

Nexcom International Co.,Ltd.

2025 Annual Shareholders' Meeting Minutes

(Translation)

Time: 9:00 a.m. June 25, 2025 (Wednesday)

Venue: 9F., No. 920, Zhongzheng Rd., Zhonghe Dist., New Taipei City (auditorium of the Company)

Method: physical shareholders' meeting

Attendant: The total number of shares represented by the shareholders present and their proxies is 87,280,011 shares (including the number of shares that exercise voting rights electronically 12,875,072 shares), representing 61.80% of the Company's total issued shares of 141,226,472 shares.

Directors Present: Lin, Mao-Chang (the chairman of the Board of Directors), Tu, Shu — Ling (Director),
Wang, Yun-Yuao (Independent Director), Chen, Chin-Yin (Independent Director)

Others Present: Wu, Han-Chi, CPA of PricewaterhouseCoopers Taiwan

Tzan, Wen-Kai, lawyer of De-Cheng Law Office

Chairman: Lin, Mao-Chang, the chairman of the Board of Directors

Minute Recorder: Chen Yuan-Pin

I. Chairman announced commencement. (The aggregate shareholding of the shareholders present in person or by proxy constitutes a quorum. The Chairman called the meeting to order.)

II. Chairperson's Address : omitted

III. Report Items

1 · Business Report for 2024 (please see Attachment 1)

2 · Audit Committee's Review Report of Audited Financial Statements for 2024. (please see Attachment 2)

3 · Status Report on the Distributions of Employee Compensation and Director Remuneration for 2024.

Description: I. In accordance with "Articles of Incorporation", Article 20, employee compensation and Director remuneration are appropriated.

II. In 2024, the profit of the Company amounted to NT\$28,174,045 (pre-tax profit before employee compensation and Director remuneration). The Company appropriated 1.660528% of the profit or NT\$467,838 as employee compensation, and 0.830264% of the profit or NT\$233,919 as Director remuneration. Both were disbursed in cash.

The disbursements did not differ from the compensation and remuneration expenses recognized.

4 · Status of Implementation for Subsidiary's Endorsement and Guarantee Exceeding Limits.

Description: Important subsidiary "NexAIOT Co., Ltd." endorsement and guarantee exceeding limits and related improvement measures:

On July 29, 2024, NexAIOT Co., Ltd. provided guarantees for the bank financing facilities of its subsidiary NexCOBOT Taiwan Co., Ltd. Due to a decrease in net worth, the balance of endorsements and guarantees exceeded the established limits. As of December 31, 2024, the Company has replaced NexAIOT as the guarantor for NexCOBOT Taiwan Co., Ltd., and currently NexAIOT no longer has any endorsements and guarantees exceeding limits.

IV. Ratification Items

Proposal 1 (Proposed by the Board of Directors)

Item: Ratification of business report and financial statements for 2024.

Description: I. The Standalone and Consolidated Financial Statements for 2024 (Balance Sheet, Comprehensive Income Statement, Statement of Changes in Equity and Statement of Cash Flows) have been audited by CPAs from PricewaterhouseCoopers Taiwan (PwC Taiwan), Wu Jen-Chieh and Wang Sung-Tse. The financial statements, along with the Business Report have been submitted to the Audit Committee for review. A written report has since been issued and documented.

II. For Business Report, Independent Auditors' Report and the aforementioned Financial Statements, please see Attachment 1 and Attachment 3.

III. Kindly ratify.

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

Voting Results: Shares represented at the time of voting : 87, 280, 011 votes

Voting Results*	% of the total represented share present
Votes in 77,964,631 votes (3,559,692 votes) favor:	89.32%
Votes against: 17,039 votes (17,039 votes)	0.01%
Votes invalid: 0 votes	0.00%
Votes abstained: 9,298,341 votes (9,298,341 votes)	10.65%

*Including votes casted electronically (numbers in brackets)

Proposal 2 (Proposed by the Board of Directors)

Item: Ratification of earnings distribution for 2024.

Description: 1. The net profit after tax of the Company for 2024 amounted to NT\$84,889,869. In accordance with the provisions of the Company Act, the Company appropriated NT\$8,690,677 for legal capital reserve and reversed the special reserve in an amount of NT\$20,827,640. Adding the adjusted beginning balance of undistributed earnings of NT\$809,902,521, the accumulated distributable earnings amounted to NT\$908,946,251.

II. 2024 Earnings Distribution Table is as follows:

NEXCOM International Co., Ltd.
2024 Earnings Distribution Table

Unit: NT\$

Item	Amount
Beginning balance of undistributed earnings	809,902,521
Add: Adjustment to retained earnings for 2024	2,016,898
Adjusted beginning balance of undistributed earnings	811,919,419
Add: Net profit after tax for 2024	84,889,869
Less: Provision for legal reserve	(8,690,677)
Add: Reversal of special reserve	20,827,640
Distributable earnings	908,946,251
Assign items	
Dividend to shareholders - cash (NT\$0.6 per share)	84,735,883
End balance of undistributed earnings	824,210,368
Note: The shareholder dividend is distributed based on a total of 141,226,472 outstanding shares on March 31, 2025.	

Chairperson: Lin Mao-Chang

Manager: Yang Chien-Hsing

Head of Accounting: Chen Yuan-Pin

- III. Proposal for distributing cash dividend of NT\$0.6 per share, in which cash dividend shall be computed based on distribution proportion and rounded down to the nearest dollar (any amount below NT\$1 shall be omitted). The total fractional cash dividends less than NT\$1 shall be adjusted in the order starting from the largest to the smallest decimal number as well as from the smallest to the largest shareholder account number, until it reaches the total amount of the cash dividend to be distributed.
- IV. The ex-dividend and disbursement dates, and other relevant matters regarding the earnings distribution shall be determined subsequent to a resolution passed in the Shareholders' Meeting, in which the Chairperson shall be authorized to take charge of the undertaking.
- V. In the event that the share capital of the Company undergoes a change which affects the total number of outstanding shares, and changing the dividend payout ratio becomes necessary, the Chairperson shall be authorized with discretionary powers to make decisions pertaining to such matters.

VI. The distribution of earnings for 2024 shall be prioritized in the upcoming earnings distribution proposal.

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

Voting Results: Shares represented at the time of voting : 87, 280, 011 votes

Voting Results*			% of the total represented share present
Votes in favor:	77,954,431 votes	(3,549,492 votes)	89.31%
Votes against:	24,129 votes	(24,129 votes)	0.02%
Votes invalid:	0 votes		0.00%
Votes abstained:	9,301,451 votes	(9,301,451 votes)	10.65%

V. Discussion Items

Proposal 1 (Proposed by the Board of Directors)

Item: Proposal for amendments to the Company's "Articles of Incorporation".

