

# Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries

Consolidated Financial Statements for the  
Years Ended December 31, 2025 and 2024 and  
Independent Auditors' Report

## **INDEPENDENT AUDITORS' REPORT**

To The Board of Directors and the Stockholders  
Chung-Hsin Electric and Machinery Manufacturing Corp.

### **Opinion**

We have audited the consolidated financial statements of Chung-Hsin Electric and Machinery Manufacturing Corp. and its subsidiaries (the Group), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of the other independent accountants, as described in the other matters section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audit in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the report of other independent accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The description of the key audit matters of the consolidated financial statements for the year ended December 31, 2025 is as follows:

## **Engineering Project Revenue Recognition**

### Key Audit Matters statements

Please refer to Note 4(18) to the accounting policy of revenues recognition.

The Group business included electric power engineering construction and design. Contract revenue should be recognized by reference to the stage of completion of the performance obligation over time. Performance obligation should be recognized by reference to the stage of completion of the contract activity. The stage of completion of a contract is measured by the proportion of contract costs incurred for work performed to date to the estimated total costs for the contract which are based on significant accounting estimation and judgment of management. The engineering project revenue has significant influence on financial statements. Therefore, the recognition of engineering project revenues is considered as a key audit matter by the decision of CPAs.

### Key Audit procedures

By conducting the tests of controls, we obtained an understanding of the Group's recognition of engineering project revenues and of the design and implementation of related controls. We also perform corresponding audit procedures as follows:

1. Review the amount and estimate cost of matter contracts to confirm the accuracy of the information in the profit or loss on engineering project.
2. Test the accuracy of the engineering project listing on percentage of completion calculation and confirm the accuracy of the information in the accounting system.
3. Examine supporting documentation for construction contracts with material variations to the amount or estimated costs to assess the validity of the changes.

### **Other Matters**

We did not audit the consolidated financial statements of certain subsidiaries and investments accounted for under the equity method which were audited by other independent auditors. Our audit, insofar as it related to the amounts included for these subsidiaries, is based solely on the reports of the other auditors. The total assets of these subsidiaries were NT\$3,604,761 thousand and NT\$3,460,821 thousand, which represented 7.56% and 7.02% of the consolidated assets as of December 31, 2025 and 2024, the operating revenues from these subsidiaries in the amounts of NT\$1,901,146 thousand and NT\$2,127,945 thousand, which represented 6.93% and 8.31% of the consolidated net operating revenue for the years ended December 31, 2025 and 2024.

The investments accounted for under the equity method balance of NT\$4,448,021 thousand and NT\$4,563,086 thousand, which represented 9.33% and 9.26% of the consolidated assets as of December 31, 2025 and 2024, the related shares of profit of associates and joint ventures accounted for using the equity method in the amounts of NT\$133,558 thousand and NT\$122,847 thousand, which represented 2.67% and 2.75% of the consolidated income before income tax for the years ended December 31, 2025 and 2024.

We have audited and expressed an unmodified opinion with other matter paragraph on the parent company only financial statements of Chung-Hsin Electric and Machinery Manufacturing Corp. for the years ended December 31, 2025 and 2024, respectively.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

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

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

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

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chun-Chin Lin and Ya-Chuan Chang.

Crowe (TW) CPAs

Republic of China

March 10, 2026

#### Notice to Reader

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. The English version has not been reviewed by the auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language auditors' report and consolidated financial statements shall prevail.*

**CHUNG-HSIN ELECTRIC AND MACHINERY MANUFACTURING CORPS. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF BALANCE SHEETS**

**DECEMBER 31, 2025 AND 2024**  
**(In Thousands of New Taiwan Dollars)**

Assets	December 31, 2025		December 31, 2024 (Restated)		January 1, 2024 (Restated)	
	Amount	%	Amount	%	Amount	%
<b>Current assets</b>						
Cash and cash equivalents (Note 6)	\$ 3,458,480	7	\$ 2,740,611	6	\$ 2,203,461	5
Current financial assets at fair value through profit or loss (Note 6)	141,118	-	263,492	1	257,272	1
Current financial assets carried at amortized cost (Notes 6 and 8)	721,531	2	503,732	1	1,320,805	3
Current contract assets (Notes 6 and 7)	3,659,000	8	4,576,577	9	3,395,907	8
Notes receivable, net (Note 6)	42,918	-	109,911	-	107,221	-
Accounts receivable, net (Note 6)	2,326,761	5	2,632,491	5	1,846,107	4
Accounts receivable due from related parties, net (Notes 6 and 7)	1,200	-	102	-	88	-
Other receivables	44,669	-	6,609	-	25,711	-
Other receivables due from related parties (Note 7)	161,242	-	115,009	-	165,644	-
Current tax assets	9,498	-	14,255	-	1,698	-
Inventories - manufacturing business (Note 6)	8,228,834	17	8,233,301	17	6,516,427	15
Inventory - construction business (Note 6)	2,262,609	5	2,259,130	5	2,269,246	5
Prepayments (Notes 6 and 7)	1,767,790	4	1,576,173	3	1,150,340	2
Non-current assets or disposal groups classified as held for sale, net (Notes 6)	123,848	-	-	-	-	-
Other current assets (Note 8)	67,741	-	72,190	-	193,754	-
<b>Total current assets</b>	<b>23,017,239</b>	<b>48</b>	<b>23,103,583</b>	<b>47</b>	<b>19,453,681</b>	<b>43</b>
<b>Non-current assets</b>						
Non-current financial assets at fair value through profit or loss (Note 6)	262,889	1	220,408	-	277,123	1
Non-current financial assets at fair value through other comprehensive income (Note 6)	103,975	-	115,659	-	52,070	-
Investments accounted for using equity method (Note 6)	4,448,021	9	4,676,120	10	3,293,109	7
Property, plant and equipment (Notes 6, 7 and 8)	12,560,251	26	13,893,386	28	14,423,523	33
Right-of-use assets (Note 6)	2,820,153	6	3,352,822	7	3,777,847	9
Investment property, net (Notes 6 and 8)	1,362,063	3	799,279	2	508,466	1
Intangible assets (Note 6)	1,570,187	3	1,469,271	3	894,039	2
Deferred tax assets (Note 6)	512,025	1	514,811	1	498,814	1
Other non-current assets (Notes 6, 7 and 8)	1,041,987	3	1,122,493	2	991,889	3
<b>Total non-current assets</b>	<b>24,681,551</b>	<b>52</b>	<b>26,164,249</b>	<b>53</b>	<b>24,716,880</b>	<b>57</b>
<b>Total assets</b>	<b>\$ 47,698,790</b>	<b>100</b>	<b>\$ 49,267,832</b>	<b>100</b>	<b>\$ 44,170,561</b>	<b>100</b>
<b>Liabilities and equity</b>						
<b>Current liability</b>						
Current borrowings (Notes 6 and 7)	\$ 1,181,000	2	\$ 2,130,554	4	\$ 534,749	1
Short-term notes and bills payable (Note 6)	96,995	-	-	-	-	-
Current financial liabilities at amortised cost (Note 6)	577,926	1	489,306	1	248,465	1
Current contract liabilities (Notes 6 and 7)	9,355,997	20	6,590,889	13	5,510,924	12
Notes payable (Note 6)	325,125	1	303,493	1	2,080	-
Accounts payable	3,352,577	7	3,252,981	7	2,699,791	6
Accounts payable to related parties (Note 7)	35,914	-	12,646	-	6,232	-
Other payable (Note 6)	1,507,634	3	1,375,218	3	1,166,935	3
Other payables to related parties (Note 7)	630	-	630	-	1,293	-
Current tax liabilities	665,388	1	687,209	1	1,301,505	3
Current lease liabilities (Note 6)	1,175,136	3	1,326,231	3	1,301,797	3
Long-term liabilities, current portion (Note 6)	2,571,055	5	528,404	1	517,793	1

CHUNG-HSIN ELECTRIC AND MACHINERY MANUFACTURING CORPS. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF BALANCE SHEETS

DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)

	December 31, 2025		December 31, 2024 (Restated)		January 1, 2024 (Restated)	
Other current liabilities (Notes 6 and 7)	52,295	-	47,417	-	2,143,563	5
Total current liabilities	20,897,672	43	16,744,978	34	15,435,127	35
Non-current liability						
Non-current financial liabilities at amortised cost (Note 6)	382,123	1	515,423	1	217,874	1
Bonds payable (Note 6)	-	-	1,998,698	4	1,997,952	4
Long-term loans (Note 6)	2,373,100	5	6,864,033	14	7,499,947	17
Non-current tax liability	-	-	80,409	-	327,565	1
Deferred tax liabilities (Note 6)	332,491	1	334,638	1	345,103	1
Non-current lease liabilities (Note 6)	1,397,637	3	1,790,018	4	2,265,921	5
Other non-current liabilities (Notes 6 and 7)	1,429,410	3	1,694,714	3	130,835	-
Total non-current liabilities	5,914,761	13	13,277,933	27	12,785,197	29
Total liabilities	26,812,433	56	30,022,911	61	28,220,324	64
Equity attributable to owners of parent						
Common stock (Note 6)	5,031,125	11	5,031,125	10	5,031,125	11
Capital surplus (Note 6)	3,067,425	6	3,007,439	6	2,970,660	7
Retained earnings (Note 6)						
Legal reserve	2,311,631	5	1,930,067	4	1,774,200	4
Special reserve	809,015	2	809,015	2	858,940	2
Unappropriated earnings	6,324,941	13	4,979,323	10	3,130,750	7
Total retained earnings	9,445,587	20	7,718,405	16	5,763,890	13
Other equity (Note 6)	3,249,160	7	3,397,636	7	2,105,443	5
Treasury stock (Notes 6 and 8)	( 116,880 )	-	( 116,880 )	-	( 116,880 )	-
Total equity attributable to owners of parent	20,676,417	44	19,037,725	39	15,754,238	36
Non-controlling interests (Note 6)	209,940	-	207,196	-	195,999	-
Total equity	20,886,357	44	19,244,921	39	15,950,237	36
Total liabilities and equity	\$ 47,698,790	100	\$ 49,267,832	100	\$ 44,170,561	100

(The accompanying notes are an integral part of the consolidated financial statements.)

**CHUNG-HSIN ELECTRIC AND MACHINERY MANUFACTURING CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**  
**In Thousands of New Taiwan Dollars, Except Earnings Per Share**

	For the Years Ended December 31			
	2025		2024	
	Amount	%	Amount	%
Operating revenue (Notes 6 and 7)	\$ 27,449,025	100	\$ 25,609,456	100
Operating costs (Notes 6 and 7)	( 20,381,276 )	( 74 )	( 18,888,341 )	( 74 )
Gross profit	7,067,749	26	6,721,115	26
Operating expenses (Notes 6 and 7)				
Marketing expenses	( 516,107 )	( 2 )	( 521,168 )	( 2 )
Administrative expenses	( 1,332,063 )	( 5 )	( 1,329,267 )	( 5 )
Research and development expenses	( 240,644 )	( 1 )	( 321,909 )	( 2 )
Expected credit impairment losses (gains)	( 2,079 )	-	( 11,850 )	-
Total operating expenses	( 2,090,893 )	( 8 )	( 2,184,194 )	( 9 )
Operating income	4,976,856	18	4,536,921	17
Non-operating income and expenses				
Interest income (Notes 6 and 7)	41,994	-	37,644	-
Other income (Notes 6 and 7)	112,958	-	107,300	1
Other gains and losses, net (Note 6)	( 64,464 )	( - )	( 139,254 )	( 1 )
Financial cost (Notes 6 and 7)	( 194,462 )	( - )	( 225,384 )	( 1 )
Share of profit (loss) of associates and joint ventures accounted for using equity method (Note 6)	133,558	-	143,667	1
Total non-operating income and expenses	29,584	-	( 76,027 )	-
Profit before income tax	5,006,440	18	4,460,894	17
Income tax (Note 6)	( 1,016,098 )	( 4 )	( 833,744 )	( 3 )
Profit	3,990,342	14	3,627,150	14
Other comprehensive income (Note 6)				
Components of other comprehensive income that may not be reclassified to profit or loss				
Gains (losses) on remeasurements of defined benefit plans	60,013	-	84,581	-
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	( 6,959 )	-	118,151	1
Share of other comprehensive income of associates and joint ventures accounted for using equity method	( 126,767 )	-	1,056,391	4
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translation	( 14,453 )	-	124,955	1
Total other comprehensive income	( 88,166 )	-	1,384,078	6
Total comprehensive income	<u>\$ 3,902,176</u>	<u>14</u>	<u>\$ 5,011,228</u>	<u>20</u>
Profit (loss), attributable to:				
Owners of parent	\$ 3,988,220	14	\$ 3,622,778	14
Non-controlling interests	2,122	-	4,372	-
	<u>\$ 3,990,342</u>	<u>14</u>	<u>\$ 3,627,150</u>	<u>14</u>
Comprehensive income attributable to :				
Owners of parent	\$ 3,899,757	14	\$ 4,999,552	20
Non-controlling interests	2,419	-	11,676	-
	<u>\$ 3,902,176</u>	<u>14</u>	<u>\$ 5,011,228</u>	<u>20</u>
Earnings per share (Note 6)				
Basic earnings per share	<u>\$ 8.07</u>		<u>\$ 7.33</u>	

(The accompanying notes are an integral part of the consolidated financial statements.)

CHUNG-HSIN ELECTRIC AND MACHINERY MANUFACTURING CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

	Retained earnings					Other equity							
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total retained earnings	Exchange differences on translating foreign operations	Unrealized gain (loss) on Financial assets at fair value through other comprehensive incomes	Total other equity	Treasury stock	Total Equity attributable to owners of Parent	Non-controlling interests	Total Equity
Balance, January 1, 2024	\$ 5,031,125	\$ 2,970,660	\$ 1,774,200	\$ 858,940	\$ 3,130,750	\$ 5,763,890	\$ ( 205,264 )	\$ 2,310,707	\$ 2,105,443	\$ ( 116,880 )	\$ 15,754,238	\$ 195,999	\$ 15,950,237
Legal reserve appropriated	-	-	155,867	-	( 155,867 )	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	( 1,811,205 )	( 1,811,205 )	-	-	-	-	( 1,811,205 )	-	( 1,811,205 )
Reversal of special reserve	-	-	-	( 49,925 )	49,925	-	-	-	-	-	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	-	466	-	-	-	-	-	-	-	-	466	-	466
Profit (loss)	-	-	-	-	3,622,778	3,622,778	-	-	-	-	3,622,778	4,372	3,627,150
Other comprehensive income	-	-	-	-	84,581	84,581	117,651	1,174,542	1,292,193	-	1,376,774	7,304	1,384,078
Total comprehensive income for the period	-	-	-	-	3,707,359	3,707,359	117,651	1,174,542	1,292,193	-	4,999,552	11,676	5,011,228
Adjustments of capital surplus for company's dividends received by subsidiaries	-	32,539	-	-	-	-	-	-	-	-	32,539	-	32,539
Changes in ownership interests in subsidiaries	-	1,684	-	-	-	-	-	-	-	-	1,684	-	1,684
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	( 580 )	( 580 )
Disposal of investments in equity instruments designated at fair value through other comprehensive	-	-	-	-	58,338	58,338	-	-	-	-	58,338	-	58,338
Other	-	2,090	-	-	23	23	-	-	-	-	2,113	101	2,214
Balance, December 31, 2024	5,031,125	3,007,439	1,930,067	809,015	4,979,323	7,718,405	( 87,613 )	3,485,249	3,397,636	( 116,880 )	19,037,72	207,196	19,244,921
Legal reserve appropriated	-	-	381,564	-	( 381,564 )	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	( 2,314,318 )	( 2,314,318 )	-	-	-	-	( 2,314,318 )	-	( 2,314,318 )
Changes in equity of associates and joint ventures accounted for using equity method	-	1,460	-	-	-	-	-	-	-	-	1,460	-	1,460
Profit (loss)	-	-	-	-	3,988,220	3,988,220	-	-	-	-	3,988,220	2,122	3,990,342
Other comprehensive income	-	-	-	-	60,013	60,013	( 14,750 )	( 133,726 )	( 148,476 )	-	( 88,463 )	297	( 88,166 )
Total comprehensive income for the period	-	-	-	-	4,048,233	4,048,233	( 14,750 )	( 133,726 )	( 148,476 )	-	3,899,757	2,419	3,902,176
Adjustments of capital surplus for company's dividends received by subsidiaries	-	41,578	-	-	-	-	-	-	-	-	41,578	-	41,578
Changes in ownership interests in subsidiaries	-	14,488	-	-	( 6,759 )	( 6,759 )	-	-	-	-	7,729	325	8,054
Others	-	2,460	-	-	26	26	-	-	-	-	2,486	-	2,486
Balance, December 31, 2025	\$ 5,031,125	\$ 3,067,425	\$ 2,311,631	\$ 809,015	\$ 6,324,941	\$ 9,445,587	\$ ( 102,363 )	\$ 3,351,523	\$ 3,249,160	\$ ( 116,880 )	\$ 20,676,417	\$ 209,940	\$ 20,886,357

(The accompanying notes are an integral part of the consolidated financial statements.)

**CHUNG-HSIN ELECTRIC AND MACHINERY MANUFACTURING CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**  
(In Thousands of New Taiwan Dollars)

	For the Years Ended December 31	
	2025	2024
Cash flows from operating activities		
Profit before tax	\$ 5,006,440	\$ 4,460,894
Adjustments to reconcile profit (loss):		
Depreciation	2,672,087	2,597,477
Amortization	889,864	689,307
Expected credit impairment losses (gains)	2,079	11,850
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	( 45,883 )	( 18,483 )
Interest expenses	194,462	225,384
Interest income	( 41,994 )	( 37,644 )
Dividend income	( 46,903 )	( 26,819 )
Share of (profit) loss of associates and joint ventures accounted for using equity method	( 133,558 )	( 143,667 )
Loss (gain) on disposal of property, plant and equipment	18,803	13,659
Loss (gain) on disposal of investment	( 62 )	( 26,454 )
Impairment loss on non-financial assets	47,167	-
Other	( 119 )	( 328 )
Total adjustments to reconcile profit (loss)	<u>3,555,943</u>	<u>3,284,282</u>
Changes in operating assets and liabilities		
(Increase) Decrease in financial assets mandatorily classified as at fair value through profit or loss	135,641	2,219
(Increase) Decrease in contract assets	917,997	( 1,188,791 )
(Increase) Decrease in notes receivable	66,993	( 2,690 )
(Increase) Decrease in accounts receivables	299,475	( 788,632 )
(Increase) Decrease in accounts receivable - related parties	( 1,098 )	( 14 )
(Increase) Decrease in other accounts receivables	( 33,595 )	23,805
(Increase) Decrease in other accounts receivable - related parties	( 46,108 )	50,818
(Increase) Decrease in inventory	( 211,112 )	( 2,051,195 )
(Increase) Decrease in prepayments	( 192,175 )	( 425,541 )
(Increase) Decrease in other current assets	4,449	121,564
Net cash provided by (used in) operating assets	<u>940,467</u>	<u>( 4,258,457 )</u>
(Decrease) Increase in contract liabilities	3,059,617	1,300,995
(Decrease) Increase in notes payable	21,632	1,413
(Decrease) Increase in accounts payable	102,437	551,429
(Decrease) Increase in accounts payable - related parties	23,268	6,414
(Decrease) Increase in other accounts payables	174,621	251,367
(Decrease) Increase in other accounts payables - related parties	-	( 663 )
(Decrease) Increase in provisions	( 331 )	679
(Decrease) Increase in other current liabilities	6,067	2,339
(Decrease) Increase in net defined benefit liability	60,013	84,581
Net cash provided by (used in) operating liabilities	<u>3,447,324</u>	<u>2,198,554</u>
Net changes provide by (used in) operating assets and liabilities	<u>4,387,791</u>	<u>( 2,059,903 )</u>
Total Adjustments	<u>7,943,734</u>	<u>1,224,379</u>
Cash provided by (used in) operating activities	<u>12,950,174</u>	<u>5,685,273</u>
Cash received for interest	41,144	37,250
Cash received for dividend	134,071	134,955
Cash paid for interest	( 136,577 )	( 168,260 )
Cash received (paid) for income tax	( 1,112,697 )	( 1,734,417 )
Net cash provided by (used in) operating activities	<u>11,876,115</u>	<u>3,954,801</u>

(Continued)

	For the Years Ended December 31	
	2025	2024
Cash flows from investing activities		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	115,976
Acquisition of financial assets at amortized cost	( 217,799 )	-
Proceeds from repayments of financial assets at amortized cost	-	817,073
Acquisition of investments accounted for using equity method	-	( 323,800 )
Proceeds from disposal of investments accounted for using equity method	16,978	127,758
Net cash flow from acquisition of subsidiaries	-	( 27,957 )
Proceeds from disposal of subsidiaries	-	9,583
Acquisition of property, plant and equipment	( 427,323 )	( 690,497 )
Proceeds from disposal of property, plant and equipment	1,489	2,938
Increase in guarantee deposits paid	( 1,352 )	( 30,301 )
Acquisition of intangible assets	( 236,564 )	( 102,832 )
Acquisition of investment properties	-	( 4,400 )
Acquisition of right-of-use assets	( 69,203 )	( 66,111 )
Increase in other non-current assets	( 198,515 )	( 259,681 )
Other investing activities	( 3,349 )	-
Net cash provided by (used in) investing activities	( 1,135,638 )	( 432,251 )
Cash flows from (used in) financing activities		
Increase in short-term loans	-	1,595,805
Decrease in short-term loans	( 949,554 )	-
Increase in short-term notes and bills payable	97,000	-
Repayments of long-term debt	( 4,448,401 )	( 626,252 )
Decrease in financial liabilities at amortised cost	( 583,867 )	( 465,026 )
Increase in guarantee deposit received	7,424	1,608
Payment of lease liabilities	( 1,561,157 )	( 1,528,448 )
Decrease in other non-current liabilities	( 268,911 )	( 228,032 )
Cash dividends Paid	( 2,314,318 )	( 1,811,205 )
Change in non-controlling interests	297	6,825
Other financing activities	2,486	2,090
Net cash provided by (used in) financing activities	( 10,019,001 )	( 3,052,635 )
Effect of exchange rate changes on cash and cash equivalents	( 3,607 )	67,235
Net increase (decrease) in cash and cash equivalents	717,869	537,150
Cash and cash equivalents, beginning of period	2,740,611	2,203,461
Cash and cash equivalents, end of period	\$ 3,458,480	\$ 2,740,611

(Concluded)

(The accompanying notes are an integral part of the consolidated financial statements.)

CHUNG-HSIN ELECTRIC AND MACHINERY MANUFACTURING CORP.  
AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

**1. HISTORY AND ORGANIZATION**

The Corporation

Chung-Hsin Electric and Machinery Manufacturing Corp. (the Corporation) is a Republic of China (R.O.C.) corporation, registered in Zhonghe District of New Taipei City, with its main business office at No. 25, Wende Rd., Lo Shan Vil., Guishan Dist., Taoyuan City.

(a) The Corporation was founded in May 1956 and was originally known as Chung-Hsin Factory, manufacturing various electric motors and power generators. It then underwent reorganization and was renamed Chung-Hsin Electric and Machinery Manufacturing Corp. in 1962.

(b) The main businesses are: manufacture of hydrogen fuel cells (stack modules, power converters, and conditioners), smart micro-grids, dispensers; design and manufacture of boost/transformer substations, GIS operators and medium-voltage switchgear products; design, operation and management of parking lots and charging stations; air conditioning and refrigeration products, generators and electronic meters; contracting and construction of power supply, transmission and distribution systems, power monitoring system engineering, electrical pipeline installation, air conditioning electromechanical, and system engineering; contracting and construction of turnkey projects for wind power generators, hydro power generators and substations; contract and construction of incinerators and pollution prevent projects., etc.; development, leasing, and sales of residential and commercial buildings; and production and manufacture of aerospace components, OLEDs, precision machining for components and semiconductor components. The principal operating activities of the Corporation's subsidiaries are described in Note 4(3).

