

# **CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**

**Consolidated Financial Statements  
with Independent Auditors' Review Report**

**For the Nine Months Ended September 30, 2025 and 2024**

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*The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.*

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# **Independent Auditors' Review Report**

To the Board of Directors of Celxpert Energy Corporation:

## **Foreword**

The consolidated balance sheets of Celxpert Energy Corporation and its subsidiaries as of September 30, 2025 and 2024, and the consolidated statements of comprehensive income for the three months and six months ended September 30, 2025 and 2024, and the consolidated statements of changes in equity and consolidated statements of cash flows for the nine months ended September 30, 2025 and 2024, as well as the notes to consolidated financial statements (including a summary of significant accounting policies), have been reviewed by the CPA. The preparation of consolidated financial statements that fairly present in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" as recognized and promulgated by the Financial Supervisory Commission is the responsibility of management. The CPA's responsibility is to express a conclusion on the consolidated financial statements based on the review results.

## **Applicability**

Except for the matters described in the Basis for Qualified Conclusion paragraph of the consolidated financial statements for the nine months ended September 2025, the CPA conducted the review in accordance with the Review Standards No. 2410 "Review of Financial Statements." The procedures performed in reviewing the consolidated financial statements include inquiries (primarily of persons responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of financial statement review is significantly smaller than a financial statement audit, therefore we may not be able to detect all material issues through the steps we have taken, and are therefore unable to provide an audit opinion.

## **Basis for Qualified Conclusion for the Consolidated Financial Statements for the Nine Months Ended September 30, 2025**

As described in Note 4(b) to the consolidated financial statements, certain immaterial subsidiaries included in the above consolidated financial statements were accounted for based on their financial statements for the same period, which had not been reviewed by independent auditors. As of September 30, 2025, these subsidiaries had total assets of NT\$391,984 thousand, representing 8% of consolidated total assets, and total liabilities of NT\$117,118 thousand, representing 5% of consolidated total liabilities. Their comprehensive losses for the three months ended September 30, 2025 and comprehensive income for the nine months ended September 30, 2025 amounted to NT\$358 thousand and NT\$25,187 thousand, respectively, representing 3% and 16% of consolidated comprehensive income (loss) in absolute amounts.

## **Qualified Conclusion and Unqualified Conclusion**

Based on our review, except for the possible adjustments to the consolidated financial statements for the nine months ended September 30, 2025 that might have been determined had the financial statements of the investee companies described in the Basis for Qualified Conclusion paragraph been reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements are not prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting," as endorsed and made effective by the Financial Supervisory Commission, and that they do not fairly present the consolidated financial position of Celxpert Energy Corporation and its subsidiaries as of September 30, 2025 and 2024, the consolidated financial performance for the three months and nine months ended September 30, 2025 and 2024, and the consolidated cash flows for the nine months ended September 30, 2025 and 2024.

The engagement partners on the audit resulting in this independent auditors' report are Hsin, Yu-Ting and Wang, I-Wen.

KPMG  
Taipei, Taiwan (Republic of China)  
November 7, 2025

### Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

**CELPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**As of September 30, 2025, December 31, 2024, and September 30, 2024**

										(In Thousands of New Taiwan Dollars)					
	September 30, 2025		December 31, 2024		September 30, 2024			Total liabilities and equity		September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%	Amount	%
<b>Assets</b>															
<b>Current assets:</b>															
1100 Cash and cash equivalents (note 6(a))	\$ 1,096,886	21.9	1,556,438	27.6	1,514,587	27.9	2100	Long-term borrowings (note 6(h))	\$505,367	10.1	658,244	11.7	480,903	8.8	
1120 Current financial assets at fair value through other comprehensive income (FVOCI) (note 6(b))	28,834	0.6	29,638	0.5	31,080	0.6	2130	Current contract liabilities (note 6(q))	110,214	2.2	114,944	2.0	83,469	1.5	
1140 Current contract assets	-	-	-	-	2,780	-	2200	Notes and accounts payable (including related parties)(note 7)	1,240,210	24.8	1,257,710	22.3	1,303,343	24.0	
1170 Accounts receivable, net (notes 6(c) and 6(q))	1,494,220	29.8	1,572,560	27.9	1,550,846	28.5	2230	Other payables	166,892	3.3	207,413	3.7	172,937	3.2	
1200 Other receivables	3,096	0.1	7,898	0.1	4,071	0.1	2300	Current tax liabilities	21,972	0.4	40,893	0.7	51,460	1.0	
1310 Inventories (note 6(d))	853,487	17.0	929,324	16.5	916,927	16.9	2321	Current lease liabilities (note 6(k))	7,252	0.1	7,883	0.1	8,376	0.2	
1410 Prepayments and other current assets	42,758	0.9	50,453	0.9	33,783	0.6	2322	Other current liabilities	58,949	1.2	76,221	1.4	49,606	0.9	
1476 Other current financial assets (note 6(a))	841,979	16.8	775,928	13.8	745,539	13.7		Bonds payable due within one year (note 6(j))	88,638	1.8	-	-	-	-	
	<b>4,361,260</b>	<b>87.1</b>	<b>4,922,239</b>	<b>87.3</b>	<b>4,799,613</b>	<b>88.3</b>		Long-term borrowings due within one year (notes 6(i))	-	-	100,000	1.8	-	-	
										<b>2,199,494</b>	<b>43.9</b>	<b>2,463,308</b>	<b>43.7</b>	<b>2,150,094</b>	<b>39.6</b>
<b>Non-current assets:</b>															
1510 Non-current financial assets at fair value through profit or loss (FVTPL) (note 6(j))	9,240	0.2	3,320	0.1	-	-	2530	<b>Non-current liabilities:</b>							
1600 Property, plant, and equipment (note 6(f))	410,140	8.2	486,267	8.6	507,546	9.3	2540	Bonds payable (note 6(j))	-	-	203,134	3.6	350,939	6.4	
1755 Right-of-use assets (note 6(g))	120,731	2.4	128,804	2.3	26,557	0.5	2560	Long-term borrowings (note 6(i))	200,000	4.0	300,000	5.3	400,000	7.4	
1780 Intangible assets	2,719	-	4,584	0.1	5,556	0.1	2570	Non-current income tax liabilities for the period	-	-	12,983	0.2	20,773	0.4	
1840 Deferred tax assets	74,068	1.5	74,068	1.3	78,132	1.5	2580	Deferred tax liabilities	-	-	-	-	628	-	
1900 Other non-current assets (note 6(g) and 8)	28,278	0.6	18,070	0.3	17,011	0.3	2600	Non-current lease liabilities (note 6(k))	13,056	0.3	12,371	0.2	11,466	0.2	
	<b>645,176</b>	<b>12.9</b>	<b>715,113</b>	<b>12.7</b>	<b>634,802</b>	<b>11.7</b>	2640	Other noncurrent liabilities (note 6(f))	250	-	2,660	0.1	3,425	0.1	
								Non-current net defined benefit liabilities	980	-	980	-	1,012	-	
									<b>980</b>	<b>-</b>	<b>980</b>	<b>-</b>	<b>1,012</b>	<b>-</b>	
									<b>214,286</b>	<b>4.3</b>	<b>532,128</b>	<b>9.4</b>	<b>788,243</b>	<b>14.5</b>	
									<b>2,413,780</b>	<b>48.2</b>	<b>2,995,436</b>	<b>53.1</b>	<b>2,938,337</b>	<b>54.1</b>	
<b>Equity:</b>															
	<b>Equity attributable to owners of parent (note 6(n)):</b>														
								Ordinary share capital	976,240	19.5	935,536	16.6	883,059	16.3	
								Capital surplus	1,071,482	21.4	963,436	17.1	860,721	15.8	
								Legal reserves	378,829	7.6	378,829	6.7	378,829	7.0	
								Unappropriated retained earnings	35,302	0.7	231,296	4.1	266,040	4.9	
								Other equity interest	29,427	0.6	50,021	0.9	45,995	0.8	
								<b>Total equity attributable to owners of parent</b>	<b>2,491,280</b>	<b>49.8</b>	<b>2,559,118</b>	<b>45.4</b>	<b>2,434,644</b>	<b>44.8</b>	
	<b>Non-controlling interests:</b>														
								Non-controlling interests	101,376	2.0	82,798	1.5	61,434	1.1	
								<b>Total equity</b>	<b>2,592,656</b>	<b>51.8</b>	<b>2,641,916</b>	<b>46.9</b>	<b>2,496,078</b>	<b>45.9</b>	
								<b>Total liabilities and equity</b>	<b>\$5,006,436</b>	<b>100.0</b>	<b>5,637,352</b>	<b>100.0</b>	<b>5,434,415</b>	<b>100.0</b>	
<b>Total assets</b>	<b>\$ 5,006,436</b>	<b>100.0</b>	<b>5,637,352</b>	<b>100.0</b>	<b>5,434,415</b>	<b>100.0</b>									

(Please refer to the notes to the consolidated financial statements attached hereto)

Chairman: Shih-Ming Huang

General Manager: Tsai-Fu Lin

Accounting Supervisor: Chien-Yu Lin

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**For the Three Months Ended September 30, 2025 and 2024,**  
**and the Nine Months Ended September 30, 2025 and 2024**  
**(In Thousands of New Taiwan Dollars)**