Description: I. According to the Order Jing-Guan-Jeng-Fa-Zi No. 1130385442 dated November 8, 2024, and Article 14, Paragraph 6 of the Securities and Exchange Act, TWSE/TPEX-listed companies shall specify in their Articles of Incorporation matters related to allocating a certain percentage of annual profits for adjusting salaries or distributing remuneration to entry-level employees. The Company proposes to amend certain articles of its "Articles of Incorporation."

II. For the comparison table for amendments to the "Articles of Incorporation", please see Attachment 4.

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

Voting Results: Shares represented at the time of voting : 87, 280, 011 votes

Voting Results*			% of the total represented share present
Votes in favor:	77,957,529 votes	(3,552,590 votes)	89.31%
Votes against:	24,099 votes	(24,099 votes)	0.02%
Votes invalid:	0 votes		0.00%
Votes abstained:	9,298,383 votes	(9,298,383 votes)	10.65%

Proposal 2 (Proposed by the Board of Directors)

Item: Proposal for amendment to the Company's "Procedures for Acquisition and Disposal of Assets" submitted for discussion.

Description: I. In response to the Company's actual operational requirements, certain articles of the "Procedures for Acquisition and Disposal of Assets" are proposed to be amended.

II. For the comparison table of the articles before and after the amendment of the "Procedures for Acquisition and Disposal of Assets", please refer to Attachment 5.

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

Voting Results: Shares represented at the time of voting : 87, 280, 011 votes

Voting Results*			% of the total represented share present
Votes in favor:	77,957,419 votes	(3,552,480 votes)	89.31%
Votes against:	26,099 votes	(26,099 votes)	0.02%
Votes invalid:	0 votes		0.00%
Votes abstained:	9,296,493 votes	(9,296,493 votes)	10.65%

There were no questions from shareholders regarding the proposals at this meeting.

VI. Extemporary Motions : None.

VII. Adjournment : 9:21 a.m

Attachment 1

NEXCOM International Co., Ltd. Business Report for 2024

I. 2024 business results

In 2024, the Company's consolidated revenue stood at NT\$5.42107 billion, a decrease of 5.97% from NT\$5.76551 billion in 2023, the 2024 net profit after tax was NT\$84.89 million and basic earnings per share was NT\$0.6, a decrease of 53% from NT\$178.79 million in 2023 and a decrease of 53% from NT\$1.27 in 2023, respectively.

Following the downturn in 2023, industrial computer channels and customers are still digesting inventory. For two consecutive years, the entire industrial computer industry has experienced negative growth. Orders began to warm up in the second half of 2024, so shipments also resumed growth in the fourth quarter, with the negative growth rate notably narrowing compared to 2023. It is expected that a gradual recovery will begin from the first quarter of this year. NEXCOM Group's has transformed the business to Industry 4.0 related solutions, helping it establish a leading position in the industry, especially in terms of "AIoT digital transformation" and "ESG net zero transformation," the so-called "dual-axis transformation." NEXCOM Group owns the overall programs leading throughout the nation, coupled with the government's incentive policies. Therefore, this year, it is expected to make more obvious growth.

1. Financial income and expenses; profitability

Unit: NT\$ thousand

Item		2023	2024
Financial income and expenses	Net sales revenue	5,765,509	5,421,065
	Net profit before tax	244,884	(54,448)
Profitability	Return on Assets (%)	2.88	1.24
	Return on Shareholders' Equity (%)	5.56	1.46
	Ratio of operating profit to paid-in capital (%)	15.74	(10.28)
	Net profit before tax to paid-in capital (%)	17.34	(3.86)
	Net profit margin (%)	3.30	0.88
	Basic earnings per share	1.27	0.60

2. R&D status

Unit: NT\$ thousand

Item	2023	2024
Research and development expenses	585,037	586,366
Ratio of research and development expense to net sales revenue (%)	10.15	10.82

3. Technology and products successfully developed in 2024:

- (1) AI enabled 5G smart enterprise wireless network gateway
- (2) Integrated AI 5G/Cyber security application platform and AI accelerator
- (3) Power plant-level AI cybersecurity box
- (4) Development of Nvidia high-end Jetson AGX Orin GMSL2 camera model, applicable for real-time hazard identification and warning alerts in vehicle-mounted systems
- (5) Tool gravity compensation parameter identification technology
- (6) FuSa robot functional safety (RSAP: Robot Safety Application) technology development Robot Safety Application)
- (7) Introduction of Isaac Sim technology, integrating GRC controllers to achieve Digital Twin applications
- (8) Introduction and development of DDS technology, completing ECM product remote operation applications and integration with market DDS products
- (9) Introduction of LDRA software verification technology, used to obtain FuSa product software safety certification
- (10) Implemented CMAKE and VSCODE technology for software product development on Linux operating systems
- (11) Implemented Sentinel License Protection software
- (12) Implemented Angular Web front-end technology for developing cross-platform human-machine interface software
- (13) Completed delivery of Delta FuSa project DRSC2016 version B
- (14) Completed delivery of Estun FuSa project RSC version A
- (15) Developed eSAF Frontier V500 and V1000 multi-ports products for network isolation, network visualization, and real-time network monitoring to protect critical assets.
- (16) Developed eSAF Platform Manager P2000 with high performance capability to connect up to

30 Frontier X/V series devices, featuring AI/ML functionality for detecting abnormal network traffic and performing Large Language Model (LLM) inference.

(17) NEXCOM's subsidiary TMR Technologies Co., Ltd. has successfully obtained the cybersecurity capability registration certificate from the Ministry of Digital Affairs.

II. Summary of the Business Plan for 2025

NEXCOM has successfully transformed into an Industry 4.0 total solution provider and an innovative entrepreneurial group focused on the “dual transformation” of “AIoT digital transformation” and “ESG net-zero transformation”! All business units, whether hardware platforms or solutions, can become important growth engines under the strategy of division and integration, professional focus, and comprehensive AI implementation. While continuing to grow its hardware product portfolio, NEXCOM has become one of the leaders in the industry for its ventures in robots, smart manufacturing, manufacturing cyber security, smart health care, and in all respects concerning industry 4.0 and AIoT solutions, including green manufacturing, not to mention its undertaking of smart factory turnkey projects. It has also modularized and platformized all of its technologies and products and made them free for download and painless development, in order to construct a network platform and ecosystem for sharing, co-creation, and mutual prosperity.