(c) The common shares of the Corporation have been listed on the Taiwan Stock Exchange since March 8, 1994.

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

The consolidated financial statements were approved by the board of directors and authorized for issue on March 10, 2026.

**3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS**

(1) Effect of adoption of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") in issue and endorsed by the Financial Supervisory Commission, R.O.C. (FSC):

The IFRSs endorsed and issued by the FSC in 2025 were listed below:

New Standards, Amendments and Interpretations	Effective Date of Issued by IASB
Amendment to IAS 21      Lack of Exchangeability	January 1, 2025
Amendment to IAS 21 "Lack of Exchangeability"	

This amendment defines exchangeability and provides relevant application guidance on how an entity determines the spot exchange rate on the measurement date when a currency lacks exchangeability. Additionally, this amendment requires entities to provide more useful information in their financial statements when a currency is not exchangeable for another currency.

The Corporation assesses the application of the above standards, amendments and interpretations have no material impact on its financial position and financial performance.

- (2) The impact of the Group has not applied the IFRSs in issue and endorsed by FSC:  
The IFRSs endorsed by FSC with effective date starting 2026 were listed below:

<u>New Standards, Amendments and Interpretations</u>		<u>Effective Date of IASB</u>
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 Referencing 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 9 and IFRS 17 -Comparative Information	January 1, 2023
Annual Improvements to IFRS Accounting Standards - Volume 11		January 1, 2026

Except as described below, the Group assesses the application of the above standards, amendments and interpretations have not material impact on the Group’s financial position and financial performance.

A. Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

- (a) The amendments clarify and add further guidance on assessing whether financial assets meet the solely payments of principal and interest (SPPI) criteria, including the scope of contract terms that modify cash flows based on contingent events (e.g., interest rates linked to environmental, social, and governance (ESG) goals), instruments with nonrecourse features, and contract-linked instruments.
- (b) The amendments add that instruments with contract terms that can change cash flows (e.g., some instruments with features related to ESG goals) should disclose qualitative descriptions of the contingent nature of such terms; quantitative information about the range of possible changes in contractual cash flows resulting from such terms; and the gross carrying amount of financial assets and the amortized cost of financial liabilities under such terms.
- (c) The amendments clarify the dates of recognition and derecognition of certain financial assets and liabilities, adding that when using an electronic payment system to settle a financial liability (or part of a financial liability) in cash, an entity is permitted to consider the liability as discharged before the settlement date only when the entity has initiated a payment instruction that results in the following circumstances:
  - (i) The entity does not have the ability to revoke, stop, or cancel the payment instruction.
  - (ii) The entity, as a result of the payment instruction, does not have the practical ability to access the cash that will be used for settlement.
  - (iii) The settlement risk associated with the electronic payment system is not significant.
- (d) The amendments update that equity instruments designated at fair value through other comprehensive income (FVTOCI) by an irrevocable choice should disclose their fair value by category, rather than by each individual asset. Additionally, they should disclose the fair value gains and losses recognized in other comprehensive income during the reporting period, separately showing the fair value gains and losses related to investments derecognized during the reporting period, and the fair value gains and losses related to investments still held at the end of the reporting period. They should also disclose the cumulative gains and losses transferred to equity from derecognized investments during the reporting period.

B. Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”  
Contracts related to power generation subject to fluctuations due to uncontrollable natural factors (e.g., weather conditions). These amendments include:

- (a) The amendments clarify the application of the 'own use' requirement for contracts involving the purchase or sale of power generated from natural resources. When a contract requires an entity to purchase and take delivery of electricity as it is generated, and the design and operation of the electricity trading market mandate the entity to sell any unused electricity within a specified time frame, the entity must consider reasonable and supportable information regarding past, current, and expected future electricity transactions within a reasonable period not exceeding 12 months. If the entity purchases sufficient electricity to offset any unused electricity sold in the same market, it is considered a net purchaser of electricity.

The newly introduced application amendment requires disclosure of contracts related to power from natural resources that qualify for the 'own use' exemption, as follows:

- (i) The entity is exposed to the risk of fluctuations in baseline electricity generation and the potential obligation to purchase electricity during delivery intervals when power is unavailable.
  - (ii) Unrecognized contractual commitments, including the expected future cash flows from electricity purchases under these contracts.
  - (iii) The effect of the contracts on the entity's financial performance during the reporting period.
- (b) The amendments provide clarification on how contracts involving natural-dependent electricity, when designated as hedging instruments, qualify for hedge accounting:

The hedged item must be designated as the variable nominal amount of forecasted electricity transactions, which is consistent with the expected variable amount of natural - dependent electricity to be delivered by the generation facilities mentioned in the hedging instrument. Additionally, when the cash flows of the hedging instrument are considered within a cash flow hedge relationship, if the contract involving natural-dependent electricity is designated as the hedging instrument, the occurrence of the designated forecasted transaction is conditioned upon its probability, with the transaction presumed to be highly probable.

For entities designating contracts involving natural-dependent electricity as hedging instruments, disclosures of the terms and conditions of such hedging instruments must be made in accordance with IFRS 7, classified by risk category.

As of the date the consolidated financial statements were authorized for issue, the Group is assessing the potential impact of the new standards and amendments above continuously. The related impact will be disclosed when the Group completes the evaluation.

(3) The impact of the IFRSs issued by IASB but not endorsed by FSC:

The IFRSs issued by IASB but not endorsed by FSC were listed below:

New Standards, Amendments And Interpretations		Effective Date of IASB
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 IASB
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027(Note)
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027

Note: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

Except as described below, the Group assesses the application of the above standards, amendments and interpretations have not material impact on the Group's financial position and financial performance.

- A. Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”  
 The amendments address the inconsistencies between the current IFRS 10 and IAS 28. The recognition of the full or partial gain or loss on the sale (contribution) of assets to an associate or joint venture by an investor depends on the nature of the assets sold (contributed):
- (a) When the assets sold (contributed) meet the definition of a “business,” the full gain or loss is recognized.
  - (b) When the assets sold (contributed) do not meet the definition of a “business,” only the partial gain or loss attributable to the equity held by unrelated investors in the associate or joint venture is recognized.
- B. IFRS 18 “Presentation and Disclosure in Financial Statements”  
 IFRS 18 “Presentation and Disclosure in Financial Statements” replaces IAS 1, updates the structure of the statement of comprehensive income, introduces disclosures for management performance measures, and enhances the principles of aggregation and disaggregation applied in the primary financial statements and notes.
- C. IFRS 19 “Subsidiaries without Public Accountability: Disclosures”  
 This standard permits subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards.
- D. Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”  
 This amendment introduces a requirement that, when translating from a functional currency of a non-hyperinflationary economy to a presentation currency of a hyperinflationary economy, all amounts (including comparative information) shall be translated using the closing exchange rate at the date of the most recent statement of financial position. The amendment also includes an exception whereby an entity whose functional currency and presentation currency are both those of a hyperinflationary economy, but that have foreign operation with a functional currency of a non-hyperinflationary economy, is not required to restate comparative amounts.  
 In addition, the amendment introduces new disclosure requirements, including the translation method applied and summarized financial information of foreign operations to which such translation method has been applied.

As of the date the financial statements were authorized for issue, the Corporation has been continuously assessing the potential impact of the new standards and amendments mentioned above. The related impact will be disclosed when the Corporation completes the evaluation.

#### **4. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

Unless otherwise stated, the material accounting policies adopted in preparing these financial statements are used consistently in all reporting periods. Such accounting policies are summarized below.

##### **(1) Compliance statement**

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Statements by Securities Issuers and the IFRSs endorsed by the FSC.

##### **(2) Basis of preparation**

Except for the financial instruments and net defined benefit assets which are measured at the fair value of plan assets less the present value of the defined benefit obligation that are measured at fair value, these consolidated financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The preparation of these consolidated financial statements complies with the IFRSs announced and endorsed by the FSC, which requires the use of some important accounting estimates. In

the process of applying the Group's accounting policies, management also requires the exercise of its judgment, involving highly judged or complex items, or involving major assumptions in financial reporting and the estimated items. Please refer to Note 5.

Financial statements of each individual entity within the Group are measured in its functional currency. These consolidated financial statements are presented in New Taiwan Dollars, the Corporation's functional and presentation currency.

(3) Basis of consolidation

A. Basis for the consolidated financial statements:

- a. The Group includes all subsidiaries in the consolidated financial statements. A subsidiary is an individual entity controlled by the Group. The Group controls an entity when it is exposed to variable returns from its involvement with the entity or has rights to those variable returns and has the ability to affect those returns through its power over the entity. Subsidiaries are included in the consolidated financial report from the date the Group obtains control, and are not included in the consolidated financial report when the Group loses control.
- b. Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated in consolidated financial statements. The accounting policies of the subsidiaries have been adjusted as necessary, consistent with the policies adopted by the Group.
- c. The components of profit and loss and other comprehensive income are attributable to the owners of the parent company and non-controlling interests; total comprehensive income are also attributable to the owners of the parent company and non-controlling interests, even if it results in a deficit balance for the non-controlling interests.
- d. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are accounted for as equity transactions. The carrying amounts of the Corporation's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
- e. When the Group loses control of a subsidiary, a profit or loss is calculated as the difference between (i) the Group's remeasurement of any investment retained in the former subsidiary at its fair value; and (ii) the previous carrying amount. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss, on the same basis as would be required if the related assets or liabilities were disposed of.

B. The subsidiaries in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)	
			December 31, 2025	December 31, 2024
Chung-Hsin Electric and Machinery Manufacturing Corps.	CHEM USA CORP.	Sale and assembly of note books and computers	100.00%	100.00%
	Cheng-Hsin Engineering & Services Co., Ltd.	Installation and maintenance of environmental protection incinerators Electric power and monitor equipment	100.00%	100.00%
	Etrovision Technology Co., Ltd.	Plan, design and maintenance for electricity, water and firefighting systems of buildings and factories Electric equipment installation, automatic control equipment, communication engineering	99.99%	99.99%
	CHEM Corp.	TV-KU channel and C channel installation Export and import of goods, holding	100.00%	100.00%
	Sunrise Tech. Co. Ltd.	Pollution prevention and control equipment installation and maintenance, mechanical installation, automatic control	100.00%	100.00%

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)	
			December 31, 2025	December 31, 2024
		equipment installation, power generation, power transmission and distribution, machinery manufacturing and energy technology services.		
	Global - Entech Co., Ltd.	Air pollution sample testing, waste water and environmental water testing, noise testing, evaluation of environmental affection	99.99%	99.99%
	Tone-zoom Industry Co., Ltd.	Intensified fiber plastic material and products; bathing equipment, industrial plastic products	23.28% (Note1)	67.96%
	Bao-Sheng Global Co., Ltd.	Manufacture of machinery equipment; lift installation; automation control equipment and traffic signs, parking business management, etc.	100.00%	100.00%
	Chung-Hsin Energy Tech. Inc.	Manufacture of machinery for generating, transmitting and distributing electric power and fuel cells; energy technology services.	100.00%	100.00%
	Tian Cin Energy Co., Ltd.	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	86.74%	86.74%
	Tian Peng Energy Co., Ltd.	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	85.61%	85.61%
	Tian Chong Energy Co., Ltd.	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	87.07%	87.07%
	ME Energy Systems Limited	Power EQU, engineering & parking management services	100.00%	100.00%
	Tian Fu Energy Co., Ltd.	Investment consultation, energy technology services, etc.	52.42%	52.42%
	EGME Energy Ecosystems (India) Private Limited	Promotion, ownership acquisition, erection, construction, establishment, maintenance, improvement, management, planning, development, manufacture, installation, commissioning, alteration, carry on, control, and taking on of backup power services, fuel cells equipment projects, telecom towers or other facilities of generation back power services of green energy and their sales and distribution	71.80%	71.80%
	Stellar Power System Co., Ltd.	R&D, manufacturing, sales and energy technology services of hydrogen fuel cell vehicles and power systems, etc.	5.00%	5.00%
Sunrise Tech. Co. Ltd.	Tone-zoom Industry Co., Ltd.	Intensified fiber plastic material and products; bathing equipment, industrial plastic products	65.75% (Note1)	—
Bao-Sheng Global Co., Ltd.	FinData Technology Corp.	Software design services, data processing services, digital information supply services	— (Note 2)	100.00%
Etrovision Technology Co., Ltd.	FinData Technology Corp.	Software design services, data processing services, digital information supply services	100.00% (Note 2)	—
Cheng-Hsin Engineering & Services Co., Ltd.	San-Feng construction Co., Ltd.	Civil engineering, construction, water conservancy, contract management industry	86.52% (Note 3)	100.00%
	Wha Dun Building Management Service Co., Ltd.	Apartment managing services and consultation, etc.	100.00%	100.00%

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)	
			December 31, 2025	December 31, 2024
FinData Technology Corp.	San-Feng construction Co., Ltd.	Civil engineering, construction, water conservancy, contract management industry	13.48% (Note 3)	—
San-Feng Construction Co., Ltd.	Tian Fu Energy Co., Ltd.	Investment consultation, energy technology services, etc.	47.58%	47.58%
Tian Fu Energy Co., Ltd.	Tian Cin Energy Co., Ltd.	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	13.26%	13.26%
	Tian Peng Energy Co., Ltd.	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	14.39%	14.39%
	Tian Chong Energy Co., Ltd.	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	12.93%	12.93%
Chung-Hsin Energy Tech. Inc.	CHEM ENERGY SA (PTY) LTD.	Manufacture and sales of fuel generators, battery charging services, power generating services, fuel service and parts and maintenance thereof.	32.57% (Note 7)	32.57%
	Stellar Power System Co., Ltd.	Hydrogen fuel cell vehicle and power system research and development, manufacturing, sales and energy technology services, etc.	95.00%	95.00%
CHEM Corp.	CHEM POWER Corp.	Export and import of goods, Holding	100.00%	100.00%
	CHEM Power Limited	Export and import of goods, Holding	100.00%	100.00%
	CHEM J-V Limited	Export and import of goods, Holding	— (Note 4)	100.00%
CHEM POWER Corp.	Chemly Power Equipment Corp.	Manufacture of machinery for generating, transmitting and distributing electric power	100.00%	100.00%
CHEM Power Limited	Chung-Hsin Power Systems (Jiangsu) Corp.	220kV~550kV high voltage GIS/GCB assembly and manufacturing.	100.00%	100.00%
	Nantong Shengyi Precision Machinery Co.	Processing of tanks, plates, over 1.5M of conductors and various machinery parts	50.00%	50.00%
	Jiangsu Chung-Hsin Precision Machinery Co., Ltd.	Alloy casting and precision manufacturing	99.17%	99.17%
	Chem-Tech (Shanghai) Corp.	Parking equipment & parts manufacturing	100.00%	100.00%
Jiangsu Chung-Hsin Precision Machinery Co., Ltd.	Integrated Manufacturing & Services Co., Ltd.	International trade	100.00%	100.00%
H2 Power Tech, Inc.	H2 Power Tech, LLC.	Development and production of specialized equipment and key components for solar cell manufacturing	100.00%	100.00% (Note 5)
ME Energy Systems Limited	H2 Power Tech, Inc.	Technical services, licensing and equipment sales	100.00%	100.00%
	EGME Energy Ecosystems (India) Private Limited	Holding company	100.00%	100.00%
	CHEM Fuel Cell (M) SDN. BHD.	Promotion, ownership, acquisition, erection, construction, establishment, maintenance, improvement, management, planning, development, manufacture, installation, commissioning, alteration, carrying on, control, and taking on of backup power services, fuel cells equipment projects, telecom towers or other facilities of generation back power services of green energy and their sales and distribution	28.19%	28.19%
	CHEM ME ENERGY SYSTEMS HOLDINGS (PTY) Ltd.	Promotion and sale of fuel cells and microgrids	—	— (Note 6)
		Holding company for manufacturing, sales and services related to fuel cell generators and other generation and energy storage systems.	100.00% (Note 7)	100.00%

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)	
			December 31, 2025	December 31, 2024
	CHEM ENERGY SA (PTY) LTD.	Manufacture and sales of fuel generators, battery charging services, power generating services, fuel service and parts and maintenance thereof.	36.24% (Note 7)	36.24%
CHEM ME ENERGY SYSTEMS HOLDINGS (PTY) LTD.	CHEM ENERGY SA (PTY) LTD.	Manufacture and sale of fuel generators, battery charging services, power generating services, fuel service and parts and maintenance thereof.	31.19% (Note 7)	31.19%

Note 1: In November 2025, Sunrise Tech. Co. Ltd. acquired a 65.75% equity interest in Tone-zoom Industry Co., Ltd. through a cash capital increase of NT\$20,000 thousand. ~~Since~~ The Corporation did not participate in the capital increase in proportion to its existing shareholding, its ownership interest decreased to 23.28%.

Note 2: As part of the organizational restructuring, the company transferred all of its equity interests to Etrovision technology Co., Ltd.

Note 3: In September 2025, FinData Technology Corp. acquired a 13.48% equity interest in San-Feng construction Co., Ltd. through a cash capital increase of NT\$70,000 thousand. ~~As~~ Cheng-Hsin Engineering & Services Co., Ltd. did not participate in the capital increase in proportion to its existing shareholding, its ownership interest in San-Feng construction Co., Ltd. decreased to 86.52%.

Note 4: Dissolution in October 2025.

Note 5: The Corporation acquired the 100% shares from MICT International Limited in July 2024.

Note 6: Dissolution in October 2024.

Note 7: On November 30, 2025, CHEM ME ENERGY SYSTEMS HOLDINGS (PTY) Ltd. and CHEM ENERGY SA (PTY) LTD. resolved to undergo dissolution and liquidation through their respective shareholders' meetings. As a result, the Group lost control over these entities, and they are no longer included in the scope of consolidation for the consolidated financial statements.

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

D. The significant non-controlling interests' information of subsidiaries: none.

#### (4) Foreign currency

The items presented in the financial statements of each entity within the Group are measured using the currency of the primary economic environment in which the entity operates (i.e., the functional currency). The consolidated statements are prepared using the Corporation's functional currency New Taiwan dollars as the expression currency.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Such exchange differences are recognized in profit or loss in the year in which they arise. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences, if any, are recognized in other comprehensive income.

#### (5) Classification of current and non-current assets and liabilities

A. Assets that meet the one of the following conditions are classified as current assets:

- a. the asset is expected to be realized, or intended to be sold or consumed, in its normal operating cycle;
- b. the asset is held primarily for the purpose of trading;

- c. the asset is expected to be realized within twelve months after the reporting period;
- d. the asset is cash or a cash equivalent unless the asset is restricted for at least twelve months after the reporting period.

If none of the above conditions is met, an asset is classified as non-current.

B. Liabilities that meet the one of the following conditions are classified as current liabilities:

- a. the liability is expected to be settled in its normal operating cycle;
- b. the liability is held primarily for the purpose of trading;
- c. the liability is due to be settled within twelve months after the reporting period;
- d. the settlement of the liability cannot be deferred unconditionally for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

If none of the above criteria is met, a liability is classified as non-current.

(6) Cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and other investments that are readily convertible to known amounts of cash in the short-term or subject to an insignificant risk of changes in value (including time deposits with original maturities of three months or less).

(7) Financial Instruments

Financial assets and financial liabilities of the Group are recognized in consolidated balance when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

A. Financial assets

(A) Categories of financial assets

Financial asset transactions under a regular way purchase or sale are recognized and derecognized using trade date accounting.

The categories of financial assets held by the Group include financial assets at fair value through profit or loss, financial assets at amortized cost and investments in equity instruments at fair value through other comprehensive income.

a. Financial asset at fair value through profit or loss

Financial assets at fair value through profit or loss include those mandatorily at fair value through profit or loss or financial assets designated as at fair value through profit or loss. Financial assets mandatorily at fair value through profit (loss) include equity instrument investment designated by the Group as at fair value through other comprehensive profit (loss), and debt instruments that are not at amortized cost or fair value through other comprehensive profit or loss investment.

Financial assets at fair value through profit or loss are recognized at fair value, and any changes in the fair value of these financial assets are recognized in profit or loss. These profits or losses do not include any dividends or interests (including receivable of investment in first year). For the method of adoption in fair value, please refer to Note 12(2).

b. Financial assets at amortized cost

Financial assets that meet both of the following conditions is subsequently measured at amortized cost:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and  
(b) the contractual terms of the financial asset result in cash flows on specified dates that are solely payments of principal and interest on the outstanding principal amount.  
Financial assets at amortized cost equal to the gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for:

(a) purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset; and

(b) financial asset that has subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset.

- c. Investments in equity instruments at fair value through other comprehensive income  
At the time of initial recognition, the Group may make an irrevocable choice to designate equity instruments investments, which are neither held for trading nor related to non-business combination acquirers' contingent consideration, to be measured at FVTOCI. Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity.

Dividends on these investments in equity instruments at FVTOCI are recognized in profit or loss when the Group's right to receive the dividends is established, unless the Group's rights clearly represent a recovery of part of the cost of the investment.

**(B) Impairment of financial assets**

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivables), investments in debt instruments that are measured at FVTOCI, lease receivables, as well as contract assets.

The Group always recognizes lifetime expected credit loss (i.e. ECL) for accounts receivables, contract assets and lease receivables. For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

ECL reflects the weighted average of credit losses with the respective risks of a default occurring as the weights. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of the financial asset.

**(C) Derecognition of financial assets**

The Corporation derecognizes a financial asset when one of the following conditions is met:

- a. The contractual rights to the cash flows from the financial asset expire.
- b. The Corporation transfers the contractual rights to receive the cash flows of the financial asset and has transferred substantially all the risks and rewards of ownership of the

financial asset.

c. The Corporation neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, but has not retained control of the financial asset.

On derecognition of a financial asset at AC in its entirety, the difference between the carrying amount and the consideration received is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the cumulative gains or losses are transferred directly to retained earnings and are not reclassified to profit or loss.

#### B. Equity Instruments

The debt and equity instruments issued by the Group are classified as equity based on the substance of the contractual arrangements and the definitions of an equity instrument.

The Group reacquires its equity instruments recognized and derecognized under equity. The Group's purchase, disposal, issuance or write-down of its own equity instruments is not recognized in profit or loss.

#### C. Financial liabilities

##### (A) Subsequently measured

Financial liabilities are subsequently measured at amortized cost using the effective interest method, except in the following conditions:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include those held for trading and designated as measured at fair value through profit and loss. A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing it in the near term. Derivatives are also categorized as financial liabilities held for trading unless they are financial guarantee contracts or designated and effective hedging derivatives.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.

##### (B) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

#### (8) Inventories

The inventory of manufactory comprises raw materials, materials, finished products, and works in progress. Acquisition costs are used as the accounting basis for inventories, and costs are calculated through weighted average. Inventory is measured at the lower of cost or net realizable value. Costs and net realizable values are compared based on individual items unless the inventories are of the same category. Net realizable value refers to the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventory write-downs to net realizable value are recognized as part of cost of goods sold.

The inventory of construction, including real estate as held for sale, land for construction and real estate under construction, is recorded based on acquisition cost. Land for construction is reclassified as real estate under construction when actively developed, and related interest costs are capitalized from the commencement of active development or construction work until the completion of the project.

#### (9) Investments Accounted for Using Equity Method - Associates

Associates are all entities over which the Group has material influence but are not subsidiaries or joint ventures. Material influence refers to the power to participate in the financial and operating policy decisions of the investee, but not control or jointly control those policies.

Investments in associates are accounted for using the equity method and are initially recognized at cost. The Group's share of its associates' post-acquisition profits or losses is recognized in

profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income.

In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then the 'capital surplus' and 'investments accounted for under the equity method' should be adjusted for the increase or decrease in its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of. If the above adjustment requires a debit to capital surplus, but the capital surplus arising from the investment accounted for using the equity method is insufficient, the difference is debited to retained earnings.

