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Stark Technology Inc. and Subsidiaries

Consolidated Financial Statements and Independent Auditor's Review Report

For the Nine Months Ended September 30, 2025 and 2024

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Consolidated Financial Statements

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Independent Auditor's Review Report

To stakeholders of Stark Technology Inc.:

Foreword

We have reviewed the consolidated balance sheet of Stark Technology Inc. and subsidiaries as of September 30, 2025 and 2024, the consolidated statement of comprehensive income for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, consolidated statement of changes in equity for the nine months ended September 30, 2025 and 2024, consolidated statement of cash flow for the nine months ended September 30, 2025 and 2024, and the accompanying footnotes (including a summary of key accounting policies). It is the responsibility of the management to prepare and ensure fair presentation of consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the version of IAS 34 - "Interim Financial Reporting" approved and published by the Financial Supervisory Commission. Our responsibility as auditor is to form a conclusion based on our review.

Scope

Except for the issues discussed in the "Basis of reservation" paragraph, we, the auditors, have performed the review in accordance with the International Standard on Review Engagements (ISRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". The procedures executed in our review of consolidated financial statements include inquiry (mainly with employees responsible for financial and accounting affairs), analysis and other review-related processes. The scope of financial statement review is significantly smaller than a financial statement audit, therefore we may not be able to detect all material issues through the steps we have taken, and are therefore unable to provide an opinion.

Basis of reservation

As mentioned in Note (IV).3 of the consolidated financial statements, some of the non-material subsidiaries were consolidated using financial statements for the corresponding periods that were not reviewed by CPAs. As at September 30, 2025 and 2024, these subsidiaries aggregately reported total assets of NT$1,235,688 thousand and NT$1,187,922 thousand that represented 16.61% and 17.62% of consolidated total assets, and total liabilities of NT$357,967 thousand and NT$288,172 thousand that represented 8.61% and 8.12% of consolidated total liabilities, respectively. These subsidiaries also reported total comprehensive income of NT$40,819 thousand, NT$28,653 thousand, NT$58,598 thousand and NT$65,377 thousand that represented 19.84%, 17.29%, 9.34% and 10.39% of consolidated total comprehensive income for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, respectively. Furthermore, information relating to the abovementioned subsidiaries, as disclosed in Note (XIII) of the consolidated financial statements, were not CPA-reviewed.

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Reservations

Based on the reports we have reviewed, we found that none of the material disclosures of the consolidated financial statements mentioned above exhibited any misstatement that did not conform with Regulations Governing the Preparation of Financial Reports by Securities Issuers or the version of IAS 34 - "Interim Financial Reporting" approved by the Financial Supervisory Commission, or compromised the fair view of the consolidated financial position of Stark Technology Inc. and subsidiaries as at September 30, 2025 and 2024, or the consolidated financial performance for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024 or consolidated cash flow for the nine months ended September 30, 2025 and 2024, except for the issues discussed in the "Basis of reservation" paragraph, where financial statements and information of non-material subsidiaries had yet to be reviewed by CPAs, and may cause adjustments to the consolidated financial statements.

Ernst & Young
Approved by competent authority to handle financial statements of public company
Approval reference: (96)-Jin-Guan-Zheng-(VI)-0960002720
(112)-Jin-Guan-Zheng-Shen-1120353739

Hsu, Hsin-Min

CPA:

Huang, Min-Ru

October 29, 2025

Notice to Readers

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 review such consolidated financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying consolidated financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

Stark Technology Inc. and Subsidiaries
Consolidated Balance Sheet
As at September 30, 2025, December 31, 2024, and September 30, 2024
(All amounts in NTD thousands)

Asset			September 30, 2025		December 31, 2024		September 30, 2024	
Code	Item	Notes	Amount	%	Amount	%	Amount	%
	Current assets							
1100	Cash and cash equivalents	(VI).1 and (XII)	$ 1,039,365	14	$ 1,174,515	16	$ 1,035,487	15
1140	Contract assets - current	(VI).14 and (VI).15	290,603	4	342,011	5	274,361	4
1150	Notes receivable	(VI).4, (VI).15 and (XII)	4,862	-	1,970	-	8,970	-
1172	Accounts receivable	(VI).5, (VI).15 and (XII)	495,748	7	749,169	11	525,380	8
1173	Installment accounts receivable	(VI).5, (VI).15 and (XII)	44,251	1	41,231	1	41,534	1
1200	Other receivables	(XII)	14,099	-	5,373	-	13,685	-
1220	Current tax assets	(IV) and (VI).20	13	-	14	-	14	-
130x	Inventories	(VI).6	3,143,521	42	2,940,576	41	2,881,283	43
1410	Prepayments	(VI).7	1,126,103	15	726,199	10	783,828	11
1476	Other financial assets - current	(VIII) and (XII)	9,287	-	9,224	-	8,313	-
1478	Refundable deposits	(XII)	143,544	2	120,656	2	113,138	2
1479	Other current assets		3,066	-	2,753	-	2,616	-
11xx	Total current assets		6,314,462	85	6,113,691	86	5,688,609	84
	Non-current assets							
1510	Financial assets at fair value through profit or loss - non-current	(VI).2 and (XII)	32,914	1	35,000	1	-	-
1517	Financial assets at fair value through other comprehensive income - non-current	(VI).3 and (XII)	105,353	1	97,825	1	174,780	3
1600	Property, plant and equipment	(VI).8	746,470	10	654,605	9	655,189	10
1755	Right-of-use assets	(VI).16	20,158	-	26,346	-	30,082	-
1780	Intangible asset	(VI).9	7,357	-	2,350	-	2,490	-
1840	Deferred income tax assets	(IV) and (VI).20	5,993	-	8,043	-	10,025	-
1920	Refundable deposits	(XII)	148,653	2	140,922	2	121,878	2
1933	Long-term installment accounts receivable	(VI).5, (VI).15 and (XII)	40,479	1	45,101	1	43,479	1
1980	Other financial assets - non-current	(VIII) and (XII)	11,436	-	11,677	-	12,274	-
1990	Other non-current assets		5,376	-	4,454	-	4,760	-
15xx	Total non-current assets		1,124,189	15	1,026,323	14	1,054,957	16
1xxx	Total assets		$ 7,438,651	100	$ 7,140,014	100	$ 6,743,566	100

(Please refer to notes to consolidated financial statements)

Chairman: Liang, Hsiu-Chung　　Manager: Liang, Hsiu-Chung　　Head of Accounting: Huang, I-Tzu

Stark Technology Inc. and Subsidiaries (Continued)
Consolidated Balance Sheet
As at September 30, 2025, December 31, 2024, and September 30, 2024
(All amounts in NTD thousands)

Liabilities and equity			September 30, 2025		December 31, 2024		September 30, 2024	
Code	Item	Notes	Amount	%	Amount	%	Amount	%
	Current liabilities							
2100	Short-term loans	(VI).10 and (XII)	$ 225,000	3	$ 70,000	1	$ 65,000	1
2130	Contract liabilities - current	(VI).14	1,825,270	25	1,773,807	25	1,606,893	24
2150	Notes payable	(XII)	14,162	-	13,412	-	12,799	-
2170	Accounts payable	(XII)	1,627,994	22	1,302,612	18	1,440,373	22
2200	Other payables	(XII)	234,505	3	271,159	4	216,212	3
2230	Current income tax liabilities	(IV) and (VI).20	82,008	1	109,958	2	47,730	1
2250	Provisions	(VI).11	7,120	-	11,272	-	10,696	-
2280	Lease liabilities - current	(VI).16 and (XII)	10,116	-	12,849	-	14,193	-
2399	Other current liabilities		61,676	1	59,750	1	53,607	1
21xx	Total current liabilities		4,087,851	55	3,624,819	51	3,467,503	52
	Non-current liabilities							
2570	Deferred income tax liabilities	(IV) and (VI).20	42,274	1	38,428	1	38,052	1
2580	Lease liabilities - non-current	(VI).16 and (XII)	10,518	-	13,859	-	16,235	-
2640	Net defined benefit liabilities - non-current	(IV)	13,792	-	15,671	-	22,746	-
2645	Guarantee deposits	(XII)	5,072	-	6,080	-	5,875	-
25xx	Total non-current liabilities		71,656	1	74,038	1	82,908	1
2xxx	Total liabilities		4,159,507	56	3,698,857	52	3,550,411	53
31xx	Equity attributable to owners of the parent company	(VI).13						
3100	Share capital							
3110	Ordinary share		1,063,603	14	1,063,603	15	1,063,603	16
3200	Capital surplus		166,514	2	166,514	2	166,514	2
3300	Retained earnings							
3310	Legal reserve		1,184,961	16	1,095,464	15	1,095,464	16
3320	Special reserve		144	-	144	-	144	-
3350	Unappropriated retained earnings		878,569	12	1,104,995	16	817,606	12
	Total retained earnings		2,063,674	28	2,200,603	31	1,913,214	28
3400	Other equity interests		(14,647)	-	10,437	-	49,824	1
3xxx	Total equity		3,279,144	44	3,441,157	48	3,193,155	47
	Total liabilities and equity		$ 7,438,651	100	$ 7,140,014	100	$ 6,743,566	100

(Please refer to notes to consolidated financial statements)

Chairman: Liang, Hsiu-Chung　　Manager: Liang, Hsiu-Chung　　Head of Accounting: Huang, I-Tzu

Stark Technology Inc. and Subsidiaries
Consolidated Statement of Comprehensive Income
For the three months ended September 30, 2025 and 2024
For the nine months ended September 30, 2025 and 2024
(All amounts in NTD thousands)

Code	Item	Notes	For the three months ended September 30, 2025 Amount	%	For the three months ended September 30, 2024 Amount	%	For the nine months ended September 30, 2025 Amount	%	For the nine months ended September 30, 2024 Amount	%
4000	Net operating revenue	(VI).14	$ 1,958,027	100	$ 1,762,560	100	$ 6,205,496	100	$ 5,302,883	100
5000	Operating cost	(VI).6 and (VI).17	(1,472,713)	(75)	(1,318,870)	(75)	(4,692,784)	(76)	(3,939,246)	(74)
5900	Operating margin		485,314	25	443,690	25	1,512,712	24	1,363,637	26
6000	Operating expenses	(VI).9, (VI).16 and (VI).17								
6200	Administrative expenses		(220,193)	(12)	(226,517)	(13)	(674,089)	(11)	(636,877)	(12)
6300	Research and development expenses		(27,565)	(1)	(23,847)	(1)	(74,825)	(1)	(67,794)	(1)
6450	Expected credit impairment gain (loss)	(VI).15	223	-	990	-	(587)	-	(630)	-
	Total operating expenses		(247,535)	(13)	(249,374)	(14)	(749,501)	(12)	(705,301)	(13)
6900	Operating income		237,779	12	194,316	11	763,211	12	658,336	13
7000	Non-operating income and expenses	(VI).18								
7100	Interest income		1,824	-	644	-	9,212	-	8,189	-
7010	Other income		4,199	-	25,357	1	57,644	1	61,093	1
7020	Other gains and losses		(2,765)	-	(714)	-	(32,122)	-	2,808	-
7050	Finance costs		(1,181)	-	(753)	-	(1,625)	-	(1,030)	-
	Total non-operating income and expenses		2,077	-	24,534	1	33,109	1	71,060	1
7900	Income before income tax		239,856	12	218,850	12	796,320	13	729,396	14
7950	Income tax expense	(IV) and (VI).20	(50,123)	(2)	(37,241)	(2)	(164,574)	(3)	(141,016)	(3)
8200	Net income		189,733	10	181,609	10	631,746	10	588,380	11
8300	Other comprehensive income	(VI).19								
8310	Items not reclassified into profit or loss									
8316	Unrealized (losses) gains on investments in equity instruments as at fair value through other comprehensive income		3,662	-	(22,557)	(1)	9,569	-	26,433	1
8360	Items likely to be reclassified into profit or loss									
8361	Exchange differences on translation of foreign operations		12,350	1	6,685	-	(13,922)	-	14,623	-
	Other comprehensive income for the current period (net of income tax)		16,012	1	(15,872)	(1)	(4,353)	-	41,056	1
8500	Total comprehensive income for the period		$ 205,745	11	$ 165,737	9	$ 627,393	10	$ 629,436	12
8600	Net income attributable to:	(VI).21								
8610	Owners of the parent company		$ 189,733		$ 181,609		$ 631,746		$ 588,380	
8620	Non-controlling interest		-		-		-		-	
			$ 189,733		$ 181,609		$ 631,746		$ 588,380	
8700	Comprehensive income attributable to:									
8710	Owners of the parent company		$ 205,745		$ 165,737		$ 627,393		$ 629,436	
8720	Non-controlling interest		-		-		-		-	
			$ 205,745		$ 165,737		$ 627,393		$ 629,436	
	Earnings per share (NTD)	(VI).21								
9750	Basic earnings per share		$ 1.78		$ 1.71		$ 5.94		$ 5.53	
9850	Diluted earnings per share		$ 1.78		$ 1.69		$ 5.92		$ 5.50	

