

English Translation of Consolidated Financial Statements Originally Issued in Chinese
PRIME ELECTRONICS AND SATELLITICS INCORPORATION and Subsidiaries

Consolidated Balance Sheets

As of March 31, 2025, December 31, 2024 and March 31, 2024

(Amounts Expressed In Thousands of New Taiwan Dollars)

| Assets | | | As of March 31, 2025 | | As of December 31, 2024 | | As of March 31, 2024 | |
|--------|---|-------------|----------------------|------------|-------------------------|------------|----------------------|------------|
| Code | Accounts | Notes | Account | % | Account | % | Account | % |
| | Current assets | | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | \$964,424 | 35 | \$913,195 | 33 | \$720,135 | 26 |
| 1110 | Financial assets at fair value through profit or loss | 6(2) | - | - | 327 | - | - | - |
| 1136 | Financial assets carried at amortized cost | 6(4),8 | 57,872 | 2 | 67,991 | 3 | 61,708 | 2 |
| 1150 | Notes receivable, net | 6(5),6(20) | 6,391 | - | 12 | - | 13 | - |
| 1170 | Accounts receivable, net | 6(6),6(20) | 483,362 | 17 | 457,876 | 16 | 482,127 | 17 |
| 1180 | Accounts receivable - related parties, net | 6(6,6(20),7 | 1,478 | - | 236 | - | 1,143 | - |
| 1200 | Other receivables | 6(20) | 1,624 | - | 483 | - | 13,445 | - |
| 1220 | Current tax assets | 4,6(25) | 2,125 | - | 2,080 | - | 1,075 | - |
| 130X | Inventories, net | 6(7) | 553,953 | 20 | 605,530 | 22 | 750,112 | 27 |
| 1410 | Prepayments | | 70,508 | 3 | 92,985 | 3 | 92,165 | 3 |
| 1470 | Other current assets | | 1,804 | - | 1,827 | - | 1,354 | - |
| 11XX | Total current assets | | <u>2,143,541</u> | <u>77</u> | <u>2,142,542</u> | <u>77</u> | <u>2,123,277</u> | <u>75</u> |
| | Non-current assets | | | | | | | |
| 1517 | Financial asset at fair value through OCI | 6(3) | 10,000 | - | 10,000 | - | 10,000 | - |
| 1550 | Investment accounted for under equity method | 6(8) | 8,843 | - | 8,740 | - | 8,732 | - |
| 1600 | Property, plant and equipment, net | 6(9),8 | 389,758 | 14 | 390,181 | 14 | 360,002 | 13 |
| 1755 | Right-of-use asset | 6(21) | 81,210 | 3 | 84,399 | 3 | 96,200 | 4 |
| 1760 | Investment property, net | 6(10) | 163,285 | 6 | 164,655 | 6 | 178,161 | 6 |
| 1780 | Intangible assets | 6(11) | 1,562 | - | 1,730 | - | 1,372 | - |
| 1840 | Deferred income tax assets | 4,6(25) | 1,770 | - | 1,930 | - | 2,069 | - |
| 1900 | Other non-current assets | 6(12) | 4,963 | - | 6,900 | - | 43,129 | 2 |
| 15XX | Total non-current assets | | <u>661,391</u> | <u>23</u> | <u>668,535</u> | <u>23</u> | <u>699,665</u> | <u>25</u> |
| 1XXX | Total Assets | | <u>\$2,804,932</u> | <u>100</u> | <u>\$2,811,077</u> | <u>100</u> | <u>\$2,822,942</u> | <u>100</u> |

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
PRIME ELECTRONICS AND SATELLITICS INCORPORATION and Subsidiaries
Consolidated Balance Sheets-(Continued)
As of March 31, 2025, December 31, 2024 and March 31, 2024
(Amounts Expressed In Thousands of New Taiwan Dollars)

