

**ASROCK INCORPORATION AND  
SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS' REPORT  
FOR THE SIX-MONTH PERIODS ENDED JUNE  
30, 2025 AND 2024**

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*The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.*

# Consolidated Financial Statements

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## Independent Auditors' Review Report

To ASRock Incorporation:

### **Foreword**

We have reviewed the accompanying consolidated balance sheets of ASRock Incorporation (the “Company”) and its subsidiaries (collectively the “Group”) as of June 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2025 and 2024, and changes in equity and cash flows for the six-month ended June 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

### **Scope**

We conducted our reviews in accordance with Standard on Review Engagements No. 2410 (TWSRE 2410), “Review of Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of June 30, 2025 and 2024, their consolidated financial performance for the three- and six-month periods ended June 30, 2025 and 2024, and their cash flows for the six-month periods ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

The engagement partners on the review resulting in this independent auditors' report are Chien-Ju, Yu and Hsuan-Hsuan, Wang.

Ernst & Young, Taiwan

July 30, 2025

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the financial position, results of operations and cash flows in accordance with 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.*

*Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.*

ASROCK INCORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
June 30, 2025, December 31, 2024, and June 30, 2024

Assets			June 30, 2025		December 31, 2024		June 30, 2024		Unit: thousands of NTD
Code	Accounting items	Note	Amount	%	Amount	%	Amount	%	
	Current assets								
1100	Cash and cash equivalents	IV and VI(I)	\$3,910,820	18	\$3,581,001	18	\$1,729,499	11	
1136	Financial assets measured at amortized cost - current	IV, VI(III) and VI(XIV)	1,846,048	8	1,175,000	6	2,329,192	15	
1170	Accounts receivable, net	IV, VI(IV) and VI(XIV)	2,501,854	12	2,470,240	13	1,975,292	12	
1180	Accounts receivable - related parties, net	IV, VI(IV), VI(XIV) and VII	235,977	1	6,620	-	29,984	-	
130x	Inventories, net	IV and VI(V)	10,674,819	48	9,989,461	51	8,689,513	54	
1470	Other current assets	VII	652,946	3	452,174	2	411,151	3	
11xx	Total current assets		19,822,464	90	17,674,496	90	15,164,631	95	
	Non-current assets								
	Financial asset measured at fair value through other comprehensive income - non-current	IV and VI(II)	20,000	-	20,000	-	20,000	-	
1517									
1535	Financial assets measured at amortized cost - non-current	IV, VI(III), VI(XIV) and VIII	542,918	3	3,955	-	3,956	-	
1600	Property, plant and equipment	IV and VI(VI)	1,348,233	6	1,476,595	8	324,115	2	
1755	Right-of-use assets	IV and VI(XV)	88,812	-	113,766	1	115,674	1	
1780	Intangible assets	IV, VI(VII) and VII	46,667	-	30,440	-	18,673	-	
1840	Deferred tax assets	IV, V and VI(XIX)	220,474	1	235,228	1	242,896	2	
1920	Guarantee deposits paid		27,427	-	28,460	-	28,105	-	
1990	Other non-current assets		27,862	-	54,445	-	32,944	-	
15xx	Total non-current assets		2,322,393	10	1,962,889	10	786,363	5	
1xxx	Total assets		\$22,144,857	100	\$19,637,385	100	\$15,950,994	100	

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

ASROCK INCORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (CONTINUED)  
June 30, 2025, December 31, 2024, and June 30, 2024

Code		Liabilities and equity		June 30, 2025		December 31, 2024		June 30, 2024		Unit: thousands of NTD
		Accounting items	Note	Amount	%	Amount	%	Amount	%	
		Current liabilities	VI(IX)	\$-	-	\$361,346	2	\$-	-	
2100		Short-term loans		855,450	4	377,308	2	489,185	-	
2130		Contract liabilities - current		7,595,881	34	6,030,638	31	3,478,452	22	
2170		Accounts payable	VI(VIII) and VII	1,965,245	9	1,930,366	10	1,579,955	10	
2200		Other payables	VI(XI)	851,073	4	-	-	904,191	6	
2216		Dividends payable	IV, V and VI(XIX)	450,790	2	278,690	2	321,303	2	
2230		Current tax liabilities	IV, VI(XV) and VI(XVII)	61,620	-	61,859	-	56,682	-	
2280		Lease liabilities - current	VII	109,633	-	147,626	1	116,259	4	
2300		Other current liabilities		11,889,692	53	9,187,833	48	6,946,027	44	
21xx		Total current liabilities								
		Non-current liabilities	IV, V and VI(XIX)	20,989	-	160	-	3,592	-	
2570		Deferred tax liabilities	IV, VI(XV) and VI(XVII)	29,727	-	54,269	-	60,141	-	
2580		Lease liabilities - non-current	IV and V	17,810	-	17,353	-	21,005	-	
2640		Net defined benefit liabilities - non-current		24,425	-	16,128	-	2,302	-	
2670		Other non-current liabilities- others		92,951	-	87,910	-	87,040	-	
25xx		Total non-current liabilities								
2xxx		Total liabilities		11,982,643	53	9,275,743	48	7,033,067	44	
		Equity attributable to owners of the parent company	VI(XI)	1,235,741	6	1,235,870	6	1,216,357	8	
31xx		Share capital	VI(XI), VI(XII) and VI(XXI)	3,731,656	17	3,718,255	19	3,189,490	20	
3100		Ordinary share								
3110		Capital surplus		1,914,401	9	1,784,271	9	1,784,271	11	
3200		Retained earnings		-	-	166,285	1	166,285	1	
3300		Legal reserve		2,630,143	12	2,397,053	12	1,668,016	11	
3310		Special reserve		4,544,544	21	4,347,609	22	3,618,572	23	
3320		Unappropriated retained earnings		(475,404)	(2)	(1,668)	-	76,029	-	
3350		Total retained earnings	IV	(178)	-	(70)	-	(15)	-	
3400		Other equity interest	IV and VI(XI)	1,125,855	5	1,061,646	5	817,494	5	
3500		Treasury stock	VI(XI) and VI(XXI)	10,162,214	47	10,361,642	52	8,917,927	56	
36xx		Non-controlling interests								
3xxx		Total equity		\$22,144,857	100	\$19,637,385	100	\$15,950,994	100	
		Total liabilities and equity								

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

ASROCK INCORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
For the three-month and six-month periods ended June 30, 2025 and 2024

