Stock Code: **2450**

Senao International Co., Ltd.

2026 General Shareholders' Meeting

Meeting Handbook

Prepared by Senao International Co., Ltd.

Date: May 27, 2026

Address: 6F., No.533, Zhongzheng Rd., Xindian Dist., New Taipei City

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Senao International Co., Ltd.

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II. Meeting Agenda

Senao International Co., Ltd.

2026 General Shareholders' Meeting Agenda

Time: May 27, 2026 at 9:00 a.m. (Wednesday)

Address: 6F., No.533, Zhongzheng Rd., Xindian Dist., New Taipei City

Convening method: Physical shareholders' meeting with video conference made available

Video conference platform: **https://stockservices.tdcc.com.tw**

1. Announcement of the Commencement of the Meeting
2. Chairperson's Remarks
3. Reporting Matters
   (1) 2025 Business Report.
   (2) 2025 Audit Committee Report.
   (3) Report on the Distribution of Dividends and Bonuses for 2025.
   (4) Report on the Distribution of Employees' Compensation and Directors' Remuneration for 2025.
4. Recognition Matters

   2025 Business Report and Financial Statements.
5. Discussion Matters

   Amendments to parts of the Company's "Articles of Incorporation."
6. Special Motions
7. Meeting Adjourned

III. Reporting Matters

1. **2025 Business Report. Please Kindly Review.**

   Explanation: Please refer to page 12 of this handbook for the Business Report. (Appendix 1)

2. **2025 Audit Committee Report. Please Kindly Review.**

   Explanation: Please refer to page 26 of this handbook for the Audit Committee Report (Appendix 2).

3. **Report on the Distribution of Dividends and Bonuses for 2025. Please Kindly Review.**

   Explanation:
   (1) In accordance with Article 20 of the Articles of Incorporation, the board of directors is authorized to pay whole or part of the distributable dividends and bonuses in cash, and the distribution shall be reported to the shareholders' meeting.
   (2) Shareholder bonus totaling NT$400,291,618 has been appropriated as cash dividends, which is equivalent to NT$1.55 per share. The cash dividends are pro rata and rounded down to the nearest whole dollar with any amount less than NT$1 being forfeited. Less than a dollar fractional total is adjusted in order from large to small decimal points and shareholders numbers are ordered from first to last to meet the distribution of the cash dividend total.
   (3) The ex-dividend date for the cash dividend distribution is proposed to be set on June 26, 2026.
   (4) If the number of outstanding shares of the Company subsequently changes due to changes to the capital resulting in a different dividend ratio to be adjusted, it is authorized for the Chairman to handle accordingly.

4. **Report on Distribution of Employees' Compensation and Directors' Remuneration for 2025. Please Kindly Review.**

   Explanation: As approved by the board of directors' meeting on February 11, 2026, it is proposed to appropriate 3.5% employees' compensation totaling NT$19,144,706 and 1.5% directors' remuneration of NT$8,204,873 in this year. Both are paid in cash.

IV. Recognition Matters

2025 Business Report and Financial Statements. Recognition is Respectfully Requested.

Proposed by the Board of Directors

Explanation:

(1) The 2025 Financial Statements (including consolidated financial statements) were prepared by the Company and audited by independent auditors Ming-I Wang and Yung-Chih Lin of PwC Taiwan, who have submitted an unqualified independent auditors' report. The financial statements, together with the Business Report and the earnings distribution proposal, have been reviewed by the Audit Committee, which has issued its review report accordingly.

(2) Please refer to pages 12, 27 and 48 of this handbook for the Business Report, Independent Auditors' Report, financial statements (including consolidated financial statements) and Earnings Distribution Plan (Appendix 1, 3 and 4)

Resolution:

V. Discussion Matters

Agenda: Amendments to parts of the "Articles of Incorporation" of the Company are submitted for discussion.

Proposed by the Board of Directors

Explanation:

(1) In accordance with amendments to the applicable laws and regulations and the Company's operational needs, certain provisions of the "Articles of Incorporation" have been revised.

(2) For a comparison table of the provisions before and after amendment, please refer to pages 6–11 of this handbook (Attachment 1).

(3) Please refer to page 49 of this handbook for the original "Articles of Incorporation" (Appendix 5).

Resolution:

VI. Special Motions

VII. Meeting Adjourned

Attachment 1

Senao International Co., Ltd.
The Comparison Table of the Amended "Articles of Incorporation"

Amended Article	Original Article	Explanation
Article 2: The scope of business of the Company is as follows: 1. CC01060 Wired Communication Mechanical Equipment Manufacturing. 2. CC01070 Wireless Communication Mechanical Equipment Manufacturing. 3. CC01110 Computer and Peripheral Equipment Manufacturing. 4. E605010 Computer Equipment Installation 5. F118010 Wholesale of Computer Software. 6. F218010 Retail Sale of Computer Software. 7. I301010 Information Software Services. 8. I301020 Data Processing Services. 9. I301030 Electronic Information Supply Services. 10. CB01020 Affairs Machine Manufacturing. 11. F113050 Wholesale of Computers and Clerical Machinery Equipment. 12. F213030 Retail Sale of Computers and Clerical Machinery Equipment. 13. CC01090 Manufacture of Batteries and Accumulators. 14. F113110 Wholesale of Batteries. 15. F213110 Retail Sale of Batteries. 16. CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing. 17. F113070 Wholesale of Telecommunication Apparatus.	Article 2: The scope of business of the Company is as follows: 1. CC01060 Wired Communication Mechanical Equipment Manufacturing. 2. CC01070 Wireless Communication Mechanical Equipment Manufacturing. 3. CC01110 Computer and Peripheral Equipment Manufacturing. 4. E605010 Computer Equipment Installation 5. F118010 Wholesale of Computer Software. 6. F218010 Retail Sale of Computer Software. 7. I301010 Information Software Services. 8. I301020 Data Processing Services. 9. I301030 Electronic Information Supply Services. 10. CB01020 Affairs Machine Manufacturing. 11. F113050 Wholesale of Computers and Clerical Machinery Equipment. 12. F213030 Retail Sale of Computers and Clerical Machinery Equipment. 13. CC01090 Manufacture of Batteries and Accumulators. 14. F113110 Wholesale of Batteries. 15. F213110 Retail Sale of Batteries. 16. CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing. 17. F113070 Wholesale of Telecommunication Apparatus.	Delete the items that have not been actually operated in response to the business to be operated.

Amended Article	Original Article	Explanation
18. F213060 Retail Sale of Telecommunication Apparatus 19. IE01010 Telecommunications Service Number Agencies 20. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing. 21. F113020 Wholesale of Electrical Appliances. 22. F213010 Retail Sale of Electrical Appliances. 23. J303010 Magazine (Periodical) Publishing. 24. F401010 International Trade. 25. I103060 Management Consulting. 26. JE01010 Rental and Leasing. 27. IZ99990 Other Industrial and Commercial Services. 28. F108031 Wholesale of Medical Devices. 29. F208031 Retail Sale of Medical Apparatus. 30. F102020 Wholesale of Edible Fat and Oil. 31. F102030 Wholesale of Tobacco and Alcohol. 32. F102040 Wholesale of Nonalcoholic Beverages. 33. F102170 Wholesale of Foods and Groceries. 34. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories. 35. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures. 36. F106010 Wholesale of Hardware. 37. F106020 Wholesale of Daily Commodities. 38. F108040 Wholesale of Cosmetics. 39. F109070 Wholesale of Culture, Education, Musical	18. F213060 Retail Sale of Telecommunication Apparatus 19. IE01010 Telecommunications Service Number Agencies 20. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing. 21. F113020 Wholesale of Electrical Appliances. 22. F213010 Retail Sale of Electrical Appliances. 23. J303010 Magazine (Periodical) Publishing. 24. F401010 International Trade. 25. I103060 Management Consulting. 26. JE01010 Rental and Leasing. 27. IZ99990 Other Industrial and Commercial Services. 28. F108031 Wholesale of Medical Devices. 29. F208031 Retail Sale of Medical Apparatus. 30. F102020 Wholesale of Edible Fat and Oil. 31. F102030 Wholesale of Tobacco and Alcohol. 32. F102040 Wholesale of Nonalcoholic Beverages. 33. F102170 Wholesale of Foods and Groceries. 34. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories. 35. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures. 36. F106010 Wholesale of Hardware. 37. F106020 Wholesale of Daily Commodities. 38. F108040 Wholesale of Cosmetics. 39. F109070 Wholesale of Culture, Education, Musical	

Amended Article	Original Article	Explanation
Instruments and Educational Entertainment Supplies 40. F110010 Wholesale of Clocks and Watches. 41. F110020 Wholesale of Glasses. 42. F111090 Wholesale of Building Materials. 43. F112040 Wholesale of Petroleum Products. 44. F113010 Wholesale of Machinery. 45. F113030 Wholesale of Precision Instruments. 46. F113060 Wholesale of Measuring Instruments. 47. F114010 Wholesale of Motor Vehicles. 48. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories. 49. F114040 Wholesale of Bicycle and Component Parts Thereof. 50. F114050 Wholesale of Tires. 51. F115010 Wholesale of Jewelry and Precious Metals. 52. F116010 Wholesale of Camera Equipment. 53. F119010 Wholesale of Electronic Materials 54. F201010 Retail Sale of Agricultural Products. 55. F201020 Retail Sale of Livestock Products. 56. F201050 Retail sale of Fishing Tackles. 57. F201070 Retail sale of Flowers. 58. F201090 Retail Sale of Ornamental Fishes. 59. F201990 Retail Sale of Other Agricultural, Livestock and Aquaculture Products. 60. F202010 Retail Sale of Feeds. 61. F203010 Retail Sale of Food, Grocery and Beverage. 62. F203020 Retail Sale of	Instruments and Educational Entertainment Supplies 40. F110010 Wholesale of Clocks and Watches. 41. F110020 Wholesale of Glasses. 42. F111090 Wholesale of Building Materials. 43. F112040 Wholesale of Petroleum Products. 44. F113010 Wholesale of Machinery. 45. F113030 Wholesale of Precision Instruments. 46. F113060 Wholesale of Measuring Instruments. 47. F114010 Wholesale of Motor Vehicles. 48. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories. 49. F114040 Wholesale of Bicycle and Component Parts Thereof. 50. F114050 Wholesale of Tires. 51. F115010 Wholesale of Jewelry and Precious Metals. 52. F116010 Wholesale of Camera Equipment. 53. F119010 Wholesale of Electronic Materials 54. F201010 Retail Sale of Agricultural Products. 55. F201020 Retail Sale of Livestock Products. 56. F201050 Retail sale of Fishing Tackles. 57. F201070 Retail sale of Flowers. 58. F201090 Retail Sale of Ornamental Fishes. 59. F201990 Retail Sale of Other Agricultural, Livestock and Aquaculture Products. 60. F202010 Retail Sale of Feeds. 61. F203010 Retail Sale of Food, Grocery and Beverage. 62. F203020 Retail Sale of	