The business focus for 2025 will be the following:

1. NEXCOM will respond to the government's incentive policy to actively engage in the business of whole smart plant output and green manufacturing. It will also act in phase to develop ecological systems among different industries, play the national team, and actively participate in associations to advance its discourse right.
2. NEXCOM will continue to market its hardware products in the form of industry 4.0 total solutions. Meanwhile, NEXCOM will continue its “cross-industry alliance and whole plant export” strategy in Taiwan, and tap deeply into the US, China, and emerging countries in the Southeast Asia and scale up, so as to seize the growing opportunities.
3. NEXCOM will continue to enhance the relationship with its solution partners and important strategic alliance partners (e.g., ERP companies, CNC companies, and ESG carbon footprint verification companies) in scale and in depth by means of product collaborations and joint marketing, and thus form a long-term partnership for further growth, which on the other hand adds value to NEXCOM's

products.

4. Capitalizing on NEXCOM's leading software and hardware products and technologies in connection with smart manufacturing and smart machinery, with full AI implementation, AI killer products and AI's strong momentum, NEXCOM, on the subsidiary AIoT Cloud's website, offers free downloads, experience, and developments to schools, enterprises, and startup companies, and sells standard modules and all related software and hardware packages of robots, smart manufacturing, industrial IoT, enterprise situation rooms, and solutions to assist Taiwan and the world in the development of talents and entrepreneurs for Industry 4.0 and AIoT digital transformation. Thereby, it expands the outlets for IPC hardware by providing solutions and subsequently spreads over the network ecosystem.

Compared with 2024, NEXCOM will make progress in terms of products, organization, global deployment, and management team, and so its market competitiveness will be even greater. So will be its customer base in terms of number and scale. Aided by new products, new markets, and supports from strategic partners, NEXCOM will boost its reach to brand new areas and construct much more powerful growth engines. The new year will bring new harvest to NEXCOM.

NEXCOM's performance in 2024 slightly declined due to the final phase of inventory clearance. A gradual recovery may take place this year. Nevertheless, markets related to Industry 4.0 smart manufacturing, AIoT digital transformation, and ESG net-zero transformation — the so-called dual-axis transformation — are heating up with the support of AI. In addition, newly established smart factories driven by supply chain resilience considerations and various new business investments by NEXCOM are expected to begin contributing to revenue. Supported by new products, key customers, and new projects, with strong demand and leading offerings, the overall performance for 2025 remains promising despite a mixture of positive and negative factors. This will no doubt rely on the collective efforts of all employees and the continued support of our shareholders. With the guidance and supervision of the Board of Directors, NEXCOM looks forward to delivering another successful year.

We wish you good health, and may all your wishes come true.

Chairperson: Lin Mao-Chang

President: Yang Chien-Hsing

Head of Accounting: Chen Yuan-Pin

Attachment 2

NEXCOM International Co., Ltd.

Audit Committee Review Report

The Board of Directors prepared and presented the Company's 2024 Business Report, individual financial statements, and consolidated financial statements. The individual and consolidated financial statements were audited by CPA Wu Jen-Chieh and CPA Wang Sung-Tse of PwC Taiwan, who issued an independent auditors' report. The above-mentioned statements have been reviewed by the Audit Committee and found to be in order. This report is hereby prepared in accordance with Article 14-4 of the Securities and Exchange Act for your review.

To

The 2025 Annual General Meeting of NEXCOM International Co., Ltd.

Audit Committee Convener

Yung-Yao Wang

February 26, 2025

NEXCOM International Co., Ltd.

Audit Committee Review Report

The Board of Directors has prepared and submitted a proposal of the Company's 2024 earnings distribution. The proposal has been reviewed by the Audit Committee and found to be in order. This report is hereby prepared in accordance with Article 14-4 of the Securities and Exchange Act for your review.

To

The 2025 Annual General Meeting of NEXCOM International Co., Ltd.

Audit Committee Convener

Yung-Yao Wang

May 6, 2025

Attachment 3

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of NEXCOM International Co., Ltd.

PWCR24000385

Opinion

We have audited the accompanying parent company only balance sheets of NEXCOM International Co., Ltd. (the “Company”) as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its 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 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 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. Based on our audits and the reports of other auditors, 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 Company's 2024 parent company only financial statements. 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, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2024 parent company only financial statements are stated as follows:

Adequacy of allowance for inventory valuation loss**Description**

Refer to Note 4(11) for description of accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(3) for details of inventories. As of December 31, 2024, the Company's inventories and allowance for inventory valuation loss amounted to NT\$1,494,832 thousand and NT\$221,143 thousand, respectively.

The Company is primarily engaged in the manufacture and sales of industrial personal computers and there is a higher risk of inventory losing value or becoming obsolete due to the rapid technology innovation and stiff competition in the market. The Company's inventories are stated at the lower of cost and net realisable value, and the Company recognises loss on decline in value of obsolete or damaged inventories based on specific identification.

Since the amounts of inventories are material, types of inventories are various, and the determination of the net realisable value for individually identified obsolete or scrap inventories involves subjective judgement, we identified the adequacy of allowance for inventory valuation loss as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding of and assessed the reasonableness of accounting policies on provision of allowance for inventory valuation losses and confirmed whether they were adopted consistently in the comparative period.
- B. Inspected the annual plan of the physical inventory count and performed observation on inventory count, and evaluated the effectiveness of procedures in determining obsolete inventories.
- C. Verified the appropriateness of the system logic in calculating the ageing of inventories, and confirmed whether it is consistent with the accounting policy.
- D. For the net realisable value of inventories that are over a certain age and individually identified obsolete and damaged inventories, discussed with the management, obtained supporting documents and reviewed the calculation of the net realisable value.
- E. Tested the market price used to estimate the net realisable value of individual inventories, and selected samples to verify the calculation of net realisable value.

Existence and occurrence of sales revenue

Description

Refer to Note 4(26) for description of accounting policy on revenue recognition and Note 6(21) for the details of operating revenue.

The Group's sales are mainly arising from the manufacturing and sale of industrial personal computers. As the market of industrial personal computers is competitive and the revenue is affected by the changes in the global technological environment as well as the industrial computer orders are fluctuated by the project life cycles, resulting in the changes of top 10 trading counterparties, which may have significant effects on the operating revenue, we considered the existence and occurrence of sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding of the internal control relating to sales revenue and tested the effectiveness of the internal control.
- B. Checked the related industry background in respect of the newly top 10 trading counterparties.
- C. Obtained and selected samples to verify related vouchers of sales revenue from the newly top 10 trading counterparties.