| Liabilities and Equity | | | As of March 31, 2025 | | As of December 31, 2024 | | As of March 31, 2024 | |
|------------------------|---|---------|----------------------|------------|-------------------------|------------|----------------------|------------|
| Code | Accounts | Notes | Account | % | Account | % | Account | % |
| | Current liabilities | | | | | | | |
| 2100 | Short-term loans | 6(13),8 | \$230,000 | 8 | \$190,000 | 7 | \$210,000 | 8 |
| 2130 | Contract liability | 6(19) | 345,208 | 12 | 329,155 | 12 | 263,751 | 9 |
| 2150 | Notes payable | | 70,826 | 3 | 81,148 | 3 | 63,705 | 2 |
| 2170 | Accounts payable | | 310,097 | 11 | 351,593 | 12 | 483,464 | 17 |
| 2200 | Other payables | 6(14) | 122,203 | 5 | 133,457 | 5 | 140,119 | 5 |
| 2280 | Lease liability | 6(21) | 7,770 | - | 9,841 | - | 14,228 | 1 |
| 2322 | Current portion of long-term liabilities | 6(15) | 59,622 | 2 | 55,976 | 2 | 27,408 | 1 |
| 2399 | Other current liabilities | | 5,350 | - | 15,074 | - | 6,517 | - |
| 21XX | Total current liabilities | | <u>1,151,076</u> | <u>41</u> | <u>1,166,244</u> | <u>41</u> | <u>1,209,192</u> | <u>43</u> |
| | Non-current liabilities | | | | | | | |
| 2540 | Long-term loans | 6(15) | 95,460 | 3 | 77,371 | 3 | 69,382 | 2 |
| 2570 | Deferred income tax liabilities | 4,6(25) | 1,770 | - | 1,930 | - | 2,069 | - |
| 2580 | Lease liability | 6(21) | 18,040 | 1 | 19,808 | 1 | 25,779 | 1 |
| 2600 | Other non-current liabilities | 6(16) | 32,438 | 1 | 40,414 | 1 | 45,386 | 2 |
| 25XX | Total non-current liabilities | | <u>147,708</u> | <u>5</u> | <u>139,523</u> | <u>5</u> | <u>142,616</u> | <u>5</u> |
| 2XXX | Total liabilities | | <u>1,298,784</u> | <u>46</u> | <u>1,305,767</u> | <u>46</u> | <u>1,351,808</u> | <u>48</u> |
| 31XX | Total equity attributable to the parent company | | | | | | | |
| 3100 | Capital | 6(18) | | | | | | |
| 3110 | Common stock | | 1,677,385 | 60 | 1,677,385 | 60 | 1,677,385 | 59 |
| 3200 | Capital surplus | 6(18) | 291,899 | 10 | 291,899 | 10 | 291,899 | 10 |
| 3300 | Retained earnings | 6(18) | | | | | | |
| 3350 | Unappropriated earnings(accumulated deficit) | | (474,262) | (17) | (449,259) | (16) | (450,272) | (16) |
| 3400 | Other components of equity | | (4,475) | - | (30,839) | (1) | (65,015) | (2) |
| 31XX | Total equity attributable to the parent company | | <u>1,490,547</u> | <u>53</u> | <u>1,489,186</u> | <u>53</u> | <u>1,453,997</u> | <u>51</u> |
| 36XX | Non-controlling interests | 6(18) | 15,601 | 1 | 16,124 | 1 | 17,137 | 1 |
| 3XXX | Total equity | | <u>1,506,148</u> | <u>54</u> | <u>1,505,310</u> | <u>54</u> | <u>1,471,134</u> | <u>52</u> |
| 3X2X | Total liabilities and equity | | <u>\$2,804,932</u> | <u>100</u> | <u>\$2,811,077</u> | <u>100</u> | <u>\$2,822,942</u> | <u>100</u> |

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
PRIME ELECTRONICS AND SATELLITICS INCORPORATION and Subsidiaries

Consolidated Statements of Comprehensive Income

For the three-month periods ended March 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