	For the Three Months Ended September 30, 2025		For the Three Months Ended September 30, 2024		For the Nine Months Ended September 30, 2025		For the Nine Months Ended September 30, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
	\$ 1,375,075	100.0	1,449,129	100.0	3,842,937	100.0	4,090,556	100.0
4000 <b>Operating revenues</b> (note 6(q))								
5110 <b>Operating costs</b> (notes 6(d), 6(l), 7, and 12)	1,252,830	91.1	1,309,097	90.3	3,540,825	92.1	3,735,067	91.3
5900 <b>Gross profit from operations</b>	122,245	8.9	140,032	9.7	302,112	7.9	355,489	8.7
6000 <b>Operating expenses</b> (notes 6(l) and 12):								
6100 Selling expenses	26,151	1.9	24,539	1.7	69,235	1.8	80,434	2.0
6200 Administrative expenses	91,118	6.6	78,207	5.4	251,890	6.6	226,920	5.5
6300 Research and development expenses	46,350	3.4	48,122	3.3	131,854	3.4	131,008	3.2
6450 Expected credit losses (note 6(c))	75	-	4	-	118	-	50	-
	163,694	11.9	150,872	10.4	453,097	11.8	438,412	10.7
6900 <b>Operating net loss</b>	(41,449)	(3.0)	(10,840)	(0.7)	(150,985)	(3.9)	(82,923)	(2.0)
<b>Non-operating income and expenses:</b>								
7100 Interest income	5,759	0.4	5,858	0.4	19,148	0.5	24,153	0.6
7190 Other income	3,774	0.3	6,754	0.5	12,057	0.3	11,545	0.2
7050 Financial costs (notes 6(j) and 6(k))	(12,960)	(0.9)	(17,313)	(1.2)	(43,339)	(1.1)	(50,114)	(1.2)
7630 Foreign exchange (losses) gains, net (note 6(s))	11,928	0.9	2,207	0.1	26,162	0.7	54,705	1.3
7635 Gains (losses) on financial assets at FVTPL (note 6(j))	8,520	0.6	(80)	-	5,920	0.1	(760)	-
7590 Other expenses	(572)	(0.1)	(254)	-	(7,248)	(0.2)	(1,836)	-
	16,449	1.2	(2,828)	(0.2)	12,700	0.3	37,693	0.9
7900 <b>Net loss before tax</b>	(25,000)	(1.8)	(13,668)	(0.9)	(138,285)	(3.6)	(45,230)	(1.1)
7950 <b>Less: Income tax expense</b> (note 6(m))	(136)	-	(1,699)	(0.1)	1,939	0.1	10,891	0.3
8200 <b>Net loss for the current period</b>	(24,864)	(1.8)	(11,969)	(0.8)	(140,224)	(3.7)	(56,121)	(1.4)
8300 <b>Other comprehensive income:</b>								
8360 <b>Items that may be reclassified subsequently to profit or loss</b>								
8361 Exchange differences in the translation of foreign financial statements	9,977	0.7	(4,007)	(0.3)	(22,014)	(0.5)	14,105	0.4
8367 Unrealized losses from investments in debt instruments measured at FVOCI	1,832	0.1	1,393	0.1	1,420	-	(176)	-
8399 Less: Income tax related to components of other comprehensive income that may be reclassified to profit or loss	-	-	-	-	-	-	-	-
	11,809	0.8	(2,614)	(0.2)	(20,594)	(0.5)	13,929	0.4
8300 <b>Other comprehensive (loss) income for the current period</b>	11,809	0.8	(2,614)	(0.2)	(20,594)	(0.5)	13,929	0.4
8500 <b>Total comprehensive (loss) income for the current period</b>	\$ (13,055)	(1.0)	(14,583)	(1.0)	(160,818)	(4.2)	(42,192)	(1.0)
<b>Current net (loss) profit attributable to:</b>								
8610 Owners of parent	\$ (24,636)	(1.8)	(15,620)	(1.1)	(149,018)	(3.9)	(63,942)	(1.6)
8620 Non-controlling interests	(228)	-	3,651	0.3	8,794	0.2	7,821	0.2
	\$ (24,864)	(1.8)	(11,969)	(0.8)	(140,224)	(3.7)	(56,121)	(1.4)
<b>Total comprehensive (loss) income attributable to:</b>								
8710 Owners of parent	\$ (12,827)	(1.0)	(18,234)	(1.3)	(169,612)	(4.4)	(50,013)	(1.2)
8720 Non-controlling interests	(228)	-	3,651	0.3	8,794	0.2	7,821	0.2
	\$ (13,055)	(1.0)	(14,583)	(1.0)	(160,818)	(4.2)	(42,192)	(1.0)
<b>Loss per share</b> (note 6(p))								
9750 <b>Basic loss per share (NT\$)</b>	\$ (0.26)		(0.18)		(1.58)		(0.72)	
9850 <b>Diluted loss per share (NT\$)</b>	\$ (0.26)		(0.18)		(1.58)		(0.72)	

(Please refer to the notes to the consolidated financial statements attached hereto)

Chairman: Shih-Ming Huang

General Manager: Tsai-Fu Lin

Accounting Supervisor: Chien-Yu Lin

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**For the Nine Months Ended September 30, 2025 and 2024**

**(In Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent										Other equity items		
	Retained earnings					Exchange differences in the translation of foreign financial statements	Unrealized gains (losses) from financial assets at FVOCI	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity		
	Ordinary share capital	Capital surplus	Legal reserves	Unappropriated retained earnings	Total								
<b>Balance on January 1, 2024</b>	\$ 883,059	860,717	378,829	330,283	709,112	33,843	(1,777)	32,066	2,484,954	17,274	2,502,228		
Net (loss) income for the current period	-	-	-	(63,942)	(63,942)	-	-	-	(63,942)	7,821	(56,121)		
Other comprehensive (loss) income for the current period	-	-	-	-	-	14,105	(176)	13,929	13,929	-	13,929		
Total comprehensive (loss) income for the current period	-	-	-	(63,942)	(63,942)	14,105	(176)	13,929	(50,013)	7,821	(42,192)		
Changes in ownership interests in subsidiaries	-	-	-	(301)	(301)	-	-	-	(301)	301	-		
Share-based payment compensation costs	-	4	-	-	-	-	-	-	4	38	42		
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	36,000	36,000		
<b>Balance on September 30, 2024</b>	<b>\$ 883,059</b>	<b>860,721</b>	<b>378,829</b>	<b>266,040</b>	<b>644,869</b>	<b>47,948</b>	<b>(1,953)</b>	<b>45,995</b>	<b>2,434,644</b>	<b>61,434</b>	<b>2,496,078</b>		
<b>Balance on January 1, 2025</b>	<b>\$ 935,536</b>	<b>963,436</b>	<b>378,829</b>	<b>231,296</b>	<b>610,125</b>	<b>54,479</b>	<b>(4,458)</b>	<b>50,021</b>	<b>2,559,118</b>	<b>82,798</b>	<b>2,641,916</b>		
Net (loss) income for the current period	-	-	-	(149,018)	(149,018)	-	-	-	(149,018)	8,794	(140,224)		
Other comprehensive (loss) income for the current period	-	-	-	-	-	(22,014)	1,420	(20,594)	(20,594)	-	(20,594)		
Total comprehensive (loss) income for the current period	-	-	-	(149,018)	(149,018)	(22,014)	1,420	(20,594)	(169,612)	8,794	(160,818)		
Earnings appropriation and distribution:													
Ordinary share cash dividends	-	-	-	(46,976)	(46,976)	-	-	-	(46,976)	-	(46,976)		
Difference between actual acquisition or disposal price of subsidiary equity and book value	-	19,345	-	-	-	-	-	-	19,345	15,549	34,894		
Changes in ownership interests in subsidiaries	-	1,441	-	-	-	-	-	-	1,441	(1,441)	-		
Share-based payment compensation costs	-	3,142	-	-	-	-	-	-	3,142	2,503	5,645		
Convertible bond conversion	40,704	84,118	-	-	-	-	-	-	124,822	-	124,822		
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(6,827)	(6,827)		
<b>Balance on September 30, 2025</b>	<b>\$ 976,240</b>	<b>1,071,482</b>	<b>378,829</b>	<b>35,302</b>	<b>414,131</b>	<b>32,465</b>	<b>(3,038)</b>	<b>29,427</b>	<b>2,491,280</b>	<b>101,376</b>	<b>2,592,656</b>		

**(Please refer to the notes to the consolidated financial statements attached hereto)**

**Chairman: Shih-Ming Huang**

**General Manager: Tsai-Fu Lin**

**Accounting Supervisor: Chien-Yu Lin**

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Nine Months Ended September 30, 2025 and 2024**

**(In Thousands of New Taiwan Dollars)**

	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
<b>Cash flows from (used in) operating activities:</b>		
Net loss before tax for the current period	\$ (138,285)	(45,230)
<b>Adjustments:</b>		
Adjustments to reconcile (loss) profit:		
Depreciation	85,828	114,216
Amortization	2,131	2,980
Expected credit loss	118	50
Net (gains) losses on financial assets at fair value through profit or loss	(5,920)	760
Interest expense	43,339	50,114
Interest income	(19,148)	(24,153)
Share-based payment compensation costs	5,645	42
Others	2,490	(167)
Total adjustments to reconcile (loss) profit	<u>114,483</u>	<u>143,842</u>
Changes in operating assets and liabilities:		
Increase in contract assets	-	(2,780)
Decrease in accounts receivable	78,222	43,864
Decrease (increase) in other receivables	4,624	(961)
Decrease (increase) in inventories	75,837	(71,908)
Decrease (increase) in prepayments and other current assets	8,551	(10,256)
Decrease (increase) in current contract liabilities	(4,730)	71,363
Decrease (increase) in notes and accounts payable (including related parties)	(17,500)	307,378
Decrease in other payables and other current liabilities	(54,352)	(92,848)
Decrease in net defined benefit liability	-	(6)
Total changes in operating assets and liabilities	<u>90,652</u>	<u>243,846</u>
Cash flows from operations	66,850	342,458
Interest received	19,326	23,671
Interest paid	(35,315)	(29,361)
Income taxes paid	(34,699)	(39,786)
<b>Net cash inflows from operating activities</b>	<u>16,162</u>	<u>296,982</u>
<b>Cash flows from investing activities:</b>		
Acquisition of property, plant, and equipment	(23,501)	(36,327)
Proceeds from disposal of property, plant and equipment	255	72
Decrease (increase) in refundable deposits	781	(538)
Acquisition of intangible assets	(345)	(1,184)
Acquisition of right-of-use assets	(380)	(903)
Increase in other current financial assets	(66,051)	(289,593)
Increase in prepaid land payments	(10,989)	-
Others	-	(117)
<b>Net cash outflows from investing activities</b>	<u>(100,230)</u>	<u>(328,590)</u>
<b>Cash flows from financing activities:</b>		
Decrease in short-term borrowings	(134,157)	(87,850)
Proceeds from long-term borrowings	200,000	100,000
Repayments of long-term borrowings	(400,000)	(100,000)
Payment of lease liabilities	(6,909)	(6,874)
Cash dividends paid	(46,976)	-
Disposal of subsidiary equity (without loss of control)	34,894	-
Changes in non-controlling interests	(6,827)	36,000
<b>Net cash outflows from financing activities</b>	<u>(359,975)</u>	<u>(58,724)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		
Decrease in cash and cash equivalents for the current period	(15,509)	4,803
Cash and cash equivalents at the beginning of the period	(459,552)	(85,529)
Cash and cash equivalents at the end of the period	<u>\$ 1,096,886</u>	<u>1,514,587</u>

**(Please refer to the notes to the consolidated financial statements attached hereto)**

**Chairman: Shih-Ming Huang**

**General Manager: Tsai-Fu Lin**

**Accounting Supervisor: Chien-Yu Lin**

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**  
**For the Nine Months Ended September 30, 2025 and 2024**  
**(Expressed in thousands of New Taiwan Dollars, Unless Otherwise Specified)**

**(I) Company history**

Celxpert Energy Corporation (hereinafter referred to as "the Company") was established on November 20, 1997, with approval from the Ministry of Economic Affairs. The Company's primary business activities include the manufacturing, processing, and trading of battery packs and power supply-related products for the 3C industry. Please refer to note 4(b) for related information about the primary business activities of the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

**(II) Approval date and procedures of the consolidated financial statements**

These consolidated financial statements were authorized for issuance by the Board of Directors on November 7, 2025.

**(III) New standards, amendments, and interpretations adopted**

1. The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C., which have already been adopted

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS 21 "Lack of Exchangeability"
- 2. The impact of not yet adopting the IFRS accounting standards recognized by the FSC.

The Group has assessed that the application of the following newly amended IFRS accounting standards, effective from January 1, 2026, will not have a material impact on the Consolidated Financial Report.