When the Group's share of losses in an associate equals or exceeds its equity interest in the associate, including the carrying amount of investment of the associate under the equity method and net investment portfolio to the associate in other long-term equity by the Group, it ceases to recognize further losses. The Group recognizes further losses only when they occur as a result of legal obligations, constructive obligations and payments made on behalf of the associate.

If the acquisition cost of equity interest in the associate is higher than the fair value of the Group's share of the identifiable net assets acquired, the difference is recorded as goodwill.

This goodwill is included in the carrying amount of the investment and is not subject to amortization. If the fair value of the Group's share of the identifiable net assets acquired exceeds the acquisition cost, the difference is recognized as current period income.

When the Group assesses impairment, the total carrying amount of the investment (including goodwill) is treated as a single asset. The recoverable amount (the higher of an asset's fair value less costs to sell or value in use) is compared with the carrying amount to conduct an impairment test. Any recognized impairment loss is also considered part of the carrying amount of the investment. Any reversal of impairment loss is recognized to the extent of subsequent increases in the recoverable amount of the investment.

Upon loss of significant influence over an associate, the Group stops to use the equity method and remeasures any investment retained in the former associate at its fair value. Any difference between the fair value and the carrying amount is recognized in profit or loss. Additionally, all the amounts previously recognized in other comprehensive income in relation to the associate are accounted for based on the same principles that would apply if the relevant assets or liabilities were disposed of.

Gains or losses on sales from intercompany transactions between the Group and its affiliated companies are recognized in consolidated financial statements only to the extent that they are unrelated to the Group's equity in the affiliated companies.

#### (10) Property, plant and equipment

Property, plant and equipment are stated at cost including related interests capitalized the period of acquisition and construction. Before the property, plant and equipment under construction are completed and ready for their intended use, samples produced to test whether the assets can function normally are measured at the lower of cost and net realizable value, and the sales price and cost are recognized in profit or loss.

Subsequent costs are included in the book value of the asset or recognized as a separate asset only when the future economic benefits related to the item are likely to flow into the Corporation and the cost of the item can be measured reliably. The book value of the replaced part shall be derecognized. All other maintenance expenses are recognized in profit or loss when incurred.

Land is not depreciated. Other property, plant and equipment apply the cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each financial year. If the expected value of the residual value and useful lives is different from the previous estimate, or the expected consumption pattern of the future economic benefits contained in the asset has changed significantly, it will be dealt with as an accounting estimate change in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors," starting from the date the change occurs. The useful lives of each asset are as follows:

Buildings	
Main buildings	35 to 50 years
Electrical and mechanical construction, etc.	15 to 30 years
Others	5 to 10 years
Machinery	2 to 10 years
Transportation	3 to 6 years
Others	3 to 15 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss from the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

#### (11) Leases

The Group assesses whether a contract constitutes (or includes) a lease on the date the contract is established. For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee should allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

##### A. The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the lease commencement date, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

##### Right-of-use assets

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

Except for the right-of-use assets that meet the definition of investment property, right-of-use assets are presented as a separate line item in the consolidated balance sheets.

If the lease transfers the ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, depreciation of the right-of-use asset is calculated from the commencement date to the end of the useful life of the underlying asset.

##### Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments less any lease incentives received. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, and interest expenses are allocated over the lease term. When there is a change in a lease term or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a

corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented as a separate line item in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

#### B. The Group as lessor

Leases are classified as finance leases if they transfer substantially all the risks and rewards of ownership of the underlying asset to the lessee. All other leases are classified as operating leases.

When a lease includes both land and building elements, the Group assesses the classification of each element separately as either a finance lease or an operating lease. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases, in which case, the entire lease is classified as an operating lease.

Under finance leases, the lease payments include fixed payments and variable lease payments that depend on an index or a rate. The net investment in the leases is the sum of the present value of the lease receivable and the unguaranteed residual value, plus the initial direct cost, and is expressed as the finance lease receivable. The Group aims to allocate finance income over the lease term on a systematic and rational basis term, based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the lease.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as an expense over the lease term on a straight-line basis.

### (12) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties also include the land held for which the future use has not yet been determined.

An investment property is stated initially at its cost, including transaction costs and measured subsequently using the cost model.

Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

### (13) Intangible Assets

#### A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

After the date of acquisition, goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

#### B. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized using the straight-line method over the following estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

When the right to charge users of the public infrastructure is obtained, it is recognized as a concession. It is subsequently measured at cost less any accumulated amortization and any

accumulated impairment losses.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

(14) Impairment of Non-Financial Assets

At the end of the reporting period, the Group assesses the recoverable amounts of assets showing indications of impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. A previously recognized impairment loss is reversed only if the circumstances of asset impairment recognized in previous years no longer exist. The reversal should not exceed its impairment loss that had been recognized in previous years.

Impairment losses on goodwill shall not be reversed in subsequent periods.

(15) Provisions for Liabilities

Provisions for liabilities are recognized when a present legal or constructive obligation arises from past events, it is highly probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. The measurement of provisions for liabilities is based on the best estimated present value of the expenditure required to settle the obligation on the balance sheet date. Future operating losses cannot be recognized as provisions for liabilities.

Carbon fees levied in accordance with the Climate Change Response Act and its subsidiary regulations are not within the scope of IFRIC 21 "Levies"; instead, they are recognized and measured in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets." If the estimated annual emissions are highly likely to exceed the threshold for carbon fee imposition, the carbon fee-related liabilities in the interim financial reports shall be estimated based on the proportion of actual emissions incurred to the total estimated annual emissions.

(16) Employee Benefits

(A) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(B) Retirement benefits

a. Defined contribution retirement benefit plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

b. Defined benefit plan

Defined benefit costs (including service cost, net interest and rereasurement) under the defined benefit retirement plans are determined using the projected unit credit method. Remeasurements, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized in other comprehensive income in the period in which they occur. Remeasurements recognized in other comprehensive income are reflected immediately in retained earnings and will not be reclassified to profit or loss. Net defined benefit liability (asset) represents the actual deficit (surplus) in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

c. Employees' and directors' remuneration

Employees' remuneration and directors' remuneration are recognized as expense and liability, provided that such recognition is required under a legal or constructive

obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

d. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Corporation's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Corporation recognizes expense when it can no longer withdraw an offer of termination benefits or it recognizes related restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after the balance sheet date should be discounted to their present value.

(17) Treasury Shares

The shares held by subsidiaries in the Corporation are recognized as treasury shares at their acquisition cost. The dividends distributed by the Corporation to its subsidiaries are offset in the accounts against the share of subsidiary profits or losses recognized under the equity method, and adjustments are made to the capital surplus - treasury share.

(18) Revenue Recognition

The Group recognizes revenue from customer contracts, applying the following steps:

- identify the contract(s) with a customer.
- identify the performance obligations in the contract.
- determine the transaction price.
- allocate the transaction price to each performance obligation in the contract.
- recognize revenue when a performance obligation is satisfied.

After identifying the contracts with customers, the Group allocates the transaction price to the performance obligations, and then recognizes revenue when performance obligations are satisfied.

For contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, the Group does not adjust any of the transaction prices for the financing components.

(A) Sale of goods

Revenue from the sale of goods mainly comes from sales of electrical and power products. The Group recognizes revenue when a customer obtains control of the promised goods, at which time the goods are delivered to the customer's specific location and the performance obligation is satisfied. Advance receipts for goods before delivery are recognized as contract liabilities.

When the Group provides materials for processing, the control of the ownership of the processed products is not transferred, so revenue is not recognized when the materials are supplied.

Sales of real estate within the normal scope of business are collection of fixed transaction prices in installments and are recognized as contract liabilities. After considering the major financial components, revenue is recognized when each piece of real estate is completed and delivered to the buyer.

(B) Offer of services and maintenances

The Group offers services and maintenance such as parking management and maintenance and repair of electrical and power systems.

As customers obtain and consume the performance benefits at the same time, the related revenue from offer of services and maintenance is recognized when the services are provided.

(C) Engineering project revenue

For engineering contracts during the construction process, the Group recognizes engineering project revenue over time. Because the completion progress of an engineering project is directly related to the costs incurred during its execution and the fulfillment of contractual obligations, the Group measures the progress based on the ratio of actual costs incurred to the total estimated costs. The Group gradually recognizes contract assets during the construction process and converts them into accounts receivable upon billing. If the engineering project money received exceeds the revenue recognized, the difference is recognized as contract liability. The engineering retention money retained by the customer under the terms of the contract is intended to ensure that the Group completes all contractual obligations. The engineering retention money is recognized as contract assets before the Group completes all its contractual obligations.

If the outcome of a performance obligation cannot be estimated reliably, engineering project revenue is only recognized within the expected recoverable cost of satisfying the performance obligations.

(19) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction, or production of qualifying assets are included as part of the cost of those assets until substantially all the necessary activities required to make the asset ready for its intended use or sale are completed. For specific borrowings, any investment income earned from the temporary investment of funds before the qualifying capital expenditure is incurred is deducted from the borrowing costs eligible for capitalization.

Borrowings are recognized in current expenses except under the above conditions.

(20) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group uses the acquisition-by-acquisition basis. If the components of non-controlling interests are current equity and their holders are entitled to a proportionate share of the net assets when liquidation occurs, they can be measured either at fair value on the acquisition date or based on the proportionate share of the identifiable net assets of the acquiree attributable to the non-controlling interests. All other components of non-controlling interests are measured at fair value on the acquisition date.

B. If the total of the fair values of the consideration of acquisition and any non-controlling interest in the acquiree as well as the acquisition-date fair value of any previous equity interest in the acquiree is higher than the fair value of the Group's share of the identifiable net assets acquired, the difference is recorded as goodwill; if it is less than the fair value of the Group's share of the identifiable net assets acquired, the difference is recognized directly in profit or loss.

(21) Income Tax

Income tax expense is the sum of the tax currently payable and deferred tax.

A. Current tax

The tax currently payable is based on taxable profit for the year. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity. The Group's liability for current tax is calculated using

tax rates that have been enacted or substantively enacted by the end of the reporting period. In accordance with the Income Tax Act, an additional tax on unappropriated earnings is recognized as income tax expenses for the year in which the shareholders resolve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

#### B. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. If the deferred income tax arises from the original recognition of assets or liabilities in a transaction (other than in a business combination) and does not affect accounting profits or taxable income at the time of the transaction, and the transaction does not result in equivalent taxable and deductible temporary differences at the time of the transaction, they will not be recognized.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets, such as temporary differences, loss carry forward or expenditure of R&D, are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Corporation and its subsidiaries are able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. At the end of each reporting period, an entity reassesses unrecognized deferred tax assets. The entity recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### C. Current and deferred tax

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

#### (22) Changes in Accounting Policies

In line with the Group's operational planning and to ensure a consistent basis for accounting policies while providing more reliable and relevant information in the financial statements, the Board of Directors resolved to change the Group's accounting policy effective January 1, 2024. Consequently, contracts for certain parking lots have been reclassified and accounted for in accordance with IFRIC 12 'Service Concession Arrangements.

In accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, this accounting policy should be applied retrospectively. The restated comparative information

and the impact of this accounting policy change on the Group's consolidated financial report for the year period ended December 31, 2024 are as follows:

Impact on Balance Sheet

December 31, 2024

	<u>Amount before restatement</u>	<u>Effect of changes in accounting policies</u>	<u>Amount after restatement</u>
<u>Assets</u>			
Property, plant and equipment	\$ 13,918,489	\$( 25,103)	\$ 13,893,386
Right-of-use assets	4,381,952	( 1,029,130)	3,352,822
Intangible assets	318,660	1,150,611	1,469,271
Other non-current assets, others	1,218,871	( 96,378)	1,122,493
	<u>\$ 19,837,972</u>	<u>\$ —</u>	<u>\$ 19,837,972</u>

	<u>Amount before restatement</u>	<u>Effect of changes in accounting policies</u>	<u>Amount after restatement</u>
<u>Liabilities</u>			
Current financial liabilities at amortised cost	\$ —	\$ 489,306	\$ 489,306
Current lease liabilities	1,815,537	( 489,306)	1,326,231
Non-current financial liabilities at amortised cost	—	515,423	515,423
Non-current lease liabilities	2,305,441	( 515,423)	1,790,018
	<u>\$ 4,120,978</u>	<u>\$ —</u>	<u>\$ 4,120,978</u>

January 1, 2024

	<u>Amount before restatement</u>	<u>Effect of changes in accounting policies</u>	<u>Amount after restatement</u>
<u>Assets</u>			
Property, plant and equipment	\$ 14,445,905	\$( 22,382)	\$ 14,423,523
Right-of-use assets	4,265,918	( 488,071)	3,777,847
Intangible assets	318,979	575,060	894,039
Other non-current assets, others	1,056,496	( 64,607)	991,889
	<u>\$ 20,087,298</u>	<u>\$ —</u>	<u>\$ 20,087,298</u>

	<u>Amount before restatement</u>	<u>Effect of changes in accounting policies</u>	<u>Amount after restatement</u>
<u>Liabilities</u>			
Current financial liabilities at amortised cost	\$ —	\$ 248,465	\$ 248,465
Current lease liabilities	1,550,262	( 248,465)	1,301,797
Non-current financial liabilities at amortised cost	—	217,874	217,874
Non-current lease liabilities	2,483,795	( 217,874)	2,265,921
	<u>\$ 4,034,057</u>	<u>\$ —</u>	<u>\$ 4,034,057</u>

**5. CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the aforementioned accounting policies in Note 4, the Group is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the

revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The key judgments, estimations and assumptions the Group's preparation of the consolidated financial statements are discussed below.

(1) Critical judgments adopted by the accounting policies

Revenue recognition

The Group determines, in accordance with IFRS 15, whether it has obtained or not obtained control of specific goods or services before transferring them to customers to identify whether it is a principal or an agent of the transaction. If it is identified to be the principal of the transaction, the net amount of the transaction is recognized as revenues.

(2) Critical accounting estimates and assumptions

A. Estimated impairment of financial assets

The provision for impairment of trade receivables is based on assumptions about risk of default and expected loss rates. The Group uses judgments in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

B. Impairment assessment of tangible and intangible assets

When assessing the impairment assessment of tangible and intangible assets, the Group will use its subjective judgment and take into account the status of the assets to determine the useful life and any profit and loss which will be generated by specific asset groups. Any changes in accounting estimates arising from changes in the economic situation and the Group's strategy may cause significant impairment in the future.

C. Realization of deferred income tax assets

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. Assessment of the realizability of deferred income tax assets involves critical accounting judgments and estimates of the management, including the assumptions of expected future sales revenue growth rate and profit rate, tax exempt duration, available tax credits, etc. Any variations in the global economic environment, industrial environment, and laws and regulations might cause material adjustments to deferred income tax assets.

D. Project contracts

The recognition of profit or loss from project contracts is based on the progress of contract activities, with revenue and costs recognized separately. The progress is measured by the ratio of actual contract costs incurred to date to the estimated total contract costs. Variable consideration such as bonuses and compensation stipulated in the contract is included in contract revenue only when the related uncertainties are subsequently resolved, and it is highly probable that there will not be a significant reversal of the revenue amount.

As the estimated total cost and contract items are assessed and judged by the management based on the nature of the different projects, the expected amount of contract, the duration, the work involved, the methods used, etc., this may affect the calculation of the percentage of completion and the profit and loss of the project.

E. Fair value measurement and evaluation process

For Level 3 fair value measurement on equity investments, the Group determines the estimated fair value by selecting appropriate valuation methods primarily based on investees' financial positions, operation results and recent financing activities, the market transaction prices of the similar investments, market conditions and the required discount factors. As such, the estimated fair value may be different from the actual disposal price in the future. The Group reassesses the fair value measurement quarterly based on the market conditions to ensure the appropriateness of the fair value measurement.

## **6. DETAILS OF SIGNIFICANT ACCOUNTS**

(1) Cash and cash equivalents

	<u>December 31,2025</u>	<u>December 31,2024</u>
Cash on hand	\$ 1,794	\$ 2,361
Turnover cash	11,084	10,901
Cash equivalents		
Short-term bills	40,865	62,301
Deposits in transit	787	—
Bank deposit	3,403,950	2,665,048
	<u>\$ 3,458,480</u>	<u>\$ 2,740,611</u>

- (A) The financial institutions with which the Group have dealings with have good credit. The Group has business with a number of financial institutions to diversify credit risk. The probability of breach of contract is expected to be low.
- (B) As of December 31, 2025 and 2024, the Group's bank deposits were used as collateral for purchasing raw materials, engineering contracts, and loans and listed as restricted assets. These have been reclassified into "Other current assets" and "Other non-current assets." Please refer to Note 8.

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

	<u>December 31,2025</u>	<u>December 31,2024</u>
<u>Current financial assets</u>		
Mandatorily measured at fair value through profit or loss		
Listed stock	\$ 7,193	\$ 8,664
Beneficiary certificate	133,925	254,828
	<u>\$ 141,118</u>	<u>\$ 263,492</u>
<u>Non-current financial assets</u>		
Mandatorily measured at fair value through profit or loss		
Listed stock	\$ 262,889	\$ 220,408

As of December 31, 2025 and 2024, financial assets at fair value through profit or loss did not serve as collateral for bank loans.

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

	<u>December 31,2025</u>	<u>December 31,2024</u>
<u>Noncurrent</u>		
Equity Instruments		
Equity	\$ 103,975	\$ 115,659

The Group invests in unlisted companies for medium and long-term strategic purposes and expects to make profits through long-term investments. The management of the Group believes that if short-term fair value fluctuations of these investments are included in profit or loss, it is inconsistent with the above-mentioned long-term investment plans. Therefore, they choose to designate these investments as measured at fair value through other comprehensive income or loss.

As of December 31, 2025 and 2024, financial assets at fair value through other comprehensive income or loss did not serve as collateral for bank loans.

(4) Financial assets at amortized cost

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Current</u>		
Time deposits with original maturities of more than 3 months	\$ 721,531	\$ 503,732

As of December 31, 2025 and 2024, the Group's financial assets at amortized cost were used as collateral for purchasing raw materials, engineering contracts, and loans and were listed as restricted assets. These have been reclassified into "Other current assets" and "Other non-current assets." Please refer to Note 8.

(5) Notes receivable, net

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Notes receivable from operating activities	\$ 42,918	\$ 109,911
Less: allowance for impairment loss	—	—
	<u>\$ 42,918</u>	<u>\$ 109,911</u>

A. As of December 31, 2025 and 2024, the Group had no notes receivable overdue.

B. As of December 31, 2025 and 2024, notes receivable did not serve as collateral for bank loans.

(6) Accounts receivable, net

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Accounts receivable	\$ 2,346,879	\$ 2,652,053
Less: allowance for impairment loss	( 20,118 )	( 19,562 )
Accounts receivable, net	<u>2,326,761</u>	<u>2,632,491</u>
Accounts receivable due from related parties	1,200	102
Less: allowance for impairment loss	—	—
Accounts receivable due from related parties, net	<u>1,200</u>	<u>102</u>
	<u>\$ 2,327,961</u>	<u>\$ 2,632,593</u>

The Group applies the simplified approach to providing for expected credit losses. The expected credit loss over the duration of an accounts receivable is estimated based on the customer's past payment behavior and the characteristics of the industry. It is determined by using the number of overdue days for accounts receivable and actual conditions.

The following table details the loss allowance of trade receivables:

	<u>Not overdue</u>	<u>Overdue 1~180 days</u>	<u>Overdue over 180 days</u>	<u>Total</u>
<u>December 31, 2025</u>				
Expected credit loss rate		0%~50%	50%~100%	
Total Book Value	\$ 2,311,190	\$ 25,956	\$ 10,933	\$ 2,348,079
Less: Loss allowance	—	( 12,235 )	( 7,883 )	( 20,118 )
Amortized cost	<u>\$ 2,311,190</u>	<u>\$ 13,721</u>	<u>\$ 3,050</u>	<u>\$ 2,327,961</u>
<u>December 31, 2024</u>				
Expected credit loss rate		0%~50%	50%~100%	
Total Book Value	\$ 2,615,738	\$ 22,688	\$ 13,729	\$ 2,652,155
Less: Loss allowance	—	( 10,170 )	( 9,392 )	( 19,562 )
Amortized cost	<u>\$ 2,615,738</u>	<u>\$ 12,518</u>	<u>\$ 4,337</u>	<u>\$ 2,632,593</u>

The movements of the loss allowance of other receivables were as follows:

	<u>For the years ended December 31, 2025</u>		
	<u>Accounts receivable</u>	<u>Other receivables</u>	<u>Contract asset</u>
Balance, beginning of period	\$ 19,562	\$ 9,083	\$ 130,982
Increase on impairment loss for the period	6,354	—	153

	For the years ended December 31, 2025		
	Accounts receivable	Other receivables	Contract asset
Reversal on impairment loss for the period	( 117 )	( 3,740 )	( 573 )
Write off on impairment loss for the period	( 1,535 )	—	—
Others	( 4,453 )	—	—
Effect of exchange rate changes	307	( 133 )	—
Balance, end of period	<u>\$ 20,118</u>	<u>\$ 5,210</u>	<u>\$ 130,562</u>

	For the years ended December 31, 2024		
	Accounts receivable	Other receivables	Contract asset
Balance, beginning of period	\$ 6,407	\$ 16,735	\$ 122,860
Increase in impairment loss for the period	8,059	—	8,122
Reversal of impairment loss for the period	( 316 )	( 4,015 )	—
Write off on impairment loss for the period	( 2,345 )	—	—
Others	3,565	—	—
Effect of exchange rate changes	4,192	( 3,637 )	—
Balance, end of period	<u>\$ 19,562</u>	<u>\$ 9,083</u>	<u>\$ 130,982</u>

For related credit risk management and assessment methods, please refer to Note 12(3).

As of December 31, 2025 and 2024, accounts receivable did not serve as collateral for bank loans.

(7) Inventories-manufactory business

	For the year ended December 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 2,574,121	\$( 402,720)	\$ 2,171,401
Semi-finished goods	1,039,798	( 127,296)	912,502
Work in process	2,426,258	( 18,321)	2,407,937
Finished goods	2,703,618	( 876)	2,702,742
Finished goods - purchased	30,289	( 23,517)	6,772
Materials in transit	27,480	—	27,480
	<u>\$ 8,801,564</u>	<u>\$( 572,730)</u>	<u>\$ 8,228,834</u>

	For the year ended December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 2,436,318	\$( 408,376)	\$ 2,027,942
Semi-finished goods	1,180,671	( 127,255)	1,053,416
Work in process	2,194,866	( 11,184)	2,183,682
Finished goods	2,890,343	( 2,776)	2,887,567
Finished goods - purchased	31,718	( 23,784)	7,934
Materials in transit	72,760	—	72,760
	<u>\$ 8,806,676</u>	<u>\$( 573,375)</u>	<u>\$ 8,233,301</u>

A. The profits and losses derived from costs of goods sold for the period were as follows:

	For the years ended December 31	
	2025	2024
Cost of inventory sold	\$ 2,830,507	\$ 3,041,871
(Recoverable gain) Loss on obsolete and slow-moving	28,843	( 7,889 )
Loss on disposal of inventory	34,015	49,518
Loss (Gain) on physical inventory	98	3,625
	<u>\$ 2,893,463</u>	<u>\$ 3,087,125</u>

The recovery in the value of inventories resulted from a decrease in obsolete inventory, which led to an increase in the net realizable value of the inventories.

B. As of December 31, 2025 and 2024, Inventories-manufacturing business did not server as collaterals for bank loan.

(8) Inventories – Construction

	December 31, 2025	December 31, 2024
Real estate held for sale	\$ 681,285	\$ 1,066,963
Land held for construction sites	242,956	242,956
Real estate under construction	1,338,368	949,211
	<u>\$ 2,262,609</u>	<u>\$ 2,259,130</u>

A. The real estate under construction is located at Chenggong section (Sanchongpu section), Sanchong Dist., New Taipei City, where the Group is engaged to construct residential buildings, and is under active construction.