Other matter - Reference to the audits of other auditors

The financial statements of certain investees accounted for using equity method for the years ended December 31, 2024 and 2023 were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in the parent company only financial statements in respect of these companies, is based solely on the reports of the other auditors. The aforementioned investments accounted for using equity method (accounts with credit balance were shown as ‘other non-current liabilities, others’) amounted to NT\$219,511 thousand and NT\$407,897 thousand, constituting 4% and 7% of the Company’s total assets as at December 31, 2024 and 2023, respectively, and the comprehensive income recognised from the aforementioned investees amounted to (NT\$137,745) thousand and NT\$50,420 thousand, constituting (108%) and 27% of the Company’s total comprehensive income for the years then ended, respectively.

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 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 professional skepticism throughout the audit.

We also:

- A. 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.

- B. 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.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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.
- E. 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.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the 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 of the current period 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.

For and on Behalf of PricewaterhouseCoopers, Taiwan
February 26, 2025

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

NEXCOM INTERNATIONAL CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	530,646	9	\$	504,868	8
1136	Current financial assets at amortised cost	6(5)		-	-		5,000	-
1150	Notes receivable, net	6(2)		3	-		13	-
1170	Accounts receivable, net	6(2)		835,694	14		393,759	6
1180	Accounts receivable - related parties	7		545,790	9		640,223	10
1200	Other receivables			41,380	1		23,515	1
1210	Other receivables - related parties	7		28,043	-		16,461	-
130X	Inventory	6(3)		1,273,689	21		1,331,870	22
1410	Prepayments			19,255	-		16,728	-
11XX	Total current assets			3,274,500	54		2,932,437	47
Non-current assets								
1517	Non-current financial assets at fair value through other comprehensive income	6(4)		39,348	-		48,657	1
1535	Non-current financial assets at amortised cost	6(5)		12,372	-		12,337	-
1550	Investments accounted for under equity method	6(6)		831,450	14		1,220,632	19
1600	Property, plant and equipment	6(7) and 8		1,315,284	21		1,362,614	22
1755	Right-of-use assets	6(8)		287,012	5		331,483	5
1760	Investment property - net	6(10) and 8		169,515	3		171,035	3
1780	Intangible assets	6(11)		44,199	1		40,241	1
1840	Deferred income tax assets	6(27)		62,599	1		68,849	1
1900	Other non-current assets	6(12)		40,889	1		38,921	1
15XX	Total non-current assets			2,802,668	46		3,294,769	53
1XXX	Total assets		\$	6,077,168	100	\$	6,227,206	100

(Continued)

NEXCOM INTERNATIONAL CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023				
			AMOUNT	%	AMOUNT	%			
Current liabilities									
2100	Short-term borrowings	6(13) and 8	\$	1,315,065	22	\$	1,652,820	27	
2110	Short-term notes and bills payable	6(14)		50,000	1		30,000	-	
2130	Current contract liabilities	6(21)		23,496	-		21,097	-	
2150	Notes payable			2	-		43	-	
2170	Accounts payable	7		777,778	13		366,474	6	
2200	Other payables	6(15) and 7		266,788	4		332,374	5	
2230	Current income tax liabilities			67,278	1		108,477	2	
2250	Provisions for liabilities - current	6(16)		29,845	1		32,166	1	
2280	Current lease liabilities			59,473	1		54,692	1	
2300	Other current liabilities			7,757	-		7,596	-	
21XX	Total current liabilities			2,597,482	43		2,605,739	42	
Non-current liabilities									
2550	Provisions for liabilities - non-current	6(16)		9,170	-		8,076	-	
2570	Deferred income tax liabilities	6(27)		25,621	-		120,560	2	
2580	Non-current lease liabilities			237,710	4		286,227	5	
2600	Other non-current liabilities	6(6)		35,898	1		2,222	-	
25XX	Total non-current liabilities			308,399	5		417,085	7	
2XXX	Total liabilities			2,905,881	48		3,022,824	49	
Equity									
	Share capital	6(18)							
3110	Common stock			1,412,265	23		1,412,265	23	
	Capital surplus	6(19)							
3200	Capital surplus			375,545	6		366,535	6	
	Retained earnings	6(20)							
3310	Legal reserve			446,207	7		428,308	7	
3320	Special reserve			20,828	-		30,188	-	
3350	Unappropriated retained earnings			896,809	15		987,913	16	
	Other equity interest								
3400	Other equity interest			19,633	1	(20,827)	(1)
3XXX	Total equity			3,171,287	52		3,204,382	51	
	Significant contingent liabilities and unrecognised contract commitments	9							
3X2X	Total liabilities and equity		\$	6,077,168	100	\$	6,227,206	100	

The accompanying notes are an integral part of these parent company only financial statements.

NEXCOM INTERNATIONAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Year ended December 31			
			2024		2023	
Items		Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(21) and 7	\$ 3,967,420	100	\$ 4,120,632	100
5000	Operating costs	6(3)(25)(26) and 7	(3,172,964)	(80)	(3,270,408)	(79)
5900	Net operating margin		794,456	20	850,224	21
5910	Unrealised profit from sales		(26,249)	(1)	(32,438)	(1)
5920	Realized profit from sales		32,438	1	36,346	1
5950	Net operating margin		800,645	20	854,132	21
	Operating expenses	6(25)(26)				
6100	Selling expenses		(296,836)	(7)	(274,506)	(7)
6200	General and administrative expenses		(107,780)	(3)	(108,939)	(3)
6300	Research and development expenses		(387,251)	(10)	(389,018)	(9)
6450	Expected credit impairment (loss) gain	12(2)	(2,837)	-	1,171	-
6000	Total operating expenses		(794,704)	(20)	(771,292)	(19)
6900	Operating profit		5,941	-	82,840	2
	Non-operating income and expenses					
7100	Interest income	6(22)	1,791	-	1,948	-
7010	Other income	6(23)	138,715	4	92,959	2
7020	Other gains and losses	6(24)	39,866	1	3,351	-
7050	Finance costs		(40,118)	(1)	(42,032)	(1)
7070	Share of (loss) profit of associates and joint ventures accounted for using equity method, net	6(6)	(118,723)	(3)	62,789	2
7000	Total non-operating income and expenses		21,531	1	119,015	3
7900	Profit before income tax		27,472	1	201,855	5
7950	Income tax benefit (expense)	6(27)	57,418	1	(23,064)	-
8200	Profit for the year		\$ 84,890	2	\$ 178,791	5
Other comprehensive income						
Components of other comprehensive income that will not be reclassified to profit or loss						
8311	Actuarial gains on defined benefit plan	6(17)	\$ 2,521	-	\$ 248	-
8316	Unrealised (loss) gain from investments in equity instruments measured at fair value through other comprehensive income	6(4)	(5,409)	-	9,813	-
8330	Share of other comprehensive loss of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		(152)	-	-	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(27)	(504)	-	(50)	-
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss		(3,544)	-	10,011	-
Components of other comprehensive income that will be reclassified to profit or loss						
8361	Exchange differences on translation		46,021	1	(453)	-
8300	Other comprehensive income for the year		\$ 42,477	1	\$ 9,558	-
8500	Total comprehensive income for the year		\$ 127,367	3	\$ 188,349	5
Earnings per share (in dollars)						
9750	Basic earnings per share	6(28)	\$ 0.60		\$ 1.27	
9850	Diluted earnings per share		\$ 0.60		\$ 1.27	

The accompanying notes are an integral part of these parent company only financial statements.