| Code | Accounts | Notes | For the three-month period ended March 31, 2025 | | For the three-month period ended March 31, 2024 | |
|------|---|---------|---|-------------|---|-------------|
| | | | Account | % | Account | % |
| 4000 | Operating revenues | 6(19),7 | \$378,879 | 100 | \$351,571 | 100 |
| 5000 | Operating costs | | <u>(318,453)</u> | <u>(84)</u> | <u>(318,561)</u> | <u>(91)</u> |
| 5900 | Gross profit | | <u>60,426</u> | <u>16</u> | <u>33,010</u> | <u>9</u> |
| | Operating expenses | | | | | |
| 6100 | Sales and marketing | | (26,450) | (7) | (21,974) | (6) |
| 6200 | General and administrative | | (47,878) | (13) | (47,063) | (14) |
| 6300 | Research and development | | (52,961) | (14) | (57,029) | (16) |
| 6450 | Expected credit gains (losses) | 6(20) | <u>(244)</u> | <u>-</u> | <u>2,377</u> | <u>1</u> |
| 6000 | Total operating expenses | | <u>(127,533)</u> | <u>(34)</u> | <u>(123,689)</u> | <u>(35)</u> |
| 6900 | Operating income(losses) | | <u>(67,107)</u> | <u>(18)</u> | <u>(90,679)</u> | <u>(26)</u> |
| | Non-operating incomes and expenses | | | | | |
| 7100 | Interest income | 6(23) | 2,199 | 1 | 2,293 | 1 |
| 7010 | Other incomes | 6(23) | 30,622 | 8 | 23,146 | 7 |
| 7020 | Other gains or losses | 6(23) | 6,936 | 2 | 28,678 | 8 |
| 7050 | Finance costs | 6(23) | (2,500) | (1) | (2,065) | (1) |
| 7055 | losses determined in | 6(20) | 4,410 | 1 | 1,792 | - |
| 7060 | Share of the profit or loss of associates and joint ventures | 6(8) | <u>(86)</u> | <u>-</u> | <u>(33)</u> | <u>-</u> |
| 7000 | Total non-operating incomes and expenses | | <u>41,581</u> | <u>11</u> | <u>53,811</u> | <u>15</u> |
| 7900 | Income before income tax (loss) | | (25,526) | (7) | (36,868) | (11) |
| 7950 | Income tax expense | 4,6(25) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 8200 | Net income (loss) | | <u>(25,526)</u> | <u>(7)</u> | <u>(36,868)</u> | <u>(11)</u> |
| | Other comprehensive income (loss) | 6(24) | | | | |
| 8360 | Items that may be reclassified subsequently to profit or loss | | | | | |
| 8361 | Exchange differences on translation of foreign operations | | <u>26,364</u> | <u>7</u> | <u>(541)</u> | <u>-</u> |
| | Total other comprehensive income (loss), net of tax | | <u>26,364</u> | <u>7</u> | <u>(541)</u> | <u>-</u> |
| 8500 | Total comprehensive income | | <u>\$838</u> | <u>-</u> | <u>\$(37,409)</u> | <u>(11)</u> |
| 8600 | Net income (loss) attributable to : | | | | | |
| 8610 | Shareholders of the parent | | \$(25,003) | (7) | \$(36,610) | (11) |
| 8620 | Non-controlling interests | | <u>(523)</u> | <u>-</u> | <u>(258)</u> | <u>-</u> |
| | | | <u>\$(25,526)</u> | <u>(7)</u> | <u>\$(36,868)</u> | <u>(11)</u> |
| 8700 | Comprehensive income attributable to : | | | | | |
| 8710 | Shareholders of the parent | | \$1,361 | - | \$(37,151) | (11) |
| 8720 | Non-controlling interests | | <u>(523)</u> | <u>-</u> | <u>(258)</u> | <u>-</u> |
| | | | <u>\$838</u> | <u>-</u> | <u>\$(37,409)</u> | <u>(11)</u> |
| 9750 | Earnings per share-basic (loss) (in NTD) | 6(26) | <u>\$(0.15)</u> | | <u>\$(0.22)</u> | |

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
PRIME ELECTRONICS AND SATELLITICS INCORPORATION and Subsidiaries

Consolidated Statements of Changes in Equity

For the three-month periods ended March 31, 2025 and 2024

(Amounts Expressed In Thousands of New Taiwan Dollars)

| 代碼 | Items | Equity Attributable to Shareholders of the Parent | | | | | | Non-controlling Interests | Total Equity |
|----|--|---|------------------|-------------------------|---|--|--------------------|---------------------------|--------------------|
| | | Common Stock | Capital Surplus | Retained Earnings | Others | | Total | | |
| | | | | Unappropriated Earnings | Exchange differences arising on translation of foreign operations | Unrealized Gains or Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income | | | |
| | | | | | | | | | |
| | | 3100 | 3200 | 3350 | 3410 | 3420 | 31XX | 36XX | 3XXX |
| A1 | Balance as of January 1, 2024 | \$1,677,385 | \$291,899 | \$(413,662) | \$(54,474) | \$(10,000) | \$1,491,148 | \$17,395 | \$1,508,543 |
| D1 | Net income for the three-month period ended March 31, 2024 | | | (36,610) | | | (36,610) | (258) | (36,868) |
| D3 | Other comprehensive income (loss), net of tax, for the three-month period ended March 31, 2024 | | | | (541) | | (541) | - | (541) |
| D5 | Total comprehensive income (loss) | - | - | (36,610) | (541) | - | (37,151) | (258) | (37,409) |
| Z1 | Balance as of March 31, 2024 | <u>\$1,677,385</u> | <u>\$291,899</u> | <u>\$(450,272)</u> | <u>\$(55,015)</u> | <u>\$(10,000)</u> | <u>\$1,453,997</u> | <u>\$17,137</u> | <u>\$1,471,134</u> |
| A1 | Balance as of January 1, 2025 | \$1,677,385 | \$291,899 | \$(449,259) | \$(20,839) | \$(10,000) | \$1,489,186 | \$16,124 | \$1,505,310 |
| D1 | Net income for the three-month period ended March 31, 2025 | | | (25,003) | | | (25,003) | (523) | (25,526) |
| D3 | Other comprehensive income (loss), net of tax, for the three-month period ended March 31, 2025 | | | | 26,364 | | 26,364 | - | 26,364 |
| D5 | Total comprehensive income (loss) | - | - | (25,003) | 26,364 | - | 1,361 | (523) | 838 |
| Z1 | Balance as of March 31, 2025 | <u>\$1,677,385</u> | <u>\$291,899</u> | <u>\$(474,262)</u> | <u>\$5,525</u> | <u>\$(10,000)</u> | <u>\$1,490,547</u> | <u>\$15,601</u> | <u>\$1,506,148</u> |

