

The logo for Sercomm Corporation, featuring the word "SERCOMM" in a bold, white, sans-serif font with a stylized, blocky appearance.

TWSE:5388

Sercomm Corporation

2026 Annual Shareholders' Meeting

Meeting Agenda
(Translation)

Disclaimer

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Sercomm Corporation

Agenda for the 2026 Annual Shareholders' Meeting

Time : 9:00 a.m., Thursday, June 11, 2026

Venue : No.81, Youyi Rd., Zhunan Township, Miaoli County, Taiwan

Format : In-person shareholders' meeting

Agenda :

- I. Announcement of the Meeting (Report on the attendance of shares)
- II. Chairperson's Speech
- III. Meeting Agenda
 1. Report Items
 - (I) 2025 Business Report
 - (II) 2025 Audit Committee Review Report
 - (III) Report on the Distribution of 2025 Employee and Director Profit Sharing
 - (IV) Report on the Distribution of 2025 Cash Dividends
 - (V) Report on the Status of Private Placement of Securities
 - (VI) Report on the Execution Status of Share Buyback
 2. Acknowledgment and Discussion Items
 - (I) Acceptance of the 2025 Business Report and Financial Statements
 - (II) Acceptance of the Proposal for 2025 Earnings Distribution
 - (III) Approval of the Proposal to Conduct a Private Placement of Common Shares or Domestic and/or Foreign Convertible Bonds
 3. Extraordinary Motions
 4. Adjournment

1. Report Items

(I) 2025 Business Report

Sercomm Corporation Business Report

Looking back at 2025, it was a challenging year for the networking industry. Exchange rate fluctuations, U.S. tariff policies, and rising component costs contributed to an uncertain operating environment. Nevertheless, Sercomm continued to invest in innovation and R&D, adopting prudent market strategies and delivering operating results that outperformed the industry average. As customer inventory adjustments neared completion, market demand began to recover, and next-generation broadband products were progressively shipped, supporting subsequent growth. In response to external changes, Sercomm strengthened its core technologies, advanced global expansion initiatives, reinforced market development strategies, and maintained disciplined risk management to enhance operational resilience.

In terms of operating performance, Sercomm recorded total consolidated revenue of NT\$54 billion in 2025, with a full-year gross margin of 15.7%. Operating profit amounted to NT\$1.6 billion, while net profit attributable to the parent company totaled NT\$1.2 billion. Based on a weighted average of approximately 298 million shares outstanding, consolidated earnings per share (EPS) for 2025 were NT\$4.04. Amid industry volatility, the Company continued to strengthen its financial structure and operational resilience to effectively navigate market changes.

In response to geopolitical developments and regional market shifts, Sercomm further advanced its globalization strategy. Through coordinated supply chain management, we integrated resources across five production bases in Taiwan, the Philippines, India, Mexico, and China, enhancing flexibility and competitiveness. The second production facility in the Philippines has been completed and commenced mass production, further securing capacity allocation and supply stability. In addition to expanding production capacity, Sercomm strengthened cross-site technical collaboration. To support rapid growth in North America, capacity at the Mexico facility will be further expanded. Building on our established presence in North America, Europe, and Asia-Pacific, we are also expanding into Southeast Asia, Latin America, and the Middle East to deepen customer relationships and enhance overall competitiveness.

Beyond core operations, Sercomm continues to advance its sustainability strategy, focusing on Environmental, Social, and Governance (ESG) initiatives. The Company steadily promotes low-carbon transformation and responsible corporate practices. Sercomm has consistently ranked within the top 6%–20% in the Corporate Governance Evaluation for listed companies. Since 2017, we have published annual sustainability reports and obtained third-party assurance for eight consecutive years. Recently, Sercomm was awarded the Platinum Medal, the highest distinction by EcoVadis, ranking among the top 1% of assessed companies worldwide—demonstrating our long-term commitment to sustainability and sound governance.

Looking ahead to 2026, the industry continues to present both opportunities and uncertainties, with geopolitical developments and component supply conditions remaining key variables. However, demand for next-generation broadband applications remains strong. Products including Wi-Fi 7, 5G FWA fixed wireless access equipment, enterprise networking devices, AI-

powered IoT solutions, and distributed access products are expected to further contribute to revenue growth. Sercomm will continue to prioritize innovation and cost discipline, deepen collaboration with global telecommunications customers, and expand its market share. With innovation at its core and sustainability as its guiding principle, Sercomm remains committed to enhancing long-term value for shareholders, customers, and employees alike.

To the 2026 Annual Shareholders' Meeting

Chairperson	James Wang
President	Ben Lin
Accounting Officer	Max Cheng

(II) 2025 Audit Committee Review Report

Sercomm Corporation The Audit Committee's Review Report

The Board of Directors has prepared the Company's consolidated and parent company only financial statements for 2025, including the balance sheets, statements of comprehensive income, statements of changes in equity, and statements of cash flows, which have been audited and attested by CPAs Ya-Fang Wen and Yu-Fang Yen of PricewaterhouseCoopers, Taiwan, together with the Business Report and the proposal for the distribution of earnings.

The Audit Committee has reviewed the aforementioned documents and found no material misstatement. Accordingly, this report is prepared in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for your review.

Respectfully submitted,

To the 2026 Annual Shareholders' Meeting

Audit Committee of Sercomm Corporation
Chair: Rose Tsou
March 10, 2026

(III) Report on the Distribution of 2025 Employee and Director Profit Sharing

Description:

1. Pursuant to Article 29 of the Company's Articles of Incorporation, where the Company has annual profits, 12% to 18% of such profits shall be appropriated as employee compensation. Eligible recipients may include employees of controlled or affiliated companies meeting certain conditions, and the eligibility criteria and allocation method shall be determined by the Board of Directors. The total amount of directors' remuneration shall not exceed 2.5% of such profits.
2. The Company's profit for 2025 (i.e., profit before tax prior to the distribution of employee and directors' compensation) amounted to NT\$1,757,283,236. In accordance with the Company Act and the Articles of Incorporation, it is proposed to allocate NT\$280,500,000 as employee compensation, representing approximately 15.96% of such profit. The distribution shall be limited to full-time employees on the Company's and its affiliated companies' payroll at the time of distribution and shall be paid in cash. In addition, NT\$17,500,000 is proposed to be allocated as directors' remuneration, representing approximately 1.00% of such profit, which shall also be paid in cash.

(IV) Report on the Distribution of 2025 Cash Dividends

Description:

1. Pursuant to Article 29 of the Company's Articles of Incorporation, where dividends and bonuses are distributed in whole or in part in cash, the Board of Directors is authorized to approve such distribution by a resolution adopted by at least two-thirds of the directors present at a meeting attended by a majority of the directors, and such distribution shall be reported to the Annual General Meeting.
2. For the distribution of earnings for 2025, based on 299,719,542 shares outstanding as of March 10, 2026, it is proposed to distribute cash dividends to shareholders in the total amount of NT\$749,298,855, representing NT\$2.5 per share. Cash dividends shall be calculated based on each shareholder's shareholding and rounded down to the nearest New Taiwan dollar. Any fractional amount less than NT\$1 shall be aggregated and recognized as other income of the Company.
3. The ex-dividend record date for the cash dividend distribution is set as April 17, 2026, and the payment date is scheduled for May 14, 2026.

(V) Report on the Status of Private Placement of Securities

Description:

1. Pursuant to Article 43-6, Paragraph 7 of the Securities and Exchange Act, a private placement of securities shall be completed within one year from the date of the shareholders' resolution.
2. At the Annual General Meeting held on May 29, 2025, the Company approved a proposal authorizing the Board of Directors to conduct a private placement of common shares or domestic and/or foreign convertible bonds, within a total amount not exceeding 27,000,000 common shares. Such authorization will expire on May 28, 2026. As no subscriber has been identified to date, it is proposed not to proceed with the aforementioned private placement plan.

(VI) Report on the Execution Status of Share Buyback

Description:

The status of the buyback and transfer of company shares is as follows:

Buyback Round	11th	12th
Purpose of Buyback	Transfer shares to employees	Transfer shares to employees
Buyback Period	Oct. 3, 2022 – Dec. 2, 2022	Apr. 10, 2025 – Jun. 9, 2025
Buyback Price Range (NT\$ per share)	55.16 – 90	59.6 – 110
Planned Buyback Shares (Common Shares)	5,000,000	12,000,000
Shares Bought Back (Common Shares)	5,000,000	3,123,000
Buyback Amount (NT\$)	398,396,775	302,293,113
Buyback Completion Ratio (%)	100%	26%
Shares Cancelled or Transferred (Shares)	3,500,000	0
Treasury Shares Held (Shares)	4,623,000	
Treasury Shares as % of Total Issued Shares	1.52%	

2. Acknowledgment and Discussion Items

(I) Acceptance of the 2025 Business Report and Financial Statements (proposed by the Board of Directors)

Description:

1. The Company's consolidated and parent company only financial statements for 2025, including the balance sheets, statements of comprehensive income, statements of changes in equity, and statements of cash flows, have been audited by CPAs Ya-Fang Wen and Yu-Fang Yen of PricewaterhouseCoopers, Taiwan.
2. The aforementioned financial statements and the 2025 Business Report have been approved by the Board of Directors and reviewed by the Audit Committee.
3. For the financial statements and the Business Report, please refer to Attachment 1 and page 4 of this handbook.