B. The Corporation and Chainqui Construction Development Co., Ltd. signed a contract to co-construct residential buildings on the land at Chengzhong section (recognized as land held for construction sites). The Corporation also signed a trust agreement with Taipei Fubon Commercial Bank Co., Ltd. (“Taipei Fubon”) to entrust it to manage related trust property businesses, and the land ownership of Chengzhong section trust was registered with Taipei Fubon.

C. For the years ended December 31, 2025 and 2024, the capitalized interest expense capitalized amounts were \$8,555 thousand and \$5,457 thousand, respectively; and the ratio ranges of capitalized interests were 0.96%~1.32% and 0.84%~1.56% in 2025 and 2024, respectively.

D. As of December 31, 2025 and 2024, construction inventories did not serve as collateral for bank loans.

(9) Prepayments

	December 31, 2025	December 31, 2024
Prepaid rental	\$ 9,885	\$ 19,641
Other prepaid expense	141,318	149,174
Prepayments for purchasing materials	501,453	213,445
Input tax/offset against business tax payable	26,002	19,834
Prepayments for construction	1,060,008	1,173,769
Prepayments for investments	26,000	—
Others	3,124	310
	<u>\$ 1,767,790</u>	<u>\$ 1,576,173</u>

(10) Disposal of Subsidiary

A. On November 30, 2025, the shareholders of CHEM ME ENERGY SYSTEMS HOLDINGS (PTY) Ltd. and CHEM ENERGY SA (PTY) LTD. approved a resolution for dissolution and liquidation, resulting in the Group's loss of control over these entities. The assets and liabilities associated with the aforementioned companies are as follows:

Assets

Net consideration received	\$	—
Disposal of net assets		
Cash and cash equivalents		3,349
Prepayments		558
Other		16
Right-of-use assets		24,259
Other		1,851
Accounts payable	(	2,841)
Lease liabilities	(	28,175)
Other	(	859)
		<u>1,842</u>
Gain or Loss on disposal of subsidiary	\$	<u>1,842</u>

B. The Group's disposed of the subsidiary Jiangsu Fumei Landscape & Real Estate Development Co., Ltd. (Jiangsu Fumei) for RMB2,158 thousand in August 2024. The relevant assets and liabilities for loss of control were analyzed as follows:

Assets

Net consideration received	\$	9,583
Disposal of net assets		
Cash and cash equivalents		13,854
Property, plant and equipment		5,335
Right-of-use assets		28,933
Other		687
Other payables	(	10,502)
Lease liabilities	(	30,015)
Other	(	1)
Gain or Loss on disposal of subsidiary		<u>8,291</u>
Gain or Loss on disposal of subsidiary	\$	<u>1,292</u>

(11) Non-current assets as held for sale

In September 2025, the Board of Directors of the Group resolved to dispose of its 30% equity interest in Yongxing casting Co., Ltd. and its 45% equity interest in Wuxi Hengchi Chem switchgear Co., Ltd. for approximately RMB 1,430 thousand and RMB 29,360 thousand, respectively. Accordingly, investments accounted for using the equity method amounting to RMB 123,848 thousand were reclassified as non-current assets held for sale. The expected proceeds from the disposals exceed the carrying amounts; therefore, no impairment loss was recognized.

(12) Investments accounted for using the equity method

Investment in associates:

	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
Associates that are not individually material				
Guang-Hsin Co., Ltd.	\$ 2,121,891	24.29%	\$ 2,170,266	24.29%
Sheng-Yuan Investment Corp.	1,905,620	29.33%	1,942,123	29.33%
Li-Xiang Technology Co., Ltd. (Note 1)	—	40.00%	—	40.00%
Nomura Chung-Hsin Machinery Corporation (Note 2)	—	—	—	—
Aura Material Inc.	34,987	37.00%	39,698	37.00%
Sheng-He Precision Co., Ltd. (Note3)	385,523	45.00%	391,841	45.00%
Nantong L-S metal forming Co., Ltd. (Note 4)	—	—	—	—
Wuxi Hengchi Chem Switchgear Co., Ltd.	—	45.00%	105,072	45.00%
MIC Ltd.	—	—	19,158	40.00%
Qingdao Sunhydro Group Co., Ltd.	—	24.75%	—	24.75%
Yongxing Casting Co., Ltd.	—	30.00%	7,962	30.00%
Subtotal	4,448,021		4,676,120	
Less: accumulated impairment losses	—		—	
	<u>\$ 4,448,021</u>		<u>\$ 4,676,120</u>	

Note 1: Reclassified as other non-current liabilities.

Note 2: The Company went through liquidation in December 2024.

Note 3: The Group handled the disposal in November 2024.

Note 4: Reclassified as non-current assets as held for sale.

Note 5: The Company went through liquidation in February 2025.

A. Aggregate information of associates that are not individually material:

	For the years ended December 31	
	2025	2024
Proportionate interest from associates		
Year of income	\$ 133,558	\$ 143,667
Other comprehensive loss from associates	( 132,909 )	1,065,801
	<u>\$ 649</u>	<u>\$ 1,209,468</u>

B. For the years ended December 31, 2025 and 2024, the Group conducted impairment evaluation for associates. Both evaluations concluded that no impairment losses needed to be recognized.

(13) Property, plant and equipment

	December 31, 2025	December 31, 2024	January 1, 2024
		(Restated)	(Restated)
Assets used by the Corporation	<u>\$ 12,560,251</u>	<u>\$ 13,893,386</u>	<u>\$ 14,423,523</u>

Assets used by the Group

For the year ended December 31, 2025

	Land	Buildings	Machinery	Transportation	Others	Unfinished construction and equipment to be tested	Total
	<u>Cost</u>						
Beginning balance of period(Restated)	\$ 2,448,172	\$ 4,077,260	\$ 12,440,692	\$ 179,036	\$ 2,340,607	\$ 208,456	\$ 21,694,223
Additions	—	287,391	119,065	25,534	299,896	—	731,886
Disposals	—	( 3,885 )	( 69,224 )	( 16,076 )	( 182,994 )	—	( 272,179 )

For the year ended December 31, 2025

	Land	Buildings	Machinery	Transportation	Others	Unfinished construction and equipment to be tested	Total
Reclassifications and Others	( 243,689 )	( 213,812 )	( 241,345 )	—	( 55,817 )	( 201,642 )	( 956,305 )
Effect of exchange rate changes	—	1,069	1,273	( 24 )	117	—	2,435
End balance of period	\$ 2,204,483	\$ 4,148,023	\$ 12,250,461	\$ 188,470	\$ 2,401,809	\$ 6,814	\$ 21,200,060
<u>Accumulated depreciation and impairment</u>							
Beginning balance of period (Restated)	\$ —	\$( 2,426,970 )	\$( 4,256,668 )	\$( 97,747 )	\$( 1,019,452 )	\$ —	\$( 7,800,837 )
Depreciation	—	( 133,061 )	( 610,155 )	( 20,955 )	( 313,824 )	—	( 1,077,995 )
Impairment loss	—	( 9,774 )	( 10,466 )	—	128	—	( 20,368 )
Disposals	—	3,135	51,853	11,513	138,795	—	205,296
Reclassifications	—	23,313	29,302	—	6,839	—	59,454
Effect of exchange rate changes	—	( 1,765 )	( 3,396 )	42	( 240 )	—	( 5,359 )
End balance of period	\$ —	\$( 2,545,122 )	\$( 4,799,530 )	\$( 107,147 )	\$( 1,188,010 )	\$ —	\$( 8,639,809 )
Net balance	\$ 2,204,483	\$ 1,602,901	\$ 7,450,931	\$ 81,323	\$ 1,213,799	\$ 6,814	\$ 12,560,251

For the year ended December 31, 2024

	Land	Buildings	Machinery	Transportation	Others	Unfinished construction and equipment to be tested	Total
<u>Cost</u>							
Beginning Balance of period (Restated)	\$ 2,433,473	\$ 4,047,215	\$ 12,534,034	\$ 145,111	\$ 1,971,999	\$ 157,916	\$ 21,289,748
Additions	14,699	57,943	97,501	37,745	485,243	50,510	743,641
Disposals	—	( 35 )	( 77,123 )	( 3,875 )	( 98,303 )	—	( 179,336 )
Others	—	( 57,845 )	( 170,527 )	( 467 )	( 24,737 )	—	( 253,576 )
Effect of exchange rate changes	—	29,982	56,807	522	6,405	30	( 93,746 )
End balance of period (Restated)	\$ 2,448,172	\$ 4,077,260	\$ 12,440,692	\$ 179,036	\$ 2,340,607	\$ 208,456	\$ 21,694,223
<u>Accumulated depreciation and impairment</u>							
Beginning balance of period (Restated)	\$ —	\$( 2,330,947 )	\$( 3,636,524 )	\$( 83,519 )	\$( 813,408 )	\$ —	\$( 6,864,398 )
Depreciation	—	( 133,131 )	( 628,738 )	( 17,998 )	( 289,650 )	—	( 1,069,517 )
Disposals	—	35	71,457	3,744	87,458	—	162,694
Others	—	56,964	( 26,389 )	420	991	—	( 31,986 )
Effect of exchange rate changes	—	( 19,891 )	( 36,474 )	( 394 )	( 4,843 )	—	61,602
End balance of period (Restated)	\$ —	\$( 2,426,970 )	\$( 4,256,668 )	\$( 97,747 )	\$( 1,019,452 )	\$ —	\$( 7,800,837 )
Net balance	\$ 2,448,172	\$ 1,650,290	\$ 8,184,024	\$ 81,289	\$ 1,321,155	\$ 208,456	\$ 13,893,386

A. For the property, plant and equipment provided as guarantees or pledged as of December 31, 2025 and 2024, please refer to Note 8.

B. For the years ended December 31, 2025 and 2024, the capitalized interest expense amounts were \$980 thousand and \$1,012, respectively; and the ratio range of capitalized interests was 0.96%~1.32% and 0.84%~1.56%, respectively.

C. For the years ended December 31, 2025 and 2024, the impairment loss amounts were \$20,368 thousand and \$0 thousand.

(14) Lease arrangements

A. Right-of-use assets

For the year ended December 31, 2025

	Land	Buildings	Transportation	Total
<u>Cost</u>				
Beginning balance of period (Restated)	\$ 6,303,963	\$ 343,309	\$ 17,779	\$ 6,665,051

For the year ended December 31, 2025				
	Land	Buildings	Transportation	Total
Additions	1,041,063	101,584	8,073	1,150,720
Disposals	( 788,120 )	( 45,045 )	( 3,682 )	( 836,847 )
Reclassifications	( 6,754 )	( 34,232 )	—	( 40,986 )
Effect of exchange rate changes	127	( 4,928 )	—	( 4,801 )
End balance of period	<u>\$ 6,550,279</u>	<u>\$ 360,688</u>	<u>\$ 22,170</u>	<u>\$ 6,933,137</u>
<u>Accumulated depreciation and impairment</u>				
Beginning balance of period (Restated)	\$( 3,103,381 )	\$( 200,690 )	\$( 8,158 )	\$( 3,312,229 )
Depreciation	( 1,482,633 )	( 92,896 )	( 7,128 )	( 1,582,657 )
Disposals	725,385	37,744	3,109	766,238
Reclassifications	1,305	10,840	—	12,145
Effect of exchange rate changes	( 122 )	3,641	—	3,519
End balance of period	<u>\$( 3,859,446 )</u>	<u>\$( 241,361 )</u>	<u>\$( 12,177 )</u>	<u>\$( 4,112,984 )</u>
Net balance	<u>\$ 2,690,833</u>	<u>\$ 119,327</u>	<u>\$ 9,993</u>	<u>\$ 2,820,153</u>

For the year ended December 31, 2024				
	Land	Buildings	Transportation	Total
<u>Cost</u>				
Beginning balance of period (Restated)	\$ 5,909,924	\$ 303,303	\$ 27,990	\$ 6,241,217
Additions	1,092,485	63,654	6,316	1,162,455
Disposals	( 705,358 )	( 45,265 )	( 16,527 )	( 767,150 )
Effect of exchange rate changes	6,912	21,617	—	28,529
End balance of period (Restated)	<u>\$ 6,303,963</u>	<u>\$ 343,309</u>	<u>\$ 17,779</u>	<u>\$ 6,665,051</u>
<u>Accumulated depreciation and impairment</u>				
Beginning balance of period (Restated)	\$( 2,297,266 )	\$( 148,485 )	\$( 17,619 )	\$( 2,463,370 )
Depreciation	( 1,435,531 )	( 78,563 )	( 7,066 )	( 1,521,160 )
Disposals	631,735	43,837	16,527	692,099
Effect of exchange rate changes	( 2,319 )	( 17,479 )	—	( 19,798 )
End balance of period (Restated)	<u>\$( 3,103,381 )</u>	<u>\$( 200,690 )</u>	<u>\$( 8,158 )</u>	<u>\$( 3,312,229 )</u>
Net balance	<u>\$ 3,200,582</u>	<u>\$ 142,619</u>	<u>\$ 9,621</u>	<u>\$ 3,352,822</u>

#### B. Lease liabilities

	December 31, 2025	December 31, 2024 (Restated)	January 1, 2024 (Restated)
Carrying amount of lease liabilities			
Current	<u>\$ 1,175,136</u>	<u>\$ 1,326,231</u>	<u>\$ 1,301,797</u>
Non-current	<u>\$ 1,397,637</u>	<u>\$ 1,790,018</u>	<u>\$ 2,265,921</u>
Discount rate	<u>0.96% ~ 11.75%</u>	<u>0.96% ~ 11.75%</u>	<u>0.96% ~ 9.75%</u>

#### C. Material lease - in activities and terms

The Group leases certain land or buildings for the use of plants and offices with lease terms of 1 to 20 years. The Group does not have bargain purchase options to acquire the land or buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent. As of December 31, 2025 and 2024, the right-of-use assets did not have impairment loss.

#### D. Other lease information

The Group has elected to apply the recognition exemption to lease qualified as short-term leases or low-value asset leases, and did not recognize right-of-use assets and lease liabilities for these leases. The related expenses information was as follows:

	For the years ended December 31	
	2025	2024
Variable lease payments	\$ 181,250	\$ 185,823
Expenses relating to short-term leases or low-value asset leases	\$ 252,627	\$ 218,397
Total cash outflow for leases	\$ 1,995,034	\$ 1,932,668

#### (15) Investment property

	For the year ended December 31, 2025		
	Land	Buildings	Total
<u>Cost</u>			
Beginning balance of period	\$ 609,984	\$ 473,176	\$ 1,083,160
Additions(Reclassification from construction inventory and Property, plant and equipment are included)	383,719	199,333	583,052
Ending balance of period	\$ 993,703	\$ 672,509	\$ 1,666,212
<u>Accumulated depreciation and impairment</u>			
Beginning balance of period	\$ —	\$( 283,881 )	\$( 283,881 )
Additions(Reclassification from Property, plant and equipment are included)	—	( 8,833 )	( 8,833 )
Depreciation	—	( 11,435 )	( 11,435 )
Ending balance of period	\$ —	\$( 304,149 )	\$( 304,149 )
Net balance	\$ 993,703	\$ 368,360	\$ 1,362,063
	For the year ended December 31, 2024		
	Land	Buildings	Total
<u>Cost</u>			
Beginning balance of period	\$ 391,808	\$ 393,739	\$ 785,547
Additions(Reclassification from construction inventory are included)	218,176	79,437	297,613
Ending balance of period	\$ 609,984	\$ 473,176	\$ 1,083,160
<u>Accumulated depreciation and impairment</u>			
Beginning balance of period	\$ —	\$( 277,081 )	\$( 277,081 )
Depreciation	—	( 6,800 )	( 6,800 )
Ending balance of period	\$ —	\$( 283,881 )	\$( 283,881 )
Net balance	\$ 609,984	\$ 189,295	\$ 799,279

(A) Depreciation is calculated on a straight-line basis over estimated useful lives of 8 to 50 years.

(B) Rental revenue and direct operating costs/expenses are shown below:

	For the years ended December 31	
	2025	2024
Rental revenue from the investment property	\$ 50,733	\$ 35,230
Direct operating costs/expenses	( 16,309)	( 13,896)
	<u>\$ 34,424</u>	<u>\$ 21,334</u>

(C) The lease terms for the investment property range from one to five years. The lessee has no bargain purchase options at the end of these lease terms. As of December 31, 2025 and 2024, the guarantee deposits/notes received for operating leases were \$13,961 thousand and \$9,055 thousand, respectively.

(D) The future minimum lease payments of non-cancellable operating lease commitments were as follows:

	December 31, 2025	December 31, 2024
Not later than one year	\$ 53,865	\$ 34,194
Later than one year but not later than five years	120,913	57,805
Over five years	50,100	53,950
	<u>\$ 224,878</u>	<u>\$ 145,949</u>

(E) The fair value of the investment property held by the Corporation as at December 31, 2025 and 2024 were \$2,130,440 thousand and \$1,447,785 thousand, respectively, which was revalued by independent valuers. The fair value of part of the investment property held by the Corporation as at December 31, 2025, which was revalued based on market evidence of similar real estate transaction prices, and this figure shows no material changes to the underlying assumptions since December 31, 2024.

(F) As of December 31, 2025 and 2024, investment property was used as collateral for bank loans. Please refer to Note 8.

## (16) Intangible assets

	For the year ended December 31, 2025					
	Patent	Goodwill	Expertise	Concession right	Other	Total
<u>Cost</u>						
Beginning Balance of period (Restated)	\$ 18,772	\$ 443,383	\$ 24,216	\$ 2,026,834	\$ 38,953	\$ 2,552,158
Additions	1,095	—	—	744,854	7,508	753,457
Disposals	—	—	—	( 243,936 )	( 1,367 )	( 245,303 )
Reclassification	—	—	—	91,497	—	91,497
Effect of exchange rate changes	( 569 )	—	29	—	21	( 519 )
Balance, end of period (Restated)	<u>\$ 19,298</u>	<u>\$ 443,383</u>	<u>\$ 24,245</u>	<u>\$ 2,619,249</u>	<u>45,115</u>	<u>\$ 3,151,290</u>
<u>Accumulated amortization and impairment</u>						
Beginning Balance of period (Restated)	\$( 15,684 )	\$( 146,530 )	\$( 24,081 )	\$( 876,223 )	\$( 20,369 )	\$( 1,082,887 )
Amortization	( 1,151 )	—	( 92 )	( 691,648 )	( 7,960 )	( 700,851 )
Disposals	—	—	—	233,578	935	234,513
Reclassification	—	—	—	( 3,790 )	—	( 3,790 )
Impairment loss and others	—	( 28,483 )	—	—	—	( 28,483 )
Effect of exchange rate changes	436	—	( 32 )	—	( 9 )	395
End Balance of period (Restated)	<u>\$( 16,399 )</u>	<u>\$( 175,013 )</u>	<u>\$( 24,205 )</u>	<u>\$( 1,338,083 )</u>	<u>\$( 27,403 )</u>	<u>\$( 1,581,103 )</u>
Net balance (Restated)	<u>\$ 2,899</u>	<u>\$ 268,370</u>	<u>\$ 40</u>	<u>\$ 1,281,166</u>	<u>\$ 17,712</u>	<u>\$ 1,570,187</u>

For the year ended December 31, 2024

	Patent	Goodwill	Expertise	Concession right	Other	Total
<u>Cost</u>						
Beginning Balance of period (Restated)	\$ 17,899	\$ 440,358	\$ 23,341	\$ 1,384,258	\$ 34,694	\$ 1,900,550
Additions	—	3,025	—	1,096,543	4,181	1,103,749
Disposals	—	—	—	( 453,967 )	—	( 453,967 )
Effect of exchange rate changes	873	—	875	—	78	1,826
Balance, end of period (Restated)	<u>\$ 18,772</u>	<u>\$ 443,383</u>	<u>\$ 24,216</u>	<u>\$ 2,026,834</u>	<u>38,953</u>	<u>\$ 2,552,158</u>
<u>Accumulated amortization and impairment</u>						
Beginning Balance of period (Restated)	\$( 14,238 )	\$( 146,530 )	\$( 23,085 )	\$( 809,205 )	\$( 13,460 )	\$( 1,006,518 )
Amortization	( 803 )	—	( 130 )	( 520,985 )	( 6,896 )	( 528,814 )
Effect of exchange rate changes	( 643 )	—	( 866 )	453,967	( 13 )	452,445
End Balance of period (Restated)	<u>\$( 15,684 )</u>	<u>\$( 146,530 )</u>	<u>\$( 24,081 )</u>	<u>\$( 876,223 )</u>	<u>\$( 20,369 )</u>	<u>\$( 1,082,887 )</u>
Net balance(Restated)	<u>\$ 3,088</u>	<u>\$ 296,853</u>	<u>\$ 135</u>	<u>\$ 1,150,611</u>	<u>\$ 18,584</u>	<u>\$ 1,469,271</u>

The lease payments for parking facilities accounted for under IFRIC 12 are measured at their discounted present value and classified, based on the expected timing of settlement, as 'Financial liabilities at amortized cost – current' and 'Financial liabilities at amortized cost – non-current', respectively."

For the years ended December 31, 2025 and 2024, the Group's recognize impairment loss were \$26,799 thousand and \$0 thousand, respectively.

(17) Other non-current assets

	December 31, 2025	December 31, 2024 (Restated)	January 1, 2024 (Restated)
Prepayment for equipment	\$ 58,156	\$ 109,271	\$ 110,383
Guarantee deposits paid	212,937	213,436	183,811
Deferred expense	504,356	580,424	499,641
Net defined benefit assets	175,392	114,763	30,135
Others	91,146	104,599	167,919
	<u>\$ 1,041,987</u>	<u>\$ 1,122,493</u>	<u>\$ 991,889</u>

(18) Current borrowings

	December 31, 2025	December 31, 2024
Financial institution borrowing:		
Loan without security:		
Bank overdraft	\$ —	\$ 23,554
Unsecured loans	1,181,000	2,107,000
	<u>1,181,000</u>	<u>2,130,554</u>
Range of interest rate	<u>1.695% ~ 1.9%</u>	<u>1.05% ~ 1.8%</u>
Collateral	<u>Refer to Note 8</u>	<u>Refer to Note 8</u>

(19) Short-term notes and bills payable

	December 31, 2025	December 31, 2024
Mega Bills. Finance Co., Ltd	77,000	—
Dah Chung Bills Finance Corp.	20,000	—

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Less: unamortized discount	( 5)	—
	<u>\$ 96,995</u>	<u>\$ —</u>
Range of interest rate	<u>1.78%~1.82%</u>	<u>—</u>
Collateral	<u>None</u>	<u>None</u>

(20) Other payables

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Other payables	\$ 155,230	\$ 79,078
Accrued expenses	<u>1,352,404</u>	<u>1,296,140</u>
	<u>\$ 1,507,634</u>	<u>\$ 1,375,218</u>

(21) Other current liabilities

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Provisions	\$ 22,390	\$ 22,720
Others	<u>29,905</u>	<u>24,697</u>
	<u>\$ 52,295</u>	<u>\$ 47,417</u>

The Group recognized a liability provision arising from onerous contracts when the unavoidable costs incurred in fulfilling the engineering contract obligations exceeded the expected economic benefits derived from the contract.

(22) Bonds payable

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
First domestic secured bonds	\$ 1,999,444	\$ 1,998,698
Less: Current portion of bonds payable	<u>( 1,999,444)</u>	<u>—</u>
	<u>\$ —</u>	<u>\$ 1,998,698</u>

Relevant information on second domestic unsecured convertible bonds issued by the Corporation is as follows:

The Corporation raised and issued the first domestic secured bond 2,000,000 thousand at 1,000 thousand par value. The issuance period is 5 years. The simple interest is paid once a year; the interest rate is 0.55%. The first secured bonds are settled in cash at once as the maturity of the bond. As of December 31, 2025, unamortized issuance cost is 556 thousand.

