

Comtrend Corporation
2025 Annual Shareholders' Meeting Minutes
(Translation)

Time: 9:00 am on Friday, June 20, 2025

Place: 1F., No.278, Xinhu 1st Rd., Neihu Dist., Taipei City, Taiwan

(Physical shareholders meeting)

Total outstanding Comtrend shares: 58,665,527 shares

Total shares represented by shareholders present in person or by proxy: 36,197,333 shares
(among them, 2,064,054 shares voted via electronic transmission)

Percentage of shares held by shareholders present in person or by proxy: 61.70%

Chairman: Guan-Sheng Renn

Recorder: Shu-Han Yang

Participants:

Director : Edimax Technology Co., Ltd Representative: Yu-Chang Chiu

Edimax Technology Co., Ltd Representative: Liang-Jung Pan

Edimax Technology Co., Ltd Representative: Jung-Lung Hung

Shin-Hua Hung, Yu-Jen Hsu

Independent Director : Te-Pu Wang, Shao-Chang Chu, Shi-Ying Gan

CPA : Chih-Yuan Chen

Lawyer : Bao-Lu Lee

1. Call the Meeting to Order

2. Chairman's Address (omitted)

3. Report Items

- (1) 2024 Business Report (Please refer to Attachment 1).
- (2) Audit Committee's Review Report (Please refer to Attachment 2).
- (3) Report on the Distribution of Employee and Director Remuneration for 2024, please review.
 - 1) According to Article 30 of the "Articles of Incorporation": If the Company has profit for the year, the Company shall set aside not less than 5% as the employee's remuneration and not more than 5% for the directors' remuneration. However, if there is any accumulated loss, the Company shall reserve the amount to offset the loss.
 - 2) The Company proposes to distribute NT\$ 47,668,002 as 2024 employees' compensation and NT\$ 9,533,600 as 2024 directors' compensation; both be distributed in cash.
 - 3) The distribution of employee remuneration will be handled according to the "employees' compensation management procedures".

4. Ratification Items

(1) Proposal for the the 2024 Business Report and Financial Statement (Proposed by the Board)

- 1) The Company's 2024 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by independent auditors, Tza-Li Gung and Chih-Yuan Chen, of Deloitte & Touche.
- 2) 2024 Business Report, Independent Auditors' Report, and the aforementioned Financial Statements (Attachments 1, 4 and 5).

Voting Results: Shares represented at the time of voting: 36,197,333

(including 2,064,054 shares voted via electronic transmission)

Voting Results*		% of the total represented share present
Votes in favor	35,397,563 Votes (1,340,284 Votes)	97.79%
Votes against	29,585 Votes (29,585 Votes)	0.08%
Votes invalid	0 Votes (0 Votes)	0.00%
Votes abstained	770,185 Votes (694,185 Votes)	2.13%

*including votes casted electronically (numbers in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

(2) Proposal for the Proposal for Earings Distribution of 2024 Profits (Proposed by the Board)

- 1) The earnings distribution proposal for year 2024 is as follows:

Comtrend Corporation

Earnings Distribution Proposal for the Year 2024

Unit: NTD\$

Items	Total
Unappropriated retained earnings of previous years	0
Net profit after tax for the current period	486,153,688
Remeasurement of defined benefit plans recognized to retained earnings	679,305
Items other than net profit for the current period are included in the amount of undistributed surplus for the current year	486,832,993
Setting aside 10% legal reserve	(48,683,299)
Earnings available for distribution this year	438,149,694
Distribution items:	
Cash dividends to shareholders (NT\$ 1.25 per share)	73,331,909
Stock dividends to shareholders (NT\$ 1.25 per share)	73,331,910
Unappropriated retained earnings at the end of the year	291,485,875

Chairman: Guan-Sheng Renn Manger: Jung-Lung Hung Accountant: Shu-Ching Wang

2) The proposed earnings distribution of amount NT\$ 73,331,909 is allocated from the distributable earning of 2024 as cash dividends to shareholders. Each shareholder will be entitled to receive a cash dividend of NT\$ 1.25 per share, calculate rounded down to the nearest one NT dollar, any amount under one NTD will be discarded. The remaining fraction will be incorporated into other non-operating income of the Company. It is proposed to appropriate NT\$73,331,910 from the distributable earnings of 2024 as stock dividends to shareholders, which will be used to issue 7,333,191 new shares. The par value of each share is NT\$10.

3) Upon the approval of the Annual Shareholders' Meeting, it is proposed that the Board of Directors will be authorized to resolve the ex-dividend date, payment date, and other relevant issues.

4) If the number of shares outstanding of the company is affected by the change of the share capital, the dividend ratio may need to be adjusted accordingly. It is proposed to fully authorize the chairman of Board of Directors to adjust the dividend to be distributed to each share and to proceed on the relevant matters.

Voting Results: Shares represented at the time of voting:36,197,333

(including 2,064,054 shares voted via electronic transmission)

Voting Results*		% of the total represented share present
Votes in favor	35,394,272 Votes (1,336,993 Votes)	97.78%
Votes against	32,877 Votes (32,877 Votes)	0.09%
Votes invalid	0 Votes (0 Votes)	0.00%
Votes abstained	770,184 Votes (694,184 Votes)	2.13%

*including votes casted electronically (numbers in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

5. Discussion Items

(1) Proposal for Capitalization of 2024 Earnings through New Share Issuance(By board meeting)

1) It is proposed to appropriate NT\$73,331,910 from the distributable earnings of 2024 as stock dividends to shareholders, which will be used to issue 7,333,191 new shares. The par value of each share is NT\$10. Based on the shareholding ratio recorded in the shareholders' register on the record date for dividend distribution, each 1,000 shares will be entitled to 125 new shares issued without consideration. For fractional shares less than one full share, shareholders may register for combining fractional shares into whole shares with the Company's stock transfer agent within five days from the ex-rights date when stock transfer is suspended. Any fractional shares that are not combined or still remain fractional after combination will be paid in cash at par value rounded down to the nearest NT

dollar, and the Chairman is authorized to solicit specific individuals to purchase these fractional shares at par value. For shareholders who adopt book-entry transfer for stock distribution, the cash equivalent of fractional shares less than one full share will be used to offset the book-entry transfer fees.