Amended Article	Original Article	Explanation
Tobacco and Alcohol. 63. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories. 64. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures. 65. F206010 Retail Sale of Hardware. 66. F206020 Retail Sale of daily commodities. 67. F206050 Retail Sale of Pet Food and Supplies. 68. F207030 Retail Sale of Cleaning Supplies. 69. F207050 Retail Sale of Fertilizer. 70. F208040 Retail Sale of Cosmetics. 71. F208050 Retail Over-the-counter drugs class B. 72. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies. 73. F210010 Retail Sale of Watches and Clocks. 74. F210020 Retail Sale of Glasses. 75. F211010 Retail Sale of Building Materials. 76. F212050 Retail Sale of Petroleum Products. 77. F213040 Retail Sale of Precision Instruments. 78. F213050 Retail Sale of Measuring Instruments. 79. F213080 Retail Sale of Motor Vehicles. 80. F214010 Retail Sale of Motor Vehicles. 81. F214020 Retail Sale of Motorcycles. 82. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories. 83. F214040 Retail Sale of Bicycle and Component Parts	Tobacco and Alcohol. 63. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories. 64. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures. 65. F206010 Retail Sale of Hardware. 66. F206020 Retail Sale of daily commodities. 67. F206050 Retail Sale of Pet Food and Supplies. 68. F207030 Retail Sale of Cleaning Supplies. 69. F207050 Retail Sale of Fertilizer. 70. F208040 Retail Sale of Cosmetics. 71. F208050 Retail Over-the-counter drugs class B. 72. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies. 73. F210010 Retail Sale of Watches and Clocks. 74. F210020 Retail Sale of Glasses. 75. F211010 Retail Sale of Building Materials. 76. F212050 Retail Sale of Petroleum Products. 77. F213040 Retail Sale of Precision Instruments. 78. F213050 Retail Sale of Measuring Instruments. 79. F213080 Retail Sale of Motor Vehicles. 80. F214010 Retail Sale of Motor Vehicles. 81. F214020 Retail Sale of Motorcycles. 82. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories. 83. F214040 Retail Sale of Bicycle and Component Parts	

Amended Article	Original Article	Explanation
Thereof. 84. F214050 Retail Sale of Tires. 85. F215010 Retail Sale of Jewelry and Precious Metals. 86. F216010 Retail Sale of Camera Equipment. 87. F219010 Retail Sale of Electronic Materials. 88. F299990 Retail Sale of Other Products. 89. F301010 Department Stores. 90. F301020 Supermarkets. 91. F399010 Convenience Stores. 92. F399040 Retail Sale No Storefront. 93. F399990 Retail sale of Other Integrated. 94. G801010 Warehousing. 95. F106060 Wholesale of Pet Food and Supplies. 96. F107030 Wholesale of Cleaning Supplies. 97. F107070 Wholesale of Veterinary Drugs. 98. F207070 Retail Sale of Veterinary Drugs. 99. F207080 Retail Sale of Environmental Agents. 100. F207990 Retail Sale of Other Chemical Products. 101. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.	Thereof. 84. F214050 Retail Sale of Tires. 85. F215010 Retail Sale of Jewelry and Precious Metals. 86. F216010 Retail Sale of Camera Equipment. 87. F219010 Retail Sale of Electronic Materials. 88. F299990 Retail Sale of Other Products. 89. F301010 Department Stores. 90. F301020 Supermarkets. 91. F399010 Convenience Stores. 92. F399040 Retail Sale No Storefront. 93. F399990 Retail sale of Other Integrated. 94. G801010 Warehousing. 95. F401161 Tobacco Products Import. 96. F401171 Alcohol Products Importation. 97. F106060 Wholesale of Pet Food and Supplies. 98. F107030 Wholesale of Cleaning Supplies. 99. F107070 Wholesale of Veterinary Drugs. 100. F207070 Retail Sale of Veterinary Drugs. 101. F207080 Retail Sale of Environmental Agents. 102. F207990 Retail Sale of Other Chemical Products. 103. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.	
Article 17: The Company shall have nine to thirteen directors to be elected from persons having legal capacity at a shareholders' meeting. Each director shall hold office for a term of three years and is eligible for re-election. Starting from the thirteenth term	Article 17: The Company shall have nine to thirteen directors to be elected from persons having legal capacity at a shareholders' meeting. Each director shall hold office for a term of three years and is eligible for re-election. Starting from the tenth term of the	Amended pursuant to Paragraph 3 of Article 4 of the Directions for the Establishment and Exercise

Amended Article	Original Article	Explanation
of the Board of Directors, the number of independent directors, among the aforementioned number of directors, shall be no less than three, and shall be no less than one <u>third</u> of the total number of directors. Election of directors shall adopt the candidate nomination measure and directors shall be elected from among the list of candidates for directors by the shareholders' meeting in accordance with Article 192-1 of the Company Act. Independent and non-independent directors shall be elected at the same time, but in separately calculated numbers. Matters regarding professional qualification, restrictions on shareholdings, concurrent positions held, determination of independency, method of nomination and election and other matters for compliance with respect to independent directors shall be subject to the rules prescribed by the securities governing authorities.	Board of Directors, the number of independent directors, among the aforementioned number of directors, shall be no less than three, and shall be no less than one fifth of the total number of directors. Election of directors shall adopt the candidate nomination measure and directors shall be elected from among the list of candidates for directors by the shareholders' meeting in accordance with Article 192-1 of the Company Act. Independent and non-independent directors shall be elected at the same time, but in separately calculated numbers. Matters regarding professional qualification, restrictions on shareholdings, concurrent positions held, determination of independency, method of nomination and election and other matters for compliance with respect to independent directors shall be subject to the rules prescribed by the securities governing authorities.	of Powers by Boards of Directors of Public Companies.
Article 31 These Articles of Incorporation were adopted on May 7, 1979. (Omitted) The 32nd amendment was made on June 15, 2022. The 33rd amendment was made on May 20, 2024. The 34th amendment was made on May 28, 2025. <u>The 35th amendment was made on May 27, 2026.</u>	Article 31 These Articles of Incorporation were adopted on May 7, 1979. (Omitted) The 32nd amendment was made on June 15, 2022. The 33rd amendment was made on May 20, 2024. The 34th amendment was made on May 28, 2025.	To add the number and date of this amendment.

1. 2025 Operating Result

(1) Operating Result and financial expenditure:

Annual consolidated operating income reached NT$33.125 billion; profit before tax was NT$530 million; net income was NT$440 million; net income attributable to owners of parent was NT$445 million; earnings per share was NT$1.72.

(2) Budget execution: the financial forecast for 2025 was not disclosed, hence it is unknown that whether or not the budget has been achieved.

(3) Profitability Analysis:

Profitability Analysis

Item \ Year	2025	2024
Return on Assets (%)	4.32	4.81
Return on Equity (%)	6.89	7.41
Net Profit Margin (%)	1.34	1.47
Earnings per Share (NT$)	1.72	1.85

Note: Amounts in the table are data from the consolidated financial statements of the Company and its subsidiaries.

(4) Research and Development:

Since 2024, with the deepening trend of AI smartphones, the global smartphone market is expected to maintain moderate growth. Device-side AI, generative image processing, smart assistants, and context-aware services continue to mature, driving the expansion of AI functionalities from high-end models to mid-to-high-end products. Through the integration of software, hardware, and system services, these developments are also enhancing consumers' willingness to upgrade their devices. Meanwhile, foldable smartphones continue to advance in structural design, display technology, and system experience. With growing market acceptance, they have become a key growth driver in the premium segment.

In terms of brand competition, major brands are strengthening their proprietary chips, operating systems, and AI application services while deepening ecosystem integration to enhance product differentiation and user stickiness. Chinese brands, on the other hand, sustain market growth through competitive pricing strategies and the broader adoption of AI features. Overall, deep AI integration, optimization of software experience, and innovation in foldable devices remain the core drivers of industry competition.

Against this backdrop, in 2026, the Company is expected to continue benefiting from upgrades in high-end imaging specifications and the rising demand for foldable smartphones. In response to the increasing penetration of foldable devices, the Company will strengthen its agency and product portfolio for related products. At the same time, by integrating manufacturers' AI functionalities, system services, and diverse application scenarios, and expanding across telecom channels, enterprise customers, and online platforms, the Company aims to enhance product value and further drive revenue growth.

- Development Trend of Smartphones:

  In terms of hardware specification, there are several main items described below:

  (1) Processor: Looking back at 2025, AI applications rapidly penetrated from the cloud to end devices, driving high-performance, low-power-consumption SoCs to become the core key for the upgrading of various smart devices. In addition to smartphones, foldable devices, tablet computers, AI PCs, and other edge AI devices have all simultaneously enhanced on-device AI computing capabilities to support generative imaging, real-time voice inference, contextual computing, and cross-device collaborative applications. With the diversification of application scenarios, high-end and upper mid-range terminal products have successively adopted 3-nanometer SoCs, driving processor demand away from merely improving single-point performance and toward a comprehensive upgrade in system integration and AI computing efficiency.

  Based on observations of market development trends, the mainstream SoC platforms for high-end terminal devices in 2025 were still mainly represented by the Qualcomm Snapdragon 8 Elite and MediaTek Dimensity 9400 series. Both adopt advanced process technologies and have undergone integrated enhancements in CPU, GPU, and NPU architecture to address the needs of cross-device AI computing and multitasking. In addition to being widely used in smartphones, such processors are also gradually expanding into high-end tablets, foldable devices, and other smart terminals with display and computing requirements, thereby driving the overall expansion of the AI SoC application landscape.

  Overall, processor development has shifted from competition over single hardware specifications to comprehensive solutions that integrate operating systems, image algorithms, and AI application services. This trend helps widen the experience gap between flagship and mid-range products, and provides distribution channels with a more concrete and communicable product focus for value-based sales models centered on "AI solutions."

(2) Screen: In 2025, the smartphone market continued and deepened the previous year's development trends in screen specifications and design. Large screens of 6.5 inches or above have become the mainstream configuration for mid-to-high-end models, and are widely used in diverse scenarios such as video streaming, multitasking, mobile gaming, and AI visual interaction. As smartphones gradually transform from single communication tools into core carriers of personal digital life and AI assistants, screens have become important interfaces for carrying service experiences and human-machine interaction.

In addition, foldable-screen smartphones are still regarded as an important direction for expanding the high-end market. Major brands continue to invest resources in display performance, durability, and crease reduction, enabling foldable devices to gradually move from demonstrative products toward practical products. The above screen development trends have had a positive impact on the Company's overall operations. At the Company's directly operated stores, actual device displays can clearly present different screen formats and application scenarios, thereby enhancing consumers' understanding of product value and service experience. In terms of brand distribution and agency business, mid-to-high-end and foldable models with clearly defined screen specifications and product positioning help reduce purely price-based competition, further driving overall sales momentum.

(3) Display panel: According to a TrendForce survey, global smartphone panel shipments reached 586 million units in the third quarter of 2025, representing a quarter-on-quarter increase of 8.1% and a year-on-year increase of 5.3%, indicating moderate growth in market demand. In terms of panel structure, OLED and AMOLED remained the primary growth drivers, showing that brands and the supply chain are accelerating their deployment of high-end display technologies and continuously upgrading display specifications for mid-to-high-end smartphones.

In addition to resolution and refresh rate, peak brightness has also become a key indicator in recent years. Many new models support high-brightness displays, significantly improving visibility in outdoor, mobile working, and AI real-time application scenarios. The comprehensive upgrading of display specifications has extended product differentiation from single hardware specifications to content presentation, interactive experience, and service application levels, thereby further expanding the scope for value communication at the point of sale. For the Company, actual retail displays help enhance the overall shopping experience and strengthen its professional brand image while also providing steady support for channel revenue.