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7: "Amendment to Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7: "Contracts Involving Reliance on Natural Electricity"

## CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements (Continued)

#### 3. The impact of IFRS issued by IASB but not yet endorsed by the FSC

Below is a list of standards and interpretations amended and announced by International Accounting Standards Board (IASB) that are yet to be approved by FSC but may be relevant to the Group:

<b>New or revised standards</b>	<b>Key amendments</b>	<b>Effective date of IASB announcement</b>
IFRS 18 "Presentation and Disclosure of Financial Statements"	<p>The new standards introduced three types of income, expense, and loss as well as two income statement subtotals and one footnote on management-defined performance measure. These three amendments and enhancements provide guidelines on how financial statement information can be classified to provide users with better and more consistent information, which will affect all companies.</p> <ul style="list-style-type: none"><li>More structured income statement: The existing standards allow companies to present business outcomes using different formats, which makes it difficult for investors to compare financial performance across companies. The new standards introduce a more structured income statement along with a newly defined subtotal of "operating profit" and the need to classify all income, expenses, and losses into three different categories based on the company's main business activities.</li><li>Management Performance Measures (MPMs): The new standard introduces the definition of management performance measures and requires companies to explain in a single note to the financial statements, for each measure, why it provides useful information, how it is calculated, and how to reconcile the measure with amounts recognized under International Financial Reporting Standards.</li><li>More disaggregated information: The new standard includes guidance on how companies should enhance the grouping of information in financial statements. These guidelines also address whether information should be included in the main statements or presented in footnotes.</li></ul>	<p>January 1, 2027</p> <p>Note: On September 25, 2025, the Financial Supervisory Commission issued a press release announcing that Taiwan will adopt IFRS 18 beginning in the fiscal year 2028. If the Company intends to apply the standard early, it may elect to do so upon obtaining approval from the Financial Supervisory Commission.</p>

## CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements (Continued)

The Group is currently continuing to assess the impact of the aforementioned standards and interpretations on the Group's financial position and operating results. The related impact will be disclosed upon completion of the assessment.

The Group does not expect other new and amended standards listed below, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" and the Amendments to IFRS 19

#### **(IV) Summary of material accounting policies**

##### 1. Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and the version of International Accounting Standards No. 34 - "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. The consolidated financial statements do not necessarily include all the information to be disclosed in full-year consolidated financial statements that are prepared in accordance with FSC-approved IFRS, IAS, and interpretations thereof (collectively referred to as "FSC-approved IFRS/IAS" below).

Except for the matters explained below, the interim consolidated financial statements were prepared using the same material accounting policies as the 2024 consolidated financial statements. Please see note 4 of the 2024 consolidated financial statements for more details.

##### 2. Basis of Consolidation

List of subsidiaries in the consolidated financial statements:

Name of investor	Name of subsidiary	Principal activities	Percentage of ownership			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Celxpert Holdings Limited (BVI) (CHL)	Foreign investment holding	100%	100%	100%	
"	PT. Celxpert Energy Indonesia (Celxpert (Indonesia))	Manufacturing, processing, and sales of battery packs and power supply related products	100%	100%	100%	Note 3
"	Keelgoal Energy Co., Ltd. (Keelgoal Energy)	Research and development and trading of lithium battery packs, energy storage systems, and others	57.60%	63.81%	65.65%	Notes 2 and 4

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of subsidiary	Principal activities	Percentage of ownership			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
CHL	Advance Smart Industrial Limited (BVI) (ASIL)	Import and export trade	100%	100%	100%	
"	Celxpert Energy (H.K.) Limited (CHK)	Foreign investment holding	100%	100%	100%	
"	Celxpert Energy International Limited (SAMOA) (CEIL)	Foreign investment holding	100%	100%	100%	Note 1
"	Creative Power Enterprises Inc. (CPEI)	Foreign investment holding	100%	100%	100%	
CHK	Celxpert (Kunshan) Energy Co., Ltd. (Celxpert (Kunshan))	Manufacturing and trading of battery parts and battery packs	100%	100%	100%	
CPEI	Celxpert (Nantong) Energy Corporation Ltd. (Celxpert (Nantong))	Manufacturing and trading of battery parts and battery packs	100%	100%	100%	

Note 1: The registration procedures have been completed, and no capital has been injected yet.

Note 2: Keelgoal Energy conducted its first and second cash capital increases in 2024. As the Company did not subscribe in proportion to its original shareholding, its ownership percentage decreased from 85.15% to 65.65% and 63.81%, respectively. Correspondingly, retained earnings decreased by NT\$301 thousand and capital surplus increased by NT\$900 thousand. Additionally, on May 2, 2025, the Company disposed of a portion of its shareholding, reducing its ownership percentage from 63.81% to 57.60%. Accordingly, capital surplus increased by NT\$19,345 thousand.

Note 3: Celxpert (Indonesia) was established in December 2017. In consideration of relevant Indonesian regulations, 0.01% of the equity interest in Celxpert (Indonesia) is held in the name of a third party. The Company has entered into an agreement with the third party specifying the respective rights and obligations of both parties to safeguard the security of the assets.

Note 4: It is an immaterial subsidiary, and its financial statements for the nine months ended September 2025 have not been reviewed by independent auditors.

### 3. Employee benefits

Interim pension costs in a defined benefit plan are calculated from the beginning until the end of the interim period using the actuarial pension cost rate determined as of the reporting date of the previous year, and adjusted for major market changes, plan curtailments, settlements, and other one-time events that took place after the reporting date.

### 4. Income taxes

The Group measures and discloses income tax expense for interim periods in accordance with paragraph B12 of IAS 34 "Interim Financial Reporting".

Income tax expense is measured by multiplying interim profit before tax with the management's best estimate of effective tax rate for the year. The entirety of the result is recognized as income tax expense for the current period.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

Where income tax expense is recognized directly in equity or other comprehensive income, the amount is measured using the temporary differences between asset/liability figures presented for financial reporting purpose and asset/liability figures used for taxation basis and the tax rate applicable at the time when assets/liabilities are expected to be realized/settled.

**(V) Significant accounting assumptions, judgments, and major sources of estimation uncertainty**

The management is required to make judgments and estimates about the future (including climate-related risks and opportunities) when preparing consolidated financial statements that comply with FSC-approved IAS 34 - "Interim Financial Reporting." These judgments and estimates may affect the types of accounting policies adopted and amounts of asset, liability, income, and expense reported. Actual results may differ from these estimates.

The accounting policies and major sources of uncertainty to significant judgments and estimates involved in the preparation of the consolidated financial statements were identical to note 5 of the 2024 consolidated financial statements.

**(VI) Explanation of significant accounts**

There was no significant difference in the explanation of significant accounts between the current consolidated financial statements and the 2024 consolidated financial statements, except for the matters discussed below. Please refer to note 6 of the 2024 consolidated financial statements for more details.

1. Cash and cash equivalents

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Petty cash and cash on hand	\$ 558	701	677
Checking accounts and demand deposits	1,096,328	1,455,737	1,463,910
Time deposits	-	100,000	50,000
	<b>\$ 1,096,886</b>	<b>1,556,438</b>	<b>1,514,587</b>

As of September 30, 2025, December 31, 2024, and September 30, 2024, the time deposits with maturities of more than three months from the acquisition date amounted to NT\$841,721 thousand, NT\$775,532 thousand, and NT\$745,116 thousand, respectively. These time deposits are presented as other current financial assets.

Please refer to note 6(s) for the interest rate risk and sensitivity analysis of the financial assets and liabilities of the Group.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

2. Financial assets at FVOCI

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Debt investments at FVOCI:			
Corporate bonds	<b>\$ 28,834</b>	<b>29,638</b>	<b>31,080</b>

(1) Debt investments at FVOCI

The Group has assessed that the following securities were held within a business model whose objective was achieved by both collecting contractual cash flows and trading securities. Therefore, they have been classified as financial assets at FVOCI.

A. The Group holds 30-year USD corporate bonds of Taiwan Semiconductor Manufacturing Co., Ltd (TSMC). The bonds have a coupon rate of 4.5%, with interest that is payable semiannually, and will mature in April 2052.

- (2) For the credit risk and market risk, please refer to note 6(s).
- (3) As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group's financial assets at FVOCI were not pledged as collateral.

3. Accounts receivable

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Accounts receivable - measured at amortized cost	\$ 1,494,460	1,572,682	1,551,023
Less: Loss allowance	(240)	(122)	(177)
	<b>\$ 1,494,220</b>	<b>1,572,560</b>	<b>1,550,846</b>

The Group applies the simplified approach to provide for its expected credit losses, i.e., the use of lifetime expected loss provision for its receivables. In order to measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, and forward-looking information has been incorporated, including the experience of historical credit loss and reasonable forecast of future economic conditions. The loss allowances were determined as follows:

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

Credit rating	September 30, 2025		
	Gross carrying amount	Weighted-average loss rate	Loss allowance
A	\$ 650,265	0.001%	6
B	745,649	0.005%	37
C	57,608	0.10%	58
D	40,938	0.339%	139
	<b>\$ 1,494,460</b>		<b>240</b>

  

Credit rating	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance
A	\$ 655,444	0.001%	7
B	851,842	0.005%	43
C	63,487	0.100%	63
D	1,909	0.470%	9
	<b>\$ 1,572,682</b>		<b>122</b>

  

Credit rating	September 30, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance
A	\$ 635,427	0.001%	6
B	836,277	0.005%	42
C	67,501	0.100%	68
D	11,818	0.514%	61
	<b>\$ 1,551,023</b>		<b>177</b>

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

The aging analysis of accounts receivable was as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Current	\$ 1,490,051	1,572,036	1,549,699
1 to 30 days past due	3,466	615	1,109
31 to 60 days past due	943	31	-
61 to 90 days past due	-	-	-
91 to 120 days past due	-	-	215
	<b>\$ 1,494,460</b>	<b>1,572,682</b>	<b>1,551,023</b>

The changes in allowance for losses on accounts receivable of the Group

	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
Beginning balance	\$ 122	127
Recognition of impairment loss	118	50
Ending balance	<b>\$ 240</b>	<b>177</b>

As of September 30, 2025, December 31, 2024, and September 30, 2024, none of the Group's notes or accounts receivable had been pledged as collateral.

4. Inventories

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Raw materials	\$ 437,873	408,228	469,591
Work in progress	48,928	29,635	43,886
Finished goods	366,686	491,461	403,450
	<b>\$ 853,487</b>	<b>929,324</b>	<b>916,927</b>

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

(1) The details of inventory-related operating costs and expenses were as follows:

	<b>For the Three Months Ended September 30, 2025</b>	<b>For the Three Months Ended September 30, 2024</b>	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
Transfer from sale of inventories	\$ 1,263,366	1,309,682	3,551,658	3,730,826
Inventory write-down				
reversal gains	(13,811)	(7,663)	(25,250)	(17,977)
Unallocated production				
overheads	3,277	7,078	14,344	22,217
Inventory obsolescence	(2)	-	73	1
	<b>\$ 1,252,830</b>	<b>1,309,097</b>	<b>3,540,825</b>	<b>3,735,067</b>

The Group recognized inventory write-down losses due to inventory being written down to net realizable value. Additionally, the Group recognized inventory write-down reversal gains due to increases in net realizable value of inventory resulting from the sale or disposal of obsolete inventory.

(2) As of September 30, 2025, December 31, 2024, and September 30, 2024, none of the Group's inventories had been pledged as collateral.

5. Changes in ownership interests in a subsidiary

Except as described below, information regarding the Group's changes in ownership interests in subsidiaries is set forth in Note 6(e) to the consolidated financial statements for 2024.

Keelgoal Energy conducted a cash capital increase in April 2024. The Group did not subscribe in proportion to its original shareholding, resulting in a decrease in shareholding ratio from 85.15% to 65.65%, and a reduction in retained earnings of NT\$301 thousand.