(23) Non-current portion of non-current borrowings

(A) Long-term notes and bills payable

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Commercial paper payable	\$ —	\$ 1,905,600
Less: unamortized discount	<u>—</u>	<u>( 676)</u>
	<u>\$ —</u>	<u>\$ 1,904,924</u>
Range of interest rate	<u>—</u>	<u>1.35%~1.8613%</u>
Collateral	<u>Refer to Note 8</u>	<u>Refer to Note 8</u>

(B) Long-term debts

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Loan without security:</b>		
Bank borrowings	\$ 2,262,500	\$ 1,487,125
Less: Current portion of long-term liabilities	<u>( 275,000)</u>	<u>( 177,750)</u>
	<u>1,987,500</u>	<u>1,309,375</u>
<b>Guaranteed loan:</b>		
Bank borrowings	682,211	4,000,388
Less: Current portion of long-term liabilities	<u>( 296,611)</u>	<u>( 350,654)</u>
	<u>385,600</u>	<u>3,649,734</u>
	<u>\$ 2,373,100</u>	<u>\$ 4,959,109</u>

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Range of interest rate	<u>1.7495%~1.96%</u>	<u>0.5%~2.6776%</u>
Collateral	<u>Refer to Note 8</u>	<u>Refer to Note 8</u>

The subsidiaries of the Corporation has signed a credit agreement with a financial institution, stipulating that during the loan period, the Corporation's consolidated financial statements for the second quarter and the fiscal year, as well as the subsidiary's annual financial statements, must meet specific financial ratios and standards. As of December 31, 2025, there has been no violation of the terms of the credit agreement.

(24)Other non-current liabilities

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Guarantee deposit received	\$ 1,274,160	\$ 29,454
Equity investment credit balance	36,879	4,198
Custody funds	380	85,237
Provisions	116,326	1,574,160
Others	1,665	1,665
	<u>\$ 1,429,410</u>	<u>\$ 1,694,714</u>

The Corporation's proposal to issue notes for the installment payment of the confiscated amount, which will be recorded under "Notes Payable" and "Other Non-current Liabilities."

(25)Post-employment benefits plan

(A) Defined contribution plans

Since July 1, 2005, the Group has established a defined contribution retirement plan in accordance with the Labor Pension Act, which applies to employees of R.O.C. nationality. For employees who choose to adopt the pension mechanism under the Labor Pension Act (LPA), the Group makes a monthly contribution of at least 6% of their monthly salary to their individual pension account managed by the Bureau of Labor Insurance. The payment of the employees' pension is based on the amount in their individual pension account and the accumulated returns, and it can be received as either a monthly pension or a lump-sum payment.

The total expenses recognized in profit or loss in the consolidated statements of comprehensive income for the years ended December 31, 2025 and 2024 were \$99,142 thousand and \$94,208 thousand, respectively.

(B) Defined benefit plans

The Corporation has a defined benefit plan under the Labor Standards Act that is managed by the government. Under the defined benefit plan, the Corporation provides benefits based on an employee's length of service and average monthly salary for the six-month period prior to retirement. The Corporation contributes an amount equal to 2% to 15% of salaries paid each month to a pension fund. The fund is administered by the pension fund monitoring committee and deposited in the Bank of Taiwan. Before the end of each year, the Corporation assesses the balance in the fund. If the estimated balance in the fund is inadequate to pay retirement benefits for employees who meet retirement requirements in the following year, the Corporation is required to make a one-time contribution of the shortfall by the end of March of the subsequent year. The fund is operated and managed by an institution designated by the central competent authority; as such, the Corporation does not have any right to intervene in the use of the pension fund.

The pension expenses in respect of the defined benefit plan were as follows:

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Current service cost	\$ 1,136	\$ 1,894
Net interest cost	( 1,752 )	( 341 )
Recognized as profit or loss	<u>( 616 )</u>	<u>1,553</u>
Remeasurements		

	For the years ended December 31	
	2025	2024
Return on plan assets, excluding amounts included in net interest	( 53,064 )	( 64,161 )
Actuarial (gain) loss from changes in financial assumptions	5,997	( 11,706 )
Actuarial (gain) loss from experience adjustments	( 12,946 )	( 8,714 )
Recognized in other comprehensive income or loss	( 60,013 )	( 84,581 )
	<u><u>\$ ( 60,629 )</u></u>	<u><u>\$ ( 83,028 )</u></u>

The pension expenses for the period were as follows:

	For the years ended December 31	
	2025	2024
Operating cost	\$ —	\$ 943
Operating expenses	—	610
Other income	( 616 )	—
	<u><u>\$ ( 616 )</u></u>	<u><u>\$ 1,553</u></u>

The amounts included in the consolidated statement of balance sheets for the Group's obligations in respect of its defined benefit plans were as follows:

	For the years ended December 31	
	2025	2024
Present value of defined benefit obligation	\$ 601,080	\$ 622,694
Fair value of plan assets	( 776,472 )	( 737,457 )
Net defined benefit (asset) liability	<u><u>\$ ( 175,392 )</u></u>	<u><u>\$ ( 114,763 )</u></u>

Movements in the present value of the defined benefit obligations were as follows:

	For the Years ended December 31	
	2025	2024
Balance at beginning of period	\$ 622,694	\$ 666,475
Current service cost	1,136	1,894
Interest cost	9,001	7,128
Benefits paid from plan assets	( 24,802 )	( 32,383 )
Remeasurement		
Actuarial (gain) loss from financial assumptions	5,997	( 11,706 )
Actuarial (gain) loss from Experience adjustments	( 12,946 )	( 8,714 )
Balance at end of period	<u><u>\$ 601,080</u></u>	<u><u>\$ 622,694</u></u>

Movements in the fair value of the plan assets were as follows:

	For the years ended December 31	
	2025	2024
Balance at beginning of period	\$ 737,457	\$ 696,610
Interest income	10,753	7,469
Benefits paid from plan assets	( 24,802 )	( 32,383 )
Contribution by employer	—	1,600
Remeasurement		
Return on plan assets, excluding amounts included in net interest	53,064	64,161
Balance at end of period	<u><u>\$ 776,472</u></u>	<u><u>\$ 737,457</u></u>

(C) The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The key assumptions of the actuarial valuation were as follows:

	Measurement Date	
	December 31, 2025	December 31, 2024
Discount rate	1.30%	1.55%
Expected rate of salary increase	0.30%	0.30%

The weighted average duration of the defined benefit obligation is 4.04 years.

The impact on the present value of the defined benefit obligation as a result of reasonable changes in key assumptions was as follows:

	Impact on the present value of the defined benefit obligation	
	December 31, 2025	December 31, 2024
Discount rate		
0.25% increase	\$( 5,997 )	\$( 7,106)
0.25% decrease	\$ 6,125	\$ 7,267

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(D) Through the defined benefit plans under the Labor Standards Act, the Corporation is exposed to the following risks:

Investment risk: The money in the pension funds is invested in equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the government's designated authorities or under the mandated management. However, under the Labor Standards Act, the rate of return on assets may not be less than the average interest rate on a two-year time deposit published by the local banks and the government is responsible for any shortfall in the event that the rate of return is less than the required rate of return.

Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the debt investments of the plan assets.

Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

(E) The Corporation expects to make no contribution to the defined benefit pension plans in the year after December 31, 2025.

## (26) Equity

### (A) Common stock

	December 31, 2025	December 31, 2024
Authorized shares (in thousands)	750,000	750,000
Authorized capital	\$ 7,500,000	\$ 7,500,000
Outstanding shares (in thousands)	503,113	503,113
Outstanding common stocks	\$ 5,031,125	\$ 5,031,125

The Corporation issued common shares at \$10.00 par value and each share carries on voting right and the right to receive dividends.

### (B) Capital surplus

	December 31, 2025	December 31, 2024
Additional paid-in capital arising from bond conversion	\$ 2,191,449	\$ 2,191,449
Treasury stock transactions	575,666	534,088
Difference between consideration and carrying amount of subsidiaries acquired or disposed	115,835	115,835
Changes in ownership interests in subsidiaries	153,585	139,097
Others	30,890	26,970
	\$ 3,067,425	\$ 3,007,439

The capital surplus arising from paid-in capital in excess of par value (including the excess of the issuance price over par value on issuance of common stocks, premium on convertible bonds and treasury stock transactions) 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 Corporation has no accumulated deficit. The amount of capital surplus to be capitalized mentioned above should be limited to a certain percentage of the paid-in capital each year.

(C) Retained earnings and dividend policies

In accordance with the Corporation's articles of incorporation, when allocating the net profits for each fiscal year, the Corporation should set aside amounts for the following items in the given order: (i) to pay taxes; (ii) to cover accumulated losses, if any; (iii) to appropriate 10% legal reserve unless the total accumulated legal reserve has already reached the amount of the Corporation's authorized capital; (iv) to recognize or reverse special reserve return earnings; and (v) to distribute any remaining profit, along with unappropriated retained earnings from previous years, as shareholders' dividends and bonuses, with the distribution proposal to be prepared by the board of directors and submitted for approval at the shareholders' meeting. The total allocation above may not exceed the distributable surplus.

The aforementioned profit distribution should align with the overall business environment, industry growth policies, and long-term financial planning to ensure stability and sustainable operations. The dividend policy should adequately reflect operational performance and the needs of diversified business operations. Cash dividends to be distributed should not be less than 50% ~ 80% of the total amount of dividends to be distributed for each year.

The legal reserve may be used to offset a deficit, or be distributed as dividends in cash or stocks for the portion in excess of 25% of the paid-in capital if the Corporation incurs no loss.

Pursuant to existing regulations, the Corporation is required to set aside additional special capital reserve equivalent to the net debit balance of the other components of stockholders' equity. For the subsequent decrease in the deduction amount to stockholders' equity, any special reserve appropriated may be reversed to the extent that the net debit balance reverses.

Under Rule No. 1010012865 issued by the FSC on April 6, 2012, all cumulative translation adjustments and unrealized revaluation increments under stockholders' equity are appropriated to a special reserve in the corresponding amounts. When the related assets are subsequently used, disposed of, or reclassified, the appropriated special reserve may be reversed proportionally and distributed as earnings.

The appropriations of 2024 were agreed by the stockholders' meeting on May 23, 2025. The appropriations of 2023 were agreed by the stockholders' meeting on May 27, 2024.

The appropriations and dividends per share were as follows:

	Appropriation of		Dividends Per Share (NT\$)	
	2024	2023	2024	2023
Legal reserve	\$ 381,564	\$ 155,867		
Cash dividends	\$ 2,314,318	\$ 1,811,205	\$ 4.6	\$ 3.6

The appropriations of 2025 were agreed by the board of directors' meeting on March 10, 2025.

The appropriations and dividends per share were as follows:

	Appropriation of		Dividends Per Share (NT\$)	
	2025		2025	
Legal reserve	\$	404,150		
Cash dividends	\$	3,018,675	\$	6.0

The appropriations of 2025 are to be presented for approval at the shareholders' meeting on May 25, 2026.

Information on the appropriations agreed by the board of directors' meeting and shareholders' meeting is available on the Market Observation Post System website of the Taiwan Stock Exchange.

(D) Other equity items

	For the year ended December 31, 2025		
	Exchange differences on translating of foreign operations	Unrealized gains (losses) on financial assets at FVTOCI	Total
Balance at beginning of period	\$( 87,613 )	\$ 3,485,249	\$ 3,397,636
Exchange differences on translating of foreign operations	( 14,750 )	—	( 14,750 )
Changes on financial assets at FVTOCI	—	( 6,959 )	( 6,959 )
Share of other comprehensive income of associates and joint ventures accounted for using equity method	—	( 126,767 )	( 126,767 )
<b>Balance at end of period</b>	<b>\$( 102,363 )</b>	<b>\$ 3,351,523</b>	<b>\$ 3,249,160</b>

	For the year ended December 31, 2024		
	Exchange differences on translating of foreign operations	Unrealized gains (losses) on financial assets at FVTOCI	Total
Balance at beginning of period	\$ ( 205,264 )	\$ 2,310,707	\$ 2,105,443
Exchange differences on translating of foreign operations	117,651	—	117,651
Changes on financial assets at FVTOCI	—	118,151	118,151
Share of other comprehensive income of associates and joint ventures accounted for using equity method	—	1,056,391	1,056,391
<b>Balance at end of period</b>	<b>\$ ( 87,613 )</b>	<b>\$ 3,485,249</b>	<b>\$ 3,397,636</b>

(E) Treasury shares

	In thousands shares			
	For the year ended December 31, 2025			
Reason for reacquisition	Shares at beginning of period	Additions	Disposals	Shares at end of period
Held by subsidiaries	9,039	—	—	9,039

  

	In thousands shares			
	For the year ended December 31, 2024			
Reason for reacquisition	Shares at beginning of period	Additions	Disposals	Shares at end of period
Held by subsidiaries	9,039	—	—	9,039

The shares held by the subsidiaries in the Corporation were as follows:

	shares (in thousands)	Amount	Fair Value
December 31, 2025 :			
Cheng-Hsin Engineering & Services Co., Ltd.	2,772	\$ 31,340	\$ 414,438
Sunrise Tech. Co. Ltd	6,267	85,540	936,844
		<u>\$ 116,880</u>	<u>\$ 1,351,282</u>
December 31, 2024 :			
Cheng-Hsin Engineering & Services Co., Ltd.	2,772	\$ 31,340	\$ 426,913
Sunrise Tech. Co. Ltd	6,267	85,540	965,043
		<u>\$ 116,880</u>	<u>\$ 1,391,956</u>

(F) Non-controlling interests

	For the years ended December 31	
	2025	2024
Balance at beginning of period	\$ 207,196	\$ 195,999
Attributable to proportionate non-controlling interests:		
Profit (loss) for the period	2,122	4,372
Exchange differences on translating of foreign operations	297	7,304
Increase (decrease) on non-controlling interests	325	( 580 )
Others	—	101
Balance at end of period	<u>\$ 209,940</u>	<u>\$ 207,196</u>

(27) Operating revenue

	For the years ended December 31	
	2025	2024
Sales revenue	\$ 5,657,092	\$ 5,118,321
Service revenue	21,707,378	20,422,857
Other operating revenue	84,555	68,278
	<u>\$ 27,449,025</u>	<u>\$ 25,609,456</u>

A. Disaggregation of revenue from contracts with customers

For the year ended December 31, 2025:

	By operating segments			
	Electricity power	Service	Engineering and others	Total
<u>Timing of revenue recognition</u>				
Revenue recognized at a point in time	\$ 4,729,958	\$ 135,000	\$ 808,023	\$ 5,672,981
Revenue recognized over time	14,589,128	5,029,381	2,157,535	21,776,044
	<u>\$ 19,319,086</u>	<u>\$ 5,164,381</u>	<u>\$ 2,965,558</u>	<u>\$ 27,449,025</u>

For the year ended December 31, 2024:

	By operating segments			
	Electricity power	Service	Engineering and others	Total
<u>Timing of revenue recognition</u>				
Revenue recognized at a point in time	\$ 4,393,672	\$ 27,842	\$ 715,082	\$ 5,136,596
Revenue recognized over time	13,766,030	4,651,527	2,055,303	20,472,860
	<u>\$ 18,159,702</u>	<u>\$ 4,679,369</u>	<u>\$ 2,770,385</u>	<u>\$ 25,609,456</u>

B. Contract balances

	December 31, 2025	December 31, 2024
Contract assets		
Engineering project contract	\$ 3,155,463	\$ 4,194,570

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Offer of services and maintenances	613,033	498,355
Others	21,066	14,634
Less: Loss allowance	( 130,562 )	( 130,982 )
Current contract assets	<u>\$ 3,659,000</u>	<u>\$ 4,576,577</u>
Contract liabilities		
Sale of goods	\$ 359,136	\$ 425,666
Sale of real estate	385,299	299,794
Engineering project contract	8,611,562	5,841,604
Others	—	23,825
Current contract liabilities	<u>\$ 9,355,997</u>	<u>\$ 6,590,889</u>

The changes in the contract asset and contract liability balances primarily result from the timing difference between the satisfaction of performance obligations and customers' payments. The major changes were as follows:

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Contract assets</u>		
Level of completion measures change	\$ ( 898,640 )	\$ 1,187,568
<u>Contract liabilities</u>		
Level of completion measures change	\$ 2,064,153	\$ 905,568

The revenue recognized by the Group from the beginning balance of contract liabilities was as follows:

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Beginning balance of contract liabilities</u>		
Sale of goods	\$ 56,783	\$ 29,739
Provision of services and maintenances	68,309	50,504
	<u>\$ 125,092</u>	<u>\$ 80,243</u>

(28) Interest income

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Bank deposits	\$ 27,379	\$ 25,156
Financial assets at amortized cost	7,741	9,022
Others	6,874	3,466
	<u>\$ 41,994</u>	<u>\$ 37,644</u>

(29) Other income

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Dividend income	\$ 46,903	\$ 26,819
Others	66,055	80,481
	<u>\$ 112,958</u>	<u>\$ 107,300</u>

(30) Other gains and losses

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Gain (loss) on disposal of property, plant and equipment	\$( 18,803 )	\$( 13,659 )
Gain on disposal of investment	62	26,454
Gain on lease modification	119	328
Net currency exchange gains (losses)	( 19,005 )	( 10,833 )

	For the years ended December 31	
	2025	2024
Net gains (losses) on financial assets / liabilities at fair value through profit or loss	45,883	18,483
Impairment loss	( 47,167 )	—
Other expenditure	( 25,553 )	( 160,027 )
	<u><u>\$( 64,464 )</u></u>	<u><u>\$( 139,254 )</u></u>

(31) Finance costs

	For the years ended December 31	
	2025	2024
Interest expenses	\$( 146,902 )	\$( 174,648 )
Interest expense on financial liabilities measured at amortized cost	( 13,162 )	( 11,018 )
Interest expenses of lease liabilities	( 43,933 )	( 46,187 )
Capitalization of interest	9,535	6,469
	<u><u>\$( 194,462 )</u></u>	<u><u>\$( 225,384 )</u></u>

(32) Expenses by nature

	For the year ended December 31, 2025			For the year ended December 31, 2024		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense						
Salary	\$ 1,668,282	\$ 1,317,862	\$ 2,986,144	\$ 1,610,789	\$ 1,305,549	\$ 2,916,338
Labor & health insurance	191,701	61,745	253,446	169,823	60,161	229,984
Pension	87,822	18,936	106,758	90,525	28,853	119,378
Directors' remuneration	115,308	69,917	185,225	108,156	69,786	177,942
Others	2,537,501	134,586	2,672,087	2,454,216	143,261	2,597,477
Depreciation	880,392	9,472	889,864	677,798	11,509	689,307
	<u><u>\$ 5,481,006</u></u>	<u><u>\$ 1,612,518</u></u>	<u><u>\$ 7,093,524</u></u>	<u><u>\$ 5,111,307</u></u>	<u><u>\$ 1,619,119</u></u>	<u><u>\$ 6,730,426</u></u>

(A) The Corporation should distribute at least 1% of current year's profit as employees' bonus and up to 3% of current year's profit as remuneration to directors and supervisors after making up for the cumulative losses, if any. No less than 50% of the employees' bonus specified in the preceding paragraph shall be allocated for distribution to rank-and-file employees. The amounts of accrued employees' compensation recognized by the Corporation were \$49,494 thousand and \$44,609 thousand for the years ended December 31, 2025 and 2024, respectively. The amounts of accrued remuneration to directors recognized by the Corporation were \$98,987 thousand and \$89,219 thousand for the years ended December 31, 2025 and 2024, respectively. These accrued amounts were based on the aforementioned rates of 1% and 2%. If there are changes in amounts after the annual financial report approval and publication date, they are treated as changes in accounting estimates and adjusted in the accounts of the following year.

(B) The appropriations of 2024 and 2023 were approved at the meetings of the board of directors on March 5, 2025 and March 11, 2024, respectively. The employees' compensation and remuneration to directors and supervisors were as follows:

	For the years ended December 31			
	2024		2023	
	Employees' compensation	Remuneration to directors	Employees' compensation	Remuneration to directors
Appropriations	\$ 44,609	\$ 89,219	\$ 23,527	\$ 47,054

There was no difference between the aforementioned amounts of employees' compensation approved at the board of directors' meetings, and the amounts recognized in the financial statements.

Information on the compensation to employees and directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

### (33) Income tax

#### A. Components of income tax expense:

	For the years ended December 31	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 1,022,914	\$ 901,319
Income tax adjustments on prior years	( 7,455 )	( 40,444 )
Deferred tax:		
Temporary differences	639	27,131
Total income tax expense recognized in profit or loss	\$ 1,016,098	\$ 833,744

A reconciliation of income before income tax and income tax expense recognized in profit or loss was as follows:

	For the years ended December 31	
	2025	2024
Profit before income tax	\$ 5,006,440	\$ 4,460,894
Income tax payable calculated by Statutory tax rate	\$ 1,189,679	\$ 1,053,961
Adjustment to effect of tax:		
Adjusting items in determining taxable income	( 166,718 )	( 106,726 )
Exemption income	( 26,163 )	( 14,732 )
Loss carry-forward	( 9,828 )	( 15,254 )
Income tax credits	( 21,515 )	( 18,947 )
Additional tax on un-appropriated earnings	56,384	1,564
Income tax adjustments on prior years	( 7,455 )	( 40,444 )
Land value increment tax	868	258
Adjustments on other income tax	207	526
Net differences on deferred income tax	639	( 26,462 )
Income tax expense recognized in profit or loss	\$ 1,016,098	\$ 833,744

The corporate income tax rate in the R.O.C. was 20%. In addition, the rate of the corporate unappropriated earnings was 5%. Taxes generated in other jurisdictions are calculated based on the applicable tax rate in each jurisdiction.

#### B. Deferred income tax assets or liabilities as result of temporary differences

The year ended December 31, 2025:

	Balance at beginning of Year	Recognized in profit or loss	Balance at end of year
Deferred income tax assets			
Temporary differences			
Unrealized loss on inventories	\$ 49,637	\$ 877	\$ 50,514

	Balance at beginning of Year	Recognized in profit or loss	Balance at end of year
Unrealized deferred sales profit	425,166	13,598	438,764
Impairment loss	20,568	1,243	21,811
Others	19,440	( 18,504 )	936
	<u>\$ 514,811</u>	<u>\$ 2,786</u>	<u>\$ 512,025</u>
<u>Deferred income tax liabilities</u>			
Temporary differences			
Property, plant and equipment	\$ 286,075	\$ —	\$ 286,075
Exchange differences on translating foreign operations	42,591	—	42,591
Others	5,972	( 2,147 )	3,825
	<u>\$ 334,638</u>	<u>\$ ( 2,147 )</u>	<u>\$ 332,491</u>

The year ended December 31, 2024:

	Balance at beginning of year	Recognized in profit or loss	Balance at end of year
<u>Deferred income tax assets</u>			
Temporary differences			
Unrealized loss on inventories	\$ 48,560	\$ 1,077	\$ 49,637
Unrealized deferred sales profit	408,842	16,324	425,166
Impairment loss	20,411	157	20,568
Others	21,001	( 1,561 )	19,440
	<u>\$ 498,814</u>	<u>\$ 15,997</u>	<u>\$ 514,811</u>
<u>Deferred income tax liabilities</u>			
Temporary differences			
Property, plant and equipment	\$ 286,075	\$ —	\$ 286,075
Exchange differences on translating foreign operations	54,621	( 12,030 )	42,591
Others	4,407	( 1,565 )	5,972
	<u>\$ 345,103</u>	<u>\$ ( 10,465 )</u>	<u>\$ 334,638</u>

C. Information of unrecognized deferred income tax assets/liabilities associated with investments:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Unrecognized as deferred income tax liabilities		
Temporary differences associated with investments in subsidiaries	\$ —	\$ 20,052

D. Information about unused loss carryforward

As of December 31, 2025, the information on loss carryforward was as follows:

<u>Expiry Year</u>	<u>Remaining Carrying</u>
2029~2035	\$ 162,294

E. Affected by COVID-19, the Corporation's income taxes payable \$ 482,455 for 2022 was approved on June 12, 2023, by the National Taxation Bureau of Taipei, Ministry of Finance to be paid in 36 installments. As of December 31, 2025, the taxes that had been paid were 30 installments.