Unit: thousands of NTD

Code	Accounting items	Note	For the three-month periods ended June 30				For the six-month periods ended June 30			
			2025		2024		2025		2024	
			Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenues	IV, V, VI(XIII) and VII	\$12,018,000	100	\$5,224,422	100	\$22,480,205	100	\$10,177,642	100
5000	Operating costs	VI(V), VI(VI), VI(XV), VI(XVI) and VII	(10,355,034)	(86)	(4,046,350)	(77)	(19,271,397)	(86)	(7,987,574)	(78)
5900	Gross profit		1,662,966	14	1,178,072	23	3,208,808	14	2,190,068	22
6000	Operating expenses	VI(VI), VI(VII), VI(X), VI(XII), VI(XV), VI(XVI) and VII								
6100	Sales and marketing expenses		(334,901)	(3)	(288,053)	(6)	(611,547)	(3)	(515,526)	(5)
6200	General and administrative expenses		(159,816)	(1)	(124,396)	(2)	(328,371)	(1)	(259,416)	(3)
6300	Research and development expenses		(476,399)	(4)	(385,897)	(7)	(915,837)	(4)	(730,354)	(7)
6450	Expected credit losses	VI(XIV)	1,086	-	(896)	-	(3,411)	-	(5,746)	-
	Total operating expenses		(970,030)	(8)	(799,242)	(15)	(1,859,166)	(8)	(1,511,042)	(15)
6900	Net operating income		692,936	6	378,830	8	1,349,642	6	679,026	7
7000	Non-operating income and expenses	VI(XVII) and VII								
7100	Interest income		36,587	-	40,609	1	68,046	-	78,168	1
7010	Other income		6,205	-	11,049	-	15,594	-	30,357	-
7020	Other gains and losses		(42,695)	-	17,691	-	(14,416)	-	87,942	1
7050	Finance costs		(1,740)	-	(727)	-	(6,574)	-	(1,517)	-
	Total non-operating income and expenses		(1,643)	-	68,622	1	62,650	-	194,950	2
7900	Profit before tax		691,293	6	447,452	9	1,412,292	6	873,976	9
7950	Income tax expenses	IV, V and VI(XIX)	(178,538)	(1)	(99,551)	(2)	(343,094)	(2)	(179,948)	(2)
8200	Net profit		512,755	5	347,901	7	1,069,198	4	694,028	7
8300	Other comprehensive income (net)	IV and VI(XVIII)								
8360	Items that may be reclassified subsequently to profit or loss									
8361	Exchange differences on translation of foreign financial statements		(622,044)	(5)	62,890	1	(548,326)	(2)	242,401	2
	Other comprehensive income (after tax)		(622,044)	(5)	62,890	1	(548,326)	(2)	242,401	2
8500	Total comprehensive income		\$(109,289)	-	\$410,791	8	\$520,872	2	\$936,429	9
8600	Profit attributable to:									
8610	Owners of the parent company		\$409,723		\$264,167		\$851,878		\$572,232	
8620	Non-controlling interests		103,032		83,734		217,320		121,796	
			<u>\$512,755</u>		<u>\$347,901</u>		<u>\$1,069,198</u>		<u>\$694,028</u>	
8700	Comprehensive income attributable to:									
8710	Owners of the parent company		\$(212,238)		\$327,064		\$303,577		\$814,645	
8720	Non-controlling interests		102,949		83,727		217,295		121,784	
			<u>\$(109,289)</u>		<u>\$410,791</u>		<u>\$520,872</u>		<u>\$936,429</u>	
	Earnings per share (NT\$)	VI(XX)								
9750	Basic earnings per share									
9710	Profit from continuing operations		<u>\$3.31</u>		<u>\$2.17</u>		<u>\$6.89</u>		<u>\$4.70</u>	
9850	Diluted earnings per share									
9810	Profit from continuing operations		<u>\$3.31</u>		<u>\$2.16</u>		<u>\$6.87</u>		<u>\$4.69</u>	

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

ASROCK INCORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGE IN STOCKHOLDERS' EQUITY  
For the six-month periods ended June 30, 2025 and 2024

		Equity attributable to owners of the parent company										Unit: thousands of NTD		
Item		Share capital		Capital surplus	Retained earnings			Other equity interest			Treasury stock	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
		Legal reserve	Special reserve		Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Deferred compensation cost							
Code		3100	3200		3310	3320	3350	3410	3491	3500	31XX	36XX	3XXX	
A1	Balance as of January 1, 2024	\$1,216,408	\$3,187,635		\$1,691,849	\$165,345	\$2,028,400	\$(166,285)	\$(397)	\$(51)	\$8,122,904	\$760,220	\$8,883,124	
B1	Appropriation and distribution of 2023 retained earnings													
B3	Legal reserve appropriated	-	-		92,422	-	(92,422)	-	-	-	-	-	-	-
B5	Special reserve appropriated	-	-		-	940	(940)	-	-	-	-	-	-	-
B5	Cash dividends of ordinary share	-	-		-	-	(839,286)	-	-	-	(839,286)	-	(839,286)	-
D1	Profit for the six-month periods ended June 30, 2024	-	-		-	-	572,232	-	-	-	572,232	121,796	694,028	
D3	Other comprehensive income for the six-month periods ended June 30, 2024	-	-		-	-	-	242,413	-	-	242,413	(12)	242,401	
D5	Total comprehensive income for the six-month periods ended June 30, 2024	-	-		-	-	572,232	242,413	-	-	814,645	121,784	936,429	
L3	Treasury stock cancelled	(51)	-		-	-	-	-	-	51	-	-	-	-
M7	Changes in subsidiaries' ownership	-	1,855		-	-	-	-	-	-	1,855	(1,855)	-	-
N1	Expiration of restricted shares of stock issued to employees	-	-		-	-	32	-	-	(15)	17	-	17	
N1	Share-based payment transaction	-	-		-	-	-	-	298	-	298	2,249	2,547	
O1	Changes in non-controlling interests	-	-		-	-	-	-	-	-	-	(64,904)	(64,904)	
Z1	Balance as of June 30, 2024	\$1,216,357	\$3,189,490		\$1,784,271	\$166,285	\$1,668,016	\$76,128	\$(99)	\$(15)	\$8,100,433	\$817,494	\$8,917,927	
A1	Balance as of January 1, 2025	\$1,235,870	\$3,718,255		\$1,784,271	\$166,285	\$2,397,053	\$158,535	\$(160,203)	\$(70)	\$9,299,996	\$1,061,646	\$10,361,642	
B1	Appropriation and distribution of 2024 retained earnings													
B5	Legal reserve appropriated	-	-		130,130	-	(130,130)	-	-	-	-	-	-	-
B5	Cash dividends of ordinary share	-	-		-	-	(654,943)	-	-	-	(654,943)	-	(654,943)	-
B17	Special reserve reversed	-	-		-	(166,285)	166,285	-	-	-	-	-	-	-
D1	Profit for the six-month periods ended June 30, 2025	-	-		-	-	851,878	-	-	-	851,878	217,320	1,069,198	
D3	Other comprehensive income for the six-month periods ended June 30, 2025	-	-		-	-	-	(548,301)	-	-	(548,301)	(25)	(548,326)	
D5	Total comprehensive income for the six-month periods ended June 30, 2025	-	-		-	-	851,878	(548,301)	-	-	303,577	217,295	520,872	
L3	Treasury stock cancelled	(129)	-		-	-	-	-	-	129	-	-	-	-
M7	Changes in subsidiaries' ownership	-	13,164		-	-	-	-	-	-	13,164	(13,164)	-	-
N1	Expiration of restricted shares of stock issued to employees	-	237		-	-	-	-	-	(237)	-	-	-	-
N1	Share-based payment transaction	-	-		-	-	-	-	74,565	-	74,565	23,780	98,345	
O1	Changes in non-controlling interests	-	-		-	-	-	-	-	-	-	(163,702)	(163,702)	
Z1	Balance as of June 30, 2025	\$1,235,741	\$3,731,656		\$1,914,401	\$-	\$2,630,143	\$(389,766)	\$(85,638)	\$(178)	\$9,036,359	\$1,125,855	\$10,162,214	

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



ASROCK INCORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the six-month periods ended June 30, 2025 and 2024

Unit: thousands of NTD

Code	Item	For the six-month periods ended June 30	
		2025	2024
AAAA	Cash flows from operating activities:		
A10000	Profit before tax	\$1,412,292	\$873,976
A20000	Adjustments:		
A20010	Adjustments to reconcile profit (loss):		
A20100	Depreciation expense	91,111	88,914
A20200	Amortization expense	8,770	8,304
A20300	Expected credit losses	3,411	5,746
A20900	Interest expenses	6,574	1,517
A21200	Interest income	(68,046)	(78,168)
A21900	Compensation cost arising from employee stock options	98,345	2,547
A22500	Gains on disposal of property, plant and equipment	(2,395)	(28)
A22600	Property, plant and equipment reclassified to expenses	13	-
A30000	Changes in operating assets and liabilities:		
A31150	Increase in accounts receivable	(32,089)	(56,509)
A31160	Increase in accounts receivable - related parties	(229,357)	(5,808)
A31200	Increase in inventories	(685,358)	(2,313,388)
A31240	Increase in other current assets	(174,908)	(81,352)
A32125	Increase in contract liabilities	478,142	275,808
A32150	Increase in accounts payable	1,565,243	263,479
A32160	Decrease in accounts receivable - related parties	-	(348)
A32180	Increase in other payables	33,707	171,347
A32230	Decrease in other current liabilities	(37,993)	(23,933)
A32240	Increase in net defined benefit liabilities	457	399
A32250	Increase in other non-current liabilities	-	923
A33000	Cash inflows (outflows) from operations	<u>2,467,919</u>	<u>(866,574)</u>
A33500	Income taxes paid	<u>(163,699)</u>	<u>(231,652)</u>
AAAA	Net cash flow from operation activities	<u>2,304,220</u>	<u>(1,098,226)</u>
BBBB	Cash flows from investing activities:		
B00040	Acquisition of financial assets measured at amortized cost	(1,210,746)	(453,864)
B02700	Acquisition of property, plant and equipment	(64,661)	(17,044)
B02800	Disposal of property, plant and equipment	15,622	715
B03700	Increase in guarantee deposits paid	-	(1,144)
B03800	Decrease in guarantee deposits paid	1,033	-
B04500	Acquisition of intangible assets	(24,997)	(2,047)
B06700	Increase in other non-current assets	-	(15,292)
B06800	Decrease in other non-current assets	26,583	-
B07500	Interest received	63,017	75,701
BBBB	Net cash flows from investing activities	<u>(1,194,149)</u>	<u>(412,975)</u>
CCCC	Cash flows from financing activities:		
C00100	Increase in short-term loans	1,000,000	-
C00200	Decrease in short-term loans	(1,361,346)	-
C03000	Increase in guarantee deposits received	8,297	-
C04020	Repayment of lease principal	(32,742)	(33,447)
C04500	Cash dividends paid out	-	1
C05600	Interest paid	(4,324)	-
C05800	Changes in non-controlling interests	32,428	-
C09900	Others	-	17
CCCC	Net cash used in financing activities	<u>(357,687)</u>	<u>(33,429)</u>
DDDD	Effect of exchange rate fluctuations on cash and cash equivalents	<u>(422,565)</u>	<u>227,859</u>
EEEE	Net increase (decrease) in cash and cash equivalents	329,819	(1,316,771)
E00100	Cash and cash equivalents, beginning of the period	<u>3,581,001</u>	<u>3,046,270</u>
E00200	Cash and cash equivalents, end of the period	<u>\$3,910,820</u>	<u>\$1,729,499</u>