(Please refer to notes to consolidated financial statements)

Chairman: Liang, Hsiu-Chung Manager: Liang, Hsiu-Chung Head of Accounting: Huang, I-Tzu

Stark Technology Inc. and Subsidiaries
Consolidated Statement of Changes in Equity
For the nine months ended September 30, 2025 and 2024
(All amounts in NTD thousands)

		Equity attributable to owners of the parent company							
				Retained earnings			Other equity items		
	Item	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign operations	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Total equity
Code		3100	3200	3310	3320	3350	3410	3420	3XXX
A1	Balance as at January 1, 2024	$ 1,063,603	$ 166,514	$ 1,017,069	$ 144	$ 994,655	$ (25,026)	$ 52,992	$ 3,269,951
	Appropriation and distribution of 2023 earnings								
B1	Appropriation of legal reserve	-	-	78,395	-	(78,395)	-	-	-
B5	Cash dividends on ordinary shares	-	-	-	-	(706,232)	-	-	(706,232)
D1	Net income for the nine months ended September 30, 2024	-	-	-	-	588,380	-	-	588,380
D3	Other comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	14,623	26,433	41,056
D5	Total comprehensive income for the period	-	-	-	-	588,380	14,623	26,433	629,436
Q1	Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	19,198	-	(19,198)	-
Z1	Balance as at September 30, 2024	$ 1,063,603	$ 166,514	$ 1,095,464	$ 144	$ 817,606	$ (10,403)	$ 60,227	$ 3,193,155
A1	Balance as at January 1, 2025	$ 1,063,603	$ 166,514	$ 1,095,464	$ 144	$ 1,104,995	$ (12,984)	$ 23,421	$ 3,441,157
	Appropriation and distribution of 2024 earnings								
B1	Appropriation of legal reserve	-	-	89,497	-	(89,497)	-	-	-
B5	Cash dividends on ordinary shares	-	-	-	-	(789,406)	-	-	(789,406)
D1	Net income for the nine months ended September 30, 2025	-	-	-	-	631,746	-	-	631,746
D3	Other comprehensive income for the nine months ended September 30, 2025	-	-	-	-	-	(13,922)	9,569	(4,353)
D5	Total comprehensive income for the period	-	-	-	-	631,746	(13,922)	9,569	627,393
Q1	Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	20,731	-	(20,731)	-
Z1	Balance as at September 30, 2025	$ 1,063,603	$ 166,514	$ 1,184,961	$ 144	$ 878,569	$ (26,906)	$ 12,259	$ 3,279,144

(Please refer to notes to consolidated financial statements)

Chairman: Liang, Hsiu-Chung　　Manager: Liang, Hsiu-Chung　　Head of Accounting: Huang, I-Tzu

Stark Technology Inc. and Subsidiaries
Consolidated Statement of Cash Flow
For the nine months ended September 30, 2025 and 2024
(All amounts in NTD thousands)

Code	Item	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024	Code	Item	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
		Amount	Amount			Amount	Amount
AAAA	Cash flow from operating activities:			BBBB	Cash flow from investing activities:		
A10000	Income before income tax	$ 796,320	$ 729,396	B00010	Acquisition of financial assets at fair value through other comprehensive income	(35,418)	(14,726)
A20000	Adjustments:			B00020	Disposal of financial assets at fair value through other comprehensive income	37,459	29,333
A20010	Income, expenses and losses:			B02700	Acquisition of property, plant and equipment	(104,545)	(169,831)
A20100	Depreciation expenses	24,714	25,146	B02800	Disposal of property, plant and equipment	140	-
A20200	Amortization expenses	4,861	3,223	B03700	Increase in refundable deposits	(30,619)	(5,421)
A20300	Expected credit impairment losses	587	630	B04500	Acquisition of intangible assets	(9,868)	(4,285)
A20400	Net losses of financial assets and liabilities at fair value through profit or loss	2,086	-	B06600	Decrease (increase) in other financial assets	178	(1,659)
A20900	Interest expense	1,625	1,030	B06700	Increase in other non-current assets	(922)	(712)
A21200	Interest income	(9,212)	(8,189)	BBBB	Net cash outflow from investing activities	(143,595)	(167,301)
A21300	Dividend income	(2,787)	(8,695)				
A22500	Losses (gains) on disposal and retirement of property, plant and equipment	(108)	147				
A31000	Changes in assets/liabilities that are related to operating activities:			CCCC	Cash flow from financing activities:		
A31125	Contract assets	49,635	(54,897)	C00100	Increase in short-term loans	460,000	200,000
A31130	Notes receivable	(2,892)	2,398	C00200	Decrease in short-term loans	(305,000)	(135,000)
A31150	Accounts receivable	255,319	19,565	C03100	Decrease in guarantee deposits	(1,008)	(1,551)
A31180	Other receivables	(8,611)	(4,459)	C04020	Repayment of lease principal	(11,362)	(12,479)
A31200	Inventories	(204,252)	(601,340)	C04050	Distribution of cash dividends	(789,406)	(706,232)
A31230	Prepayments	(399,904)	(62,050)	CCCC	Net cash outflow from financing activities	(646,776)	(655,262)
A31240	Other current assets	(313)	(306)				
A32125	Contract liabilities - current	51,463	(52,750)	DDDD	Effect of exchange rate changes on cash and cash equivalents	(13,575)	14,398
A32130	Notes payable	750	9,713				
A32150	Accounts payable	325,382	368,206	EEEE	Net decrease in cash and cash equivalents for the current period	(135,150)	(798,871)
A32180	Other payables	(36,758)	(80,589)	E00100	Cash and cash equivalents, beginning of period	1,174,515	1,834,358
A32200	Provisions	(4,152)	(49)	E00200	Cash and cash equivalents, end of period	$ 1,039,365	$ 1,035,487
A32230	Other current liabilities	1,926	6,234				
A32240	Net defined benefit liabilities	(1,879)	(1,814)				
A33000	Cash inflow from operations	843,800	290,550				
A33100	Interests received	10,004	12,110				
A33200	Dividend received	2,787	8,695				
A33300	Interests paid	(1,168)	(654)				
A33500	Income tax paid	(186,627)	(301,407)				
AAAA	Net cash inflow from operating activities	668,796	9,294				

(Please refer to notes to consolidated financial statements)

Chairman: Liang, Hsiu-Chung Manager: Liang, Hsiu-Chung Head of Accounting: Huang, I-Tzu

Stark Technology Inc. and Subsidiaries
Notes to Consolidated Financial Statements
For the nine months ended September 30, 2025 and 2024
(All amounts in NTD thousands unless otherwise specified)

(I). Organization and Operations

Stark Technology Inc. (the "Company") was incorporated on March 24, 1993. Its main business activities include distribution and maintenance of computers and peripherals; research, design, development, and sale of computer software/hardware, computer system design, and import/export trade for the Company's own products.

Shares of the Company have been listed for trading on "Taiwan Stock Exchange Corporation" since September 2001. The Company's place of registration and main business location is 12F-1, No. 83, Section 2, Dongda Road, Hsinchu City.

(II). Financial Statement Approval Date and Procedures

Consolidated financial statements of the Company and subsidiaries (collectively referred to as the "Group") for the nine months ended September 30, 2025 and 2024, were approved by the board of directors on October 29, 2025.

(III). Application of new standards, amendments, and interpretations

1. Change of accounting policy resulting from first-time adoption of International Financial Reporting Standards (IFRS)

   The Group has adopted the version of IFRS, IAS, IFRIC and interpretations thereof that approved and effected by Financial Supervisory Commission (FSC) for accounting periods on and after January 1, 2025. First-time adoption of the new amendments has had no material impact on the Group.

2. As of the publication date of financial statements, the Group had not adopted the following IASB-announced new standards, amendments, guidance, and interpretation that were approved by FSC:

Item No.	New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
1	IFRS 17, "Insurance Contracts"	January 1, 2023

(All amounts in NTD thousands unless otherwise specified)

Item No.	New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
2	Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
3	Volume 11, Annual Improvements to IFRS Accounting Standards	January 1, 2026
4	Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	January 1, 2026

(1) IFRS 17, "Insurance Contracts"

This standard provides a comprehensive model for the treatment of insurance contracts, including accounting practices (from recognition, measurement, presentation to disclosure). The standard uses a general model at its core, and under this model, a group of insurance contracts shall be recognized at initiation as the sum of fulfillment cash flows and contractual service margin; thereafter, book value for the group of insurance contracts shall be presented as the sum of liability for remaining coverage and liability for incurred claims as at each balance sheet date.

In addition to the general model, the standard also introduces treatment for insurance contract with direct participation features (the Variable Fee Approach) and simplified approach for short-term contracts (the Premium Allocation Approach).

This standard was first published in May 2017 and later amended in 2020 and 2021, which postponed the effective date stated in the transition clause by 2 years (from January 1, 2021 to January 1, 2023), introduced additional exemptions, and reduced cost of adoption through the simplified approach. The amendment also made some circumstances easier to interpret. This standard will supersede the transitional standard (i.e. IFRS 4 - "Insurance Contracts") once effected.

(2) Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The amendments include:

(a) Clarifying that financial liabilities are derecognized on the settlement date, and explain the accounting treatment for financial liabilities settled via electronic payment before the settlement date.

(b) Clarifying how to assess the cash flow characteristics of financial asset with features linked to environmental, social and governance (ESG) or similar contingent features.
(c) Clarifying the treatment of assets with non-recourse features and contractually linked instruments.
(d) Additional disclosure requirements under IFRS 7 for financial assets or liabilities with contingent features (including ESG-linked features) and equity instruments classified as at fair value through other comprehensive income.

(3) Volume 11, Annual Improvements to IFRS Accounting Standards

(a) Amendments to IFRS 1
(b) Amendments to IFRS 7
(c) Amendments to implementation guidance of IFRS 7
(d) Amendments to IFRS 9
(e) Amendments to IFRS 10
(f) Amendments to IAS 7

(4) Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

The amendments include:
(a) Clarifying the application of “own-use”.
(b) Allowing the adoption of hedge accounting when the contract is used as a hedging instrument.
(c) Introducing additional disclosure requirements to help investors understand the impact of such contracts on a company’s financial performance and cash flows.

The above new announcements and amendments will take effect for annual periods beginning on January 1, 2026. Upon assessment, the adoption does not have any material impact on the Group.

3. As of the publication date of financial statements, the Group had not adopted the following IASB-announced new standards, amendments, guidance, and interpretation that were not approved by FSC:

(All amounts in NTD thousands unless otherwise specified)

Item No.	New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
1	Amendments to IFRS 10 - "Consolidated Financial Statements" and IAS 28 - "Investments in Associates and Joint Ventures" regarding "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	To be determined by International Accounting Standards Board
2	IFRS 18, " Presentation and Disclosure in Financial Statements "	January 1, 2027
3	Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027

(1) Amendments to IFRS 10 - "Consolidated Financial Statements" and IAS 28 - "Investments in Associates and Joint Ventures" regarding "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"

This amendment is intended to address the inconsistent treatments between IFRS 10 - "Consolidated Financial Statements" and IAS 28 - "Investments in Associates and Joint Ventures" in cases where a company loses control in a subsidiary when ownership of that subsidiary is offered as consideration for investing into an associated company or joint venture. IAS 28 states that, when a company contributes non-monetary asset in exchange for equity interest in an associated company or joint venture, the transaction shall be treated as a downstream transaction and any share of gains or losses that arises as a result is eliminated. IFRS 10, however, requires the entirety of gains or losses to be recognized when a company loses control in a subsidiary. This amendment limits the IAS 28 treatment mentioned above, and requires all gains or losses to be recognized when the assets sold or contributed constitute a business defined under IFRS 3.