Resolution:

(II) Acceptance of the Proposal for 2025 Earnings Distribution (proposed by the Board of Directors)

Description:

1. The Company's 2025 Earnings Distribution Table is presented in Attachment 2.

Resolution:

(III) Approval of the Proposal to Conduct a Private Placement of Common Shares or Domestic and/or Foreign Convertible Bonds (proposed by the Board of Directors)

Description:

1. In order to meet the Company's future operational needs, it is proposed to conduct a private placement of Common Shares or Domestic and/or Foreign Convertible Bonds, within a total amount not exceeding 27,000,000 common shares. In the case of convertible bonds, the number of common shares to be converted shall be calculated based on the conversion price at the time of the private placement and shall be included within the aforementioned limit. It is proposed that the shareholders' meeting authorize the Board of Directors to determine, based on market conditions and the Company's operational needs, the appropriate timing and whether to proceed with either method or a combination thereof, in accordance with the Company's Articles of Incorporation and applicable laws and regulations. For the Method and Terms of the private placement of securities, please refer to Attachment 3.
2. The key terms of the proposed private placement of Common Shares or Domestic and/or Foreign Convertible Bonds, including but not limited to the actual number of shares to be privately placed, issuance period, actual issue price, total amount to be raised, coupon rate of the bonds, issuance plan, issuance conditions, conversion price, selection of subscribers, record date, project items, use of proceeds and implementation schedule, expected benefits, and all other related matters concerning

the issuance plan, are proposed to be authorized to the Board of Directors for adjustment, determination, and execution based on market conditions. In the event of any amendments required due to changes in applicable laws or regulations, instructions from competent authorities, or based on operational evaluation or changes in objective circumstances, the Board of Directors is also authorized to handle all such matters at its sole discretion.

3. To facilitate the completion of the private placement plan, it is proposed to authorize the Chairperson or his designee to represent the Company in handling all matters related to the private placement of Common Shares or Domestic and/or Foreign Convertible Bonds, including the execution of all relevant agreements and documents.

Resolution:

3. Extraordinary Motions:

4. Adjournment

2025 Financial Statements

INDEPENDENT AUDITORS' REPORT

PWCR25000504

To the Board of Directors and Shareholders of Sercomm Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Sercomm Corporation 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 at 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 Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor's 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 Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

Timing of revenue recognition from hub sales

Description

For the accounting policies of revenue recognition, please refer to Note 4(34); and for the details of revenue, please refer to Note 6(21).

The Group is mainly engaged in sales of global network communication software and equipment activities, and its sales types are mainly divided into shipped directly from factories and goods picked up from hubs. For pick-ups from hub, the Group recognises sales revenue when their customers pick up the goods (satisfies the performance obligation) from hubs. The Group recognises sales revenue based on movements of inventories contained in the statements or other information provided by the hub custodians. As the hubs are located around the world with numerous custodians, the frequency and contents of statements provided by custodians vary, and the process of revenue recognition involves numerous manual procedures, these factors may potentially result in inaccurate timing of sales revenue recognition and discrepancy between physical inventory quantities in the hubs and quantities as reflected in the accounting records. As the transaction amounts from hubs prior to and after the balance sheet date are significant to the financial statements, we consider the timing of revenue recognition from hub sales as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed and tested the appropriateness of internal controls over hub sales revenue, including understanding and testing the statements between the Group and hub custodians periodically.
2. Obtained the stock details of each hub at the balance sheet date and agreed to respective supporting documents provided by hub custodians.
3. Confirmed inventory quantities held at hubs and agreed to accounting records to validate the revenue recognition in proper period.

Valuation of inventory

Description

For the accounting policies of inventory, please refer to Note 4(14); and for the accounting estimates of valuation of inventory and assumption uncertainty, please refer to Note 5. For details on loss on inventory valuation, please refer to Note 6(7). As of December 31, 2025, the cost of inventory and loss on inventory valuation are \$20,083,559 thousand and \$618,986 thousand, respectively.

Due to rapid technological innovations and intense competition in the telecom market, there is a higher risk of inventory losses due to market value decline or obsolescence. The Group recognises inventories at the lower of cost and net realisable value, and the net realisable value is estimated based on historical experience, such as inventories aged over a certain period of time or individually identified as obsolete.

Since the industry which the Group is engaged in rapidly changes, and the estimate of net realizable value for obsolete inventory is subject to management's judgment, we consider valuation of inventory as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of accounting policies and procedures in relation to inventory valuation, including the classification of aged, damaged and obsolete inventory.

2. Reviewed the Group's annual counting plan and conducted their physical counts on inventories to evaluate the control effectiveness on inventory classification.
3. Validated the inventory classification and the amount of net realisable value, recalculated the loss of inventory and further evaluated the rationality.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of Sercomm Corporation as at and for the years ended December 31, 2025 and 2024.

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.

Auditor's 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 auditor's 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 auditor's 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 auditor's 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.

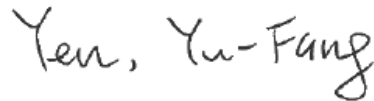
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditor's 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.



Wen, Ya-Fang



Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 10, 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 audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

SERCOMM CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 5,759,324	12	\$ 8,305,815	20
1110	Financial assets at fair value through profit or loss, current	6(2)	5,723	-	13,384	-
1136	Financial assets at amortised cost, current	8	76,737	-	27,392	-
1139	Financial assets for hedging, current	6(4)	17,331	-	20,425	-
1150	Notes receivable, net	6(5)	120,738	-	60,863	-
1170	Accounts receivable, net	6(5)	11,334,851	24	11,634,655	28
1200	Other receivables	6(6)	972,583	2	959,900	2
1220	Current income tax assets		240,211	1	39,472	-
130X	Inventories	6(7)	19,464,573	40	11,596,212	28
1410	Prepayments		1,175,946	2	704,725	2
1470	Other current assets		90,840	-	39,432	-
11XX	Current Assets		<u>39,258,857</u>	<u>81</u>	<u>33,402,275</u>	<u>80</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income, non-current	6(3)	352,178	1	324,339	1
1535	Financial assets at amortised cost, non-current	8 and 9	52,099	-	119,423	-
1550	Investments accounted for using equity method	6(8)	-	-	13,721	-
1600	Property, plant and equipment	6(9)	6,446,812	13	5,866,741	14
1755	Right-of-use assets	6(10)	718,952	2	667,044	2
1780	Intangible assets	6(11)	300,619	1	311,972	1
1840	Deferred income tax assets	6(27)	680,828	1	889,785	2
1915	Prepayments for business facilities	6(29)	353,135	1	205,332	-
1920	Guarantee deposits paid	8 and 9	157,551	-	175,740	-
1990	Other non-current assets, others		11,430	-	15,444	-
15XX	Non-current assets		<u>9,073,604</u>	<u>19</u>	<u>8,589,541</u>	<u>20</u>
1XXX	Total assets		<u>\$ 48,332,461</u>	<u>100</u>	<u>\$ 41,991,816</u>	<u>100</u>

(Continued)

SERCOMM CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(12)	\$ 2,145,838	5	\$ 1,016,211	3
2120	Financial liabilities at fair value through profit or loss, current	6(2)	24,013	-	39,583	-
2126	Financial liabilities for hedging, current	6(4)	18,486	-	-	-
2130	Contract liabilities, current	6(21)	1,023,930	2	761,015	2
2150	Notes payable		546,579	1	402,250	1
2170	Accounts payable		19,271,587	40	12,063,488	29
2200	Other payables		3,955,074	8	4,149,235	10
2230	Current income tax liabilities		177,988	1	174,780	1
2250	Provisions for liabilities, current	6(16)	967,750	2	980,724	2
2280	Current lease liabilities		103,943	-	78,089	-
2320	Long-term liabilities, current portion	6(13)	-	-	1,400,000	3
2365	Current refund liabilities	6(21)	158,770	-	127,648	-
2399	Other current liabilities, others	9	395,779	1	928,590	2
21XX	Current Liabilities		<u>28,789,737</u>	<u>60</u>	<u>22,121,613</u>	<u>53</u>
	Non-current liabilities					
2500	Financial liabilities at fair value through profit or loss, non-current	6(2)	32,100	-	18,600	-
2530	Bonds payable	6(13)	2,848,419	6	2,798,505	6
2570	Deferred income tax liabilities	6(27)	318,329	-	332,471	1
2580	Non-current lease liabilities		372,044	1	331,539	1
2640	Net defined benefit liability, non-current	6(14)	12,693	-	22,092	-
2645	Guarantee deposits received		15,695	-	47,609	-
25XX	Non-current liabilities		<u>3,599,280</u>	<u>7</u>	<u>3,550,816</u>	<u>8</u>
2XXX	Total Liabilities		<u>32,389,017</u>	<u>67</u>	<u>25,672,429</u>	<u>61</u>
	Equity					
	Equity attributable to owners of parent					
	Share capital	6(17)				
3110	Common stock		3,043,426	6	3,000,496	7
	Capital surplus	6(18)				
3200	Capital surplus		6,572,515	14	6,354,493	15
	Retained earnings	6(19)				
3310	Legal reserve		2,042,692	4	1,814,255	4
3320	Special reserve		356,140	1	689,875	2
3350	Undistributed retained earnings		4,883,210	10	4,944,900	12
	Other equity interest	6(20)				
3400	Other equity interest		(520,509)	(1)	(356,140)	(1)
	Treasury stocks	6(17)				
3500	Treasury stocks		(421,810)	(1)	(119,517)	-
31XX	Equity attributable to owners of the parent		<u>15,955,664</u>	<u>33</u>	<u>16,328,362</u>	<u>39</u>
36XX	Non-controlling interest		(12,220)	-	(8,975)	-
3XXX	Total equity		<u>15,943,444</u>	<u>33</u>	<u>16,319,387</u>	<u>39</u>
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant subsequent events	11				
3X2X	Total liabilities and equity		<u>\$ 48,332,461</u>	<u>100</u>	<u>\$ 41,991,816</u>	<u>100</u>