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

ASROCK INCORPORATION AND SUBSIDIARIES  
Notes to Consolidated Financial Statements  
For the six-month periods ended June 30, 2025 and 2024  
(Unless otherwise stated, all amounts are in NTD thousand)

I. Company History

ASRock Incorporation (the Company) was approved to establish on May 10, 2002, and began its main business activities. The current main business is the sales of motherboards and related product development and design. The Company's first public offering was approved by the Securities and Futures Bureau in May, 2006 and its common shares were publicly listed on the Taiwan Stock Exchange (TWSE) in November, 2007. The Company's registered office and the main business location are at 2F., No. 37, Sec. 2, Jhongyang S. Rd., Beitou Dist., Taipei City 11270, Taiwan (R.O.C.). Pegatron Corporation is the ultimate controller of the group to which the Company belongs.

II. Date and Procedures for Approval of the Financial Report

The consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month periods ended June 30, 2025 and 2024 were authorized for issue by the Company's board of directors on July 30, 2025.

III. Application of New and Amended Standards and Interpretations

(I) Changes in accounting policies resulting from first-time applying for the International Financial Reporting Standards

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Group.

(II) As of the release date of the financial report, the Group has not adopted the following newly issued, revised and amended standards or interpretations issued by the International Accounting Standards Board and endorsed by the FSC:

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

Item	New/Revised/Amended Standards and Interpretations	Effective date by International Accounting Standards Board
1	IFRS 17, “Insurance Contracts”	January 1, 2023
2	Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
3	Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
4	Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	January 1, 2026

1. IFRS 17, “Insurance Contracts”

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfillment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

After the issuance of the Standard in May 2017, its amendments were issued in 2020 and 2021. In addition to extending the effective date by 2 years (that is, from the original January 1, 2021 to January 1, 2023) and providing additional exemptions in the transitional provisions, the amendments also simplified some provisions to reduce the cost of adopting the Standard and amended some of the provisions to make some of the circumstances easier to interpret. IFRS 17 replaces an interim Standard (IFRS 4 “Insurance Contracts”)

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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2. Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The amendments include:

- (1) Clarifying that financial liabilities are derecognized on the settlement date, and explaining the accounting treatment for settlement of financial liabilities using electronic payment before the settlement date.
- (2) Clarifying how to assess cash flow characteristics of financial assets with environmental, social, and governance (ESG)-linked features or other similar contingent characteristics.
- (3) Clarifying the treatment of non-recourse assets and contractually linked instruments.
- (4) IFRS 7 requires additional disclosures for financial assets or liabilities with contractual terms related to contingent event (including linkage with ESG) and for equity instruments classified as at fair value through other comprehensive income.

3. Annual Improvements to IFRS Accounting Standards - Volume 11

- (1) Amendments to IFRS 1
- (2) Amendments to IFRS 7
- (3) Amendments to the Guidance on Implementing IFRS 7
- (4) Amendments to IFRS 9
- (5) Amendments to IFRS 10
- (6) Amendments to IAS 7

4. Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

The amendments include:

- (1) Clarify the regulations applicable to "self-use."
- (2) When a contract is used as a hedging instrument, hedge accounting is permitted.
- (3) The regulations for note disclosure are added to help investors understand the impact of these contracts on the financial performance and cash flow of the Company.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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The above new standards and amendments apply to fiscal years starting on or after January 1, 2026, and do not have significant impact based on the Group's evaluation.

- (III) As of the release date of the financial report, the Group has not adopted the following newly issued, revised and amended standards or interpretations issued by the International Accounting Standards Board but not yet approved by the FSC:

Item	New/Revised/Amended Standards and Interpretations	Effective date by International Accounting Standards Board
1	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
2	IFRS 18, "Presentation and Disclosure in Financial Statements"	January 1, 2027
3	Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027

1. IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The plan addresses the inconsistency between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 requires contributions of non-monetary assets to an associate or joint venture in exchange for an equity interest in the associate or joint venture shall eliminate Profits and losses resulting from upstream transactions. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. The amendment restricts the preceding requirements of IAS 28 when the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 shall be recognized in full.

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The amendment also revised IFRS 10 so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

2. IFRS 18, "Presentation and Disclosure in Financial Statements"

This standard will replace IAS1 "Presentation of Financial Statements". The main changes are as follows:

(1) Improving comparability of income statements

Requiring entities to classify all income and expenses within their income statement into one of five categories: operating, investment, financing, income tax, or discontinued operations. The first three are new categories to improve the structure of the income statement; and all enterprises are required to provide newly defined subtotals (including operating profits and losses). The improved structure and newly defined subtotals allow investors to have a consistent starting point when analyzing the financial performance of enterprises and make it easier to compare enterprises.

(2) Enhancing transparency of management-defined performance measures

Requiring entities to disclose explanations of entity-specific measures (management-defined performance measures) that are relevant to the income statement.

(3) Aggregating useful financial statement information

Establishing application guidance on how to organize information in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. Requiring companies to provide more transparency in operating expenses to help investors find and understand the information they use.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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3. Disclosure Initiative - Subsidiaries without Public Accountability:  
Disclosures (IFRS 19)

Simplifying the disclosure of subsidiaries without public accountability and allowing subsidiaries that meet the definition to choose to apply this standard.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the standards and interpretations listed under (1) and (2), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

IV. Summary of Significant Accounting Policies

(I) Statement of compliance

The consolidated financial statements of the Group for the period from January 1 to June 30, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC.

(II) Basis of preparation

The consolidated financial statements have been prepared basis on a historical cost, except for financial instruments at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars (NTD) unless otherwise stated.

(III) Consolidation overview

Preparation principle of consolidated financial statements

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In particular, the Group controls an investee

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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only when it has the following three elements of control:

1. Power over the investee (That is having existing rights that give the current ability to direct the relevant activities)
2. Exposure, or rights, to variable returns from its involvement with the investee, and
3. The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee directly or indirectly, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

1. The contractual arrangement with the other vote holders of the investee
2. Rights arising from other contractual arrangements
3. Voting rights and potential voting rights

The Group shall reassess whether it still controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, transactions, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest in a subsidiary, without loss of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control of a subsidiary, it

1. Derecognizes the assets (including goodwill) and liabilities of the subsidiary;



Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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2. Derecognizes the carrying amount of any non-controlling interest;
3. Recognizes the fair value of consideration received;
4. Recognizes the fair value of any investment retained;
5. Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or the current period or directly to retained earnings in accordance with other IFRSs;
6. The difference arising from the recognition is the profit or loss for the current period.