(4) Battery: In 2025, as AI computing applications became more widespread and 5G usage scenarios expanded, the overall power demand of smartphones increased correspondingly, driving battery specifications toward higher capacity and optimized life performance. Mid-to-high-end models have generally been equipped with battery capacities of more than 6,000 mAh, and some models are further equipped with battery capacities exceeding 7,000 mAh, combined with high-wattage fast charging and wireless charging technologies to support prolonged and high-frequency use of smart applications.

Long battery life and fast charging not only reduce consumers' anxiety over insufficient power but also serve as an important foundation that supports AI real-time computing, mobile office work, and cross-device service experiences. As battery technology continues to evolve, battery life performance has gradually shifted from being an added-value feature in the past to becoming an important evaluation criterion when consumers select smartphones. It has become a basic market expectation. This trend also brings new opportunities for the Company in product portfolio planning and channel operations, helping to enhance overall product value perception and channel competitiveness by pairing long-battery-life models with service applications and scenario-based sales.

(5) Camera: As AI applications and image signal processors (ISPs) continue to evolve, the focus of competition in smartphone cameras has gradually shifted from simple hardware specifications to the integrated applications of "AI computational photography" and "generative image processing." When AI is able to compensate for certain hardware limitations, lens pixel count is no longer the only evaluation metric. The ability of software-hardware collaboration, algorithm maturity, and actual user experience have become the key factors affecting camera value.

Most mainstream flagship models continue to feature high-pixel main cameras, combined with next-generation AI imaging engines, spatial zoom, generative compensation, and other technologies, significantly improving image quality and stability in scenarios such as high-magnification zoom, low light, and motion shooting. At the same time, certain brands have expanded smartphone camera application scenarios and creative flexibility through cooperation with professional optical brands or through extended plug-in lens accessories. Overall, camera development has formed a positive cycle in which AI applications drive hardware demand, which in turn feeds back into specification innovation.

For the Company, AI imaging has become an important communication focus in driving consumers to upgrade to flagship models. Senao will continue to combine high-specification lenses and on-device AI computing capabilities as the core sales and product education narrative at its stores, and will work with original manufacturers to introduce AI photography experiences, instructional courses, and scenario-based demonstrations, thereby upgrading the sales focus from "parameter comparison" to "AI imaging creation solutions," so as to increase overall ASP and the sales proportion of high-end models.

(6) Memory and storage capacity: To ensure the smooth operation of generative AI and multitasking applications, smartphone memory specifications continue to develop toward higher capacities. In recent years, flagship models have gradually established 12 GB RAM as the benchmark configuration for generative AI applications, while some high-end models have further positioned 16 GB RAM as the standard for the ultimate AI experience to support more complex on-device model computing and multitasking needs.

In terms of storage capacity, as demand for 8K video recording, AI image generation, and persistent model operation increases, 512 GB storage capacity is gradually replacing 256 GB and becoming the mainstream configuration for mid-to-high-end models. However, due to the substantial growth in demand for high-bandwidth memory (HBM) from AI servers, the global memory industry has entered a new "super cycle." Production capacity for consumer DRAM and storage components has been squeezed, causing costs to rise significantly and gradually be reflected in end-product selling prices.

In response to changes in memory supply structure and cost pressure, the Company will continue to maintain close communication with original manufacturers and preserve flexibility in product pricing and supply strategies. At the same time, through trade-in discounts, sales of previous-generation models, and the deployment of Senao-certified pre-owned smartphones, the Company provides diversified and attractive purchasing solutions for price-sensitive customer segments, thereby maintaining channel competitiveness and sales momentum in an environment of price fluctuations.

(7) AI applications: In 2025, the development of smartphones and related smart terminal products continued to move toward the deepening of AI functionalities, with all major brands using the enhancement of on-device AI capabilities as an important positioning feature for flagship and upper mid-range products. AI applications are no longer confined to a single function; instead, they combine processors, operating systems, and application services, covering content generation assistance, image and video processing, productivity tools, and contextual intelligent functions, thereby gradually shaping an integrated cross-device user experience.

At the brand strategy level, all major ecosystems continue to deepen the integration of AI and systems. Through on-device computing, private cloud collaboration, and model optimization, they strengthen capabilities such as real-time translation, image processing, contextual recognition, and multimodal interaction, and extend such functionalities to tablets, personal computers, and other smart terminals, thereby establishing cross-device collaborative experiences. Industry research generally believes that AI has become the core foundation for brand differentiation and product upgrades, and also supports the overall shipment volume of terminal devices in maintaining moderate growth.

Overall, the key development priorities for AI applications in 2025 include the continued deepening of AI functionalities in flagship and upper mid-range products, enhanced image and language model processing capabilities, and the expansion of brands from single product lines into diversified terminals and system-level integration. Looking ahead to 2026, as on-device AI architecture matures, model efficiency improves, and ecosystem construction continues to advance, AI functionalities are expected to become one of the core standard specifications of smart terminals, further driving market penetration and the expansion of application scenarios.

For Senao, AI is not only an upgrade in product specifications but also a key engine for transforming retail and service models. The Company will continue to incorporate AI capabilities into in-store experiences, sales assistance, and membership management processes. By combining the OMO framework and implementing AI applications at every consumer touchpoint, it will deepen its smart living service positioning and strengthen long-term operational growth momentum.

- Wearable development trend:

  In 2025, driven by the comprehensive implementation of AI technology, the smart and wearable accessories market formally transformed from traditional functional peripherals into important carriers of personalized intelligent assistants. Product development trends have shifted from competition based on single hardware specifications to holistic experience design integrating sensing technologies, AI algorithms, and contextual applications, gradually becoming indispensable key nodes in the smart living ecosystem. The following describes the development trends by major product categories:

  (1) True wireless Bluetooth earbuds: The competitive focus of the true wireless Bluetooth earbuds market has shifted from purely sound quality performance to deep integration of health monitoring and contextual adaptability. Mainstream brands continue to enhance call quality and daily user experience through active noise cancellation, voice enhancement, and environmental perception algorithms, while gradually incorporating hearing assistance and physiological sensing functions, transforming earbuds from entertainment accessories into tools for daily health management.

  In addition, open-ear headphones experienced rapid growth in 2025. Their non-in-ear design balances wearing comfort with environmental awareness needs, making them popular among outdoor sports users and business users. Overall, true wireless earbud products have gradually formed a segmented market oriented toward high-end health and lifestyle scenarios, enabling distribution channels to enhance product value communication and average transaction value through differentiation in functions and application scenarios.

  (2) Smartwatches and smart bands: Smartwatch and smart band products continued to develop toward specialization and personalization in 2025. In addition to continuous optimization in display technology, battery life, and durability, a more critical breakthrough lies in the deepened application of AI technology in health data analysis. Through machine learning models, brands transform long-term collected physiological

data into personalized exercise recommendations, sleep improvement plans, and health risk alerts, shifting wearable devices from passive recording tools to proactive health management assistants.

At the same time, functional designs targeting specific user groups have become increasingly mature, such as fall detection and emergency alert mechanisms for the elderly, and location tracking and safety geofencing functions for children, further expanding the family user market. This development trend enables distribution channels to deepen multi-age customer engagement centered on “safety, health, and care,” and enhance the strategic value of wearable products within the overall sales portfolio.

(3) AI smart glasses products: In 2025, the AI smart glasses market reached a key turning point, shifting from previously bulky display devices to AI smart glasses with practical usability and suitability for daily wear. The new generation of products emphasizes lightweight design and “seamless wearing,” with appearances close to traditional optical glasses, significantly increasing consumers’ willingness to use them daily.

Equipped with built-in multimodal AI models and miniature cameras, AI smart glasses possess real-time environmental perception capabilities and can be applied to scenarios such as object recognition, cross-language real-time translation, navigation guidance, and contextual reminders. The overall interaction model is primarily based on voice and simple visual prompts, allowing technology to be naturally integrated into daily life. Such products are regarded as the next-generation information interaction interface following smartphones, possessing high growth potential and providing new opportunities for distribution channels to introduce innovative experiential products.

(4) Charging products: Charging and power-related peripheral products experienced dual innovation in technical specifications and material applications in 2025. In addition to the widespread adoption of the Type-C interface, the commercial implementation of the Qi2.2 wireless charging protocol has increased the upper limit of wireless charging power to 25 W, and through magnetic alignment and thermal control optimization, has effectively improved charging efficiency and heat management.

At the same time, portable power products utilizing solid-state battery technology have gradually entered the market, offering advantages in high energy density, lightweight design, and safety, effectively supporting high-wattage fast charging requirements. With Android flagship devices fully supporting Qi2.2, power peripherals combining magnetic fast charging and high-performance batteries have become an important driver of growth in the 2025 accessories market, and also provide favorable conditions for distribution channels to enhance accessory portfolio value and additional sales.

- Trends in the development of IT appliances

Against the backdrop of a more conservative macroeconomic environment, consumer spending has become increasingly cautious, resulting in a relatively slower growth momentum in the home appliance market. In particular, major appliances—highly correlated with new home renovations—have been affected by the slowdown in housing transactions and delivery schedules. As a result, part of the purchasing demand has been deferred, and market competition has gradually shifted toward structural optimization and service value as core differentiators.

In 2025, the Company continues to deepen its product portfolio management and channel differentiation strategies. Through Chunghwa Telecom tariff bundling, proprietary stores, and online platforms, it strengthens focus on core products and enforces pricing discipline to avoid irrational promotions that could erode gross margins. At the same time, through precise inventory planning and structural adjustments, the Company reduces the risk of aged inventory and enhances overall capital utilization efficiency while maintaining service stability.

In response to the short-term deferral of demand for major appliances, the Company balances product depth and supply pacing, maintains market visibility through solution-based selling and channel integration, and prepares for the eventual recovery of demand. Looking ahead to 2026, as housing delivery schedules gradually normalize, deferred demand is expected to be released in the medium to long term. The Company will continue to focus on high-performance and high value-added home appliances, expand its presence in growth categories such as audiovisual and health and beauty appliances, and further deepen OMO integration and membership management. Under prudent risk control, it aims to create long-term value-driven growth for shareholders.

2026 represents a critical turning point for the transformation of the notebook IT industry. With the rapid advancement of AI technologies, notebooks are no longer merely computing tools but are gradually evolving into "AI personal agents." Based on industry observations, AI PCs are expected to account for more than 50% of new notebook shipments. However, rising memory costs and fluctuations in end-product pricing may slow replacement cycles in the short term.

The main development directions include:

1. Shift from specification-driven to agent-based AI PCs: AI tasks are increasingly executed on-device, enhancing privacy protection and operational efficiency.
2. Ultra-thin and lightweight design: Enabled by new materials, balancing durability and aesthetics.
3. Diversification of processor architectures: With the continued rise of ARM architecture, the market is no longer dominated by a single architecture.
4. Advancement of OLED panel technology: Adoption of high-end OLED panels in notebooks extends panel lifespan and improves display quality.