- 2) If, subsequent to this dividend distribution, the Company's capital stock changes, affecting the number of outstanding shares and consequently causing a change in the shareholders' stock dividend ratio, it is proposed that the shareholders' meeting authorize the Chairman to handle all related matters in accordance with the Company Act or other relevant laws and regulations.
- 3) After this proposal is approved by the shareholders' meeting and submitted to and approved by the competent authority, the Board of Directors will be authorized to determine the record date for dividend distribution, the payment date, and other related matters.
- 4) The rights and obligations of the new shares issued this time will be the same as those of the existing shares.

Voting Results: Shares represented at the time of voting:36,197,333

(including 2,064,054 shares voted via electronic transmission)

Voting Results*		% of the total represented share present
Votes in favor	35,397,221 Votes (1,339,942 Votes)	97.79%
Votes against	30,228 Votes (30,228 Votes)	0.08%
Votes invalid	0 Votes (0 Votes)	0.00%
Votes abstained	769,884 Votes (693,884 Votes)	2.13%

*including votes casted electronically (numbers in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

- (2) Amendment to the "Articles of Incorporation", please proceed to discuss. (Proposed by the Board)
 - 1) In order to comply with law and regulations the company hereby proposes to amend the "Articles of Incorporation".
 - 2) the comparison table of the amended and existing articles of the Company's "Articles of Incorporation" (Attachments 3).

Voting Results: Shares represented at the time of voting:36,197,333

(including 2,064,054 shares voted via electronic transmission)

Voting Results*		% of the total represented share present
Votes in favor	35,398,472 Votes (1,341,193 Votes)	97.79%
Votes against	28,976 Votes (28,976 Votes)	0.08%
Votes invalid	0 Votes (0 Votes)	0.00%
Votes abstained	769,885 Votes (693,885 Votes)	2.13%

*including votes casted electronically (numbers in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

6. Motions : None.

7. Adjournment : Meeting ended at 9:17 am on the same day.

There were no questions from shareholders at this shareholders' meeting.

The minutes of this regular shareholder meeting are recorded in accordance with Article 183, Section 4 of the Company Law, outlining the proceedings and outcomes of the discussions. The content, procedures, and shareholder statements during the meeting are primarily based on the audiovisual recording of the meeting.

Attachments

Attachment 1

Business Report

Dear shareholders, ladies and gentlemen:

First of all, I would like to thank all shareholders, ladies and gentlemen for their long-term support and encouragement to the company. Here is the report of company's business performance in the year 2024:

1. Annual business report of year 2024:

(1). Implementation Results of the business plan

Significant business expansion in new markets and the successful shipment of new product lines were key drivers of our strong financial performance in fiscal year 2024. This resulted in consolidated revenue of NT\$3,946M and a consolidated gross profit of NT\$1,168M, a notable increase over fiscal year 2023. The increased sales volume further contributed to an after-tax net profit of NT\$486M and earnings per share (EPS) of NT\$8.29 for the year.

(2). Analysis of financial revenue and expenditure and profitability (consolidated statement)

Items		2023 Year	2024 Year
Financial structure	Liabilities to assets ratio (%)	48.52	38.19
	Ratio of long-term funds to property, plant and equipment (%)	348.33	548.38
Solvency	Current ratio (%)	219.40	287.35
	Quick ratio (%)	125.67	222.50
	Interest coverage ratio	(77.52)	38.45
Profitability	Gross profit margin (%)	20.86	29.60
	Net profit after tax (%)	(38.91)	12.32
	Earnings per share (NTD)	(5.90)	8.29

Improved turnover and profitability resulted in marked gains across all key financial ratios in fiscal year 2024 compared to 2023.

(3). Research and development status

The R&D achievements of our company for fiscal year 2024 are as follows:

- I. Development of a high-rise elevator-specific Power Line Network Data Gateway
- II. Development of a next-generation Time Division Multiplexing multi-port outdoor remote power supply broadband repeater
- III. Development of a smart power controller for multi-source green energy base stations
- IV. Development of a G.hn Coax Gateway with cloud control integration
- V. Development of the Alwayslink Cloud Service System

2. Outline of the 2025 year Annual Business Plan

(1). Business strategy for this year

Due to our primary partnerships with large-scale telecommunications operators in various regions, who possess significant benchmark status, successfully becoming their supplier often proactively unlocks numerous business opportunities. Nevertheless, we are keenly aware that this concentration of sales customers leads to business fluctuations, presenting a challenge to stable future growth. To mitigate this risk, we will actively promote product and customer diversification. Building on Comtrend's established brand recognition in the telecommunications market, we will continue to expand our cooperative relationships with existing telecommunications operators while actively broadening our customer base and optimizing our market deployment to reduce the impact of single customers on our performance. By strengthening business flexibility, we aim to enhance our market adaptability and ensure the company's continued growth across various market environments.

