

The Group uses a 0.25% increase/decrease in market interest rates as a reasonable risk assessment for reporting interest rate fluctuations to management. Assuming all other variables remain constant, a 0.25% increase/decrease in market interest rates would result in an increase/decrease in the Group's profit before tax for the six months ended June 30, 2026 and 2025 by NT$392 thousand and NT$142 thousand, respectively.

(3) Other Price Risk

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

Sensitivity Analysis

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

If equity prices had increased/decreased by 5%, profit or loss before tax for the six months ended June 30, 2026 and 2025 would have increased/decreased by NT$12,331 thousand and NT$7,265 thousand, respectively, as a result of changes in the fair value of financial assets measured at fair value through profit or loss. Other comprehensive income before tax for the six months ended June 30, 2026 and 2025 would have increased/decreased by NT$8,152 thousand and NT$7,620 thousand, respectively, as a result of changes in the fair value of financial assets measured at fair value through other comprehensive income.

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

ii. Credit Risk

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

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

impairment losses. Accordingly, management believes that the Group's credit risk has been significantly reduced and is therefore limited.

The Group's credit risk is primarily concentrated among its top five customers. As of June 30, 2026, December 31, 2025, and June 30, 2025, receivables from the top five customers accounted for 45%, 54%, and 67% of the Group's total receivables, respectively. The credit concentration risk related to the remaining receivables is not considered significant.

iii. Liquidity Risk

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

Bank borrowings represent a significant source of liquidity for the Group. As of June 30, 2026, December 31, 2025, and June 30, 2025, the Group's unused credit facilities are disclosed in Note (2) Credit Facilities

A. Liquidity and Interest Rate Risk table of non-derivative Financial Liabilities

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

2026/6/30

	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Non-derivative Financial Liabilities					
Accounts Payable	$ 567,483	$ -	$ -	$ -	$ 567,483
Lease Liabilities	9,179	9,179	9,179	105,558	133,095
Other Payables	488,552	-	-	-	488,552
Borrowings	300,483	52,059	89,244	483,407	925,193
	$ 1,365,697	$ 61,238	$ 98,423	$ 588,965	$ 2,114,323

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

	Less than 1 Year	1 to 3 Years	3 to 6 Years	More than 6 Years	Total
Lease Liabilities	$ 9,179	$ 18,358	$ 27,537	$ 78,021	$ 133,095

2025/12/31

	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Non-derivative Financial Liabilities					
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	420,446	2,879	34,544	204,385	662,254
	$ 964,106	$ 12,058	$ 43,723	$ 314,533	$1,334,420

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

	Less than 1 Year	1 to 3 Years	3 to 6 Years	More than 6 Years	Total
Lease Liabilities	$ 9,179	$ 18,358	$ 27,537	$ 82,611	$ 137,685

2025/6/30

	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Non-derivative Financial Liabilities					
Accounts Payable	$ 347,748	$ -	$ -	$ -	$ 347,748
Lease Liabilities	9,179	9,179	9,179	114,737	142,274
Other Payables	512,584	-	-	-	512,584
Borrowings	250,112	-	8,649	95,133	353,894
	$ 1,119,623	$ 9,179	$ 17,828	$ 209,870	$ 1,356,500

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

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

B. Financing Limits

	2026/6/30	2025/12/31	2025/6/30
Unsecured Bank Credit Facilities and Commercial Paper Issuance Limits (Reviewed Annually)			
—Used Amounts	$ 396,878	$ 516,839	$ 278,938
—Unused Amounts	2,508,122	2,338,161	2,576,062
	$ 2,905,000	$ 2,855,000	$ 2,855,000
Secured Bank Credit Facilities and Commercial Paper Issuance Limits (Reviewed Annually)			
—Used Amounts	$ 624,710	$ 241,808	$ 103,782
—Unused Amounts	975,290	1,358,192	1,496,218
	$ 1,600,000	$ 1,600,000	$ 1,600,000

30. Related Party Transactions

Transactions, account balances, income, and expenses between ChenFull International Co., Ltd. and its subsidiaries (related parties of ChenFull) were eliminated in full upon consolidation and, therefore,

are not disclosed in these notes. Except as otherwise disclosed in other notes, the transactions between the Group and other related parties were as follows:

Key Management Personnel Compensation

	2026 4/1-6/30	2025 4/1-6/30	2026 1/1-6/30	2025 1/1-6/30
Short-term Employee Benefits	$ 5,564	$ 6,934	$ 11,087	$ 13,819
Post-employment Benefits	129	149	258	298
	$ 5,693	$ 7,083	$ 11,345	$ 14,117

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

31. Assets Pledged as Collateral

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

	2026/6/30	2025/12/31	2025/6/30
Other Financial Assets – Current			
Pledged Time Deposits	$ 9,091	$ 9,048	$ 9,048
Other Financial Assets – Non-current			
Pledged Time Deposits	34,543	34,543	34,543
	$ 43,634	$ 43,591	$ 43,591

32. Significant Contingent Liabilities and Unrecognized Commitments

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

(1) As of June 30, 2026, ChenFull International Co., Ltd. of the Group had issued guarantee notes totaling NT$1,236,226 thousand in connection with credit lines, business performance, and project warranties.

(2) As of June 30, 2026, ChenFull Precision Co., Ltd. of the Group had issued guarantee notes totaling NT$2,481,502 thousand in connection with credit lines and business performance.

(3) As of June 30, 2026, ChenFull International Co., Ltd. of the Group had guarantee notes deposited by suppliers totaling NT$67,761 thousand for performance or warranty guarantees.

(4) As of June 30, 2026, ChenFull Precision Co., Ltd. of the Group had guarantee notes deposited by suppliers totaling NT$228,339 thousand for performance or warranty guarantees.

(5) The Group entered into contracts with various suppliers for the purchase of equipment and the construction of new plants. The total contract amount was NT$1,673,918 thousand, of which NT$963,291 thousand had been paid as of June 30, 2026 (recorded under prepayments for equipment and property, plant and equipment under construction).

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

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

2026/6/30

	Foreign Currency	Exchange Rate	Book Value
Foreign Currency Assets			
Monetary Items			
USD	$ 21,121	31.85（USD：NTD）	$ 672,689
RMB	10,490	4.69（RMB：NTD）	49,199
EUR	19	36.29（EUR：NTD）	680
			$ 722,568
Foreign Currency Liabilities			
Monetary Items			
USD	1,321	31.85（USD：NTD）	$ 42,067
RMB	100	4.69（RMB：NTD）	468
			$ 42,535

2025/12/31

	Foreign Currency	Exchange Rate	Book Value
Foreign Currency Assets			
Monetary Items			
USD	$ 15,815	31.43 (USD：NTD)	$ 497,074
RMB	10,490	4.496 (RMB：NTD)	47,163
EUR	119	36.90 (EUR：NTD)	4,390
			$ 548,627
Foreign Currency Liabilities			
Monetary Items			
USD	451	31.43 (USD：NTD)	$ 14,167
RMB	1,074	4.496 (RMB：NTD)	4,830
EUR	27	36.90 (EUR：NTD)	981
			$ 19,978

2025/6/30

	Foreign Currency	Exchange Rate	Book Value
Foreign Currency Assets			
Monetary Items			
USD	$ 14,770	29.30 (USD：NTD)	$ 432,765
RMB	1	4.091 (RMB：NTD)	4
EUR	34	34.35 (EUR：NTD)	1,152
JPY	2,277	0.203 (JPY：NTD)	463
			$ 434,384
Foreign Currency Liabilities			
Monetary Items			
USD	292	29.30 (USD：NTD)	$ 8,557
RMB	8,562	4.091 (RMB：NTD)	35,027
EUR	3	34.35 (EUR：NTD)	89
			$ 43,673

For the periods from Aprl 1 to June 30, 2026 and 2025, and from January 1 to June 30, 2026 and 2025, the Group's foreign exchange gains and losses (including realized and unrealized) amounted to losses of NT$2,411 thousand, losses of NT$54,908 thousand, gains of NT$8,583 thousand, and losses of NT$49,465 thousand, respectively. Due to the wide variety of foreign currencies involved in transactions and functional currencies of the Group entities, foreign exchange gains and losses by individual currency with significant impact could not be disclosed.

34. Disclosure Notes

(1) Significant Transactions (2) Related information of investees

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

(3) Information on Investments in Mainland China

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

35. Segment Information

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

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

Precision Segment – Precision processing.