Meanwhile, IFRS 10 was amended so that, when an investor sells or contributes a subsidiary that does not constitute a business defined under IFRS 3 with its associated company or joint venture, gains or losses that arise as a result shall be recognized only for the share that is not attributed to the investor.

(2) IFRS 18, " Presentation and Disclosure in Financial Statements "

This standard will replace IAS 1, "Presentation of Financial Statements," with the following main changes:

(a) Improve the comparability of the income statement

Income and expenses are classified into one of the five categories: operating, investing, financing, income taxes and discontinued operations. The first three categories are new ones to improve the structure of the income statement. Also, all companies are required to provide the new defined subtotals (including operating profit or loss). Through the improved structure of the income statement and newly defined subtotals, investors are given a consistent starting point for analyzing the financial performance of companies, thereby making it easier to perform comparison.

(b) Enhance the transparency of management-defined performance measures
Companies are required to give explanations on company-specific measures (i.e., management-defined performance measures) related to the income statement.

(c) More useful grouping of information in the financial statements
The standard gives guidance on how financial information shall be organized, i.e., whether items shall be presented in the primary financial statements or in the notes. This change is expected to provide more detailed and useful information. The standard also requires companies to provide more transparent operating expense information to assist investors with finding and understanding the information they use.

(3) Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This new standard and amendment simplify the disclosure requirements for subsidiaries without public accountability, and allows eligible subsidiaries to choose whether to apply the Standard.

All above standards and interpretations announced by IASB but not yet approved by FSC shall become effective on dates announced by FSC. The Group is currently evaluating the potential impacts of newly announced/amended standards and interpretations listed in (1) and (2), and is unable to provide reasonable estimate of how the above standards or interpretations may affect the Group. Aside from the above, other newly announced/amended standards and interpretations have no material impact on the Group.

(IV). Summary of Significant Accounting Policies

1. Compliance statement

The consolidated financial statements for the nine months ended September 30, 2025 and 2024, have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and FSC-approved IAS 34 - "Interim Financial Reporting."

2. Basis of Preparation

The consolidated financial statements have been prepared based on historical cost, except for financial instruments carried at fair value. Unless otherwise specified, all amounts in the consolidated financial statements are presented in NTD thousands.

3. Consolidation overview

Basis of preparation for consolidated financial statements

The Company is considered to exercise control if it is exposed or entitled to variable returns generated by an investee and has the power to influence such return through control over the investee. Specifically, the Company considers itself to exercise control over an investee when all three conditions below are satisfied:

(1) Power over the investee (e.g., existing rights that give the current ability to direct the relevant activities of the investee)
(2) Exposure or entitlement to variable returns due to involvement in the investee's operation, and
(3) Ability to influence returns by exercising authority over the investee

If the Company directly or indirectly holds less-than-majority voting rights (or rights of similar nature) in an investee, the Group would evaluate whether it has power over the investee after taking into consideration all relevant facts and circumstances, including:
(1) Agreement with other voting right holders in the investee
(2) Power given rise through other agreement
(3) Voting rights and potential voting rights

When facts or circumstances indicate change in one or several of the three control elements above, the Company would immediately evaluate whether it still exercises control over the investee.

A subsidiary is consolidated into the consolidated financial statements from the day of acquisition (e.g., the day the Company gains control), until the day control is lost on the subsidiary. All subsidiaries adopt accounting periods and accounting policies that align with those of the parent company. All intra-group account balances, transactions, dividends, and unrealized gains or losses on intra-group transactions are eliminated upon consolidation. Changes in shareholding of subsidiary without losing control are treated as equity transactions.

(All amounts in NTD thousands unless otherwise specified)

Total comprehensive income produced by subsidiaries is divided into amounts that are attributable to owners of the Company and amounts that are attributable to non-controlling shareholders, even if the allocation would put non-controlling equity in negative balance.

When the Company loses control in a subsidiary

(1) All assets (including goodwill) and liabilities of the subsidiary are removed;
(2) Book value of any non-controlling equity is removed;
(3) Fair value of consideration received is recognized;
(4) Fair value of any investment retained is recognized;
(5) Amount previously recognized in other comprehensive income of the parent company is reclassified as current profit or loss or directly transferred to retained earnings in accordance with the provisions of other IFRS;
(6) The resulting difference is recognized as current profit or loss.

The entities of consolidated financial statements are as follows:

			Ownership percentage		
Name of the investor	Name of subsidiary	Main business activities	September 30, 2025	December 31, 2024	September 30, 2024
The Company	Stark Technology Inc. (USA)	Trading of computer-related products	100%	100%	100%
The Company	Pacific Ace Holding International Ltd.	General investment	100%	100%	100%
The Company	SRAIN Investment Co., Ltd.	General investment	100%	100%	100%
The Company	Stark Information (Hong Kong) Limited (Note)	Trading of computer equipment and software	-	-	-
SRAIN Investment Co., Ltd.	S-Rain Investment Ltd.	General investment	100%	100%	100%
SRAIN Investment Co., Ltd.	Stark Inforcom Inc.	Trading of computer-related products	100%	100%	100%
S-Rain Investment Ltd.	Shanghai Stark Technology Inc.	General electronics trading	100%	100%	100%
Pacific Ace Holding International Ltd.	Profit Reap International Limited	General investment	100%	100%	100%

(All amounts in NTD thousands unless otherwise specified)

			Ownership percentage		
Name of the investor	Name of subsidiary	Main business activities	September 30, 2025	December 31, 2024	September 30, 2024
Profit Reap International Limited	STARK (Ningbo) Technology Inc.	General electronics trading	100%	100%	100%

Note: The board of directors passed the resolution on July 28, 2023 to initiate the dissolution and liquidation process of Stark Information (Hong Kong) Limited. The dissolution and liquidation had been completed on October 4, 2024.

Subsidiaries listed above which are not considered significant were consolidated into consolidated financial statements while their financial statements were not reviewed by CPAs. As at September 30, 2025 and 2024, such subsidiaries aggregated reported total assets of NT$1,235,688 thousand and NT$1,187,922 thousand and total liabilities of NT$357,967 thousand and NT$288,172 thousand, respectively; whereas comprehensive income and loss for the three months ended September 30, 2025 and 2024 totaled NT$40,819 thousand and NT$28,653 thousand, respectively, and for the nine months ended September 30, 2025 and 2024 totaled NT$58,598 thousand and NT$65,377 thousand, respectively.

4. Except for the accounting policies stated in Note (IV).5~6, consolidated financial statements for the nine months ended September 30, 2025 are prepared using the same accounting policies as those of 2024. Please refer to the Group's 2024 consolidated financial statements for summary of other significant accounting policies.

5. Interim retirement costs are calculated from the beginning until the end of the interim period using the actuarial pension cost rate determined at the end of the previous year, and adjusted for major market changes, plan curtailments, settlements and other one-time events that took place in the current period.

6. Income taxes for the interim period are accrued and disclosed using tax rate applicable for the Company's expected total earnings for the given year, or in other words, by applying the estimated average effective tax rate for the whole year to pre-tax profit for the interim period. Estimation of average annual effective tax rate only includes income tax expense for the current period; interim deferred income taxes are recognized and measured in the same manner as annual financial report, which follows IAS 12 - "Income Taxes." If tax rate changes in the interim period, the effect on deferred income tax is recognized in profit or loss, other comprehensive income, or directly through equity in one lump sum.

(All amounts in NTD thousands unless otherwise specified)

(V). Sources of Uncertainty to Significant Accounting Judgments, Estimates, and Assumptions

Consolidated financial statements for the nine months ended September 30, 2025 and 2024 were prepared using the same significant accounting judgments, estimates, and assumptions as those of 2024. Please refer to the Group's 2024 consolidated financial statements for details.

(VI). Notes to Major Accounts

1. Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	$192	$195	$195
Demand and check deposit	853,570	978,444	837,508
Time deposit	185,603	195,876	197,784
Total	$1,039,365	$1,174,515	$1,035,487

The above time deposits include time deposits that mature within twelve months of the original contract period and can be converted into fixed amounts of cash at any time with minimal risk of value changes.

2. Financial assets at fair value through profit or loss – non-current

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets mandatorily measured at fair value through profit or loss			
Fund	$32,914	$35,000	$-

None of the Group's financial assets at fair value through profit or loss was placed as collateral.

(All amounts in NTD thousands unless otherwise specified)

3. Financial assets at fair value through other comprehensive income – non-current

	September 30, 2025	December 31, 2024	September 30, 2024
Investments in equity instruments at fair value through other comprehensive income - non-current:			
TWSE/TPEX listed shares	$20,221	$47,573	$124,528
Unlisted shares	85,132	50,252	50,252
Total	$105,353	$97,825	$174,780

None of the Group's financial assets at fair value through other comprehensive income was placed as collateral.

Information relating to dividend income for the nine months ended September 30, 2025 and 2024 from investments in equity instruments at fair value through other comprehensive income held by the Group is as follows:

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Related to investments still held at the balance sheet date	$2,747	$7,679
Related to investments excluded in the current period	40	1,016
Dividend income recognized in the current period	$2,787	$8,695

The Group considered the investment strategy to sell and derecognize some investments in equity instruments measured at fair value through other comprehensive income. The relevant information on the derecognition for the nine months ended September 30, 2025 and 2024 is as follows:

(All amounts in NTD thousands unless otherwise specified)

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Fair value on the derecognition	$37,459	$29,333
Accumulated benefits from disposal of other equity transferring to retained earnings	20,731	19,198

4. Notes receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable - arising from business activities	$4,862	$1,970	$8,970
Less: loss provisions	-	-	-
Net amount	$4,862	$1,970	$8,970

None of the Group's notes receivables was placed as collateral.

The Group assesses impairment according to IFRS 9. Please see Note (VI).15 for information on loss provisions and Note (XII) for credit risk-related information.

5. Accounts receivable and installment accounts receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable	$501,597	$756,221	$530,823
Installment accounts receivable	93,780	94,474	92,883
Less: Unrealized interest income - installment accounts receivable	(9,050)	(8,142)	(7,870)
Subtotal (total book value)	586,327	842,553	615,836
Less: loss provisions	(5,849)	(7,052)	(5,443)
Total	$580,478	$835,501	$610,393

(All amounts in NTD thousands unless otherwise specified)

Expected recovery of installment accounts receivable is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
No more than 1 year	$44,251	$41,231	$41,534
1 to 2 years	16,715	29,894	27,399
2 years and above	23,764	15,207	16,080
Total	$84,730	$86,332	$85,013

None of the Group's accounts receivable and installment accounts receivable were placed as collateral.

The Group's credit terms granted to customers are generally 30 days to 120 days after the end of the month of acceptance inspection. The balance outstanding at NT$586,327 thousand, NT$842,553 thousand and NT$615,836 thousand on September 30, 2025, December 31, 2024 and September 30, 2024, respectively. See Note (VI).15 for information on loss provisions and Note (XII) for credit risk-related information.

6. Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Net inventory - merchandise	$3,143,521	$2,940,576	$2,881,283

(1) Cost of inventory, consultation, and maintenance recognized as expenses for the three months ended September 30, 2025 and 2024 were NT$1,472,713 thousand and NT$1,318,870 thousand respectively. These amounts included NT$15 thousand and NT$4,153 thousand of gain on reversal of inventory devaluation and obsolescence for the three months ended September 30, 2025 and 2024 respectively. For the three months ended September 30, 2025 and 2024, due to the reversal of inventories, which was previously recognized inventory devaluation and obsolescence, there was a gain on the reversal of inventory devaluation and obsolescence.

(All amounts in NTD thousands unless otherwise specified)

(2) Cost of inventory, consultation, and maintenance recognized as expenses for the nine months ended September 30, 2025 and 2024 were NT$4,692,784 thousand and NT$3,939,246 thousand respectively. These amounts included NT$562 thousand and NT$(760) thousand of loss and (gain on reversal) of inventory devaluation and obsolescence for the nine months ended September 30, 2025 and 2024 respectively. For the nine months ended September 30, 2024, due to the reversal of inventories, which was previously recognized inventory devaluation and obsolescence, there was a gain on the reversal of inventory devaluation and obsolescence.