NEXCOM INTERNATIONAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings					Other Equity Interest			Total equity
		Share capital - common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income		
<u>Year ended December 31, 2023</u>										
Balance at January 1, 2023		\$ 1,412,265	\$ 367,987	\$ 336,749	\$ 66,125	\$ 1,288,225	\$ 2,047	\$ 32,234	\$	3,441,164
Profit for the year	6(4)	-	-	-	-	178,791	-	-	-	178,791
Other comprehensive income (loss) for the year		-	-	-	-	198	(453)	9,813		9,558
Total comprehensive income (loss)		-	-	-	-	178,989	(453)	9,813		188,349
Distribution of 2022 earnings	6(20)									
Legal reserve		-	-	91,559	-	(91,559)	-	-		-
Reversal of special reserve		-	-	-	(35,937)	35,937	-	-		-
Cash dividends		-	-	-	-	(423,679)	-	-		(423,679)
Changes in ownership interests in subsidiaries	6(19)	-	(1,452)	-	-	-	-	-		(1,452)
Balance at December 31, 2023		\$ 1,412,265	\$ 366,535	\$ 428,308	\$ 30,188	\$ 987,913	\$ 1,594	\$ 22,421	\$	3,204,382
<u>Year ended December 31, 2024</u>										
Balance at January 1, 2024		\$ 1,412,265	\$ 366,535	\$ 428,308	\$ 30,188	\$ 987,913	\$ 1,594	\$ 22,421	\$	3,204,382
Profit for the year		-	-	-	-	84,890	-	-		84,890
Other comprehensive income (loss)	6(4)	-	-	-	-	2,017	46,021	(5,561)		42,477
Total comprehensive income (loss)		-	-	-	-	86,907	46,021	(5,561)		127,367
Distribution of 2023 earnings	6(20)									
Legal reserve		-	-	17,899	-	(17,899)	-	-		-
Reversal of special reserve		-	-	-	(9,360)	9,360	-	-		-
Cash dividends		-	-	-	-	(169,472)	-	-		(169,472)
Changes in ownership interests in subsidiaries	6(19)	-	9,010	-	-	-	-	-		9,010
Balance at December 31, 2024		\$ 1,412,265	\$ 375,545	\$ 446,207	\$ 20,828	\$ 896,809	\$ 47,615	\$ 27,982	\$	3,171,287

NEXCOM INTERNATIONAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 27,472	\$ 201,855
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property)	6(7)(10)(25)	69,963	82,090
Depreciation (Right-of-use assets)	6(8)(25)	58,331	54,832
Amortization	6(11)(25)	28,042	29,307
Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	12(2)	2,837	(1,171)
Interest expense		36,829	38,396
Interest expense (lease liability)	6(8)	3,289	3,636
Interest income	6(23)	(1,791)	(1,948)
Dividend income	6(23)	(8,015)	(1,356)
Overdue other payables transferred to other income		(45,941)	-
Share of loss (profit) of subsidiaries accounted for under the equity method	6(6)	118,723	(62,789)
Gain on disposal and scrap of property, plant and equipment	6(24)	(410)	(1,445)
Loss on disposal of investment	6(24)	-	837
Unrealised gross profit		26,249	32,438
Realized gross profit		(32,438)	(36,346)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		10	(10)
Accounts receivable		(444,552)	760,370
Accounts receivable - related parties		94,213	183,871
Other receivables		(17,840)	6,378
Other receivables - related parties		(11,582)	4,292
Inventories		58,181	630,443
Prepayments		(2,527)	(5,796)
Changes in operating liabilities			
Current contract liabilities		2,399	(16,903)
Notes payable		(41)	43
Accounts payable (including related parties)		411,304	(707,708)
Other payables		(16,319)	(63,882)
Provision		(1,227)	(2,307)
Other current liabilities		161	(3,768)
Cash inflow generated from operations		355,320	1,123,359
Interest received		1,766	1,928
Dividends received		387,824	355,238
Interest paid		(40,140)	(41,615)
Income tax paid		(72,975)	(59,679)
Net cash flows from operating activities		631,795	1,379,231

(Continued)

NEXCOM INTERNATIONAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	6(4)	\$ 3,900	\$ 5,500
Decrease (increase) in current financial assets at amortised cost		5,000	(5,000)
Increase in non-current financial assets at amortised cost		(35)	(32)
Acquisition of investments accounted for using equity method	6(6)	(14,600)	-
Return of capital from liquidation of subsidiary		-	18,745
Acquisition of property, plant and equipment	6(29)	(19,736)	(42,053)
Proceeds from disposal of property, plant and equipment		410	1,445
Acquisition of intangible assets	6(11)	(32,000)	(23,745)
Increase in refundable deposits		(839)	(36)
Increase in other non-current assets		-	(1,392)
Net cash flows used in investing activities		(57,900)	(46,568)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings		(337,755)	(752,180)
Decrease in short-term notes and bills payable		20,000	(70,000)
Decrease in guarantee deposits received		(5)	-
Payment of lease liabilities		(60,885)	(56,519)
Cash dividends paid	6(20)	(169,472)	(423,679)
Net cash flows used in financing activities		(548,117)	(1,302,378)
Net increase in cash and cash equivalents		25,778	30,285
Cash and cash equivalents at beginning of year	6(1)	504,868	474,583
Cash and cash equivalents at end of year	6(1)	\$ 530,646	\$ 504,868

The accompanying notes are an integral part of these parent company only financial statements.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of NEXCOM International Co., Ltd.

PWCR24000299

Opinion

We have audited the accompanying consolidated balance sheets of NEXCOM International Co., Ltd. and its subsidiaries (the “Group”) as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other auditors, 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 Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

Adequacy of allowance for inventory valuation loss

Description

Refer to Note 4(13) for description of accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(4) for details of inventories. As of December 31, 2024, the Group's inventories and allowance for inventory valuation loss amounted to NT\$1,986,268 thousand and NT\$404,995 thousand, respectively.

The Group is primarily engaged in the manufacture and sales of industrial personal computers and there is a higher risk of inventory losing value or becoming obsolete due to the rapid technology innovation and stiff competition in the market. The Group's inventories are stated at the lower of cost and net realisable value, and the Group recognizes loss on decline in value of obsolete or damaged inventories based on specific identification.