(1) Segment Revenue and Operating Results

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

	Construction and Machinery Segment	Precision Segment	Common	Adjustments and Eliminations	Total
2026/01/01–06/30					
Revenue					
Revenue from External Customers	$ 1,242,858	$ 1,171,369	$ -	$ -	$ 2,414,277
Inter-segment Revenue	-	-	-	-	-
Interest Income	-	-	4,457	-	4,457
Total Revenue	$ 1,242,858	$ 1,171,369	$ 4,457	$ -	$ 2,418,684
Interest Expense	$ -	$ -	$ 3,399	$ -	$ 3,399
Depreciation and Amortization	$ 8,950	$ 55,285	$ 5,666	$ -	$ 69,901
Pre-tax Profit from Continuing Operations	$ 184,090	$ 219,467	$ 54,647	$ -	$ 458,204
2025/01/01–06/30					
Revenue					
Revenue from External Customers	$ 739,574	$ 818,670	$ -	$ -	$ 1,558,244
Inter-segment Revenue	1,348	-	-	(1,348)	-
Interest Income	-	-	4,331	-	4,331
Total Revenue	$ 740,922	$ 818,670	$ 4,331	($ 1,348)	$ 1,562,575
Interest Expense	$ -	$ -	$ 4,589	$ -	$ 4,589
Depreciation and Amortization	$ 8,298	$ 57,408	$ 6,962	$ -	$ 72,668
Pre-tax Profit from Continuing Operations	$ 101,526	$ 116,714	($ 21,943)	$ -	$ 196,297

Interdepartmental sales are priced at market value.

Segment profit refers to the profit earned by each segment and excludes the allocation of headquarters management expenses and directors' remuneration, the share of profit or loss of associates accounted for under the equity method, gains or losses on disposal of long-term equity investments under the equity method, rental income, interest income, gains or losses on disposal of property, plant and equipment, gains or losses on disposal of investments, foreign exchange gains or losses, gains or losses on financial instruments at fair value, interest expense, and income tax expense. These measurement amounts are provided to the chief operating decision maker for the purpose of allocating resources to the segments and assessing their performance.

(2) Segment Assets and Liabilities

	Construction and Machinery Segment	Precision Segment	Common	Adjustments and Eliminations	Total
2026/6/30					
Assets					
Capital Expenditures for Non-current Assets	$ 5,339	$ 336,955	$ 2,615	$ -	$ 344,909
Segment Assets	$ 2,356,460	$ 3,590,554	$ 1,262,253	$ -	$ 7,209,267
Segment Liabilities	$ 698,648	$ 1,549,510	$ 444,501	$ -	$ 2,692,659
2025/12/31					
Assets					
Capital Expenditures for Non-current Assets	$ 11,067	$ 525,090	$ 10,595	$ -	$ 546,752
Segment Assets	$ 2,038,048	$ 3,087,747	$ 1,225,733	$ -	$ 6,351,528
Segment Liabilities	$ 542,283	$ 1,147,348	$ 154,316	$ -	$ 1,843,947
2025/6/30					
Assets					
Capital Expenditures for Non-current Assets	$ 4,531	$ 178,990	$ -	$ -	$ 183,521
Segment Assets	$ 2,071,244	$ 2,744,100	$ 1,150,345	$ -	$ 5,965,689
Segment Liabilities	$ 458,006	$ 755,994	$ 563,675	$ -	$ 1,777,675

ChenFull International Co., Ltd. and Subsidiaries

Major marketable securities held at the end of the period

2026/6/30

Table1 (In Thousands of New Tawian Dollars, Unless Stated Otherwise)

Company held	Securities Type and Name (Note 1)	Relationship with the issuer of securities	Account Items	End of period				Remarks
				Number of Shares/Units	Book Value	Percentage of Ownership	Fair Value	
ChenFull International Co., Ltd.	Stocks - Non-listed/Over-the-Counter							
	Mingchao Enterprise Co., Ltd.	None	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Non-current	3,412,174	$ 82,107	9.10	$ 82,107	
	Emerging stock market shares							
	Natech Materials Co., Ltd.	None	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Non-current	1,200,000	$ 56,131	1.74	$ 56,131	
	Stocks - Non-publi							
	Others (Note4)	None	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Non-current	-	$ 9,340	-	$ 9,340	
	Beneficiary Certificates - Domestic							
	Yuanta 2-10 Year Investment Grade Corporate Bond Fund	None	Financial Assets Measured at Fair Value Through Profit or Loss - Current	3,000,000	$ 28,862	3.53	$ 28,862	
	Others (Note4)	〃	〃	-				
	Limited partnership							
	Harvatek Sustainability and Climate Limited Partnership	None	Financial Assets Measured at Fair Value Through Profit or Loss Non-current	50,000,000	$ 49,467	3.67	$ 49,467	

