

SENAO NETWORKS INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REVIEW
REPORT
SEPTEMBER 30, 2025 AND 2024

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT

(25) PWCR 25001936

To the Board of Directors and Stockholders of Senao Networks Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Senao Networks, Inc. and subsidiaries (the "Group") as at September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three and nine months then ended as well as of changes in equity and cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. It is the management team's responsibility to prepare the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports" by Securities Issuers and the International Accounting Standards 34 "Interim Financial Reporting", which has been endorsed and issued into effect by the Financial Supervisory Commission (FSC) of Republic of China, to present the consolidated financial position of the Group fairly, while our responsibility is to express a conclusion on the consolidated financial statements based on our review results.

Scope

Except for that stated in the Basis for Qualified Conclusion paragraph, we conducted our review in accordance with the Standards on TWSRE 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity". The procedures performed when we reviewed the consolidated financial statements included inquiries (mainly from personnel in charge of financial and accounting affairs), analytical procedures, and other review procedures. The scope of review work is obviously smaller than that of audit work, so we might not be able to detect all the material matters that could have been identified through audit work, hence we were unable to express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(3) to the consolidated financial statements, the partial non-significant subsidiaries' financial statements for the same period included in the above consolidated financial statements have not been reviewed by us. As of September 30, 2025 and 2024, their total assets were NT\$904,142 thousand and NT\$1,395,788 thousand, respectively, accounting for 7% and 12% of the total consolidated assets, respectively; the total liabilities were NT\$350,992 thousand and NT\$336,106 thousand, respectively, both accounting for 5% of the total consolidated liabilities. For the three months and the nine months ended September 30, 2025 and 2024, the total comprehensive loss totaled NT\$7,520 thousand, NT\$85,198 thousand, NT\$48,381 thousand, and NT\$48,498 thousand, respectively, accounting for (7%), (97%), (16%), and (16%) of the total consolidated comprehensive income (loss), respectively.

Qualified Conclusion

According to our review results, except that the financial statements of the partial non-significant subsidiaries described in the Basis for Qualified Conclusion paragraph may result in adjustment to and disclosure of the consolidated financial statements if reviewed by us, we have determined that the foregoing consolidated financial statements have been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC, with a fair presentation of the Group's consolidated financial position as of September 30, 2025 and 2024, consolidated financial performance for the three months and the nine months ended September 30, 2025 and 2024 as well as consolidated cash flows for the nine months ended September 30, 2025 and 2024.

Pei-Chuan Huang

Yung-Chih Lin

For and on behalf of PricewaterhouseCoopers, Taiwan

November 4, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

SENAO NETWORKS INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	<u>September 30, 2025</u>		<u>December 31, 2024</u>		<u>September 30, 2024</u>	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 4,223,544	32	\$ 4,073,866	32	\$ 2,689,828	24
1110	Financial assets at fair value	6(2)						
	through profit or loss – current		-	-	-	-	6,391	-
1150	Notes receivable, net	6(3)	-	-	24	-	-	-
1170	Accounts receivable, net	6(3)	2,054,612	16	2,139,506	17	1,873,882	17
1180	Accounts receivable - related parties, net	7	913	-	-	-	-	-
1200	Other receivables	6(4)	264,027	2	159,184	1	176,169	2
1210	Other receivables - related parties	7	1,148	-	871	-	967	-
1220	Current income tax assets		7,794	-	5,463	-	5,421	-
130X	Inventory	6(5)	1,892,887	14	2,190,173	17	2,281,768	20
1410	Prepayments		63,893	1	37,243	-	41,815	-
11XX	Total current assets		<u>8,508,818</u>	<u>65</u>	<u>8,606,330</u>	<u>67</u>	<u>7,076,241</u>	<u>63</u>
Non-current assets								
1600	Property, plant and equipment	6(6) and 8	3,932,544	30	3,479,738	27	3,349,036	30
1755	Right-of-use assets	6(7) and 7	462,822	3	542,092	4	549,995	5
1780	Intangible assets	6(8)	74,788	1	68,409	1	70,483	1
1840	Deferred income tax assets		82,397	1	108,710	1	123,605	1
1900	Other non-current assets	6(9)	62,241	-	32,927	-	24,687	-
15XX	Total non-current assets		<u>4,614,792</u>	<u>35</u>	<u>4,231,876</u>	<u>33</u>	<u>4,117,806</u>	<u>37</u>
1XXX	Total assets		<u>\$ 13,123,610</u>	<u>100</u>	<u>\$ 12,838,206</u>	<u>100</u>	<u>\$ 11,194,047</u>	<u>100</u>

(Continued)

SENAO NETWORKS INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	September 30, 2025		December 31, 2024		September 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current liabilities								
2100	Short-term borrowings	6(10)	\$ 101,730	1	\$ 17,048	-	\$ 1,333,041	12
2120	Financial liabilities at fair value through profit or loss - current	6(2)						
			7,001	-	3,235	-	-	-
2130	Current contract liabilities	6(19)	202,075	2	262,434	2	226,482	2
2150	Notes payable		3,693	-	2,708	-	4,008	-
2170	Accounts payable		3,577,240	27	3,661,704	29	2,871,924	26
2200	Other payables	6(11)(28)	1,054,528	8	1,150,660	9	1,084,993	10
2220	Other payables - related parties	7	18	-	235	-	-	-
2230	Current income tax liabilities		20,833	-	66,198	1	21,846	-
2250	Current provisions	6(13)	52,884	1	43,717	-	41,081	-
2280	Current lease liabilities	7	135,836	1	141,795	1	137,177	1
2300	Other current liabilities	6(14)	442,816	3	349,182	3	367,793	3
21XX	Total current liabilities		<u>5,598,654</u>	<u>43</u>	<u>5,698,916</u>	<u>45</u>	<u>6,088,345</u>	<u>54</u>
Non-current liabilities								
2527	Non-current contract liabilities	6(19)	16,237	-	16,417	-	15,830	-
2540	Long-term borrowings	6(15)	955,962	7	581,708	5	-	-
2570	Deferred income tax liabilities		8,330	-	6,019	-	4,289	-
2580	Non-current lease liabilities	7	141,323	1	187,727	1	198,514	2
2600	Other non-current liabilities		92	-	90	-	4,113	-
25XX	Total non-current liabilities		<u>1,121,944</u>	<u>8</u>	<u>791,961</u>	<u>6</u>	<u>222,746</u>	<u>2</u>
2XXX	Total liabilities		<u>6,720,598</u>	<u>51</u>	<u>6,490,877</u>	<u>51</u>	<u>6,311,091</u>	<u>56</u>
Equity								
Equity attributable to owners of the parent								
	Share capital	6(16)						
3110	Share capital - common stock		590,609	5	590,609	4	490,609	4
	Capital surplus	6(17)						
3200	Capital surplus		1,886,279	14	1,886,279	15	703,127	6
	Retained earnings	6(18)						
3310	Legal reserve		767,971	6	743,274	6	743,274	7
3320	Special reserve		24,673	-	88,694	1	88,694	1
3350	Unappropriated retained earnings		2,892,821	22	2,742,849	21	2,633,360	24
	Other equity interest							
3400	Other equity interest		(102,009)	(1)	(24,673)	-	(27,421)	-
31XX	Equity attributable to owners of the parent		<u>6,060,344</u>	<u>46</u>	<u>6,027,032</u>	<u>47</u>	<u>4,631,643</u>	<u>42</u>
36XX	Non-controlling interest	4(3)	<u>342,668</u>	<u>3</u>	<u>320,297</u>	<u>2</u>	<u>251,313</u>	<u>2</u>
3XXX	Total equity		<u>6,403,012</u>	<u>49</u>	<u>6,347,329</u>	<u>49</u>	<u>4,882,956</u>	<u>44</u>
3X2X	Total liabilities and equity		<u>\$ 13,123,610</u>	<u>100</u>	<u>\$ 12,838,206</u>	<u>100</u>	<u>\$ 11,194,047</u>	<u>100</u>

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

SENAO NETWORKS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2025		2024		2025		2024	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenues	6(19) and 7	\$ 3,597,065	100	\$ 2,951,763	100	\$ 11,559,018	100	\$ 8,327,511	100
5000 Operating costs	6(5)(25)	(3,062,363)	(85)	(2,381,045)	(81)	(9,683,000)	(84)	(6,954,796)	(84)
5900 Net operating margin		<u>534,702</u>	<u>15</u>	<u>570,718</u>	<u>19</u>	<u>1,876,018</u>	<u>16</u>	<u>1,372,715</u>	<u>16</u>
Operating expenses	6(25)								
6100 Selling expenses		(134,359)	(4)	(126,319)	(4)	(417,975)	(4)	(363,798)	(4)
6200 General and administrative expenses		(129,992)	(4)	(121,024)	(4)	(395,553)	(3)	(338,381)	(4)
6300 Research and development expenses		(237,706)	(7)	(208,643)	(7)	(742,337)	(6)	(552,963)	(7)
6450 Expected credit impairment gain (loss)	12(2)	238	-	(216)	-	(2,406)	-	(492)	-
6000 Total operating expenses		<u>(501,819)</u>	<u>(15)</u>	<u>(456,202)</u>	<u>(15)</u>	<u>(1,558,271)</u>	<u>(13)</u>	<u>(1,255,634)</u>	<u>(15)</u>
6500 Net other income (expenses)	6(20)	<u>23,770</u>	<u>1</u>	<u>46,047</u>	<u>2</u>	<u>69,706</u>	<u>-</u>	<u>130,371</u>	<u>2</u>
6900 Operating profit		<u>56,653</u>	<u>1</u>	<u>160,563</u>	<u>6</u>	<u>387,453</u>	<u>3</u>	<u>247,452</u>	<u>3</u>
Non-operating income and expenses									
7100 Interest income	6(21)	7,733	-	7,900	-	31,670	-	25,307	-
7010 Other income	6(22)	30,279	1	2,166	-	42,539	-	20,437	-
7020 Other gains and losses	6(23)	5,524	-	(17,305)	(1)	(6,280)	-	38,607	1
7050 Finance costs	6(24) and 7	(3,791)	-	(6,791)	-	(9,165)	-	(17,447)	-
7000 Total non-operating income and expenses		<u>39,745</u>	<u>1</u>	<u>(14,030)</u>	<u>(1)</u>	<u>58,764</u>	<u>-</u>	<u>66,904</u>	<u>1</u>
7900 Profit before income tax		<u>96,398</u>	<u>2</u>	<u>146,533</u>	<u>5</u>	<u>446,217</u>	<u>3</u>	<u>314,356</u>	<u>4</u>
7950 Income tax expense	6(26)	(9,130)	-	(37,942)	(1)	(58,641)	-	(80,531)	(1)
8200 Profit for the period		<u>\$ 87,268</u>	<u>2</u>	<u>\$ 108,591</u>	<u>4</u>	<u>\$ 387,576</u>	<u>3</u>	<u>\$ 233,825</u>	<u>3</u>
Other comprehensive income (loss), net									
Components of other comprehensive income (loss) that will be reclassified to profit or loss									
8361 Financial statements translation differences of foreign operations		\$ 20,071	1	(\$ 20,907)	(1)	(\$ 79,386)	(1)	\$ 61,174	-
8300 Other comprehensive income (loss), net		<u>\$ 20,071</u>	<u>1</u>	<u>(\$ 20,907)</u>	<u>(1)</u>	<u>(\$ 79,386)</u>	<u>(1)</u>	<u>\$ 61,174</u>	<u>-</u>
8500 Total comprehensive income (loss) for the period		<u>\$ 107,339</u>	<u>3</u>	<u>\$ 87,684</u>	<u>3</u>	<u>\$ 308,190</u>	<u>2</u>	<u>\$ 294,999</u>	<u>3</u>
Profit attributable to:									
8610 Owners of the parent		<u>\$ 59,267</u>	<u>2</u>	<u>\$ 60,704</u>	<u>2</u>	<u>\$ 287,831</u>	<u>2</u>	<u>\$ 137,484</u>	<u>2</u>
8620 Non-controlling interest		<u>\$ 28,001</u>	<u>-</u>	<u>\$ 47,887</u>	<u>2</u>	<u>\$ 99,745</u>	<u>1</u>	<u>\$ 96,341</u>	<u>1</u>
Comprehensive income (loss) attributable to:									
8710 Owners of the parent		<u>\$ 79,130</u>	<u>2</u>	<u>\$ 39,924</u>	<u>1</u>	<u>\$ 210,495</u>	<u>2</u>	<u>\$ 198,757</u>	<u>2</u>
8720 Non-controlling interest	4(3)	<u>\$ 28,209</u>	<u>1</u>	<u>\$ 47,760</u>	<u>2</u>	<u>\$ 97,695</u>	<u>-</u>	<u>\$ 96,242</u>	<u>1</u>
Earnings per share	6(27)								
9750 Basic earnings per share		<u>\$ 1.00</u>		<u>\$ 1.24</u>		<u>\$ 4.87</u>		<u>\$ 2.80</u>	
Diluted earnings per share	6(27)								
9850 Diluted earnings per share		<u>\$ 1.00</u>		<u>\$ 1.24</u>		<u>\$ 4.86</u>		<u>\$ 2.79</u>	