In the direction of product development, the company is a leader in niche products. On the basis of existing broadband communication equipment and the advantages of existing products, it actively develops a new generation of Broadband CPE, DPU, MDU, 10 GPON and other products, providing professional, customized, differentiated and market-competitive products to meet the deployment needs of various telecom customers and broadband service providers, so that users can enjoy higher-quality network connection, video and voice services.

(2). Important production and sales policies

The company adheres to the spirit of steady and steady development, and continues to develop and provide products in line with market trends to strengthen the cooperative relationship with customers, and provide good services to strengthen the trust of the Comtrend brand in the industry. Based on the existing customers, the company takes it as sales reference, which will help to win more telecom customers and broadband service providers in the future.

Regarding product manufacturing, we will work closely with outsourcing manufacturers to ensure stable product quality. However, given that the international situation remains variable, this may impact fluctuations in raw material market prices.. Our company has requested our major customers to provide medium- to long-term sales forecasts and closely monitor market changes to mitigate the impact of these changes on our operations.

3. Future development strategy of the company

In order to maintain the stability and growth of both profit and revenue, the company still maintains the consistent development strategy as follows :

(1). Focus on the industry and grow steadily

Do not make high-risk investments, and continue to strengthen business development, giving priority to stable profits; and actively explore new markets, develop new product lines and diversify customers to reduce the impact of

changes in the market environment on the company.

(2). Continue to strengthen research and development

Continue to invest deeply in R&D and strengthen software and hardware R&D capabilities, continuously develop high-end and integrated products, and maintain a leading position in technology.

(3). Adhere to quality and reduce costs

Stricter control of product quality and cost to reduce quality problems and improve the company's profitability.

(4). Strengthening operation management

The company adheres to the core values of integrity, service, pragmatism and innovation, establishes long-term partnerships with customers, suppliers and employees, and continues to improve the management system, streamline processes and efficiency, and enhance the company's overall competitiveness.

4. Affected by external competitive environment, regulatory environment, and overall business environment.

Driven by the needs of telecom operators and enterprises for network upgrades and cloud applications, the demand for communication products is increasing, causing domestic and foreign manufacturers to scramble to enter this market, resulting in increasingly fierce market competition. The company has a strong research and development, marketing and management team, in addition to maintaining long-term cooperative relations with existing customers, and actively expand the market, and is committed to the development of various niche products, the pursuit of stable growth of the company.

Due to a slowdown in the order pull from major customers starting at the end of fiscal year 2024, this current inventory adjustment is expected to continue into fiscal year 2025. Facing the pressure of inventory digestion from key clients, our company's operations in fiscal year 2025 will inevitably be suppressed. In response to this change, the company will actively adjust its business strategy, continuously create value to enhance operational efficiency, and strengthen cooperation with customers to ensure long-term stable development.

Finally, I would like to thank all shareholders, ladies and gentlemen for their support to the company, and also thank all employees and colleagues for their contributions and efforts, so that the company can continue to prosper and grow. Here, I wish you all good health, all the best.

Chairman
Guan-Sheng Renn

Manager
Jung-Lung Hung

Accountant
Shu-Ching Wang

Attachment 2

Comtrend Corporation

Audit Committee's Review Report

The Board of Directors has submitted the Company's 2024 Business Report, Consolidated Financial Statements (including Individual Financial Statements), and Proposal for Earnings Distribution. The Consolidated Financial Statements (including Individual Financial Statements) have been audited by Deloitte & Touche Certified Public Accountants, Mr. Tze-Li Gung and Mr. Chih-Yuan Chen, who have issued an audit report. The aforementioned Business Report, Consolidated Financial Statements (including Individual Financial Statements), and Proposal for Earnings Distribution have been reviewed by the Audit Committee, and we believe that there are no discrepancies. Therefore, in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this¹ report for your review.

Respectfully submitted to the 2025 Annual General Meeting of Shareholders of Comtrend Corporation.

Chairperson of the Audit Committee: Te-Pu Wang

March 18, 2025

Attachment 3

Comtrend Corporation Articles of Incorporation

Original Articles	Amended Articles	Remark
<p>Article 30</p> <p>If the Company has profit for the year, the Company shall set aside not less than 5% as the employee's remuneration and not more than 5% for the directors' remuneration. However, if there is any accumulated loss, the Company shall reserve the amount to offset the loss. The employee entitled for the employee's remuneration may include the employee of the parents or subsidiary company who meets certain conditions, it shall be distributed by stock or cash according to the resolution of the board of directors. The distribution proposal of remunerations for employee and directors shall be submitted to the shareholders' meeting.</p> <p>If the Company's annual accounts are surplus, the Company shall retain 10% of the statutory surplus reserve after the tax is paid in accordance with the law and the accumulated loss have been covered, except that the legal reserve has reached the paid-up capital of the Company. The surplus shall be booked as special surplus reserve in accordance with the law, if there is still a balance, the board of directors shall, to add with the accumulated undistributed surplus, propose a surplus earning distribution to the shareholders' meeting in order to distribute dividend to the shareholders.</p> <p>The dividend policy of the Company is based on the future development plan, investment environment, capital demand, financial structure, surplus and domestic and international competition, shareholders and other factors.</p> <p>Each year, the Company may set aside dividends to shareholders for the amount of more than 10% of attributable surplus earning, except that the accumulated attributable surplus earning is less than 40%</p>	<p>Article 30</p> <p>If the Company has profit for the year, the Company shall set aside not less than 5% as the employee's remuneration and not more than 5% for the directors' remuneration. However, if there is any accumulated loss, the Company shall reserve the amount to offset the loss. The employee entitled for the employee's remuneration may include the employee of the parents or subsidiary company who meets certain conditions, it shall be distributed by stock or cash according to the resolution of the board of directors. The distribution proposal of remunerations for employee and directors shall be submitted to the shareholders' meeting.</p> <p><u>From the aforementioned appropriated amount for employee remuneration, no less than ten percent shall be allocated for distribution to grassroots employees.</u></p> <p>If the Company's annual accounts are surplus, the Company shall retain 10% of the statutory surplus reserve after the tax is paid in accordance with the law and the accumulated loss have been covered, except that the legal reserve has reached the paid-up capital of the Company. The surplus shall be booked as special surplus reserve in accordance with the law, if there is still a balance, the board of directors shall, to add with the accumulated undistributed surplus, propose a surplus earning distribution to the shareholders' meeting in order to distribute dividend to the shareholders.</p> <p>The dividend policy of the Company is based on the future development plan, investment environment, capital demand, financial structure, surplus and domestic and international competition, shareholders and other factors.</p> <p>Each year, the Company may set aside dividends to shareholders for the amount of more than 10% of attributable surplus earning, except that the accumulated attributable surplus earning is less than 40%</p>	Amended in accordance with the provisions of Article 14, Paragraph 6 of the Securities and Exchange Act