(3) As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group had provisions on inventory devaluation outstanding at NT$5,262 thousand, NT$4,700 thousand and NT$4,955 thousand, respectively.

(4) None of the above inventory was pledged as collateral.

7. Prepayments

	September 30, 2025	December 31, 2024	September 30, 2024
Prepaid purchases	$1,006,862	$639,368	$678,531
Other prepaid expenses	119,241	86,831	105,297
Total	$1,126,103	$726,199	$783,828

(All amounts in NTD thousands unless otherwise specified)

8. Property, plant and equipment

	September 30, 2025	December 31, 2024	September 30, 2024
Owner-occupied property, plant and equipment	$746,470	$654,605	$655,189

	Land	Buildings	Transportation equipment	Office equipment	Lease improvements	Other equipment	Construction in progress and equipment awaiting inspection	Total
Cost:								
January 1, 2025	$348,942	$336,518	$3,612	$30,561	$8,142	$1,320	$31,200	$760,295
Additions	-	1,019	298	4,778	130	-	98,320	104,545
Disposals	-	(447)	(1,621)	(5,289)	(2,628)	(23)	-	(10,008)
Reclassification	-	-	-	946	-	-	-	946
Effects of exchange rate changes	-	-	(107)	(11)	-	-	-	(118)
September 30, 2025	$348,942	$337,090	$2,182	$30,985	$5,644	$1,297	$129,520	$855,660
January 1, 2024	$291,892	$200,311	$5,045	$40,372	$11,173	$369	$57,200	$606,362
Additions	49,440	104,723	-	3,035	233	-	12,400	169,831
Disposals	-	(854)	(1,545)	(15,031)	(3,294)	(320)	-	(21,044)
Reclassification	7,610	30,790	-	3,065	-	-	(38,400)	3,065
Effects of exchange rate changes	-	-	107	13	-	-	-	120
September 30, 2024	$348,942	$334,970	$3,607	$31,454	$8,112	$49	$31,200	$758,334
Depreciation and impairment:								
January 1, 2025	$-	$83,996	$3,035	$14,331	$4,235	$93	$-	$105,690
Depreciation	-	6,487	190	5,681	910	322	-	13,590
Disposals	-	(447)	(1,589)	(5,289)	(2,628)	(23)	-	(9,976)
Effects of exchange rate changes	-	-	(103)	(11)	-	-	-	(114)
September 30, 2025	$-	$90,036	$1,533	$14,712	$2,517	$392	$-	$109,190

(All amounts in NTD thousands unless otherwise specified)

	Land	Buildings	Transportation equipment	Office equipment	Lease improvements	Other equipment	Construction in progress and equipment awaiting inspection	Total
January 1, 2024	$-	$78,349	$4,093	$22,077	$5,983	$345	$-	$110,847
Depreciation	-	4,615	323	7,057	1,065	17	-	13,077
Disposals	-	(854)	(1,545)	(15,031)	(3,151)	(316)	-	(20,897)
Effects of exchange rate changes	-	-	105	13	-	-	-	118
September 30, 2024	$-	$82,110	$2,976	$14,116	$3,897	$46	$-	$103,145
Net book value:								
September 30, 2025	$348,942	$247,054	$649	$16,273	$3,127	$905	$129,520	$746,470
December 31, 2024	$348,942	$252,522	$577	$16,230	$3,907	$1,227	$31,200	$654,605
September 30, 2024	$348,942	$252,860	$631	$17,338	$4,215	$3	$31,200	$655,189

The Group did not capitalize any interest for the nine months ended September 30, 2025 and 2024.

Major components of buildings include: main structure, parking space, air conditioning, and renovation, which are depreciated over useful lives of 51-56 years, 35 years, 6 years, and 6 years, respectively.

None of the above property, plant and equipment was pledged as collateral.

9. Intangible asset

	Computer software
Cost:	
January 1, 2025	$7,293
Addition - acquisition by separate purchase	9,868
Reduction - removal in the current period	(5,861)
September 30, 2025	$11,300
January 1, 2024	$5,663
Addition - acquisition by separate purchase	4,285
Reduction - removal in the current period	(3,341)
September 30, 2024	$6,607

(All amounts in NTD thousands unless otherwise specified)

	Computer software
Amortization and impairment:	
January 1, 2025	$4,943
Reduction - removal in the current period	(5,861)
Amortization	4,861
September 30, 2025	$3,943
January 1, 2024	$4,235
Reduction - removal in the current period	(3,341)
Amortization	3,223
September 30, 2024	$4,117
Net book value:	
September 30, 2025	$7,357
December 31, 2024	$2,350
September 30, 2024	$2,490

Amortization amount of intangible assets:

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Administrative expenses	$2,015	$1,285	4,861	$3,223

10. Short-term loans

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured bank loans	$225,000	$70,000	$65,000
Interest rate range	1.80%~1.95%	1.90%~1.93%	1.870%~1.985%

The Group had undrawn short-term credit facilities of NT$2,234,041 thousand, NT$2,393,933 thousand and NT$2,263,958 thousand as at September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

(All amounts in NTD thousands unless otherwise specified)

11. Provisions

	Warranty	
	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Beginning of period	$11,272	$10,745
Additions in the current period	9,853	12,876
Utilization in the current period	(3,617)	(5,515)
Reversals in the current period	(10,388)	(7,410)
End of the period	$7,120	$10,696

Warranty

This provision was made by estimating future product warranty claims, which involved use of historical experience, the management's judgment and other known factors.

12. Retirement benefit plans

Defined Contribution Plans

The Group recognized pension expenses related defined contribution plan for the three months ended September 30, 2025 and 2024 were NT$8,276 thousand and NT$7,974 thousand respectively. For the nine months ended September 30, 2025 and 2024 were NT$24,518 thousand and NT$23,455 thousand respectively.

Defined Benefit Plans

The Group recognized pension expenses related defined benefit plan for the three months ended September 30, 2025 and 2024 were NT$871 thousand and NT$901 thousand respectively. For the nine months ended September 30, 2025 and 2024 were NT$2,622 thousand and NT$2,705 thousand respectively.

13. Equity

(1) Ordinary share

(All amounts in NTD thousands unless otherwise specified)

The Company had authorized capital of NT$3,400,000 thousand (20,000 thousand shares of which were reserved for issuance of employee stock options) As at September 30, 2025, December 31, 2024, and September 30, 2024. Each share carries a face value of NT$10 and can be issued in multiple offerings. Paid-up capital amounted to NT$1,063,603 thousand and outstanding shares totaled 106,360 thousand on all three dates. Each share is entitled to one voting right and the right to receive dividends.

(2) Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
Premium from consolidation	$148,259	$148,259	$148,259
Premium from conversion of convertible bonds	18,255	18,255	18,255
Total	$166,514	$166,514	$166,514

According to regulations, capital surplus cannot be used for any purpose other than reimbursing previous losses. If the Company has no cumulative losses, capital surpluses that arise from shares issued at premium and gifts received may be capitalized into share capital, up to a certain percentage of paid-in capital per year; these capital surpluses may also be distributed in cash among shareholders at the current ownership percentage.

(3) Earnings appropriation and dividend policy

According to the Articles of Incorporation, annual surpluses concluded by the Company are first subject to taxation and reimbursement of previous losses, followed by a 10% provision for legal reserve (unless legal reserves have accumulated to an amount equal to the Company’s total paid-in share capital). Any surpluses remaining shall then be subject to provision or reversal of special reserve, as the laws may require. The residual balance can then be added to unappropriated earnings carried from previous years and retained or distributed to shareholders as a form of profit sharing, subject to resolution in a shareholder meeting.

Shareholders' profit sharing can be paid in cash or shares; however, the cash portion shall be no less than 10% of total dividends.

The Company operates in the high-tech industry and is susceptible to the industry's enterprise life cycle. Dividends shall be allocated after taking into consideration several factors including: current and future investment environment, capital requirement, domestic/foreign competition, capital budget, shareholders' expectations, balanced dividends, and the Company's long-term financial plan. Dividend distribution plans are to be proposed by the board of directors and presented for final resolution in shareholder meeting on a yearly basis.

The distribution of dividends and bonuses in whole or in part, if made in cash, shall be authorized by the board meeting with more than two-thirds of the board present, voted in favor by more than half of all attending directors, and subsequently reported in shareholder meeting. The distribution of the entire or partial legal reserves or capital reserves, if made in cash, shall be authorized by the board meeting with more than two-thirds of the board present, voted in favor by more than half of all attending directors, and subsequently reported in shareholder meeting.

The Company will be required to appropriate additional special reserves to make up for the shortfall between the balance of special reserves provided during the first-time adoption of IFRS and the net balance of other contra equity items in years it decides to distribute available earnings. If there is any subsequent reversal of the net decrease in other equity, the reversed part of the net decrease in other equity may be reversed to the special reserve, and be distributed to investors.

In accordance with the order via a letter issued by the FSC on March 31, 2021 referenced Jin-Guan-Zheng-Fa No. 1090150022, if the International Financial Reporting Standards is adopted for the first time, for the unrealized revaluation value addition and cumulative translation adjustment (benefit) in the account which are transferred to retained earnings due to the adoption of the exemption item of IFRS 1 "First Adoption of IFRS" on the conversion date, a special reserve shall be allocated. Subsequently, when the company uses, disposes of, or reclassifies the relevant assets, it may reverse the proportion of the original special reserve for distribution of earnings.

As at September 30, 2025, December 31, 2024, and September 30, 2024, the Company all had NT$144 thousand of special reserve that were appropriated due to first-time adoption of IFRS.

The Company's 2024 and 2023 earnings appropriation proposal and dividends per share were as presented below:

(All amounts in NTD thousands unless otherwise specified)

	Earnings appropriation plan		Dividends per share (NTD)	
	2024	2023	2024	2023
Legal reserve appropriated	$89,497	$78,395		
Cash dividends on ordinary shares	789,406	706,232	$7.422	$6.64

In accordance with the Articles of Association, the Company authorized the board of directors to distribute dividends and dividends in cash through special resolutions, which were resolved by the board of directors on February 27, 2025 and February 29, 2024 respectively, and were approved by the annual general meeting on May 29, 2025 and May 31, 2024 respectively.

The appropriation of legal reserve had been approved by the annual general meeting held on May 29, 2025 and May 31, 2024 respectively.

Please refer to Note (VI).17 for the amount of employee remuneration and director remuneration recognized and the basis of estimation.

14. Operating revenue

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Revenues from sale of merchandise	$1,298,127	$1,217,037	$4,349,510	$3,584,603
Revenues from rendering of service	657,503	544,085	1,850,908	1,712,407
Other operating revenues	2,397	1,438	5,078	5,873
Total	$1,958,027	$1,762,560	$6,205,496	$5,302,883

Information relating to revenue from contracts with customers for the nine months ended September 30, 2025 and 2024 were as below:

(All amounts in NTD thousands unless otherwise specified)

(1) Breakdown of revenue

	Operating segment			
	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Sales of merchandise	$1,298,127	$1,217,037	$4,349,510	$3,584,603
Rendering of service	657,503	544,085	1,850,908	1,712,407
Others	2,397	1,438	5,078	5,873
Total	$1,958,027	$1,762,560	$6,205,496	$5,302,883
Timing of revenue recognition:				
At a point in time	$1,246,076	$1,218,475	$4,285,919	$3,590,476
Over time	711,951	544,085	1,919,577	1,712,407
Total	$1,958,027	$1,762,560	$6,205,496	$5,302,883

(2) Contract balance

A. Contract assets - current

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Sales of merchandise and rendering of service	$296,126	$345,761	$277,269	$222,372
Less: loss provisions	(5,523)	(3,750)	(2,908)	(1,701)
Total	$290,603	$342,011	$274,361	$220,671

Major changes in the balance of contract assets for the nine months ended September 30, 2025 and 2024 were explained below:

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Amount of beginning balance reclassified into accounts receivable in the current period	$(324,434)	$(205,205)
Changes were measured based on level of completion	$274,799	$260,102

(All amounts in NTD thousands unless otherwise specified)

The Group assesses impairment according to IFRS 9. Please see Note (VI).15 for information on loss provisions and Note (XII) for credit risk-related information.