➢ Development trend of dietary supplements:

The health supplement market in Taiwan and across Asia benefits from several structural drivers, including an aging population, rising health awareness, and expanding export opportunities (such as compliance with U.S. FDA regulations), giving it competitive advantages in R&D, manufacturing, and exports. Market competition has evolved from single-product sales toward a trust-based model centered on scientific validation, regulatory compliance, and supply chain transparency.

As consumers place increasing emphasis on health management, product design has shifted to focus more on ingredient sourcing, functional efficacy, and long-term usage value. Early deployment in regulatory compliance, quality management, and cross-channel sales capabilities will enable companies to capture emerging growth opportunities. For the Company, integrating physical store experiences, professional consultation, and data-driven membership management effectively strengthens customer trust while enhancing the strategic importance and long-term growth potential of health products within the overall product portfolio. At the same time, Senao continues to introduce high-quality healthcare products from manufacturers through the sales channels of online/offline/O2O business models in order to change consumers’ existing impression that Senao only sells 3C products. Senao can also protect the health of the entire family with the ultimate goal of providing preventive healthcare, connecting information flow, and offering health promotion and preventive healthcare services through big data analysis.

2. 2026 Business Plan

1. Business Policy
   (1) Build a precision member ecosystem by integrating data from physical stores and online platforms, leveraging AI-based segmentation and precision push mechanisms to optimize customer journey management, deepen engagement with both mobile and fixed-line customer segments, and enhance member stickiness and long-term customer lifetime value.
   (2) Transform stores into multi-functional service experience venues, shifting from traditional retail spaces into integrated service hubs that combine technology consulting, educational services, and local engagement. Through an omni-channel strategy, position stores as service endpoints for online traffic while also serving as the starting point for building offline trust, thereby strengthening local operations and emotional brand connections.
   (3) Promote the servitization of ICT distribution by upgrading the traditional 3C distribution sales model into an “integrated solution service model” that combines equipment, network, and backend services, forming a core competitive advantage that is difficult for general 3C channels to replicate.
   (4) Continue to develop the Company’s certified pre-owned phone brand by enhancing market trust and recognition through standardized inspection procedures, comprehensive inspection reports, and a six-month warranty system, thereby expanding the scale and value of the pre-owned phone business.
2. Business Objectives:
   (1) Deepen telecom contract-based services to stabilize the revenue structure while balancing stability and growth. Simultaneously optimize the product layout of smart home appliances and AIoT offerings, promote smart home solutions, and enhance the added value of products.
   (2) Implement AI in operations and sales applications. Through omni-channel OMO integration—from online intelligent recommendations and guided shopping tools to offline AI experience environments—embed AI across retail, service, and experiential touchpoints to strengthen the Company’s positioning in smart living technology services.
   (3) Expand the solution-as-a-service model for distributors by providing integrated, cross-product, and cross-scenario solutions, enhancing

long-term partnership stickiness and establishing differentiated competitive barriers.

(4) Advance operating system upgrades in parallel with sustainable development. Through system upgrades and process reengineering, improve resource utilization efficiency, reduce environmental impact, and continue advancing ESG objectives. Expand pre-owned phone recycling and sales channels to improve recycling efficiency, and strive to become the leading brand in the pre-owned phone market.

3. Production and Sales Policy

(1) Communication products: The Company will continue to strengthen its leading position in the ICT industry by adopting a dual-track agency strategy of “iPhone-led high-end momentum” and “diversified Android brand portfolio,” ensuring both stability and growth of its communication product mix. In the high-end segment, the iPhone will continue to drive overall sales momentum, while a diversified Android brand portfolio will address different price ranges and functional needs, maintaining competitive flexibility. In addition, the Company regards the “Chunghwa Telecom mobile device purchase policy” as the core guiding principle of its communication product operations, prioritizing contract-based purchases by its users and deepening long-term strategic cooperation with the leading telecom operator. Through highly integrated channel resources and service capabilities, the Company will continue to reinforce its leading position in the telecom channel market and build a channel moat that is difficult to replicate.

(2) Home appliance and IT products: The home appliance and IT product business will focus on market demand and risk management, adopting prudent inventory strategies and flexible supply mechanisms. Product portfolios and sales pacing will be planned based on channel characteristics to mitigate the risks related to inventory turnover and price fluctuations. Through precise coordination between procurement and sales and optimized inventory structure management, the Company will enhance capital efficiency and operational stability while maintaining service quality.

For IT products, the Company will focus on key brands such as Acer, ASUS, and MSI, introduce AI-related products with strong market attention, and expand application scenarios and sales depth by incorporating diverse peripheral products tailored to user needs.

(3) Application peripherals: The Company will continue to focus on developing its private label brand “MEGA KING,” collaborating with suppliers to introduce accessories aligned with market trends, featuring practicality and stable quality, thereby strengthening brand

recognition and optimizing gross profit structure.

At the same time, it will actively secure agency rights for leading international brands, and introduce connected wearables and smart peripherals across various domains, expanding both product breadth and customer segments. Through a dual strategy of private label development and branded agency products, the Company aims to increase the contribution of peripherals to its overall revenue structure.

(4) Health products: The core strategy for health products will center on "trust building" and "experience orientation." Through experiential sales models in physical stores—integrating product trials, health consultations, and professional seminars—the Company will gradually establish long-term customer trust.

On this foundation, it will integrate e-commerce private traffic and membership systems, leveraging official communities and health education content to deepen customer engagement and brand loyalty. Supported by data-driven precision marketing, AI analytics, and personalized recommendation mechanisms, the Company will establish a digital transformation loop from offline experience to online purchasing, and from one-time transactions to long-term relationship management, thereby enhancing brand influence and repurchase rates.

(5) The Company positions itself as a key bridge connecting consumers to the smart future, committed to embedding the convenience of AI technology into all aspects of everyday life. Starting from core telecom and home appliance products, it continues to expand into diverse lifestyle, health, and beauty product categories to meet the needs of consumers across different age groups and life stages.

Through deep integration of the "Senaonline" online platform with AI-driven data capabilities, the Company precisely matches consumers with the most suitable products and services—transforming technology from a distant concept into a tangible, reliable, and caring presence in daily life.

3. The Company's Future Development Strategy

In 2026, Senao International will lead AI into everyday life. Within a stable telecommunications market, the Company leverages big data to precisely identify member needs and combines its professional network integration capabilities to transform stores from single sales outlets into locally rooted technology service and trust centers that connect communities.

The Company not only provides product choices but also delivers comprehensive technology integration and application implementation services, enabling consumers to experience the convenience of smart technology firsthand at its retail stores. Looking ahead, as consumers pursue new technology-driven lifestyles, the Company will continue to position itself as the most professional and trusted brand of choice.

4. Effect of External Competition, the Legal Environment, and the Overall Business Environment

In 2025, Taiwan's economy demonstrated strong growth, supported by demand from AI-related industries, robust momentum in the semiconductor sector, expansion in exports and investment, and increased consumption driven by the government stimulus measures. Looking ahead to 2026, although the global economy remains resilient, the United States and Europe are expected to enter an interest rate-cutting cycle, which may stimulate consumption and investment. In addition, continued expansion of global trade is expected to support Taiwan's export performance and private investment. However, due to the high base effect in 2025, overall economic growth in 2026 is expected to be relatively moderate. The Taiwan Institute of Economic Research (TIER) forecasts a GDP growth rate of 4.05% for 2025.

Furthermore, while global economic conditions in 2026 may be supported by AI-related investments and accommodative monetary policies, rising global protectionism and increasing tariff barriers could drive up product import costs. In addition, geopolitical risks that disrupt supply chains or fluctuations in energy prices may affect the stability of end-product supply and the Company's gross margin structure. The Company will continue to strengthen its supply chain management and risk control capabilities to respond effectively to changes in the external environment and maintain stable operational growth.

Chairman: Cheng-Hsien Yu

Manager: Pao-Yung Lin

Accounting Manager: Jin-Ding Liu

Appendix 2

Senao International Co., Ltd.

Audit Committee Report

The Board of Directors has prepared this Company’s 2025 financial statements (including consolidated financial statements), which have been audited by external auditors Ming-I Wang and Yung-Chih Lin of PwC Taiwan, together with the business report and proposal of earning distribution plan. We have examined above statements and reports and found no irregularities. We hereby report as above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please kindly review.

To

The Company’s 2026 General Shareholders’ Meeting

Senao International Co., Ltd.

Audit Committee Convenor: Kung-Liang Yeh

February 11, 2026

pwc 資誠

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Senao International Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Senao International Co., Ltd. ("the Company") as of December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, 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 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 Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. The matter was 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 the matter.

Key audit matter for the parent company only financial statements for the year ended December 31, 2025 is as follows:

資誠聯合會計師事務所 PricewaterhouseCoopers, Taiwan
110208 臺北市信義區基隆路一段 333 號 27 樓
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan
T: +886 (2) 2729 6666, F: +886 (2) 2729 6686

Key Audit Matter-Valuation of Inventories

The Company's inventory mainly consists of mobile phones and related communication products. Due to rapid technological changes and constant updates of new models and types, there is a higher risk of inventory devaluation or obsolescence. Considering the significant inventory amount, which is measured at the lower of cost and net realizable value, management evaluates the net realizable value by deducting estimated sales expense rates from the final unit sales price. The evaluation of inventory obsolescence loss is based on the purchase period and turnover days of the goods. Since management uses market conditions at the end of the reporting period and historical sales experience to judge and estimate the net realizable value, changes in market conditions may significantly impact these results. Therefore, we considered inventory valuation as a key audit matter.

Please refer to Note 4(5) for accounting policies on inventories, Note 5 for accounting estimates and assumptions for the valuation of inventories and Note 9 for the details of inventories. The carrying amount of inventories as of December 31, 2025 was NT$2,242,962 thousand.

How our audit addressed the matter

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

1. Obtained the Company's inventory valuation policy and assessed the reasonableness of the assumptions used.
2. Verified the accuracy of the system logic for the net realizable value of inventory and the aging report.
3. Obtained the Company's inventory valuation reports and evaluated the accuracy based on the Company's policy.

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 the 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:

1. Identify and assess the risks of material misstatement of 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 appropriate audit evidence regarding the financial information of 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.

Wang Ming-I | Lin, Yung Chih

Wang, Ming-I | Lin, Yung-Chih

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 11, 2026

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 review 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.