Original Articles	Amended Articles	Remark
of the paid capital; the Company may use cash or stock to distribute the dividend, but the cash dividend shall not be less than 10% of the total dividend.	of the paid capital; the Company may use cash or stock to distribute the dividend, but the cash dividend shall not be less than 10% of the total dividend.	
Article 32 This Articles of Incorporation was concluded on March 31, 1990. Amended on June 15, 2023 for the twenty-eighth time.	Article 32 This Articles of Incorporation was concluded on March 31, 1990. Amended on June 15, 2023 for the twenty-eighth time. <u>Amended on June 20, 2025 for the twenty-nine time.</u>	Add the date of this amendment.

Attachment 4

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Comtrend Corporation

Opinion

We have audited the accompanying consolidated financial statements of Comtrend Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is stated as follows:

Revenue Recognition Cut-off in the India Region

For the year ended December 31, 2024, the Group's principal customers were located in the India region. Revenue generated from these key customers had a material impact on the consolidated financial statements. The timing of revenue recognition is determined based on the transaction terms agreed upon with customers. Although management has implemented relevant manual controls to ensure compliance with these terms, there remains a risk that goods in transit as of the reporting date may be inappropriately recognized as revenue prior to the transfer of control. Accordingly, we have determined that the revenue recognition cut-off in the India region is a key audit matter.

The main audit procedures we performed to address the above key audit matter were as follows:

1. We obtained an understanding of the design of internal controls related to revenue recognition cut-off, and we tested the operating effectiveness of those controls.
2. We selected samples of revenue transactions recognized in the India region before and after the balance sheet date, and examined the supporting documents - such as purchase orders, invoices, and shipping documents - to assess whether revenue was recognized in the appropriate accounting period.

Other Matter

We have also audited the parent company only financial statements of Comtrend Corporation as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tza-Li Gung and Chih-Yuan Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 7, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

COMTREND CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 845,885	37	\$ 492,713	29
Financial assets at fair value through other comprehensive income - current (Notes 4 and 7)	121,952	5	66,126	4
Contract assets - current (Note 22)	3,054	-	1,160	-
Trade receivables (Notes 4, 9 and 22)	514,184	22	179,423	10
Other receivables (Notes 4, 9 and 29)	2,647	-	10,850	1
Current tax assets (Notes 4 and 24)	1,887	-	4,375	-
Inventories (Notes 4 and 10)	423,014	18	561,407	33
Other current assets (Note 14)	12,005	1	18,826	1
Total current assets	<u>1,924,628</u>	<u>83</u>	<u>1,334,880</u>	<u>78</u>
NON-CURRENT ASSETS				
Financial assets at amortized cost - non-current (Notes 4 and 8)	13,030	1	21,516	1
Property, plant and equipment (Notes 4, 12, 29 and 30)	273,611	12	279,883	17
Right-of-use assets (Notes 4 and 13)	25,676	1	38,706	2
Intangible assets	1,169	-	2,211	-
Deferred tax assets (Notes 4 and 24)	64,459	3	32,047	2
Net defined benefit assets - non-current (Note 20)	5,143	-	4,091	-
Other non-current assets (Note 14)	3,304	-	4,818	-
Total non-current assets	<u>386,392</u>	<u>17</u>	<u>383,272</u>	<u>22</u>
TOTAL	<u><u>\$ 2,311,020</u></u>	<u><u>100</u></u>	<u><u>\$ 1,718,152</u></u>	<u><u>100</u></u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 15)	\$ -	-	\$ 177,612	10
Contract liabilities - current (Note 22)	10,288	1	5,000	-
Notes payable and trade payables (Note 17)	314,528	14	307,629	18
Trade payables to related parties (Note 29)	29,139	1	26,173	2
Other payables (Notes 18 and 29)	124,228	5	63,629	4
Current tax liabilities (Notes 4 and 24)	119,952	5	-	-
Provisions - current (Notes 4 and 19)	44,242	2	8,770	1
Lease liabilities - current (Notes 4 and 13)	8,007	-	13,616	1
Current portion of long-term borrowings (Notes 16 and 30)	9,151	-	-	-
Other current liabilities (Note 18)	10,253	1	5,996	-
Total current liabilities	<u>669,788</u>	<u>29</u>	<u>608,425</u>	<u>36</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 16 and 30)	190,849	8	200,000	12
Deferred tax liabilities (Notes 4 and 24)	3,442	-	9	-
Lease liabilities - non-current (Notes 4 and 13)	18,465	1	25,285	1
Total non-current liabilities	<u>212,756</u>	<u>9</u>	<u>225,294</u>	<u>13</u>
Total liabilities	<u><u>882,544</u></u>	<u><u>38</u></u>	<u><u>833,719</u></u>	<u><u>49</u></u>
EQUITY (Note 21)				
Share capital				
Common stock	<u>586,655</u>	<u>25</u>	<u>586,655</u>	<u>34</u>
Capital surplus	<u>251,154</u>	<u>11</u>	<u>350,157</u>	<u>20</u>
Retained earnings (accumulated deficits)				
Legal reserve	-	-	85,435	5
Unappropriated earnings (accumulated deficits)	<u>486,833</u>	<u>21</u>	<u>(184,438)</u>	<u>(11)</u>
Total retained earnings (accumulated deficits)	<u>486,833</u>	<u>21</u>	<u>(99,003)</u>	<u>(6)</u>
Other equity				
Exchange differences on translation of financial statements of foreign operations	22,314	1	20,930	1
Unrealized gain on financial assets at fair value through other comprehensive income	<u>81,520</u>	<u>4</u>	<u>25,694</u>	<u>2</u>
Total other equity	<u>103,834</u>	<u>5</u>	<u>46,624</u>	<u>3</u>
Total equity	<u>1,428,476</u>	<u>62</u>	<u>884,433</u>	<u>51</u>
TOTAL	<u><u>\$ 2,311,020</u></u>	<u><u>100</u></u>	<u><u>\$ 1,718,152</u></u>	<u><u>100</u></u>