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

SENAO NETWORKS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
		Capital surplus			Retained earnings			Financial statements translation differences of foreign operations	Total	Non-controlling interest	Total equity
Notes	Share capital - common stock	Additional paid-in capital	Others	Legal reserve	Special reserve	Unappropriated retained earnings					
<u>Nine months ended September 30, 2024</u>											
	Balance at January 1, 2024	\$ 490,609	\$ 702,817	\$ 310	\$ 660,541	\$ 5,152	\$ 2,858,395	(\$ 88,694)	\$ 4,629,130	\$ 236,165	\$ 4,865,295
	Profit for the period	-	-	-	-	-	137,484	-	137,484	96,341	233,825
	Other comprehensive income (loss), net	-	-	-	-	-	-	61,273	61,273	(99)	61,174
	Total comprehensive income (loss) for the period	-	-	-	-	-	137,484	61,273	198,757	96,242	294,999
	Appropriations of 2023 earnings	6(18)									
	Legal reserve	-	-	-	82,733	-	(82,733)	-	-	-	-
	Special reserve	-	-	-	-	83,542	(83,542)	-	-	-	-
	Cash dividends	-	-	-	-	-	(196,244)	-	(196,244)	-	(196,244)
	Change in non-controlling interest	4(3)	-	-	-	-	-	-	-	(81,094)	(81,094)
	Balance at September 30, 2024	\$ 490,609	\$ 702,817	\$ 310	\$ 743,274	\$ 88,694	\$ 2,633,360	(\$ 27,421)	\$ 4,631,643	\$ 251,313	\$ 4,882,956
<u>Nine months ended September 30, 2025</u>											
	Balance at January 1, 2025	\$ 590,609	\$ 1,885,969	\$ 310	\$ 743,274	\$ 88,694	\$ 2,742,849	(\$ 24,673)	\$ 6,027,032	\$ 320,297	\$ 6,347,329
	Profit for the period	-	-	-	-	-	287,831	-	287,831	99,745	387,576
	Other comprehensive income (loss), net	-	-	-	-	-	-	(77,336)	(77,336)	(2,050)	(79,386)
	Total comprehensive income (loss) for the period	-	-	-	-	-	287,831	(77,336)	210,495	97,695	308,190
	Appropriations of 2024 earnings	6(18)									
	Legal reserve	-	-	-	24,697	-	(24,697)	-	-	-	-
	Special reserve reversed	-	-	-	-	(64,021)	64,021	-	-	-	-
	Cash dividends	-	-	-	-	-	(177,183)	-	(177,183)	-	(177,183)
	Change in non-controlling interest	4(3)	-	-	-	-	-	-	-	(75,324)	(75,324)
	Balance at September 30, 2025	\$ 590,609	\$ 1,885,969	\$ 310	\$ 767,971	\$ 24,673	\$ 2,892,821	(\$ 102,009)	\$ 6,060,344	\$ 342,668	\$ 6,403,012

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

SENAO NETWORKS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Nine months ended September 30	
	Notes	2025	2024
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 446,217	\$ 314,356
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(25)	287,193	254,610
Amortization	6(25)	16,483	11,280
Expected credit impairment loss	12(2)	2,406	492
Losses (gains) on financial assets/liabilities at fair value through profit or loss		3,766 (	6,391)
Interest income	6(21)	(31,670) (	25,307)
Interest expense	6(24)	8,723	17,118
Losses (gains) on disposal of property, plant and equipment	6(23)	(2,296)	56
Gains on disposal of intangible assets	6(23)	(4)	-
Lease modification gain	6(23)	- (	901)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		24	-
Accounts receivable		82,456 (	62,267)
Accounts receivable - related parties, net		(913)	-
Other receivables		(105,076)	68,086
Other receivables - related parties		(277) (	37)
Inventory		297,286	713,321
Prepayments		(26,650) (	1,901)
Changes in operating liabilities			
Contract liabilities		(60,539)	25,855
Notes payable		985	1,327
Accounts payable		(84,464) (	210,790)
Other payables		623 (	402,891)
Other payables - related parties		(178) (	126)
Current provisions		9,016	11,059
Other current liabilities		93,634	36,672
Other non-current liabilities		2 (	546)
Cash inflow generated from operations		936,747	743,075
Interest received		31,903	25,188
Interest paid		(8,786) (	17,246)
Income tax paid		(79,457) (	156,724)
Net cash flows generated from operating activities		880,407	594,293

(Continued)

SENAO NETWORKS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Nine months ended September 30	
	Notes	2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment (including capitalized interest)	6(28)	(\$ 788,380)	(\$ 242,869)
Proceeds from disposal of property, plant and equipment		2,764	-
Acquisition of intangible assets	6(8)	(22,868)	(19,503)
Proceeds from disposal of intangible assets		4	-
Increase in refundable deposits		(2,737)	(81)
Decrease (increase) in other non-current assets		63	(67)
Net cash flows used in investing activities		(811,154)	(262,520)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term borrowings	6(29)	85,883	(266,170)
Long-term borrowings	6(29)	396,114	-
Lease payments	6(7)(29)	(110,611)	(103,156)
Payment of cash dividends	6(18)	(177,183)	(196,244)
Change in non-controlling interest	4(3)	(75,324)	(81,094)
Net cash generated from (used in) financing activities		118,879	(646,664)
Effect on foreign exchange difference		(38,454)	46,812
Increase (decrease) in cash and cash equivalents		149,678	(268,079)
Cash and cash equivalents at beginning of period		4,073,866	2,957,907
Cash and cash equivalents at end of period		<u>\$ 4,223,544</u>	<u>\$ 2,689,828</u>

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

SENAO NETWORKS INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

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

1. HISTORY AND ORGANIZATION

Senao Networks Inc. (the “Company”) was established as a result of the spin-off of the wireless communication department of Senao International Co., Ltd. The Company assumed all the department’s business, assets and liabilities effective October 1, 2006. The Company’s registration was approved by the Ministry of Economic Affairs, R.O.C. on October 12, 2006. The Company started selling shares publicly at the Taiwan Over-The-Counter Exchange on December 30, 2013. The Company is mainly engaged in the sales of wireless communication products.

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

The consolidated financial statements were approved for release by the Board of Directors on November 4, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of adopting new or amended International Financial Reporting Standards (“IFRS”) Accounting Standards as endorsed and issued into effect by the Financial Supervisory Commission (“FSC”)

The table below lists the new, revised, and amended standards and interpretations of the IFRS Accounting Standards, which apply to the reporting period for 2025, as endorsed and issued into effect by the FSC:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 21, “Lack of exchangeability”	January 1, 2025

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

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

The table below lists the new, revised, and amended standards and interpretations of the IFRS Accounting Standards, which apply to the reporting period for 2026, as endorsed by the FSC:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts for Nature-dependent Electricity”	January 1, 2026
IFRS 17, “Insurance contracts”	January 1, 2023
Amendments to IFRS 17, “Insurance contracts”	January 1, 2023
Amendments to IFRS 17, “Initial application of IFRS 17 and IFRS 9 - comparative information”	January 1, 2023
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, “Sale or contribution of assets between an investor and its associate or joint venture”	To be determined by International Accounting Standards Board
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note)
IFRS 19 “Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note: The FSC announced in a press release dated September 25, 2025, that public companies shall apply International Financial Reporting Standard (IFRS) 18 (hereinafter referred to as IFRS 18) starting from the fiscal year 2028; furthermore, if an entity requires early adoption of IFRS 18, it may elect to apply the provisions of IFRS 18 in advance after the FSC endorses IFRS 18.

Except for IFRS 18 “Presentation and Disclosure in Financial Statements” below which is yet to be assessed, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment:

IFRS 18 “Presentation and Disclosure in Financial Statements” has replaced IAS 1, updated the structure of the statement of comprehensive income, added disclosures on management-defined performance measures (MPMs), and enhanced the principles of aggregation and disaggregation used in the main financial statements and notes.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Statements by Securities Issuers” and IAS 34, “Interim Financial Reporting” as endorsed and issued into effect by the FSC.
- B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

- A. Except for the following important items, the consolidated financial statements were prepared at historical cost:
 - (a) Financial assets and liabilities (including derivatives) at fair value through profit or loss that were measured at fair value.
 - (b) Defined benefit liabilities recognized at the net amount of pension fund assets less the present value of defined benefit obligations.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed and issued into effect by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial reports:

The basis for preparation of consolidated financial statements are consistent with those of the year ended December 31, 2024.
- B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
Senao Networks Inc.	EnGenius Technologies, Inc.	Sales of communication products	100	100	100	Note 1
Senao Networks Inc.	EnRack Technology Inc.	Sales of communication products and Sales of manufactured stamping component	100	100	100	Note 1
Senao Networks Inc.	Emplus Technologies, Inc.	Research and development, manufacture and sales of communication products	50.99	50.99	50.99	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
Senao Networks Inc.	EnGenius International (Samoa) Ltd.	Investment holdings	100	100	100	Note 1
Senao Networks Inc.	EnGenius Technologies Canada Inc.	Sales of communication products	100	100	100	Note 1
Senao Networks Inc.	EnGenius Networks Inc.	Sales of communication products	100	100	100	Note 1
Senao Networks Inc.	EnGenius Networks Japan	Sales of communication products	100	100	100	Note 1
Senao Networks Inc.	Senao Networks Private Ltd.	Sales of communication products	100	100	100	Note 1
Senao Networks Inc.	Senao Networks Vietnam Co., Ltd.	Manufacture and sales of communication products	100	100	100	Note 2
Senao Networks Inc.	Senao Networks USA Inc.	Manufacture and sales of communication products	100	-	-	Note 3
Senao Networks Inc.	Senao Networks Japan	Manufacture and sales of communication products	100	-	-	Note 4
EnGenius International (Samoa) Ltd.	EnGenius Networks Singapore Pte. Ltd.	Sales of communication products	100	100	100	Note 1
EnGenius Networks Singapore Pte. Ltd.	EnGenius Networks Europe B.V.	Sales of communication products	100	100	100	Note 1
EnGenius Networks Inc.	EnGenius Networks Private Ltd.	Sales of communication products	100	100	100	Note 1
Emplus Technologies, Inc.	Emplus Technologies India Private Ltd.	Sales of communication products	100	100	100	

Note 1: The financial statements as at and for the nine months ended September 30, 2025 and 2024 were not reviewed by independent auditors as the entity did not meet the definition of significant subsidiary.

Note 2: The financial statements as of September 30, 2024 were not reviewed by independent auditors as the entity did not meet the definition of a significant subsidiary.

Note 3: It is a new subsidiary established in the first quarter of 2025 and the outward remittance was made by the Group for the subsidiary's registered capital. The financial statements as at and for the nine months ended September 30, 2025 were not reviewed by independent auditors as the entity did not meet the definition of significant subsidiary.

Note 4: It is a new subsidiary established in the second quarter of 2025 and the outward remittance was made by the Group for the subsidiary's registered capital. The financial statements as at and for the nine months ended September 30, 2025 were not reviewed by independent auditors as the entity did not meet the definition of significant subsidiary.

- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group

As of September 30, 2025, December 31, 2024, and September 30, 2024, the non-controlling interests amounted to \$342,668, \$320,297, and \$251,313, respectively. The information on non-controlling interests and respective subsidiary is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest		Non-controlling interest	
		September 30, 2025		December 31, 2024	
		Amount	Ownership (%)	Amount	Ownership (%)
Emplus Technologies, Inc. and subsidiaries	Taiwan	\$ 342,668	49.01%	\$ 320,297	49.01%

Name of subsidiary	Principal place of business	Non-controlling interest	
		September 30, 2024	
		Amount	Ownership (%)
Emplus Technologies, Inc. and subsidiaries	Taiwan	\$ 251,313	49.01%

Aggregated financial information on subsidiaries:

Balance sheet

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 1,510,686	\$ 1,794,514	\$ 1,642,697
Non-current assets	243,669	253,968	261,170
Current liabilities	(994,931)	(1,326,834)	(1,321,060)
Non-current liabilities	(60,193)	(68,066)	(69,987)
Total net assets	<u>\$ 699,231</u>	<u>\$ 653,582</u>	<u>\$ 512,820</u>

Statement of comprehensive income

	Three months ended September 30	
	2025	2024
Revenue	<u>\$ 633,428</u>	<u>\$ 820,963</u>
Profit before income tax	<u>\$ 62,342</u>	<u>\$ 120,925</u>
Income tax expense	<u>(5,204)</u>	<u>(23,210)</u>
Profit for the period from continuing operations	57,138	97,715
Other comprehensive income (loss), net of tax	<u>422</u>	<u>(264)</u>
Total comprehensive income (loss) for the period	<u>\$ 57,560</u>	<u>\$ 97,451</u>
Comprehensive income (loss) attributable to non-controlling interest	<u>\$ 28,209</u>	<u>\$ 47,760</u>

	Three months ended September 30	
	2025	2024
Dividends paid to non-controlling interest	\$ -	\$ -
	Nine months ended September 30	
	2025	2024
Revenue	\$ 1,945,765	\$ 1,842,412
Profit before income tax	\$ 231,436	\$ 245,305
Income tax expense	(27,903)	(48,719)
Profit for the period from continuing operations	203,533	196,586
Other comprehensive income (loss), net of tax	(4,184)	(206)
Total comprehensive income (loss) for the period	\$ 199,349	\$ 196,380
Comprehensive income (loss) attributable to non-controlling interest	\$ 97,695	\$ 96,242
Dividends paid to non-controlling interest	\$ 75,324	\$ 81,094

Statement of cash flows

	Nine months ended September 30	
	2025	2024
Net cash flows generated from operating activities	\$ 188,332	\$ 205,414
Net cash flows used in investing activities	(26,320)	(21,928)
Net cash flows used in financing activities	(183,663)	(194,487)
Effect on foreign exchange difference	(4,184)	(206)
Decrease in cash and cash equivalents	(25,835)	(11,207)
Cash and cash equivalents at beginning of period	964,386	728,368
Cash and cash equivalents at end of period	\$ 938,551	\$ 717,161

(4) Employee benefits

Under the defined benefit plans, pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year.

(5) Income tax

The tax expense for the period comprises current and deferred tax. The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

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

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies but no critical judgements were made. The management team has made critical estimates and assumptions concerning future events based on the situation at the balance sheet date. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year. Critical accounting estimates are mainly made for inventory valuation. The details are addressed below:

The Group's inventories are measured at the lower of cost and net realizable value. As for excess and individually recognized as obsolete inventories, the net realizable value is determined based on the historical data of the inventory clearance individually identified by the management. Significant changes might arise since the Group's inventory amounts are material, inventory items are voluminous and the accounting estimates are subject to management's judgement.

As of September 30, 2025, the carrying amount of inventories was \$1,892,887.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand and revolving funds	\$ 603	\$ 494	\$ 495
Checking accounts and demand deposits	1,044,794	978,036	1,672,692
Time deposits	3,178,147	3,095,336	1,016,641
	<u>\$ 4,223,544</u>	<u>\$ 4,073,866</u>	<u>\$ 2,689,828</u>

- A. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. The Group has no cash and cash equivalents pledged to others.
- (2) Financial assets/liabilities at fair value through profit or loss

	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Financial (liabilities) assets mandatorily at fair value through profit or loss			
Derivatives	(\$ 7,001)	(\$ 3,235)	\$ 6,391

- A. The net gains (losses) on financial assets/liabilities measured at fair value through profit or loss recognized by the Group for the three and nine months ended September 30, 2025 and 2024 were (\$44,940), \$6,391, \$33,077, and (\$1,773), respectively.
- B. The Group's forward exchange agreements, for which hedge accounting is not adopted and which have not yet matured on the balance sheet date, are as follows:

September 30, 2025	Currency	Agreement period	Contract amount
Forward exchange agreements sold	USD : NTD	August 14, 2025 - October 15, 2025	USD2,000/NTD59,608
Forward exchange agreements sold	USD : NTD	September 18, 2025 - October 17, 2025	USD4,000/NTD120,080
Forward exchange agreements sold	USD : NTD	August 15, 2025 - October 29, 2025	USD1,000/NTD29,828
Forward exchange agreements sold	USD : NTD	September 18, 2025 - October 22, 2025	USD3,000/NTD90,000
Forward exchange agreements sold	USD : NTD	September 18, 2025 - October 22, 2025	USD2,000/NTD59,952
Forward exchange agreements sold	USD : NTD	September 19, 2025 - October 29, 2025	USD2,000/NTD60,144
Forward exchange agreements sold	USD : NTD	September 18, 2025 - October 29, 2025	USD1,000/NTD29,963
Forward exchange agreements sold	USD : NTD	September 23, 2025 - October 29, 2025	USD2,000/NTD60,350
Forward exchange agreements sold	USD : NTD	September 22, 2025 - November 19, 2025	USD1,000/NTD30,165
Forward exchange agreements sold	USD : NTD	September 22, 2025 - November 26, 2025	USD1,000/NTD30,149

December 31, 2024	Currency	Agreement period	Contract amount
Forward exchange agreements sold	USD : NTD	November 6, 2024 - January 8, 2025	USD3,000/NTD95,700
Forward exchange agreements sold	USD : NTD	November 11, 2024 - January 15, 2025	USD1,000/NTD32,093
September 30, 2024	Currency	Agreement period	Contract amount
Forward exchange agreements sold	USD : NTD	September 4, 2024 - October 9, 2024	USD3,000/NTD96,102
Forward exchange agreements sold	USD : NTD	September 4, 2024 - October 23, 2024	USD3,000/NTD96,024
Forward exchange agreements sold	USD : NTD	September 4, 2024 - October 23, 2024	USD2,000/NTD64,016
Forward exchange agreements sold	USD : NTD	September 10, 2024 - November 13, 2024	USD2,000/NTD63,900
Forward exchange agreements sold	USD : NTD	September 12, 2024 - November 13, 2024	USD3,000/NTD95,850
Forward exchange agreements sold	USD : NTD	September 20, 2024 - November 7, 2024	USD3,000/NTD95,460

- C. The Group engages in the trading of forward exchange agreements to hedge the risks arising from exchange rate changes in foreign-currency assets and liabilities without adopting hedging accounting.

(3) Notes receivable and accounts receivable, net

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ -	\$ 24	\$ -
Accounts receivable	\$ 2,057,109	\$ 2,139,565	\$ 1,874,550
Less: Allowance for bad debts	(2,497)	(59)	(668)
	<u>\$ 2,054,612</u>	<u>\$ 2,139,506</u>	<u>\$ 1,873,882</u>

- A. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	September 30, 2025	December 31, 2024		September 30, 2024
	Accounts receivable	Accounts receivable	Notes receivable	Accounts receivable
Not past due	\$ 2,011,291	\$ 2,080,848	\$ 24	\$ 1,852,746
Up to 30 days	42,901	57,878	-	13,997
31 to 60 days	840	748	-	7,766
61 to 90 days	81	91	-	41
91 to 180 days	1,654	-	-	-
Over 180 days	342	-	-	-
	<u>\$ 2,057,109</u>	<u>\$ 2,139,565</u>	<u>\$ 24</u>	<u>\$ 1,874,550</u>

The above ageing analysis was based on past due date.

- B. As of September 30, 2025, December 31, 2024, September 30, 2024 and January 1, 2024, the balances of receivables (including notes receivable) from contracts with customers amounted to \$2,057,109, \$2,139,589, \$1,874,550, and \$1,812,367, respectively.
- C. The Group does not hold any collateral as security.
- D. As of September 30, 2025, December 31, 2024 and September 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposures to credit risk in respect of the amounts that best represented the Group's accounts and notes receivable were \$2,054,612, \$2,139,530 and \$1,873,882, respectively.
- E. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(4) Transfer of financial assets

- A. The Group entered into a factoring agreement with certain banks to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognized the transferred accounts receivable. As of September 30, 2025, December 31, 2024 and September 30, 2024, the transferred accounts receivable are as follows:

September 30, 2025					
Purchaser of accounts receivable	Accounts receivable transferred (Note)	Amount derecognized	Facilities (thousand)	Amount advanced	Interest rate of amount advanced
CTBC Bank	\$ 1,406	\$ 1,406	USD 1,200	\$ -	-
Taishin International Bank	290	290	USD 1,383	-	-
Total	<u>\$ 1,696</u>	<u>\$ 1,696</u>		<u>\$ -</u>	

December 31, 2024					
Purchaser of accounts receivable	Accounts receivable transferred (Note)	Amount derecognized	Facilities (thousand)	Amount advanced	Interest rate of amount advanced
CTBC Bank	<u>\$ 5,434</u>	<u>\$ 5,434</u>	USD 1,200	<u>\$ -</u>	-

September 30, 2024					
Purchaser of accounts receivable	Accounts receivable transferred (Note)	Amount derecognized	Facilities (thousand)	Amount advanced	Interest rate of amount advanced
CTBC Bank	<u>\$ 1,100</u>	<u>\$ 1,100</u>	USD 1,200	<u>\$ -</u>	-

Note: Recorded as "other receivables".

- B. The Group paid factoring expenses of \$91, \$79, \$442 and \$329 upon transfer of the derecognized accounts receivable for the three months and nine months ended September 30, 2025 and 2024, respectively, which was recorded as "finance costs".

(5) Inventory

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 884,343	\$ 1,053,135	\$ 1,345,696
Work in progress	478,926	673,166	607,800
Finished goods	529,618	463,872	328,272
	<u>\$ 1,892,887</u>	<u>\$ 2,190,173</u>	<u>\$ 2,281,768</u>

The cost of the Group's inventories recognized as expense for the three months and nine months ended September 30, 2025 and 2024, were \$3,054,088, \$2,378,513, \$9,658,463, and \$6,945,071, respectively; among these, the cost of sales recognized from writing down inventory from cost to net realizable value for the three months ended September 30, 2025 and nine months ended September 30, 2025 and 2024, were \$2,289, \$23,273, and \$698, respectively; and for the three months ended September 30, 2024, the cost of sales was reduced by \$48,403 due to the disposal of some inventories for which a valuation loss had previously been recognized, resulting in a recovery of the inventory's net realizable value.

(6) Property, plant and equipment

2025										
	Land	Buildings	Machinery and equipment	Molding equipment	Transportation equipment	Office equipment	Other equipment	Leasehold improvements	Unfinished construction and equipment acceptance	Total
At January 1										
Cost	\$ 950,749	\$ 125,132	\$ 1,555,740	\$ 190,919	\$ 3,451	\$ 166,842	\$ 86,066	\$ 90,648	\$ 1,415,120	\$ 4,584,667
Accumulated depreciation and impairment	- (9,756)	(749,704)	(167,661)	(3,451)	(80,482)	(35,153)	(58,722)	-	(1,104,929)	
	<u>\$ 950,749</u>	<u>\$ 115,376</u>	<u>\$ 806,036</u>	<u>\$ 23,258</u>	<u>\$ -</u>	<u>\$ 86,360</u>	<u>\$ 50,913</u>	<u>\$ 31,926</u>	<u>\$ 1,415,120</u>	<u>\$ 3,479,738</u>
At January 1	\$ 950,749	\$ 115,376	\$ 806,036	\$ 23,258	\$ -	\$ 86,360	\$ 50,913	\$ 31,926	\$ 1,415,120	\$ 3,479,738
Additions	-	-	18,931	5,092	-	5,926	1,217	4,280	628,308	663,754
Disposals	-	-	(141)	(4)	-	(94)	(229)	-	-	(468)
Transfer (Note)	-	1,198,667	67,376	12,628	-	10,668	1,420	7,001	(1,295,855)	1,905
Depreciation	-	(20,156)	(102,408)	(15,631)	-	(16,980)	(9,097)	(8,147)	-	(172,419)
Net exchange differences	-	-	(275)	-	-	(189)	(50)	(654)	(38,798)	(39,966)
At September 30	<u>\$ 950,749</u>	<u>\$ 1,293,887</u>	<u>\$ 789,519</u>	<u>\$ 25,343</u>	<u>\$ -</u>	<u>\$ 85,691</u>	<u>\$ 44,174</u>	<u>\$ 34,406</u>	<u>\$ 708,775</u>	<u>\$ 3,932,544</u>
At September 30										
Cost	\$ 950,749	\$ 1,323,799	\$ 1,624,917	\$ 208,552	\$ -	\$ 180,580	\$ 85,592	\$ 100,749	\$ 708,775	\$ 5,183,713
Accumulated depreciation and impairment	- (29,912)	(835,398)	(183,209)	-	(94,889)	(41,418)	(66,343)	-	(1,251,169)	
	<u>\$ 950,749</u>	<u>\$ 1,293,887</u>	<u>\$ 789,519</u>	<u>\$ 25,343</u>	<u>\$ -</u>	<u>\$ 85,691</u>	<u>\$ 44,174</u>	<u>\$ 34,406</u>	<u>\$ 708,775</u>	<u>\$ 3,932,544</u>

Note: The net amount of transfers for current period consists of a transfer-in from other non-current assets.