Since the amounts of inventories are material, types of inventories are various, and the determination of the net realisable value for individually identified obsolete or scrap inventories involves subjective judgement, we identified the adequacy of allowance for inventory valuation loss as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding of and assessed the reasonableness of accounting policies on provision of allowance for inventory valuation losses and confirmed whether they were adopted consistently in the comparative period.
- B. Inspected the annual plan of the physical inventory count and performed observation of inventory count, and evaluated the effectiveness of procedures in determining obsolete inventories.

- C. Verified the appropriateness of the system logic in calculating the ageing of inventories, and confirmed whether it is consistent with the accounting policy.
- D. For the net realisable value of inventories that are over a certain age and individually identified obsolete and damaged inventories, discussed with the management, obtained supporting documents and reviewed the calculation of the net realisable value.
- E. Tested the market price used to estimate the net realisable value of individual inventories, and selected samples to verify the calculation of net realisable value.

Existence and occurrence of sales revenue

Description

Refer to Note 4(29) for description of accounting policy on revenue recognition and Note 6(24) for the details of operating revenue.

The Group's sales are mainly arising from the manufacturing and sale of industrial personal computers. As the market of industrial personal computers is competitive and the revenue is affected by the changes in the global technological environment as well as the industrial computer orders are fluctuated by the project life cycles, resulting in the changes of top 10 trading counterparties, which may have significant effects on the operating revenue, we considered the existence and occurrence of sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding of the internal control relating to sales revenue and tested the effectiveness of the internal control.
- B. Checked the related industry background in respect of the newly top 10 trading counterparties.
- C. Obtained and selected samples to verify related vouchers of sales revenue from the newly top 10 trading counterparties.

Other matter - Reference to the audits of other auditors

The financial statements of certain subsidiaries and investments accounted for under the equity method as at and for the years ended December 31, 2024 and 2023 were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements in respect of these subsidiaries and investees, is based solely on the reports of the other auditors. Total assets of these subsidiaries including the balance of these investments accounted for using equity method amounted to NT\$1,375,831 thousand and NT\$1,421,596 thousand, both constituting 20% of the consolidated total assets as at December 31, 2024 and 2023, respectively, and the operating revenue amounted to NT\$1,736,342 thousand and NT\$2,350,282 thousand, constituting 32% and 41% of the consolidated total operating revenue for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion with other matter section on the parent company only financial statements of NEXCOM International Co., Ltd. as at and for the years ended December 31, 2024 and 2023.

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 professional skepticism throughout the audit. We also:

- A. 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.
- B. 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.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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.
- E. 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.

F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with 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 of the current period 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.

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 26, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

NEXCOM INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	1,485,845	22	\$	1,697,599	25
1136	Current financial assets at amortised cost	6(6)		-	-		5,000	
1150	Notes receivable, net	6(2)		553	-		2,565	-
1170	Accounts receivable, net	6(2)		1,291,093	19		931,951	13
1180	Accounts receivable - related parties	7		28,963	-		8,697	-
1200	Other receivables	6(3)		68,253	1		268,633	4
130X	Inventory	6(4)		1,581,273	24		1,680,965	24
1410	Prepayments			64,277	1		113,701	2
11XX	Total current assets			4,520,257	67		4,709,111	68
Non-current assets								
1517	Non-current financial assets at fair value through other comprehensive income	6(5)		39,604	-		49,114	1
1535	Non-current financial assets at amortised cost	6(6)		15,473	-		15,391	-
1550	Investments accounted for under equity method	6(7)		849	-		3,394	-
1600	Property, plant and equipment	6(8) and 8		1,391,232	21		1,400,869	20
1755	Right-of-use assets	6(9)		319,661	5		388,451	6
1760	Investment property - net	6(11) and 8		186,001	3		171,035	2
1780	Intangible assets	6(12)		52,907	1		51,130	1
1840	Deferred income tax assets	6(30)		146,476	2		105,536	1
1900	Other non-current assets	6(13)		59,487	1		62,388	1
15XX	Total non-current assets			2,211,690	33		2,247,308	32
1XXX	Total assets		\$	6,731,947	100	\$	6,956,419	100

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NEXCOM INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(14) and 8	\$ 1,447,850	22	\$ 1,707,820	25
2110	Short-term notes and bills payable	6(15)	50,000	1	30,000	-
2130	Current contract liabilities	6(24)	120,351	2	152,768	2
2150	Notes payable		1,184	-	67	-
2170	Accounts payable	7	991,051	15	560,558	8
2200	Other payables	6(16)	360,169	5	457,928	7
2230	Current income tax liabilities		72,252	1	148,077	2
2250	Provisions for liabilities - current	6(17)	29,845	-	32,166	1
2280	Current lease liabilities		76,644	1	77,779	1
2320	Long-term liabilities, current portion	6(18)	1,439	-	-	-
2399	Other current liabilities, others		18,758	-	17,223	-
21XX	Total current liabilities		3,169,543	47	3,184,386	46
Non-current liabilities						
2540	Long-term borrowings	6(18) and 8	33,162	1	-	-
2550	Provisions for liabilities - non-current	6(17)	9,170	-	8,076	-
2570	Deferred income tax liabilities	6(30)	27,423	-	121,551	2
2580	Non-current lease liabilities		259,112	4	326,352	4
2600	Other non-current liabilities		2,616	-	2,222	-
25XX	Total non-current liabilities		331,483	5	458,201	6
2XXX	Total liabilities		3,501,026	52	3,642,587	52
Equity attributable to owners of parent						
	Share capital	6(21)				
3110	Common stock		1,412,265	21	1,412,265	20
	Capital surplus	6(22)				
3200	Capital surplus		375,545	5	366,535	5
	Retained earnings	6(23)				
3310	Legal reserve		446,207	7	428,308	6
3320	Special reserve		20,828	-	30,188	1
3350	Unappropriated retained earnings		896,809	13	987,913	14
	Other equity interest					
3400	Other equity interest		19,633	1	(20,827)	-
31XX	Equity attributable to owners of parent		3,171,287	47	3,204,382	46
36XX	Non-controlling interest		59,634	1	109,450	2
3XXX	Total equity		3,230,921	48	3,313,832	48
	Significant contingent liabilities and unrecognized contract commitments	9				
3X2X	Total liabilities and equity		\$ 6,731,947	100	\$ 6,956,419	100