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 22)	$ 1,642,974	16	$ 1,642,737	16
Financial assets at fair value through profit or loss-current (Notes 7 and 26)	168	-	263	-
Notes receivable, net (Note 8)	2,812	-	55,369	1
Trade receivables, net (Note 8)	818,729	8	489,067	5
Trade receivables from related parties (Note 22)	1,119,423	11	1,032,118	10
Other receivables (Notes 8 and 19)	172,607	2	272,509	3
Other receivables from related parties (Note 22)	154,009	2	165,394	2
Inventories (Note 9)	2,242,962	22	2,488,521	24
Prepayments (Note 22)	66,750	1	76,219	1
Other current assets	28,564	-	22,996	-
Total current assets	6,248,998	62	6,245,193	62
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income (Note 26)	9,753	-	11,091	-
Investments accounted for using equity method (Note 10)	2,474,323	24	2,440,167	24
Property, plant and equipment (Notes 11, 18 and 22)	743,020	7	748,506	7
Right-of-use assets (Notes 12, 18 and 22)	519,573	5	631,467	6
Intangible assets (Notes 18 and 22)	26,364	-	19,456	-
Deferred tax assets (Note 19)	24,613	-	17,154	-
Refundable deposits (Note 22)	56,992	1	50,621	1
Net defined benefit assets - noncurrent (Notes 15 and 18)	28,855	1	23,030	-
Other noncurrent assets	3,000	-	5,867	-
Total noncurrent assets	3,886,493	38	3,947,359	38
TOTAL ASSETS	$ 10,135,491	100	$ 10,192,552	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss – current (Notes 7 and 26)	$ 3	-	$ -	-
Contract liabilities (Note 17)	103,599	1	95,328	1
Notes payable (Note 13)	936	-	3,379	-
Trade payables (Note 13)	1,761,088	17	1,770,056	17
Trade payables to related parties (Note 22)	184,383	2	272,678	3
Other payables (Note 14)	723,325	7	668,441	7
Other payables to related parties (Note 22)	229,087	2	201,271	2
Current tax liabilities (Note 19)	65,901	1	31,405	-
Lease liabilities - current (Notes 12 and 22)	222,008	2	274,345	3
Other current liabilities (Note 22)	65,707	1	43,489	-
Total current liabilities	3,356,037	33	3,360,392	33
NONCURRENT LIABILITIES				
Contract liabilities - noncurrent (Note 17)	2,199	-	-	-
Deferred tax liabilities (Note 19)	6,172	-	1,255	-
Lease liabilities - noncurrent (Notes 12 and 22)	309,360	3	369,920	4
Guarantee deposits	21,596	-	22,547	-
Total noncurrent liabilities	339,327	3	393,722	4
Total liabilities	3,695,364	36	3,754,114	37
EQUITY				
Share capital - ordinary shares (Note 16)	2,582,527	25	2,582,527	25
Capital surplus (Note 16)	738,199	7	738,199	7
Retained earnings (Note 16)				
Legal reserve	1,789,226	18	1,739,517	17
Special reserve	9,318	-	32,003	-
Unappropriated earnings	1,349,973	14	1,355,510	14
Total retained earnings	3,148,517	32	3,127,030	31
Other equity	(29,116)	-	(9,318)	-
Total equity	6,440,127	64	6,438,438	63
TOTAL LIABILITIES AND EQUITY	$ 10,135,491	100	$ 10,192,552	100

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

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 17 and 22)				
Sales	$ 29,811,827	98	$ 29,997,632	98
Less: Sales returns	262,538	1	314,491	1
Sales discounts and allowances	891,048	2	867,980	3
Net sales	28,658,241	95	28,815,161	94
Service and repairs revenue	1,656,316	5	1,936,177	6
Total operating revenue	30,314,557	100	30,751,338	100
OPERATING COSTS (Notes 9, 15, 18 and 22)				
Cost of goods sold	26,865,060	89	27,161,930	88
Service and repairs costs	371,814	1	450,985	2
Total operating costs	27,236,874	90	27,612,915	90
GROSS PROFIT	3,077,683	10	3,138,423	10
OPERATING EXPENSES (Notes 15, 18 and 22)				
Selling and marketing expenses	2,453,027	8	2,464,046	8
General and administrative expenses	343,202	1	308,490	1
Total operating expenses	2,796,229	9	2,772,536	9
NET OTHER INCOME AND EXPENSES (Notes 18 and 22)	413	-	286	-
INCOME FROM OPERATIONS	281,867	1	366,173	1
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 18 and 22)	96,035	-	92,868	-
Share of profit or loss of subsidiaries and associates accounted for using equity method	141,428	1	112,111	1
Interest income	9,850	-	13,400	-
Net gain on foreign currency exchange	3,120	-	1,211	-
Interest expense (Notes 18 and 22)	(12,240)	-	(12,461)	-
Miscellaneous disbursements	(320)	-	(1,646)	-
Net (loss) gain on financial assets and liabilities at fair value through profit or loss (Note 7)	(98)	-	263	-
Total non-operating income and expenses	237,775	1	205,746	1

(Continued)

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	$ 519,642	2	$ 571,919	2
INCOME TAX EXPENSE (Note 19)	74,350	-	93,609	-
NET INCOME	445,292	2	478,310	2
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans (Note 15)	1,940	-	20,701	-
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	(1,338)	-	1,122	-
Share of remeasurement of defined benefit plans of associates	760	-	2,220	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 19)	(388)	-	(4,140)	-
	974	-	19,903	-
Items that may be reclassified subsequently to profit or loss:				
Share of exchange differences arising from the translation of the foreign operations of associates	(18,460)	-	21,563	-
	(18,460)	-	21,563	-
Total other comprehensive (loss) income, net of income tax	(17,486)	-	41,466	-
TOTAL COMPREHENSIVE INCOME	$ 427,806	2	$ 519,776	2
EARNINGS PER SHARE (Note 20)				
Basic	$ 1.72		$ 1.85	
Diluted	$ 1.72		$ 1.85	

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

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Share Capital - Ordinary Shares (Note 16)	Capital Surplus (Note 16)	Retained Earnings (Note 16)			Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings			
BALANCE, JANUARY 1, 2024	$ 2,582,527	$ 717,664	$ 1,667,579	$ -	$ 1,478,865	($ 29,973)	($ 2,030)	$ 6,414,632
Appropriations of 2023 earnings								
Legal reserve	-	-	71,938	-	(71,938)	-	-	-
Special reserve	-	-	-	32,003	(32,003)	-	-	-
Cash dividends - NT$2.00 per share	-	-	-	-	(516,505)	-	-	(516,505)
	-	-	71,938	32,003	(620,446)	-	-	(516,505)
Changes in capital surplus joint ventures accounted for under equity method	-	20,535	-	-	-	-	-	20,535
Net income for the year ended December 31, 2024	-	-	-	-	478,310	-	-	478,310
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	18,781	21,563	1,122	41,466
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	497,091	21,563	1,122	519,776
BALANCE, DECEMBER 31, 2024	2,582,527	738,199	1,739,517	32,003	1,355,510	(8,410)	(908)	$ 6,438,438
Appropriations of 2024 earnings								
Legal reserve	-	-	49,709	-	(49,709)	-	-	-
Special reserve	-	-	-	(22,685)	22,685	-	-	-
Cash dividends - NT$1.65 per share	-	-	-	-	(426,117)	-	-	(426,117)
	-	-	49,709	(22,685)	(453,141)	-	-	(426,117)
Net income for the year ended December 31, 2025	-	-	-	-	445,292	-	-	445,292
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	2,312	(18,460)	(1,338)	(17,486)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	447,604	(18,460)	(1,338)	427,806
BALANCE, DECEMBER 31, 2025	$ 2,582,527	$ 738,199	$ 1,789,226	$ 9,318	$ 1,349,973	($ 26,870)	($ 2,246)	$ 6,440,127

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

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 519,642	$ 571,919
Adjustments to reconcile income before income tax to net cash generated from operating activities:		
Depreciation expenses	339,743	338,879
Amortization expenses	35,792	22,529
Expected credit loss	2,970	2,868
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	98	(263)
Interest expense	12,240	12,461
Interest income	(9,850)	(13,400)
Dividend income	(1,092)	(372)
Share of profit of subsidiaries and associates accounted for using equity method	(141,428)	(112,111)
Net loss on disposal of property, plant and equipment	124	106
Net gain on lease modification	(537)	(392)
Provision (reversal of allowance) for inventory obsolescence	1,809	(14,605)
Net loss (gain) on foreign currency exchange	3	(23)
Changes in operating assets and liabilities:		
Notes receivable	52,557	14,765
Trade receivables	(332,632)	(38,469)
Trade receivables from related parties	(87,305)	(89,746)
Other receivables	98,983	(65,941)
Other receivables from related parties	11,385	(40,588)
Inventories	243,750	(161,315)
Prepayments	9,469	(13,208)
Other current assets	(5,568)	(468)
Contract liabilities	10,470	5,639
Notes payable	(2,443)	436
Notes payable to related parties	-	(18)
Trade payables	(8,968)	368,503
Trade payables to related parties	(88,295)	117,902
Other payables	54,884	25,920
Other payables to related parties	27,816	(25,173)
Other current liabilities	22,218	3,332
Net defined benefit liabilities - noncurrent	(3,885)	(3,383)
Cash from operations	761,950	905,784
Interest paid	(12,240)	(12,461)
Income tax paid	(41,846)	(2,837)
Net cash generated from operating activities	707,864	890,486

(Continued)

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in investments using the equity method	$ -	($ 375,428)
Acquisition of property, plant and equipment	(38,723)	(32,288)
(Increase) decrease in refundable deposits	(6,371)	427
Acquisition of intangible assets	(39,833)	(27,405)
Increase in other noncurrent assets	-	(2,868)
Interest received	9,831	13,403
Dividends received	90,664	90,475
Net cash flows generated from (used in) investing activities	15,568	(333,684)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	1,800,000	270,000
Repayment of short-term loans	(1,800,000)	(270,000)
(Decrease) increase in guarantee deposits	(951)	144
Repayment of the principal portion of lease liabilities	(296,124)	(296,283)
Cash dividends paid	(426,117)	(516,505)
Net cash used in financing activities	(723,192)	(812,644)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	(3)	23
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	237	(255,819)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	1,642,737	1,898,556
CASH AND CASH EQUIVALENTS, END OF THE YEAR	$ 1,642,974	$ 1,642,737

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

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Senao International Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Senao International Co., Ltd. and subsidiaries (the "Group") as at December 31, 2025 and 2024, 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the Group's 2025 consolidated financial statements. The matter was 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 the matter.

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Key audit matter for the Group's 2025 consolidated financial statements is stated as follows:

Key audit matter – Valuation of Inventories

The Group's inventory primarily consists of mobile phones and related communication products. Due to rapid technological changes and constant updates of new models and types, there is a higher risk of inventory devaluation or obsolescence. Considering the significant inventory amount, which is measured at the lower of cost and net realizable value, management evaluates the net realizable value by deducting estimated sales expense rates from the final unit sales price. The evaluation of inventory obsolescence loss is based on the purchase period and turnover days of the goods. Since management uses market conditions at the end of the reporting period and historical sales experience to judge and estimate the net realizable value, changes in market conditions may significantly impact these results. Therefore, we considered inventory valuation as a key audit matter.

Refer to Note 4(f) for the accounting policies on inventories, Note 5 for accounting estimates and assumptions used in valuation of inventories, and Note 9 for the details of inventories. The carrying amount of inventories as of December 31, 2025 was NT$2,324,100 thousand.

How our audit addressed the matter

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

1. Obtained the company's inventory valuation policy and assessed the reasonableness of the assumptions used.
2. Verified the accuracy of the system logic for the net realizable value of inventory and the aging report.
3. Obtained the company's inventory valuation reports and evaluated the accuracy based on the company's policy.

Other Matter - Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of Senao International Co., Ltd. as at and for the year ended December 31, 2025.

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:

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 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.

Wang, Ming-I

Lin, Yung-Chih

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 11, 2026

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 review 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.