The consolidated financial statements entities are prepared as follows:

Name of Investor	Name of subsidiaries	Main business	Percentage of ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
ASRock Incorporation (The Company)	ASIAROCK TECHNOLOGY LIMITED	Investment holding on other business.	100 %	100 %	100 %	
The Company	LEADER INSIGHT HOLDINGS LIMITED	Investment holding on other business.	100 %	100 %	100 %	
The Company	ASRock Rack Incorporation	Manufacture and sales of computers and peripheral equipment.	53.04 %	53.03 %	57.27 %	Note 1
The Company	ASRock Industrial Computer Corporation	Manufacture and sales of computers and peripheral equipment.	58.29 %	58.23 %	60.10 %	Note 2
The Company	Soaring Asia Limited	International trade.	100 %	100 %	100 %	
The Company	ASJade Technology Incorporation	Service of computer software.	83.06 %	82.50 %	82.50 %	Note 3
ASRock Industrial Computer Corporation	ASROCK INDUSTRIAL COMPUTER SEA SDN. BHD.	Asia Pacific Sales and Service Center.	100 %	100 %	100 %	Note 4
ASRock Industrial Computer Corporation	ASRock Industrial Computer Europe GmbH	European Sales and Service Center.	100 %	100 %	-	Note 5
ASRock Rack Incorporation	ASROCK RACK AMERICA INC.	American Sales and Service Center.	100 %	100 %	-	Note 6
ASIAROCK TECHNOLOGY LIMITED	ASRock Europe B.V.	Data storage and electronic material sales, international trade, etc.	100 %	100 %	100 %	
ASIAROCK TECHNOLOGY LIMITED	CALROCK HOLDINGS, LLC	Rent office building. etc.	-	100 %	100 %	Note 7

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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Name of Investor	Name of subsidiaries	Main business	Percentage of ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
ASIAROCK TECHNOLOGY LIMITED	ASRock Holding Inc.	Investment holding on other business.	100 %	-	-	Note 7
ASRock Holding Inc.	CALROCK HOLDINGS, LLC	Rent office building, etc.	100 %	-	-	Note 7
LEADER INSIGHT HOLDINGS LTD.	FIRSTPLACE INTERNATIONAL LTD.	Investment holding on other business.	100 %	100 %	100 %	
FIRSTPLACE INTERNATIONAL LTD.	ASRock America Inc.	Data storage and electronic material sales, international trade, etc.	100 %	100 %	100 %	
ASJade Technology Incorporation	ASJade Technology Japan Corp.	Service of computer software.	100 %	100 %	100 %	

Note 1: ASRock Rack Incorporation adopted an employee stock option plan to increase the capital as resolved by the board of directors on November 1, 2024. As the Company did not subscribe in proportion to the shareholding ratio, the Company's original shareholding ratio decreased from 57.27% to 55.43% after the capital increase, and capital surplus decreased by \$22,704 thousand. On November 27, 2024, the Company disposed of 1,501 thousand shares of ASRock Rack Incorporation for \$351,229 thousand, resulting in a decrease in the Company's original shareholding ratio from 55.43% to 53.03%, and capital surplus of \$321,475 thousand was recognized. Also, the company cancelled its treasury shares on June 19, 2025, resulting in an increase in the Company's original shareholding ratio from 53.03% to 53.04%, and capital surplus of \$208 thousand was recognized.

Note 2: ASRock Industrial Computer Corporation adopted an employee stock option plan to increase the capital as resolved by the board of directors on November 21, 2024. As the Company did not subscribe in proportion to the shareholding ratio, the Company's original shareholding ratio decreased from 60.10% to 58.23% after the capital increase, and capital surplus decreased by \$18,346 thousand. Also, the company canceled its treasury shares on March 3, 2025, and June 13, 2025, respectively, resulting in an increase in the Company's original shareholding ratio from 58.23% to 58.25% and 58.25% to 58.29%, respectively, and capital surplus of \$180 thousand and \$385 thousand was recognized, respectively.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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Note 3: ASJade Technology Incorporation increased its capital by issuing 16,000 thousand new shares on March 28, 2025. As the Company did not subscribe in proportion to the shareholding ratio, the Company's original shareholding ratio increased from 82.50% to 83.06% after the capital increase, and capital surplus decreased by \$1,069 thousand.

Note 4: The subsidiary in Malaysia, an investee of ASRock Industrial Computer Corporation, obtained the business registration certificate on February 27, 2024, and ASRock Industrial Computer Corporation further invested in the subsidiary in the amount of 1,000 thousand MYR on April 8, 2024.

Note 5: ASRock Industrial Computer Corporation further invested in the subsidiary in Germany, an investee of ASRock Industrial Computer Corporation in the amount of EUR 100 thousand on June 13, 2024; and the subsidiary obtained the business registration certificate on July 11, 2024.

Note 6: The subsidiary in U.S.A., an investee of ASRock Rack Incorporation, obtained the business registration certificate on September 13, 2024, and the Company further invested 3 thousand USD on December 5, 2024.

Note 7: ASIAROCK TECHNOLOGY LIMITED newly established ASRock Holding Inc. as a wholly-owned subsidiary, using its equity in CALROCK HOLDINGS, LLC as consideration, and ASRock Holding Inc. was officially registered on May 13, 2025.

(IV) Foreign currency transactions

The Group's consolidated financial statements are presented in NTD, which is also the Company's functional currency. Each individual entity within the Group determines its own functional currency and that functional currency shall be used to measure its financial statements.

Foreign currency transactions are initially recorded by the Group entities at their respective functional currency rates of exchange prevailing at the date of the transaction. Monetary items denominated in foreign currencies are translated at

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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the functional currency closing rate of exchange ruling at the end of each reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items shall be recognized in profit or loss in the period in which they arise except for the following:

1. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
2. Foreign currency items within the scope of IFRS 9 Financial Instruments are accounted for based on the accounting policy for financial instruments.
3. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(V) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into NTD at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on translation are recognized in other comprehensive income, and the cumulative exchange differences that were previously recognized as a separate component of other comprehensive income and accumulated in equity are reclassified from equity to profit or loss upon the disposal of the foreign operation. After a partial disposal involving a loss of control over a subsidiary that includes a foreign operation, and a partial disposal

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of an interest in an affiliated enterprise or joint agreement that includes a foreign operation, where the retained interest is a financial asset that includes the foreign operation, it shall also be treated as a disposal.

On the partial disposal of a subsidiary that includes a foreign operation that without loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or joint arrangement that includes a foreign operation that without loss of significant influence or joint arrangement control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation shall be treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(VI) Classification standard of current and non-current assets and liabilities

In case of any of the following circumstances, it shall be classified as current assets, and the other assets rather than current assets shall be classified as non-current assets:

1. The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle.
2. The Group holds the asset primarily for the purpose of trading.
3. The Group expects to realize the asset within twelve months after the reporting period.
4. The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle the liability at least twelve months after the reporting period.

Any of the following shall be classified as current liabilities, and the other liabilities rather than current liabilities shall be classified as non-current liabilities:

1. The Group expects to settle the liability in its normal operating cycle.
2. The Group holds the liability primarily for the purpose of trading.

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3. The liability is due to be settled within twelve months after the reporting period.
4. The Group does not have the right to defer settlement of the liability for at least twelve months after the reporting date.

(VII) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term, highly liquid time deposits or investments that are readily convertible into a fixed amount of cash and are subject to an insignificant risk of change in value (including time deposits with a contract period of less than 3 months).

(VIII) Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities that meet the scope of IFRS 9 “Financial Instruments” are, upon initial recognition, measured at fair value and are directly attributable to the transaction costs of acquiring or issuing the financial assets and financial liabilities other than those classified as financial assets or financial liabilities at fair value through profit or loss, which is added to or deducted from the fair value of the financial asset or financial liability.