B. Contract liabilities - current

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Sales of merchandise and rendering of service	$1,825,270	$1,773,807	$1,606,893	$1,659,643

Major changes in the balance of contract liabilities for the nine months ended September 30, 2025 and 2024 were explained below:

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Amount of beginning balance reclassified into revenue in the current period	($1,261,016)	($1,102,257)
Increase in advanced receipt in the current period (less amounts incurred and reclassified into revenue in the current period)	$1,312,479	$1,049,507

(3) Allocation of transaction price into unfulfilled contractual obligations

As at September 30, 2025, the Group had allocated NT$7,752,037 thousand of transaction price into unfulfilled (including partially fulfilled) contractual obligations; 32.47% of which are expected to be recognized as revenue in 2025, whereas the remainder will be recognized as revenue on and after 2026.

(4) Assets recognized from costs of acquiring and fulfilling customer contracts

None.

(All amounts in NTD thousands unless otherwise specified)

15. Expected credit impairment gain (loss)

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Operating expenses - expected credit impairment gain (loss)				
Contract assets	$16	$(310)	$(1,808)	$(1,397)
Accounts receivable	207	1,300	1,221	767
Total	$223	$990	$(587)	$(630)

Please see Note (XII) for credit risk-related information.

All of the Group's contract assets and receivables (including notes receivable, accounts receivable, and installment accounts receivable) have loss provisions measured based on Lifetime expected credit losses. Credit loss is recognized as the difference between the book value of contract assets/accounts receivable and the present value of expected cash flow (prospective information). For short-term receivables, however, credit loss is not measured using present value difference as the effect of discounting is insignificant. Loss provisions As at September 30, 2025, December 31, 2024, and September 30, 2024 are explained below:

Contract assets and accounts receivables are divided into groups based on counterparties' credit rating, location, and industry, and a provision matrix is used to measure loss provisions. Relevant details are presented below:

September 30, 2025

Group 1	Not past due	Past due					
	(Note 1)	Within 30 days	31-60 days	61-90 days	91-120 days	121 days and above	Total
Total book value	$706,058	$70,638	$15,992	$75,750	$7,680	$9,814	$885,932
Loss ratio	1.3%	0.5%	0.5%	0.5%	1.2%	2.0%	
Lifetime expected credit losses	(8,877)	(362)	(82)	(382)	(91)	(195)	(9,989)
Net amount	$697,181	$70,276	$15,910	$75,368	$7,589	$9,619	$875,943

(All amounts in NTD thousands unless otherwise specified)

Group 2 (Note 2)

	Not past due (Note 1)	Past due: Within 30 days	31-60 days	61-90 days	91-120 days	121 days and above	Total
Total book value	$-	$-	$-	$-	$-	$1,383	$1,383
Loss ratio	-	-	-	-	-	100%	
Lifetime expected credit losses	-	-	-	-	-	(1,383)	(1,383)
Net amount	$-	$-	$-	$-	$-	$-	$-

December 31, 2024

Group 1

	Not past due (Note 1)	Past due: Within 30 days	31-60 days	61-90 days	91-120 days	121 days and above	Total
Total book value	$1,085,996	$64,570	$14,282	$8,288	$1,361	$14,404	$1,188,901
Loss ratio	0.8%	0.6%	0.7%	0.6%	0.6%	1.6%	
Lifetime expected credit losses	(8,664)	(363)	(101)	(46)	(8)	(237)	(9,419)
Net amount	$1,077,332	$64,207	$14,181	$8,242	$1,353	$14,167	$1,179,482

Group 2 (Note 2)

	Not past due (Note 1)	Past due: Within 30 days	31-60 days	61-90 days	91-120 days	121 days and above	Total
Total book value	$-	$-	$-	$-	$-	$1,383	$1,383
Loss ratio	-	-	-	-	-	100%	
Lifetime expected credit losses	-	-	-	-	-	(1,383)	(1,383)
Net amount	$-	$-	$-	$-	$-	$-	$-

(All amounts in NTD thousands unless otherwise specified)

September 30, 2024

Group 1	Not past due (Note 1)	Past due					Total
		Within 30 days	31-60 days	61-90 days	91-120 days	121 days and above	
Total book value	$759,094	$81,484	$21,808	$7,019	$15,863	$15,424	$900,692
Loss ratio	0.8%	0.5%	0.5%	0.7%	0.7%	1.2%	
Lifetime expected credit losses	(6,061)	(446)	(115)	(46)	(114)	(186)	(6,968)
Net amount	$753,033	$81,038	$21,693	$6,973	$15,749	$15,238	$893,724

Group 2 (Note 2)	Not past due (Note 1)	Past due					Total
		Within 30 days	31-60 days	61-90 days	91-120 days	121 days and above	
Total book value	$-	$-	$-	$-	$-	$1,383	$1,383
Loss ratio	-	-	-	-	-	100%	
Lifetime expected credit losses	-	-	-	-	-	(1,383)	(1,383)
Net amount	$-	$-	$-	$-	$-	$-	$-

Note 1: All notes receivable and contract assets are not past due. Loss provisions are measured based on lifetime expected credit losses.

Note 2: The Group measures loss provision for individual counterparties based on lifetime expected credit losses. Credit loss is recognized as the difference between the book value of contract assets/accounts receivable and the present value of expected cash flow.

(All amounts in NTD thousands unless otherwise specified)

Changes in loss provisions on contract assets, accounts receivable, and installment accounts receivable for the nine months ended September 30, 2025 and 2024 are explained below:

	Contract assets	Accounts receivable	Installment accounts receivable	Total
January 1, 2025	$3,750	$7,052	$-	$10,802
Net impairment (reversal) amount for the current period	1,808	(1,221)	-	587
Reclassification	(36)	36	-	-
Effect of exchange rate changes	1	(18)	-	(17)
September 30, 2025	$5,523	$5,849	$-	$11,372
January 1, 2024	$1,701	$6,006	$-	$7,707
Net impairment (reversal) amount for the current period	1,397	(767)	-	630
Reclassification	(190)	190	-	-
Effect of exchange rate changes	-	14	-	14
September 30, 2024	$2,908	$5,443	$-	$8,351

16. Lease

(1) The Group as lessee

The Group leases several types of assets, including buildings, transportation equipment, and office equipment. Lease tenor of each contract is from 1 to 5 years.

Effects of leases on the Group's financial position, financial performance, and cash flow are explained below:

A. Amounts recognized in the balance sheet

(a) Right-of-use assets

(All amounts in NTD thousands unless otherwise specified)

Book value of right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024
Buildings	$12,806	$16,483	$17,935
Transportation equipment	6,353	8,855	11,015
Office equipment	999	1,008	1,132
Total	$20,158	$26,346	$30,082

Right-of-use assets increased by NT$4,958 thousand and NT$13,323 thousand for the nine months ended September 30, 2025 and 2024, respectively.

(b) Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Lease liabilities	$20,634	$26,708	$30,428
Current	$10,116	$12,849	$14,193
Non-current	10,518	13,859	16,235
Total	$20,634	$26,708	$30,428

Please see Note (VI).18(4) - Finance cost for interest on lease liabilities for the nine months ended September 30, 2025 and 2024; and note (XII).5 - Liquidity risk management for maturity analysis of lease liability as at September 30, 2025, December 31, 2024 and September 30, 2024.

B. Amount recognized in statement of comprehensive income

Depreciation of right-of-use assets

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Buildings	$1,560	$1,445	$4,700	$5,192
Transportation equipment	1,734	2,160	6,054	6,466
Office equipment	123	123	370	411
Total	$3,417	$3,728	$11,124	$12,069

(All amounts in NTD thousands unless otherwise specified)

C. Income, expenses, and losses relating to lease activities as a lessee

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Short-term lease expense	$745	$912	$2,334	$4,664

D. Cash outflow relating to lease activities as a lessee

The Group incurred NT$13,696 thousand and NT$17,143 thousand of lease-related cash outflow for the nine months ended September 30, 2025 and 2024.

17. Summary information of employee benefit, depreciation, and amortization expenses by function:

By function / By nature	Three months ended September 30, 2025			Three months ended September 30, 2024		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expenses	$24,692	$196,368	$221,060	$23,823	$202,386	$226,209
Wages and salaries	20,837	167,822	188,659	20,276	173,085	193,361
Labor insurance expenses and national health insurance expenses	1,932	13,548	15,480	1,854	15,033	16,887
Pension expenses	1,094	8,053	9,147	1,062	7,813	8,875
Other employee benefit expenses	829	6,945	7,774	631	6,455	7,086
Depreciation expenses	-	7,885	7,885	-	8,508	8,508
Amortization expenses	-	2,015	2,015	-	1,285	1,285

(All amounts in NTD thousands unless otherwise specified)

By function / By nature	Nine months ended September 30, 2025			Nine months ended September 30, 2024		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expenses	$69,186	$615,133	$684,319	$68,099	$575,340	$643,439
Wages and salaries	58,404	527,336	585,740	57,953	492,200	550,153
Labor insurance expenses and national health insurance expenses	5,438	42,508	47,946	5,313	41,398	46,711
Pension expenses	3,045	24,095	27,140	3,015	23,145	26,160
Other employee benefit expenses	2,299	21,194	23,493	1,818	18,597	20,415
Depreciation expenses	-	24,714	24,714	-	25,146	25,146
Amortization expenses	-	4,861	4,861	-	3,223	3,223

Pursuant to the Articles of Incorporation, profits concluded from a financial year are subject to employee remuneration of no less than 3% and director remuneration of no more than 5%. However, profits must first be taken to offset against cumulative losses if any. Of the aforementioned employee remuneration amount, no less than 4% should be allocated to remuneration to grassroots employees. And employee remuneration can be made in cash or in shares. This decision must be resolved in a board meeting with more than two-thirds of the board present, voted in favor by more than half of all attending directors, and subsequently reported in shareholder meeting. Please visit the "Market Observation Post System" for more information regarding employee/director remuneration resolved in board of director meetings.

Employee remuneration and director remuneration for the three months ended September 30, 2025 were estimated and recognized at NT$15,000 thousand and NT$1,374 thousand, respectively, based on the Company's profitability and the percentages stated in the Articles of Incorporation, and employee remuneration and director remuneration for the three months ended September 30, 2024 were estimated and recognized at NT$17,499 thousand and NT$1,374 thousand, respectively. The basis of estimation is the profitability of the particular year. The above-mentioned amounts were included under salary expense; if the actual amount resolved by the board of directors differs from the estimate, the difference will be recognized as gain or loss for the next year.

Employee remuneration and director remuneration for the nine months ended September 30, 2025 were estimated and recognized at NT$45,000 thousand and NT$4,122 thousand, respectively, based on the Company's profitability and the percentages stated in the Articles of Incorporation, and employee remuneration and director remuneration for the nine months ended September 30, 2024 were estimated and recognized at NT$52,497 thousand and NT$4,122 thousand, respectively. The basis of estimation is the profitability of the particular year. The above-mentioned amounts were included under salary expense; if the actual amount resolved by the board of directors differs from the estimate, the difference will be recognized as gain or loss for the next year.

The board of directors passed a resolution on February 27, 2025 to pay the 2024 employee remuneration and director remuneration at NT$67,000 thousand and NT$5,500 thousand, respectively, in cash; these amounts were indifferent from the expenses previously recognized in the 2024 financial statements.

The board of directors passed a resolution on February 29, 2024 to pay the 2023 employee remuneration and director remuneration at NT$67,000 thousand and NT$5,500 thousand, respectively, in cash; these amounts were indifferent from the expenses previously recognized in the 2023 financial statements.