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

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

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 26)	$ 1,885,814	18	$ 1,897,404	18
Financial assets at fair value through profit or loss - current (Notes 7 and 30)	168	-	263	-
Notes receivable, net (Note 8)	2,812	-	55,369	1
Trade receivables, net (Note 8)	1,370,250	13	633,304	6
Trade receivables from related parties (Note 26)	1,091,035	10	1,002,895	10
Other receivables (Notes 8 and 23)	175,670	2	278,682	3
Other receivables from related parties (Note 26)	154,009	1	165,150	2
Inventories (Note 9)	2,324,100	22	2,598,586	25
Prepayments (Note 26)	71,312	1	82,907	1
Other current assets (Note 15)	28,564	-	22,996	-
Total current assets	7,103,734	67	6,737,556	66
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income (Note 30)	9,753	-	11,091	-
Investments accounted for using equity method (Note 11)	2,023,706	19	1,998,346	19
Property, plant and equipment (Notes 12 and 22)	772,109	7	777,533	7
Right-of-use assets (Notes 13, 22 and 26)	526,109	5	643,621	6
Intangible assets (Notes 14 and 22)	91,390	1	96,139	1
Deferred tax assets (Note 23)	29,056	-	20,499	-
Refundable deposits (Note 26)	61,263	1	54,838	1
Net defined benefit assets - noncurrent (Notes 15, 19 and 22)	28,855	-	23,030	-
Other noncurrent assets (Note 15)	47,559	-	50,426	-
Total noncurrent assets	3,589,800	33	3,675,523	34
TOTAL ASSETS	$ 10,693,534	100	$ 10,413,079	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	$ 340,000	3	$ -	-
Financial liabilities at fair value through profit or loss - current (Notes 7 and 30)	3	-	-	-
Contract liabilities (Note 21)	106,904	1	95,713	1
Notes payable (Note 17)	936	-	3,496	-
Trade payables (Note 17)	1,854,267	17	1,887,263	18
Trade payables to related parties (Note 26)	176,306	2	244,098	2
Other payables (Note 18)	763,157	7	699,231	7
Other payables to related parties (Note 26)	276,115	2	251,629	2
Current tax liabilities (Note 23)	74,446	1	38,379	-
Lease liabilities - current (Notes 13, 22 and 26)	225,811	2	279,988	3
Other current liabilities	71,566	1	49,452	-
Total current liabilities	3,889,511	36	3,549,249	33
NONCURRENT LIABILITIES				
Contract liabilities - non-current (Note 21)	2,199	-	-	-
Deferred tax liabilities (Note 23)	19,114	-	16,558	-
Lease liabilities - noncurrent (Notes 13, 22 and 26)	312,303	3	376,666	4
Guarantee deposits	21,596	-	22,547	-
Total noncurrent liabilities	355,212	3	415,771	4
Total liabilities	4,244,723	39	3,965,020	37
EQUITY ATTRIBUTABLE TO STOCKHOLDERS OF THE PARENT				
Share capital - ordinary shares (Note 20)	2,582,527	24	2,582,527	25
Capital surplus (Note 20)	738,199	7	738,199	7
Retained earnings (Note 20)				
Legal reserve	1,789,226	17	1,739,517	17
Special reserve	9,318	-	32,003	-
Unappropriated earnings	1,349,973	13	1,355,510	14
Total retained earnings	3,148,517	30	3,127,030	31
Other equity	(29,116)	-	(9,318)	-
Total equity attributable to shareholders of the parent	6,440,127	61	6,438,438	63
NONCONTROLLING INTERESTS (Note 20)	8,684	-	9,621	-
Total equity	6,448,811	61	6,448,059	63
TOTAL LIABILITIES AND EQUITY	$ 10,693,534	100	$ 10,413,079	100

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

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 21 and 26)				
Sales	$ 32,335,912	98	$ 31,261,132	97
Less: Sales returns	278,685	1	323,974	1
Sales discounts and allowances	929,160	3	888,759	3
Net sales	31,128,067	94	30,048,399	93
Service and repairs revenue	1,996,714	6	2,258,693	7
Total operating revenue	33,124,781	100	32,307,092	100
OPERATING COSTS (Notes 9, 19, 22 and 26)				
Cost of goods sold	29,289,183	88	28,360,191	88
Service and repairs costs	371,814	1	450,985	1
Total operating costs	29,660,997	89	28,811,176	89
GROSS PROFIT	3,463,784	11	3,495,916	11
OPERATING EXPENSES (Notes 19, 22 and 26)				
Selling and marketing expenses	2,752,632	9	2,753,086	9
General and administrative expenses	377,066	1	341,973	1
Total operating expenses	3,129,698	10	3,095,059	10
NET OTHER INCOME AND EXPENSES (Note 22)	418	-	286	-
INCOME FROM OPERATIONS	334,504	1	401,143	1
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 22 and 26)	93,637	-	91,426	1
Share of profit of associates accounted for using equity method	101,807	1	80,605	-
Interest income (Note 26)	12,426	-	15,933	-
Net gain on foreign currency exchange	3,120	-	1,211	-
Interest expense (Notes 22 and 26)	(14,500)	-	(12,682)	-
Miscellaneous disbursements	(323)	-	(1,645)	-
Net (loss) gain on financial assets and liabilities at fair value through profit or loss (Note 7)	(98)	-	263	-
Total non-operating income and expenses	196,069	1	175,111	1

(Continued)

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
INCOME BEFORE INCOME TAX	$ 530,573	2	$ 576,254	2
INCOME TAX EXPENSE (Note 23)	86,218	-	98,893	-
NET INCOME	444,355	2	477,361	2
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans (Note 19)	1,940	-	20,701	-
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	(1,338)	-	1,122	-
Share of remeasurement of defined benefit plans of associates	760	-	2,220	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 23)	(388)	-	(4,140)	-
	974	-	19,903	-
Items that may be reclassified subsequently to profit or loss:				
Share of exchange differences arising from the translation of the foreign operations of associates	(18,460)	-	21,563	-
	(18,460)	-	21,563	-
Total other comprehensive (loss) income, net of income tax	(17,486)	-	41,466	-
TOTAL COMPREHENSIVE INCOME	$ 426,869	2	$ 518,827	2
NET INCOME ATTRIBUTABLE TO:				
Shareholders of the parent	$ 445,292	2	$ 478,310	1
Noncontrolling interests	(937)	-	(949)	-
	$ 444,355	2	$ 477,361	1
COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Shareholders of the parent	$ 427,806	2	$ 519,776	2
Noncontrolling interests	(937)	-	(949)	-
	$ 426,869	2	$ 518,827	2

(Continued)

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
EARNINGS PER SHARE (Note 24)				
Basic	$ 1.72		$ 1.85	
Diluted	$ 1.72		$ 1.85	

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

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Stockholders of the Parent									
			Retained Earnings (Note 20)			Other Equity				
	Share Capital - Ordinary Shares (Note 20)	Capital Surplus (Note 20)	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Noncontrolling Interests (Note 20)	Total Equity
BALANCE, JANUARY 1, 2024	$ 2,582,527	$ 717,664	$ 1,667,579	$ -	$ 1,478,865	($ 29,973)	($ 2,030)	$ 6,414,632	$ 10,570	$ 6,425,202
Appropriations of 2023 earnings										
Legal reserve	-	-	71,938	-	(71,938)	-	-	-	-	-
Special reserve	-	-	-	32,003	(32,003)	-	-	-	-	-
Cash dividends - NT$2.00 per share	-	-	-	-	(516,505)	-	-	(516,505)	-	(516,505)
	-	-	71,938	32,003	(620,446)	-	-	(516,505)	-	(516,505)
Changes in capital surplus joint ventures accounted for under equity method	-	20,535	-	-	-	-	-	20,535	-	20,535
Net income (loss) for the year ended December 31, 2024	-	-	-	-	478,310	-	-	478,310	(949)	477,361
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	18,781	21,563	1,122	41,466	-	41,466
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	497,091	21,563	1,122	519,776	(949)	518,827
BALANCE, DECEMBER 31, 2024	2,582,527	738,199	1,739,517	32,003	1,355,510	(8,410)	(908)	6,438,438	9,621	6,448,059
Appropriations of 2024 earnings										
Legal reserve	-	-	49,709	-	(49,709)	-	-	-	-	-
Special reserve	-	-	-	(22,685)	22,685	-	-	-	-	-
Cash dividends- NT$1.65 per share	-	-	-	-	(426,117)	-	-	(426,117)	-	(426,117)
	-	-	49,709	(22,685)	(453,141)	-	-	(426,117)	-	(426,117)
Net income (loss) for the year ended December 31, 2025	-	-	-	-	445,292	-	-	445,292	(937)	444,355
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	2,312	(18,460)	(1,338)	(17,486)	-	(17,486)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	447,604	(18,460)	(1,338)	427,806	(937)	426,869
BALANCE, DECEMBER 31, 2025	$ 2,582,527	$ 738,199	$ 1,789,226	$ 9,318	$ 1,349,973	($ 26,870)	($ 2,246)	$ 6,440,127	$ 8,684	$ 6,448,811

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

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 530,573	$ 576,254
Adjustments for:		
Depreciation expenses	345,915	345,686
Amortization expenses	48,017	34,517
Expected credit loss	2,970	2,868
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	98	(263)
Interest expense	14,500	12,682
Interest income	(12,426)	(15,933)
Dividend income	(1,092)	(372)
Share of profit of associates accounted for using equity method	(101,807)	(80,605)
Net loss on disposal of property, plant and equipment	126	106
Net gain on lease modification	(544)	(392)
Provision (reversal of allowance) for inventory obsolescence	1,903	(14,406)
Net loss (gain) on foreign currency exchange	3	(23)
Changes in operating assets and liabilities		
Notes receivable	52,557	14,765
Trade receivables	(739,916)	(29,981)
Trade receivables from related parties	(88,140)	(108,250)
Other receivables	100,322	(69,634)
Other receivables from related parties	11,141	(40,555)
Inventories	272,583	(204,548)
Prepayments	11,595	(16,607)
Other current assets	(5,568)	(468)
Contract liabilities	13,390	5,259
Notes payable	(2,560)	421
Notes payable to related parties	-	(18)
Trade payables	(32,996)	397,354
Trade payables to related parties	(67,792)	95,992
Other payables	63,747	26,050
Other payables to related parties	24,486	(13,311)
Other current liabilities	22,114	7,172
Net defined benefit liabilities - noncurrent	(3,885)	(3,383)
Cash from operations	459,314	920,377
Interest paid	(14,321)	(12,682)
Income tax paid	(53,824)	(4,183)
Net cash generated from operating activities	391,169	903,512

(Continued)

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in investments using the equity method	$ -	($ 375,428)
Acquisition of property, plant and equipment	(39,636)	(33,076)
(Increase) decrease in refundable deposits	(6,425)	427
Acquisition of intangible assets	(40,401)	(27,552)
Increase in other noncurrent assets	-	(2,867)
Interest received	12,400	15,936
Dividends received	59,839	66,688
Net cash flows used in investing activities	(14,223)	(355,872)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	2,565,000	270,000
Repayment of short-term loans	(2,225,000)	(270,000)
(Decrease) increase in guarantee deposits	(951)	144
Repayment of the principal portion of lease liabilities	(301,465)	(302,183)
Cash dividends paid	(426,117)	(516,505)
Net cash flows used in financing activities	(388,533)	(818,544)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	(3)	23
NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,590)	(270,881)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	1,897,404	2,168,285
CASH AND CASH EQUIVALENTS, END OF THE YEAR	$ 1,885,814	$ 1,897,404

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

Appendix 4

Senao International Co., Ltd.
Earnings Distribution Plan
2025

Unit: NT$

Item	Amount	
Beginning undistributed retained earnings		902,368,673
Net income of 2025	445,291,803	
Add: remeasurements of defined benefit plans recognized in retained earnings	2,312,478	
Total amount of after-tax net income for the period and other items adjusted to the current year's undistributed earnings other than after-tax net income for the period		447,604,281
Less: Appropriation of 10% retained earnings for legal reserve		(44,760,428)
Less: Appropriation of special reserve in accordance with laws		(19,798,515)
Distributable retained earnings for current period		1,285,414,011
Distribution item for current period:		
Cash dividends on Common Shares (NT$1.55 per share)		400,291,618
Ending undistributed retained earnings		885,122,393

Chairperson: Manager: Accounting Manager:

The current number of outstanding shares is 258,252,657 shares, and the cash dividend is NT$1.55 per share.