F. Income tax assessed and approved situations

The Corporation income tax return filings through 2022 had been assessed and approved by tax authority. The balances of the income tax credit that had been assessed and approved by the tax authority in each year were adjusted.

(34) Business combinations

A. Acquisition of a subsidiary

<u>Subsidiary</u>	<u>Main business activities</u>	<u>Acquisition date</u>	<u>Acquisition %</u>	<u>Purchase consideration</u>
Integrated Manufacturing & Services Co., Ltd. (Integrated M&S)	Development and production of specialized equipment and key components for solar cell manufacturing	July 10, 2025	100.00	\$ 42,258

B. Identifiable net assets acquired at the acquisition date

	<u>Integrated M&amp;S</u>
Current assets	
Cash and cash equivalents	\$ 14,301
Accounts receivable	5,496
Current inventories	2,152
Other current assets	785
Non-current assets	
Property, plant and equipment	20,754
Other non-current assets	977
Current liabilities	
Accounts payable	( 1,762)
Other payables	( 1,786)
	<u>\$ 40,917</u>

C. Goodwill arising from acquisitions (gains at bargain purchase)

	<u>Integrated M&amp;S</u>
Purchase consideration	\$ 42,258
Less: Fair value of the identifiable net assets acquired	( 40,917)
Goodwill arising from acquisitions (gains at bargain purchase)	<u>\$ 1,341</u>

D. Net cash inflows (outflows) from acquisition of subsidiary

	<u>Integrated M&amp;S</u>
Total contract price	\$ 42,258
Less: Acquisition of cash and cash equivalents	( 14,301)
	<u>\$ 27,957</u>

(35) Earnings per share (EPS)

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Basic EPS (\$):		
Income attributable to owners of parent	\$ <u>3,988,220</u>	\$ <u>3,622,778</u>
Weighted average number of ordinary shares in issue used in calculating basic EPS (in thousands)	<u>494,074</u>	<u>494,074</u>
Basic EPS (\$) after tax	<u>\$ 8.07</u>	<u>\$ 7.33</u>

(36) Reconciliation of liabilities from financing activities

For the year ended December 31, 2025:

	<u>January 1, 2025</u>	<u>Cash flows</u>	<u>Non-cash changes</u>	<u>December 31, 2025</u>
			<u>Others</u>	
Current borrowings	\$ 2,130,554	\$ —	\$( 949,554 )	\$ 1,181,000
Lease liabilities	3,116,249	( 1,561,157 )	1,017,681	2,572,773
Bonds payable (including Current portion of bonds payable)	1,998,698	—	746	1,999,444
Long-term liabilities (including Current portion of long-term liabilities)	7,392,437	( 4,448,401 )	675	2,944,711

For the year ended December 31, 2025:		Non-cash changes		
	January 1, 2025	Cash flows	Others	December 31, 2025
Guarantee deposit received	29,454	7,424	1	36,879
	<u>\$ 14,667,392</u>	<u>\$( 6,002,134 )</u>	<u>\$ 69,549</u>	<u>\$ 8,734,807</u>

For the year ended December 31, 2024:		Non-cash changes		
	January 1, 2025	Cash flows	Others	December 31, 2025
Current borrowings	\$ 534,749	\$ 1,595,805	\$ —	\$ 2,130,554
Lease liabilities	3,567,718	( 1,528,448 )	1,076,979	3,116,249
Bonds payable	1,997,952	—	746	1,998,698
Long-term liabilities (including Current portion of long-term liabilities)	8,017,740	( 626,252 )	949	7,392,437
Guarantee deposit received	27,846	1,608	—	29,454
	<u>\$ 14,146,005</u>	<u>\$( 557,287 )</u>	<u>\$ 1,078,674</u>	<u>\$ 14,667,392</u>

## 7. RELATED PARTY TRANSACTIONS

### (1) Related party name and their relationship with the Group

Name of related parties	Relationship with the Group
Guang-Hsin Co., Ltd. (Guang-Hsin)	Associates
Sheng-Yuan Investment Corp. (Sheng-Yuan)	Associates
Li-Xiang Technology Co., Ltd. (Li-Xiang)	Associates
Nomura Chung-Hsin Machinery Corporation (Nomura Chung-Hsin)	Associates (Dissolution in December 2024 )
Aura Material Inc. (Aura)	Associates
Shenghe Precision Co., Ltd.	Associates Associates
Wuxi Hengchi Chem switchgear Co., Ltd. (Wuxi Hengchi)	(Reclassified as non-current assets held for sale in September 2025) Associates
Nantong L-S Metal Forming Co., Ltd. (Nantong L-S) Integrated Manufacturing & Services Co., Ltd. (Integrated M&S)	(Disposal in November 2024) Associates
Qingdao Sunhydro Group Co. Ltd. (Sunhydro)	(Transferred to a subsidiary in July 2024) Associates Associates
Shannxi Baoji Yong-Shin Ltd. (Yong-shin)	(Reclassified as non-current assets held for sale in September 2025)
Yun-Yi Energy Co., Ltd.	Other related parties (Dissolution in May 2024 ) Associates
MICT International Limited.	(Liquidated in February 2025)
Liang Chang Li	Other related parties
Chung Chia International Investment Co., Ltd. (Chung Chia)	Other related parties
Director, supervisor, general manager and vice manager	Key management

### (2) Material trading transactions

#### A. Sales revenue

	For the years ended December 31	
	2025	2024
Associates	<u>\$ 16,989</u>	<u>\$ 36,012</u>

The Group sold or provided service to above mentioned associated and related parties was

based on mutually agreed terms.

B. Purchase

	For the years ended December 31	
	2025	2024
Associates	\$ 145,567	\$ 42,148

The Group's purchases from the above-mentioned associated and related parties were based on mutually agreed terms.

C. Property transactions

(A) The Group acquired the entire equity interest in Integrated Manufacturing & Services Co., Ltd. from MICT International Limited for a consideration of \$42,258 thousand in July 2024. Please refer to Note 4(34) for further details.

(B) Acquisition of property, plant and equipment

	Acquisition Price	
	2025	2024
Associate	\$ 1,910	—

D. Others

(A) Cost/expenses attributable

	December 31, 2025	December 31, 2024
Associates	\$ 3,189	\$ 14,550
Other related parties	120	—
	\$ 3,309	\$ 14,550

(B) Other income

	December 31, 2025	December 31, 2024
Associates	\$ —	\$ 2,254

E. Contract assets

	December 31, 2025	December 31, 2024
Associates	\$ 800	\$ 1,143

F. Contract Liabilities

	December 31, 2025	December 31, 2024
Associates	\$ —	\$ 1,292

G. Accounts receivable, net

	December 31, 2025	December 31, 2024
Associates	\$ 1,200	\$ 102

H. Accounts payable

	December 31, 2025	December 31, 2024
Associates	\$ 35,914	\$ 12,646

I. Other accounts receivable/payable

(A) Others receivable (excluding loans to related parties)

	December 31, 2025	December 31, 2024
Associates		
Guang-Hsin	\$ 624	\$ 501
Sheng-Yuan	381	314
Others	37	103
Other related parties	—	91
	\$ 1,042	\$ 1,009

(B) Others payable - others

	December 31, 2025	December 31, 2024
Associates	\$ 630	\$ 630

J. Prepayments

	December 31, 2025	December 31, 2024
Associates	\$ 8,719	\$ 12,783

K. Financing provided (under other receivables)

	December 31, 2025	December 31, 2024
Associates		
Guang-Hsin	\$ 82,700	\$ 67,500
Sheng-Yuan	70,000	39,000
Others	7,500	7,500
	<u>\$ 160,200</u>	<u>\$ 114,000</u>
Range of interest rate	1.80%~2.00%	1.00%~2.00%

Interest revenues

	For the years ended December 31	
	2025	2024
Associates	<u>\$ 2,474</u>	<u>\$ 2,595</u>

L. Financing provided (under short-term debts)

	December 31, 2025	December 31, 2024
Associates	<u>\$ —</u>	<u>\$ —</u>
Range of interest rate	None	3.00%

Interest expenses

	For the years ended December 31	
	2025	2024
Associates	<u>\$ —</u>	<u>\$ 5</u>

M. Dividend income (deduction of investment accounted for using the equity method)

	For the years ended December 31	
	2025	2024
Associates		
Guang-Hsin	\$ 47,458	\$ 35,154
Nantong L-S	—	58,568
Sheng-Yuan	39,710	14,414
	<u>\$ 87,168</u>	<u>\$ 108,136</u>

(3) Key management compensation

	For the years ended December 31	
	2025	2024
Salaries and other short-term	\$	\$
employee benefits	146,894	132,871
Post-employment benefits	400	868
	<u>\$ 147,294</u>	<u>\$ 133,739</u>

**8. PLEDGED ASSETS**

(1) Assets (book values) that were pledged for bank loans or engineering guarantee were as follows:

	December 31, 2025	December 31, 2024
Time deposits	\$ 98,522	\$ 115,873
Deposit with bank	58,880	58,558
Property, plant and equipment	9,107,511	10,354,721
Investment property	500,250	506,587
Treasury shares	405,519	879,725
Guarantee deposit paid	212,937	213,436
	<u>\$ 10,383,619</u>	<u>\$ 12,128,900</u>

(2) As of December 31, 2025 and 2024, the Group pledged 114,622 thousand shares of subsidiaries as collateral for bank loans. The book value was \$173,552 thousand and \$151,535 thousand, respectively.

## **9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACTUAL COMMITMENTS**

Except as disclosed in the notes, the Group has other significant contractual commitments and contingencies, which were as follows:

- (A) The Group had commitments for engineering contracts guaranteed for a certain period of time after the completion, delivery and customers' acceptance of equipment or project.
- (B) As of December 31, 2025 and 2024, the amounts of significant engineering contracts under construction were \$32,186,003 thousand and \$27,910,009 thousand; and the payments made according the progress of contracts were \$21,469,135 thousand and \$19,289,331 thousand, respectively.
- (C) As of December 31, 2025 and 2024, the unused letters of credit were as follows:

Currency	Expressed in thousands	
	December 31, 2025	December 31, 2024
USD	1,586	1,150
Japanese Yen	57,038	10,269
EUR	511	1,075

- (D) As of December 31, 2025 and 2024, the guarantees of material engineering contracts pledged by banks were \$9,039,786 thousand and \$6,910,841 thousand, respectively.
- (E) As of December 31, 2025 and 2024, the notes issued by the Group as guarantees for bank borrowing, engineering contracts, bonds, etc. were \$53,427,452 thousand and \$51,003,546 thousand, respectively.
- (F) As of December 31, 2025 and 2024, the Group had no endorsements or guarantees provided to other companies.

## **10. SIGNIFICANT CATASTROPHE**

None.

## **11. SUBSEQUENT EVENTS**

None.

## **12. OTHERS**

### (1) Capital risk management

The Group manages its capital to ensure that the entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group adopts prudent risk management strategies and performs audits on a regular basis. The capital structure of the Group is determined according to the business development strategies and operational requirements.

### (2) Financial instruments

#### (A) Categories of financial instruments

	December 31, 2025	December 31, 2024
<u>Financial assets</u>		
Measured at FVTPL		
Mandatorily measured at FVTPL	\$ 404,007	\$ 483,900
Measured at FVTOCI	103,975	115,659
Measured at amortized cost (Note 1)	7,127,140	6,496,332
	<u>\$ 7,635,122</u>	<u>\$ 7,095,891</u>
<u>Financial liabilities</u>		
Measured at amortized cost (Note 2)	<u>\$ 12,440,958</u>	<u>\$ 17,500,840</u>

Note 1: The amount includes cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable (including related parties), other receivables (including related parties), deposit guarantee paid, long-term receivables, restricted assets and other financial assets measured at amortized cost.

Note 2: The amount includes current borrowings, short-term notes and bills payable, Financial liabilities at amortised cost and notes and accounts payable (including related parties), other payables (including related parties), bonds payable, non-current portion of non-current borrowings, guarantee deposit received and other financial liabilities measured at amortized cost.

(B) Fair value of financial instruments

a. Measured without using fair value

The Group's financial assets/loans and receivables and financial liabilities measured at amortized cost had carrying values that are very close to their fair values.

b. Measured by using fair value

The fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable:

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
2. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
3. Level 3 inputs are unobservable inputs for the asset or liability.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value:

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed stocks	\$ 60,350	\$ —	\$ —	\$ 60,350
Unlisted stocks	—	—	209,732	209,732
Beneficiary certificate	133,925	—	—	133,925
	<u>\$ 194,275</u>	<u>\$ —</u>	<u>\$ 209,732</u>	<u>\$ 404,007</u>
<u>FVTOCI financial assets</u>				
Unlisted stocks	\$ —	\$ —	\$ 103,975	\$ 103,975
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 103,975</u>	<u>\$ 103,975</u>
	December 31, 2024			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed stocks	\$ 30,034	\$ —	\$ —	\$ 30,034
Unlisted stocks	—	—	199,038	199,038
Beneficiary certificate	254,828	—	—	254,828
	<u>\$ 284,862</u>	<u>\$ —</u>	<u>\$ 199,038</u>	<u>\$ 483,900</u>
<u>FVTOCI Financial assets</u>				
Unlisted stocks	\$ —	\$ —	\$ 115,659	\$ 115,659
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 115,659</u>	<u>\$ 115,659</u>

For the Group's financial assets and liabilities measured at fair value on a recurring basis, there were no transfers between Level 1 and Level 2 for the years ended December 31, 2025 and 2024.

Reconciliation of Level 3 fair value measurements of financial instruments

The financial assets measured at Level 3 fair value were equity investments classified as financial assets at FVTPL and equity instruments at FVTOCI. Reconciliations for the years of 2025 and 2024 were as follows:

	For the years ended December 31	
	2025	2024
Balance at beginning of period	\$ 314,697	\$ 289,611
Disposal for the period	( 11,191 )	( 57,639 )
Recognized in profit (loss)	12,443	33,874
Recognized in other comprehensive income	( 6,959 )	118,151
Reclassification of accounted for using equity method	—	( 72,200 )

	For the years ended December 31	
	2025	2024
Organization structure adjustment	9,736	—
Effect of exchange rate changes	( 5,019 )	2,900
Balance at end of period	<u>\$ 313,707</u>	<u>\$ 314,697</u>

c. Valuation techniques and assumptions applied for the purposes of measuring fair value  
The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active and liquid markets are determined with reference to quoted market prices.
- The fair value of the call/put option of convertible bonds is estimated using the binomial tree model. The significant observable input value used is the stock price volatility.
- The fair value of unlisted company stocks without an active market is determined using the market approach. The determination is based on recent financial activities, valuations of similar companies, the technological developments of the company, market conditions and other economic indicators.
- Derivatives instruments are evaluated based on evaluation models accepted by market users such as the discount method and the option pricing model. Forward exchange contracts are measured using forward exchange rates that are derived from quoted market prices.

(C) Financial risk management objectives and policies

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

The important financial activities are reviewed by the Board of Directors and Audit Committee in accordance with the procedures required by relevant regulations or internal controls. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters and investment of excess liquidity.

A. Market risk

Foreign exchange risk

Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. To manage its foreign exchange risk, the Group uses forward foreign exchange contracts for hedge. These derivative instruments could help to reduce the effects on foreign exchange, but they cannot remove all effects on foreign exchange.

The Corporation has not undertaken any hedging activities for investments in foreign operations as these are strategic investments.

The sensitivity analysis of foreign exchange risk is primarily calculated based on foreign currency monetary items as of the end of the reporting period.

The significant financial assets and liabilities denominated in foreign currencies were as follows:

(Foreign currencies: function currency)	December 31, 2025		December 31, 2024	
	Foreign currency (in thousands)	Exchange rate	Foreign currency (in thousands)	Exchange rate
<u>Financial assets</u>				
Monetary items				
USD: NTD	1,869.01	31.435	3,967.37	32.79

	December 31, 2025		December 31, 2024	
	Foreign currency (in thousands)	Exchange rate	Foreign currency (in thousands)	Exchange rate
(Foreign currencies: function currency)				
RMB: NTD	22,018.52	4.4978	53,609.07	4.4925
USD: RMB	7,176.39	6.989	4,014.68	7.2988
JPY: NTD	415,127.21	0.2008	1,882,648.21	0.2099
Euro: NTD	4,250.88	36.902	3,445.25	34.14
Non-monetary items				
USD: NTD	83,852.38	31.435	79,724.24	32.79
<u>Financial liabilities</u>				
Monetary items				
USD: NTD	1,673.63	31.435	546.30	32.79
RMB: NTD	—	4.4978	146.32	4.4925
JPY: NTD	423,256.73	0.2008	48,157.73	0.2099
Euro: NTD	128.36	36.902	3.79	34.14

If the new Taiwan dollar appreciated against foreign currencies by about 1%, the amount of incomes would decrease by \$4,812 thousand and \$8,956 thousand, respectively for the years ended December 31, 2025 and 2024. If the new Taiwan dollar depreciated against foreign currencies by about 1%, its impact amount would be the negative amount of the same amount.

#### Interest rate risk

Interest rate risk is the risk of changes in the fair value of financial instruments due to changes in the market interest rate. Interest rate risk arises from deposits with banks and long-term or current borrowings.

Sensitivity analyses of the interest rate risk are determined with the exposure interest risk at the end of the reporting period, with all other variables being held constant. If the interest rate increased by 0.25%, the amounts of income would decrease by \$4,604 thousand and \$15,449 thousand, respectively for the years ended December 31, 2025 and 2024.

#### Other price risks

The Group is exposed to equity securities price risk because of the investments held by the Group and classified in the consolidated balance sheet at fair value through profit or loss. All material equity investments should be approved by the board of directors.

Sensitivity analyses of price risk in equity instruments are calculated based on changes of fair value at the end of the reporting period. If the value of equity instruments increased/decreased by 5%, the amounts of income would increase by \$9,718 thousand and \$14,318 thousand respectively for the years ended December 31, 2025 and 2024. If the value of equity instruments decreased by 5%, its impact amount would be the negative amount of the same amount.

#### B. Credit risk

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. Credit risk arises from receivables from operating activities and deposits with banks, fixed revenues investments and other financial instruments from investing activities. The credit risk of operating and financial are managed individually.

#### Operating credit risk

The Group has established processes about credit risk management to maintain the quality of accounts receivables.

Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The Group will use instruments for increasing credit at appropriate time, such as prepayments for purchasing, collateral and guarantee, to reduce credit risk.

As of December 31, 2025 and 2024, the accounts receivable from customers accounting for

more than 10% of the consolidated operating revenues based on consolidated accounts receivable were 26% and 36%, respectively. Others are not material for centralized credit risk.

#### Financial credit risk

The finance department of the Group is responsible for measuring and monitoring the credit risk of bank deposits and other financial instruments. For banks and financial institutions, only independently rated parties with investing grade, corporation organization and governments are accepted. Therefore, there are not material credit risks.

#### Liquidity risk management

The Group's objective in managing liquidity risk is to maintain adequate cash and cash equivalents, highly liquid securities, and sufficient bank credit facilities necessary for operations, ensuring the Group's financial flexibility.

The tables below has been drawn up based on the undiscounted cash flows of financial liabilities on the earliest date the Group can be required to pay.

	December 31, 2025				
	Less than 1 year	Between 2 and 3 years	Between 4 and 5 years	Over 5 years	Total
<u>Non derivatives financial liabilities:</u>					
Current borrowings	\$ 1,181,000	\$ —	\$ —	\$ —	\$ 1,181,000
Short-term notes and bills payable	96,995	—	—	—	96,995
Financial liabilities at amortised cost	577,926	382,123	—	—	960,049
Accounts and notes payable (including related parties)	3,713,616	—	—	—	3,713,616
Other accounts payable (including related parties)	1,508,264	—	—	—	1,508,264
Lease liabilities	1,175,137	899,992	231,686	265,958	2,572,773
Non-current portion of non-current borrowings (including current portion of long-term liabilities)	571,611	2,373,100	—	—	2,944,711
Bonds payable(including current portion of bonds payable)	1,999,444	—	—	—	1,999,444
Long-term notes payable	—	600,000	600,000	74,160	1,274,160
	<u>\$ 10,823,993</u>	<u>\$ 4,255,215</u>	<u>\$ 831,686</u>	<u>\$ 340,118</u>	<u>\$ 16,251,012</u>
	December 31, 2024				
	Less than 1 year	Between 2 and 3 years	Between 4 and 5 years	Over 5 years	Total
<u>Non derivatives financial liabilities:</u>					
Current borrowings	\$ 2,130,554	\$ —	\$ —	\$ —	\$ 2,130,554
Financial liabilities at amortised cost	489,306	515,423	—	—	1,004,729
Accounts and notes payable (including related parties)	3,569,120	—	—	—	3,569,120
Other accounts payable (including related parties)	1,375,848	—	—	—	1,375,848
Lease liabilities	1,326,231	1,227,288	270,883	291,847	3,116,249
Non-current portion of non-current borrowings (including current portion of long-term liabilities)	528,404	3,848,731	768,182	2,247,120	7,392,437
Bonds payable	—	1,998,698	—	—	1,998,698
Long-term notes payable	—	600,000	600,000	374,160	1,574,160
	<u>\$ 9,419,463</u>	<u>\$ 8,190,140</u>	<u>\$ 1,639,065</u>	<u>\$ 2,913,127</u>	<u>\$ 22,161,795</u>

C. On December 24, 2025, the Board of Directors of the Group's subsidiary, Bao-Sheng Global

Co., Ltd. (Bao Sheng), resolved to absorb and merge with Changyu Co., Ltd. (“Changyu”) in accordance with the terms of the agreement, in order to effectively strengthen its competitive advantage in the parking management industry. The total consideration shall not exceed NT\$239,000 thousand. Bao Sheng shall be the surviving company and Changyu shall be the dissolved company.

The merger date was set as January 1, 2026, and Bao Sheng completed the registration of the change on February 9, 2026. From the merger date, all rights and obligations of Changyu have been generally assumed by Bao Sheng.