The Company sold 1,000,000 shares of subsidiary Keelgoal Energy to non-related parties in May 2025, reducing the shareholding ratio from 63.81% to 57.60%. The disposal consideration was NT\$34,894 thousand, and capital surplus was increased by NT\$19,345 thousand.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**6. Property, plant and equipment**

Details of change in property, plant, and equipment of the Group:

	<u>Land</u>	<u>Buildings and construction</u>	<u>Machinery and equipment</u>	<u>Office, transportation equipment, and others</u>	<u>Construction in progress and equipment pending inspection</u>	<u>Total</u>
<b>Cost:</b>						
Balance on January 1, 2025	\$ 46,636	663,338	748,647	152,053	94,360	1,705,034
Addition	-	356	2,713	2,705	16,588	22,362
Disposal	-	(829)	(13,702)	(3,651)	-	(18,182)
Reclassifications	-	1,143	10,502	1,759	(15,570)	(2,166)
Effect of movements in exchange rates	-	(27,365)	(28,537)	(7,056)	(5,446)	(68,404)
Balance on September 30, 2025	<b>\$ 46,636</b>	<b>636,643</b>	<b>719,623</b>	<b>145,810</b>	<b>89,932</b>	<b>1,638,644</b>
Balance on January 1, 2024	\$ 46,636	633,538	712,897	137,835	95,157	1,626,063
Addition	-	1,115	7,804	9,324	17,589	35,832
Disposal	-	-	(13,489)	(2,010)	-	(15,499)
Reclassifications	-	3,352	9,980	236	(16,830)	(3,262)
Effect of movements in exchange rates	-	17,743	19,046	4,543	3,685	45,017
Balance on September 30, 2024	<b>\$ 46,636</b>	<b>655,748</b>	<b>736,238</b>	<b>149,928</b>	<b>99,601</b>	<b>1,688,151</b>
<b>Depreciation:</b>						
Balance on January 1, 2025	\$ -	476,167	618,642	123,958	-	1,218,767
Depreciation for the current period	-	30,424	36,073	10,400	-	76,897
Disposal	-	(647)	(13,292)	(3,529)	-	(17,468)
Reclassifications	-	-	573	(573)	-	-
Effect of exchange rate changes	-	(20,958)	(22,645)	(6,089)	-	(49,692)
Balance on September 30, 2025	<b>\$ -</b>	<b>484,986</b>	<b>619,351</b>	<b>124,167</b>	<b>-</b>	<b>1,228,504</b>
Balance on January 1, 2024	\$ -	418,567	537,210	103,539	-	1,059,316
Depreciation for the current period	-	31,024	61,900	13,451	-	106,375
Disposal	-	-	(13,424)	(2,008)	-	(15,432)
Effect of exchange rate changes	-	12,797	13,891	3,658	-	30,346
Balance on September 30, 2024	<b>\$ -</b>	<b>462,388</b>	<b>599,577</b>	<b>118,640</b>	<b>-</b>	<b>1,180,605</b>
<b>Carrying amount:</b>						
January 1, 2025	<b>\$ 46,636</b>	<b>187,171</b>	<b>130,005</b>	<b>28,095</b>	<b>94,360</b>	<b>486,267</b>
September 30, 2025	<b>\$ 46,636</b>	<b>151,657</b>	<b>100,272</b>	<b>21,643</b>	<b>89,932</b>	<b>410,140</b>
January 1, 2024	<b>\$ 46,636</b>	<b>214,971</b>	<b>175,687</b>	<b>34,296</b>	<b>95,157</b>	<b>566,747</b>
September 30, 2024	<b>\$ 46,636</b>	<b>193,360</b>	<b>136,661</b>	<b>31,288</b>	<b>99,601</b>	<b>507,546</b>

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

- (1) The Group received a government grant of RMB2,100 thousand for factory renovation project in 2021, which was presented as deferred income (under other non-current liabilities), and recognized as non-operating income on a systematic basis based on the useful life of the asset.
- (2) As of September 30, 2025, December 31, 2024, and September 30, 2024, none of the Group's property, plant and equipment had been pledged as collateral.

7. Right-of-use assets

The Group leases many assets, including leasehold land, buildings, and other equipment. Information about leases for which the Group is a lessee is presented below:

	<b>Buildings</b>			
	<b>Right-of-use of land</b>	<b>and construction</b>	<b>Other equipment</b>	<b>Total</b>
Cost:				
Balance on January 1, 2025	\$ 110,742	34,757	5,239	150,738
Addition	-	9,935	2,269	12,204
Reduction	-	(8,343)	(2,340)	(10,683)
Effect of movements in exchange rates	(6,704)	(879)	-	(7,583)
Balance on September 30, 2025	<b>\$ 104,038</b>	<b>35,470</b>	<b>5,168</b>	<b>144,676</b>
Balance on January 1, 2024	\$ 8,323	35,788	5,372	49,483
Addition	-	2,092	271	2,363
Reduction	-	(2,370)	(405)	(2,775)
Effect of movements in exchange rates	348	(862)	-	(514)
Balance on September 30, 2024	<b>\$ 8,671</b>	<b>34,648</b>	<b>5,238</b>	<b>48,557</b>
Depreciation:				
Balance on January 1, 2025	\$ 1,969	16,459	3,506	21,934
Depreciation for the current period	1,681	5,940	1,310	8,931
Reduction	-	(3,574)	(2,340)	(5,914)
Effect of movements in exchange rates	(132)	(874)	-	(1,006)
Balance on September 30, 2025	<b>\$ 3,518</b>	<b>17,951</b>	<b>2,476</b>	<b>23,945</b>
Balance on January 1, 2024	\$ 1,559	13,973	2,195	17,727
Depreciation for the current period	240	6,315	1,286	7,841
Reduction	-	(2,370)	(405)	(2,775)
Effect of movements in exchange rates	69	(862)	-	(793)
Balance on September 30, 2024	<b>\$ 1,868</b>	<b>17,056</b>	<b>3,076</b>	<b>22,000</b>
Carrying amount:				
January 1, 2025	\$ 108,773	18,298	1,733	128,804
September 30, 2025	<b>\$ 100,520</b>	<b>17,519</b>	<b>2,692</b>	<b>120,731</b>
January 1, 2024	\$ 6,764	21,815	3,177	31,756
September 30, 2024	<b>\$ 6,803</b>	<b>17,592</b>	<b>2,162</b>	<b>26,557</b>

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

Please see note 6(g) of the 2024 consolidated financial statements for information on significant transactions of the Group's right-of-use assets.

Celxpert (Nantong) entered into a contract with the Natural Resources and Planning Bureau of Hai'an City, People's Republic of China, on October 28, 2024, to acquire land use rights. The land use rights are granted for the period from November 17, 2024 to November 17, 2074, for a total term of 50 years. The total consideration for the land use rights amounted to NT\$99,604 thousand (RMB22,361 thousand).

Celxpert (Nantong) entered into a contract with the Natural Resources and Planning Bureau of Hai'an City, People's Republic of China, on June 9, 2025, to acquire land use rights. As of September 30, 2025, the land use certificate had not yet been obtained. The Group had prepaid an investment amount of NT\$10,989 thousand (RMB2,565 thousand), which was recognized as other non-current assets.

**8. Short-term borrowings**

The details of short-term borrowings were as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Credit loans	\$ 505,367	658,244	480,903
Unused credit lines	<u>\$ 2,904,438</u>	<u>3,671,921</u>	<u>3,252,947</u>
Range of interest rates	<u>4.6%~6.15%</u>	<u>1.95%~6.56%</u>	<u>1.65%~6.91%</u>

As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group did not provide any assets as collaterals for its bank borrowings and credit limits.

**9. Long-term borrowings**

The details of long-term borrowings were as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Unsecured bank loans	\$200,000	400,000	400,000
Less: Current portion	-	(100,000)	-
Total	<u>\$200,000</u>	<u>300,000</u>	<u>400,000</u>
Unused credit lines	<u>\$1,450,000</u>	<u>1,500,000</u>	<u>1,600,000</u>
Range of interest rates	<u>2.08%~2.43%</u>	<u>2.08%~2.48%</u>	<u>1.99%~2.476%</u>
Maturity period	<u>2026.12~2027.9</u>	<u>2025.12~2026.9</u>	<u>2025.12~2026.9</u>

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

(1) Additions or deductions of borrowings

The Group's new borrowings for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, amounted to NT\$200,000 thousand, NT\$100,000 thousand, NT\$200,000 thousand, and NT\$100,000 thousand, respectively. The amounts of borrowings repaid (including early repayments) for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, amounted to NT\$100,000 thousand, NT\$100,000 thousand, NT\$400,000 thousand, and NT\$100,000 thousand, respectively.

- (2) The Group did not provide any assets as collaterals for bank borrowings and credit limits.
- (3) For information on the Group's interest risk and liquidity risk, please refer to note 6(s).

10. Bonds payable

- (1) The Company issued the third domestic unsecured convertible bonds at 100% of the par value, with a total amount of NT\$400,000 thousand on June 2, 2023.
- (2) The details of bonds payable were as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Total convertible bonds issued	\$ 400,000	400,000	400,000
Unamortized discounted bonds payable	(4,762)	(23,166)	(49,061)
Cumulative converted amount	<u>(306,600)</u>	<u>(173,700)</u>	<u>-</u>
	88,638	203,134	350,939
Less: Corporate bonds due within one year	(88,638)	-	-
Balance of bonds payable at the reporting date	<u>\$ -</u>	<u>203,134</u>	<u>350,939</u>
Embedded derivative - call options, presented as non-current financial assets at FVTPL	<u>\$ 9,240</u>	<u>3,320</u>	<u>-</u>
Equity component - conversion options, presented as capital surplus - share options	<u>\$ 19,662</u>	<u>47,637</u>	<u>84,201</u>

## CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements (Continued)

	For the Three Months Ended September 30, 2025	For the Three Months Ended September 30, 2024	For the Nine Months Ended September 30, 2025	For the Nine Months Ended September 30, 2024
Embedded derivative instruments - gains (losses) resulting from remeasurement of call option at fair value, presented as gains (losses) on financial assets at FVTPL	\$ (8,520)	80	(5,920)	760
Interest expense	<u>\$ 3,190</u>	<u>6,821</u>	<u>10,326</u>	<u>20,068</u>

The Group did not issue, repurchase, or repay any corporate bonds for the nine months ended September 30, 2024. Please refer to Note 6(j) of the 2024 consolidated financial statements for more information.

The conversion price of the above convertible bonds is NT\$33.1 per share. Beginning July 25, 2025, after the distribution of earnings for 2024, the conversion price was adjusted to NT\$32.6 per share.

For the nine months ended September 30, 2025, the par value of the convertible corporate bonds converted into the Company's ordinary shares amounted to NT\$132,900 thousand, resulting in ordinary share capital of NT\$40,704 thousand and capital surplus – premium on stock issuance totaling NT\$112,093 thousand. The premium included NT\$27,975 thousand transferred from stock options and NT\$8,078 thousand arising from the unamortized discount on corporate bonds payable.

- (3) As of September 30, 2025, December 31, 2024, and September 30, 2024, none of the Group's corporate bonds payable had been pledged as collateral.
- (4) For information on the Group's liquidity risk, please refer to note 6(s).

11. Lease liabilities

The details of lease liabilities were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	\$ 7,252	7,883	8,376
Non-current	<u>\$ 13,056</u>	<u>12,371</u>	<u>11,466</u>

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

For the maturity analysis, please refer to note 6(s).

The amounts recognized in profit or loss were as follows:

	<b>For the Three Months Ended September 30, 2025</b>	<b>For the Three Months Ended September 30, 2024</b>	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
Interest on lease liabilities	\$ 110	87	307	281
Expenses relating to short-term leases	<u>214</u>	<u>215</u>	<u>528</u>	<u>644</u>
Variable lease payments not included in the measurement of lease liabilities	<u>264</u>	<u>256</u>	<u>780</u>	<u>790</u>
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>4</u>	<u>2</u>	<u>11</u>	<u>7</u>

The amounts recognized in the consolidated statements of cash flows were as follows:

	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
Total cash outflow for leases	<u>\$ 8,535</u>	<u>8,596</u>

(1) Building leases

The Group leases buildings and structures for office premises and parking lots, with lease terms ranging from one to six years.