SERCOMM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024

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

Items	Notes	Year ended December 31			
		2025		2024	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(21)	\$ 53,999,430	100	\$ 56,788,762	100
5000 Operating costs	6(7) and 7	(45,524,332)	(84)	(46,712,533)	(82)
5900 Gross profit		8,475,098	16	10,076,229	18
Operating expenses	6(25)(26) and 7				
6100 Selling expenses		(2,319,601)	(5)	(2,536,119)	(5)
6200 General and administrative expenses		(1,228,035)	(2)	(1,304,079)	(2)
6300 Research and development expenses		(3,333,333)	(6)	(3,323,109)	(6)
6450 Expected credit impairment gain	12(2)	10,835	-	20,916	-
6000 Total operating expenses		(6,870,134)	(13)	(7,142,391)	(13)
6900 Operating profit		1,604,964	3	2,933,838	5
Non-operating income and expenses					
7100 Interest income		146,539	-	175,702	-
7010 Other income	6(22)	83,520	-	19,052	-
7020 Other gains and losses	6(23)	(77,506)	(-)	(66,779)	(-)
7050 Finance costs	6(24)	(251,806)	(-)	(248,528)	(-)
7060 Share of profit of associates and joint ventures accounted for under equity method	6(8)	-	-	9,896	-
7000 Total non-operating income and expenses		(99,253)	(-)	(110,657)	(-)
7900 Profit before income tax		1,505,711	3	2,823,181	5
7950 Income tax expense	6(27)	(306,687)	(1)	(549,542)	(1)
8200 Profit for the year		\$ 1,199,024	2	\$ 2,273,639	4
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Gains on remeasurements of defined benefit plans	6(14)	\$ 4,418	-	\$ 16,709	-
8316 Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income	6(3)(20)	(2,777)	(-)	5,166	(-)
8317 (Losses) gains on hedging instrument	6(20)	(132,989)	(-)	52,904	(-)
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(20)	25,714	(-)	(13,924)	(-)
8310 Components of other comprehensive income that will not be reclassified to profit or loss		(105,634)	(-)	60,855	(-)
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Exchange differences on translation of foreign financial statements		(143,792)	(-)	283,782	1
8368 (Losses) gains on hedging instruments	6(20)	(14,514)	(-)	29,445	(-)
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(20)	2,903	(-)	(5,889)	(-)
8360 Components of other comprehensive income that will be reclassified to profit or loss		(155,403)	(-)	307,338	1
8300 Other comprehensive (loss) income (net)		(\$ 261,037)	(-)	\$ 368,193	1
8500 Total comprehensive income for the year		\$ 937,987	2	\$ 2,641,832	5
Profit attributable to					
8610 Owners of the parent		\$ 1,202,805	2	\$ 2,271,006	4
8620 Non-controlling interest		(3,781)	(-)	2,633	(-)
Total		\$ 1,199,024	2	\$ 2,273,639	4
Comprehensive income attributable to					
8710 Owners of the parent		\$ 941,232	2	\$ 2,639,449	5
8720 Non-controlling interest		(3,245)	(-)	2,383	(-)
Total		\$ 937,987	2	\$ 2,641,832	5
Earnings per share	6(28)				
9750 Basic earnings per share		\$ 4.04		\$ 7.74	
9850 Diluted earnings per share		\$ 3.95		\$ 7.49	

SERCOMM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2024
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of this parent										Non-controlling interest	Total equity
	Share capital		Retained earnings				Total					
	Common stock	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Undistributed retained earnings	Treasury stocks	Total	Other equity interest	Total		
Year 2024												
	Balance at January 1, 2024	\$ 2,685,781	\$ 105,989	\$ 4,608,355	\$ 1,572,874	\$ 653,337	\$ 4,410,572	(\$ 689,879)	(\$ 119,517)	\$ 13,227,512	(\$ 11,358)	\$ 13,216,154
6(20)	Profit for the year	-	-	-	-	-	2,271,006	-	-	2,271,006	2,633	2,273,639
	Other comprehensive income (loss) for the year	-	-	-	-	-	13,367	355,076	-	368,443	(290)	368,153
	Total comprehensive income	-	-	-	-	-	2,284,373	355,076	-	2,639,449	2,343	2,641,832
6(19)	Appropriation and distribution of retained earnings:											
	Legal reserve appropriated	-	-	-	241,381	-	(241,381)	-	-	-	-	-
	Special reserve appropriated	-	-	-	-	36,538	(36,538)	-	-	-	-	-
	Cash dividends of ordinary share	-	-	-	-	-	(1,472,126)	-	-	(1,472,126)	-	(1,472,126)
6(15)	Compensation cost of employee stock options	-	-	49,311	-	-	49,311	-	-	49,311	-	49,311
6(17)(18)	Exercise of employee stock options	7,150	-	11,154	-	-	-	-	-	18,304	-	18,304
6(17)(18)	Issuance of employee restricted stock	34,040	-	338,698	-	-	-	(168,498)	-	204,240	-	204,240
6(15)	Compensation costs of employee restricted stocks	-	-	-	-	-	-	168,498	-	168,498	-	168,498
6(4)	Removal of hedging reserve	-	-	-	-	-	-	(25,407)	-	(25,407)	-	(25,407)
6(4)	Reclassification of ineffective hedging reserve	-	-	-	-	-	-	4,070	-	4,070	-	4,070
6(4)	Conversion of convertible bonds	273,525	(105,989)	1,346,975	-	-	-	-	-	1,514,511	-	1,514,511
	Balance at December 31, 2024	\$ 3,000,496	\$ -	\$ 6,354,493	\$ 1,814,255	\$ 689,875	\$ 4,944,900	(\$ 356,140)	(\$ 119,517)	\$ 16,338,362	(\$ 8,975)	\$ 16,319,387
Year 2023												
	Balance at January 1, 2023	\$ 3,000,496	\$ -	\$ 6,354,493	\$ 1,814,255	\$ 689,875	\$ 4,944,900	(\$ 356,140)	(\$ 119,517)	\$ 16,338,362	(\$ 8,975)	\$ 16,319,387
6(20)	Profit (loss) for the year	-	-	-	-	-	1,202,805	-	-	1,202,805	(3,781)	1,199,024
	Other comprehensive income (loss)	-	-	-	-	-	3,534	(265,107)	-	(261,573)	536	(261,037)
	Total comprehensive income (loss)	-	-	-	-	-	1,206,339	(265,107)	-	941,232	(3,245)	937,987
6(19)	Appropriation and distribution of retained earnings:											
	Legal reserve appropriated	-	-	-	228,437	-	(228,437)	-	-	-	-	-
	Reversal of special reserve	-	-	-	-	(333,735)	333,735	-	-	-	-	-
	Cash dividends of ordinary share	-	-	-	-	-	(1,373,327)	-	-	(1,373,327)	-	(1,373,327)
6(15)	Compensation cost of employee stock options	-	-	48,740	-	-	48,740	-	-	48,740	-	48,740
6(17)(18)	Exercise of employee stock options	39,130	-	133,942	-	-	-	-	-	173,072	-	173,072
6(17)(18)	Issuance of employee restricted stock	3,800	-	351,340	-	-	-	(8,740)	-	30,400	-	30,400
6(15)	Compensation cost of employee restricted stock	-	-	-	-	-	-	8,740	-	8,740	-	8,740
6(17)	Acquisition of treasury stock	-	-	-	-	-	-	94,213	(302,293)	(302,293)	-	(302,293)
6(4)	Removal of hedging reserve	-	-	-	-	-	-	94,213	-	94,213	-	94,213
6(4)	Reclassification of ineffective hedging reserve	-	-	-	-	-	-	6,525	-	6,525	-	6,525
	Balance at December 31, 2023	\$ 3,043,426	\$ -	\$ 6,572,515	\$ 2,042,692	\$ 356,140	\$ 4,883,210	(\$ 520,509)	(\$ 421,810)	\$ 15,955,664	(\$ 12,220)	\$ 15,943,444