2024

	Land	Buildings	Machinery and equipment	Molding equipment	Transportation equipment	Office equipment	Other equipment	Leasehold improvements	Unfinished construction and equipment acceptance	Total
At January 1										
Cost	\$ 950,749	\$ 60,810	\$ 1,512,785	\$ 166,639	\$ 3,232	\$ 145,254	\$ 76,221	\$ 110,026	\$ 1,275,851	\$ 4,301,567
Accumulated depreciation and impairment	- (1,004)	(708,015)	(153,128)	(3,232)	(65,374)	(24,225)	(88,134)	-	(1,043,112)	
	<u>\$ 950,749</u>	<u>\$ 59,806</u>	<u>\$ 804,770</u>	<u>\$ 13,511</u>	<u>\$ -</u>	<u>\$ 79,880</u>	<u>\$ 51,996</u>	<u>\$ 21,892</u>	<u>\$ 1,275,851</u>	<u>\$ 3,258,455</u>
At January 1	\$ 950,749	\$ 59,806	\$ 804,770	\$ 13,511	\$ -	\$ 79,880	\$ 51,996	\$ 21,892	\$ 1,275,851	\$ 3,258,455
Additions	-	4,633	29,492	17,078	-	7,808	6,418	13,145	171,257	249,831
Disposals	-	- (20)	-	-	- (36)	-	-	-	- (56)	
Transfer (Note)	-	38,888	69,067	5,105	-	11,801	3,508	3,767	(147,926)	(15,790)
Depreciation	- (5,356)	(95,565)	(10,771)	-	(14,920)	(8,898)	(7,242)	-	(142,752)	
Net exchange differences	-	- (23)	-	-	-	17 (5)	(268)	(373)	(652)	
At September 30	<u>\$ 950,749</u>	<u>\$ 97,971</u>	<u>\$ 807,721</u>	<u>\$ 24,923</u>	<u>\$ -</u>	<u>\$ 84,550</u>	<u>\$ 53,019</u>	<u>\$ 31,294</u>	<u>\$ 1,298,809</u>	<u>\$ 3,349,036</u>
At September 30										
Cost	\$ 950,749	\$ 104,331	\$ 1,592,777	\$ 187,984	\$ 3,332	\$ 163,911	\$ 86,108	\$ 110,489	\$ 1,298,810	\$ 4,498,491
Accumulated depreciation and impairment	- (6,360)	(785,056)	(163,062)	(3,332)	(79,361)	(33,089)	(79,195)	-	(1,149,455)	
	<u>\$ 950,749</u>	<u>\$ 97,971</u>	<u>\$ 807,721</u>	<u>\$ 24,922</u>	<u>\$ -</u>	<u>\$ 84,550</u>	<u>\$ 53,019</u>	<u>\$ 31,294</u>	<u>\$ 1,298,810</u>	<u>\$ 3,349,036</u>

Note: The net amount of transfers for current period consists of a transfer-out to intangible assets of \$16,661 and a transfer-in from other non-current assets of \$871.

- A. Please refer to Note 8 for more information on property, plant and equipment provided as collateral.
- B. The capitalized amounts of borrowing costs for the Group's property, plant and equipment for the nine months ended September 30, 2025 and 2024, totaled \$13,810 and \$6,246, respectively, and the capitalized interest rates were 2.55%-5.9% and 1.65%-2.2%, respectively.

(7) Lease transactions - lessee

- A. The Group leased various assets including land use rights, plants, offices, business vehicles, parking lot and multifunction printers. The terms of the rental contracts ranged from one to eight years, except for the land use right for 46 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. Short-term leases with a lease term of 12 months or less comprise certain plant and parking spaces; and the underlying asset of the low-value lease are automated external defibrillators (AEDs).
- C. The carrying amounts of right-of-use assets and the depreciation charge are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
	Book value	Book value	Book value
Land	\$ 199,221	\$ 225,824	\$ 227,086
Buildings	251,013	307,427	315,964
Transportation equipment	9,034	4,259	1,911
Office equipment	1,243	1,544	1,691
Other equipment	2,311	3,038	3,343
	<u>\$ 462,822</u>	<u>\$ 542,092</u>	<u>\$ 549,995</u>

	Three months ended September 30	
	2025	2024
	Depreciation	Depreciation
Land	\$ 1,117	\$ 1,268
Buildings	36,248	34,529
Transportation equipment	1,040	635
Office equipment	145	150
Other equipment	305	305
	<u>\$ 38,855</u>	<u>\$ 36,887</u>

	Nine months ended September 30	
	2025	2024
	Depreciation	Depreciation
Land	\$ 3,544	\$ 3,844
Buildings	106,847	104,742
Transportation equipment	3,023	1,905
Office equipment	444	451
Other equipment	916	916
	<u>\$ 114,774</u>	<u>\$ 111,858</u>

- D. For the three months and nine months ended September 30, 2025 and 2024, the additions to right-of-use assets were \$39,912, \$7,646, \$62,294 and \$152,600, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

	Three months ended September 30	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,869	\$ 1,746
Expense on short-term lease contracts	2,231	2,184
Expense on low-value asset lease	58	68
Expense on variable lease payments	2,140	1,746
Lease modification gain	-	126
Gain on sublease of right-of-use assets (Note)	1,446	1,338

	Nine months ended September 30	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 5,543	\$ 5,071
Expense on short-term lease contracts	7,273	8,413
Expense on low-value asset lease	168	161
Expense on variable lease payments	5,967	5,440
Lease modification gain	-	901
Gain on sublease of right-of-use assets (Note)	4,324	4,031

Note: Recorded as “other income”, please refer to Note 6(22).

- F. For the nine months ended September 30, 2025 and 2024, the Group’s total cash outflow relating to lease contracts was \$129,562 and \$122,241, of which \$110,611 and \$103,156 were lease payments, respectively.
- G. Due to the early termination of the contract during the nine months ended September 30, 2024, the Group's right-of-use assets and lease liabilities decreased by \$26,831 and \$27,732, respectively, and a lease modification gain of \$901 was recognized.
- H. Variable lease payments

The underlying subjects of the variable lease payment terms in the Group's lease contracts are calculated based on the average annual Consumer Price Index (CPI) growth rate, and the lease payment amounts are reassessed and adjusted per year.

I. Extension and termination options

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

J. As of September 30, 2025, the Group has committed to lease payments totaling \$15,797 for which the leases have not yet commenced.

(8) Intangible assets

A. Changes to intangible assets are as follows:

	2025		
	Computer software	Goodwill	Total
At January 1			
Cost	\$ 174,668	\$ 480	\$ 175,148
Accumulated amortization and impairment	(106,739)	-	(106,739)
	<u>\$ 67,929</u>	<u>\$ 480</u>	<u>\$ 68,409</u>
At January 1	\$ 67,929	\$ 480	\$ 68,409
Additions	22,868	-	22,868
Amortization	(16,483)	-	(16,483)
Net exchange differences	(6)	-	(6)
At September 30	<u>\$ 74,308</u>	<u>\$ 480</u>	<u>\$ 74,788</u>
At September 30			
Cost	\$ 196,977	\$ 480	\$ 197,457
Accumulated amortization and impairment	(122,669)	-	(122,669)
	<u>\$ 74,308</u>	<u>\$ 480</u>	<u>\$ 74,788</u>
	2024		
	Computer software	Goodwill	Total
At January 1			
Cost	\$ 138,740	\$ 480	\$ 139,220
Accumulated amortization and impairment	(93,626)	-	(93,626)
	<u>\$ 45,114</u>	<u>\$ 480</u>	<u>\$ 45,594</u>
At January 1	\$ 45,114	\$ 480	\$ 45,594
Additions	19,503	-	19,503
Transfer (Note)	16,661	-	16,661
Amortization	(11,280)	-	(11,280)
Net exchange differences	5	-	5
At September 30	<u>\$ 70,003</u>	<u>\$ 480</u>	<u>\$ 70,483</u>

	2024		
	Computer software	Goodwill	Total
At September 30			
Cost	\$ 172,958	\$ 480	\$ 173,438
Accumulated amortization and impairment	(102,955)	-	(102,955)
	<u>\$ 70,003</u>	<u>\$ 480</u>	<u>\$ 70,483</u>

Note: The amount of transfer for current period consists of a transfer-in from unfinished construction and equipment acceptance.

B. Details of amortisation on intangible assets are as follows:

	Three months ended September 30	
	2025	2024
Manufacturing expenses	\$ 944	\$ 1,117
General and administrative expenses	783	638
Research and development expenses	4,455	2,558
	<u>\$ 6,182</u>	<u>\$ 4,313</u>

	Nine months ended September 30	
	2025	2024
Manufacturing expenses	\$ 3,009	\$ 2,016
General and administrative expenses	2,356	1,901
Research and development expenses	11,118	7,363
	<u>\$ 16,483</u>	<u>\$ 11,280</u>

C. The Group's goodwill was recognized from the acquisition of the subsidiary, Emplus Technologies, Inc.

Due to the recoverable amount determined by asset's value in use was more than book value, there were no indicators that the Group's goodwill may be impaired. Value in use was evaluated based on the gross profit ratio and growth ratio of Emplus Technologies, Inc.

(9) Other non-current assets

	September 30, 2025	December 31, 2024	September 30, 2024
Prepayment for equipment	\$ 28,035	\$ 2,045	\$ 3,185
Refundable deposits	29,027	26,290	21,435
Net defined benefit assets	5,179	4,529	-
Others	-	63	67
	<u>\$ 62,241</u>	<u>\$ 32,927</u>	<u>\$ 24,687</u>

(10) Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured bank borrowings (Note)	<u>\$ 101,730</u>	<u>\$ 17,048</u>	<u>\$ 1,333,041</u>
Interest rate	<u>4.87%~5.06%</u>	<u>5.35%~5.36%</u>	<u>2.05%~5.64%</u>

Note: As of September 30, 2025, the borrowing of \$91,866 by the subsidiary Senao Networks Vietnam Co., Ltd. is endorsed and guaranteed by the Company.

(11) Other payables

	September 30, 2025	December 31, 2024	September 30, 2024
Accrued salary expenses and bonus	\$ 541,921	\$ 630,871	\$ 580,374
Accrued employees' compensation and directors' remuneration	116,921	69,021	39,879
Construction retainage received	-	110,970	110,859
Payables on equipment	44,907	30,629	51,102
Others	350,779	309,169	302,779
	<u>\$ 1,054,528</u>	<u>\$ 1,150,660</u>	<u>\$ 1,084,993</u>

(12) Pensions

A. Defined benefit plan

- (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account at the end of each year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March.
- (b) The pension costs under the defined contribution pension plan of the Group for the three months and nine months ended September 30, 2025 and 2024 amounted to (\$20), \$13, (\$59) and \$39, respectively.
- (c) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2025 amount to \$768.

B. Defined contribution plan

- (a) The Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plan of the Company and its domestic subsidiaries for the three months and nine months ended September 30, 2025 and 2024 amounted to \$21,837, \$19,863, \$62,472 and \$63,680, respectively.
- (b) EnGenius International (Samoa) Ltd. and EnGenius Technologies Canada Inc. have not yet established an employee pension plan. EnGenius Technologies, Inc., EnGenius Networks Singapore Pte. Ltd., EnGenius Networks Europe B.V., EnGenius Networks Japan, Senao Networks Private Ltd., Senao Networks Vietnam Co., Ltd., EnGenius Networks Private Ltd., Emplus Technologies India Private Ltd., Senao Networks USA Inc., and Senao Networks Japan follow the established pension regulations of their respective local governments. These subsidiaries pay monthly pension contributions and have no further obligations. The pension costs under the defined contribution pension plans of the above companies for the three months and nine months ended September 30, 2025 and 2024 were \$830, \$686, \$2,236 and \$2,237, respectively.

(13) Provisions

	2025	2024
At January 1	\$ 43,717	\$ 28,151
Additional (reversed) provisions during this period	17,206	24,622
Used during this period	(8,190)	(13,563)
Effect of exchange rate changes	151	1,871
At September 30	<u>\$ 52,884</u>	<u>\$ 41,081</u>

The Group’s provisions are related to the provision for warranty of products sold, which is estimated based on past experience of the use of warranties on the product. It is expected that the provision will be used starting next year.