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated March 7, 2025)

COMTREND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22 and 29)	\$ 3,946,780	100	\$ 888,721	100
OPERATING COSTS (Notes 4, 10, 23 and 29)	(2,778,422)	(70)	(703,301)	(79)
GROSS PROFIT	1,168,358	30	185,420	21
OPERATING EXPENSES (Notes 9, 20, 23 and 29)				
Selling and marketing expenses	(356,234)	(9)	(323,375)	(36)
General and administrative expenses	(202,709)	(5)	(97,638)	(11)
Research and development expenses	(131,496)	(3)	(138,872)	(16)
Expected credit (losses) gains	(21,959)	(1)	5,210	—
Total operating expenses	(712,398)	(18)	(554,675)	(63)
PROFIT (LOSS) FROM OPERATIONS	455,960	12	(369,255)	(42)
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 23)	241	-	4,350	-
Other gains and losses (Notes 23 and 29)	118,450	3	6,257	1
Finance costs (Note 23)	(15,452)	-	(4,497)	-
Interest income (Note 23)	19,527	—	9,995	1
Total non-operating income and expenses	122,766	3	16,105	2
PROFIT (LOSS) BEFORE INCOME TAX	578,726	15	(353,150)	(40)
INCOME TAX (EXPENSE) BENEFIT (Notes 4 and 24)	(92,573)	(3)	7,327	1
NET PROFIT (LOSS) FOR THE YEAR	486,153	12	(345,823)	(39)
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 20)	850	-	192	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	55,826	2	3,914	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 24)	(170)	-	(38)	-

(Continued)

COMTREND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except (Loss) Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	\$ 1,384	—	\$ 5,971	—
Other comprehensive income for the year, net of income tax	57,890	2	10,039	1
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	\$ 544,043	14	\$ (335,784)	(38)
EARNINGS (LOSS) PER SHARE (Note 25)				
Basic	\$ 8.29		\$ (5.90)	
Diluted	\$ 8.20		\$ (5.90)	

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

COMTREND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Share Capital (Note 21)						Retained Earnings (Accumulated Deficits) (Note 21)			Other Equity (Note 7)		
	Common Stock			Collected in Advance		Total	Capital Surplus (Note 21)	Legal Reserve	Unappropriated Earnings (Accumulated Deficits)	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain on Financial Assets at Fair Value through Other Comprehensive Income
	Common Stock	Collected in Advance	Total	Capital Surplus (Note 21)	Legal Reserve	Unappropriated Earnings (Accumulated Deficits)	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain on Financial Assets at Fair Value through Other Comprehensive Income	Total	Total Equity	
BALANCE AT JANUARY 1, 2023	\$ 582,587	\$ 2,052	\$ 584,639	\$ 350,157	\$ 83,922	\$ 203,810	\$ 287,732	\$ 14,959	\$ 21,780	\$ 36,739	\$ 1,259,267	
Appropriation of 2022 earnings					1,513	(1,513)						
Legal reserve												
Cash dividends distributed by the Company						(41,066)	(41,066)				(41,066)	
Issuance of ordinary shares under employee share options	4,068	(2,052)	2,016								2,016	
Net loss for the year ended December 31, 2023	-	-	-	-	-	(345,823)	(345,823)	-	-	-	(345,823)	
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax						154	154	5,971	3,914	9,885	10,039	
Total comprehensive income (loss) for the year ended December 31, 2023						(345,669)	(345,669)	5,971	3,914	9,885	(335,784)	
BALANCE AT DECEMBER 31, 2023	586,655		586,655	350,157	85,435	(184,438)	(99,003)	20,930	25,694	46,624	884,433	
Legal reserve used to cover accumulated deficits					(85,435)	85,435						
Capital surplus used to cover accumulated deficits				(99,003)		99,003	99,003					
Net profit for the year ended December 31, 2024	-	-	-	-	-	486,153	486,153	-	-	-	486,153	
Other comprehensive income for the year ended December 31, 2024, net of income tax						680	680	1,384	55,826	57,210	57,890	
Total comprehensive income for the year ended December 31, 2024						486,833	486,833	1,384	55,826	57,210	544,043	
BALANCE AT DECEMBER 31, 2024	\$ 586,655	\$ -	\$ 586,655	\$ 251,154	\$ -	\$ 486,833	\$ 486,833	\$ 22,314	\$ 81,520	\$ 103,834	\$ 1,428,476	