1. Recognition and measurement of financial instruments

The Group shall recognize or derecognize a regular way purchase or sales of financial assets on the trade date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

- (1) The business model for managing the financial assets
- (2) The contractual cash flow characteristics of the financial asset

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Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as notes receivable, accounts receivable financial assets measured at amortized cost, and other receivables, etc., on the balance sheet:

- (1) The business model for managing the financial asset: Hold financial assets in order to collect contractual cash flows
- (2) The contractual cash flow characteristics of the financial asset: Cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets, other than those involved in hedging relationships, are subsequently measured at amortized cost (the amount measured at original recognition, less principal payments made, plus or minus the cumulative amortization of the difference between the original amount and the amount due (using the effective interest method), and adjusted for an allowance loss). A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest calculated using the effective interest method (by multiplying the total carrying amount of the financial asset by the effective interest rate) is recognized in profit or loss if:

- (1) For purchased or originated credit-impaired financial assets, it is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial assets.
- (2) If it is not the former, but subsequently becomes credit impaired, the effective interest rate is multiplied by the amortized cost of the financial asset.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met and presented as a financial asset at fair value through other comprehensive on the balance sheet:

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(Unless otherwise stated, all amounts are in NTD thousand)

- (1) The operating model for managing financial assets: To collect contractual cash flows and sell financial assets.
- (2) The contractual cash flow characteristics of the financial asset: Cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on related the type of financial asset are described as below:

- (1) A gain or loss on the type of financial asset recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
- (2) When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
- (3) Interest calculated using the effective interest method (by multiplying the total carrying amount of the financial asset by the effective interest rate) is recognized in profit or loss if:
  - A. For purchased or originated credit-impaired financial assets, it is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial assets.
  - B. If it is not the former, but becomes credit impaired afterwards, the effective interest rate is multiplied by the amortized cost of the financial asset.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Group made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represents a recovery of part of the cost of investment.



Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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Financial assets at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

2. Impairment of financial assets

For financial assets measured at amortized cost, the Group recognizes expected credit losses and measures an allowance for losses.

The Group measures expected credit losses of a financial instrument in a way that reflects:

- (1) An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes
- (2) The time value of money; and
- (3) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measured as follows:

- (1) At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Group measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk has increased significantly since initial recognition is no longer met.

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- (2) Measure at an amount equal to the lifetime expected credit losses: Including the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
- (3) For accounts receivable or contract assets arising from transactions within the scope of IFRS 15, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group shall assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note XII for further details on credit risk.

3. Derecognition of financial assets

A financial asset held by the Group is derecognized when:

- (1) The rights to receive cash flows from the financial asset have expired
- (2) The Group has transferred the financial asset and substantially all the risks and rewards of ownership of the asset have been transferred.
- (3) The Group has neither transferred nor retained substantially all the risks and rewards of ownership of the asset, but has transferred control of the asset.

On derecognition of a financial asset, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss.

4. Financial liabilities and equity instruments

Classification between liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

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Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized as the amount of consideration received, less the direct cost of issuing.

Financial liabilities

Financial liabilities within the scope of IFRS 9 Financial Instruments are classified as financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include payables and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Related gains and losses and the amortization are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

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5. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet if, and only if, there is a currently legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(IX) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1. In the principal market for the asset or liability, or
2. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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(X) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition for sale and production:

Raw materials - Purchase cost on a weighted average cost basis.

Finished goods and work in progress - Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

In addition, the company's great-grandson company-ASRock America, Inc.'s commodity inventory is calculated based on the actual purchase cost, using the first-in first-out method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Rendering of services is accounted in accordance with IFRS 15 and not within the scope of inventories.

(XI) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant is depreciated separately. When significant parts of property, plant and equipment are required to be replaced at regular intervals, the Group recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 Property, Plant and Equipment. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. Other repairs and

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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maintenance costs are recognized in profit or loss.

Depreciation is set aside on a straight-line method basis over the estimated useful lives of the following assets:

Houses and buildings	5-39 years
Machinery and equipment	2-5 years
Office equipment	3-5 years
Leasehold improvements	Shorter of the lease period or the useful life
Other equipment	2-7 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(XII) Leases

The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, has both of the following:

1. the right to obtain substantially all of the economic benefits from use of the identified asset; and
2. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Group for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximizing the use of observable information.

The Group as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Group recognizes right-of-use asset and lease liability for all leases which the Group is the lessee of those lease contracts.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

1. Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
2. Variable lease payments that depend on an index or a rate (initially measured using the index or rate as at the commencement date);
3. Amounts expected to be payable by the lessee under residual value guarantees;
4. The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
5. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group measures the lease liability on an amortized cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

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At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

1. The amount of the lease liability initially measured;
2. Any lease payments made at or before the commencement date, less any lease incentives received;
3. Any initial direct costs incurred by the lessee; and
4. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Group measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Group accounted for as short-term leases or leases of low-value assets, the Group presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statements comprehensive income.

For short-term leases or leases of low-value assets, the Group elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.



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(XIII) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets do not meet the recognition conditions, shall not be capitalized and the expenditure shall be recognized in profit or loss when the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from the de-recognition of intangible assets are recognized in profit or loss.

Intangible assets under development-research and development costs

Research costs are recognized as expenses when incurred. Development expenditures, on an individual project, are recognized as an intangible asset when meets the following conditions:

1. The technical feasibility of completing the intangible asset so that it will be available for use or sale
2. Its intention to complete and its ability to use or sell the asset
3. The asset will generate future economic benefits.

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4. The availability of resources to complete the asset.
5. The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. During the period of development, the asset is tested for impairment annually. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit.

Computer software

The cost of computer software is amortized on a straight-line basis over the estimated useful life (1 to 3 years).

(XIV) Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 Impairment of Assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. The recoverable amount is the greater of its net fair value and its value in use.

For assets excluding goodwill, an assessment is made by the Group at each end of reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal carrying amount of the asset does not exceed the carrying amount less the appropriated depreciation or after amortization, had no impairment loss been recognized for the asset.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

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(XV) Provision for liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

If an obligation occurs over a period of time, the public accountability will be recognized gradually.

Provision for warranty

A provision is recognized for expected warranty claims on products sold, based on past experience, management's judgement and other known factors.

(XVI) Treasury stock

Own equity instruments which are reacquired (Treasury stock) are recognized at cost and deducted from equity. Any difference between the carrying amount and the consideration is recognized in equity.

(XVII) Revenue recognition

The Group's revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting treatment are explained respectively as follows:

Sale of goods

The Group manufactures and sells machinery. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main product of the Group is high-end machinery and revenue is recognized based on the consideration stated in the contract. For

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certain sales of goods transactions, they are usually accompanied by volume discounts (based on the accumulated total sales amount for a specified period). Therefore, revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. Revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and when the uncertainty associated with the variable consideration is subsequently resolved. Refund liabilities are also recognized for expected volume discounts during the specific period of the agreement.

The warranty provides assurance that the product will operate as expected by the customers. And the warranty is accounted in accordance with IAS 37.

The credit period of the Group's sale of goods is from 30 to 90 days. For most of the contracts, when the Group transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as accounts receivables. These accounts receivable usually have a short period and do not have a significant financial component.

Rendering of services

The services provided by the Group are mainly entrusted product development and other related services, which belongs to negotiated transactions, and are recognized as revenue when the performance obligations are met.

(XVIII) Post-employment benefits plans

All regular employees of the Company and its domestic subsidiaries are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Company and its domestic subsidiaries. Therefore, fund assets are not included in the Group's consolidated financial statements. Pension benefits for employees of the overseas subsidiaries and the branches are provided in accordance with the respective local laws and regulations.

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For the defined contribution plan, the Company and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries and branches make contribution to the plan based on the requirements of local regulations.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method based on actuarial assumptions at the end of annual reporting period. Remeasurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur. Past service costs are recognized in profit or loss on the earlier of:

1. the date of the plan amendment or curtailment, and
2. the date that the Group recognizes restructuring-related costs or post-employment benefits.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

The pension cost for the interim period is calculated from the beginning of the year to the end of the current period using the actuarially determined pension cost rate at the end of the previous year, and is adjusted and disclosed for significant market fluctuations, significant curtailments, liquidations, or other significant one-off events after that end date.

(XIX) Share-based payment transaction

The cost of equity-settled transactions between the Group and its employees is recognized based on the fair value of the equity instruments granted. The fair value of the equity instruments is determined by using an appropriate pricing model.

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The cost of share-based payment for equity-settled transactions is recognized on a period-by-period, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each end of reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. Changes in cumulative costs recognized for share-based payment transactions at the beginning and end of each reporting period shall be recognized in profit or loss for that period.