(14) Other current liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Collection of project development on behalf of others	\$ 429,789	\$ 322,797	\$ 339,719
Sales refund liabilities	5,445	20,731	22,600
Others	7,582	5,654	5,474
	<u>\$ 442,816</u>	<u>\$ 349,182</u>	<u>\$ 367,793</u>

(15) Long-term borrowings

Lending bank	Loan period	Interest rate	Collateral	September 30, 2025
Taipei Fubon Bank	From December 23, 2024 to December 23, 2027, with monthly interest payments (Note 1)	2.30%	Property (Note 3)	\$ 500,000
CTBC Bank	From December 27, 2024 to December 27, 2029, with monthly interest payments (Note 2)	5.80%	None	73,311
CTBC Bank	From January 22, 2025 to December 27, 2029, with monthly interest payments (Note 2)	5.70%	None	97,748
CTBC Bank	From April 11, 2025 to December 27, 2029, with monthly interest payments (Note 2)	5.85%	None	48,875
CTBC Bank	From June 18, 2025 to December 27, 2029, with monthly interest payments (Note 2)	5.60%	None	99,374
CTBC Bank	From September 10, 2025 to December 27, 2029, with monthly interest payments (Note 2)	5.90%	None	136,654
				955,962
Less: Long-term borrowings due within one year				-
				<u>\$ 955,962</u>

Lending bank	Loan period	Interest rate	Collateral	December 31, 2024
Taipei Fubon Bank	From December 23, 2024 to December 23, 2027, with monthly interest payments (Note 1)	2.30%	Property (Note 3)	\$ 500,000
CTBC Bank	From December 27, 2024 to December 27, 2029, with monthly interest payments (Note 2)	5.80%	None	81,708
				581,708
Less: Long-term borrowings due within one year				-
				<u>\$ 581,708</u>

September 30, 2024: None.

Note 1: The borrowings can be drawn on a revolving basis during the contract period.

Note 2: The principal will be repaid starting from January 1, 2027, and an installment will be repaid every six months thereafter, with the remaining amount repaid on the maturity date.

Note 3: Please refer to Note 8 for details of the guarantee.

The loan contract signed between the subsidiary, Senao Networks Vietnam Co., Ltd. (hereinafter referred to as "Senao Networks Vietnam"), and CTBC Bank stipulates that the loan can only be used for construction-related expenditure and that the Company must maintain 100% equity in Senao Networks Vietnam during the contract period. In addition, Senao Networks Vietnam shall maintain a current ratio greater than or equal to 80%, a shareholder equity ratio greater than or equal to 40%, and an EBITDA/I greater than or equal to two times. The above financial ratios will be reviewed every six months, and the first review will be conducted on March 31, 2027 based on the 2026 financial statements.

(16) Share capital

- A. As of September 30, 2025, the Company's authorized capital was \$1.2 million, consisting of 59,061 thousand shares of common stock outstanding, with a par value of \$10 in dollars per share. There was no change in the number of the Company's ordinary shares outstanding for the nine months ended September 30, 2025 and 2024.
- B. On July 17, 2024, the Board of Directors resolved a decision to conduct a cash capital increase by issuing 10,000 thousand shares of common stock. The capital increase case has been declared effective by the FSC, referencing Letter Jin-Guan-Zheng-Fa-Zi No. 1130351921, dated August 20, 2024. The record date for the cash capital increase is October 23, 2024, and the registration of the change was completed on November 15, 2024.
- C. The Company applied to the FSC for the issuance of the first domestic unsecured convertible corporate bonds with an upper limit of \$1 billion, and the application has been declared effective by the FSC, referencing Letter Jin-Guan-Zheng-Fa-Zi No. 11300519211, dated August 20, 2024. However, due to the recent drastic fluctuations in the stock prices of the industry in which the Company operates, and in order to take into account subscribers' interests, the Company applied to cancel the issuance of the first domestic unsecured convertible corporate bonds on January 16, 2025, and the application has been approved by the FSC, referencing Letter Jin-Guan-Zheng-Fa-Zi No. 1140331610, dated January 22, 2025.

(17) Capital surplus

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

(18) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the balance of legal reserve is equal to that of issued share capital. The balance after setting aside legal reserve and special reserve shall be combined with the remaining surplus at the beginning of the year and counted as unappropriated retained earnings. The method of distribution shall be proposed by the Board of Directors and presented to the shareholders for approval.
- B. The Company is currently in the growth stage. Based on capital expenditures and needs for branching out and completing financial plans to pursue sustainable development, the Company's dividend policy is in accordance with the future budget for capital expenditures and capital needs. Cash dividends and /or stock dividends are to be distributed to the shareholders. Total dividends distributed shall account for at least 10% of the distributable earnings for the current year. Cash dividends shall account for at least 5% of the total dividends distributed.
- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- E. The 2024 and 2023 earnings distribution proposals, which were approved by the resolution of the shareholders' meetings on May 27, 2025 and May 30, 2024, respectively, are detailed below:

	Year ended December 31			
	2024		2023	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 24,697	\$ -	\$ 82,733	\$ -
Special reserve	(64,021)	-	83,542	-
Cash dividends	177,183	3.0	196,244	4.0
	<u>\$ 137,859</u>	<u>\$ 3.0</u>	<u>\$ 362,519</u>	<u>\$ 4.0</u>

(19) Operating revenues

	Three months ended September 30	
	2025	2024
	\$	\$
Revenue from contracts with customers	<u>3,597,065</u>	<u>2,951,763</u>

	Nine months ended September 30	
	2025	2024
	\$	\$
Revenue from contracts with customers	<u>11,559,018</u>	<u>8,327,511</u>

A. Information on disaggregation of revenue from contracts with customers based on geographical regions is provided in Note 14.(2)

B. Contract liabilities

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

	September 30, 2025	December 31, 2024
Current contract liabilities:		
Contract liabilities- sales of goods	\$ 184,748	\$ 245,023
Contract liabilities- providing services	17,327	17,411
Sub-total	202,075	262,434
Non-current contract liabilities:		
Contract liabilities- providing services	16,237	16,417
Total	<u>\$ 218,312</u>	<u>\$ 278,851</u>
	September 30, 2024	January 1, 2024
Current contract liabilities:		
Contract liabilities- sales of goods	\$ 207,558	\$ 182,305
Contract liabilities- providing services	18,924	17,071
Sub-total	226,482	199,376
Non-current contract liabilities:		
Contract liabilities- providing services	15,830	17,081
Total	<u>\$ 242,312</u>	<u>\$ 216,457</u>

(b) Revenue recognized that was included in the contract liability balance at the beginning of the period:

	Three months ended September 30	
	2025	2024
Revenue from contracts with customers	<u>\$ 34,755</u>	<u>\$ 9,454</u>
	Nine months ended September 30	
	2025	2024
Revenue from contracts with customers	<u>\$ 203,241</u>	<u>\$ 112,794</u>

C. Financing components

The Group does not expect to have many contracts where the time interval between the transfer of the committed goods or services to the customer and payment by the customer exceeds one year. In addition, the transaction prices for those contracts where the time interval exceeds a year are immaterial. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(20) Net other income (expenses)

		Three months ended September 30	
		2025	2024
Other income			
Project development income	\$	23,770	\$ 46,047
		Nine months ended September 30	
		2025	2024
Other income			
Project development income	\$	69,706	\$ 130,371

(21) Interest income

		Three months ended September 30	
		2025	2024
Interest income	\$	7,679	\$ 7,862
Other interest income		54	38
	\$	7,733	\$ 7,900
		Nine months ended September 30	
		2025	2024
Interest income	\$	31,501	\$ 25,163
Other interest income		169	144
	\$	31,670	\$ 25,307

(22) Other income

		Three months ended September 30	
		2025	2024
Rent income	\$	1,446	\$ 1,338
Other income		28,833	828
	\$	30,279	\$ 2,166
		Nine months ended September 30	
		2025	2024
Rent income	\$	4,324	\$ 4,031
Other income		38,215	16,406
	\$	42,539	\$ 20,437

(23) Other gains and losses

	Three months ended September 30	
	2025	2024
Foreign exchange gains (losses)	\$ 49,244	(\$ 23,372)
Gains on disposal of property, plant and equipment	1,220	-
Lease modification gain	-	126
Net (loss) gain on financial assets and liabilities at fair value through profit or loss	(44,940)	6,391
Gains on disposal of intangible assets	4	-
Others	(4)	(450)
	<u>\$ 5,524</u>	<u>(\$ 17,305)</u>

	Nine months ended September 30	
	2025	2024
Foreign exchange (losses) gains	(\$ 41,489)	\$ 39,985
Gains (losses) on disposal of property, plant and equipment	2,296	(56)
Lease modification gain	-	901
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	33,077	(1,773)
Gains on disposal of intangible assets	4	-
Others	(168)	(450)
	<u>(\$ 6,280)</u>	<u>\$ 38,607</u>

(24) Finance costs

	Three months ended September 30	
	2025	2024
Interest expense	\$ 3,700	\$ 6,712
Other financial expense	91	79
	<u>\$ 3,791</u>	<u>\$ 6,791</u>

	Nine months ended September 30	
	2025	2024
Interest expense	\$ 8,723	\$ 17,118
Other financial expense	442	329
	<u>\$ 9,165</u>	<u>\$ 17,447</u>

(25) Expenses by nature

	Three months ended September 30	
	2025	2024
Wages and salaries	\$ 586,649	\$ 488,633
Labor and health insurance fees	52,405	45,298
Pension costs	22,647	20,562
Other personnel expenses	20,115	21,453
Employee benefit expense	\$ 681,816	\$ 575,946
Depreciation	\$ 101,484	\$ 86,002
Amortization	\$ 6,182	\$ 4,313

	Nine months ended September 30	
	2025	2024
Wages and salaries	\$ 1,840,899	\$ 1,361,179
Labor and health insurance fees	155,117	150,119
Pension costs	64,649	65,956
Other personnel expenses	67,534	70,038
Employee benefit expense	\$ 2,128,199	\$ 1,647,292
Depreciation	\$ 287,193	\$ 254,610
Amortization	\$ 16,483	\$ 11,280

- A. According to the Articles of Incorporation of the Company and its domestic subsidiaries, where the Company or its domestic subsidiaries make a profit for a fiscal year, they shall provide no lower than 3% of the balance for employees' compensation and no higher than 3% for directors' and supervisors' remuneration. Of the employees' compensation allocated by the Company, no less than 10% shall be distributed to non-executive employees. However, if the Company has accumulated deficit, the Company should cover accumulated losses first. Qualification requirements of employees, including the employees of subsidiaries of the company meeting certain specific requirements, entitled to receive aforementioned employees' compensation may be specified in the Articles of Incorporation. Qualification requirements are set by the Board of Directors. Distribution of employees' compensation and directors' and supervisors' remuneration shall be reported to the stockholders during their meeting and distributed in the form of shares or in cash as resolved by the Board of Directors.
- B. For the three months and nine months ended September 30, 2025 and 2024, employees' compensation was accrued at \$10,761, \$16,370, \$47,153 and \$34,052, respectively; while directors' and supervisors' remuneration was accrued at \$2,063, \$2,181, \$9,001 and \$4,574, respectively. The aforementioned amounts were recognized in salary expenses. The expenses recognized were accrued based on the earnings as of the end of this period.

On February 25, 2025, employees' compensation and directors' remuneration for 2024 amounting to \$25,916 and \$4,860, respectively, as resolved at the meeting of the Board of Directors were in agreement with those amounts recognized in the 2024 financial statements. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the Board of Directors can be obtained from the "Market Observation Post System" at the website of the Taiwan Stock

Exchange.

On February 20, 2025, employees' compensation and directors' and supervisors' remuneration of the subsidiary, Emplus Technologies, Inc., for 2024 amounting to \$34,624 and \$3,394, respectively, as resolved at the meeting of the Board of Directors were in agreement with those amounts recognized in the 2024 financial statements.

Subsidiaries, EnRack Technology and EnGenius Networks, registered losses in 2024, and therefore employees' compensation and directors' and supervisors' remuneration was not estimated.

(26) Income tax

A. Income tax expense

	Three months ended September 30	
	2025	2024
Current tax:		
Current tax on profit for the period	\$ 18,962	\$ 28,048
Tax on undistributed surplus earnings	(4,120)	(42)
Prior year income tax underestimation	3	25
Total current tax	14,845	28,031
Deferred tax:		
Origination and reversal of temporary differences	(5,715)	9,911
Income tax expense	<u>\$ 9,130</u>	<u>\$ 37,942</u>

	Nine months ended September 30	
	2025	2024
Current tax:		
Current tax on profit for the period	\$ 53,522	\$ 57,850
Tax on undistributed surplus earnings	1,336	-
Prior year income tax overestimation	(24,841)	(1,955)
Total current tax	30,017	55,895
Deferred tax:		
Origination and reversal of temporary differences	28,624	24,636
Income tax expense	<u>\$ 58,641</u>	<u>\$ 80,531</u>

- B. The profit-seeking enterprise income tax returns of the Company and its subsidiary, Emplus Technologies, have been examined by the tax authorities through 2022, and subsidiaries, EnRack Technology and EnGenius Networks, have been examined by the tax authorities through 2023.