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

(With Deloitte & Touche auditors' report dated March 7, 2025)

COMTREND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before income tax	\$ 578,726	\$ (353,150)
Adjustments for:		
Depreciation expense	63,946	43,878
Amortization expense	1,042	1,001
Expected credit loss recognized (reversed) on trade receivables	21,959	(5,210)
Net gain on fair value changes of financial assets at fair value through profit or loss	-	(783)
Finance costs	15,452	4,497
Interest income	(19,527)	(9,995)
Dividend income	(241)	(4,350)
(Gain) loss on disposal of property, plant and equipment	(5)	66
Net loss on disposal of financial assets	-	666
Write-down of inventories	181,416	94,137
Gain on changes in lease	(58)	(32)
Net changes in operating assets and liabilities		
Contract assets	(1,894)	7,195
Trade receivables	(356,782)	235,090
Other receivables	8,444	(5,536)
Inventories	(49,420)	(270,288)
Other current assets	6,821	(295)
Net defined benefit assets	(203)	(604)
Financial liabilities at fair value through profit or loss	-	(666)
Contract liabilities	5,288	1,199
Notes payable and trade payables (including related parties)	9,865	119,593
Other payables	60,599	6,449
Provisions	35,472	856
Other current liabilities	<u>4,257</u>	<u>(19,445)</u>
Cash generated from (used in) operations	565,157	(155,727)
Interest received	19,527	9,995
Dividends received	-	4,350
Interest paid	(14,874)	(4,180)
Income tax refunded	<u>718</u>	<u>7,313</u>
Net cash generated from (used in) operating activities	<u>570,528</u>	<u>(138,249)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	-	(1,319)
Proceeds from sale of financial assets at amortized cost	8,486	-
Payments for property, plant and equipment	(43,560)	(17,399)
Proceeds from disposal of property, plant and equipment	5	-
Decrease (increase) in refundable deposits	1,514	(1,107)
Payments for intangible assets	<u>-</u>	<u>(1,611)</u>
Net cash used in investing activities	<u>(33,555)</u>	<u>(21,436)</u>

(Continued)

COMTREND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	\$ -	\$ 177,612
Repayment of short-term borrowings	(177,612)	-
Repayment of the principal portion of lease liabilities	(13,980)	(14,665)
Dividends paid to owners of the Company	-	(41,066)
Exercise of employee share options	<u>-</u>	<u>2,016</u>
Net cash (used in) generated from financing activities	<u>(191,592)</u>	<u>123,897</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>7,791</u>	<u>5,144</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>353,172</u>	<u>(30,644)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>492,713</u>	<u>523,357</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u><u>\$ 845,885</u></u>	<u><u>\$ 492,713</u></u>

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

Attachment 5

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Comtrend Corporation

Opinion

We have audited the accompanying parent company only financial statements of Comtrend Corporation (the “Company”), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the “parent company only financial statements”).

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the parent company only financial statements for the year ended December 31, 2024 is stated as follows:

Revenue Recognition Cut-off in the India Region

For the year ended December 31, 2024, the Company's principal customers were located in the India region. Revenue generated from these key customers had a material impact on the parent company only financial statements. The timing of revenue recognition is determined based on the transaction terms agreed upon with customers. Although management has implemented relevant manual controls to ensure compliance with these terms, there remains a risk that goods in transit as of the reporting date may be inappropriately recognized as revenue prior to the transfer of control. Accordingly, we have determined that the revenue recognition cut-off in the India region is a key audit matter.

The main audit procedures we performed to address the above key audit matter were as follows:

1. We obtained an understanding of the design of internal controls related to revenue recognition cut-off, and we tested the operating effectiveness of those controls.
2. We selected samples of revenue transactions recognized in the India region before and after the balance sheet date, and examined the supporting documents—such as purchase orders, invoices, and shipping documents—to assess whether revenue was recognized in the appropriate accounting period.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including members of the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tza-Li Gung and Chih-Yuan Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 7, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