### **13. ADDITIONAL DISCLOSURES**

- (1) Significant transactions information and (2) information on investees:
  - (A) Financing provided: attachment table 1.
  - (B) Endorsement/guarantee provided: attachment table 2.
  - (C) Material marketable securities held: attachment table 3.
  - (D) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: attachment table 4.
  - (E) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: attachment table 5.
  - (F) Intercompany relationships and significant transactions: attachment table 6
- (2) information on investees:
 

Names, locations, and related information of investees over which the company exercises significant influence: attachment table 7.
- (3) Information of investment in China
  - (A) Names, main businesses, total paid-in capital, method of investment, investment out/in flows, percentage of ownership, investment profit (loss) of the period, book value, accumulated amount of investment income remitted back to Taiwan and upper limit of investment in China. (Table 8)
  - (B) Significant inter-company transactions, price, credit term, unrealized profit or loss and other related information for understanding the effect of investment in China. (please refer to tables 1, 4, 5 and 6)

### **14. SEGMENT FINANCIAL INFORMATION**

- (1) Operation segments
 

The reportable segments are as follows:

  1. Electricity power: This segment engages in the manufacture of electricity equipment, construction of various types of substations, etc.
  2. Service: This segment engages in the management and operation of public and private parking lots.
  3. Engineering and others: This segment includes undertaking projects such as air conditioning, electrical, water, fire protection systems, various full-scale plant engineering, as well as residential and building development, leasing, sales, and other related operations.
- (2) For the segment financial information, please refer to attachment table 9.
- (3) Financial information of geographical areas: The Group does not have any significant foreign operation segments.
- (4) Information of foreign sales areas:
 

For the years ended December 31, 2025 and 2024, the information of foreign sales areas was as follows:

Areas	For the years ended December 31	
	2025	2024
Japan	\$ 315,591	\$ 299,633
United States	325,443	363,062
China	616,956	617,946
Others (including bonded areas)	612,648	553,844

<u>\$ 1,870,638</u>	<u>\$ 1,834,485</u>
---------------------	---------------------

(5) Information of major customers:

For the years ended December 31, 2025 and 2024, the information of major customers whose revenues amounted to 10% or more of consolidated revenues was as follows:

	For the years ended December 31			
	2025		2024	
	Amount	%	Amount	%
Customer A	\$ 13,295,729	48.44%	\$ 13,545,105	52.89%

Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries  
Financing provided  
For the Year Ended December 31, 2025  
Expressed in Thousands of New Taiwan Dollars

Attached table 1

No	Financing company's name	Counter party	Financial statement account	Related Party	Maximum balance for the period	Ending balance (2)	Amounts of loan (3)	Interest Rate (%)	Type of financing (1)	Transaction amount	Reasons for short-term financing	Allowance for bad debt	Collateral		Financing limit for each borrowing company	Financing company's financing amount limit			
													Item	Value					
0	Chung-Hsin Electric and Machinery Manufacturing Corp	Tian Chong Energy Co., Ltd.	Other Receivable	Yes	233,455	106,187	106,187	—	1	106,187	Accounts receivable transferred	—	—	—	(10)	106,187	(10)	4,135,283	
		Tian Peng Energy Co., Ltd.	Other Receivable	Yes	85,848	72,346	72,346	—	1	72,346	Accounts receivable transferred	—	—	—	(10)	72,346	(10)	4,135,283	
		Tian Cin Energy Co., Ltd.	Other Receivable	Yes	14,050	14,050	—	—	—	1	14,050	Accounts receivable transferred	—	—	—	(10)	14,050	(10)	4,135,283
		EGME ENERGY ECOSYSTEMS (INDIA) PRIVATE LIMITED	Long-term receivable	Yes	7,055	6,683	6,683	—	—	1	6,683	Accounts receivable transferred	—	—	—	(10)	6,683	(10)	4,135,283
		CHEM ENERGY SA (PTY) LTD.	Long-term receivable	Yes	23,038	21,825	21,617	—	—	1	21,825	Accounts receivable transferred	21,617	—	—	(10)	21,825	(10)	4,135,283
		Qingdao Sunhydro group Co. Ltd.	Other Receivable	Yes	132,758	130,584	130,561	—	—	1	130,584	Accounts receivable transferred	130,561	—	—	(10)	130,584	(10)	4,135,283
		Tian Chong Energy Co., Ltd.	Other Receivable	Yes	2,000,000	2,000,000	1,958,000	1.10%-3.00%	—	2	—	Operation needed	—	Note	2,000,000	(9)	2,000,000	(4)	8,270,567
		Tian Peng Energy Co., Ltd.	Other Receivable	Yes	2,000,000	2,000,000	1,846,800	1.10%-3.00%	—	2	—	Operation needed	—	Note	1,400,000	(9)	2,000,000	(4)	8,270,567
1	CHENG-HSIN Engineering & Services CO., LTD	Tian Cin Energy Co., Ltd.	Other Receivable	Yes	700,000	700,000	249,700	1.10%-3.00%	—	2	—	Operation needed	—	Note	700,000	(9)	2,000,000	(4)	8,270,567
		Sheng Yuan investment Corp	Other Receivable	Yes	70,000	70,000	70,000	1.85%	—	2	—	Operation needed	—	Note	70,000	(6)	589,786	(4)	589,786
		Tian Peng Energy Co., Ltd.	Other Receivable	Yes	70,000	70,000	45,800	1.80%	—	2	—	Operation needed	—	Note	70,000	(6)	589,786	(4)	589,786
		Tian Chong Energy Co., Ltd.	Other Receivable	Yes	140,000	140,000	84,000	1.80%	—	2	—	Operation needed	—	Note	140,000	(6)	589,786	(4)	589,786
		San-Feng construction Co., Ltd.	Other Receivable	Yes	70,000	70,000	—	1.80%	—	2	—	Operation needed	—	Note	70,000	(6)	589,786	(4)	589,786
		Tian Chong Energy Co., Ltd.	Other Receivable	Yes	78,499	78,499	57,090	—	—	1	81,557	Accounts receivable transferred	—	—	—	(12)	81,557	(12)	294,893
		Tian Peng Energy Co., Ltd.	Other Receivable	Yes	53,887	53,887	39,190	—	—	1	55,986	Accounts receivable transferred	—	—	—	(12)	55,986	(12)	294,893
		Tian Cin Energy Co., Ltd.	Other Receivable	Yes	13,183	13,183	9,588	—	—	1	13,697	Accounts receivable transferred	—	—	—	(12)	13,697	(12)	294,893
2	Sunrise Tech. Co. Ltd	Guang-Hsin engineering & services Co., Ltd.	Other Receivable	Yes	85,000	85,000	82,700	1.80%	—	2	—	Operation needed	—	Note	85,000	(7)	100,000	(4)	543,501
		Etrovision technology Co., Ltd.	Other Receivable	Yes	10,000	10,000	4,000	1.80%	—	2	—	Operation needed	—	Note	10,000	(7)	100,000	(4)	543,501
		Li Xing Technology Co., Ltd.	Other Receivable	Yes	7,500	7,500	7,500	2.00%	—	2	—	Operation needed	—	Check	7,500	(7)	100,000	(4)	543,501
		Tian Peng Energy Co., Ltd.	Other Receivable	Yes	50,000	50,000	34,000	1.80%	—	2	—	Operation needed	—	Note	50,000	(7)	100,000	(4)	543,501
		Tian Chong Energy Co., Ltd.	Other Receivable	Yes	35,000	35,000	35,000	1.80%	—	2	—	Operation needed	—	Note	35,000	(7)	100,000	(4)	543,501
		San-Feng construction Co., Ltd.	Other Receivable	Yes	45,000	45,000	—	1.80%	—	2	—	Operation needed	—	Note	45,000	(7)	100,000	(4)	543,501
		CHENG-HSIN Engineering & Services CO., LTD	Other Receivable	Yes	50,000	50,000	—	1.78%	—	2	—	Operation needed	—	Note	50,000	(7)	100,000	(4)	543,501
3	Bao-Sheng Global Co., Ltd.	Sheng Yuan investment Corp.	Other Receivable	Yes	40,000	—	—	1.80%	—	2	—	Operation needed	—	—	—	(5)	45,000	(4)	92,478
4	Etrovision technology Co., Ltd.	Guang-Hsin engineering & services Co., Ltd.	Other Receivable	Yes	27,000	—	—	1.80%	—	2	—	Operation needed	—	—	—	(6)	45,123	(4)	45,123
5	CHEM J-V Limited	CHEM CORP.	Other Receivable	Yes	434,377	—	—	1.00%	—	2	—	Operation needed	—	—	—	(13)	—	(13)	—
6	CHEM Power Limited	CHEM CORP.	Other Receivable	Yes	104,962	—	—	1.00%	—	2	—	Operation needed	—	—	—	(8)	480,478	(4)	960,957
7	Findata Finance Technology Corp.	Tone-zoom industry Co., Ltd.	Other Receivable	Yes	2,000	2,000	—	3.00%	—	2	—	Operation needed	—	Note	2,000	(6)	36,748	(4)	36,748
		Etrovision technology Co., Ltd.	Other Receivable	Yes	6,000	6,000	—	1.80%	—	2	—	Operation needed	—	—	—	(6)	36,748	(4)	36,748
8	Chung-Hsin Power Systems Corp.	Shannxi Baoji Yong-Shin Ltd.	Other Receivable	No	6,432	6,432	6,432	3.00%	1	10,340	Transaction	—	—	—	(10)	10,340	(10)	123,061	

(1) Type of financing: 1. business purpose; 2. necessary for short term financing.

(2) The amounts of finance were approved by the directors' resolutions.

(3) The actual amounts of loans.

(4) Not exceeding 40% of the net equity current period.

(5) Not exceeding NTS 45,000 thousand for each counterparty.

(6) Not exceeding 40% of the net equity current period.

(7) Not exceeding NTS 100,000 thousand for each counterparty

(8) Not exceeding 20% of the net equity current period.

(9) Not exceeding NTS2,000,000 thousand for each counter party.

(10) Finance of a single company limited to the whole year business transaction amount of latest year. Financing amount did not exceed 20% of the net equity current period or the amount of business dealings. The amount of business dealings is the higher of purchase or sales.

(11) When the company engages in financing with its parent company or with foreign companies whose parent company directly or indirectly holds 100% of the voting shares, the amount does not exceed 40% of the net equity of the company, the lending amount is not subject to the 40% net value limit of the lending company. However, the total amount for each counterparty may not exceed 100% of the net equity of the company.

(12) Finance of single company limited to the whole year business transaction amount of latest year. Short-term financing did not exceed 20% of the net equity current period or the amount of business dealings.

(13) Dissolution in Oct. 2025

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Endorsement/Guarantee Provided**  
**For the Year Ended December 31, 2025**  
**Expressed in Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment Table 2

No	Endorsement / guarantee Provider	Endorsement/guarantee for		Amount limit on each endorsement/ guarantee (2)	Maximum balance of endorsement/ guarantee during the period	Ending balance of endorsement/ guarantee	Amount limit on each endorsement/ guarantee	Endorsement/guarantee amount backed by property(11)	Accumulated amount of endorsement/ guarantee to net equity (%)	Maximum endorsement/ guarantee amount allowed (1)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China
		Name	Relation										
0	Chung-Hsin Electric and Machinery Manufacturing Corp.	Cheng-Hsin Engineering & Services Co., Ltd.	2	31,014,625	800,000	700,000	167,800	700,000	339%	41,352,833	Yes	No	No
0	Chung-Hsin Electric and Machinery Manufacturing Corp.	San-Feng Construction Co., Ltd.	2	31,014,625	700,000	700,000	243,025	700,000	339%	41,352,833	Yes	No	No
0	Chung-Hsin Electric and Machinery Manufacturing Corp.	Wha Dun Building Management Service Co., Ltd.	2	31,014,625	10,000	10,000	8,987	10,000	005%	41,352,833	Yes	No	No
0	Chung-Hsin Electric and Machinery Manufacturing Corp.	Bao-Sheng Global Co., Ltd.	2	31,014,625	990,000	600,082	592,754	730,000	290%	41,352,833	Yes	No	No
0	Chung-Hsin Electric and Machinery Manufacturing Corp.	Tian Chong Energy Co., Ltd.	2	31,014,625	5,171,000	4,395,200	1,595,890	4,893,800	2126%	41,352,833	Yes	No	No
0	Chung-Hsin Electric and Machinery Manufacturing Corp.	Tian Cin Energy Co., Ltd.	2	31,014,625	330,000	330,000	330,000	300,000	160%	41,352,833	Yes	No	No
0	Chung-Hsin Electric and Machinery Manufacturing Corp.	Tian Peng Energy Co., Ltd.	2	31,014,625	3,846,191	3,059,515	709,909	3,626,191	1480%	41,352,833	Yes	No	No
				Total	11,787,191	Total	9,794,797	Total	3,648,365	4739%			
1	Chung-Hsin Electric and Machinery Manufacturing Corp.	San-Feng Construction Co., Ltd.	3	(3) 4,135,283	300,000	300,000	272,301	300,000	(5) 145%	(4) 10,338,208	No	No	No
1	Chung-Hsin Electric and Machinery Manufacturing Corp.	Chung-Hsin Electric and Machinery Manufacturing Corp.	4	(3) 4,135,283	48,002	48,002	48,002	—	(5) 023%	(4) 10,338,208	No	Yes	No
1	Chung-Hsin Electric and Machinery Manufacturing Corp.	Bao-Sheng Global Co. Ltd..	4	(3) 4,135,283	59,638	59,638	59,638	—	(5) 029%	(4) 10,338,208	No	No	No
				Total	407,640	Total	407,640	Total	379,941	197%			
2	Sunrise Tech. Co. Ltd	Tian Peng Energy Co., Ltd.	4	(3) 4,135,283	200,000	—	—	—	(5) —	(4) 10,338,208	No	No	No
3	Tian Fu Energy Co., Ltd.	Tian Chong Energy Co.	4	(3) 4,135,283	148,176	148,176	148,176	148,176	(5) 072%	(4) 10,338,208	No	No	No

(1) Not exceeding 2 times of the Corporation's current year net equity.

(2) Not exceeding 1.5 times of the Corporation's net equity for each company. Exclude the entity which the corporation owned 90% of voting shares directly or indirectly and the guarantee amount could not exceed 10% of the Corporation's net equity. However, the companies that the Corporation directly or indirectly holds 100% of the voting shares are not subject to this limitation.

(3) Not exceeding 20% of the parent company's current year net equity for each entity.

(4) Not exceeding 50% of the parent company's current year net equity.

(5) The percentage of accumulated endorsement and guarantee amount of Cheng-Hsin Engineering & Services Co., Ltd., Sunrise Tech. Co. Ltd. and Tian Fu Energy Co., Ltd.

(6) Notes provided as a guarantee.

(7) The relationships between the guarantor and the guaranteed party in endorsement /guarantees are as follows: a. business between companies; b. direct investment exceeding 50% of the subsidiaries; c. investment exceeding 50% of the subsidiaries by parent and its other subsidiaries; d. direct investment exceeding 90% of parent company by the company and its subsidiaries; e. taking insurances to each other under engineering contract; f. shareholder's guarantee by shares of the company due to common investment relationship; and g. performance guarantees and joint liability guarantees for pre-sale housing sales contracts conducted between peers and regulated by the Consumer Protection Act

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Marketable Securities Held (Excluding Subsidiaries and Associates)**  
**December 31, 2025**  
**In Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment Table 3

Holding company	Type of marketable security/name of marketable security	Relation with the company	Financial statement account	Ending balance				Remark
				Shares	Book value	(%)	Market value	
The Corporation	Stock Pacific Construction Co., Ltd.	—	Current financial assets at FVTPL	770,124	7,193	0.20%	7,193	
	Stock Powerchip Technology Corporation	—	Non-current financial assets at FVTPL	742,716	—	0.05%	—	
	Powerchip Semiconductor Manufacturing Corp.	—	Non-current financial assets at FVTPL	1,344,048	53,157	0.03%	53,157	
	Xian-Han Co., Ltd.	—	Non-current financial assets at FVTPL	7,177,447	51,096	19.94%	51,096	
	Subtotal				104,253		104,253	
Cheng-Hsin Engineering & Services Co., Ltd.	Stock Chung-Hsin E&M Manufacturing Corp.	Parent company	Non-current financial assets at FVTOCI	2,772,162	414,438	0.55%	414,438	2,712,500 shares as collateral
	Beneficiary Certificate FSITC Taiwan Money Market	—	Current financial assets at FVTPL	1,836,390.70	29,766		29,766	
Wha Dun Building Management Service Co., Ltd.	Beneficiary Certificate FSITC Taiwan Money Market	—	Current financial assets at FVTPL	1,503,113.80	24,363	—	24,363	
	Beneficiary Certificate FSITC Taiwan Money Market	—	Current financial assets at FVTPL	1,501,774.70	24,342	—	24,342	
Tian Fu Energy Co., Ltd.	Beneficiary Certificate FSITC Taiwan Money Market	—	Current financial assets at FVTPL	205,401.10	3,329	—	3,329	
	Beneficiary Certificate FSITC Taiwan Money Market	—	Current financial assets at FVTPL	744,020.20	12,060	—	12,060	
Sunrise Tech. Co. Ltd	Beneficiary Certificate Nomura All Weather Global Bond Fund	—	Current financial assets at FVTPL	15,000,000.00	15,078	—	15,078	
	Amundi Taiwan Global Multi-Asset Growth Income Fund	—	Current financial assets at FVTPL	500,000.00	5,125	—	5,125	
	Franklin Templeton SinoAm AI Hi-Tech Fund	—	Current financial assets at FVTPL	276,854.40	5,011		5,011	
	Subtotal				25,214		25,214	
	Stock Chung-Hsin E&M Manufacturing Corp.	Parent company	Non-current financial assets at FVTOCI	6,266,514	936,844	1.25%	936,844	3,000,000 shares as collateral
Stellar Power System Co., Ltd.	Zhengyu Technology Engineering Co., Ltd.	—	Non-current financial assets at FVTPL	3,256,550	98,350	12.89%	98,350	
	Kaohsiung Rapid Transit Co., Ltd.	—	Non-current financial assets at FVTPL	2,572,127	27,977	0.92%	27,977	
	U.S. TECHNICAL CONSULTANTS INC.	—	Non-current financial assets at FVTPL	5,310	—	19.33%	—	
	Subtotal				1,063,171		1,063,171	
	Beneficiary Certificate FSITC Taiwan Money Market	—		916,211.20	14,851	—	14,851	
ME ENERGY SYSTEMS LIMITED	Stock ELEMENT ONE LLC	—	Current financial assets at FVTPL	428,572	—	12.51%	—	

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Total Purchases from or Sales to Related Parties Amounting to at Least NT\$100 million or 20% of the Paid-in Capital**  
**For the Year Ended December 31, 2025**  
**In Thousands of New Taiwan Dollars**

Attachment table 4

Purchase/ Sales	Amount	Percentage of total purchase or sales	Transaction details				Differences in transaction terms compared to third party transactions		Notes/Accounts receivable (payable)		Remark
			Purchase/ Sales	Amount	Percentage of total purchase or sales	Credit term	Unit Price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
The Corporation	Jiangsu Chung-Hsin Precision Machinery Co., Ltd.	Investment using equity method	Purchases	320,821	2.70%	—	—	—	Accounts payable 60,341	1.79%	
The Corporation	Bao-Sheng Global Co., Ltd.	Investment using equity method	Purchases etc.	165,643	1.39%	—	—	—	Accounts payable 66,319	1.97%	
The Corporation	H2 Power Tech, LLC.	Investment using equity method	Purchases etc.	117,130	0.99%	—	—	—	—	—	
The Corporation	Tian Chong Energy Co., Ltd.	Investment using equity method	Sales etc.	130,984	0.61%	—	—	—	Notes receivable 23	—	

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Receivables from Related Parties Amounting to at Least NT\$100 million or 20% of the Paid-in Capital**  
**December 31, 2025**  
**In Thousands of New Taiwan Dollars**

Attachment table 5

Company Name	Related Party	Nature of relationships	Ending balance of accounts receivable	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
The Corporation	Qingdao Sunhydro Group Co. Ltd.	Investment using equity method	Contract asset 130,561	—	—	—	—	130,561
The Corporation	Tian Chong Energy Co., Ltd.	Investment using equity method	Other receivables (Note ) 2,105,446	—	—	—	—	—
The Corporation	Tian Peng Energy Co., Ltd.	Investment using equity method	Other receivables (Note ) 1,949,641	—	—	—	—	—
The Corporation	Tian Cin Energy Co., Ltd.	Investment using equity method	Other receivables (Note ) 256,026	—	—	—	—	—
Cheng-Hsin Engineering & Services Co., Ltd.	Tian Chong Energy Co., Ltd.	Intragroup entity	Other receivables (Note ) 141,127	—	—	—	—	—

Note :The loan and its interest receivable.

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Intercompany Relationships and Significant transactions**  
**For the Year Ended December 31, 2025**  
**Expressed in Thousands of New Taiwan Dollars**

Attachment table 6-1

No (1)	Company name	Counterparty	Nature of relationship (2)	Intercompany transaction			Percentage of consolidated total gross sale or total assets(%) <sup>(3)</sup>
				Financial statement item	Amount (over 10 million)	Term	
0	The Corporation	Chem Energy SA (Pty) Ltd.	1	long-term receivables	21,617	4	0.05%
0	The Corporation	H2 PowerTech, LLC.	1	Cost and expense	117,130	4	0.43%
0	The Corporation	Tian Cin Energy Co., Ltd.	1	Other receivables	256,026	4 and 5	0.54%
0	The Corporation	Tian Cin Energy Co., Ltd.	1	Engineering revenue etc.	18,491	4	0.07%
0	The Corporation	Tian Chong Energy Co., Ltd.	1	Other receivables	2,105,446	4 and 5	4.41%
0	The Corporation	Tian Chong Energy Co., Ltd.	1	Engineering revenue etc.	130,984	4	0.48%
0	The Corporation	Tian Chong Energy Co., Ltd.	1	Other income	34,906	4	0.13%
0	The Corporation	Tian Chong Energy Co., Ltd.	1	Interest income	16,020	5	0.06%
0	The Corporation	Tian Chong Energy Co., Ltd.	1	Contract assets	14,242	4	0.03%
0	The Corporation	Tian Peng Energy Co., Ltd.	1	Other receivables	1,949,641	4 and 5	4.09%
0	The Corporation	Tian Peng Energy Co., Ltd.	1	Engineering revenue etc.	88,988	4	0.32%
0	The Corporation	Tian Peng Energy Co., Ltd.	1	Other income	24,473	4	0.09%
0	The Corporation	Tian Peng Energy Co., Ltd.	1	Contract assets	11,221	4	0.02%
0	The Corporation	Tian Peng Energy Co., Ltd.	1	Interest income	10,531	5	0.04%
0	The Corporation	Chung-Hsin Power Systems (Jiangsu) Corp.	1	Sales	52,491	4	0.19%
0	The Corporation	Chung-Hsin Power Systems (Jiangsu) Corp.	1	Purchases	59,338	4	0.22%
0	The Corporation	Chung-Hsin Power Systems (Jiangsu) Corp.	1	Accounts payable	15,947	4	0.03%
0	The Corporation	Jiangsu Chung-Hsin Precision Machinery Co., Ltd.	1	Purchases	320,821	4	1.17%
0	The Corporation	Jiangsu Chung-Hsin Precision Machinery Co., Ltd.	1	Accounts payable	60,341	4	0.13%
0	The Corporation	Bao-Sheng Global Co., Ltd.	1	Cost and expense	165,643	4	0.61%
0	The Corporation	Bao-Sheng Global Co., Ltd.	1	Accounts payable	66,319	4	0.14%
0	The Corporation	Bao-Sheng Global Co., Ltd.	1	Other receivables	82,462	4	0.17%
0	The Corporation	Bao-Sheng Global Co., Ltd.	1	Disposal of property, plant and equipment	76,568	4	0.16%
0	The Corporation	San-Feng Construction Co., Ltd.	1	Unfinished construction	18,347	4	0.04%
0	The Corporation	San-Feng Construction Co., Ltd.	1	Engineering cost etc.	10,363	4	0.04%
0	The Corporation	Etrovision Technology Co., Ltd.	1	Other equipment	25,600	4	0.05%
0	The Corporation	FinData Technology Corp.	1	Cost and expense	13,667	4	0.05%

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Intercompany Relationships and Significant Transactions**  
**For the Years Ended December 31, 2025**  
**Expressed in Thousands of New Taiwan Dollars**

Attachment table 6-2

No (1)	Company name	Counterparty	Nature of relationship (2)	Intercompany transaction			Percentage of consolidated total gross sale or total assets(%) <sup>(3)</sup>
				Financial statement item	Amount (over 10 million)	Term	
1	Cheng-Hsin Engineering & Services Co., Ltd.	Wha Dun Building Management Service Co., Ltd.	3	Accounts payable	12,420	6	0.03%
1	Cheng-Hsin Engineering & Services Co., Ltd.	Wha Dun Building Management Service Co., Ltd.	3	Maintenance costs	16,505	6	0.06%
1	Cheng-Hsin Engineering & Services Co., Ltd.	Tian Chin Energy Co., Ltd.	3	Maintenance Revenues	13,697	6	0.05%
1	Cheng-Hsin Engineering & Services Co., Ltd.	Tian Chong Energy Co., Ltd.	3	Accounts receivable	42,818	6	0.09%
1	Cheng-Hsin Engineering & Services Co., Ltd.	Tian Chong Energy Co., Ltd.	3	Other receivables	141,127	5	0.30%
1	Cheng-Hsin Engineering & Services Co., Ltd.	Tian Chong Energy Co., Ltd.	3	Maintenance Revenues	81,557	6	0.30%
1	Cheng-Hsin Engineering & Services Co., Ltd.	Tian Peng Energy Co., Ltd.	3	Accounts receivable	29,393	6	0.06%
1	Cheng-Hsin Engineering & Services Co., Ltd.	Tian Peng Energy Co., Ltd.	3	Other receivables	85,388	5	0.18%
1	Cheng-Hsin Engineering & Services Co., Ltd.	Tian Peng Energy Co., Ltd.	3	Maintenance Revenues	55,986	6	0.20%
2	Sunrise Tech. Co. Ltd	Tian Chong Energy Co., Ltd.	3	Other receivables	35,104	5	0.07%
2	Sunrise Tech. Co. Ltd	Tian Peng Energy Co., Ltd.	3	Other receivables	34,324	5	0.07%

(1) Inter Company transaction information: 1. parent company is represented by 0; 2. subsidiaries are represented by sequel numbers.