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	Listed and OTC-listed stocks							
	ChenFull International Co., Ltd.	Parent Company	Financial Assets Measured at Fair Value Through Other Comprehensive Income –	281,759	$ 18,427	0.25	$ 18,427	

			Non-current					
	Emerging market (Taipei Exchange) stocks							
	Others(Note4)	None	Financial Assets Measured at Fair Value Through Other Comprehensive Income – Non-current	-	$ 15,463	-	$ 15,463	
	Domestic fund beneficiary certificates							
	Yuanta Taiwan Top 50 Securities Investment Trust Fund	None	Financial Assets Measured at Fair Value Through Profit or Loss - Current	592,000	$ 63,818	-	$ 63,818	
	Yuanta Japan Blue-Chip Companies Fund A	〃	〃	1,002,004	19,980	0.10	19,980	
	Others(Note4)				14,291	-	14,291	
					$ 98,089		$ 98,089	
	Listed and OTC-listed stocks							
	Others(Note4)	None	Financial Assets Measured at Fair Value Through Profit or Loss - Current	-	$ 70,199	-	$ 70,199	

Note 1: The term “marketable securities” as used herein refers to stocks, bonds, beneficiary certificates, and securities derived from the aforementioned instruments that fall within the scope of IAS 9, Financial Instruments.

Note 2: The investment is managed under a discretionary asset management agreement entered into between Chenfeng Machinery Enterprice Co., Ltd. and an investment advisory company, whereby the trustee conducts transactions independently in the centralized securities exchange market.

Note 3: For information related to investments in subsidiaries, please refer to Table 2 and 3.

Note 4: Disclosure is required for any single marketable security whose carrying amount exceeds 10% of the relevant financial statement line item. Other marketable securities are disclosed on an aggregated basis because their amounts are not considered material.

ChenFull International Co., Ltd. and Subsidiaries

Name of Investee Company, Location, and Other Related Information

2026/1/1-6/30

Table2

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

Investing Company Name	Investee Company Name	Location	Principal Business Activities	Original Investment Amounts		Ending Balance Hel			Investee Company Current Period (Loss) / Profit	Investment (Loss) Income Recognized This Period	Notes
				End of Current Period	End of Prior Period	Number of Shares	Percentage (%)	Carrying Amounts			
ChenFull Internationalal Co., Ltd	Chenfeng Machinery & Enterprise Co., Ltd.	12F., No. 107, Sec. 4, Zhongxiao E. Rd., Da'an Dist., Taipei City 106, Taiwan	Business center operation and footwear equipment sales	$ 132,880	$ 132,880	15,280,000	100	$ 286,133	$ 57,931	$ 57,931	Subsidiary
.	CHEN FULL HOLDING CO., LTD.	Vistra Corporate Services Centre,Ground Floor NPF Building,Beach Road,Apia,Samoa	Engaging in holding business	60,448 (USD 2,000)	60,448 (USD 2,000)	-	100	76,174	363	363	Subsidiary
	ChenFull Precision Co., Ltd.	No. 28, Houke S. Rd., Houli Dist., Taichung City 421, Taiwan	Processing and manufacturing of precision components and aircraft materials	372,780	372,780	37,278,000	63	1,203,709	117,263	111,680	Subsidiary (Note 1)
CHEN FULL HOLDING CO., LTD.	NEW OPPORTUNITY LIMITED	Vistra Corporate Services Centre,Ground Floor NPF Building,Beach Road,Apia,Samoa	Engaging in holding business	60,448 (USD 2,000)	60,448 (USD 2,000)	-	100	55,642 (USD 1,747)	(32) (USD -1)	(32) (USD -1)	Subsidiary
NEW OPPORTUNITY LIMITED	Chenfeng Machinery (Dongguan) Co., Ltd. (Note 2)	No. 23, Yanhe Rd., Houjie Town, Dongguan City, Guangdong Province, China	Sales and contracting of precision machinery equipment, footwear equipment, ventilation equipment, and related parts	60,448 (USD 2,000)	60,448 (USD 2,000)	-	100	55,642 (USD 1,747)	(32) (USD -1)	(32) (USD -1)	Subsidiary

Note 1: Significant non-controlling interest.