COMTREND CORPORATION

BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 740,217	32	\$ 396,953	24
Financial assets at fair value through other comprehensive income - current (Notes 4 and 7)	121,952	6	66,126	4
Trade receivables (Notes 4, 8 and 21)	442,837	20	91,448	5
Trade receivables from related parties (Notes 21 and 28)	164,150	7	207,135	12
Other receivables (Notes 4 and 8)	1,882	-	9,548	1
Current tax assets (Notes 4 and 23)	774	-	894	-
Inventories (Notes 4 and 9)	372,427	16	491,774	29
Other current assets (Note 13)	7,229	-	16,118	1
Total current assets	<u>1,851,468</u>	<u>81</u>	<u>1,279,996</u>	<u>76</u>
NON-CURRENT ASSETS				
Investments accounted for using the equity method (Notes 4 and 10)	96,061	4	86,467	5
Property, plant and equipment (Notes 4, 11, 28 and 29)	272,371	12	278,760	17
Right-of-use assets (Notes 4 and 12)	62	-	4,334	-
Intangible assets	1,169	-	2,211	-
Deferred tax assets (Notes 4 and 23)	64,459	3	32,047	2
Net defined benefit assets - non-current (Note 19)	5,143	-	4,091	-
Other non-current assets (Note 13)	488	-	1,223	-
Total non-current assets	<u>439,753</u>	<u>19</u>	<u>409,133</u>	<u>24</u>
TOTAL	<u><u>\$ 2,291,221</u></u>	<u><u>100</u></u>	<u><u>\$ 1,689,129</u></u>	<u><u>100</u></u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 14)	\$ -	-	\$ 177,612	11
Contract liabilities - current (Note 21)	8,634	-	4,487	-
Notes payable and trade payables (Note 16)	313,865	14	307,330	18
Trade payables to related parties (Note 28)	29,139	1	26,173	2
Other payables (Notes 17 and 28)	108,374	5	54,939	3
Current tax liabilities (Notes 4 and 23)	119,663	5	-	-
Provisions - current (Notes 4 and 18)	44,242	2	8,770	1
Lease liabilities - current (Notes 4 and 12)	63	-	2,830	-
Current portion of long-term borrowings (Notes 16 and 29)	9,151	1	-	-
Other current liabilities (Note 17)	247	-	181	-
Total current liabilities	<u>633,378</u>	<u>28</u>	<u>582,322</u>	<u>35</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 16 and 29)	190,849	8	200,000	12
Deferred tax liabilities (Notes 4 and 23)	3,442	-	9	-
Lease liabilities - non-current (Notes 4 and 12)	-	-	1,539	-
Investments accounted for using the equity method in credit (Notes 4 and 10)	<u>35,076</u>	<u>2</u>	<u>20,826</u>	<u>1</u>
Total non-current liabilities	<u>229,367</u>	<u>10</u>	<u>222,374</u>	<u>13</u>
Total liabilities	<u><u>862,745</u></u>	<u><u>38</u></u>	<u><u>804,696</u></u>	<u><u>48</u></u>
EQUITY (Note 20)				
Share capital				
Common stock	<u>586,655</u>	<u>26</u>	<u>586,655</u>	<u>35</u>
Capital surplus	<u>251,154</u>	<u>11</u>	<u>350,157</u>	<u>20</u>
Retained earnings (accumulated deficits)				
Legal reserve	-	-	85,435	5
Unappropriated earnings (accumulated deficits)	<u>486,833</u>	<u>21</u>	<u>(184,438)</u>	<u>(11)</u>
Total retained earnings (accumulated deficits)	<u>486,833</u>	<u>21</u>	<u>(99,003)</u>	<u>(6)</u>
Other equity				
Exchange differences on translation of financial statements of foreign operations	22,314	1	20,930	1
Unrealized gain on financial assets at fair value through other comprehensive income	<u>81,520</u>	<u>3</u>	<u>25,694</u>	<u>2</u>
Total other equity	<u>103,834</u>	<u>4</u>	<u>46,624</u>	<u>3</u>
Total equity	<u>1,428,476</u>	<u>62</u>	<u>884,433</u>	<u>52</u>
TOTAL	<u><u>\$ 2,291,221</u></u>	<u><u>100</u></u>	<u><u>\$ 1,689,129</u></u>	<u><u>100</u></u>

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

(With Deloitte & Touche auditors' report dated March 7, 2025)

COMTREND CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except (Loss) Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 21 and 28)	\$ 3,746,204	100	\$ 829,290	100
OPERATING COSTS (Notes 4, 9, 22 and 28)	<u>(2,747,592)</u>	<u>(73)</u>	<u>(627,678)</u>	<u>(75)</u>
GROSS PROFIT	998,612	27	201,612	25
UNREALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	(38,786)	(1)	(55,867)	(7)
REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	<u>55,867</u>	<u>1</u>	<u>50,815</u>	<u>6</u>
REALIZED GROSS PROFIT	<u>1,015,693</u>	<u>27</u>	<u>196,560</u>	<u>24</u>
OPERATING EXPENSES (Notes 19, 22 and 28)				
Selling and marketing expenses	(158,078)	(4)	(95,430)	(11)
General and administrative expenses	(202,709)	(5)	(97,638)	(12)
Research and development expenses	(131,496)	(4)	(138,871)	(17)
Expected credit loss (Note 8)	<u>(19,445)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>(511,728)</u>	<u>(14)</u>	<u>(331,939)</u>	<u>(40)</u>
PROFIT (LOSS) FROM OPERATIONS	<u>503,965</u>	<u>13</u>	<u>(135,379)</u>	<u>(16)</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 4 and 22)	241	-	4,350	1
Other gains and losses (Note 22)	111,897	3	2,213	-
Finance costs (Note 22)	(14,911)	-	(4,266)	-
Share of profit or loss of subsidiaries	(40,518)	(1)	(228,366)	(28)
Interest income (Note 22)	<u>17,697</u>	<u>-</u>	<u>8,562</u>	<u>1</u>
Total non-operating income and expenses	<u>74,406</u>	<u>2</u>	<u>(217,507)</u>	<u>(26)</u>
PROFIT (LOSS) BEFORE INCOME TAX	578,371	15	(352,886)	(42)
INCOME TAX (EXPENSE) BENEFIT (Notes 4 and 23)	<u>(92,218)</u>	<u>(2)</u>	<u>7,063</u>	<u>1</u>
NET PROFIT (LOSS) FOR THE YEAR	<u>486,153</u>	<u>13</u>	<u>(345,823)</u>	<u>(41)</u>