(All amounts in NTD thousands unless otherwise specified)

18. Non-operating income and expenses

(1) Interest income

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Financial assets at amortized costs	$1,824	$644	$9,212	$8,189

(2) Other income

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Grant income	$689	$20,229	$53,962	$50,733
Dividend income	2,787	4,477	2,787	8,695
Rental income	3	3	9	9
Other income - others	720	648	886	1,656
Total	$4,199	$25,357	$57,644	$61,093

(3) Other gains and losses

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Gains (losses) on disposals of property, plants and equipment	$ (1)	$-	$108	$ (147)
Net (losses) gains on currency exchange	(2,494)	(831)	(30,144)	2,155
Loss on financial assets at fair value through profit or loss	(270)	-	(2,086)	-
Others	-	117	-	800
Total	$(2,765)	$(714)	$(32,122)	$2,808

(All amounts in NTD thousands unless otherwise specified)

(4) Finance costs

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Interest expenses on bank loans	$1,080	$601	$1,272	$601
Interest expenses on lease liabilities	101	152	353	429
Total	$1,181	$753	$1,625	$1,030

19. Composition of other comprehensive income

Composition of other comprehensive income for the three months ended September 30, 2025 is explained below:

	Arising in the current period	Reclassification in the current period	Other comprehensive income	Income tax benefits (expenses)	Amount after tax
Items not reclassified into profit or loss:					
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	$3,662	$-	$3,662	$-	$3,662
Items likely to be reclassified into profit or loss:					
Exchange differences on translation of foreign operations	12,350	-	12,350	-	12,350
Total other comprehensive income for the current period	$16,012	$-	$16,012	$-	$16,012

Composition of other comprehensive income for the three months ended September 30, 2024 is explained below:

(All amounts in NTD thousands unless otherwise specified)

	Arising in the current period	Reclassification in the current period	Other comprehensive income	Income tax benefits (expenses)	Amount after tax
Items not reclassified into profit or loss:					
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	$(22,557)	$-	$(22,557)	$-	$(22,557)
Items likely to be reclassified into profit or loss:					
Exchange differences on translation of foreign operations	6,685	-	6,685	-	6,685
Total other comprehensive income for the current period	$(15,872)	$-	$(15,872)	$-	$(15,872)

Composition of other comprehensive income for the nine months ended September 30, 2025 is explained below:

	Arising in the current period	Reclassification in the current period	Other comprehensive income	Income tax benefits (expenses)	Amount after tax
Items not reclassified into profit or loss:					
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	$9,569	$-	$9,569	$-	$9,569
Items likely to be reclassified into profit or loss:					
Exchange differences on translation of foreign operations	(13,922)	-	(13,922)	-	(13,922)
Total other comprehensive income for the current period	$(4,353)	$-	$(4,353)	$-	$(4,353)

(All amounts in NTD thousands unless otherwise specified)

Composition of other comprehensive income for the nine months ended September 30, 2024 is explained below:

	Arising in the current period	Reclassification in the current period	Other comprehensive income	Income tax benefits (expenses)	Amount after tax
Items not reclassified into profit or loss:					
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	$26,433	$-	$26,433	$-	$26,433
Items likely to be reclassified into profit or loss:					
Exchange differences on translation of foreign operations	14,623	-	14,623	-	14,623
Total other comprehensive income for the current period	$41,056	$-	$41,056	$-	$41,056

(All amounts in NTD thousands unless otherwise specified)

20. Income tax

Compositions of income tax expenses for the nine months ended September 30, 2025 and 2024 are explained below:

Income tax recognized in profit or loss

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Income tax expenses (benefits) for the current period:				
Current income tax payable	$46,779	$42,311	$158,690	$143,976
Adjustment of current income tax of previous years	-	(8,217)	(12)	(8,178)
Deferred income tax expenses (benefits):				
Deferred income tax expenses relating to the origination and reversal of temporary differences	3,296	1,677	5,380	3,489
Offset (reversal of previous offset) of deferred income tax asset	48	1,470	516	1,729
Income tax expenses	$50,123	$37,241	$164,574	$141,016

Assessment of income tax return

Assessment of income tax filings submitted by the Company and domestic subsidiaries as at September 30, 2025 is explained below:

	Assessment of income tax return
The Company	Certified up to 2022
Subsidiary - SRAIN Investment Co., Ltd.	Certified up to 2023
Subsidiary - Stark Inforcom Inc.	Certified up to 2023

21. Earnings per share (EPS)

Amount of basic earnings per share is calculated by dividing current net income attributable to parent company's ordinary shareholders by weighted average outstanding ordinary shares for the current period.

Amount of diluted earnings per share is calculated by dividing current net income attributable to parent company's ordinary shareholders by weighted average outstanding ordinary shares for the current period, including all potential dilutive ordinary shares assuming total conversion.

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
(1) Basic earnings per share				
Net income attributable to parent company's ordinary shareholders (NTD thousands)	$189,733	$181,609	$631,746	$588,380
Weighted average outstanding ordinary shares for basic earnings per share (thousand shares)	106,360	106,360	106,360	106,360
Basic earnings per share (NTD)	$1.78	$1.71	$5.94	$5.53

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
(2) Diluted earnings per share				
Net income attributable to parent company's ordinary shareholders (NTD thousands)	$189,733	$181,609	$631,746	$588,380
Weighted average outstanding ordinary shares for basic earnings per share (thousand shares)	106,360	106,360	106,360	106,360
Dilutive effect:				
Employee remuneration (thousand shares)	253	422	344	543
Weighted average outstanding ordinary shares after adjustment for dilutive effect (thousand shares)	106,613	106,782	106,704	106,903
Diluted earnings per share (NTD)	$1.78	$1.69	$5.92	$5.50

There had been no other transaction that significantly changed the number of closing outstanding ordinary shares or potential ordinary shares after the reporting date up until the publication date of financial statements.

(VII). Related party transactions

Compensation for key management of the Group

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Short-term employee benefits	$17,245	$19,352	$69,257	$73,497
Post-employment benefits - pension	683	710	5,690	3,157
Total	$17,928	$20,062	$74,947	$76,654

(All amounts in NTD thousands unless otherwise specified)

(VIII). Pledged assets

The Group had placed the following assets as collaterals:

Item	Book value September 30, 2025	Book value December 31, 2024	Book value September 30, 2024	Details of debts secured
Other financial assets – current	$9,287	$9,224	$8,313	Customer performance, warranty, and bid bond
Other financial assets – non-current	11,436	11,677	12,274	Customer performance, warranty, and bid bond
Total	$20,723	$20,901	$20,587	

(IX). Significant contingent liabilities and unrecognized contract commitments

Unrecognized contract commitments

1. The Company had engaged financial institutions to provide NT$144,799 thousand of guarantee for project performance and tariff guarantees.

2. The Company had issued NT$13,406 thousand of guaranteed notes to customers and banks to secure sales and borrowing limits.

Contingency

1. The Company received a complaint of criminal incidental civil lawsuit filed by the Taiwan Taipei District Court on May 10, 2022, for the Company's employee violating the Securities and Exchange Act. FUJIFILM Business Innovation Taiwan Co., Ltd. (hereinafter referred to as Fujifilm) filed a criminal incidental civil lawsuit against other companies, individuals, the Company and the Company's vice president surnamed Gao, a total of 15 defendants, requesting if one of the 15 defendants pays all or part of the damages, the other defendants are exempted from the obligation to pay within the scope

of the payment.

On October 1, 2024, the Company received a notice from the Criminal Court of the Taiwan Taipei District Court, notifying the Company to participate in the confiscation proceedings in a criminal case in which the defendant, the Company's vice president surnamed Gao, and others violated the Securities and Exchange Act. On May 19, 2025, the Company received the criminal judgment from the Taiwan Taipei District Court. Both the Company and the Company's vice president surnamed Gao were dissatisfied with the first-instance criminal judgment and had respectively appointed lawyers to file appeals on June 4, 2025. In addition, the Company has received the ruling on the civil lawsuit incidental to the criminal case from the Taiwan Taipei District Court on May 12, 2025. The Criminal Court will transfer the incidental civil lawsuit ruling to the civil court for trial. And the Company received a notice from the Civil Court of the Taiwan Taipei District Court on October 20, 2025. The court scheduled the case for mediation on December 2, 2025. The Company will appoint a lawyer to handle it.

2. The Company received a complaint of civil lawsuit filed by the Taiwan Taipei District Court on August 31, 2022. Fujifilm filed a civil lawsuit against the Company, the Company's vice president surnamed Gao, other companies and individuals, a total of 18 defendants, requesting if one of the 18 defendants pays all or part of the damages, the other defendants are exempted from the obligation to pay within the scope of the payment.

As at September 30, 2025, the Company has assessed that the aforementioned events will not have a significant impact on the Company's current operations.

(X). Losses from Major Disasters

None.

(XI). Significant Subsequent Events

None.

(All amounts in NTD thousands unless otherwise specified)

(XII).Others

1. Types of financial instrument

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets			
Financial assets at fair value through profit or loss	$32,914	$35,000	$-
Financial assets at fair value through other comprehensive income	105,353	97,825	174,780
Financial assets at amortized costs:			
Cash and cash equivalents (excluding cash on hand)	1,039,173	1,174,320	1,035,292
Receivables	558,960	797,743	589,569
Long-term receivables	40,479	45,101	43,479
Other financial assets	20,723	20,901	20,587
Refundable deposits	292,197	261,578	235,016
Subtotal	1,951,532	2,299,643	1,923,943
Total	$2,089,799	$2,432,468	$2,098,723
Financial liabilities			
Financial liabilities at amortized costs:			
Short-term loans	$225,000	$70,000	$65,000
Payables	1,876,661	1,587,183	1,669,384
Lease liabilities	20,634	26,708	30,428
Guarantee deposits	5,072	6,080	5,875
Total	$2,127,367	$1,689,971	$1,770,687

2. Purpose and policy of financial risk management

The Group has set its financial risk management goals to primarily manage market risks, credit risks, and liquidity risks relating to operating activities. The abovementioned risks are identified, measured, and managed according to the Group's policies and risk preference.

The Group has implemented appropriate policies, procedures, and internal controls for the management of financial risks mentioned above. All important financial activities are subject to review by the board of directors and audit committee in accordance with rules and the internal control system. The Group is required to duly comply with its financial risk management rules when carrying out financial management activities.

3. Market risk

Changes in the market price of financial instruments is the type of market risk that the Group is most concerned with. Market risk may cause fluctuation in the fair value or cash flow of financial instruments, and mainly includes exchange rate risk, interest rate risk, and other price risk.

In practice, however, it is extremely rare to see only one risk variable changing at one time. Although risk variables tend to be correlated to some degree, the sensitivity analysis below has not taken into consideration the inter-correlation of risk variables.

Exchange rate risk

The Group’s exchange rate risk exposure is mainly associated with operating activities (when the currency of income or expense is different from the Group’s functional currency) and net investments in foreign operations.

Some of the Group's foreign currency receivables and foreign currency payables are denominated in the same currencies, which create natural hedge to some extent. However, the Group did not adopt hedge accounting as natural hedge does not conform with the requirements for hedge accounting. Meanwhile, net investments in foreign operations represent strategic investments, therefore the Group did not hedge this exposure.

Sensitivity analysis for exchange rate risk is conducted on monetary items denominated in key foreign currencies as at the balance sheet date, and the analysis evaluates how a strengthening/weakening of foreign currency affects the Group's profits and equity. Exchange rate risks of the Group are mainly attributed to the volatility of USD and RMB currencies. Sensitivity analysis for the two currencies is provided below:

If NTD strengthened/weakened against USD by 1%, losses for the nine months ended September 30, 2025 and 2024 would have increased/decreased by NT$695 thousand and NT$523 thousand, respectively, whereas equity would have decreased/increased NT$105 thousand and NT$111 thousand, respectively.

If NTD strengthened/weakened against RMB by 1%, losses for the nine months ended September 30, 2025 and 2024 would have increased/decreased by NT$2,941 thousand and NT$2,939 thousand, respectively, whereas equity would have decreased/increased NT$2,856 thousand and NT$2,852 thousand, respectively.

Interest rate risk

Interest rate risk refers to fluctuations in the fair value or future cash flow of a financial instrument due to changes in market interest rate. The Group's exposure to interest rate risk arises mainly from loans borrowed at floating rate.

The sensitivity analysis of interest rate risk mainly focuses on floating rate loans at the end of the financial reporting period, and assumes that they are held for one fiscal year. When the interest rate rises/falls by ten basis points, the Group's losses for the nine months ended September 30, 2025 and 2024 would have increased/decreased NT$4 thousand and NT$1 thousand, respectively.