SERCOMM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 1,505,711	\$ 2,823,181
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(25)	925,236	821,929
Amortization expense	6(25)	133,416	155,570
Expected credit impairment gain	12(2)	(10,835)	(20,916)
Impairment loss on performance guarantee	6(23)	14,750	14,750
Net loss on financial assets and liabilities at fair value through profit or loss	6(3)(23)		
Interest income		73,135	163,655
Interest expense		(146,539)	(175,702)
Dividend income	6(24)	251,806	248,527
Compensation cost of share-based payments	6(22)	(627)	(376)
(Gain) loss on disposal of property, plant and equipment	6(15)	57,480	217,809
Gains arising from lease modifications	6(23)	(5,799)	4,629
Losses on disposals of investment	6(23)	-	166
Gain on disposal of investments accounted for using equity method	6(23)	-	199
Share of profit of associates accounted for using equity method	6(8)(23)	(30,401)	-
Gains arising from derecognition of liabilities	6(8)	-	(9,896)
Gains arising from derecognition of liabilities	6(22)	(57,811)	-
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss, current		(67,544)	(100,382)
Notes receivable		(59,875)	17,275
Accounts receivable		314,129	(406,093)
Other receivables		(16,761)	(521,990)
Inventories		(7,868,361)	5,937,085
Prepayments		(471,214)	(120,780)
Other current assets		(51,408)	(41,989)
Changes in operating liabilities			
Contract liabilities		262,915	9,744
Notes payable		144,329	(234,064)
Accounts payable		7,208,099	(4,308,900)
Other payables		(156,702)	(641,140)
Provisions for liabilities		(13,197)	294,483
Current refund liabilities		31,122	(242,013)
Other current liabilities		93,513	20,256
Net defined benefit liabilities, non-current		(4,981)	(4,650)
Cash inflow generated from operations		2,053,586	3,900,035
Interest received		150,617	180,702
Interest paid		(212,521)	(200,448)
Income tax paid		(265,686)	(1,151,132)
Net cash flows from operating activities		<u>1,725,996</u>	<u>2,729,157</u>

(Continued)

SERCOMM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(29)	(\$ 1,558,437)	(\$ 1,233,877)
Proceeds from disposal of property, plant and equipment		59,778	23,154
Acquisition of intangible assets	6(29)	(199,303)	(85,811)
Acquisition of financial assets at fair value through profit or loss		(6,700,000)	(2,800,000)
Proceeds from disposal of financial assets at fair value through profit or loss		6,700,000	3,950,000
Decrease (increase) in guarantee deposit paid		3,439	(27,480)
Decrease in financial assets at amortised cost		17,979	32,971
Acquisition of financial assets at fair value through other comprehensive income	12(3)	(30,616)	-
Dividends received	6(3)(8)(22)	627	3,760
Proceeds from disposal of investments accounted for using equity method	6(8)	43,566	-
Decrease in other non-current assets		863	-
Net cash flows used in investing activities		(1,662,104)	(137,283)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from short-term debts	6(30)	27,567,261	22,684,123
Payments of short-term debts	6(30)	(26,412,224)	(22,097,837)
Acquisition of treasury stocks	6(17)	(302,293)	-
Exercise of employee stock options	6(15)	173,072	18,304
Issuance of employee restricted stock	6(15)	30,400	204,240
Increase in guarantee deposits received	6(30)	65,485	574,350
Decrease in guarantee deposits received	6(30)	(664,236)	(751,161)
Payments of principal portion of lease liabilities	6(30)	(170,843)	(224,859)
Repayments of bonds	6(30)	(1,400,000)	(2,300,000)
Cash dividends paid	6(19)	(1,373,327)	(1,472,126)
Net cash flows used in financing activities		(2,486,705)	(3,364,966)
Effect of exchange rate changes		(123,678)	247,995
Net decrease in cash and cash equivalents		(2,546,491)	(525,097)
Cash and cash equivalents at beginning of year		8,305,815	8,830,912
Cash and cash equivalents at end of year		<u>\$ 5,759,324</u>	<u>\$ 8,305,815</u>

INDEPENDENT AUDITORS' REPORT

PWCR25000485

To the Board of Directors and Shareholders of Sercomm Corporation

Opinion

We have audited the accompanying parent company only balance sheets of Sercomm Corporation (the "Company") as at 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 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 parent company only financial position of the Company as at December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

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

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2025 are stated as follows:

Timing of revenue recognition from hub sales

Description

For the accounting policies of revenue recognition, please refer to Note 4(33); and for the details of revenue, please refer to Note 6(21).

The Company is mainly engaged in sales of global network communication software and equipment activities, and its sales types are mainly divided into shipped directly from factories and goods picked up from hubs. For pick-ups from hub, the Company recognises sales revenue when their customers pick up the goods (satisfies the performance obligation) from hubs. The Company recognises sales revenue based on movements of inventories contained in the statements or other information provided by the hub custodians. As the hubs are located around the world with numerous custodians, the frequency and contents of statements provided by custodians vary, and the process of revenue recognition involves numerous manual procedures, these factors may potentially result in inaccurate timing of sales revenue recognition and discrepancy between physical inventory quantities in the hubs and quantities as reflected in the accounting records. As the transaction amounts from hubs prior to and after the balance sheet date are significant to the financial statements, we consider the timing of revenue recognition from hub sales as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed and tested the appropriateness of internal controls over hub sales revenue, including understanding and testing the statements between the Company and hub custodians periodically.
2. Obtained the stock details of each hub at the balance sheet date and agreed to respective supporting documents provided by hub custodians.
3. Confirmed inventory quantities held at hubs and agreed to accounting records to validate the revenue recognition in proper period.

Valuation of inventory

Description

For the accounting policies of inventory, please refer to Note 4(13); and for the accounting estimates of valuation of inventory and assumption uncertainty, please refer to Note 5. For details on loss on inventory valuation, please refer to Note 6(7). As of December 31, 2025, the cost of inventory and loss on inventory valuation are \$7,289,346 thousand and \$291,787 thousand, respectively.

Due to rapid technological innovations and intense competition in the telecom market, there is a higher risk of inventory losses due to market value decline or obsolescence. The Company recognises inventories at the lower of cost and net realisable value, and the net realisable value is estimated based on historical experience, such as inventories aged over a certain period of time or individually identified as obsolete.

Since the industry which the Company is engaged in rapidly changes, the estimate of net realizable value for obsolete inventory is subject to management's judgment, and the aforementioned matters also exist in the Company's subsidiaries (shown as investments accounted for using the equity method), we consider valuation of inventory as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of accounting policies and procedures in relation to inventory valuation, including the classification of aged, damaged and obsolete inventory.
2. Reviewed the Company's annual counting plan and conducted their physical counts on inventories to evaluate the control effectiveness on inventory classification.
3. Validated the inventory classification and the amount of net realisable value, recalculated the loss of inventory and further evaluated the rationality.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities controlled by 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.



Wen, Ya-Fang



Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 10, 2026

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

SERCOMM CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 2,943,713	8	\$ 5,679,509	16
1110	Financial assets at fair value through profit or loss, current	6(2)	5,723	-	13,384	-
1139	Financial assets for hedging, current	6(4)	17,331	-	20,425	-
1170	Accounts receivable, net	6(5)	8,775,847	23	6,274,745	17
1180	Accounts receivable due from related parties, net	7	5,546,444	15	6,330,157	17
1200	Other receivables	6(6)	789,011	2	742,322	2
1210	Other receivables due from related parties	7	35,421	-	26,329	-
1220	Current income tax assets		183,417	-	28,738	-
130X	Inventories	6(7)	6,997,559	18	4,697,699	13
1410	Prepayments	7	339,833	1	349,000	1
1470	Other current assets		12,618	-	11,223	-
11XX	Current assets		<u>25,646,917</u>	<u>67</u>	<u>24,173,531</u>	<u>66</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss, non-current	6(2)	-	-	-	-
1517	Financial assets at fair value through other comprehensive income, non-current	6(3)	325,069	1	294,453	1
1535	Financial assets at amortised cost, non-current	8 and 9	43,101	-	110,440	-
1550	Investments accounted for using equity method	6(8) and 7	8,139,752	21	7,434,144	20
1600	Property, plant and equipment	6(9)	2,749,188	7	2,815,196	8
1755	Right-of-use assets	6(10)	160,010	1	197,378	1
1780	Intangible assets	6(11)	281,759	1	288,464	1
1840	Deferred income tax assets	6(27)	525,183	1	674,446	2
1915	Prepayments for business facilities	6(29)	149,326	1	92,111	-
1920	Guarantee deposits paid	9	114,357	-	119,466	-
1960	Prepayments for investments		-	-	240,000	1
15XX	Non-current assets		<u>12,487,745</u>	<u>33</u>	<u>12,266,098</u>	<u>34</u>
1XXX	Current tax assets		<u>\$ 38,134,662</u>	<u>100</u>	<u>\$ 36,439,629</u>	<u>100</u>

(Continued)