(2) Other leases

The Group leases office equipment and transportation equipment; lease tenor ranges from two to five years.

The Group also leases office equipment and video equipment with a lease tenure of less than one year. These leases are short-term leases or leases of low-value assets. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

## **CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements (Continued)**

#### **12. Employee benefits**

##### **(1) Defined benefit plans**

No significant market change, plan curtailment, settlement, or other one-time event occurred after the financial reporting date of the previous year. For this reason, the Company adopted the pension cost determined through actuarial means as of December 31, 2024 and 2023, to measure and disclose pension cost for the interim period.

The expenses reported by the Company for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, were NT\$93 thousand, NT\$90 thousand, NT\$278 thousand, and NT\$294 thousand, respectively.

##### **(2) Defined contribution plans**

The retirement benefit expenses under the defined contribution retirement plan for the Company and its domestic subsidiaries for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, were NT\$3,581 thousand, NT\$3,457 thousand, NT\$10,466 thousand, and NT\$10,536 thousand, respectively, and have been contributed to the Bureau of Labor Insurance.

##### **(3) The other subsidiaries included in the consolidated financial statements**

The total retirement benefit expenses and basic pension recognized for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, were NT\$3,339 thousand, NT\$3,519 thousand, NT\$10,460 thousand, and NT\$10,654 thousand, respectively.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**13. Income taxes**

**(1) Income tax expenses (benefits)**

**A. Details of Group income tax expense (benefit):**

	<b>For the Three Months Ended September 30, 2025</b>	<b>For the Three Months Ended September 30, 2024</b>	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
Current income tax expense (benefit)				
Current period	\$ (134)	(1,701)	1,213	10,272
Additional tax on undistributed earnings	-	-	595	253
Adjustment to current income tax for prior periods	(2)	2	131	366
Income tax expenses (benefits)	<u>\$ (136)</u>	<u>(1,699)</u>	<u>1,939</u>	<u>10,891</u>

**(2)** The income tax of the Group shall be reported separately by each Group entity according to the laws of the respective registering countries. It cannot be consolidated for reporting purposes.

**(3)** The profit-seeking enterprise income tax returns of the Company and Keelgoal Energy have been assessed and approved by the tax authorities up to 2023.

**14. Capital and other equity**

Except for the matters described below, there were no significant changes in the Group's other equity for the nine months ended September 30, 2025 and 2024. Please refer to Note 6(n) of the 2024 consolidated financial statements for more information.

**(1) Ordinary share capital**

In 2024, the Company issued 5,248 thousand new shares at par value due to the exercise of conversion rights by convertible bondholders, totaling NT\$52,477 thousand. The capital increase record date was March 14, 2025, and the registration of the change had been completed on April 17, 2025.

For the nine months ended September 30, 2025, the Company issued 4,070 thousand new shares at par value totaling NT\$40,704 thousand due to the exercise of conversion rights by holders of convertible corporate bonds. Of this amount, NT\$36,687 thousand had a capital increase record date of November 7, 2025, and the registration of changes had not been completed as of the reporting date.

## CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements (Continued)

#### (2) Capital surplus

The details of capital surplus of the Company were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Additional paid-in capital	\$ 973,827	861,734	723,600
Cash issue reserved for employee subscription	4,392	4,392	4,392
Capital surplus from redemption of convertible bonds – treasury shares	46	46	46
Capital surplus from the recognition of equity items related to the buyback of convertible bonds	48,478	48,478	48,478
Issuance of convertible bonds	19,662	47,637	84,201
Difference between actual acquisition or disposal price and carrying amount of subsidiary equity	19,345	-	-
Others	5,732	1,149	4
	<u>\$ 1,071,482</u>	<u>963,436</u>	<u>860,721</u>

For information on capital surplus from conversion of convertible bonds to ordinary shares, please refer to Note 6(j).

#### (3) Earnings appropriation and dividend policy

According to the Company's Articles of Incorporation before amendment on June 19, 2025, if the Company's annual final accounts show profit, directors' remuneration and employees' remuneration shall be appropriated before tax and distributed upon resolution by the Board of Directors. After paying taxes in accordance with the law, 10% shall be appropriated as legal reserve; however, this shall not apply when the legal reserve has reached the total amount of the Company's share capital. In addition, a special reserve of the same amount as the reduction in shareholders' equity items that occurred in the current year shall be allocated. When the reduction in shareholders' equity items is reversed, a portion of it may be transferred to the current year's earning distribution. If there are still earnings, along with undistributed earnings accumulated from the previous year, the Board of Directors shall prepare a proposal for profit distribution, and when issuing new shares, it shall be submitted to the shareholders' meeting for approval of distribution.

## **CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements (Continued)**

According to the Company's Articles of Incorporation as amended on June 19, 2025, if the Company has profit and after deducting accumulated losses, if there is still a balance, directors' remuneration and employees' remuneration shall be appropriated from such balance and distributed upon resolution by the Board of Directors. After paying taxes in accordance with the law, 10% shall be appropriated as legal reserve; however, this shall not apply when the legal reserve has reached the total amount of the Company's share capital. Subsequently, special reserve shall be appropriated or reversed in accordance with laws and regulations or requirements of competent authorities. If there are still earnings, along with undistributed earnings accumulated from the previous year, the Board of Directors shall prepare a proposal for profit distribution, and when issuing new shares, it shall be submitted to the shareholders' meeting for approval of distribution.

In accordance with the provisions of Paragraph 5 of Article 240 of The Company Act, the Company authorized the Board of Directors to distribute all or part of the dividends and bonuses or all or part of the legal reserves and capital surplus as stipulated in Paragraph 1 of Article 241 of The Company Act in the form of cash distribution with the presence of more than two-thirds of the directors and the resolution of more than half of the directors, and report to the shareholders' meeting.

The industry to which the Company belongs is currently in a growth stage. The dividend distribution policy should take into account factors such as the Company's current and future investment environment, capital requirements, domestic and international competition, and capital budgeting, while considering shareholders' interests, balancing dividends, and the Company's long-term financial planning. The Board of Directors shall formulate a distribution proposal each year under the law and report in a shareholders' meeting. Based on the Company's financial, business, and operational considerations, if the Company has distributable earnings for the current year, the distribution principle shall be to allocate no less than 30% of the current year's net income after tax, with cash dividends proposed to account for at least 50% of total shareholder dividends.

#### **A. Earnings distribution**

The Company, through a board resolution on March 15, 2024, determined that due to a net loss after tax in 2023, no cash dividends would be distributed.

## CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements (Continued)

On May 9, 2025, the cash dividends for 2024 was resolved in a Board of Directors' meeting. The relevant earnings distributions to shareholders were as follows:

	<b>2024</b>	
	<b>Payout per share (in NT dollars)</b>	<b>Amount</b>
Dividends distributed to ordinary shareholders:		
Cash	\$ 0.5	<b>46,976</b>

Related information on the resolutions of the Board of Directors' and shareholders' meetings can be accessed through the Market Observation Post System website.

#### 15. Share-based payments

Except for the matters described below, there were no significant changes in the Group's share-based payments for the nine months ended September 30, 2025 and 2024. Please refer to note 6(o) of the 2024 consolidated financial statements for more information.

##### (1) Share-based payment for cash capital increase

Keelgoal Energy resolved through a Board of Directors' resolution on March 12, 2024, to conduct a cash capital increase by issuing new shares, with a portion of shares reserved for subscription by Group employees. The Group's employee subscription amounted to 426 thousand shares. The share-based payment was measured using the Black-Scholes option pricing model to estimate the fair value on the grant date. The input parameters used in the model were as follows:

	<b>First time in 2024</b>
Grant date	2024.4.10
Grant quantity	450 thousand shares
Vesting conditions	Immediate vesting
Fair value on grant date	NT\$12.1
Exercise price	NT\$12
Expected volatility	25.12%
Risk-free rate	1.26%

The share-based payment expenses arising from the cash capital increase allocated to Group employees by Keelgoal Energy for the three months ended September 30, 2024, and for the nine months ended September 30, 2024, were NT\$0 thousand and NT\$42 thousand, respectively.

## CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements (Continued)

#### (2) Employee stock options

Keelgoal Energy resolved through a Board of Directors resolution on March 13, 2025, to issue employee stock options, with each unit exercisable for 1,000 ordinary shares. The total issuance amount is 2,000 units, which may be issued at one time or in multiple tranches. On May 6, 2025, 1,832 units were actually granted. Information related to employee stock options is as follows:

**For the Nine Months Ended  
September 30, 2025**

	<b>Weighted average exercise price (NT\$)</b>	<b>Number of stock options</b>
Outstanding quantity as of January 1	\$ -	-
Granted quantity for the current period	15	1,832
Expired quantity for the current period	-	-
Exercised quantity for the current period	-	-
Outstanding quantity as of September 30	15	<u>1,832</u>
Exercisable quantity as of September 30	-	-

The main issuance terms of the aforementioned employee stock options are as follows:

Issue date	May 6, 2025
Total units issued	2,000 units
Exercise price	NT\$15
Vesting period and cumulative exercisable stock option ratio	Upon completion of two years: 50% Upon completion of three years: 100%
Exercise method	Issuance and delivery of new shares.
Grant recipients	Employees of Keelgoal Energy and its domestic and foreign controlling and subsidiary companies
Duration of stock option	The duration of the stock option is 5 years. Upon expiration of the duration period, any unexercised employee stock options shall be deemed waived, and the option holders may no longer assert their stock option rights. Stock options and their associated rights may not be transferred, pledged, gifted to others, or disposed of in any other manner, except in cases of inheritance upon the death of the option holder.

## **CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements (Continued)**

The employee stock options of Keelgoal Energy were measured using the Black-Scholes option pricing model to estimate the fair value of the options granted to employees. The considerations and input assumptions for the model were as follows:

	<b>Employee stock options</b>
Weighted average share price (in NT dollars)	\$ 30.95
Exercise price per share (in NT dollars)	15
Expected volatility	37.10~38.02%
Expected duration	3.5~4.0 years
Risk-free rate	1.38~1.40%

The Group recognized expenses of NT\$3,387 thousand and NT\$5,645 thousand for stock options granted to Group employees for the three months ended September 30, 2025 and for the nine months ended September 30, 2025, respectively, resulting in corresponding adjustments to capital surplus of NT\$3,387 thousand and NT\$5,645 thousand.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**16. Loss per share**

The calculation of the Group's basic loss per share and diluted loss per share is as follows:

	<b>For the Three Months Ended September 30, 2025</b>	<b>For the Three Months Ended September 30, 2024</b>	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
<b>Basic loss per share (NT\$)</b>				
Net loss attributable to ordinary shareholders of the Company	\$ (24,636)	(15,620)	(149,018)	(63,942)
Weighted average number of ordinary shares outstanding (in thousands)	<u>94,616</u>	<u>88,306</u>	<u>94,058</u>	<u>88,306</u>
	<u><u>\$ (0.26)</u></u>	<u><u>(0.18)</u></u>	<u><u>(1.58)</u></u>	<u><u>(0.72)</u></u>
<b>Diluted loss per share (NT\$)</b>				
Net loss attributable to ordinary shareholders of the Company (diluted)	\$ (24,636)	(15,620)	(149,018)	(63,942)
Weighted average number of ordinary shares outstanding (in thousands)	94,616	88,306	94,058	88,306
Effects of dilutive potential ordinary shares	-	-	-	-
Employees' stock remuneration	-	-	-	-
Convertible bonds	-	-	-	-
Weighted-average number of outstanding ordinary shares (after adjusting for dilutive effect of potential ordinary shares)(in thousands)	<u>94,616</u>	<u>88,306</u>	<u>94,058</u>	<u>88,306</u>
	<u><u>\$ (0.26)</u></u>	<u><u>(0.18)</u></u>	<u><u>(1.58)</u></u>	<u><u>(0.72)</u></u>