Equity price risk

The Group holds TWSE/TPEX listed as well as unlisted equity securities; the fair value of investments may be affected by uncertainties associated with the future value. All TWSE/TPEX listed and unlisted equity securities held by the Group are classified as equity instruments at fair value through other comprehensive income. The Group manages equity price risk of equity securities through diversified investment and by setting investment limits on single and a portfolio of instruments. Information on portfolio of equity securities has to be provided to the Group's management on a regular basis; the board of directors is required to verify and approve all decisions concerning investment of equity securities.

A 10% rise/fall in the price of TWSE/TPEX listed shares held as equity instruments at fair value through other comprehensive income would have affected the Group's equity by NT$2,022 thousand and NT$12,453 thousand for the nine months ended September 30, 2025 and 2024, respectively.

4. Credit risk management

Credit risk refers to the possibility of financial losses suffered due to counterparties becoming unable to fulfill contractual obligations. The Group's credit risk exposure mainly arises from operating activities (primarily accounts receivable and notes receivable) and financing activities (primarily bank deposits and financial instruments).

(All amounts in NTD thousands unless otherwise specified)

All departments of the Group manage credit risks according to prevailing policies, procedures, and controls. Counterparty credit risk is evaluated after taking into consideration each counterparty's financial position, external credit rating, historical transactions, the current economic environment, and the Group's internal rating standards, etc. The Group uses credit enhancement tools (such as advanced receipt and insurance) at appropriate times to minimize credit risk of specific counterparties.

The Group's top 10 customers accounted for 16%, 45%, and 34% of total contract assets and accounts receivable balance As at September 30, 2025, December 31, 2024, and September 30, 2024, respectively. Judging by the above, there was no concentration of credit risk in the Group's contract assets and accounts receivable.

The Finance Department manages credit risk of bank deposits and other financial instruments according to group policies. All counterparties of the Group are approved according to internal control procedures, and consist entirely of reputable banks, investment-grade financial institutions, companies, and government agencies, hence no major credit risk exists.

The Group assesses expected credit losses according to IFRS 9. Information relating to credit risk assessment is presented below:

Credit risk grade	Indicator	Method of measuring expected credit loss	Total book value September 30, 2025	 December 31, 2024	 September 30, 2024
Simplified Approach (Note)	(Note)	Lifetime Expected Credit Losses	$887,315	$1,190,284	$902,075

Note: The Group adopts the Simplified Approach (loss provision is measured based on Lifetime Expected Credit Losses); the assessment covers contract assets, notes receivable, accounts receivable, and installment accounts receivable.

5. Liquidity risk management

The Group uses cash and cash equivalents, marketable securities, bank loans, leases, and contracts to maintain financial flexibility.

(All amounts in NTD thousands unless otherwise specified)

The following table shows maturity of financial liabilities as stated in contract terms and conditions. The dates represent the earliest times at which the Group may be required to make repayments, whereas the amounts are undiscounted and include agreed interests. Undiscounted amounts of floating interest cash flow are estimated using yield curve as at the balance sheet date.

Non-derivative instruments

	Less than 1 year	2 to 3 years	4 to 5 years	More than 5 years	Total
September 30, 2025					
Short-term loans	$225,433	$-	$-	$-	$225,433
Payables	1,876,661	-	-	-	1,876,661
Lease liabilities	10,638	8,774	1,971	-	21,383
December 31, 2024					
Short-term loans	$70,338	$-	$-	$-	$70,338
Payables	1,587,183	-	-	-	1,587,183
Lease liabilities	13,262	10,724	3,317	192	27,495
September 30, 2024					
Short-term loans	$65,000	$-	$-	$-	$65,000
Payables	1,669,384	-	-	-	1,669,384
Lease liabilities	14,547	12,004	4,210	192	30,953

6. Reconciliation of liabilities relating to financing activities

Reconciliation of liabilities for the nine months ended September 30, 2025:

	Short-term loans	Guarantee deposits	Lease liabilities	Total
January 1, 2025	$70,000	$6,080	$26,708	$102,788
Cash flow	155,000	(1,008)	(11,362)	142,630
Non-cash movement	-	-	5,311	5,311
Effect of exchange rate changes	-	-	(23)	(23)
September 30, 2025	$225,000	$5,072	$20,634	$250,706

(All amounts in NTD thousands unless otherwise specified)

Reconciliation of liabilities for the nine months ended September 30, 2024:

	Short-term loans	Guarantee deposits	Lease liabilities	Total
January 1, 2024	$-	$7,426	$29,271	$36,697
Cash flow	65,000	(1,551)	(12,479)	50,970
Non-cash movement	-	-	13,570	13,570
Effect of exchange rate changes	-	-	66	66
September 30, 2024	$65,000	$5,875	$30,428	$101,303

7. Fair value of financial instruments

(1) Fair value assessment techniques and assumptions

Fair value refers to the price that market participants are able to receive for selling an asset, or the price that has to be paid to transfer a liability, in an orderly transaction on the measurement date. The Group has adopted the following techniques and assumptions when measuring and disclosing fair values of financial assets and liabilities:

A. Book value of cash and cash equivalents, receivables, payables, and other current liabilities closely resemble their fair value due to their short maturity.

B. Financial assets and liabilities that are traded on active markets at standard terms and conditions shall have fair value determined by market quotation (e.g., TWSE/TPEX listed shares, beneficiary certificates, and bonds).

C. Equity instruments without active market (e.g., privately placed shares of TWSE/TPEX listed companies, shares of unlisted public and private companies without active market) shall have fair value estimated using the market approach, which infers fair values from transaction price or other relevant information (such as discount for lack of liquidity, P/E and P/B ratios of similar companies etc.) of same or comparable equity instruments.

D. For debt instruments without quotation in active market, bank loans, and other non-current liabilities, fair value is determined by counterparty's quotation or through the use of valuation technique. The valuation technique takes a discounted cash flow approach, and assumptions such as interest rate and discount rate are established in reference to instruments of similar nature.

(2) <u>Fair value of financial instruments carried at cost after amortization</u>

Book value of financial assets and liabilities carried at amortized costs closely resemble their fair value.

(3) <u>Fair value hierarchy for financial instruments</u>

See Note (XII).8 for information relating to fair value hierarchy for financial instruments.

8. <u>Fair value hierarchy</u>

(1) <u>Definition of fair value hierarchy</u>

For all assets and liabilities measured or disclosed at fair value, fair value measurement is categorized in their entirety in the level of the lowest level input that is significant to the entire measurement. The levels of inputs used are explained below:

Level 1 input: Quotations that can be obtained from an active market (unadjusted) on the measurement date for asset or liability of equivalent nature.
Level 2 input: Inputs that can be observed directly or indirectly on an asset or liability, except for quotations covered in level 1 input.
Level 3 input: Inputs that cannot be observed for an asset or liability.

Assets and liabilities that are recognized on financial statements on a recurring basis shall have classification reassessed on each balance sheet date to determine if transfer of fair value hierarchy has taken place.

(2) <u>Information on fair value hierarchy</u>

The Company did not have any asset that is measured at fair value on a non-recurring basis. Hierarchy of assets and liabilities with recurring fair value measurement is explained below:

(All amounts in NTD thousands unless otherwise specified)

September 30, 2025:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Fund	$-	$-	$32,914	$32,914
Financial assets at fair value through other comprehensive income				
Equity instruments	20,221	-	85,132	105,353
Total	$20,221	$-	$118,046	$138,267

December 31, 2024:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Fund	$-	$-	$35,000	$35,000
Financial assets at fair value through other comprehensive income				
Equity instruments	47,573	-	50,252	97,825
Total	$47,573	$-	$85,252	$132,825

September 30, 2024:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through other comprehensive income				
Equity instruments	$124,528	$-	$50,252	$174,780

Transfer of fair value input between level 1 and level 2

There had been no transfer of fair value input between level 1 and level 2 for the nine months ended September 30, 2025 and 2024 that involved assets or liabilities with recurring fair value measurement.

(All amounts in NTD thousands unless otherwise specified)

Details of changes in level 3 input for recurring fair value measurements

The adjustment of the beginning to ending balance for level 3 input that involved assets or liabilities with recurring fair value measurement, is presented as follows:

	Asset		
	At fair value through profit or loss	At fair value through other comprehensive income	
	Capital	Stock	Subtotal
January 1, 2025	$35,000	$50,252	$85,252
Total recognized profit (loss) in the current period:			
Recognized in gain or loss (reported under "Other gains and losses")	(2,086)	-	(2,086)
Required in the current period	-	34,880	34,880
September 30, 2025	$32,914	$85,132	$118,046

	Asset		
	At fair value through profit or loss	At fair value through other comprehensive income	
	Capital	Stock	Subtotal
January 1, 2024	$-	$44,752	$44,752
Required in the current period	-	5,500	5,500
September 30, 2024	$-	$50,252	$50,252

Among the total profits (losses) recognized above in profit and loss, the profits and (losses) related to the assets held as at September 30, 2025 and 2024 were NT$(2,086) thousand and NT$0 thousand, respectively.

Information on the use of significant unobservable inputs in level 3 fair value measurement

The following significant unobservable inputs were used for level 3 measurement of assets with recurring fair value measurement:

(All amounts in NTD thousands unless otherwise specified)

September 30, 2025:

	Valuation technique	Significant unobservable input	Quantitative information	Relationship between input and fair value	Sensitivity analysis on relationship between input and fair value
Financial assets:					
Financial assets at fair value through profit or loss					
Fund	Net Asset Approach	Lack of market liquidity	10%	The higher the lack of market liquidity, the lower the fair value estimate	If the lack of market liquidity rises (falls) by 10%, the Group's losses would increase (decrease) by NT$3,291 thousand.
Financial assets at fair value through other comprehensive income					
Stock	Market price Approach	Discount for lack of liquidity	20%	The higher the lack of liquidity, the lower the fair value estimate	If the lack of liquidity rises (falls) by 10%, the Group's equity would (decrease) increase by NT$8,513 thousand.

December 31, 2024 (Note):

	Valuation technique	Significant unobservable input	Quantitative information	Relationship between input and fair value	Sensitivity analysis on relationship between input and fair value
Financial assets:					
Financial assets at fair value through other comprehensive income					
Stock	Market price Approach	Discount for lack of liquidity	20%	The higher the lack of liquidity, the lower the fair value estimate	If the lack of liquidity rises (falls) by 10%, the Group's equity would (decrease) increase by NT$5,025 thousand.

September 30, 2024:

	Valuation technique	Significant unobservable input	Quantitative information	Relationship between input and fair value	Sensitivity analysis on relationship between input and fair value
Financial assets:					
Financial assets at fair value through other comprehensive income					
Stock	Market price Approach	Discount for lack of liquidity	20%	The higher the lack of liquidity, the lower the fair value estimate	If the lack of liquidity rises (falls) by 10%, the Group's equity would (decrease) increase by NT$5,025 thousand.

Note: For capital investment items measured at fair value through profit or loss, since the investment began on December 30, 2024, and is still in the capital contribution phase, the invested organization has not yet commenced any related investment operations. Therefore, as of December 31, 2024, the fair value is assessed based on the cost method.

(3) Mandatory disclosure of fair value hierarchy for items not measured at fair value: None.