SERCOMM CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2025		December 31, 2024		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(12)	\$ 1,411,678	4	\$ 1,016,211	3
2120	Financial liabilities at fair value through profit or loss, current	6(2)	24,013	-	39,583	-
2126	Financial liabilities for hedging, current	6(4)	18,486	-	-	-
2130	Contract liabilities, current	6(21)	779,317	2	752,213	2
2170	Accounts payable		5,325,100	14	3,911,472	11
2180	Accounts payable to related parties	7	5,666,893	15	3,656,226	10
2200	Other payables		2,537,847	7	2,960,157	8
2220	Other payables to related parties	7	1,445,211	4	973,760	3
2230	Current income tax liabilities		104,564	-	117,769	-
2250	Provisions for liabilities, current	6(16)	952,223	2	945,961	3
2280	Current lease liabilities		55,104	-	51,553	-
2320	Long-term liabilities, current portion	6(13)	-	-	1,400,000	4
2365	Current refund liabilities	6(21)	158,770	-	114,168	-
2399	Other current liabilities, others	9	361,721	1	921,366	2
21XX	Current liabilities		<u>18,840,927</u>	<u>49</u>	<u>16,860,439</u>	<u>46</u>
Non-current liabilities						
2500	Financial liabilities at fair value through profit or loss, non-current	6(2)	32,100	-	18,600	-
2530	Bonds payable	6(13)	2,848,419	8	2,798,505	8
2570	Deferred income tax liabilities	6(27)	268,141	1	249,750	1
2580	Non-current lease liabilities		107,423	-	143,851	-
2640	Net defined benefit liability, non-current	6(14)	12,693	-	22,092	-
2650	Credit balance of investments accounted for using equity method	6(8)	69,295	-	18,030	-
25XX	Non-current liabilities		<u>3,338,071</u>	<u>9</u>	<u>3,250,828</u>	<u>9</u>
2XXX	Liabilities		<u>22,178,998</u>	<u>58</u>	<u>20,111,267</u>	<u>55</u>
Equity						
Share capital						
3110	Common stock	6(17)	3,043,426	8	3,000,496	8
Capital surplus						
3200	Capital surplus	6(18)	6,572,515	17	6,354,493	17
Retained earnings						
3310	Legal reserve	6(19)	2,042,692	5	1,814,255	5
3320	Special reserve		356,140	1	689,875	2
3350	Undistributed retained earnings		4,883,210	13	4,944,900	14
Other equity interest						
3400	Other equity interest	6(20)	(520,509)	(1)	(356,140)	(1)
Treasury stocks						
3500	Treasury stocks	6(17)	(421,810)	(1)	(119,517)	-
3XXX	Equity		<u>15,955,664</u>	<u>42</u>	<u>16,328,362</u>	<u>45</u>
Significant contingent liabilities and unrecognised						
Significant subsequent events						
3XX2X	Total liabilities and equity	11	<u>\$ 38,134,662</u>	<u>100</u>	<u>\$ 36,439,629</u>	<u>100</u>

SERCOMM CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31			
		2025		2024	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(21) and 7	\$ 50,674,039	100	\$ 52,499,922	100
5000 Operating costs	6(7) and 7	(44,842,686)	(88)	(44,677,639)	(85)
5900 Gross profit		5,831,353	12	7,822,283	15
5920 Realized profit from sales		2,216	-	2,131	-
5950 Gross profit		5,833,569	12	7,824,414	15
Operating expenses	6(25)(26) and 7				
6100 Selling expenses		(1,992,290)	(4)	(2,242,979)	(4)
6200 Administrative expenses		(705,687)	(2)	(782,965)	(2)
6300 Research and development expenses		(2,132,050)	(4)	(1,833,336)	(3)
6450 Expected credit impairment gain	12(2)	11,844	-	8,358	-
6000 Total operating expenses		(4,818,183)	(10)	(4,850,922)	(9)
6900 Operating profit		1,015,386	2	2,973,492	6
Non-operating income and expenses					
7100 Interest income		90,952	-	114,023	-
7010 Other income	6(22)	59,427	-	9,456	-
7020 Other gains and losses	6(23) and 7	(20,431)	-	55,697	-
7050 Finance costs	6(24) and 7	(240,228)	-	(277,573)	(1)
7070 Share of profit (loss) of associates and joint ventures accounted for using equity method	6(8)	554,177	1	(98,919)	-
7000 Total non-operating income and expenses		443,897	1	(197,316)	(1)
7900 Profit before income tax		1,459,283	3	2,776,176	5
7950 Income tax expense	6(27)	(256,478)	(1)	(505,170)	(1)
8200 Profit for the year		\$ 1,202,805	2	\$ 2,271,006	4
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Gains on remeasurements of defined benefit plans	6(14)	\$ 4,418	-	\$ 16,709	-
8317 (Losses) gains on hedging instrument that will not be reclassified to profit or loss	6(20)	(132,989)	-	52,904	-
8330 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(20)	(2,777)	-	5,166	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(20)(27)	25,714	-	(13,924)	-
8310 Components of other comprehensive income that will not be reclassified to profit or loss		(105,634)	-	60,855	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Exchange differences on translation of foreign financial statements	6(20)	(144,328)	-	284,032	1
8368 (Losses) gains on hedging instrument	6(20)	(14,514)	-	29,445	-
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(20)(27)	2,903	-	(5,889)	-
8360 Components of other comprehensive income that will be reclassified to profit or loss		(155,939)	-	307,588	1
8300 Other comprehensive (loss) income		(\$ 261,573)	-	\$ 368,443	1
8500 Total comprehensive income		\$ 941,232	2	\$ 2,639,449	5
Earnings per share					
9750 Basic earnings per share	6(28)	\$ 4.04		\$ 7.74	
9850 Diluted earnings per share	6(28)	\$ 3.95		\$ 7.49	

SERCOMM CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 1,459,283	\$ 2,776,176
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(25)	420,908	372,023
Amortization expense	6(25)	127,778	151,907
Expected credit impairment gain	12(2)	(11,844)	(8,358)
Impairment loss on performance guarantee	6(23)	14,750	14,750
Gains arising from derecognition of liabilities	6(23)	(57,811)	-
Net loss on financial assets and liabilities at fair value through profit or loss	6(23)	73,135	163,425
Interest expense	6(24)	240,228	277,573
Interest income		(90,952)	(114,023)
Compensation cost of share-based payments	6(15)	57,480	217,809
Share of (profit) loss of associates accounted for using equity method	6(8)	(554,177)	98,919
Gain on disposal of property, plant and equipment	6(23)	(4,211)	(3,748)
Realized gain from inter-affiliate accounts		(2,216)	(2,131)
Loss on disposal of investments accounted for using equity method	6(23)	-	199
Losses arising from lease modifications	6(23)	-	192
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss, current		(67,544)	(100,786)
Accounts receivable		(2,489,258)	2,088,615
Accounts receivable due from related parties, net		783,713	(1,093,300)
Other receivables		(153,672)	(526,184)
Other receivables due from related parties		26,329	37,018
Inventories		(2,299,860)	5,609,158
Prepayments		9,167	92,418
Other current assets		(1,395)	129
Changes in operating liabilities			
Contract liabilities, current		27,104	28,452
Accounts payable		1,413,628	(2,560,889)
Accounts payable to related parties		2,010,667	(3,450,489)
Other payables		(385,024)	(589,619)
Other payables to related parties		471,451	(228,445)
Provisions for liabilities, current		6,262	295,849
Current refund liabilities		44,602	(255,493)
Other current liabilities		66,678	12,038
Net defined benefit liabilities, non-current		(4,981)	(4,650)
Cash inflow generated from operations		1,130,218	3,298,535
Interest received		162,514	103,926
Interest paid		(252,142)	(280,736)
Income tax paid		(253,276)	(1,046,725)
Net cash flows from operating activities		787,314	2,075,000

(Continued)

SERCOMM CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	6(29)	(\$ 270,898)	(\$ 411,381)
Proceeds from disposal of property, plant and equipment		18,519	9,951
Acquisition of intangible assets	6(29)	(198,138)	(69,135)
Acquisition of financial assets at fair value through profit or loss		(6,700,000)	(2,800,000)
Proceeds from disposal of financial assets at fair value through profit or loss		6,700,000	3,950,000
Acquisition of financial assets at fair value through other comprehensive income		(30,616)	-
Acquisition for investments accounted for using equity method	6(8) and 7	(245,054)	(501,140)
Proceeds from disposal of investments accounted for using equity method	7	-	1,173
Proceeds from capital reduction of investments accounted for using equity method	6(8) and 7	-	241,770
Increase in guarantee deposit paid		(9,641)	(22,313)
Decrease (increase) in financial assets at amortised cost		67,339	(1,286)
Return of investment prepayment		240,000	-
Net cash flows (used in) from investing activities		(428,489)	397,639
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term debts	6(30)	26,232,097	21,737,491
Payments of short-term debts	6(30)	(25,836,630)	(20,891,180)
Exercise of employee stock options	6(17)	173,072	18,304
Issuance of employee restricted stock	6(15)	30,400	204,240
Payments of principal portion of lease liabilities	6(30)	(49,427)	(46,614)
Acquisition of treasury stocks	6(17)	(302,293)	-
Repayments of bonds	6(30)	(1,400,000)	(2,300,000)
Cash dividends paid	6(19)	(1,373,327)	(1,472,126)
Increase in guarantee deposits received	6(30)	48,446	518,606
Decrease in guarantee deposits received	6(30)	(616,959)	(712,945)
Net cash flows used in financing activities		(3,094,621)	(2,944,224)
Net decrease in cash and cash equivalents		(2,735,796)	(471,585)
Cash and cash equivalents at beginning of year		5,679,509	6,151,094
Cash and cash equivalents at end of year		\$ 2,943,713	\$ 5,679,509