(27) Earnings per share

Three months ended September 30, 2025			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ 59,267	59,061	<u>\$ 1.00</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	177	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 59,267</u>	<u>59,238</u>	<u>\$ 1.00</u>
Three months ended September 30, 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ 60,704	49,061	<u>\$ 1.24</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	89	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 60,704</u>	<u>49,150</u>	<u>\$ 1.24</u>

Nine months ended September 30, 2025			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ 287,831	59,061	<u>\$ 4.87</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	199	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 287,831</u>	<u>59,260</u>	<u>\$ 4.86</u>
Nine months ended September 30, 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ 137,484	49,061	<u>\$ 2.80</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	159	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 137,484</u>	<u>49,220</u>	<u>\$ 2.79</u>

(28) Supplemental cash flow information

Investing activities with partial cash payments:

Nine months ended September 30			
	2025	2024	
Purchase of property, plant and equipment and other non-current assets transferred to property, plant and equipment	\$ 665,659	\$ 250,702	
Less: Ending balance of payable on equipment	(44,907)	(51,102)	
Ending balance of construction retainage received (Note)	-	(110,859)	
Opening balance of prepayments for equipment	(2,045)	(7,152)	

	Nine months ended September 30	
	2025	2024
Add: Opening balance of payable on equipment	30,629	48,854
Opening balance of other payables to related parties	39	-
Opening balance of construction retainage received (Note)	110,970	109,241
Ending balance of prepayments for equipment	28,035	3,185
Cash paid during the period for purchase of property, plant and equipment	<u>\$ 788,380</u>	<u>\$ 242,869</u>

Note: Recorded as “other payables”.

(29) Changes in liabilities from financing activities

Under the amendments to IAS 7, “Disclosure initiative”, changes during the nine months ended September 30, 2025 and 2024 are disclosed as follows:

	2025				
	Short-term borrowings	Lease liabilities	Long-term borrowings	Other non-current liabilities	Liabilities from financing gross
At January 1	\$ 17,048	\$ 329,522	\$ 581,708	\$ 90	\$ 928,368
Changes in cash flow from financing activities	85,883	(110,611)	396,114	-	371,386
Impact of changes in foreign exchange rate	(1,201)	(4,063)	(21,860)	-	(27,124)
Changes in other non-cash items	-	62,311	-	-	62,311
At September 30	<u>\$ 101,730</u>	<u>\$ 277,159</u>	<u>\$ 955,962</u>	<u>\$ 90</u>	<u>\$ 1,334,941</u>

	2024			
	Short-term borrowings	Lease liabilities	Other non-current liabilities	Liabilities from financing gross
At January 1	\$ 1,598,581	\$ 312,406	\$ 184	\$ 1,911,171
Changes in cash flow from financing activities	(266,170)	(103,156)	-	(369,326)
Impact of changes in foreign exchange rate	630	1,569	-	2,199
Changes in other non-cash items	-	124,872	(94)	124,778
At September 30	<u>\$ 1,333,041</u>	<u>\$ 335,691</u>	<u>\$ 90</u>	<u>\$ 1,668,822</u>

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group does not have a parent company. Senao International Co., Ltd. held 33.16%, 33.16% and 33.79% of the Company's shares, respectively, and is the most influential entity to the Company.

(2) Name of related party and relationship

<u>Name of related party</u>	<u>Relationship with the Group</u>
Senao International Co., Ltd. (SIC)	Entities with joint control or significant influence over the Group
Appleuser Co., Ltd.	Other related parties

(3) Significant related party transactions

A. Operating revenues

	<u>Three months ended September 30</u>	
	<u>2025</u>	<u>2024</u>
Merchandise sales:		
Entities with joint control or significant influence over the Group	<u>\$ 5,616</u>	<u>\$ -</u>
	<u>Nine months ended September 30</u>	
	<u>2025</u>	<u>2024</u>
Merchandise sales:		
Entities with joint control or significant influence over the Group	<u>\$ 12,142</u>	<u>\$ 637</u>

The Group's selling prices and payment term for the merchandise sold to the related parties are based on mutual agreement, which is due within 60 days after the end of each month.

B. Receivables from related parties

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Accounts receivable:			
Entities with joint control or significant influence over the Group	<u>\$ 913</u>	<u>\$ -</u>	<u>\$ -</u>
Other receivables - payment on behalf of others:			
Entities with joint control or significant influence over the Group	<u>\$ 1,148</u>	<u>\$ 871</u>	<u>\$ 967</u>

C. Payables to related parties

	September 30, 2025	December 31, 2024	September 30, 2024
Other payables:			
Entities with joint control or significant influence over the Group	\$ 18	\$ 235	\$ -

Other payables to related parties mainly come from equipment payable and payments collected and made on behalf of related parties.

D. Property transactions

	Three months ended September 30	
	2025	2024
Acquisition of property, plant and equipment:		
Entities with joint control or significant influence over the Group	\$ -	\$ -
Other related parties	92	-
	<u>\$ 92</u>	<u>\$ -</u>

	Nine months ended September 30	
	2025	2024
Acquisition of property, plant and equipment:		
Entities with joint control or significant influence over the Group	\$ 284	\$ -
Other related parties	92	-
	<u>\$ 376</u>	<u>\$ -</u>

E. Lease transactions - lessee

- (a) The Group has leased office buildings from SIC. The rental contracts are typically made for periods from 2024 through 2026 and from 2019 through 2024. The lease terms and prices were determined in accordance with mutual agreement, and rent is paid monthly.

- (b) Acquisition of right-of-use assets

The Group acquired rights-of-use assets, totaling \$93,722, from SIC during the nine months ended September 30, 2024. There was no such a case during the nine months ended September 30, 2025.

(c) Lease liabilities

i. Ending balance:

	September 30, 2025	December 31, 2024	September 30, 2024
Entities with joint control or significant influence over the Group			
Current	\$ 27,773	\$ 47,034	\$ 46,770
Non-current	-	15,915	27,773
	<u>\$ 27,773</u>	<u>\$ 62,949</u>	<u>\$ 74,543</u>

ii. Interest expense

	Three months ended September 30	
	2025	2024
Entities with joint control or significant influence over the Group	<u>\$ 179</u>	<u>\$ 441</u>
	Nine months ended September 30	
	2025	2024
Entities with joint control or significant influence over the Group	<u>\$ 734</u>	<u>\$ 793</u>

(4) Information on the remuneration to directors, supervisors, the President, Vice Presidents, and other key management personnel

	Three months ended September 30	
	2025	2024
Salaries and other short-term employee benefits	\$ 24,220	\$ 14,920
Post-employment benefits	402	290
	<u>\$ 24,622</u>	<u>\$ 15,210</u>
	Nine months ended September 30	
	2025	2024
Salaries and other short-term employee benefits	\$ 64,525	\$ 43,969
Post-employment benefits	1,030	906
	<u>\$ 65,555</u>	<u>\$ 44,875</u>

8. PLEDGED ASSETS

The details of the assets provided as collateral by the Group are as follows:

Assets	Book value			Purpose
	September 30, 2025	December 31, 2024	September 30, 2024	
Property (under property, plant and equipment)	<u>\$ 2,265,727</u>	<u>\$ 2,273,643</u>	<u>\$ 2,267,374</u>	Medium- and long-term borrowing facility

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

As of September 30, 2025, the Group had capital expenditures contracted for but not yet incurred in the amount of \$468,311.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

The Group's objectives when managing capital are to maintain an optimal capital ratio to support the Group's operations and to maximize the shareholders' equity. The Group builds a suitable capital structure based on the future growth and gearing ratios of the industry and the consideration of costs and risks that may result from different capital structures. The Group normally utilizes a meticulous risk management policy.

(2) Financial instruments

A. Financial instruments by category

The financial assets and liabilities at amortized cost include cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), refundable deposits (under other non-current assets), long-term and short-term borrowings, notes payable, accounts payable, other payables (including related parties), guarantee deposits (under other non-current liabilities), and lease liabilities.

B. Financial risk management policies

The Group adopts overall risk management and control systems to identify, measure and control all kinds of risk (including market risk, credit risk, liquidity risk and cash flow risk), so that the management of the Group can effectively control and evaluate market risk, credit risk, liquidity risk and cash flow risk.

The Group maintains an optimal level of liquidity and centralizes risk management operations in order to effectively monitor and control the various kinds of market risks and to achieve management objectives. This decision is made with consideration of the economic environment, competitive status and market value risk.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and various subsidiaries used in various functional currency, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions.
- ii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, CAD, JPY, VND, and INR). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2025				
		Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	USD	97,595	30.445	\$ 2,971,279
JPY:NTD	JPY	116,936	0.206	24,065
USD:VND (Note)	USD	403	26,326	12,029
<u>Non-monetary items</u>				
USD:NTD	USD	3,553	30.445	108,167
CAD:NTD	CAD	531	21.890	11,620
JPY:NTD	JPY	510,320	0.206	105,024
VND:NTD	VND	475,698,927	0.001	539,918
INR:NTD	INR	218,084	0.343	74,844
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	USD	70,190	30.445	\$ 2,136,949
USD:VND (Note)	USD	3,075	26,326	91,866

December 31, 2024				
	Foreign currency amount (in thousands)		Exchange rate	Book value (NTD)
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	USD	92,521	32.785	\$ 3,033,294
JPY:NTD	JPY	531,460	0.210	111,553
USD:VND (Note)	USD	592	25,401	19,037
<u>Non-monetary items</u>				
USD:NTD	USD	1,895	32.785	62,112
CAD:NTD	CAD	504	22.820	11,506
JPY:NTD	JPY	155,946	0.210	32,733
VND:NTD	VND	484,872,102	0.001	613,362
INR:NTD	INR	224,099	0.383	85,830
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	USD	74,324	32.785	\$ 2,436,700

September 30, 2024				
(Foreign currency: functional currency)	Foreign currency amount (in thousands)		Exchange rate	Book value (NTD)
	<u>Financial assets</u>			
	<u>Monetary items</u>			
	USD:NTD	USD	78,367	31.650
JPY:NTD	JPY	613,886	0.222	136,467
USD:VND (Note)	USD	603	24,483	18,668
<u>Non-monetary items</u>				
USD:NTD	USD	3,211	31.650	101,627
CAD:NTD	CAD	535	23.420	12,519
JPY:NTD	JPY	25,371	0.222	5,640
VND:NTD	VND	485,295,861	0.001	613,899
INR:NTD	INR	85,025	0.377	32,063
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	USD	59,243	31.650	\$ 1,875,057

Note: As the NTD is not a functional currency adopted by some of the consolidated entities, it should also be considered when being disclosed.

- iii. Please refer to the following table for the details of unrealized exchange gain (loss) arising from significant foreign exchange variation on the monetary items held by the Group.

Three months ended September 30, 2025				
Exchange gain (loss)				
Foreign currency				
	amount	Exchange		Book value
	(in thousands)	rate		
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$	-	30.445	\$ 126,005
JPY:NTD		-	0.206	4,913
USD:VND (Note)	(	43,995)	26,326	(57)
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$	-	30.445	(\$ 180,425)
USD:VND (Note)		19,780	26,326	22
Three months ended September 30, 2024				
Exchange gain (loss)				
Foreign currency				
	amount	Exchange		Book value
	(in thousands)	rate		
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$	-	31.650	(\$ 63,832)
JPY:NTD		-	0.222	12,238
USD:VND (Note)	(	206,611)	24,483	(265)
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$	-	31.650	\$ 50,756

Nine months ended September 30, 2025				
Exchange gain (loss)				
Foreign currency				
	amount	Exchange		Book value
	(in thousands)	rate		
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ -	30.445	\$	30,075
JPY:NTD	-	0.206		761
USD:VND (Note)	1,336	26,326		2
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$ -	30.445	(\$	30,701)
USD:VND (Note)	19,780	26,326		22
Nine months ended September 30, 2024				
Exchange gain (loss)				
Foreign currency				
	amount	Exchange		Book value
	(in thousands)	rate		
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ -	31.650	(\$	39,949)
JPY:NTD	-	0.222		5,743
USD:VND (Note) (	172,989)	24,483	(	221)
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$ -	31.650	\$	36,465

Note: As the NTD is not a functional currency adopted by some of the consolidated entities, it should also be considered when being disclosed.