No expense is recognized for share-based compensation awards that ultimately do not meet vesting conditions. However, if the vested conditions of the equity settlement transaction are related to market conditions or non-vested conditions, the relevant expenses shall still be recognized when all service or performance conditions have been met, regardless of whether the market conditions or non-vested conditions have been met.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee.

Where a share-based equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

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The cost of restricted stock for employees issued is recognized as salary expense based on the fair value of the equity instruments on the grant date, together with a corresponding increase in equity, over the vesting period. The Group recognized unearned employee salary which is a transitional contra equity account; the balance in the account will be recognized as salary expense over the passage of vesting period.

(XX) Income tax

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense when the distribution proposal is approved by the Shareholders' meeting.

Deferred income tax

Deferred tax is provided on temporary differences at the end of reporting date between the tax bases of assets and liabilities and their carrying amounts on the balance sheet.

Deferred tax liabilities are recognized for all taxable temporary differences, except the following two:

1. Initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

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2. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except the following two:

1. An asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
2. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each end of reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



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In accordance with the Amendments to IAS 12 “International Tax Reform - Pillar Two Model Rules”, a temporary exception to the requirements for the recognition of deferred income tax assets and liabilities related to Pillar Two income tax and the disclosure of relevant information.

Income tax expense for the interim period is accrued and disclosed using the tax rate that would be applicable to expected total earnings for the year, i.e. the estimated average annual effective tax rate is applied to the pre-tax benefit for the interim period. The estimated average effective tax rate for the year includes only current income tax expense. Deferred income tax is recognized and measured in accordance with the provisions of IAS 12 “Income Taxes”, which is consistent with the annual financial statements. When the tax rate changes in the current period, the effect of the change in tax rate on deferred income tax is recognized in profit or loss, other comprehensive income, or directly recognized in equity.

V. Significant Accounting Assumptions and Judgments, and Major Sources of Estimation Uncertainty

The preparation of the Group’s consolidated financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. It is stated as follows:

(I) Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (for example the discounted cash flows model) or market approach. Changes in assumptions

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about these factors could affect the reported fair value of the financial instruments. Please refer to Note XII for more details.

(II) Post-employment benefits plans

The cost of post-employment benefit plan and the present value of the pension obligation under defined benefit pension plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the discount rate and changes of the future salary, etc.

(III) Revenue recognition - sales returns and allowance

The Group estimates sales returns and allowance based on historical experience and other known factors at the time of sale, which reduces the operating revenue. In assessing the aforementioned sales returns and allowance, revenue is recognized to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Please refer to Note VI for more details.

(IV) Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group enterprise's domicile.

Deferred tax assets are recognized for all carry forward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits

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or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies.

(V) Trade receivables - estimation of impairment loss

The Group estimates the impairment loss of trade receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows that expects to receive (evaluate forward looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note VI for more details.

(VI) Inventories

Due to the rapid changes in technology and product demand, the Group assessed the inventory at the end of the reporting period due to normal wear and tear, obsolescence, or changes in market sales prices, and reduced inventory costs to net realizable value. The Group estimates the loss of obsolete inventories based on the product life cycle, historical experience, and subsequent inventory destocked. Please refer to Note VI for more details.

VI. Explanation of Significant Accounts

(I) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	\$1,080	\$1,198	\$911
Cash in banks	1,525,426	968,517	617,707
Time deposits	223,426	1,697,351	381,540
Cash equivalents - bonds with repurchase agreements	2,160,888	913,935	729,341
Total	<u>\$3,910,820</u>	<u>\$3,581,001</u>	<u>\$1,729,499</u>

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Cash and cash equivalents were not pledged. The pledged time deposits have been transferred to financial assets measured at amortized cost.

(II) Financial asset measured at fair value through other comprehensive income

	June 30, 2025	December 31, 2024	June 30, 2024
Investments in equity instruments measured at fair value through other comprehensive income - non-current:			
Unlisted and non-OTC stocks	\$20,000	\$20,000	\$20,000

The Group did not provide collateral for financial asset measured at fair value through other comprehensive income.

(III) Financial assets measured at amortized cost

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits with initial duration of over three months	\$2,385,048	\$1,175,000	\$2,329,192
Pledged time deposits	3,918	3,955	3,956
Total	\$2,388,966	\$1,178,955	\$2,333,148
	June 30, 2025	December 31, 2024	June 30, 2024
Current	\$1,846,048	\$1,175,000	\$2,329,192
Non-current	\$542,918	\$3,955	\$3,956

The Group classified certain financial assets as financial assets measured at amortized cost. Please refer to Note VI(XIV) for more details on loss allowance and Note VIII for more details on pledge. Please refer to Note XII for more details on credit risk.

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(IV) Accounts receivable and accounts receivable - related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable (total carrying amount)	\$2,547,633	\$2,515,544	\$2,017,985
Less: loss allowances	(45,779)	(45,304)	(42,693)
Subtotal	<u>2,501,854</u>	<u>2,470,240</u>	<u>1,975,292</u>
Accounts receivable - related parties (total carrying amount)	235,977	6,620	29,984
Less: loss allowances	-	-	-
Subtotal	<u>235,977</u>	<u>6,620</u>	<u>29,984</u>
Total	<u>\$2,737,831</u>	<u>\$2,476,860</u>	<u>\$2,005,276</u>

Accounts receivable were not pledged.

Accounts receivable credit period are generally on 30-90 days. The total carrying amount as of June 30, 2025, December 31, 2024, and June 30, 2024 were \$2,783,610 thousand, \$2,522,164 thousand, and \$2,047,969 thousand respectively. Please refer to Note VI(XIV) for more details on loss allowance of accounts receivable for the six-month periods ended June 30, 2025 and 2024. Please refer to Note XII for more details on credit risk management.

(V) Inventories

	June 30, 2025	December 31, 2024	June 30, 2024
Raw materials	\$5,008,386	\$5,299,998	\$3,584,681
Work in process	1,844,299	1,038,169	1,256,069
Finished products	<u>3,822,134</u>	<u>3,651,294</u>	<u>3,848,763</u>
Net	<u>\$10,674,819</u>	<u>\$9,989,461</u>	<u>\$8,689,513</u>

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For the three-month periods ended June 30, 2025 and 2024, the Group recognized \$10,355,034 thousand and \$4,046,350 thousand, respectively, in cost of inventories, including the recognition of gains on inventory value recoveries of \$12,894 thousand and \$25,020 thousand, respectively. The inventory depreciation rebound gains in this period were due to the sale of inventory goods with dull inventory and falling price.

For the six-month periods ended June 30, 2025 and 2024, the Group recognized \$19,271,397 thousand and \$7,987,574 thousand, respectively, in cost of inventories, including the recognition of inventory depreciation losses of \$19,103 thousand and of \$22,169 thousand, respectively.

The inventories mentioned above are not pledged.

(VI) Property, plant and equipment

	Land	Houses and buildings	Machinery and equipment	Office equipment	Leasehold improvements	Other assets	Total
Costs:							
January 1, 2025	\$353,960	\$1,053,486	\$131,579	\$14,792	\$27,121	\$254,038	\$1,834,976
Additions	-	14,540	37,240	579	795	11,507	64,661
Disposals	-	-	(16,920)	-	(2,388)	(767)	(20,075)
Reclassifications	-	-	-	-	-	(113)	(113)
Effects of the exchange rate	(31,726)	(95,398)	(8)	(778)	-	(1,694)	(129,604)
June 30, 2025	<u>\$322,234</u>	<u>\$972,628</u>	<u>\$151,891</u>	<u>\$14,593</u>	<u>\$25,528</u>	<u>\$262,971</u>	<u>\$1,749,845</u>
January 1, 2024	\$43,029	\$169,326	\$127,663	\$15,152	\$31,400	\$249,765	\$636,335
Additions	-	-	7,517	520	1,651	7,356	17,044
Disposals	-	-	(6,508)	-	-	(4,001)	(10,509)
Reclassifications	-	-	5,256	-	-	-	5,256
Effects of the exchange rate	2,401	9,451	926	449	158	516	13,901
June 30, 2024	<u>\$45,430</u>	<u>\$178,777</u>	<u>\$134,854</u>	<u>\$16,121</u>	<u>\$33,209</u>	<u>\$253,636</u>	<u>\$662,027</u>
Depreciation and impairment loss:							
January 1, 2025	\$-	\$80,652	\$70,498	\$12,988	\$17,220	\$177,023	\$358,381
Depreciation	-	8,381	10,964	591	2,462	36,877	59,275
Disposals	-	-	(3,693)	-	(2,388)	(767)	(6,848)
Reclassifications	-	-	-	-	-	(100)	(100)
Effects of the exchange rate	-	(7,789)	(7)	(755)	-	(545)	(9,096)
June 30, 2025	<u>\$-</u>	<u>\$81,244</u>	<u>\$77,762</u>	<u>\$12,824</u>	<u>\$17,294</u>	<u>\$212,488</u>	<u>\$401,612</u>