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

NEXCOM INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

Items		Notes	Year ended December 31			
			2024		2023	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(24) and 7	\$ 5,421,065	100	\$ 5,765,509	100
5000	Operating costs	6(4)(28)(29) and 7	(4,125,619)	(76)	(4,154,828)	(72)
5900	Gross profit from operations		1,295,446	24	1,610,681	28
	Operating expenses	6(28)(29)				
6100	Selling expenses		(666,378)	(12)	(682,307)	(12)
6200	Administrative expenses		(156,548)	(3)	(134,576)	(2)
6300	Research and development expense		(586,366)	(11)	(585,037)	(10)
6450	(Expected credit impairment loss) impairment gain determined in accordance with IFRS 9	12(2)	(31,286)	(1)	13,558	-
6000	Total operating expenses		(1,440,578)	(27)	(1,388,362)	(24)
6900	Operating (loss) profit		(145,132)	(3)	222,319	4
	Non-operating income and expenses					
7100	Interest income	6(25)	39,463	1	40,187	1
7010	Other income	6(26)	108,317	2	66,458	1
7020	Other gains and losses	6(27)	(8,003)	-	(27,321)	(1)
7050	Finance costs		(46,443)	(1)	(46,336)	(1)
7060	Share of loss of associates and joint ventures accounted for under equity method	6(7)	(2,650)	-	(10,423)	-
7000	Total non-operating income and expenses		90,684	2	22,565	-
7900	Profit (loss) before income tax		(54,448)	(1)	244,884	4
7950	Income tax benefit (expense)	6(30)	102,303	2	(54,453)	(1)
8200	Profit for the year		\$ 47,855	1	\$ 190,431	3

(Continued)

NEXCOM INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

		Year ended December 31			
		2024		2023	
Items	Notes	AMOUNT	%	AMOUNT	%
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains on remeasurements of defined benefit plans	\$ 2,521	-	\$ 248	-
8316	Unrealized (loss) gain on financial assets measured at fair value through other comprehensive income	(5,610)	-	9,813	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(504)	-	(50)	-
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss	(3,593)	-	10,011	-
Other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statements	45,516	1	(81)	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss	45,516	1	(81)	-
8300	Total other comprehensive income for the year	<u>\$ 41,923</u>	<u>1</u>	<u>\$ 9,930</u>	<u>-</u>
8500	Total comprehensive income for the year	<u>\$ 89,778</u>	<u>2</u>	<u>\$ 200,361</u>	<u>3</u>
Profit (loss) attributable to:					
8610	Owners of the parent	\$ 84,890	2	\$ 178,791	3
8620	Non-controlling interest	(37,035)	(1)	11,640	-
		<u>\$ 47,855</u>	<u>1</u>	<u>\$ 190,431</u>	<u>3</u>
Comprehensive income (loss) attributable to:					
8710	Owners of the parent	\$ 127,367	3	\$ 188,349	3
8720	Non-controlling interest	(37,589)	(1)	12,012	-
		<u>\$ 89,778</u>	<u>2</u>	<u>\$ 200,361</u>	<u>3</u>
Earnings per share (in dollars)					
9750	Basic earnings per share	<u>\$ 0.60</u>		<u>\$ 1.27</u>	
9850	Diluted earnings per share	<u>\$ 0.60</u>		<u>\$ 1.27</u>	

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

NEXCOM INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent								Non-controlling interest	Total equity	
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Retained Earnings				Other Equity Interest			
				Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income			Total
Year ended December 31, 2023											
Balance at January 1, 2023		\$ 1,412,265	\$ 367,987	\$ 336,749	\$ 66,125	\$ 1,288,225	\$ 2,047	\$ 32,234	\$ 3,441,164	\$ 95,283	\$ 3,536,447
Profit for the year		-	-	-	-	178,791	-	-	178,791	11,640	190,431
Other comprehensive income (loss) for the year	6(5)	-	-	-	-	198	(453)	9,813	9,558	372	9,930
Total comprehensive income (loss)		-	-	-	-	178,989	(453)	9,813	188,349	12,012	200,361
Appropriations of 2022 earnings	6(23)	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	91,559	-	(91,559)	-	-	-	-	-
Reversal of special reserve		-	-	-	(35,937)	35,937	-	-	-	-	-
Cash dividends		-	-	-	-	(423,679)	-	-	(423,679)	-	(423,679)
Changes in ownership interests in subsidiaries		-	(1,452)	-	-	-	-	-	(1,452)	15,402	13,950
Change in non-controlling interests		-	-	-	-	-	-	-	-	(13,247)	(13,247)
Balance at December 31, 2023		\$ 1,412,265	\$ 366,535	\$ 428,308	\$ 30,188	\$ 987,913	\$ 1,594	(\$ 22,421)	\$ 3,204,382	\$ 109,450	\$ 3,313,832
Year ended December 31, 2024											
Balance at January 1, 2024		\$ 1,412,265	\$ 366,535	\$ 428,308	\$ 30,188	\$ 987,913	\$ 1,594	(\$ 22,421)	\$ 3,204,382	\$ 109,450	\$ 3,313,832
Profit (loss) for the year		-	-	-	-	84,890	-	-	84,890	(37,035)	47,855
Other comprehensive income (loss) for the year	6(5)	-	-	-	-	2,017	46,021	(5,561)	42,477	(554)	41,923
Total comprehensive income (loss)		-	-	-	-	86,907	46,021	(5,561)	127,367	(37,589)	89,778
Appropriations of 2023 earnings	6(23)	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	17,899	-	(17,899)	-	-	-	-	-
Reversal of special reserve		-	-	-	(9,360)	9,360	-	-	-	-	-
Cash dividends		-	-	-	-	(169,472)	-	-	(169,472)	-	(169,472)
Changes in ownership interests in subsidiaries	6(22)	-	9,010	-	-	-	-	-	9,010	5,435	14,445
Change in non-controlling interests		-	-	-	-	-	-	-	-	(17,662)	(17,662)
Balance at December 31, 2024		\$ 1,412,265	\$ 375,545	\$ 446,207	\$ 20,828	\$ 896,809	\$ 47,615	(\$ 27,982)	\$ 3,171,287	\$ 59,634	\$ 3,230,921