2025 Earning Distribution Table

Unit: NT\$

Items	Amount	
	Subtotal	Total
Unappropriated retained earnings at beginning of the year		3,676,869,263
Other comprehensive income—actuarial gains and losses on defined benefit plans	3,534,415	
Net income attributable to owners of the parent for the year	1,202,805,151	
Net income attributable to owners of the parent plus other items included in unappropriated retained earnings for the year		1,206,339,566
Appropriation of 10% legal reserve		(120,633,957)
Appropriation of special reserve in accordance with regulations		(164,368,919)
Distributable earnings		4,598,205,953
Appropriation items:		
Dividends to shareholders		
Cash dividends (NT\$2.5 per share)	(749,298,855)	
Unappropriated retained earnings at end of the year		3,848,907,098

Note: The amount distributed for this earnings distribution prioritizes the profits from the fiscal year 2025.

Chairperson: James Wang

President: Ben Lin

Accounting Officer: Max Cheng

Method and Terms of the Private Placement of Securities

- I. Private Placement of Common Shares
 - A. The basis and reasonableness of the private placement pricing
 - (1) The issue price of the private placement common shares may not be lower than 85 percent of the price calculated in the following two items, whichever of the two is higher.
 - a. The simple average closing price of the common shares of the Company for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.
 - b. The simple average closing price of the common shares of the Company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
 - (2) The Company proposes to the shareholders' meeting to authorize the Board of Directors to determine the actual private placement price based on the above-mentioned pricing principles, specific persons, and market conditions within the range not lower than the resolution of the shareholders' meeting.
 - (3) In addition to considering the three-year transfer restriction of private placement securities imposed by the Securities and Exchange Act, the pricing of this private placement is determined by referring to relevant laws and regulations and the closing price of common shares. It should be reasonable and shall not have a major impact on shareholders' equity.
 - B. The method for selecting the specific persons:

The selection is performed in accordance with the relevant provisions of Article 43-6 of the Securities and Exchange Act, and it is limited to strategic investors. Individuals or legal persons who will help the Company expand its business and product, strengthen customer relationships, enhance product development integration, or improve technology, will be selected, leveraging their advantages in experience, product technology, knowledge, brand reputation and distribution channel. Through strategic collaboration, joint product development, market integration or cooperative business development, it is expected the Company can reduce the production costs, improve product technology, increase market shares for an improvement in the Company's future operating performance.
 - C. The reasons for the necessity for conducting the private placement:

The Company proposes to raise capitals through private placement with the considerations in factors such as capital market conditions, issuance costs, timeliness of financing, and equity stability. When introducing strategic investors in the private placement, consideration should be given to the transfer restriction of private placement securities to ensure a long-term relationship between the Company and strategic investors, and in view of the fact that the use of private placement capital is to meet the needs of the Company's operation and development, the private placement is beneficial to the stability of the Company's operation and shareholders' equity.
 - D. Except for the transfer restrictions stipulated in Article 43-8 of the Securities and Exchange Act, the rights and obligations in this private placement are the same as those of common shares issued by the Company.
- II. Private Placement of Domestic and/or Foreign Convertible Bonds
 - A. Period: Less than 5 years from the date of issuance.
 - B. Coupon rate: The Board of Directors is authorized to determine it according to market conditions.
 - C. The basis and reasonableness of the private placement pricing
 - (1) The issue price of the private placement convertible bonds may not be lower than 85 percent of the theoretical price and the conversion price may not be lower than 85 percent of the price calculated in the following two items, whichever of the two is higher.
 - a. The simple average closing price of the common shares of the Company for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.
 - b. The simple average closing price of the common shares of the Company for the 30 business days before the price determination date, after adjustment for any distribution

of stock dividends, cash dividends, or capital reduction.

(2) The Company proposes to the shareholders' meeting to authorize the Board of Directors to determine the actual private placement price based on the above-mentioned pricing principles, specific persons, and market conditions within the range not lower than the resolution of the shareholders' meeting.

(3) In addition to considering the three-year transfer restriction of private placement securities imposed by the Securities and Exchange Act, the pricing of this private placement is determined by referring to relevant laws and regulations and the closing price of common shares. It should be reasonable and shall not have a major impact on shareholders' equity.

D. The method for selecting the specific persons:

The selection is performed in accordance with the relevant provisions of Article 43-6 of the Securities and Exchange Act, and it is limited to strategic investors. Individuals or legal persons who will help the Company expand its business and product, strengthen customer relationships, enhance product development integration, or improve technology, will be selected, leveraging their advantages in experience, product technology, knowledge, brand reputation and distribution channel. Through strategic collaboration, joint product development, market integration or cooperative business development, it is expected the Company can reduce the production costs, improve product technology, increase market shares for an improvement in the Company's future operating performance.

E. The reasons for the necessity for conducting the private placement:

The Company proposes to raise capitals through private placement with the considerations in factors such as capital market conditions, issuance costs, timeliness of financing, and equity stability. When introducing strategic investors in the private placement, consideration should be given to the transfer restriction of private placement securities to ensure a long-term relationship between the Company and strategic investors, and in view of the fact that the use of private placement capital is to meet the needs of the Company's operation and development, the private placement is beneficial to the stability of the Company's operation and shareholders' equity.

F. The transfer restrictions of the private placement convertible bonds are handled in accordance with Article 43-8 of the Securities and Exchange Act.

III. It is proposed to authorize the Chairman or his designee to represent the Company in handling all matters related to the private placement of Common Shares or Domestic and/or Foreign Convertible Bonds, and to execute all relevant agreements and documents.

Sercomm Corporation Rules of Procedure for Shareholders' Meetings

- Article 1. The rules of procedures for Sercomm's (the Company's) shareholders meetings shall be carried out in accordance with these Rules unless otherwise prescribed in laws and regulations.
- Article 2. The attendance of a shareholder meeting is recorded according to the sign-in card on the date of a shareholder meeting. The Company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors, pre-printed ballots shall also be furnished.
- Article 3. The voting at the shareholders' meeting shall be based on the number of owned shares.
- Article 4. A shareholders' meeting shall be convened in a location where Sercomm is located or a location appropriate for the shareholders' meeting. A shareholders' meeting shall be duly convened not earlier than 9:00 a.m. nor later than 3:00 p.m.
- Article 5. A shareholders' meeting shall be chaired by the Chairperson of the Board if convened by the Board of Directors. During the absence or unavailability of the Chairperson of the Board, he/she shall, in advance, appoint the Vice Chairperson to act on behalf of him/her. If there is no Vice Chairperson or if the Vice Chairperson is unavailable as well, the Chairperson of the Board shall appoint the executive Director to act on behalf of him/her. In the event that the Chairperson of the Board does not appoint a substitute, who shall be elected from either the executive Director or among those Directors who are present.
- If a shareholders' meeting is convened by a person beyond the Board of Directors, he/she shall preside as a Chairperson of a shareholders' meeting.
- Article 6. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholder meeting in a non-voting capacity. The personnel in charge of the shareholders' meeting affairs shall wear the required identity certificates or arm-bands.
- Article 7. The entire process of a shareholders' meeting shall be videotaped or audiotaped and shall be archived for a minimum of one year.
- Article 8. The Chairperson shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is attended by shareholders who represent less than a majority of the total outstanding shares at the time scheduled for the meeting, the Chairperson may announce postponement of the meeting. The total number of postponements shall not exceed the maximum of twice and the total time accumulated for the postponement shall not exceed an hour. If the quorum is not met after two 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 Article 175, paragraph 1 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.
- Article 9. Where a shareholders' meeting is convened by the Board of Directors, the agenda shall be fixed by the Board of Directors. The meeting shall be handled based on the scheduled agenda which shall not be changed unless resolved by the shareholders' meeting.
- The provision set forth in the preceding paragraph is applicable mutatis mutandis to a shareholders' meeting which is convened by a person beyond the Board of Directors.
- The Chairperson shall not announce adjournment of the meeting until the contents set forth in the agenda mentioned in two preceding paragraphs and the occasional (extemporaneous) motions are concluded in the meeting. After the announcement of adjournment of the meeting, the shareholders shall not appoint another Chairperson and continue the meeting either at the current or a different venue.
- Article 10. In a shareholders' meeting, a shareholder who intends to present a speech shall fill out a slip, specifying the major points of his/her speech, account number of shareholder (or the serial number of his/her attendance card) in advance. The Chairperson shall determine his/her order of giving a speech. A shareholder who has submitted the slip but does not speak up is deemed as not having the given right to give a speech. In the case of a discrepancy found between the slip of presentation and content of actual speech, the content of actual speech shall prevail. In the

case that a shareholder gives his/her speech, other shareholders shall not interrupt unless agreed by the Chairperson and the speaking shareholder. Otherwise, the Chairperson shall stop such violating behaviors.