(Continued)

COMTREND CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except (Loss) Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 19)	\$ 850	-	\$ 192	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	55,826	2	3,914	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 23)	(170)	-	(38)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	1,384	-	5,971	1
Other comprehensive income for the year, net of income tax	57,890	2	10,039	1
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	\$ 544,043	15	\$ (335,784)	(40)
EARNINGS (LOSS) PER SHARE (Note 24)				
Basic	\$ 8.29		\$ (5.90)	
Diluted	\$ 8.20		\$ (5.90)	

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

(Concluded)

(With Deloitte & Touche auditors' report dated March 7, 2025)

COMTREND CORPORATION

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Share Capital (Note 20)						Retained Earnings (Accumulated Deficit) (Note 20)			Other Equity (Note 7)		
	Collected in Advance			Capital Surplus (Note 20)	Legal Reserve	Unappropriated Earnings (Accumulated Deficit)	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Instruments at Fair Value through Other Comprehensive Income	Total	Total Equity	
	Common Stock		Total									
BALANCE AT JANUARY 1, 2023	\$ 582,587	\$ 2,052	\$ 584,639	\$ 350,157	\$ 83,922	\$ 203,810	\$ 287,732	\$ 14,959	\$ 21,780	\$ 36,739	\$ 1,259,267	
Appropriation of 2022 earnings												
Legal reserve					1,513	(1,513)						
Cash dividends distributed by the Company						(41,066)	(41,066)				(41,066)	
Issuance of ordinary shares under employee share options	4,068	(2,052)	2,016								2,016	
Net loss for the year ended December 31, 2023	-	-	-	-	-	(345,823)	(345,823)	-	-	-	(345,823)	
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax						154	154	5,971	3,914	9,885	10,039	
Total comprehensive income (loss) for the year ended December 31, 2023						(345,669)	(345,669)	5,971	3,914	9,885	(335,784)	
BALANCE AT DECEMBER 31, 2023	586,655	-	586,655	350,157	85,435	(184,438)	(99,003)	20,930	25,694	46,624	884,433	
Legal reserve used to cover accumulated deficits					(85,435)	85,435						
Capital surplus used to cover accumulated deficits				(99,003)		99,003	99,003					
Net profit for the year ended December 31, 2024	-	-	-	-	-	486,153	486,153	-	-	-	486,153	
Other comprehensive income for the year ended December 31, 2024, net of income tax						680	680	1,384	55,826	57,210	57,890	
Total comprehensive income for the year ended December 31, 2024						486,833	486,833	1,384	55,826	57,210	544,043	
BALANCE AT DECEMBER 31, 2024	\$ 586,655	\$ -	\$ 586,655	\$ 251,154	\$ -	\$ 486,833	\$ 486,833	\$ 22,314	\$ 81,520	\$ 103,834	\$ 1,428,476	

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

(With Deloitte & Touche auditors' report dated March 7, 2025)

COMTREND CORPORATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before income tax	\$ 578,371	\$ (352,886)
Adjustments for:		
Depreciation expense	50,889	31,608
Amortization expenses	1,042	1,001
Expected credit loss recognized on trade receivables	19,445	-
Net gain on fair value changes of financial assets at fair value through profit or loss	-	(783)
Finance costs	14,911	4,266
Interest income	(17,697)	(8,562)
Dividend income	(241)	(4,350)
Share of loss of subsidiaries	40,518	228,366
Gains on disposal of property, plant and equipment	(5)	-
Net loss on disposal of financial assets	-	666
Write-down of inventories	216,755	33,082
Unrealized gain on transactions with subsidiaries	38,786	55,867
Realized gain on transactions with subsidiaries	(55,867)	(50,815)
Gain on changes in lease	(58)	(32)
Net changes in operating assets and liabilities		
Trade receivables (including related parties)	(327,849)	93,936
Other receivables	7,907	(4,757)
Inventories	(97,408)	(263,447)
Other current assets	8,889	(1,997)
Net defined benefit assets	(203)	(604)
Financial liabilities at fair value through profit or loss	-	(666)
Contract liabilities	4,147	1,237
Notes payable and trade payables (including related parties)	9,501	120,272
Other payables	53,435	8,610
Provisions	35,472	856
Other current liabilities	66	(21)
Cash generated from (used in) operations	580,806	(109,153)
Interest received	17,697	8,562
Dividends received	-	4,350
Interest paid	(14,874)	(4,180)
Income tax paid	(1,585)	(705)
Net cash generated from (used in) operating activities	<u>582,044</u>	<u>(101,126)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for using the equity method	(17,397)	-
Payments for property, plant and equipment	(42,690)	(17,399)
Proceeds from disposal of property, plant and equipment	5	-
Decrease in refundable deposits	735	223
Payments for intangible assets	-	(1,611)
Net cash used in investing activities	<u>(59,347)</u>	<u>(18,787)</u>

(Continued)

COMTREND CORPORATION**STATEMENTS OF CASH FLOWS****FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023****(In Thousands of New Taiwan Dollars)**

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	\$ -	\$ 177,612
Repayment of short-term borrowings	(177,612)	-
Repayment of the principal portion of lease liabilities	(1,821)	(2,810)
Dividends paid to owners of the Company	-	(41,066)
Exercise of employee share options	<u>-</u>	<u>2,016</u>
Net cash (used in) generated from financing activities	<u>(179,433)</u>	<u>135,752</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	343,264	15,839
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	<u>396,953</u>	<u>381,114</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 740,217</u>	<u>\$ 396,953</u>

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