(2) Transaction relationship: 1. parent to subsidiaries ; 2.subsidiaries to parents; 3.subsidiaries to subsidiaries

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

(4) Transaction terms were agreed by both parties.

(5) Financing and interest with related parties is processed according to the relevant regulations and rules accordingly.

(6) Sale/purchase terms and price were agreed by both parties.

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Names, Locations, and Related Information of Investees (Excluding Investees in China)**  
**For the Year Ended December 31, 2025**  
**In Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment table 7-1

Investor	Investee	Location	Business	Original investment		Ending balance			Profit (loss) of investee in this period	Investment profit/loss recognized in this period	Remark	
				Ending balance	Beginning balance	Share	%	Book value				
The Corporation	CHEM USA CORPORATION	USA	Sale and assembly of notebooks and computers	34,753	34,753	1,300,000	100.00%	64,934	(474)	(474)	–	Subsidiary
	Guang-Hsin Engineering & Services Co., Ltd.	Taiwan	1. Telecommunication equipment wholesale, retail and installation 2. Communication engineering 3. Computer equipment installation 4. Information software service	33,120	33,120	17,577,041	24.29%	2,121,891	269,247	65,401	FVTOCI financial assets \$(67,778) Cash dividend \$(47,458)	–
	Sunrise Tech. Co. Ltd	Taiwan	General investment	262,000	262,000	33,955,200	100.00%	421,912	116,807	116,807	Treated as treasury stock \$(936,844) Cash dividend \$(49,914)	Subsidiary
	Cheng-Hsin Engineering & Services Co., Ltd.	Taiwan	1. Environmental protection incinerator set up and maintenance 2. Electric power and monitor equipment 3. Plan, design and maintenance for electricity, water and firefighting systems of buildings and factories	150,006	150,006	78,685,401	100.00%	1,036,249	212,487	212,487	Treated as treasury stock \$(414,438) Cash dividend \$(133,765)	Subsidiary
	Global-Entech Co., Ltd.	Taiwan	1. Air pollution sample testing 2. Waste water and environmental water testing 3. Noise testing 4. Evaluation of environmental impact	48,905	48,905	5,029,882	99.99%	49,307	(4,566)	(4,566)	Capital reduction to offset accumulated losses \$(9,600)	Subsidiary
	Tone-zoom Industry Co., Ltd.	Taiwan	1. Intensified fiber plastic material and product 2. Bathing equipment 3. Industrial plastic products	23,677	23,677	708,135	23.28%	17,764	(2,082)	(1,309)	Participated in cash increase not in accordance with shareholding ratio \$689	Subsidiary

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Names, Locations, and Related Information of Investees (Excluding Investees in China)**  
**For the Year Ended December 31, 2025**  
**In Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment table 7-2

Investor	Investee	Location	Business	Original investment		Ending balance			Profit (loss) of investee in this period	Investment profit/loss recognized in this period	Remark	
	Sheng-Yuan Investment Corp.	Taiwan	General investment	53,397	53,397	18,049,960	29.33%	1,905,620	212,028	62,195	FVTOCI financial assets \$(58,989) Cash dividend \$(39,710)	—
	Etrovision Technology Co., Ltd.	Taiwan	1. Electric equipment installation 2. Automatic control equipment 3. Communication engineering 4. TV-KU channel and C channel installation	95,000	95,000	5,642,986	99.99%	92,763	36,505	36,505	—	Subsidiary
	Chem Corp.	Samoa	Import and export of goods and holding company	1,831,098	1,845,820	44,170,127	100.00%	2,423,186	192,486	192,486	Capital deduction refund \$(14,722) Organization structure adjustment \$9,736	Subsidiary
	Bao-Sheng Global Co., Ltd.	Taiwan	Manufacture of machinery equipment, lift installation, automation control equipment, traffic signs and parking management, etc.	149,391	193,000	22,000,000	100.00%	231,195	4,038	4,038	Capital deduction refund \$(43,609) Cash dividend \$(55,660)	Subsidiary
	Li-Xiang Technology Co., Ltd.	Taiwan	Rail transportation, industry, electronic control systems, liquid glass coatings, and cross-strait import and export trade	6,670	6,670	667,000	40.00%	—	9,545	3,818	—	—
	ME ENERGY SYSTEMS LIMITED	Hong Kong	Power EQU, engineering & parking management services	247,774	321,940	8,413,455	100.00%	94,188	(67,324)	(67,324)	FVTOCI financial assets \$(6,960) Capital deduction refund \$(74,166)	Subsidiary
	Chung- Hsin Energy Tech. Inc.	Taiwan	Manufacture of machinery for generating, transmitting and distributing electric power and fuel cells; energy technology services.	100,000	100,000	10,000,000	100.00%	60,650	(19,281)	(19,281)	—	Subsidiary

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Names, Locations, and Related Information of Investees (Excluding Investees in China)**  
**For the Year Ended December 31, 2025**  
**In Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment table 7-3

Investor	Investee	Location	Business	Original investment		Ending balance			Profit (loss) of investee in this period	Investment profit/loss recognized in this period	Remark	
				Ending balance	Beginning balance	Share	%	Book value				
The Corporation	Tian Cin Energy Co., Ltd.	Taiwan	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	211,253	211,253	21,013,300	86.74%	37,343	8,884	7,706	—	Subsidiary
	Tian Peng Energy Co., Ltd.	Taiwan	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	680,497	680,497	68,266,458	85.61%	—	67,197	57,527	—	Subsidiary
	Tian Chong Energy Co., Ltd.	Taiwan	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	1,003,152	1,003,152	101,800,692	87.07%	—	170,280	148,262	—	Subsidiary
	Tian Fu Energy Co., Ltd.	Taiwan	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	156,000	156,000	15,600,000	52.42%	175,656	32,831	17,210	—	Subsidiary
	Aura Material Inc.	Taiwan	Design and manufacture of carbon capture materials, manufacture and sales of wet adsorption equipment, etc.	37,000	37,000	3,700,000	37.00%	34,987	(12,731)	(4,711)	—	—
	EGME ENERGY ECOSYSTEMS (INDIA) PRIVATE LIMITED	India	Backup power services, fuel cell equipment, communication towers, or other businesses related to the generation, storage, and sale of backup energy	14,136	14,136	359,000 (US\$43,084)	71.80%	—	(3,290)	(2,362)	—	Subsidiary
	Stellar Power System Co., Ltd.	Taiwan	R&D, manufacture, sale of hydrogen fuel cell vehicles and power systems, energy technology services, etc.	22,000	22,000	100,000	5.00%	11,701	(693)	(35)	—	Subsidiary
	Shen Ghe Precision Co., Ltd.	Taiwan	Manufacture of machinery, other equipment and international trade	396,000	396,000	396,000	45.00%	385,523	(14,039)	(6,318)	—	—

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Names, Locations, and Related Information of Investees (Excluding Investees in China)**  
**For the Year Ended December 31, 2025**  
**In Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment table 7-4

Investor	Investee	Location	Business	Original investment		Ending balance			Profit (loss) of investee in this period	Investment profit/loss recognized in this period	Remark	
				Ending balance	Beginning Balance	Share	%	Book value				
Bao-Sheng Global Co., Ltd.	FinData Technology Corp.	Taiwan	Software design services, data processing services, digital information supply services	—	75,010	—	—	—	21,716	Note	Organization structure adjustment\$(4,063)	Subsidiary
Eurovision Technology Co., Ltd.	FinData Technology Corp.	Taiwan	Software design services, data processing services, digital information supply services	70,594	—	7,510,000	100.00%	91,870	21,716	Note	Organization structure adjustment\$4,063	Subsidiary
Sunrise Tech. Co. Ltd	Tone-zoom Industry Co., Ltd.	Taiwan	1. Intensified fiber plastic material and product 2. Bathing equipment 3. Industrial plastic products	20,000	—	2,000,000	65.75%	18,846	(2,082)	Note	Cash capital increased \$20,000	Subsidiary
Cheng-Hsin Engineering & Services Co., Ltd.	San-feng Construction Co., Ltd.	Taiwan	Civil engineering, construction, water conservancy, contract management industry	411,939	411,939	44,946,602	86.52%	508,154	36,792	Note	Participated in cash increase not in accordance with shareholding ratio \$(7,426)	Subsidiary
	Wha Dun Building Management Service Co., Ltd.	Taiwan	Apartment managing services consultation, etc.	10,000	10,000	2,602,495	100.00%	41,092	10,758	Note	Cash dividend \$(8,328)	Subsidiary
San-Feng Construction Co., Ltd.	Tian Fu Energy Co., Ltd. (Tian Fu)	Taiwan	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	490,000	490,000	14,160,000	47.58%	388,763	32,831	Note	—	—
FinData Technology Corp.	San-feng Construction Co., Ltd.	Taiwan	Civil engineering, construction, water conservancy, contract management industry	70,000	—	7,000,000	13.48%	78,440	36,792	Note	Cash capital increased \$70,000 Difference between acquisition price of equity and book value 7,426	Subsidiary
Tian Fu Energy Co., Ltd. (Tian Fu)	Tian Cin Energy Co., Ltd.	Taiwan	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	32,134	32,134	3,213,420	13.26%	32,948	8,884	Note	—	—
	Tian Peng Energy Co., Ltd.	Taiwan	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	113,690	113,690	11,471,301	14.39%	124,545	67,197	Note	—	—

Note : The share of profits/losses of the investee company is not reflected herein as such amount is already included in the share of profits/losses of the investor company.

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Names, Locations, and Related Information of Investees (Excluding Investees in China)**  
**For the Year Ended December 31, 2025**  
**In Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment table 7-5

Investor	Investee	Location	Business	Original investment		Ending balance			Profit (loss) of investee in this period	Investment profit/loss recognized in this period	Remark	
Tian Fu Energy Co., Ltd. (Tian Fu)	Tian Chong Energy Co., Ltd.	Taiwan	Manufacture of machinery for generating, transmitting and distributing electric power and energy technology services.	148,176	148,176	15,113,952	12.93%	173,552	170,280	Note	—	—
Chung-Hsin Energy Tech. Inc.	CHEM ENERGY SA (PTY) LTD.	South Africa	Manufacture and sale of fuel generators, battery charging services, power generating services, fuel service and parts and maintenance thereof.	30,801	30,801	76,349	32.57%	—	(52,036)	Note	Resolved to liquidate in November 2025	Subsidiary
	Stellar Power System Co., Ltd.	Taiwan	R&D, manufacture, and sale of hydrogen fuel cell vehicles and power systems, energy technology services, etc.	20,900	20,900	1,900,000	95.00%	14,256	(693)	Note	—	Subsidiary
CHEM Corp.	CHEM Power Corp.	Samoa	Import and export of goods and holding company	295,293	310,518	US\$9,042,824.04	100.00%	46,963	13,421	Note	—	Subsidiary
	CHEM J-V Limited	Hong Kong	Import and export of goods and holding company	256,596	382,936	—	—	—	(15,427)	Note	Revoked in October 2025	Subsidiary
	CHEM Power Limited	Hong Kong	Import and export of goods and holding company	1,967,667	1,967,667	US\$49,379,999.70	100.00%	2,402,392	180,337	Note	—	Subsidiary
H2 Power Tech Inc.	H2 PowerTech, LLC.	USA	Technical services, licensing and equipment sales	15,100	15,100	US\$500,000.00	100.00%	17,025	(14,219)	Note	—	Subsidiary
ME ENERGY SYSTEMS LIMITED	H2 PowerTech, INC.	USA	Holding company	3,564	3,564	50	100.00%	17,025	(14,219)	Note	—	Subsidiary
	EGME ENERGY ECOSYSTEMS (INDIA) PRIVATE LIMITED	India	Backup power services, fuel cell equipment, communication towers, or other businesses related to the generation, storage, and sale of backup energy	6,401	6,401	1,409,999 (US\$205,527.15)	28.19%	—	(3,290)	Note	—	Subsidiary
	CHEM ME ENERGY SYSTEMS HOLDINGS (PTY) Ltd.	South Africa	Holding company for manufacturing, sales and services related to fuel cell generators and other generation and energy storage systems.	102,635	102,635	3,539 (US\$3,500,000.00)	100.00%	—	(15,629)	Note	Resolved to liquidate in November 2025	Subsidiary

Note : The share of profits/losses of the investee company is not reflected herein as such amount is already included in the share of profits/losses of the investor company.

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Names, Locations, and Related Information of Investees (Excluding Investees in China)**  
**For the Year Ended December 31, 2025**  
**In Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment table 7-6

Investor	Investee	Location	Business	Original investment		Ending balance			Profit (loss) of investee in this period	Investment profit/loss recognized in this period	Remark	
				Ending balance	Beginning balance	Share	%	Book value				
ME ENERGY SYSTEMS LIMITED	CHEM ENERGY SA (PTY) LTD.	South Africa	Manufacture and sale of fuel generators, battery charging services, power generating services, fuel services and parts and maintenance thereof.	42,390	42,390	84,953 (US1,382,136.64)	36.24%	—	(52,036)	Note	Resolved to liquidate in November 2025	Subsidiary
CHEM J-V Limited	MICT International Ltd.	Hong Kong	Holding company	—	48,308	—	—	—	58	Note	Dissolution in February 2025	—
CHEM ME ENERGY SYSTEMS HOLDINGS (PTY) LTD.	CHEM ENERGY SA (PTY) LTD.	South Africa	Manufacture and sale of fuel generators, battery charging services, power generating services, fuel service and parts and maintenance thereof.	102,374	102,374	73,107 (US3,490,838.62)	31.19%	—	(52,036)	Note	Resolved to liquidate in November 2025	Subsidiary

Note : The share of profits/losses of the investee company is not reflected herein as such amount is already included in the share of profits/losses of the investor company.

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Information of Investment in Mainland China**  
**For the Year Ended December 31, 2025**  
**In Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment table 8-1

Investee	Main businesses	Total paid-in capital	Method of investment (1)	Accumulated outflow of investment from Taiwan as of beginning balance	Investment flows		Accumulated outflow of investment from Taiwan as of ending balance	Net Income (Losses) of the investee company	Percentage of ownership	Investment profit (loss) recognized in this period (2)	Book value	Accumulated inward remittance of Earnings as of ending balance
					Outflow	Inflow						
Chem-Tech (Shanghai) Corp.	Import and export trade	174,178 (US\$5,400,000)	(b)	130,662 (US\$4,125,220.53)	—	—	130,662 (US\$4,125,220.53)	(329)	100.00%	(329)	9,697	—
Chemly Power equipment Corp.	Manufacture of machinery for generating, transmitting and distributing electric power	265,462 (US\$8,100,000)	(b)	318,310 (US\$9,799,284.34)	—	—	318,310 (US\$9,799,284.34)	14,668	100.00%	14,668	45,824	—
Wuxi Hengchi Chem Switchgear Co., Ltd.	GIS assembly and manufacturing	185,963 (US\$5,575,982.58)	(b)	81,329 (US\$2,403,148.34)	—	—	81,329 (US\$2,403,148.34)	28,924	45.00%	12,957	115,837	Reclassification to non-current assets held for sale
Jiangsu Chung-Hsin Precision Machinery Co., Ltd.	Aluminum alloy tanks, tubes and accessories manufacturing and casting	1,043,736 (US\$32,268,000)	(b)	966,640 (US\$29,750,000)	—	—	966,640 (US\$29,750,000)	122,981	99.17%	121,960	1,457,691	—
Shannxi Baoji Yong-Shin Ltd.	Aluminum alloy tanks, tubes and accessories manufacturing and casting	10,694 (US\$326,130.09)	(b)	6,979 (US\$213,000)	—	—	6,979 (US\$213,000)	644	30.00%	193	8,011	Reclassification to non-current assets held for sale
Toko Electric (Suzhou) Co., Ltd.	Manufacture and sale of potential transformers	183,154 (US\$5,520,000)	(b)	33,523 (US\$1,048,000)	—	—	33,523 (US\$1,048,000)	—	18.99%	—	32,309	Evaluated by FVTPL - non current
Chung-Hsin Power Systems Corp.	220kv~550kv high voltage GIS/GCB assembly and manufacturing	598,772 (US\$18,000,000)	(b)	598,772 (US\$18,000,000)	—	—	598,772 (US\$18,000,000)	40,079	100.00%	40,079	615,306	—
Nantong Shengyi Precision Machinery Co.	Processing tanks, conductors and various machinery parts	331,907 (US\$10,000,000)	(b)	165,755 (US\$5,000,000)	—	—	165,755 (US\$5,000,000)	3,890	50.00%	1,945	194,141	—
Integrated Manufacturing & Services Co., Ltd.	Development of special equipment for solar cell production, manufacture of optical engines, lighting sources, projection screen, high-definition projection cathode-ray tubes and micro display modules, and production, cleaning and regeneration of new electrical devices	215,740 (US\$7,000,000)	(c)	—	—	—	—	(7,308)	99.17%	(7,247)	32,920	—
Shanghai Shunhua New Energy System Co., Ltd.	R&D and sales of on-board hydrogen supply systems for fuel cell vehicles and hydrogen supply basic equipment, design, construction and operation services of hydrogen refueling stations.	314,518 (US\$10,006,552.13) (4)	(b)	161,116 (US\$5,371,416)	—	—	161,116 (US\$5,371,416)	—	3.60%	—	103,975	Evaluated by FVTOCI - non-current

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
**Information of Investment in Mainland China**  
**For the Year Ended December 31, 2025**  
**In Thousands of New Taiwan Dollars, Except as Otherwise Indicated**

Attachment table 8-2

Investee	Main businesses	Total paid-in capital	Method of investment (1)	Accumulated outflow of investment from Taiwan as of beginning balance	Investment flows		Accumulated outflow of investment from Taiwan as of ending balance	Net Income (Losses) of the investee company	Percentage of ownership	Investment profit (loss) recognized in this period (2)	Book value	Accumulated inward remittance of Earnings as of ending balance
Qingdao Sunhydro Group Co. Ltd.	Emerging energy technology research and development, service, development, liquid separation and purification equipment sales, station hydrogenation and hydrogen removal equipment sales	1,468,532 (US\$46,722,120) (4)	(b)	21,508 (US\$73,455.02)	—	—	21,508 (US\$73,455.02)	(161,245)	24.29%	—	—	—

Accumulated investment in China as of December 31, 2025	Investment amounts authorized by the Investment Commission, MOEA	Upper limit on investment authorized by the Investment Commission, MOEA (3)
3,106,028 (US\$96,241,576.67)	3,303,203 (US\$102,221,195.75)	12,405,850

(1) Methods of investment:

- (a) Remittance through a third area to invest in China.
- (b) Investment in establishing a company in a third area, then reinvesting in China.
- (c) Reinvestment in a mainland company through an existing company in a third.
- (d) Other methods.

(2) Investment profit and loss were recognized based on the following:

- (a) From the financial statements audited by the R.O.C. parent company's CPA.
- (b) From the investee company, which had not been audited by independent accountants.
- (3) Calculated based on 60% of net equity value of the Corporation as of December 31, 2025.
- (4) Converted at the exchange rate on December 31, 2025.

**Chung-Hsin Electric and Machinery Manufacturing Corp. and Subsidiaries**  
Operating Segment Information  
For the Years Ended December 31, 2025 and 2024

Expressed in thousands of New Taiwan dollars

Attachment table 10-1

For the Year Ended December 31, 2025

	Electricity power	Service	Engineering and others	Adjustment and elimination	Total
<b>Revenue</b>					
External customer	\$19,319,086	\$5,164,381	\$2,965,558	\$ —	\$ 27,449,025
Inter-segment	785,438	384,655	52,898	( 1,222,991 )	—
<b>Total revenue</b>	<u>\$20,104,524</u>	<u>\$5,549,036</u>	<u>\$3,018,456</u>	<u>\$( 1,222,991 )</u>	<u>\$ 27,449,025</u>
<b>Segment profit</b>	\$ 4,215,849	\$ 384,264	\$314,239	\$ 62,504	\$ 4,976,856
Interest revenue					41,994
Interest expense					(194,462 )
Investment profit and loss					226,406
Non-operating profit and loss					(44,354 )
<b>Profit before income tax</b>					<u>\$ 5,006,440</u>
<b>Depreciation and amortization</b>	<u>\$1,110,973</u>	<u>\$ 2,358,159</u>	<u>\$ 92,819</u>	<u>\$ —</u>	<u>\$ 3,561,951</u>
<b>Assets</b>					
Segment assets	\$ 24,673,378	\$ 4,484,264	\$5,891,669	\$ —	\$35,049,311
Investment under equity method					4,448,021
Deferred income tax					512,025
Others					7,689,433
<b>Total assets</b>					<u>\$ 47,698,790</u>
<b>Capital expenditure</b>	<u>\$ 244,602</u>	<u>\$ 220,393</u>	<u>\$ 42,949</u>	<u>\$ —</u>	<u>\$ 507,944</u>

Expressed in thousands of New Taiwan dollars

Attachment table 10-2

For the Year Ended December 31, 2024

	Electricity power	Service	Engineering and others	Adjustment and elimination	Total
<b>Revenue</b>					
External customer	\$ 18,159,702	\$ 4,679,369	\$ 2,770,385	\$ —	\$ 25,609,456
Inter-segment	1,132,534	429,251	271,073	( 1,832,858 )	—
<b>Total revenue</b>	<u>\$ 19,292,236</u>	<u>\$ 5,108,620</u>	<u>\$ 3,041,458</u>	<u>\$ ( 1,832,858 )</u>	<u>\$ 25,609,456</u>
<b>Segment profit</b>	\$ 3,824,519	\$ 377,344	\$ 292,421	\$ 42,637	\$ 4,536,921
Interest revenue					37,644
Interest expense					( 225,384 )
Investment profit and loss					215,423
Non-operating profit and loss					( 103,710 )
<b>Profit before income tax</b>					<u>\$ 4,460,894</u>
<b>Depreciation and amortization</b>	<u>\$ 1,113,764</u>	<u>\$ 2,084,986</u>	<u>\$ 88,034</u>	<u>\$ —</u>	<u>\$ 3,286,784</u>
<b>Assets</b>					
Segment assets	\$ 26,590,171	\$ 4,418,820	\$ 5,902,242	\$ —	\$ 36,911,233
Investment under equity method					4,676,120
Deferred income tax					514,811
Others					7,165,668
<b>Total assets</b>					<u>\$ 49,267,832</u>
<b>Capital expenditure</b>	<u>\$ 621,340</u>	<u>\$ 72,276</u>	<u>\$ 11,394</u>	<u>\$ —</u>	<u>\$ 705,010</u>

Note

1. The Group uses the income before tax from operations as the measurement for segment profits and the basis of performance assessment.
2. The accounting policies of operating segments are consistent with the significant accounting policies described in the notes to the financial statements.