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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	Land	Houses and buildings	Machinery and equipment	Office equipment	Leasehold improvements	Other assets	Total
January 1, 2024	\$-	\$69,439	\$73,817	\$11,925	\$21,597	\$108,411	\$285,189
Depreciation	-	3,180	11,465	1,058	2,867	38,232	56,802
Disposals	-	-	(6,508)	-	-	(3,314)	(9,822)
Effects of the exchange rate	-	3,929	917	438	159	300	5,743
June 30, 2024	<u>\$-</u>	<u>\$76,548</u>	<u>\$79,691</u>	<u>\$13,421</u>	<u>\$24,623</u>	<u>\$143,629</u>	<u>\$337,912</u>
Net carrying amount:							
June 30, 2025	<u>\$322,234</u>	<u>\$891,384</u>	<u>\$74,129</u>	<u>\$1,769</u>	<u>\$8,234</u>	<u>\$50,483</u>	<u>\$1,348,233</u>
December 31, 2024	<u>\$353,960</u>	<u>\$972,834</u>	<u>\$61,081</u>	<u>\$1,804</u>	<u>\$9,901</u>	<u>\$77,015</u>	<u>\$1,476,595</u>
June 30, 2024	<u>\$45,430</u>	<u>\$102,229</u>	<u>\$55,163</u>	<u>\$2,700</u>	<u>\$8,586</u>	<u>\$110,007</u>	<u>\$324,115</u>

No property, plant and equipment were pledged.

(VII) Intangible assets

	For the six-month periods ended June 30	
Others	2025	2024
Costs:		
Beginning amount	\$53,545	\$60,673
Addition-acquired separately	24,997	2,047
Disposals	(3,452)	(985)
Effects of the exchange rate	(55)	117
Ending amount	<u>\$75,035</u>	<u>\$61,852</u>
Amortization and impairment:		
Beginning amount	\$23,105	\$35,743
Amortization	8,770	8,304
Disposals	(3,452)	(985)
Effects of the exchange rate	(55)	117
Ending amount	<u>\$28,368</u>	<u>\$43,179</u>
Net carrying amount:	<u>June 30, 2025</u>	<u>December 31, 2024</u>
	<u>\$46,667</u>	<u>\$18,673</u>

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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Amortization amount of intangible assets is as follows:

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Sales and marketing expenses	\$409	\$259	\$683	\$447
General and administrative expenses	\$956	\$864	\$1,829	\$1,711
R&D expenses	\$3,407	\$3,005	\$6,258	\$6,146

(VIII) Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Processing fees payable	\$574,365	\$478,310	\$390,716
Salaries and bonuses payable	494,401	614,757	474,706
Director and supervisor remuneration and employee bonuses payable	359,861	208,952	213,846
Freight payable	120,486	63,588	81,313
Advertisement payable	31,076	40,577	48,089
Service fees payable	24,513	19,206	17,077
Labor health insurance premiums and pensions payable	13,339	26,099	18,500
Others	347,204	478,877	335,708
Total	\$1,965,245	\$1,930,366	\$1,579,955

(IX) Short-term loans

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured bank borrowings	\$-	\$361,346	\$-
Interest rate range (%)	-	5.50%-5.64%	-



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As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group had unused short-term borrowings of approximately \$4,157,848 thousand, \$1,603,920 thousand and \$1,987,120 thousand, respectively.

(X) Post-employment benefits plans

Defined contribution plans

The Group recognized the expenses of the defined contribution plans for the three-month periods ended June 30, 2025 and 2024 in the amounts of \$11,885 thousand and \$10,721 thousand, respectively, and for the six-month periods ended June 30, 2025 and 2024 in the amounts of \$23,517 thousand and \$21,093 thousand, respectively.

Defined benefit plans

The Group recognized the expenses of the defined benefit plans for the three-month periods ended June 30, 2025 and 2024 in the amounts of \$261 thousand and \$232 thousand, respectively, and for the six-month periods ended June 30, 2025 and 2024 in the amounts of \$523 thousand and \$464 thousand, respectively.

(XI) Equity

1. Ordinary shares

As of June 30, 2025, December 31, 2024, and June 30, 2024, the Company's authorized capital were all \$1,500,000 thousand (all reserve \$40,000 thousand of shares for employee stock options), the Company's issued capital were \$1,235,741 thousand, \$1,235,870 thousand, and \$1,216,357 thousand respectively, with each at a par value of \$10, and the Company issued 123,574,129, 123,587,029 and 121,635,729 common shares respectively. Each share has one voting right and a right to receive dividends.

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(Unless otherwise stated, all amounts are in NTD thousand)

2. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
Additional paid-in capital	\$3,217,094	\$3,217,094	\$3,173,151
Difference between consideration and carrying amount of subsidiaries acquired or disposed	313,609	300,446	335
Changes in ownership interests in subsidiaries	-	-	14,306
Restricted employee shares	200,953	200,715	1,698
Total	<u>\$3,731,656</u>	<u>\$3,718,255</u>	<u>\$3,189,490</u>

According to the Company Act, the capital reserve shall not be used except for making good the deficit of the Company. When a company incurs no loss, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the Company. The distribution could be made in cash to its shareholders in proportion to the number of shares being held by each of them.

3. Treasury stock

The Company's treasury shares, which were retired on January 1, 2025 due to restricted stock awards, totaled \$70 thousand and the number of shares was 7,000. Between January 2025 and June 2025, the treasury shares in the amount of \$237 thousand in 23,700 shares has repurchased due to the retiring of restricted stock awards and 12,900 shares were canceled by the resolution of the board of directors on March 4, 2025. The record date for a capital reduction was set on March 17, 2025. The statutory change of registration procedure has been completed. As of June 30, 2025, the remaining 17,800 shares have not yet been approved to be canceled by the resolution of the board of directors.

The Company's treasury shares, which were retired on January 1, 2024 due to restricted stock awards, totaled \$51 thousand and the number of shares was 5,100. Between January 2024 and June 2024, the treasury shares in the

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(Unless otherwise stated, all amounts are in NTD thousand)

amount of \$15 thousand in 1,500 shares has repurchased due to the retiring of restricted stock awards and 5,100 shares were canceled by the resolution of the board of directors on March 6, 2024. The record date for a capital reduction was set on March 18, 2024. The statutory change of registration procedure has been completed. As of June 30, 2024, the remaining 1,500 shares have not yet been approved to be canceled by the resolution of the board of directors.

4. Retained earnings and dividend policies

According to the Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

- (1) Payment of all taxes and dues.
- (2) Deficit compensation.
- (3) Set aside 10% as legal reserve;
- (4) Set aside or reverse special reserve in accordance with law and regulations or as requested by the authorities.
- (5) The distribution of the remaining portion shall be proposed and formulated by the Board of Directors and submitted to the shareholders' meeting.

The policy of dividend distribution should reflect factors such as the current and future investment environment, fund requirements, domestic and international competition and capital budgets; as well as the interest of the shareholders, dividend appropriateness and long-term financial planning etc. The Board of Directors shall make the distribution proposal annually and the Company held a general meeting of shareholders on June 12, 2019 and passed a resolution to amend the company's articles of association, stating that all or part of the dividends and bonuses are distributed in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto, a report of such distribution shall be submitted to the shareholders' meeting; the share dividends must be submitted to the shareholders' meeting for resolution of distribution. For distribution of shareholder dividends, cash dividends shall not be less than 10% of the total amount of cash and stock dividends.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(Unless otherwise stated, all amounts are in NTD thousand)

According to the Company Act, the legal reserve shall be appropriated until the total amount has reached the paid-in capital. The legal reserve may be used to make up for losses. If the company has no loss, it may distribute new shares or cash to shareholders in proportion to their original shares for the portion of the legal reserve that exceeds 25% of the paid-in capital.