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

NEXCOM INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit before tax		(\$ 54,448)	\$ 244,884
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property)	6(27)(28)	90,777	100,918
Depreciation (Right-of-use assets)	6(28)	79,074	77,112
Amortization	6(28)	32,225	32,141
Expected impairment loss (impairment gain)	12(2)	31,286 (	13,558)
Interest expense		40,615	39,497
Interest expense (lease liability)	6(9)	5,828	6,839
Interest income	6(26)	(39,463 ) (	40,187)
Overdue other payables transferred to other income	6(26)	(46,193)	-
Dividend income	6(26)	(8,015 ) (	1,356)
Share-based payments	6(20)	-	1,369
Share of loss of associates accounted for under the equity method	6(7)	2,650	10,423
Gain on disposal and scrap of property, plant and equipment	6(27)	(1,353 ) (	1,295)
Loss on disposal of investment	6(27)	101	837
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		2,012	354
Accounts receivable	(	397,004)	960,707
Accounts receivable - related parties	(	13,690)	32,046
Other receivables	(	7,808)	26,582
Inventories		99,692	732,300
Prepayments		49,424 (	38,682)
Other non-current assets		436 (	667)
Changes in operating liabilities			
Contract liabilities	(	32,417 ) (	26,917)
Notes payable		1,117 (	315)
Accounts payable		430,493 (	671,566)
Other payables	(	43,046 ) (	63,750)
Provision	(	1,227 ) (	2,307)
Other current liabilities		1,535	6,632
Other liabilities		-	(260)
Cash inflow generated from operations		222,601	1,411,781
Interest received		39,410	25,071
Dividends received		8,015	1,356
Interest paid	(	46,330 ) (	45,919)
Income tax paid	(	122,101 ) (	90,314)
Net cash flows from operating activities		101,595	1,301,975

(Continued)

NEXCOM INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	6(5)	\$ 3,900	\$ 5,500
Decrease (increase) in financial assets at amortised cost, net-current		5,000	(5,000)
Increase in financial assets at amortised cost, net-non-current		(82)	(735)
Acquisition of property, plant and equipment	6(32)	(94,464)	(52,859)
Proceeds from disposal of property, plant and equipment		2,648	1,295
Acquisition of intangible assets	6(12)	(34,002)	(27,809)
Decrease (increase) in refundable deposits		669	(4,951)
Proceeds from disposal of subsidiaries		236,914	357,372
Increase in other non-current assets		(1,010)	(3,504)
Net cash flows from investing activities		<u>119,573</u>	<u>269,309</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term loans		(259,970)	(762,180)
Increase (decrease) in short-term notes and bills payable		20,000	(70,000)
Proceeds from long-term borrowings		35,000	-
Payment of long-term debt		(399)	-
Decrease in guarantee deposits received		394	-
Payment of lease liabilities		(84,733)	(81,703)
Cash dividends paid	6(23)	(169,472)	(423,679)
Change in non-controlling interest		(3,216)	(1,690)
Net cash flows used in financing activities		<u>(462,396)</u>	<u>(1,339,252)</u>
Effect of foreign exchange translations		29,474	1,092
Net (decrease) increase in cash and cash equivalents		(211,754)	233,124
Cash and cash equivalents at beginning of year	6(1)	1,697,599	1,464,475
Cash and cash equivalents at end of year	6(1)	<u>\$ 1,485,845</u>	<u>\$ 1,697,599</u>

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

Attachment 4

NEXCOM International Co., Ltd.

Comparison Table for Amendments to “Articles of Incorporation”

Articles	Articles after amendments	Articles before amendments	Description of amendments
Article 20	<p>If the Company has profits (pre-tax net profit before provision for employee and director remuneration), <u>it shall allocate no less than one percent for employee remuneration (of which the proportion allocated to entry-level employee remuneration shall be no less than five percent) and no more than one percent for director remuneration.</u> Nevertheless, the Company shall have reserved a sufficient amount to offset its accumulated losses.</p> <p>The aforementioned employee compensation shall be distributed by way of stocks or cash. Eligible employees include employees of the controlling or affiliated company meeting certain conditions. The Director remuneration shall be distributed by way of cash. The remuneration of each Director is capped at NT\$30,000,000 per year. The remuneration mentioned in the preceding two paragraphs may be made only after an approval has been obtained by a majority vote at a Board meeting attended by two thirds of total Board members, and</p>	<p>If the Company has earnings (i.e., the net profit before tax before providing employee remuneration and director remuneration) on the annual final account, <u>it shall provide no less than 1% of such amount as employee remuneration and no greater than 1% of such amount as director remuneration.</u></p> <p>Nevertheless, the Company shall have reserved a sufficient amount to offset its accumulated losses.</p> <p>The aforementioned employee compensation shall be distributed by way of stocks or cash. Eligible employees include employees of the controlling or affiliated company meeting certain conditions. The Director remuneration shall be distributed by way of cash. The remuneration of each Director is capped at NT\$30,000,000 per year.</p> <p>The remuneration mentioned in the preceding two paragraphs may be made only after an approval has been obtained by a majority vote at a Board meeting attended by two thirds of total Board members, and shall be reported to the</p>	<p>Pursuant to Article 14, Paragraph 6 of the Securities and Exchange Act.</p>

Articles	Articles after amendments	Articles before amendments	Description of amendments
	shall be reported to the shareholders' meeting.	shareholders' meeting.	
Article 22	<p>The Articles of Incorporation were established on November 3, 1992. (omitted) The 24th amendment was made on June 27, 2023. <u>The 25th amendment was made on June 25, 2025.</u></p>	<p>The Articles of Incorporation were established on November 3, 1992. (omitted) The 24th amendment was made on June 27, 2023.</p>	The number and date for the 25th amendment are added.

Attachment 5

NEXCOM International Co., Ltd.

Comparison Table for Amendments to “Procedures for Acquisition and Disposal of Assets”

Articles after amendments	Articles before amendments	Description
<p>Article 15: The subsidiaries of the Company shall comply to the following provisions:</p> <p>I. The subsidiaries acquiring or disposing assets shall comply to the provisions of these Procedures.</p> <p>II. If the subsidiaries of the Company is not a public company, the Company shall publicly disclose and report the information on the acquisition and disposal of assets in accordance with these Procedures on behalf on the subsidiary.</p> <p>III. For the public announcement and reporting standard of the subsidiaries, the provision that “the transaction amount reaches 20% of the Company’s paid-in capital or 10% of the Company’s total assets” is based on the paid-in capital or total assets of the Company.</p>	<p>Article 15: The subsidiaries of the Company shall comply to the following provisions:</p> <p>I. The subsidiaries acquiring or disposing assets shall comply to the provisions of these Procedures, and <u>shall not engage in derivative trading</u>.</p> <p>II. If the subsidiaries of the Company is not a public company, the Company shall publicly disclose and report the information on the acquisition and disposal of assets in accordance with these Procedures on behalf on the subsidiary.</p> <p>III. For the public announcement and reporting standard of the subsidiaries, the provision that “the transaction amount reaches 20% of the Company’s paid-in capital or 10% of the Company’s total assets” is based on the paid-in capital or total assets of the Company.</p>	<p>Amendment is made in alignment with the Company’s actual practice.</p>