- Article 11. Each shareholder shall not have two attempts on the same issue unless permitted by the Chairperson. Each speech shall not exceed five minutes. Where a shareholder speaks against the rules or beyond the scope of the subject issue, the Chairperson may stop his/her speech.
- Article 12. In the case that the corporate shareholders are appointed to attend a shareholders' meeting, only one person may represent and attend the meeting. In the case that the corporate shareholder appoints two or more representatives to attend a shareholders' meeting, only one representative may have the right to speak for the same issue.
- Article 13. After a shareholder has given his/her speech, the Chairperson may reply in person or by appointing a relevant person to reply.
- Article 14. When the Chairperson considers the discussion of a certain issue has reached the extent for making a resolution, he/she may announce discontinuance of the discussion and submit the motion for resolution.
- Article 15. The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the Chairperson; however, the person supervising the casting of votes shall be a shareholder.
The Chairperson shall publicly announce the results of the resolution in the meeting and the results shall be recorded in the minutes.
- Article 16. During a shareholders' meeting, the Chairperson may consider the schedule and adequately announce a break. In case that force majeure occurs, the Chairperson may decide to suspend the progress and for announce the time for resumption of the meeting depending on the circumstances.
In the event that the site of the shareholders' meeting cannot be continually used before the issues set forth in the agenda (including extempore motions) are concluded, the shareholders may arrange a new venue to continue the meeting.
- Article 17. Unless otherwise provided in laws or the Articles of Incorporation of the Company, matters in the shareholders' meeting shall be resolved by a majority vote at a meeting attended by the shareholders.
During voting, if the committee chair solicits and receives no dissents, the motion is deemed passed, with equivalent force as a resolution by vote.
- Article 18. In the case that there is an amendment or alternative for a motion, the Chairperson shall combine them along with the original motion and determine their orders for resolution. Once one of them is resolved, the remaining shall be deemed as rejected and no further resolution shall be required.
- Article 19. The Chairperson may direct the guards (or security personnel) to help maintain the order of the shareholders' meeting. If a shareholder breaches the rules of the meeting and defies the rectification from the Chairperson against the progress of the meeting, the Chairperson may request the guards (or security personnel) to assist the person to leave the meeting.
- Article 20. These rules and amendment hereof come into force after being ratified in the shareholders' meeting.

Sercomm Corporation

Articles of Incorporation

Chapter 1 General Provisions

- Article 1. The Company shall be incorporated, as a Company limited by shares, under the Company Act of the Republic of China, and its name shall be 中磊電子股份有限公司 in Chinese. The Company's name shall be Sercomm Corporation in English.
- Article 2. The scope of business of the Company shall be as follows:
1. CC01050 Data Storage and Processing Equipment Manufacturing
 2. CC01080 Electronic Parts and Components Manufacturing
 3. F119010 Wholesale of Electronic Materials
 4. F401010 International Trade
 5. I301010 Software Design Services
 6. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
 7. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
 8. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3. The Company shall have its head office in Taipei City, the Republic of China, and may, pursuant to a resolution adopted by the Board of Directors and upon approval of the competent authorities, set up branch or representative offices within or outside the territory of the Republic of China whenever the Company deems it necessary.
- Article 4. Public announcements of the Company shall be made according to Article 28 of the Company Act.

Chapter 2 Capital Stock

- Article 5. The total capital of the Company is 5,000,000,000 New Taiwan Dollars, divided into 500,000,000 common shares, at ten New Taiwan Dollars each. The Board of Directors is authorized to issue the unissued shares in installments and at a premium.
Board of Directors is authorized to buy back shares of the Company if permitted by laws and regulations
The Company may reserve and issue employee stock options in the amount of 368,000,000 New Taiwan Dollars from the total capital mentioned in the Paragraph 1, divided into 36,800,000 shares, at ten New Taiwan Dollars each. The Board of Directors is authorized to issue these options in installments.
- Article 6. The total amount of the Company's reinvestment shall not be subject to the restriction of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Act.
- Article 7. The Company may issue shares without printing share certificates. If the Company decides to print name-bearing share certificates for shares issued, the share certificates shall be affixed with numbers together with signatures and seals by at least three Board Members and subsequently be certified by the competent authority or its approved issuance registration entity before the shares are issued.
- Article 8. In the event of transfer of shares, the transferor and transferee shall both fill in the application form affixed with their names and seals and subsequently make application for transfer to the Company. Before the completion of the transfer procedures, the ownership remains with the transferor.
- Article 9. Loss of or damage to share certificates shall be governed by the Company Act and the "Guidelines for Stock Operations for Public Companies".
- Article 10. Transfer of shares and change to shareholders roster shall be suspended within 60 days immediately before the date of a regular meeting of shareholders, and within 30 days immediately before the date of a special meeting of shareholders, or within 5 days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter 3 Shareholders' Meeting

- Article 11. Shareholders meetings of the Company are of two types:
1. Regular meeting shall be convened by the Board of Directors within six months after the

close of each fiscal year;

2. Special meeting shall be convened as the Board of Directors deems necessary.

The shareholders' meetings of the Company may be held via videoconference or other methods announced by the Ministry of Economic Affairs.

- Article 12. The shareholders' meeting shall be presided over by the Chairperson of the Board of Directors of the Company. In the event that the Chairperson is absent or cannot exercise his/her duties and power for any reason, a Director shall be designated by the Chairperson to act on his/her behalf. If no Director is designated by the Chairperson, the Directors shall elect from among themselves an acting Chairperson.
- Article 13. The notices of meeting date, place and purposes for convening regular meetings of shareholders shall be sent to all shareholders at least 30 days in advance, and at least 15 days in advance in the case of special meetings.
- Article 14. In the event that a shareholder is unable to attend a meeting of shareholders, the shareholder may appoint a proxy to attend the meeting by submitting the proxy form issued by the Company which clearly specifies the scope of proxy.
- Article 15. A shareholder shall have one voting power in respect of each share in his/her/its possession. Notwithstanding, the aforementioned voting power may not apply if the share is restricted share or the share has no voting power as per paragraph two of Article 179 of the Company Act.
- Article 16. Except as otherwise stipulated in the Company Act, a resolution shall be adopted by the majority of shareholders present in the meeting who represent half or more of the total number of the Company's outstanding shares.
- Article 17. The Company is permitted to issue employee stock option certificates at a price lower than the closing price of the Company's share on the issue date and transfer shares to employees at a price lower than the average share buyback price with the consent of two-thirds or more of shareholders present in the meeting who represent half or more of the total number of the Company's outstanding shares.
- Article 17-1 The shares bought back by the Company may be transferred to employees of the controlling Company or its subsidiary who meet certain criteria. The criteria and distribution of the said shares shall be determined by the Board of Directors.
The employee stock option certificates may be issued to employees of the controlling Company or its subsidiary who meet certain criteria. The criteria and distribution of the said certificates shall be determined by the Board of Directors.
The new shares may be subscribed by employees of the controlling Company or its subsidiary who meet certain criteria. The criteria and distribution of the said new shares shall be determined by the Board of Directors.
The restricted stock awards may be issued to employees of the controlling Company or its subsidiary who meet certain criteria. The criteria and distribution of the said awards shall be determined by the Board of Directors.

Chapter 4 Board Members and Audit Committee

- Article 18. The Company shall have seven to nine Board Members with the term of office of three years. Board Members are elected and appointed from candidates by the shareholders' meeting in accordance with the candidate nomination system specified in Article 192-1 of the Company Law. Pursuant to Article 14-2 of the Securities and Exchange Act, the Company's Board of Directors shall include at least two Independent Directors.
- Article 18-1 The Company may establish an Audit Committee in accordance with Articles 14-4 of the Securities and Exchange Act, which shall consist of all Independent Directors, one of whom shall be the convener and at least one of whom shall have accounting or financial expertise.
- Article 19. The Board of Directors shall be composed of Directors with the following duties and power:
1. Prepare the business plan;
 2. Propose distribution of earnings or covering of losses;
 3. Propose increase or decrease of Company capital;
 4. Formulate important articles and Company organizational structures;
 5. Commission and decommission of the Company's President/Chief Executive Officer, Vice Presidents and Directors;
 6. Setup and dissolution of branch offices;

7. Propose annual budget plan;
8. Schedule foreign investments;
9. Undertake external endorsements and guarantees;
10. Other duties and power pursuant to the Company Act or resolution adopted by the Shareholders' meeting.

Article 19-1 The Board of Directors may establish Compensation Committee or other functional committees wherever and whenever the Company deems it necessary to carry out any or all of its activities

Article 19-2 Independent Directors shall be compensated for their exercise of duties and power regardless whether the Company reports net earnings or not. The Board of Directors is authorized to determine the compensation to Independent Directors by taking into account the extent and value of the services provided for the management of the Company and the standards in the industry.