- (1) The Company's convertible corporate bonds had no dilutive effect for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024.
- (2) The Company incurred net losses after tax for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024; therefore, there were no potential ordinary shares with a dilutive effect.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

17. Revenue from contracts with customers

(1) Disaggregation of revenue

	<b>For the Three Months Ended September 30, 2025</b>	<b>For the Three Months Ended September 30, 2024</b>	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
Primary geographical markets:				
Taiwan	\$ 418,048	503,247	1,174,515	1,242,576
Mainland China	670,196	788,649	1,851,719	2,364,395
Others	286,831	157,233	816,703	483,585
	<b><u>\$ 1,375,075</u></b>	<b><u>1,449,129</u></b>	<b><u>3,842,937</u></b>	<b><u>4,090,556</u></b>
Major products:				
Lithium battery packs	\$ 1,368,473	1,442,365	3,818,052	4,065,998
Others	6,602	6,764	24,885	24,558
	<b><u>\$ 1,375,075</u></b>	<b><u>1,449,129</u></b>	<b><u>3,842,937</u></b>	<b><u>4,090,556</u></b>

(2) Contract balances

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Accounts receivable	\$ 1,494,460	1,572,682	1,551,023
Less: Loss allowance	(240)	(122)	(177)
	<b><u>\$ 1,494,220</u></b>	<b><u>1,572,560</u></b>	<b><u>1,550,846</u></b>
Contract assets - energy storage projects	<b><u>\$ -</u></b>	<b><u>-</u></b>	<b><u>2,780</u></b>
Contract liabilities - advanced receipts	<b><u>\$ 110,214</u></b>	<b><u>114,944</u></b>	<b><u>83,469</u></b>

For the details of accounts receivable and loss allowance, please refer to note 6(c).

NT\$37,286 thousand and NT\$8,371 thousand of the opening balance of contract liabilities as of January 1, 2025 and 2024 were recognized as income for the nine months ended September 30, 2025 and 2024, respectively.

Changes in contract assets and contract liabilities were mainly attributable to differences between the timing at which the Group satisfies its performance obligations by transferring goods or services to customers and the timing at which consideration is received from customers.

## **CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements (Continued)**

#### **18. Remuneration of employees and directors**

In accordance with the Company's Articles of Incorporation before amendments, if the Company is making a profit for the year, the Company should appropriate 3%~12% as remuneration to employees and remuneration to directors not exceeding 3%. However, if the Company has accumulated deficits, the profits shall first be offset against any deficit. The aforementioned employee remuneration may be distributed in shares or in cash to employees of subsidiaries who meet specific conditions; the method of distribution is determined by the Board of Directors.

In accordance with the Company's Articles of Incorporation as amended on June 19, 2025, if the Company has annual profits after deducting accumulated losses and there remains a balance, employee remuneration of 3% to 12% and director remuneration of no more than 3% shall be appropriated from such balance. The distribution of employee remuneration and director remuneration shall be resolved by the Board of Directors with the attendance of at least two-thirds of the directors and the approval of more than half of the directors present, and shall be reported to the shareholders' meeting.

For the employee remuneration under the first paragraph, of the total amount resolved for distribution by the Board of Directors, not less than 1% of the total amount shall be distributed as remuneration to grassroots employees.

When employee remuneration is distributed in the form of shares or cash, the recipients may include employees of controlled or subsidiary companies who meet certain conditions. The conditions and distribution method shall be authorized to be determined by the Board of Directors.

The Company incurred net losses before tax for the nine months ended September 30, 2025 and 2024, and therefore no employee and director remuneration was estimated.

In 2024 and 2023, the Company incurred a net loss before tax, and no estimates for employee and director remuneration were made. More information can be found on the Market Observation Post System.

#### **19. Financial instruments**

There was no significant change in the fair value of the Group's financial instruments or credit risk, liquidity risk, and market risk exposures arising from use of financial instruments, except for the matters discussed below. Please refer to note 6(t) of the 2024 consolidated financial statements for more information.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**(1) Credit risk**

For credit risk exposure of accounts receivables, please refer to note 6(c).

Financial assets measured at amortized cost include other receivables and time deposits; investments in debt instruments measured at fair value through other comprehensive income include debt securities issued by listed companies. The financial assets mentioned above are deemed to be of low risk, therefore allowances are made based on 12-month expected credit loss.

As the counterparties and the performing parties of the Group's bank deposits and fixed-income investments are banks with good credits or financial institutions with investment grades and above, these are considered to have low credit risk.

Changes in loss allowance for the nine months ended September 30, 2025 and 2024 were as follows:

	<b>Other receivables</b>	
	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
Beginning balance	\$ -	2,261
The amount written off during the current year due to uncollectability	- -	(2,261)
Ending balance	<u>\$ -</u>	<u>-</u>

**(2) Liquidity risk**

The following table shows the contractual maturities of financial liabilities, including estimated interest payments:

<b>September 30, 2025</b>	<b>Contractual cash flows</b>	<b>Within 1 year</b>	<b>1-5 years</b>
Non-derivative financial liabilities:			
Short-term borrowings	\$ (512,498)	(512,498)	-
Accounts payable (including related parties)	(1,240,210)	(1,240,210)	-
Other payables	(166,892)	(166,892)	-
Lease liabilities (including current & non-current)	(21,204)	(7,597)	(13,607)
Long-term borrowings (including current portion)	(207,038)	(4,325)	(202,713)
Corporate bonds payable (including current portion)	(93,400)	(93,400)	-
	<u><b>\$ (2,241,242)</b></u>	<u><b>(2,024,922)</b></u>	<u><b>(216,320)</b></u>

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-5 years</u>
<b>December 31, 2024</b>			
Non-derivative financial liabilities:			
Short-term borrowings	\$ (671,129)	(671,129)	-
Accounts payable (including related parties)	(1,257,710)	(1,257,710)	-
Other payables	(207,413)	(207,413)	-
Lease liabilities (including current & non-current)	(20,995)	(8,171)	(12,824)
Long-term borrowings (including current portion)	(411,680)	(107,288)	(304,392)
Bonds payable	(226,300)	-	(226,300)
	<b>\$ (2,795,227)</b>	<b>(2,251,711)</b>	<b>(543,516)</b>
<b>September 30, 2024</b>			
Non-derivative financial liabilities:			
Short-term borrowings	\$ (491,555)	(491,555)	-
Accounts payable (including related parties)	(1,303,343)	(1,303,343)	-
Other payables	(172,937)	(172,937)	-
Lease liabilities (including current & non-current)	(20,400)	(8,642)	(11,758)
Long-term borrowings (including current portion)	(415,795)	(9,103)	(406,692)
Bonds payable	(400,000)	-	(400,000)
	<b>\$ (2,804,030)</b>	<b>(1,985,580)</b>	<b>(818,450)</b>

The Group does not expect that the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**(3) Currency risk**

**A. Exposure to foreign currency risk**

The Group's significant exposure to foreign currency risk was as follows:

	September 30, 2025			December 31, 2024			September 30, 2024		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
	September 30, 2025			December 31, 2024			September 30, 2024		
<b>Financial assets</b>									
Monetary items									
USD	\$ 57,820	=30.445	1,760,330	USD/NTD 55,604 =32.785	USD/RMB	1,822,977	USD/NTD 59,519 =31.65	USD/RMB	1,883,776
USD	1,729	=7.1055	52,639	3,803	=7.1884	124,681	2,462	=7.0074	77,922
	<b>September 30, 2025</b>			<b>December 31, 2024</b>			<b>September 30, 2024</b>		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
<b>Financial liabilities</b>									
Monetary items									
USD	53,383	=30.445	1,625,245	USD/NTD 51,036 =32.785	USD/RMB	1,673,215	USD/NTD 54,836 =31.65	USD/RMB	1,735,559
USD	11,350	=7.1055	345,551	8,305	=7.1884	272,279	6,330	=7.0074	200,345

**B. Sensitivity analysis**

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, financial assets at FVOCI, short-term borrowings, accounts payable, and other payables that are denominated in foreign currencies. As of September 30, 2025 and 2024, assuming that foreign currencies depreciate or appreciate by 5% relative to the NTD and RMB while all other factors remain constant, the impact on net loss before tax for the nine months ended September 30, 2025 and 2024 would be as follows. The analysis for both periods is conducted on the same basis.

	USD (against the NTD)	For the Nine Months Ended September 30, 2025		For the Nine Months Ended September 30, 2024	
		Decrease (increase) in net loss before tax	Decrease (increase) in net loss before tax	Decrease (increase) in net loss before tax	Decrease (increase) in net loss before tax
	Appreciation by 5%	\$ 6,754		7,411	
	Depreciation by 5%	(6,754)		(7,411)	
	USD (against the RMB)				
	Appreciation by 5%		(14,646)		(6,121)
	Depreciation by 5%		14,646		6,121

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**C. Foreign exchange gains and losses on monetary items**

The exchange gain (loss) on monetary items of the Group (including realized and unrealized) is translated into the amount in the functional currency and the exchange rate information for translating to the functional currency of the parent company, NTD (i.e., the currency expressed in the consolidated financial statements), is as follows:

For the Three Months Ended September 30, 2025		For the Three Months Ended September 30, 2024		For the Nine Months Ended September 30, 2025		For the Nine Months Ended September 30, 2024	
Exchange gains or losses (in thousands of foreign currency)	Average exchange rate						
NTD \$ 9,423	-	(900)	-	19,481	-	49,354	-
	RMB/NTD		RMB/NTD		RMB/NTD		RMB/NTD
RMB 595	=4.1834		695 =4.5045		1,547 =4.3183		1,204 =4.4428

**(4) Interest rate analysis**

Please refer to the notes on liquidity risk management for the interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest risk on the non-derivative financial instruments at the reporting date. Regarding the assets and liabilities with variable interest rates, the analysis is based on the assumption that the amount of assets and liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.25% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate were to increase or decrease by 0.25% while all other variables remained unchanged, the Group's net losses before tax for the nine months ended September 30, 2025 and 2024 would decrease or increase by NT\$734 thousand and NT\$1,093 thousand, respectively. This is primarily due to the Group's demand deposits and bank borrowings with variable interest rates.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**(5) Fair value**

- Types and fair value of financial instruments

The Group's financial assets and liabilities at FVTPL and financial assets at FVOCI are measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy, were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value and lease liabilities, the disclosure of fair value information is not required:

	<u>September 30, 2025</u>					<u>Fair value</u>	
	<u>Carrying amount</u>						
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>		
<b>Financial assets at FVTPL:</b>							
Derivative financial assets-Convertible bonds-Embedded derivatives	\$ 9,240	-	-	-	9,240	9,240	
Financial assets at FVOCI							
Domestic bonds	28,834	-	28,834	-	28,834	28,834	
Financial assets at amortized cost							
Cash and cash equivalents	1,096,886	-	-	-	-	-	
Accounts receivable, net	1,494,220	-	-	-	-	-	
Other receivables	3,096	-	-	-	-	-	
Other current financial assets	841,979	-	-	-	-	-	
Refundable deposits (presented as other non-current financial assets)	17,289	-	-	-	-	-	
	<u>3,453,470</u>						
	<u><b>\$ 3,491,544</b></u>						
<b>Financial liabilities measured at amortized cost:</b>							
Short-term borrowings	\$ 505,367	-	-	-	-	-	
Accounts payable (including related parties)	1,240,210	-	-	-	-	-	
Other payables	166,892	-	-	-	-	-	
Corporate bonds payable (including current portion)	88,638	-	-	-	92,933	92,933	
Lease liabilities (including current & non-current)	20,308	-	-	-	-	-	
Long-term borrowings (including current portion)	200,000	-	-	-	-	-	
	<u><b>\$ 2,221,415</b></u>						

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

	<b>December 31, 2024</b>				
	<b>Fair value</b>				
	<b>Carrying amount</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets at FVTPL:</b>					
Derivative financial assets-Convertible bonds-Embedded derivatives	\$ 3,320	-	-	3,320	3,320
<b>Financial assets at FVOCI</b>					
Domestic bonds	<u>29,638</u>	-	29,638	-	29,638
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	1,556,438	-	-	-	-
Accounts receivable, net	1,572,560	-	-	-	-
Other receivables	7,898	-	-	-	-
Other current financial assets	775,928	-	-	-	-
Refundable deposits (presented as other non-current financial assets)	<u>18,070</u>	-	-	-	-
	<u>3,930,894</u>				
	<b><u>\$ 3,963,852</u></b>				
<b>Financial liabilities measured at amortized cost:</b>					
Short-term borrowings	\$ 658,244	-	-	-	-
Accounts payable (including related parties)	1,257,710	-	-	-	-
Other payables	207,413	-	-	-	-
Bonds payable	203,134	-	-	220,145	220,145
Lease liabilities (including current portion)	20,254	-	-	-	-
Long-term borrowings	<u>400,000</u>	-	-	-	-
	<b><u>\$ 2,746,755</u></b>				

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

	<u>September 30, 2024</u>				
	<u>Fair value</u>				
	<u>Carrying amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Financial assets at FVOCI</b>					
Domestic bonds	\$ 31,080	-	31,080	-	31,080
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	1,514,587	-	-	-	-
Accounts receivable, net	1,550,846	-	-	-	-
Other receivables	4,071	-	-	-	-
Other current financial assets	745,539	-	-	-	-
Other non-current financial assets	2,000	-	-	-	-
Refundable deposits (presented as other non-current financial assets)	14,951	-	-	-	-
	<u>3,831,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b><u>\$ 3,863,074</u></b>				
<b>Financial liabilities measured at amortized cost:</b>					
Short-term borrowings	\$ 480,903	-	-	-	-
Accounts payable (including related parties)	1,303,343	-	-	-	-
Other payables	172,937	-	-	-	-
Bonds payable	350,939	-	-	386,240	386,240
Lease liabilities (including current portion)	19,842	-	-	-	-
Long-term borrowings	400,000	-	-	-	-
	<u>\$ 2,727,964</u>				

- Valuation technique for financial instruments measured at fair value

(a) Non-derivative financial instruments

Financial instruments that are openly quoted in an active market will have fair value determined at the openly quoted price. Fair values of public-listed (OTC-traded) equity instruments and debt instruments openly quoted in active markets are determined using market prices quoted on major exchange and OTC center for actively traded government bonds.

## CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements (Continued)

Except for financial instruments traded in active markets, as described above, fair values of all other financial instruments are obtained either by applying valuation techniques or by making reference to counterparties' quotations. Fair value through valuation technique may be obtained by making reference to the prevailing fair value of financial instruments that share similar terms and characteristics or using valuation techniques such as the discounted cash flow method in conjunction with market information available as at the reporting date.

- (b) Derivative financial instruments are evaluated based on valuation models that are widely accepted by market users, such as the binomial options pricing model.
- There were no transfers between fair value hierarchy levels for the nine months ended September 30, 2025 and 2024.
- Reconciliation of Level 3 fair values

	<b>FVTPL</b>
	<b>Derivative financial instruments - convertible bonds</b>
January 1, 2025	\$ 3,320
Total profit or loss:	
Recognized in profit or loss	5,920
September 30, 2025	<u><b>\$ 9,240</b></u>
January 1, 2024	\$ 760
Total profit or loss:	
Recognized in profit or loss	(760)
September 30, 2024	<u><b>\$ -</b></u>

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

The total gains or losses mentioned above are reported under financial gains (losses) at FVTPL. The assets still held for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, are as follows:

	<b>For the Three Months Ended September 30, 2025</b>	<b>For the Three Months Ended September 30, 2024</b>	<b>For the Nine Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2024</b>
Total losses:				
Recognized in profit or loss (reported under "gains (losses) on financial assets measured at fair value through profit or loss")	\$ 8,520	(80)	5,920	(760)

- Quantitative information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include "Financial assets at FVTPL - call option of convertible bonds."

Most of the fair value measurements of the Group categorized within Level 3 used single significant unobservable input.

Quantified information of significant unobservable inputs was as follows:

<b>Content</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
Financial assets at FVTPL - call options of convertible bonds	Binomial convertible bonds pricing models	Volatility (52.91%, 36.34% and 20.45% as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively)	• The higher the volatility, the higher the fair value.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

- Level 3 Sensitivity of reasonable, possible alternative assumptions on fair value, for items that are subject to Level 3 fair value input

The Group considers its fair value assessment of financial instruments to be reasonable, but uses of different valuation model or parameter may lead to different results. For financial instruments that involve the use of Level 3 input, impacts on current profit Level 3 or loss in the event of a change in valuation parameter are explained below:

	Input value	Move up or down variation	Impacts of fair value	
			change on current profit or loss	
			Favorable	Unfavorable
<b>September 30, 2025</b>				
Financial assets at FVTPL - call options of convertible bonds	Volatility	5%	\$ 1,980	2,064
<b>December 31, 2024</b>				
Financial assets at FVTPL - call options of convertible bonds	Volatility	5%	\$ 3,800	(2,480)
<b>September 30, 2024</b>				
Financial assets at FVTPL - call options of convertible bonds	Volatility	5%	\$ (40)	(80)

The favorable and unfavorable effects represent changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

**20. Financial risk management**

There was no significant change in the Group's financial risk management goals and policies from those disclosed in note 6(u) of the 2024 consolidated financial statements.

**21. Capital management**

The Group's capital management goals, policies, and procedures were consistent with those disclosed in the 2024 consolidated financial statements. There was no change in the quantitative data used for capital management from that disclosed in the 2024 consolidated financial statements. Please see note 6(v) of the 2024 consolidated financial statements for more information.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

22. Non-cash investing and financing activities

(1) The Group's investing activities that did not affect current cash flows for the nine months ended September 30, 2025 and 2024 were the acquisition of right-of-use assets through leases. Please refer to Notes 6(g) and 6(k).

(2) Reconciliation of liabilities arising from financing activities was as follows:

	<u>Non-cash changes</u>	<u>Changes in lease</u>		<u>September 30, 2025</u>
	<u>January 1, 2025</u>	<u>Cash flow</u>	<u>payments and others</u>	<u>September 30, 2025</u>
Short-term borrowings	\$ 658,244	(134,157)	(18,720)	505,367
Lease liabilities	20,254	(6,909)	6,963	20,308
Corporate bonds payable (including current portion)	203,134	-	(114,496)	88,638
Long-term borrowings (including current portion)	400,000	(200,000)	-	200,000
	<u><b>\$ 1,281,632</b></u>	<u><b>(341,066)</b></u>	<u><b>(126,253)</b></u>	<u><b>814,313</b></u>

	<u>Non-cash changes</u>	<u>Changes in lease</u>		<u>September 30, 2024</u>
	<u>January 1, 2024</u>	<u>Cash flow</u>	<u>payments and others</u>	<u>September 30, 2024</u>
Short-term borrowings	\$ 563,082	(87,850)	5,671	480,903
Lease liabilities	25,256	(6,874)	1,460	19,842
Bonds payable	330,871	-	20,068	350,939
Long-term borrowings (including current portion)	400,000	-	-	400,000
	<u><b>\$ 1,319,209</b></u>	<u><b>(94,724)</b></u>	<u><b>27,199</b></u>	<u><b>1,251,684</b></u>

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**(VII) Related-party transactions**

1. Names of related parties and relationships

The related parties that had transactions with the Group during the periods covered by these consolidated financial statements are as follows:

<b>Names of related parties</b>	<b>Relationship with the Group</b>
Leadray Energy Co., Ltd.	Substantive related parties of the Company

2. Significant transactions with related parties

(1) Purchases

The Group's purchases from related parties were as follows:

	<b>For the Three Months Ended September 30, 2025</b>	<b>For the Nine Months Ended September 30, 2025</b>
Other related parties	\$ 184	184

The purchase prices from the above related parties were not significantly different from those of purchases made from unrelated suppliers. The payment terms were 60 days after the end of the month, which were also not significantly different from those offered by unrelated suppliers.

(2) Payables to related parties

The details of payables to related parties arising from the above transactions are as follows:

<b>Account item</b>	<b>Related party category</b>	<b>September 30, 2025</b>
Accounts payable	Other related parties	\$ 193

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

3. Transactions with key management personnel

Key management personnel compensation comprised of:

	For the Three Months Ended September 30, 2025	For the Three Months Ended September 30, 2024	For the Nine Months Ended September 30, 2025	For the Nine Months Ended September 30, 2024
Short-term employee benefits	\$ 5,882	4,342	16,556	13,807
Post-employment benefits	162	134	432	431
Share-based payments	729	-	1,215	-
	<b>\$ 6,773</b>	<b>4,476</b>	<b>18,203</b>	<b>14,238</b>

For information regarding share-based payments, please refer to note 6(o).

**(VIII) Pledged assets**

Carrying amount of assets that the Group had placed as collateral is explained below:

Name of asset	Pledged collateral	September 30, 2025	December 31, 2024	September 30, 2024
Time deposit (presented as other non-current financial assets)	Customs bond	\$ -	-	<b>2,000</b>

**(IX) Commitments and contingencies**

- As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group had commitments for construction and equipment that were contracted but not yet paid, amounting to NT\$68,718 thousand, NT\$73,784 thousand, and NT\$73,974 thousand, respectively.
- As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group's performance guarantees provided by banks for customs duties amounted to NT\$2,000 thousand, NT\$2,000 thousand, and NT\$0 thousand, respectively.

**(X) Losses due to major disasters: None.**

**(XI) Subsequent events: None.**

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**(XII) Others**

1. A summary of current-period employee benefits, depreciation, and amortization function is as follows:

By function  By nature	For the Three Months Ended September 30, 2025			For the Three Months Ended September 30, 2024		
	Presented as operating cost	Presented as operating expense	Total	Presented as operating cost	Presented as operating expense	Total
Employee benefits						
Salary	41,795	83,286	125,081	40,242	66,269	106,511
Labor and health insurance	2,737	5,417	8,154	2,529	5,874	8,403
Pension	3,352	3,661	7,013	3,443	3,623	7,066
Others	37,520	4,461	41,981	38,421	4,428	42,849
Depreciation	12,991	14,621	27,612	20,697	16,363	37,060
Amortization	21	562	583	71	954	1,025

By function  By nature	For the Nine Months Ended September 30, 2025			For the Nine Months Ended September 30, 2024		
	Presented as operating cost	Presented as operating expense	Total	Presented as operating cost	Presented as operating expense	Total
Employee benefits						
Salary	117,207	224,496	341,703	118,841	199,282	318,123
Labor and health insurance	7,952	16,707	24,659	7,599	17,790	25,389
Pension	10,221	10,983	21,204	10,345	11,139	21,484
Others	102,765	12,729	115,494	109,081	12,781	121,862
Depreciation	40,198	45,630	85,828	66,187	48,029	114,216
Amortization	129	2,002	2,131	268	2,712	2,980

2. Seasonality of operations:

The Group's operations are not affected by seasonality or cyclical.