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

ChenFull International Co., Ltd. and Subsidiaries

Investment Information in Mainland China

2026/1/1-6/30

Table3 (In Thousands of New Tawian Dollars, Unless Stated Otherwise)

Investee Company Name – Mainland China	Principal Business Activities	Paid-in Capital	Investment Method (Note 1)	Accumulated Investment Amounts Remitted from Taiwan at Beginning of Current Periods	Investment Remitted or Recovered This Period Amounts		Accumulated Investment Remitted from Taiwan at End of Current Period Amounts	Investee Company Current Period Profit or Loss	Direct or Indirect Shareholding Percentage of the Company %	Investment (Loss) / Income Recognized This Period (Note 2)	Carrying Amount of Investment at End of Period	Investment Income Remitted to Taiwan as of End of Current Period
					Remittance	Recovery						
Chenfeng Machinery (Dongguan) Co., Ltd.	Sales and contracting of precision machinery equipment, footwear equipment, ventilation equipment, and related parts	$ 60,448 (USD 2,000)	(2)	$ 60,448 (USD 2,000)	$ -	$ -	$ 60,448 (USD 2,000)	($ 32) (USD -1)	100	($ 32) (USD -1) (2)-3	$ 55,642 (USD 1,747)	$ 44,358 (USD 1,440)

Accumulated Investment Remitted from Taiwan to Mainland China at End of Current Period Amounts	Investment Approved by the Investment Commission, Ministry of Economic Affairs Amounts	Investment Ceiling for Mainland China as Prescribed by the Investment Commission, Ministry of Economic Affairs
NTD 60,448 (USD 2,000)	NTD 60,448 (USD 2,000)	NTD 2,285,848 (USD 71,769)

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

Direct investment in Mainland China.

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

Other methods.

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

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

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

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

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

Others.

Note 3: Amounts in this table are presented in New Taiwan Dollars (TWD). For foreign currencies, they are converted into TWD at the spot exchange rate on the reporting date. (The spot exchange rate of USD as of Jun. 30, 2026, is 31.85.)

ChenFull International Co., Ltd. and Subsidiaries

Business Relationships and Significant Transactions Between the Comapny and its Subsidiaries

2026/1/1-6/30

Table4 (In Thousands of New Tawian Dollars, Unless Stated Otherwise)

No.	Name of Trader	Transaction Counterparty	Relationship with Trader	Transaction Details			
				Account	Amounts (Note4)	Transaction Terms	Percentage of Consolidated Total Revenue or Total Assets
0	ChenFull International Co., Ltd. and Subsidiaries	Chenfeng Machinery	1	Rental Income	$ 1,200	Comparable to General Customers	0.05%
0	ChenFull International Co., Ltd. and Subsidiaries	Chenfeng Machinery (Dongguan) Co., Ltd.	1	Contract Liabilities	5,425	〃	0.08%
0	ChenFull International Co., Ltd. and Subsidiaries	Chenfeng Machinery (Dongguan) Co., Ltd.	1	Collections Received on Behalf of Others	171	〃	-
0	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Other Receivables	1	〃	-
0	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Dividends Receivable	130,473	〃	1.81%
0	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Rental Income	2,460	〃	0.10%
0	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Other Income	703	〃	0.03%
0	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Rental Expense	48	〃	-
0	ChenFull International Co., Ltd. and Subsidiaries	ChenFull Precision Co., Ltd.	1	Operating Expenses	9	〃	-

Note 1: Information on business transactions between the parent company and subsidiaries should be indicated separately in the "Number" column. The numbering method is as follows: The parent company is numbered 0.
Subsidiaries are sequentially numbered starting from 1 according to each company.
Note 2: The relationship with the trader falls into the following three types; indicate the category accordingly:
Parent company to subsidiary. Subsidiary to parent company. Subsidiary to subsidiary.
Note 3: The ratio of transaction amounts to consolidated total revenue or total assets is calculated as follows:
For balance sheet accounts, the ratio is calculated using the ending balance over consolidated total assets.
For income statement accounts, the ratio is calculated using cumulative amounts during the period over consolidated total revenue.
Note 4: This table only discloses one-way transactions. When preparing the consolidated financial statements, the above transactions have already been eliminated.