Article 20. The Board Members shall elect from among themselves a Chairperson of the Board of Directors, and may elect a Vice Chairperson of the Board of Directors by a majority in a meeting attended by over two-thirds of the Board Members. The Chairperson of the Board of Directors shall have the authority to represent the Company. The Company is authorized to purchase liability insurance for Board Members.

Article 21. Unless otherwise stipulated in the Company Act, meetings of the Board of Directors shall be convened by the Chairperson of the Board of Directors. Resolutions of the Board of Directors shall be adopted by a majority of the Board Members present in the meeting attended by half or more of the total number of Board Members.

Article 21-1 Meetings of the Board of Directors shall be convened once per quarter. The convening notice shall specify the purposes of the meeting and be delivered to each Board Member no later than seven days prior to the scheduled meeting date. Notwithstanding, in the case of emergency, the meeting may be convened at any time.

The aforementioned convening notice shall specify the purposes of the meeting and be delivered by mail, email or facsimile.

Article 22. 1. The meeting of Board of Directors shall be presided over by the Chairperson of the Board of Directors of the Company. In the event that the Chairperson is absent or cannot exercise his/her duties and power for any reason, a Director shall be designated to act on his/her behalf. If no Director is so designated, the Directors shall elect from among themselves an acting Chairperson. The Board Members should attend the board meeting in person. If a Director is unable to attend the board meeting, he/she may appoint another Director as proxy to attend the meeting by submitting the proxy form which clearly specifies the scope of proxy.
2. No Director may act as proxy for more than one other Director.
3. Any Director participating in the meeting via video conference shall be deemed to attend the meeting in person.

Article 23. Duties and power and matters related to the Audit Committee shall be governed in accordance with the related laws and regulations. The Charter of Audit Committee will be prescribed by the Board of Directors.

Chapter 5 Manager

Article 24. The Company may appoint one President/Chief Executive Officer, several Vice Presidents and Directors. Commission and decommission of President/Chief Executive Officer shall be decided by a general resolution adopted by the Board of Directors. Commission and decommission of Vice President and Director shall be proposed by President/Chief Executive Officer and subsequently decided by a general resolution adopted by the Board of Directors.

Article 25. President/Chief Executive Officer shall supervise the operation of the Company in accordance with resolutions of the Board of Directors.

Chapter 6 Financial Reports

Article 26. The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year. After the close of each fiscal year, the Company shall comply with annual closing procedures.

Article 27. After the close of each fiscal year, the following reports shall be prepared by the Board of Directors in accordance with Article 228 of Company Act and submitted to the regular shareholders' meeting for acceptance:

1. Business report;
2. Financial statements;
3. Proposal Concerning the Distribution of Earnings or Covering of Losses.

Article 28. The distribution of dividends and bonuses shall be made in proportion to the number of shares held by each shareholder. The Company shall not pay dividends or bonuses if there is no earnings.

Article 29. If the Company reports a profit for a given fiscal year, 12% to 18% of such profit shall be appropriated as employees' remuneration, including 1% to 3% of the net earnings specifically allocated to entry-level employees. The recipients may include employees of the controlling or subsidiary companies who meet certain criteria, with such criteria and distribution method to be determined by the Board of Directors. The total remuneration to Directors shall not exceed 2.5% of the profit for the period. However, if the Company has accumulated losses, a sufficient amount shall first be reserved to offset such losses. Independent Directors shall not participate in the aforementioned distribution of remuneration to Directors.

If the Company records a surplus in its annual final accounts, such surplus shall first be used to pay taxes and offset accumulated losses. Thereafter, 10% shall be appropriated as legal reserve; provided, however, that no further appropriation is required once the legal reserve equals the Company's paid-in capital. The remaining balance, together with the unappropriated earnings at the beginning of the year, adjustments to the current year's unappropriated earnings, and any special reserve appropriated or reversed in accordance with applicable laws, shall constitute distributable earnings, for which an earnings distribution plan shall be proposed. Any distribution of dividends, in whole or in part, by issuing new shares shall be subject to a resolution of the Shareholders' Meeting; any distribution in cash shall be resolved by the Board of Directors and reported to the Shareholders' Meeting.

When there is no loss, the portion of legal reserve exceeding 25% of the paid-in capital and the capital reserve that is eligible for distribution under the Company Act may, in whole or in part, be distributed in cash to shareholders in proportion to their shareholding. Such distribution shall be resolved by the Board of Directors and reported to the Shareholders' Meeting.

The Company's dividend distribution shall be based on the profit of the current year, and the principle of dividend stability shall be upheld. To support stable and sustainable business growth, the Company shall consider factors including its current and future investment environment, capital needs, domestic and international competitiveness, and capital expenditure plans. The Company shall balance the interests of shareholders and its long-term financial planning in determining the amount of dividends. Dividends may be distributed in the form of cash or stock, provided that cash dividends shall account for no less than 10% of the total dividends distributed for the year.

Article 30. The distribution is limited to shareholders listed in the shareholders roster within 5 days prior to the target date for the distribution of dividends or bonus.

Chapter 7 Supplementary Provisions

Article 31. The Company shall act as a guarantor as required in its operation.

Article 32. If the Company elects to delist its shares from the exchange, it shall be decided in a resolution adopted by the shareholders' meeting.

Article 33. The Chart of the Company and the detailed procedures of business operation shall be determined by the Board of Directors.

Article 34. Any matter which is not provided for in these Articles of Incorporation shall be governed by the Company Act of the Republic of China and other relevant laws and regulations.

Article 35. These Articles of Incorporation are agreed to and signed on June 22, 1992 by all the promoters of the Company.

The 1st Amendment was approved by the shareholders' meeting on November 3, 1992.

The 2nd Amendment was approved by the shareholders' meeting on October 20, 1993.

The 3rd Amendment was approved by the shareholders' meeting on February 27, 1995.

The 4th Amendment was approved by the shareholders' meeting on July 29, 1995.

The 5th Amendment was approved by the shareholders' meeting on June 1, 1996.

The 6th Amendment was approved by the shareholders' meeting on May 3, 1997.

The 7th Amendment was approved by the shareholders' meeting on March 27, 1998.

The 8th Amendment was approved by the shareholders' meeting on May 30, 2000.
The 9th Amendment was approved by the shareholders' meeting on May 28, 2001.
The 10th Amendment was approved by the shareholders' meeting on December 13, 2001.
The 11th Amendment was approved by the shareholders' meeting on May 28, 2002.
The 12th Amendment was approved by the shareholders' meeting on April 22, 2003.
The 13th Amendment was approved by the shareholders' meeting on June 11, 2004.
The 14th Amendment was approved by the shareholders' meeting on June 14, 2005.
The 15th Amendment was approved by the shareholders' meeting on June 21, 2006.
The 16th Amendment was approved by the shareholders' meeting on June 15, 2007.
The 17th Amendment was approved by the shareholders' meeting on June 13, 2008.
The 18th Amendment was approved by the shareholders' meeting on June 16, 2009.
The 19th Amendment was approved by the shareholders' meeting on June 23, 2010.
The 20th Amendment was approved by the shareholders' meeting on June 27, 2012.
The 21st Amendment was approved by the shareholders' meeting on June 20, 2013.
The 22nd Amendment was approved by the shareholders' meeting on June 17, 2014.
The 23rd Amendment was approved by the shareholders' meeting on May 28, 2015.
The 24th Amendment was approved by the shareholders' meeting on June 15, 2016.
The 25th Amendment was approved by the shareholders' meeting on June 22, 2017.
The 26th Amendment was approved by the shareholders' meeting on June 12, 2019.
The 27th Amendment was approved by the shareholders' meeting on July 1, 2021.
The 28th Amendment was approved by the shareholders' meeting on June 13, 2023.
The 29th Amendment was approved by the shareholders' meeting on May 29, 2025.

Shareholding Status of Directors

Book closure start date: April 13, 2026

Title	Name	Shares Held
Chairperson	Chao Yue Investment Co., Ltd. Representative: James Wang	3,000,000
Director	Pacific Venture Partners Co. Ltd. Representative: Paul Wang	3,671,926
Director	Zhuo Jian Investment Co., Ltd. Representative: Ben Lin	4,197,094
Director	Yun Zhou Investment Co., Ltd. Representative: Nicola Palmer	3,090,000
Independent Director	Rose Tsou	0
Independent Director	Paul Yang	0
Independent Director	Hilo Chen	0
Independent Director	Feng Zhu	0
Total		13,959,020

Notes:

1. As of April 13, 2026, the total number of issued shares of the Company was 304,342,542 shares, including 4,623,000 treasury shares.
2. The statutory minimum shareholding required for all directors of the Company is 12,173,701 shares. As of April 13, 2026, the directors collectively held 13,959,020 shares, which meets the statutory requirement.
3. The Company has established an Audit Committee and therefore does not have Supervisors.
4. Pursuant to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies," where two or more independent directors are appointed, the required shareholding ratio for all directors (excluding independent directors) and supervisors shall be reduced to 80% of the original requirement.