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**(XIII) Other disclosures**

1. Information on significant transactions

The following is the information on significant transactions required to be disclosed in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the nine months ended September 30, 2025:

(1) Loans to other parties:

Serial No. (Note 1)	Lender of funds	Borrower of funds	Subject	Are they related parties	Maximum amount for the current period	Ending balance	Actual amount utilized	Range of interest rates	Nature of the loan (Note 2)	Business transaction amount	Reasons for the necessity of short-term financing	Amount of provision for bad debt allowance	Collateral		Loan limit amount for each recipient (Note 3)	Total loan limit (Note 3)
													Name	Value		
0	The Company	Celxpert (Nantong)	Other receivables	Yes	183,540 (US\$6,000)	91,335 (US\$3,000)	91,335 (US\$3,000)	2.11%	2	-	Operation needs	-	None	-	996,512	996,512

Note 1: The numbers filled in as follows:

1. 0 represents the parent company.

2. 1 represents the subsidiaries.

Note 2: 1. represents business counterparty.

2. represents for those who need a short-term loan.

Note 3: According to the "Operating Procedures for Loans to Other Parties," the total amount of funds lent by the Company shall not exceed 40 percent of the net worth as stated in the most recent financial statements audited or reviewed by CPAs. For companies or businesses that require short-term funding from the Company, the loan amount to each individual entity shall not exceed 40 percent of the Company's net worth.

Note 4: The above-mentioned transactions had been eliminated in the consolidated financial statements.

Note 5: The USD is converted to NTD using the exchange rate of 30.445 at the end of the period.

(2) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars/foreign currencies)

Serial No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a single enterprise	Highest balance of guarantees and endorsements for the current period	Ending balance of guarantees and endorsements	Actual amount utilized	Amount endorsed/guaranteed by collateral	Cumulative amount of endorsement/guarantee as a percentage of net worth stated in the latest financial statements	Endorsement/guarantee limit	Parent company's guarantee/endorsement to subsidiary	Subsidiary's guarantee/endorsement to parent company	Guarantee/endorsement to the Mainland area
		Name of entity	Relationship										
0	The Company	Celxpert (Kunshan)	2nd-tier subsidiary	1,245,640	431,665 (US\$13,000)	274,005 (US\$9,000)	274,005 (US\$9,000)	-	11.00%	2,491,280	Y	-	Y
0	The Company	Celxpert (Nantong)	2nd-tier subsidiary	1,245,640	232,435 (US\$7,000)	213,115 (US\$7,000)	213,115 (US\$7,000)	-	8.55%	2,491,280	Y	-	Y
0	The Company	Keelgoal Energy	Subsidiary	249,128	240,000	-	-	-	-%	2,491,280	Y	-	-

Note 1: The total amount of endorsements and guarantees provided by the Company to third parties shall not exceed 100% of the latest net worth as reported in the financial statements. The maximum limit for endorsements and guarantees provided to a single enterprise, except for subsidiaries in which the Company directly or indirectly holds more than 90% of the ordinary shares, shall not exceed 50% of the current net worth. For all other enterprises, the maximum limit shall not exceed 10% of the latest net worth as reported in the financial statements.

Note 2: The endorsers mentioned above are entities included in the consolidated financial statements.

Note 3: The USD is converted to NTD using the exchange rate of 30.445 at the end of the period.

(3) Significant securities held at period-end (excluding investment in subsidiaries, associates and joint ventures):

Holder	Category and name of security	Relationship with company	Account	End of period				Note
				Shares	Carrying amount	Percentage of ownership (%)	Fair Value	
The Company	TSMC 30-year USD corporate bonds	-	Current financial assets at fair value through other comprehensive income	-	28,834	-	28,834	

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

(4) Related-party purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Companies with purchase (sales) transactions	Name of counterparty	Relationship	Transaction details				Transactions with terms different from others		Notes and accounts receivable (payable)	Note
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Payment terms	Unit price	Payment terms		
The Company	Celxpert (Kunshan)	Subsidiary	Processing fee	306,534	10%	Based on funding needs	Under the Company	Adjustment based on funding needs	Accounts payable (38,436)	(3)% (Notes 1 and 2)
Celxpert (Kunshan)	The Company	Parent company	(Processing income)	(306,534)	(100)%	"	"	"	Accounts receivable 38,436	100% (Note 1)

Note 1: The transactions listed on the left had been eliminated in the consolidated financial statements.

Note 2: The remaining balance is the net value of processing outsourced and sales of raw material.

(5) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None.

(6) Business relationships and significant intercompany transactions between the parent company and subsidiaries:

No. (Note 1)	Name of company	Name of counter-party	Relationship with the counterparty (Note 2)	Transactions details				Percentage of the consolidated net revenue or total assets
				Account	Amount	Trading terms		
0	The Company	ASIL	1	Accounts payable	96,223	According to the Company's pricing policies; payment term is granted based on capital requirement		1.92%
0	The Company	Celxpert (Kunshan)	1	Operating costs	306,534	"		7.98%
0	The Company	Celxpert (Kunshan)	1	Accounts payable	38,436	"		0.77%
0	The Company	Keelgoal	1	Sales revenue	99,799	60 days		2.60%
0	The Company	Keelgoal	1	Processing income	3,648	"		0.09%
0	The Company	Keelgoal	1	Accounts receivable	33,476	"		0.67%
0	The Company	Celxpert (Nantong)	1	Other receivables	91,383	Interest rate 2.11%		1.83%

Note 1: The numbers filled in as follows:

1. 0 represents the parent company.

2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Transactions labeled as follows:

1. Parent to subsidiary.

2. Subsidiary to parent.

3. Subsidiary to subsidiary.

# CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements (Continued)

### 2. Information on investees

The following is the information on the Group's investees for the nine months ended September 30, 2025 (excluding investees in Mainland China):

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		End-of-period holding position			Profit (loss) of the investee for the current period	Profit (loss) recognized in the current period	Note
				End of current period	End of previous year	Shares	Percentage of ownership	Carrying amount			
The Company "	CHL Celxpert (Indonesia)	British Virgin Islands Indonesia	Foreign investment holding	752,490	752,490	24,631	100%	227,205	(105,776)	(94,781)	Subsidiary (Note 3)
"	Keelgoal Energy	Taiwan	Manufacturing, processing, and sales of battery packs and power supply related products	40,767	40,767	10	100%	1,228	(1,952)	(1,952)	Subsidiary (Note 3)
CHL	ASIL	British Virgin Islands	Research and development and trading of lithium battery packs, energy storage systems, and others	165,550	183,401	9,274	57.60%	137,717	23,906	15,123	Subsidiary (Note 3)
"	CHK	Hong Kong	Import and export trade	1,522 (US\$50)	1,522 (US\$50)	50	100%	1,553 (US\$51)	9 (US\$0)	Investment gain or loss recognized by CHL	2nd-tier subsidiary (Note 3)
"	CEIL	SAMOA	Foreign investment holding	432,928 (US\$14,220)	432,928 (US\$14,220)	14,220	100%	7,063 (US\$232)	(78,118) (US\$(2,502))	"	"
"	CPEI	"	"	US\$- 304,450 (US\$10,000)	US\$- 304,450 (US\$10,000)	(Note 1) 10,000	100%	125,159 (US\$4,111)	US\$- (28,038) (US\$(898))	"	"
Keelgoal Energy	VoltaEdge Holdings Limited	British Virgin Islands	"	-	-	(Note 1)	(Note 1)	-	-	Recognized by Keelgoal Energy	Associate

Note 1: Only the registration of incorporation has been completed, and the capital contribution has not yet been made. Keelgoal Energy revised its investment plan in the second quarter of 2025 and, on August 5, 2025, the Board of Directors approved the cancellation of the joint venture agreement.

Note 2: The USD is converted to NTD using the exchange rate of 30.445 at balance sheet date or the average exchange rate of 31.2223.

Note 3: The transactions listed on the left had been eliminated in the consolidated financial statements.

### 3. Information on investment in Mainland China

#### (1) Information on business investments in Mainland China:

Name of Mainland investee	Main businesses and products	Capital stock (Note 2)	Method of Investment flows	Cumulative investment amount remitted from Taiwan at the beginning of the current period (Note 2)	Investment amount remitted or recovered during the current period (Note 2)	Outflow	Inflow	Cumulative investment amount remitted from Taiwan at the end of the current period (Note 2)	Current period profit or loss of investees	The Company's direct or indirect holding percentage	Profit (loss) recognized in the current period (Note 1)	Closing carrying amount of investment	Investment gains recovered to date
Celxpert (Kunshan)	Manufacturing and trading of battery parts and battery packs	Capital verified: 456,675 (US\$15,000)	Indirect investment through CHK	432,471 (US\$14,205)	-	-		432,471 (US\$14,205)	(78,118) (US\$(2,502))	100%	(78,118) (US\$(2,502))	(10,990) (US\$(361))	-
Celxpert (Nantong)	Manufacturing and trading of battery parts and battery packs	Capital verified: 304,450 (US\$10,000)	Indirect investment through CPEI	304,450 (US\$10,000)	-	-		304,450 (US\$10,000)	(28,038) (US\$(898))	100%	(28,038) (US\$(898))	125,159 (US\$4,111)	-
Celxpert (Changchun)	Business of recycling automotive batteries and electronic components	(Note 3)	Indirect investment through CEIL	-	-	-		-	-	-%	-	-	-

**CELXPERT ENERGY CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

**(2) Limitation on investment in Mainland China:**

(In Thousands of U.S. Dollars)		
<b>Closing cumulative balance of investment capital transferred from Taiwan into the Mainland</b>	<b>Investment limit authorized by the Investment Commission, Ministry of Economic Affairs</b>	<b>Limits authorized by the Investment Commission, Ministry of Economic Affairs, for investing in Mainland China</b>
736,921 (US\$24,205)	748,338 (US\$24,580)	1,494,768

Note 1: The investment gains or losses of the current period are recognized according to the financial statements which have been reviewed by the certified public accountant of Taiwan parent company.

Note 2: The USD is converted to NTD using the exchange rate of 30.445 at balance sheet date or the average exchange rate of 31.2223.

Note 3: The registration procedures have been completed, and no capital has been injected yet.

**(3) Significant transactions:**

Significant transactions conducted directly or indirectly between the Group and its investees in Mainland China for the nine months ended September 30, 2025, which had been eliminated during the preparation of the consolidated financial statements, are disclosed in the sections "Information on significant transactions" and "Business relationships and significant intercompany transactions."

**(XIV) Segment information**

The Group has only one reportable segment, the battery pack segment, primarily engaged in the manufacturing, processing, and trading of battery packs and power supply-related products. The Group's other operating segments, which are primarily engaged in the design, development, and trading of lithium battery packs and energy storage systems, did not meet any quantitative thresholds for reportable segments for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024. The disclosures of the segments' profit or loss, assets, and liabilities are the same as those presented in the consolidated financial statements. Accounting policies adopted by the operating segment are identical to the summary of significant accounting policies explained in note 4 of the 2024 consolidated financial statements.