Note: The Company's principle for earnings distribution is that the distributable retained earnings of 2025 should be distributed with priority.

Senao International Co., Ltd.
Articles of Incorporation

Chapter I General Provisions

Article 1: The Company is organized in accordance with the Company Act and named Senao International Co., Ltd. (hereinafter referred to as "the Company".) (The Company's name in English is Senao International Co., Ltd.)

Article 2: The scope of business of the Company is as follows:

1. CC01060 Wired Communication Mechanical Equipment Manufacturing.
2. CC01070 Wireless Communication Mechanical Equipment Manufacturing.
3. CC01110 Computer and Peripheral Equipment Manufacturing.
4. E605010 Computer Equipment Installation
5. F118010 Wholesale of Computer Software.
6. F218010 Retail Sale of Computer Software.
7. I301010 Information Software Services.
8. I301020 Data Processing Services.
9. I301030 Electronic Information Supply Services.
10. CB01020 Affairs Machine Manufacturing.
11. F113050 Wholesale of Computers and Clerical Machinery Equipment.
12. F213030 Retail Sale of Computers and Clerical Machinery Equipment.
13. CC01090 Manufacture of Batteries and Accumulators.
14. F113110 Wholesale of Batteries.
15. F213110 Retail Sale of Batteries.
16. CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing.
17. F113070 Wholesale of Telecommunication Apparatus.
18. F213060 Retail Sale of Telecommunication Apparatus
19. IE01010 Telecommunications Service Number Agencies
20. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing.
21. F113020 Wholesale of Electrical Appliances.
22. F213010 Retail Sale of Electrical Appliances.
23. J303010 Magazine (Periodical) Publishing.
24. F401010 International Trade.
25. I103060 Management Consulting.

26. JE01010 Rental and Leasing.
27. IZ99990 Other Industrial and Commercial Services.
28. F108031 Wholesale of Medical Devices.
29. F208031 Retail Sale of Medical Apparatus.
30. F102020 Wholesale of Edible Fat and Oil.
31. F102030 Wholesale of Tobacco and Alcohol.
32. F102040 Wholesale of Nonalcoholic Beverages.
33. F102170 Wholesale of Foods and Groceries.
34. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
35. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures.
36. F106010 Wholesale of Hardware.
37. F106020 Wholesale of Daily Commodities.
38. F108040 Wholesale of Cosmetics.
39. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
40. F110010 Wholesale of Clocks and Watches.
41. F110020 Wholesale of Glasses.
42. F111090 Wholesale of Building Materials.
43. F112040 Wholesale of Petroleum Products.
44. F113010 Wholesale of Machinery.
45. F113030 Wholesale of Precision Instruments.
46. F113060 Wholesale of Measuring Instruments.
47. F114010 Wholesale of Motor Vehicles.
48. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
49. F114040 Wholesale of Bicycle and Component Parts Thereof.
50. F114050 Wholesale of Tires.
51. F115010 Wholesale of Jewelry and Precious Metals.
52. F116010 Wholesale of Camera Equipment.
53. F119010 Wholesale of Electronic Materials
54. F201010 Retail Sale of Agricultural Products.
55. F201020 Retail Sale of Livestock Products.
56. F201050 Retail sale of Fishing Tackles.
57. F201070 Retail sale of Flowers.
58. F201090 Retail Sale of Ornamental Fishes.
59. F201990 Retail Sale of Other Agricultural, Livestock and Aquaculture

Products.

60. F202010 Retail Sale of Feeds.
61. F203010 Retail Sale of Food, Grocery and Beverage.
62. F203020 Retail Sale of Tobacco and Alcohol.
63. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
64. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures.
65. F206010 Retail Sale of Hardware.
66. F206020 Retail Sale of daily commodities.
67. F206050 Retail Sale of Pet Food and Supplies.
68. F207030 Retail Sale of Cleaning Supplies.
69. F207050 Retail Sale of Fertilizer.
70. F208040 Retail Sale of Cosmetics.
71. F208050 Retail Over-the-counter drugs class B.
72. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
73. F210010 Retail Sale of Watches and Clocks.
74. F210020 Retail Sale of Glasses.
75. F211010 Retail Sale of Building Materials.
76. F212050 Retail Sale of Petroleum Products.
77. F213040 Retail Sale of Precision Instruments.
78. F213050 Retail Sale of Measuring Instruments.
79. F213080 Retail Sale of Motor Vehicles.
80. F214010 Retail Sale of Motor Vehicles.
81. F214020 Retail Sale of Motorcycles.
82. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
83. F214040 Retail Sale of Bicycle and Component Parts Thereof.
84. F214050 Retail Sale of Tires.
85. F215010 Retail Sale of Jewelry and Precious Metals.
86. F216010 Retail Sale of Camera Equipment.
87. F219010 Retail Sale of Electronic Materials.
88. F299990 Retail Sale of Other Products.
89. F301010 Department Stores.
90. F301020 Supermarkets.
91. F399010 Convenience Stores.
92. F399040 Retail Sale No Storefront.

93. F399990 Retail sale of Other Integrated.
94. G801010 Warehousing.
95. F401161 Tobacco Products Import.
96. F401171 Alcohol Products Importation.
97. F106060 Wholesale of Pet Food and Supplies.
98. F107030 Wholesale of Cleaning Supplies.
99. F107070 Wholesale of Veterinary Drugs.
100. F207070 Retail Sale of Veterinary Drugs.
101. F207080 Retail Sale of Environmental Agents.
102. F207990 Retail Sale of Other Chemical Products.
103. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company is headquartered in New Taipei City and when necessary may establish branches at home and abroad as resolved by the Board of Directors and approved by the competent authority.

Article 4: The Company may act as a guarantor.

Chapter II Shares

Article 5: The authorized capital of the Company is NT$4.5 billion consisting of 450 million shares. The par value of each share is NT$10, and such shares can be issued in separate installments.

Among these shares, 20 million shares are reserved for the holders of employee stock warrants, and the Board of Directors is authorized to issue the shares in separate installments.

Article 6: The Company’s total amount of investment in other businesses is not subject to the limitation of 40% of the Company’s paid-in capital under Article 13 of the Company Act.

Article 7: The share certificates of the Company shall without exception be in registered form, signed by, or affixed with seals of the director representing the Company, and authenticated by the competent authority before issuance.

Shares issued by the Company need not be in certificate form, but shall be registered with centralized securities depository enterprises.

Article 8: Deleted.

Article 9: The shareholders of the Company shall process the shareholder services such as transfer of share ownership, creation of pledge, removal of pledge, reporting of loss, inheritance of shares, gift, reporting of specimen chop loss or change, or change of address, etc., in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” announced by the competent authority in addition to the relevant securities laws and regulations.

Article 10: All entries in the shareholders register due to share transfers shall be suspended for 60 days prior to a general shareholders’ meeting, or for 30 days prior to an extraordinary shareholders’ meeting, or for 5 days prior to the record date fixed for distributing dividends, bonus, or any other benefit.

Chapter III Shareholders' Meeting

Article 11: Shareholders' meetings of the Company are of two kinds: general shareholders' meetings and extraordinary shareholders' meetings. The general shareholders' meeting is convened once per year within six months from the close of the fiscal year. Extraordinary shareholders' meetings may be convened in accordance with applicable laws and regulations whenever necessary.

Article 11-1: During the convention of the shareholders' meeting, video conference or other methods announced by the central competent authority may be adopted.

Article 12: The chairman shall chair the Shareholders' meeting and the meeting of the Board of Directors internally, and represent the Company in external matters. When the chairman of the Board is on leave or unable to perform his/her duties, the vice chairman shall act on the chairman's behalf. If vice chairman is also on leave or unable to perform his/her duties or there is no vice chairman appointed in accordance with Article 19 herein, the chairman shall designate a director to act on his/her behalf.

Article 13: For general shareholders' meeting, the notice of meeting shall be served to each shareholder at least thirty days prior to the meeting; for extraordinary shareholders' meeting, a notice of meeting shall be served to each shareholder at least fifteen days prior to the meeting. The notice of meeting shall specify the date, location and reasons for convening the meeting.

Article 14: A shareholder unable to attend the shareholders' meeting in person may appoint a proxy to attend the meeting by using the proxy form issued by the Company and specifying the scope of proxy, which shall be signed and chopped by the shareholder.

Article 15: Unless otherwise regulated by the laws, each shareholder of the Company is entitled to one vote per share.

Article 16: Except as otherwise provided by the Company Act, resolutions of a Shareholders' meeting shall be adopted at a meeting attended by shareholders representing a majority of the total number of issued shares and at which meeting a majority of the shareholders vote in favor of such resolutions.

Chapter IV Directors and the Audit Committee

Article 17: The Company shall have nine to thirteen directors to be elected from persons having legal capacity at a shareholders' meeting. Each director shall hold office for a term of three years and is eligible for re-election.

Starting from the tenth term of the Board of Directors, the number of independent directors, among the aforementioned number of directors, shall be no less than three, and shall be no less than one fifth of the total number of directors.

Election of directors shall adopt the candidate nomination measure and directors shall be elected from among the list of candidates for directors by the shareholders' meeting in accordance with Article 192-1 of the Company Act.

Independent and non-independent directors shall be elected at the same time, but in separately calculated numbers.

Matters regarding professional qualification, restrictions on shareholdings, concurrent positions held, determination of independency, method of nomination and election and other matters for compliance with respect to independent directors shall be subject to the rules prescribed by the securities governing authorities.

Article 17-1: Pursuant to Article 14-4 of the Securities and Exchange Act, starting from the tenth term of the Board of Directors, the Company shall set up the Audit Committee, which shall consist of the entire independent directors.

The members of the Audit Committee exercise of duties and other matters of compliance shall be handled in accordance with relevant laws and regulations, and the Board of Directors shall establish the Audit Committee Charter.

Article 18: The Board shall be formed by the directors and shall perform the following functions:

1. Prepare the business plan.
2. Propose the distribution of profits or offsetting of deficit.
3. Propose the adjustment to capital.
4. Compose material rules and regulations and the Company's Articles of Incorporation.
5. Appoint and dismiss the Company's President and Vice President.
6. Establish or withdraw branch units.
7. Prepare annual budgets and financial statements.
8. Appoint and dismiss financial, accounting and internal auditing officers.
9. Propose changes to the company name or trademark.
10. Approve long-term equity investments over NT$30 million (inclusive).
11. For item 9 and 10, resolution by consent of a two-thirds of the directors present at a meeting attended by over majority of the directors shall be reached.
12. Other functions prescribed by the Company Act or the Shareholders' meeting.