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

Nine months ended September 30, 2025				
Sensitivity analysis				
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$ 29,713	\$	-
JPY:NTD	1%	241		-
USD:VND (Note)	1%	120		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$ 21,369	\$	-
USD:VND (Note)	1%	919		-
Nine months ended September 30, 2024				
Sensitivity analysis				
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$ 24,803	\$	-
JPY:NTD	1%	1,365		-
USD:VND (Note)	1%	187		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$ 18,751	\$	-

Note: As the NTD is not a functional currency adopted by some of the consolidated entities, it should also be considered when being disclosed.

Price risk

The Group is not exposed to commodity price risk. In addition, as the Group has no investments, there was no significant price risk based on the Group's assessment.

Cash flow and fair value interest rate risk

- i. The Group's interest rate risk arises from long-term and short-term borrowings and accounts receivable factoring. Short-term borrowings are issued at fixed rates and factoring expenses are charged at fixed rate, thus, the Group is exposed to fair value interest rate risk.

- ii. As of September 30, 2025, if the interest rate on long-term and short-term borrowings increased by 1%, with all other factors remaining unchanged, net income after tax for the nine months ended September 30, 2025 would have decreased by \$4,595, mainly due to the increase in interest expenses caused by floating-rate borrowings. From January 1, 2024 to September 30, 2024, there were no financial liabilities with cash flow risk arising from changes in interest rates.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. According to the Group's credit policy, the Group is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Credit risk arises from cash and cash equivalents, derivative financial instruments, notes receivable and other receivables as well as credit exposures to customers, including outstanding receivables. For banks and financial institutions, only the parties with excellent credit ratings are accepted.
- iii. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.
- iv. The Group adopts the following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments are past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- v. The Group classifies customer's accounts receivable in accordance with credit rating of customer and historical information of default. The Company applies loss rate methodology to estimate expected credit loss.
- vi. The Group takes into account the forecasts of the Basel Committee on Banking Supervision to adjust historical and timely information to assess the default possibility of receivables (including related parties) as of September 30, 2025, December 31, 2024, and September 30, 2024.

	Not past due	30 days	31-60 days	61-90 days	91-180 days	Over 180 days	Total
<u>September 30, 2025</u>							
Expected loss rate	0.05%	0.05%	10%	30%	50%	100%	
Total book value	\$ 2,012,204	\$ 42,901	\$ 840	\$ 81	\$ 1,654	\$ 342	\$ 2,058,022
Loss allowance	\$ 1,007	\$ 21	\$ 84	\$ 24	\$ 1,019	\$ 342	\$ 2,497
	Not past due	30 days	31-60 days	61-90 days	91-180 days	Over 180 days	Total
<u>December 31, 2024</u>							
Expected loss rate	0.03%	0.03%	10%	30%	50%	100%	
Total book value	\$ 2,080,872	\$ 57,878	\$ 748	\$ 91	\$ -	\$ -	\$ 2,139,589
Loss allowance	\$ -	\$ -	\$ 59	\$ -	\$ -	\$ -	\$ 59

	Not past due	30 days	31-60 days	61-90 days	91-180 days	Over 180 days	Total
<u>September 30, 2024</u>							
Expected loss rate	0.03%	0.03%	10%	30%	50%	100%	
Total book value	\$ 1,852,746	\$ 13,997	\$ 7,766	\$ 41	\$ -	\$ -	\$ 1,874,550
Loss allowance	\$ -	\$ -	\$ 668	\$ -	\$ -	\$ -	\$ 668

- vii. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	2025	2024
	Accounts receivable	Accounts receivable
At January 1	\$ 59	\$ 269
Provision for impairment loss	2,406	492
Amounts written off due to irrecoverability	-	(84)
Effect of exchange rate changes	32	(9)
At September 30	\$ 2,497	\$ 668

(c) Liquidity risk

- Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- Surplus cash held by the operating entities over and above the balance required for working capital management are invested in interest bearing current accounts, time deposits, and marketable securities. The Group chooses instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above mentioned forecasts.
- The table below analyses the Group's non-derivative financial liabilities based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
September 30, 2025				
Short-term borrowings	\$ 106,378	\$ -	\$ -	\$ -
Notes payable	3,693	-	-	-
Accounts payable	3,577,240	-	-	-
Other payables (including related parties)	1,054,546	-	-	-
Lease liabilities	159,677	78,163	46,244	6,157
Long-term borrowings (including those due within one year)	26,490	70,857	960,531	-
Other non-current liabilities	-	90	-	-

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
December 31, 2024				
Short-term borrowings	\$ 17,111	\$ -	\$ -	\$ -
Notes payable	2,708	-	-	-
Accounts payable	3,661,704	-	-	-
Other payables (including related parties)	1,150,895	-	-	-
Lease liabilities	148,097	113,172	74,352	9,167
Long-term borrowings (including those due within one year)	4,739	8,824	591,845	-
Other non-current liabilities	-	90	-	-

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
September 30, 2024				
Short-term borrowings	\$ 1,339,666	\$ -	\$ -	\$ -
Notes payable	4,008	-	-	-
Accounts payable	2,871,924	-	-	-
Other payables (including related parties)	1,084,993	-	-	-
Lease liabilities	141,916	120,003	81,708	-
Other non-current liabilities	-	90	-	-

Derivative financial liabilities:

On September 30, 2025 and December 31, 2024, the derivative financial liabilities traded by the Group will all mature within one year; there was no such a liability as of September 30, 2024.

(3) Fair value

- A. The fair value levels of the financial instruments and non-financial instruments measured using the valuation technique are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities on the measurement date. An active market refers to a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs, other than quoted market prices within level 1 that are observable, either directly or indirectly for assets or liabilities.

Level 3: Unobservable inputs of assets or liabilities.

- B. The carrying amounts of the Group's financial instruments that are not measured at fair value (including cash and cash equivalents, accounts receivable (including related parties), other receivables (including related parties), refundable deposits (under other non-current assets), long-term and short-term borrowings, notes payable, accounts payable, other payables (including related parties), and guarantee deposits (under other non-current liabilities) are reasonable approximations of their fair values.
- C. Financial and non-financial instruments at fair value are classified by the Group as per the nature, characteristics, and risks of assets and liabilities, and the fair value level. The details are as follows:

September 30, 2025	Level 1	Level 2	Level 3	Total
Liabilities				
<u>Fair value on a recurring basis</u>				
Financial liabilities at fair value through profit or loss				
Derivatives	\$ -	\$ 7,001	\$ -	\$ 7,001
December 31, 2024	Level 1	Level 2	Level 3	Total
Liabilities				
<u>Fair value on a recurring basis</u>				
Financial liabilities at fair value through profit or loss				
Derivatives	\$ -	\$ 3,235	\$ -	\$ 3,235
September 30, 2024	Level 1	Level 2	Level 3	Total
Assets				
<u>Fair value on a recurring basis</u>				
Financial assets at fair value through profit or loss				
Derivatives	\$ -	\$ 6,391	\$ -	\$ 6,391

- D. The Group's derivative financial instruments are forward exchange agreements, and the method used to measure their fair values is usually based on the present forward exchange rates.
- E. There was no transfer between level 1 and level 2 fair values during the nine months ended September 30, 2025 and 2024.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information:

- A. Loan to others: None.
- B. Provisions of endorsements and guarantees to others: Please refer to table 1.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates, and joint venture equity): None.
- D. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 2.

E. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 3.

F. The business relationship between the parent company and subsidiaries, and the circumstances of any significant transactions between them: Please refer to table 4.

(2) Information on investments

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 5.

(3) Information on investments in Mainland China

None.

14. SEGMENT INFORMATION

(1) General information

The information about geographical areas is provided to the chief operating decision-maker to make decisions. The sales orders will be divided into three main areas, namely Taiwan, America and Others (including Europe, Asia and Africa). Because the nature of the product and the model of sales of the three areas are different, and the chief operating decision-maker also uses the information on the three areas in financial management and operational performance evaluation, therefore, the reportable segments are Taiwan, America and Others.

(2) Assessment of segment information

The operational performance evaluation of each segment is based on operating revenue and income (not including administrative expense). All the operating segments consistently apply uniform accounting policies as described in Note 4, "Summary of significant accounting policies". The interdepartmental sales are in accordance with the fair value principle. Revenues from external customers provided to the chief operating decision-maker are measured in a manner consistent with that used for the income statement. The Group's segment information for the three months and nine months ended September 30, 2025 and 2024 is provided as follows:

	Three months ended September 30, 2025				
	Taiwan	America	Others	Eliminated transactions during the consolidation	Total
Revenue from external customers	\$ 3,250,970	\$ 95,419	\$ 250,676	\$ -	\$ 3,597,065
Inter-segment revenue	438,728	1,591	609	(440,928)	-
Total segment revenue	<u>\$ 3,689,698</u>	<u>\$ 97,010</u>	<u>\$ 251,285</u>	<u>(\$ 440,928)</u>	<u>\$ 3,597,065</u>
Segment income	<u>\$ 176,645</u>	<u>(\$ 531)</u>	<u>(\$ 141)</u>	<u>\$ 10,672</u>	<u>\$ 186,645</u>
Segment income, including Depreciation and amortization	<u>\$ 92,029</u>	<u>\$ 2,243</u>	<u>\$ 337</u>	<u>(\$ 3,119)</u>	<u>\$ 91,490</u>

Three months ended September 30, 2024					
	Taiwan	America	Others	Eliminated transactions during the consolidation	Total
Revenue from external customers	\$ 2,442,579	\$ 100,522	\$ 408,662	\$ -	\$ 2,951,763
Inter-segment revenue	623,077	6,812	330	(630,219)	-
Total segment revenue	<u>\$ 3,065,656</u>	<u>\$ 107,334</u>	<u>\$ 408,992</u>	<u>(\$ 630,219)</u>	<u>\$ 2,951,763</u>
Segment income	<u>\$ 304,062</u>	<u>(\$ 16,713)</u>	<u>(\$ 7,321)</u>	<u>\$ 1,559</u>	<u>\$ 281,587</u>
Segment income, including Depreciation and amortization	<u>\$ 77,345</u>	<u>\$ 2,148</u>	<u>\$ 496</u>	<u>(\$ 3,119)</u>	<u>\$ 76,870</u>
Nine months ended September 30, 2025					
	Taiwan	America	Others	Eliminated transactions during the consolidation	Total
Revenue from external customers	\$ 10,578,565	\$ 337,289	\$ 643,164	\$ -	\$ 11,559,018
Inter-segment revenue	1,236,032	11,603	1,306	(1,248,941)	-
Total segment revenue	<u>\$ 11,814,597</u>	<u>\$ 348,892</u>	<u>\$ 644,470</u>	<u>(\$ 1,248,941)</u>	<u>\$ 11,559,018</u>
Segment income	<u>\$ 735,926</u>	<u>\$ 20,048</u>	<u>\$ 5,962</u>	<u>\$ 21,070</u>	<u>\$ 783,006</u>
Segment income, including Depreciation and amortization	<u>\$ 258,174</u>	<u>\$ 7,015</u>	<u>\$ 1,026</u>	<u>(\$ 9,356)</u>	<u>\$ 256,859</u>
Nine months ended September 30, 2024					
	Taiwan	America	Others	Eliminated transactions during the consolidation	Total
Revenue from external customers	\$ 7,192,763	\$ 375,568	\$ 759,180	\$ -	\$ 8,327,511
Inter-segment revenue	1,207,147	17,316	1,758	(1,226,221)	-
Total segment revenue	<u>\$ 8,399,910</u>	<u>\$ 392,884</u>	<u>\$ 760,938</u>	<u>(\$ 1,226,221)</u>	<u>\$ 8,327,511</u>
Segment income	<u>\$ 599,394</u>	<u>(\$ 16,025)</u>	<u>(\$ 12,120)</u>	<u>\$ 14,584</u>	<u>\$ 585,833</u>
Segment income, including Depreciation and amortization	<u>\$ 228,579</u>	<u>\$ 6,762</u>	<u>\$ 1,442</u>	<u>(\$ 9,356)</u>	<u>\$ 227,427</u>

(3) Reconciliation for segment income (loss)

The Group's segments' operating income reported to the chief operating decision-maker is measured in a manner consistent with the revenue and expenses in the statement of comprehensive income. The Group did not provide the chief operating decision-maker with the amount of total assets and liabilities for decision-making purposes. A reconciliation of reportable segment income or loss and income from continuing operations before income tax for the three months and nine months ended September 30, 2025 and 2024 is provided as follows:

	Three months ended September 30	
	2025	2024
Reportable segments profit	\$ 186,645	\$ 281,587
Undistributed amount		
General administrative expense	(129,992)	(121,024)
Non-operating income	39,745	14,030
Income from continuing operations before income tax	<u>\$ 96,398</u>	<u>\$ 146,533</u>
	Nine months ended September 30	
	2025	2024
Reportable segments profit	\$ 783,006	\$ 585,833
Undistributed amount		
General administrative expense	(395,553)	(338,381)
Non-operating income	58,764	66,904
Income from continuing operations before income tax	<u>\$ 446,217</u>	<u>\$ 314,356</u>

SENAO NETWORKS INC. AND SUBSIDIARIES

Provisions of endorsements and guarantees to others

Nine months ended September 30, 2025

Table 1

Expressed in thousands of NTD
(except as otherwise indicated)

Number (Note 1)	Name of endorser/guarantor	Party endorsed/guaranteed		Limits on endorsement/ guarantee to each enterprise (Note 3)	Maximum balance of endorsement/guarant ee in this period	Ending balance of endorsements/ guarantees (Note 4)	Amount drawn	Amount of property-backed endorsements/ guarantees	Ratio of cumulative endorsement/guarantee to the net worth as stated in the latest financial statements	Maximum endorsement/ guarantee to be provided (Note 3)	Endorsement/ guarantee provided by parent company to subsidiary	Endorsement/ guarantee provided by subsidiary to parent company	Endorsement/ guarantee to entity in Mainland China	Remarks
		Name of company	Relations (Note 2)											
0	Senao Networks Inc.	EnGenius Networks Inc.	4	\$ 606,034	\$ 100,000	\$ 100,000	\$ -	\$ -	1.65	\$ 2,424,138	Y	N	N	
0	Senao Networks Inc.	Senao Networks Vietnam Co., Ltd.	4	606,034	243,560	243,560	-	-	4.02	2,424,138	Y	N	N	
0	Senao Networks Inc.	Senao Networks Vietnam Co., Ltd.	4	606,034	304,450	304,450	93,603	-	5.02	2,424,138	Y	N	N	

Note 1: No. column should be entered in a way as follows:

(1) The issuer should be coded “0”.

(2) The investees should be coded sequentially beginning from “1” one by one.

Note 2: There are seven types of relations between the endorser/guarantor and the endorsed/guaranteed party as follows; just indicate the code:

(1) Companies with business dealings.

(2) A company in which the Company directly or indirectly holds more than 50% of the voting shares.

(3) A company directly or indirectly holds more than 50% of the voting shares in the Company.

(4) A company in which the Company directly or indirectly holds 90% or more of the voting shares.

(5) Companies that need to purchase insurance for each other in the same industry or as co-builders in accordance with contractual provisions based on the needs for contracting construction projects.

(6) A company that is endorsed and guaranteed by all shareholders of the Company in proportion to their shareholdings due to a joint investment relationship.

(7) Companies that are engaged in joint and several guarantees for the performance of a pre-sale property contract in accordance with the Consumer Protection Act.

Note 3: The total amount of the endorsements/guarantees provided to external entities shall not exceed 40% of the Company’s net worth; the amount of endorsements/guarantees for a single enterprise shall not exceed 10% of the Company's net worth.

Note 4: The ending balance is the amount approved by the Board of Directors.

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Remarks (Note 2)
Purchaser/seller	Counterparty	Relations	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Senao Networks Inc.	EnGenius Technologies, Inc.	Parent company and subsidiaries	Sales	\$ 160,562	2	Note 1	Note 1	Note 1	\$ 49,332	3	
EnGenius Technologies, Inc.	Senao Networks Inc.	Parent company and subsidiaries	Purchases	160,562	82	"	"	"	(49,332)	77	
EnRack Technology Inc.	Senao Networks Inc.	Parent company and subsidiaries	Sales	273,871	81	"	"	"	85,172	80	
Senao Networks Inc.	EnRack Technology Inc.	Parent company and subsidiaries	Purchases	273,871	4	"	"	"	(85,172)	3	
Emplus Technologies, Inc.	Emplus Technologies India Private Ltd.	An affiliate	Sales	385,287	20	"	"	"	110,173	31	
Emplus Technologies India Private Ltd.	Emplus Technologies, Inc.	An affiliate	Purchases	385,287	100	"	"	"	(110,173)	100	

Note 1: Sales prices are based on the sales volume. The collection term is net 90 days end of the month.

Note 2: The transactions were eliminated when preparing the consolidated financial statements.

SENAO NETWORKS INC. AND SUBSIDIARIES

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

September 30, 2025

Table 3

Expressed in thousands of NTD
(except as otherwise indicated)

Company under the account of receivables	Counterparty	Relations	Balance of receivables from related parties	Turnover	Overdue receivables from related parties		Amount of receivables from related parties recovered after the balance sheet date (Note)	Allowance for losses
					Amount	Handling method		
Emplus Technologies, Inc.	Emplus Technologies India Private Ltd.	An affiliate	\$ 110,173	3.29	\$ -		\$ 72,183	\$ -

Note: The receivables recovered after the balance sheet date and as of November 4, 2025.

SENAO NETWORKS INC. AND SUBSIDIARIES

The business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and amounts of any significant transactions between them
Nine months ended September 30, 2025

Expressed in thousands of NTD
(except as otherwise indicated)

Table 4

				Transaction		Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
(Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount (Notes 6 and 7)		
0	Senao Networks Inc.	EnGenius Technologies, Inc.	1	Sales of goods	\$ 160,562	Note 4	1
0	Senao Networks Inc.	EnGenius Technologies, Inc.	1	Accounts receivable	49,332	"	-
0	Senao Networks Inc.	EnGenius Networks Singapore Pte. Ltd.	1	Sales of goods	53,050	"	-
0	Senao Networks Inc.	EnGenius Networks Singapore Pte. Ltd.	1	Accounts receivable	15,210	"	-
0	Senao Networks Inc.	EnGenius Networks Europe B.V.	1	Sales of goods	56,649	"	-
0	Senao Networks Inc.	EnGenius Networks Europe B.V.	1	Accounts receivable	15,877	"	-
0	Senao Networks Inc.	Senao Networks Private Limited	1	Sales of goods	21,587	"	-
0	Senao Networks Inc.	EnGenius Networks Inc.	1	Sales of goods	14,484	"	-
1	EnRack Technology Inc.	Emplus Technologies, Inc.	3	Sales of goods	56,898	"	-
1	EnRack Technology Inc.	Emplus Technologies, Inc.	3	Accounts receivable	18,649	"	-
1	EnRack Technology Inc.	Senao Networks Inc.	2	Sales of goods	273,871	"	2
1	EnRack Technology Inc.	Senao Networks Inc.	2	Accounts receivable	85,172	"	1
2	Emplus Technologies, Inc.	Senao Networks Inc.	2	Sales of goods	39,737	"	-
2	Emplus Technologies, Inc.	Senao Networks Inc.	2	Lease liabilities	21,930	Note 5	-
2	Emplus Technologies, Inc.	EnGenius Networks Inc.	3	Sales of goods	67,204	Note 4	1
2	Emplus Technologies, Inc.	EnGenius Networks Inc.	3	Accounts receivable	29,611	"	-
2	Emplus Technologies, Inc.	Emplus Technologies India Private Ltd.	3	Sales of goods	385,287	"	3
2	Emplus Technologies, Inc.	Emplus Technologies India Private Ltd.	3	Accounts receivable	110,173	"	1
3	EnGenius Networks Inc.	EnGenius Technologies, Inc.	3	Sales of goods	35,216	"	-
3	EnGenius Networks Inc.	EnGenius Technologies, Inc.	3	Accounts receivable	14,770	"	-
3	EnGenius Networks Inc.	EnGenius Networks Europe B.V.	3	Sales of goods	13,660	"	-
3	EnGenius Networks Inc.	EnGenius Networks Singapore Pte. Ltd.	3	Sales of goods	24,531	"	-
4	EnGenius Technologies, Inc.	EnGenius Technologies Canada Inc.	3	Sales of goods	10,901	"	-

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is “0”
- (2) The subsidiaries are numbered in order starting from “1”.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the year to consolidated total operating revenues for income statement accounts.

Note 4: The discounts on the sales were offered depending on the sales volume. The credit terms were approximately the same with third parties, which is 90 days from the first day of the month following the month of sales. Among them, the sales by Emplus Technologies, Inc. to EnGenius Technologies, Inc., EnGenius Networks Singapore Pte. Ltd. and EnGenius Networks Europe B.V. through EnGenius Networks Inc. were recorded as income on a net basis.

Note 5: The rental payments were determined by mutual agreements and were paid monthly. The right-of-use assets and lease liabilities were the balance recognized on September 30, 2025 in line with IFRS 16.

Note 6: Only amounts in excess of \$10 million of related party transactions are disclosed, and the opposite side of the transaction is not disclosed.

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

SENAO NETWORKS INC. AND SUBSIDIARIES

Information on investees

Nine months ended September 30, 2025

Table 5

Expressed in thousands of NTD
(except as otherwise indicated)

Name of investor	Investee	Location	Main business activities	Initial investment amount (Note 1)		Holding at the end of the period			Net profit (loss) of the investee for the nine months ended September 30, 2025	Investment income (loss) recognized by the Company for the nine months ended September 30, 2025 (Note 2)	Remarks (Note 4)
				Balance as at September 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
Senao Networks Inc.	EnGenius Technologies, Inc.	USA	Sales of communication products	\$ 60,890	\$ 60,890	60,000	100.00	\$ 30,523	(\$ 5,871)	(\$ 5,338)	
Senao Networks Inc.	EnRack Technology Inc.	Taiwan	Sales of communication products and Sales of manufactured stamping component	194,000	194,000	24,900,000	100.00	239,771	361	(193)	
Senao Networks Inc.	Emplus Technologies, Inc.	Taiwan	Research and development, manufacture and sales of communication products	84,249	84,249	17,914,608	50.99	358,257	203,533	103,591	
Senao Networks Inc.	EnGenius International (Samoa) Ltd.	Samoa	Investment holdings	242,273	182,366	3,800,000	100.00	46,053	(18,523)	(18,483)	
Senao Networks Inc.	EnGenius Technologies Canada Inc.	Canada	Sales of communication products	4,173	4,173	100	100.00	11,620	562	562	
Senao Networks Inc.	EnGenius Networks Inc.	Taiwan	Sales of communication products	60,000	60,000	6,000,000	100.00	65,347	7,088	10,058	
Senao Networks Inc.	EnGenius Networks Japan	Japan	Sales of communication products	86,436	34,986	15,000	100.00	74,174	(9,580)	(9,572)	
Senao Networks Inc.	Senao Networks Vietnam Co., Ltd.	Vietnam	Manufacture and sales of communication products	608,900	608,900	-	100.00	539,918	(10,589)	(10,589)	Note 3
Senao Networks Inc.	Senao Networks Private Ltd.	India	Sales of communication products	28,296	28,296	7,640,000	100.00	13,364	(9,780)	(9,779)	
Senao Networks Inc.	Senao Networks USA Inc.	USA	Manufacture and sales of communication products	24,356	-	5,000	100.00	21,666	(2,690)	(2,690)	
Senao Networks Inc.	Senao Networks Japan	Japan	Sales of communication products	30,870	-	3,800	100.00	30,850	(20)	(20)	
EnGenius International (Samoa) Ltd.	EnGenius Networks Singapore Pte. Ltd.	Singapore	Sales of communication products	240,750	181,148	3,750,000	100.00	55,978	(18,457)	(18,457)	
EnGenius Networks Singapore Pte. Ltd.	EnGenius Networks Europe B.V.	Netherlands	Sales of communication products	108,080	61,742	1,750,000	100.00	33,237	(7,102)	(7,102)	
EnGenius Networks Inc.	EnGenius Networks Private Ltd.	India	Sales of communication products	42,221	42,221	11,400,000	100.00	20,153	(5,328)	(5,328)	
Emplus Technologies, Inc.	Emplus Technologies India Private Ltd.	India	Sales of communication products	3,741	3,741	1,000,000	100.00	41,327	13,013	13,013	

Note 1: The column “Initial investment amount” is translated into New Taiwan Dollars at the spot exchange rate prevailing at the end of the period.

Note 2: Regarding “Investment income (loss) recognized by the Company for this period,” please only enter the income or loss on each direct subsidiary recognized by the Company and each investee valued using the equity method. Regarding the “income or loss on each direct subsidiary recognized by the Company for this period”, it should be confirmed that the amount of income or loss on each direct subsidiary for this period has included its investment income or loss that should be recognized in accordance with the regulations on its investment.

Note 3: It is a limited company, so it has no shares.

Note 4: The transactions were eliminated when preparing the consolidated financial statements.