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
PRIME ELECTRONICS AND SATELLITICS INCORPORATION and Subsidiaries
Consolidated Statements of Cash Flows
For the three-month periods ended March 31, 2025 and 2024
(Amounts Expressed in Thousands of New Taiwan Dollars)

| Code | Items | For the three-month periods ended March 31, 2025 | For the three-month periods ended March 31, 2024 | Code | Items | For the three-month periods ended March 31, 2025 | For the three-month periods ended March 31, 2024 |
|--------|--|---|---|--------|---|---|---|
| | | Account | Account | | | Account | Account |
| AAAA | Cash flows from operating activities : | | | BBBB | Cash flows from investing activities : | | |
| A10000 | Income before income tax | \$(25,526) | \$(36,868) | B00050 | Proceeds from disposal of financial assets at amortised cost | 10,119 | 22,152 |
| A20000 | Adjustments : | | | B00200 | Proceeds from disposal of financial assets at fair value through profit or loss | 327 | 310 |
| A20010 | Income and expense adjustments: | | | B02700 | Acquisition of property, plant and equipment | (3,588) | (36,881) |
| A20100 | Depreciation (including right-of-use assets) | 20,553 | 20,550 | B03700 | Decrease (increase) in refundable deposits | (3) | 50 |
| A20200 | Amortization | 186 | 153 | BBBB | Net cash provided by (used in) investing activities | 6,855 | (14,369) |
| A20300 | Expected credit losses | (4,166) | (4,169) | | | | |
| A20900 | Interest expense | 2,500 | 2,065 | | | | |
| A21200 | Interest income | (2,199) | (2,293) | CCCC | Cash flows from financing activities : | | |
| A22300 | Share of profit or loss of associates and joint ventures | 86 | 33 | C00100 | Increase in short-term loans | 40,000 | 11,250 |
| A22500 | Gain on disposal of property, plant and equipment | 4 | - | C01600 | Increase in long-term loans | 35,000 | - |
| A29900 | Other adjustments to reconcile profit (loss) | (11) | - | C01700 | Repayments of long-term loans | (13,265) | (26,664) |
| A30000 | Changes in operating assets and liabilities : | | | C03100 | Decrease in deposits received | (5,565) | (1,010) |
| A31130 | Notes receivable | (6,379) | 507 | C04020 | Cash payments for the principal portion of the lease liability | (3,886) | (4,071) |
| A31150 | Accounts receivable | (25,743) | (89,027) | CCCC | Net cash provided by (used in) financing activities | 52,284 | (20,495) |
| A31160 | Accounts receivable - related parties | (1,242) | (1,143) | | | | |
| A31180 | Other receivables | 3,633 | (2,369) | DDDD | Effect of exchange rate changes | 16,678 | (8,902) |
| A31200 | Inventories | 51,577 | (115,950) | | | | |
| A31230 | Prepayments | 22,477 | (35,114) | EEEE | Increase (decrease) in cash and cash equivalents | 51,229 | (211,589) |
| A31240 | Other current assets | 23 | 1,859 | E00100 | Cash and cash equivalents at beginning of period | 913,195 | 931,724 |
| A32125 | Contract liabilities | 16,053 | 9,297 | E00200 | Cash and cash equivalents at end of period | \$964,424 | \$720,135 |
| A32130 | Notes payable | (10,322) | (8,286) | | | | |
| A32150 | Accounts payable | (41,496) | 96,559 | | | | |
| A32180 | Other payables | (11,269) | 6,931 | | | | |
| A32230 | Other current liabilities | (9,724) | (10,717) | | | | |
| A32240 | Net defined benefit liability | (2,411) | (6) | | | | |
| A33000 | Cash generated from (used in) operations | (23,396) | (167,988) | | | | |
| A33100 | Interest received | 1,108 | 2,293 | | | | |
| A33300 | Interest paid | (2,255) | (1,947) | | | | |
| A33500 | Income tax paid | (45) | (181) | | | | |
| AAAA | Net cash provided by (used in) operating activities | (24,588) | (167,823) | | | | |

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