Article 19: The Board shall be formed by the directors. The chairman of the Board shall be elected from among the directors by a majority vote of the directors present at a meeting attended by at least two-thirds of all directors. Where necessary, vice chairman of the Board may also be elected from among the directors.

Article 20: A directors' meeting shall be convened by the chairperson unless otherwise provided by the Company Act. Unless otherwise provided by the Company Act, resolutions of a directors' meeting shall be adopted by a majority vote of the directors present at a meeting attended by a majority of all directors.

Article 20-1: The directors' meeting shall be held at least once every quarter, and the notice for the meeting shall specify the reasons for the meeting and shall be served to each director at least seven days prior to the meeting. A directors’ meeting may be held at any time in case of an emergency. The notice of directors’ meeting may be served in the form of fax, e-mail, etc.

Article 21: In case a director cannot, for cause, attend a meeting, he or she may appoint another director in writing as his/her proxy to attend in his/her place. A director may act as the proxy of only one other director.

If the Board meeting is held in the form of video conference, those participated by video conference are deemed as participation in person.

Article 22: (Deleted)

Article 22-1: The Company may purchase liability insurance for its directors and other important personnel.

Article 22-2: When the Company’s directors perform their duties for the Company, the Company may pay remuneration regardless of whether the Company operates at a profit or loss. The Board of Directors is authorized to decide the rates of such remuneration based on the extent of their performance at a level consistent with general practices in the industry.

Chapter V Managerial Officers

Article 23: The Company may have one president and several vice presidents. The appointment, dismissal and remuneration of the president shall be resolved by two-third of the votes of the directors present at a meeting attended by the majority of all directors. The appointment, dismissal and remuneration of the president shall be resolved by majority votes of the directors present at a meeting attended by a majority of all directors.

Article 24: The president shall adhere to the policies of the Board to manage Company’s affairs.

Chapter VI: Accounting

Article 25: The Company’s fiscal year is from January 1 to December 31 each year, and at the end of each fiscal year, the closing of books shall be made.

Article 26: In accordance with Article 228 of the Company Act, at the close of each fiscal year, the Board of Directors shall prepare the following statements and records that shall be presented at a General Shareholders’ Meeting for recognition pursuant to the rules prescribed by the securities governing authorities.

1. Business report.

2. Financial statements.

3. Proposal for allocating profit or covering loss.

Article 27: If the Company records a profit in a year, the Company shall appropriate no less than 3% of the profit for employee’s compensation., and no more than 3% of the profit for director’s compensation. If, however, the Company has accumulated losses, profit shall first be used to offset accumulated losses. No less than 5% of the said employee remuneration shall be distributed to the rank-and-file employees.

Employees entitled to receive the treasury shares, share warrants, bonus, new shares subscription, restricted shares may include the employees of the Company’s controlled companies meeting specific requirements set by the Board.

If after the annual closing of books there is a profit, the Company shall, after having provided for taxes and offset the accumulated losses of previous years, appropriate the 10% legal reserve and recognize or reverse special reserve return earnings in accordance with laws and regulations. The remaining balance, together with the undistributed profits of previous years, shall be retained or distributed upon the resolution of the shareholders' meeting.

The distributable dividends, bonuses, capital surplus or legal reserve in whole or in part shall be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors. Such a distribution shall be reported to the shareholders' meeting, and the requirement for resolution of the shareholders' meeting in the preceding paragraph is not applicable herein.

In order to align the Securities and Futures Bureau's "Balanced Dividend Policy" with the Company's current business environment and the goals of sustainable operation and long-term development, the earning distribution plan would focus on the stability and growth of the dividends. The total dividends amount shall be no less than 30% of the total distributable earnings of the year, among which the cash dividend ratio shall be no less than 10% of the total dividends.

Chapter VII Supplemental Provisions

Article 28: The Company may act as a guarantor according to the governmental regulations.

Article 29: The Company's charter and operational regulations shall be separately adopted.

Article 30: Matters not addressed by these Articles of Incorporation shall be governed by the Company Act.

Article 31: These Articles of Incorporation were adopted on May 7, 1979. The 1st amendment was made on August 15, 1980. The 2nd amendment was made on March 12, 1981. The 3rd amendment was made on February 2, 1982. The 4th amendment was made on May 27, 1987. The 5th amendment was made on July 20, 1987. The 6th amendment was made on October 28, 1992. The 7th amendment was made on August 26, 1993. The 8th amendment was made on June 2, 1994. The 9th amendment was made on March 10, 1995. The 10th amendment was made on April 30, 1995. The 11th amendment was made on August 14, 1995. The 12th amendment was made on June 15, 1996. The 13th amendment was made on May 30, 1997. The 14th amendment was made on April 20, 1998. The 15th amendment was made on June 13, 2000. The 16th amendment was made on May 17, 2001. The 17th amendment was made on January 17, 2002. The 18th amendment was made on May 30, 2003. The 19th amendment was made on May 27, 2004. The 20th amendment was made on June 14, 2005. The 21st amendment was made on June 14, 2006. The 22nd amendment was made on April 12, 2007. The 23rd amendment was made on June 13, 2008. The 24th amendment was made on May 19, 2009. The 25th amendment was made on June 4, 2010. The 26th amendment was made on April 26, 2012. The 27th amendment was made on June 15, 2015. The 28th amendment was made on June 27, 2016. The 29th amendment was made on June 14, 2018. The 30th amendment was made on June 14, 2019. The 31st amendment was made on August 18, 2021. The 32nd amendment was made on June 15, 2022. The 33rd amendment was made on May 20, 2024. The 34th amendment was made on May 28, 2025.

Appendix 6

Senao International Co., Ltd.
Rules of Procedure for Shareholders Meetings

(Amended by the General Shareholders’ Meeting on June 14, 2006)
(Amended by the General Shareholders’ Meeting on June 27, 2016)
(Amended by the General Shareholders’ Meeting on August 18, 2021)

1. The Company’s shareholders’ meeting shall be proceeded with in accordance with the Rules. Relevant laws and regulations shall govern matters not provided in the Rules.
2. The Company shall furnish the attending shareholders with an attendance book to sign at the shareholders’ meeting, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
3. Attendance and voting at shareholders' meetings shall be calculated based on number of shares.
4. The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
5. If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the Board. When the chairperson of the Board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall act on behalf the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason is unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as a chairperson, or, if there are no managing directors, one of the directors shall be appointed to act as a chairperson. Where the chairperson does not make such a designation, the managing directors or the directors shall select one person from among themselves one person to serve as a chairperson. If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.
6. The Company may appoint its attorneys, certified public accountants, or related persons to attend a shareholders' meeting. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.
7. The company shall make an audio and video recording of the entire

Shareholders’ meeting and retain the recorded materials for at least one (1) year.

8. The chairperson shall call the meeting to order at the appointed meeting time, and announce relevant information regarding number of shares with no voting rights and number of shares held by attending shareholders. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two (2) such postponements, for a combined total of no more than one (1) hour, may be made. If the quorum is not met after two (2) postponements but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1, Article 175 of the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders’ meeting pursuant to Article 174 of the Company Act.
9. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the board of directors. The chairperson may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including special motions). After the meeting adjourned, shareholders may not select another person to serve as chairperson and continue the meeting at the same location or other location. During the shareholders’ meeting, if the chairperson announces the adjournment of the meeting in violation of the Rules, other members of the Board shall promptly assist the attending shareholders to elect, by a majority of votes represented by attending shareholders in the meeting, another person to serve as chairperson and continue the meeting in accordance with due procedures.
10. When a shareholder attending the meeting wishes to speak, a speech note shall be filled out with summary of the speech, the shareholder’s account number (or the number of attendance card) and the account name of the shareholder. The chairperson shall determine the sequence of shareholders’ speeches. If any attending shareholder at the meeting submits a speech note but does not speak, no speech should be deemed to have been made by the shareholder. In case the content of the speech of a shareholder are inconsistent with the contents of the speech note, the contents of actual speech shall prevail. Unless otherwise permitted by the chairperson and the speaking shareholder, no shareholder shall interrupt the speech of the speaking shareholder; otherwise, the chairperson shall stop such interruptions.

11. For the same proposal, each shareholder shall not speak twice without the chairperson’s consent, with a maximum of five (5) minutes for each speech. The chairperson may stop the speech of any shareholder who violates the above rules or exceeds the scope of the agenda.
12. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. When a juristic person shareholder appoints two or more representatives to attend a Shareholders’ meeting, only one of the representatives appointed may speak on the same proposal.
13. After an attending shareholder has spoken, the chairperson may respond in person or direct relevant personnel to respond.
14. When the chairperson is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairperson may announce the discussion closed and call for a vote.
15. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairperson, provided that all monitoring personnel shall be shareholders of the Company. The results of the voting shall be announced on-site at the meeting, and a record made of the vote.
16. When a meeting is in progress, the chairperson may announce a break based on time considerations.
17. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.
18. When there is an amendment or an alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When anyone among them is passed, the other proposals will then be deemed to be rejected, and no further voting shall be required.
19. The chairperson may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an armband bearing the word "Proctor."
20. Matters not specified in the Rules but beneficial to the shareholders’ meeting may be added or amended to the Rules, provided that no violations of laws and preceding regulations are made.
21. These Rules, and any amendments or abrogation hereto, shall be implemented after adoption by shareholders' meetings.

Senao International Co., Ltd.

Shareholdings by the Directors

(I) The Company's paid-in capital is NT$2,582,526,570 with total 258,252,657 shares issued.

(II) Pursuant to Article 26 of the Securities and Exchange Act, the minimum number of shares required to be held by all the directors is 12,000,000 shares. (Since the Company has two or more independent directors, shareholdings requirement of all directors other than the independent directors shall be decreased by 20%.)

(III) As of the share register closure date (March 29, 2026) for this General Shareholders' Meeting, the numbers of shares held by individual and all directors are as follows, which complies with the minimum shareholding requirement by Article 26 of the Securities and Exchange Act.

Title	Name	Shareholding as of the share register closure date	
		Number of shareholdings	Percentage
Chairman (Note 1)	Cheng-Hsien Yu	71,773,155	27.79%
Vice Chairman (Note 2)	Pao-Yung Lin	14,820,975	5.74%
Director (Note 1)	Wen-Chiyh Lin	71,773,155	27.79%
Director (Note 1)	Chung-Yung Chia	71,773,155	27.79%
Director (Note 1)	Hsueh-Hai Hu	71,773,155	27.79%
Director (Note 1)	Su-Chiu Ke	71,773,155	27.79%
Director (Note 2)	Cheng-Feng Lin	14,820,975	5.74%
Director (Note 2)	Cheng-Kang Lin	14,820,975	5.74%
Independent Director	Kung-Liang Yeh	0	0%
Independent Director	Fu-Hai Yeh	0	0%
Independent Director	Wen-Tsan Wu	0	0%
Independent Director	Min-Ching Cheng	0	0%
Independent Director	Ying-Chi Ho	0	0%
Total shareholdings of all directors		86,594,130	33.53%

Note 1: Representative of the Chunghwa Telecom Co., Ltd.

Note 2: Representative of the Cheng Kang Investment Co., Ltd.