9. Significant foreign currency-denominated financial assets and liabilities

The Group had the following significant foreign currency-denominated financial assets and liabilities:

Unit: thousand

	September 30, 2025		
	Foreign currency	Exchange rate	NTD
Financial assets			
Monetary items:			
USD	$3,602	30.475	$109,774
CNY (RMB)	71,345	4.274	304,928
SGD	241	23.625	5,702

(All amounts in NTD thousands unless otherwise specified)

	September 30, 2025		
	Foreign currency	Exchange rate	NTD
Non-Monetary items:			
USD	$344	30.475	$10,483
CNY (RMB)	66,821	4.274	285,593
Financial liabilities			
Monetary items:			
USD	$1,321	30.475	$40,260
CNY (RMB)	2,537	4.274	10,845

	December 31, 2024		
	Foreign currency	Exchange rate	NTD
Financial assets			
Monetary items:			
USD	$1,449	32.785	$47,492
CNY (RMB)	67,629	4.479	302,910
SGD	40	24.12	974
Non-Monetary items:			
USD	349	32.785	11,426
CNY (RMB)	63,065	4.479	282,470
Financial liabilities			
Monetary items:			
USD	$135	32.785	$4,411
CNY (RMB)	2,214	4.274	9,918
SGD	44	24.12	1,062

(All amounts in NTD thousands unless otherwise specified)

	September 30, 2024		
	Foreign currency	Exchange rate	NTD
Financial assets			
Monetary items:			
USD	$1,833	31.655	$58,039
CNY (RMB)	65,856	4.526	298,063
JPY	2	0.223	1
SGD	40	24.73	998
Non-Monetary items:			
USD	346	31.655	10,954
CNY (RMB)	63,005	4.526	285,159
Financial liabilities			
Monetary items:			
USD	$180	31.655	$5,694
CNY (RMB)	926	4.526	4,190

Due to the broad diversity of functional currencies used for transactions by members of the Group, the Group was unable to disclose exchange gains/losses on monetary financial assets and liabilities separately for each significant foreign currency. The Group's net foreign currency exchange (losses) gains for the three months ended September 30, 2025 and 2024 were NT$(2,494) thousand and NT$(831) thousand, respectively, and for the nine months ended September 30, 2025 and 2024 were NT$(30,144) thousand and NT$2,155 thousand, respectively.

10. Capital management

The primary goals of the Group’s capital management are to maintain robust credit rating and sound capital ratios in ways that support business operation and maximization of shareholders' equity. The Group manages and adjusts capital structure based on changes in economic circumstances. The Group maintains and adjusts capital structure through: adjustment of dividend payment, refund of share capital, or issuance of new shares.

(All amounts in NTD thousands unless otherwise specified)

(XIII). Other Disclosures

1. Information related to significant transactions:

(1) Loans to external parties: None.

(2) Endorsements/guarantees provided for others: None

(3) Holding of marketable securities at the end of the period (not including investment in subsidiaries, associates and joint ventures):

Name of the investor	Type of marketable security	Name of marketable security	Relationship between the securities issuer and the Company	Financial statement account	End of the period			
					Shares / units	Book value	Percentage of shareholding	Fair value
Stark Technology Inc.	Stock	Ausenior Information Co., Ltd.	Stark Technology Inc. is the director of Ausenior Information Co., Ltd.	Financial assets at fair value through other comprehensive income - non-current	4,180,000	$60,880	19.00%	$60,880
	TWSE listed stock	ITEQ Corporation	-	Financial assets at fair value through other comprehensive income - non-current	1,829	194	-%	194
	Capital	CDIB-TEN Capital Limited Partnership	-	Financial assets at fair value through profit or loss - non-current	-	32,914	3.02%	32,914
SRAIN Investment Co., Ltd.	TWSE listed stock	ITEQ Corporation	-	Financial assets at fair value through other comprehensive income - non-current	187,614	19,887	0.05%	19,887
	Stock	Azalea Technology Inc.		Financial assets at fair value through other comprehensive income - non-current	1,391,027	13,500	10.62%	13,500

(All amounts in NTD thousands unless otherwise specified)

(4) Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: None.

(5) Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: None.

(6) Others: Significant business dealings between the parent company and subsidiaries, and transactions between subsidiaries:

For the nine months ended September 30, 2025:

Serial No. (Note 1)	Name of transacting party	Counterparty	Relationship with the transacting party (Note 2)	Transaction summary			
				Account	Amount	Transaction terms	As a percentage of consolidated net revenues or total assets (Note 3)
0	Stark Technology Inc.	Stark Technology Inc. (USA)	1	Purchase	$1,224	Purchase price is determined by applying a 5%-30% markup on cost or through negotiation. Payment term is 7-30 days after delivery.	0.02%
				Accounts payable	517		0.01%
0	Stark Technology Inc.	Stark Inforcom Inc.	1	Sales revenue	495	Selling price is determined at 90%-99% of general selling price or through negotiation. Collection term is 30-120 days after acceptance inspection.	0.01%
				Accounts receivable	173		-%
				Purchase	17	Purchase price is determined by applying a 3%-20% of markup on cost or through negotiation. Payment term is 30-120 days after delivery.	-%
				Rental income	578	-	0.01%

(All amounts in NTD thousands unless otherwise specified)

Serial No. (Note 1)	Name of transacting party	Counterparty	Relationship with the transacting party (Note 2)	Transaction summary			
				Account	Amount	Transaction terms	As a percentage of consolidated net revenues or total assets (Note 3)
0	Stark Technology Inc.	SRAIN Investment Co., Ltd.	1	Rental income	$86	-	-%
0	Stark Technology Inc.	STARK (NINGBO) Technology Inc.	1	Sales revenue	1,936	Selling price is determined by applying a 3%-20% markup of gross profit on cost or through negotiation. Collection term is 30-120 days after acceptance inspection.	0.03%
				Accounts receivable	343		-%
0	Stark Inforcom Inc.	Stark Technology Inc. (USA)	3	Purchase	112	Purchase price is determined by applying a 5%-30% of markup on cost or through negotiation. Payment term is 7-30 days after delivery.	-%

Note 1: Business dealings between the parent company and subsidiaries are indicated in the serial number column. The numbering rule is explained below:

1. 0 for parent company.
2. Each subsidiary is numbered in sequential order starting from 1.

Note 2: Related party transactions are distinguished into one of three categories, as shown below:

1. Parent to subsidiary.
2. Subsidiary to parent.
3. Subsidiary to subsidiary.

Note 3: Calculation for business dealings as a percentage of total consolidated revenues or total assets is explained as follows: for balance sheet items, percentage of period-end balance is calculated relative to consolidated total assets; for profit or loss items, percentage of end-of-period cumulative amount is calculated relative to consolidated total revenues.

Note 4: Key transactions presented in this chart are determined by the Company based on principles of materiality.

2. <u>Information on business investments:</u>

Supplementary disclosure of investees in which the Company has significant influence or control for the nine months ended September 30, 2025 (excluding Mainland China investees)

Unit: NTD thousands/USD

Name of the investor	Name of investee	Location of the investee	Main business activities	Initial investment (Note 8)		Shares held as at end of the period			Current profit (loss) of the investee (Note 1)	Investment gains (losses) recognized in the current period (Note 1)	Remarks
				End of the current period	End of the previous year	Number of shares	Percentage	Book value			
Stark Technology Inc.	Stark Technology Inc. (USA)	Note 2	Trading of computer-related products	$1,524 (USD50,000)	$1,524 (USD50,000)	500,000	100.00%	$10,483	$(166)	$(136)	-
Stark Technology Inc.	SRAIN Investment Co., Ltd.	Note 3	General investment	410,967	410,967	-	100.00%	585,212	53,620	53,620	-
Stark Technology Inc.	Pacific Ace Holding International Ltd.	Note 4	General investment	91,425 (USD3,000,000)	91,425 (USD3,000,000)	3,000,000	100.00%	281,982	18,259	18,259	-
SRAIN Investment Co., Ltd.	S-Rain Investment Ltd.	Note 5	General investment	24,380 (USD800,000)	24,380 (USD800,000)	800,000	100.00%	3,150	(2,020)	-	-
SRAIN Investment Co., Ltd.	Stark Inforcom Inc.	Note 6	Trading of computer-related products	370,000	370,000	37,000,000	100.00%	481,051	55,774	-	-
Pacific Ace Holding International Ltd.	Profit Reap International Limited	Note 4	General investment	91,425 (USD3,000,000) (Note 7)	91,425 (USD3,000,000) (Note 7)	3,000,000	100.00%	282,305	18,259	-	-

Note 1: Investment gains/losses of each company is recognized as part of investment gains/losses of subsidiaries or 2nd-tier subsidiaries, and have been eliminated in the consolidated financial statements.

Note 2: 1209 Mayberry Lane San Jose, CA 95131, U.S.A.

Note 3: 13F, No. 83, Section 2, Dongda Road, Hsinchu City.

Note 4: Beaufor House, P. O. Box 438, Road Town, Tortola, British Virgin Islands

Note 5: Tropic Isle Building, P.O. Box 438, Road Town, Tortola, British Virgin Islands

Note 6: 11F-2, No. 83, Section 2, Dongda Road, Hsinchu City.

Note 7: Includes technology in lieu of capital USD 906,243.

Note 8: Amount of initial investment at the ends of the current and previous periods were converted using exchange rate as at September 30, 2025.

(All amounts in NTD thousands unless otherwise specified)

3. Information relating to investments in the mainland China

(1) Breakdown of investments:

Name of the investee in Mainland China	Main business activities	Paid-in-capital amount	Investment method	Accumulated outflow of investment from Taiwan as beginning of current period	Investment flows of the period		Accumulated outflow of investment from Taiwan as end of current period	Net profit (loss) of the investee of current period	Percentage of shareholding (direct or indirect)	Investment gains (losses) recognized in the current period (Note 3)	Book value of investments in Mainland China at the end of the period (Note 3)	Investment gains recovered back to Taiwan to date (Note 3)
					Outflow	Inflow						
STARK (Ningbo) Technology Inc.	International trade, technical service and consultation, system integration, software development, and sale of computer-related equipment.	USD 3,000,000	Invested indirectly through an investee in a third location (Pacific Ace Holding International Ltd)	$91,425 (USD3,000,000) (Note 1)	-	-	$91,425 (USD3,000,000) (Note 1)	$18,259 (Note 4. (II).3)	100.00%	$18,259 (Note 4. (II).3)	$282,454	$112,578 (USD3,694,113.75)
Shanghai Stark Technology Inc.	Wholesale and import/export trade of computers and peripherals, software, office equipment, and electrical/electronic equipment, computer system design, data processing service, and supply of network information.	USD 1,160,000	Invested indirectly through an investee in a third location (S-Rain Investment Ltd)	35,351 (USD1,160,000)	-	-	35,351 (USD1,160,000)	(2,020) (Note 4. (II).3)	100.00%	(2,020) (Note 4. (II).3)	3,139	-
Jiangxi Solar PV Corporation	Research, development, production, and sale of solar cells and components	- (Note 2)	Invested indirectly through an investee in a third location (Solar PV Corporation)	91,425 (USD3,000,000)	-	-	91,425 (USD3,000,000)	- (Note 2)	- (Note 2)	- (Note 2)	- (Note 2)	-

Accumulated outflows of investment from Taiwan to Mainland China as end of current period	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
$218,201 (USD7,160,000) (Note 3)	$218,201 (USD7,160,000) (Note 3)	$1,967,486 (Note 5)

Note 1: As at September 30, 2025, the Company had invested USD 906,243 into STARK (Ningbo) Technology Inc. including technology in lieu of capital.

Note 2: The entity was declared bankrupt by the local court, and had completed liquidation on May 22, 2020.

Note 3: Converting the original foreign currency amount using exchange rate as at September 30, 2025.

Note 4: With regards to investment gains/losses recognized in the current period:

(I). It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit or loss during this period.

(II). Indicate the basis for investment income (loss) recognition in the number of one of the following three categories.

1. The financial statements were audited and attested by an international accounting firm which has a cooperative relationship with an accounting firm in R.O.C.
2. The financial statements were audited and attested by R.O.C. parent company's CPA
3. Others

Note 5: Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA.

(2) Significant transactions with Mainland China investees:

A. Amount and percentage of purchases and balance and percentage of corresponding payables at the end of period: None.

B. Amount and percentage of sales and balance and percentage of corresponding receivables at the end of period: Please see Note (XIII).1(6) of the financial statements.

C. Property transactions and the resulting gains or losses: None.

D. Ending balances and purposes of endorsed notes, guarantees, or pledged collaterals: None.

E. Maximum balance, ending balance, interest rate range, and total interests amount of loans in the current period: None.

F. Other transactions with material impact to the current profit or loss or financial position: None.

(XIV). Segment Information

The Group generates revenues mainly from distribution and maintenance of computers and peripherals; research, design, development, and sale of computer software/hardware, and computer system design. The Group's decision makers evaluate performance of the Company and allocate resources accordingly. The Group has consolidated all of its operations into one single reporting segment due to the fact that they share similar economic characteristics and exhibit comparable long-term financial performance. Segment information is prepared using the same basis and significant accounting policies stated in Note (IV).