When the Company distributes the distributable earnings, it shall, in accordance with the laws and regulations, make up the difference between the balance of the special reserve and the net deduction of other equity when it first adopts the International Financial Reporting Standards. If there is a reversal of the net amount of other equity deductions thereafter, the earnings may be distributed to the special reserve with respect to the reversal of the net amount of other equity deductions.

Details of the 2024 and 2023 earnings distribution and dividends per share as approved by the shareholders' meeting on May 28, 2025 and May 29, 2024, respectively, are as follows:

	Appropriation and distribution of earnings		Dividends per share (\$)	
	2024	2023	2024	2023
Legal reserve	\$130,130	\$92,422		
Special reserve (reversed)	(166,285)	940		
Cash dividends of ordinary share - Unappropriated retained earnings (Note)	654,943	839,286	\$5.30	\$6.90

Note: The Board of Directors of the Company was authorized by the Articles of Incorporation and approved the cash dividends on ordinary shares for the years of 2024 and 2023 by special resolutions on March 4, 2025 and March 6, 2024, respectively.

Please refer to Note VI(XVI) for details on employees' compensation and remuneration to directors and supervisors.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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5. Non-controlling interests

	For the six-month periods ended June 30	
	2025	2024
Beginning balance	\$1,061,646	\$760,220
Profit (loss) for the period attributable to non-controlling interests	217,320	121,796
Other comprehensive income attributable to non-controlling interests:		
Exchange differences on translation of foreign financial statements	(25)	(12)
Changes in subsidiaries' ownership	(13,164)	(1,855)
Changes in non-controlling interests (including share based payment)	(139,922)	(62,655)
Ending balance	<u>\$1,125,855</u>	<u>\$817,494</u>

(XII) Share-based payment plans

Certain employees of the Group are entitled to share-based payment as part of their remunerations; services are provided by the employees in return for the equity instruments granted. These plans are accounted for as equity-settled share-based payment transactions.

1. Restricted stock for employees of the parent company

Type of agreement	Date of grant/issue	Number of shares granted (thousands of shares)	Contract period	Vested conditions
Restricted stock for employees (Note 1)	May 29, 2024	2,300	3 years	Completion of the service period and achievement of performance conditions (Note 2)

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(Unless otherwise stated, all amounts are in NTD thousand)

Plan granted on May 29, 2024

The parent company issued 2,300 thousand shares of restricted stock awards, which was resolved at the shareholders' meeting held on May 29, 2024. The grantees are limited to full-time employees of the parent company who meet specific requirements. The Company has already filed the approved 2,300 thousand shares with the Securities and Futures Bureau of the FSC. The total number of new shares issued on October 16, 2024 was 2,293.3 thousand shares. The shares were issued free of charge.

Note 1: The vested restricted stock for employees shall be entrusted and may not be sold, pledged, transferred, gifted to others, created lien or otherwise disposed of in any other manner before the vested conditions are met. According to the Company's issuance measures for restricted stock for employees, after the restricted stock for employees are issued, except for the restricted stock for employees that are delivered to a trust and those that do not meet the vested conditions under the Company's issuance measures, the rights of the other restricted stock are the same as the common shares issued by the Company.

Note 2: The performance conditions include that the employee maintaining employment for 1 to 3 years from the issuance of restricted stock for employees, the Company's overall EPS ranging from \$7.5 to \$10, with overall weights of 50% and 100%, respectively, and individual performance evaluations ranging from B- to B+, B+ to A, or A and above, with individual weights of 60%, 80%, and 100% respectively. Each year, the individual weights are multiplied by the total subscribed shares, which are then multiplied by 40%, 30%, and 30% respectively, to determine the vested shares.

2. Share-based payment plan for employees of the subsidiary

(1) ASRock Rack Incorporation

As of June 30, 2025, the share-based payment transaction issued by ASRock Rack Incorporation are as follows:

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(Unless otherwise stated, all amounts are in NTD thousand)

Type of agreement	Date of grant	Number of shares granted (thousands of shares)	Contract period	Vested conditions
Restricted stock for employees (Note 1)	August 22, 2024	2,000	4 years	Completion of the service period and achievement of performance conditions (Note 2)

The Company issued 2,000 thousand shares of restricted stock awards, which was resolved at the shareholders' meeting held on June 13, 2024. The grantees are limited to full-time employees of the Company and controlling companies or subsidiaries at home or abroad who were employed on the date of grant. The Company has already filed the approved 2,000 thousand shares with the Securities and Futures Bureau of the FSC. The capital was increased by issuing a total number of 2,000 thousand new shares on November 1, 2024. The stock price on the date of grant was \$32.59 per share.

Note 1: The vested restricted stock for employees shall be entrusted and may not be sold, pledged, transferred, gifted to others, created lien or otherwise disposed of in any other manner before the vested conditions are met. According to the Company's issuance measures for restricted stock for employees, after the restricted stock for employees are issued, except for the restricted stock for employees that are delivered to a trust and those that do not meet the vested conditions under the Company's issuance measures, the rights of the other restricted stock are the same as the common shares issued by the Company.

Note 2: The performance conditions include the listing of the Company's shares on the Taiwan Stock Exchange or Taipei Exchange, or other overseas exchanges for trading. The employee maintaining employment for 1 to 4 years from the issuance of restricted stock for employees, individual performance evaluations ranging from B- to A, or A and above, with individual weights of 50% and 100%. Each year,

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the individual weights are multiplied by the total subscribed shares, which are then multiplied by 25% to determine the vested shares.

(2) ASRock Industrial Computer Corporation

As of June 30, 2025, the share-based payment transaction issued by ASRock Industrial Computer Corporation are as follows:

Type of agreement	Date of grant/issue	Number of shares granted (thousands of shares)	Contract period	Vested conditions
Restricted stock for employees (Note 1)	November 21, 2024	2,000	4 years	Completion of the service period and achievement of performance conditions (Note 2)

The Company issued 2,000 thousand shares of restricted stock awards, which was resolved at the extraordinary shareholders' meeting held on September 11, 2024. The grantees are limited to full-time employees of the Company and controlling companies or subsidiaries at home or abroad who were employed on the date of grant. The Company has already filed the approved 2,000 thousand shares with the FSC. The capital was increased by issuing a total number of 2,000 thousand new shares on November 21, 2024. The stock price on the date of grant was \$24.77 per share.

Note 1: The vested restricted stock for employees shall be entrusted and may not be sold, pledged, transferred, gifted to others, created lien or otherwise disposed of in any other manner before the vested conditions are met. According to the Company's issuance measures for restricted stock for employees, after the restricted stock for employees are issued, except for the restricted stock for employees that are delivered to a trust and those that do not meet the vested conditions under the Company's issuance measures, the rights of the other restricted stock are the same as the common shares



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issued by the Company.

Note 2: The performance conditions include the listing of the Company's shares on the Taiwan Stock Exchange or Taipei Exchange, or other overseas exchanges for trading. the employee maintaining employment for 1 to 4 years from the issuance of restricted stock for employees, individual performance evaluations ranging from C, B- to A, or A and above, with individual weights of 0%, 50%, and 100%, respectively. Each year, the individual weights are multiplied by the total subscribed shares, which are then multiplied by 25% to determine the vested shares.

(3) ASJade Technology Incorporation

As of June 30, 2025, the share-based payment transaction issued by ASJade Technology Incorporation are as follows:

Type of agreement	Date of grant	Number of shares granted (thousands of shares)	Contract period	Vested conditions
Employee stock option plan (Note 1)	September 7, 2022	3,240	10 years	Employees who have continued to serve in the Company for two years will get 50%. Employees who have continued to serve in the Company for three years will get 100%.

The fair value of the share options is estimated at the grant date using the Black-Scholes model, taking into account the terms and conditions upon which the share options were granted.

The expected life of the stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the

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options is indicative of future trends, which may also not necessarily be the actual outcome.

The Company's stock options granted under this plan have not been settled in cash in the past.

The following table contains further details on the aforementioned share-based payment plan:

Plan granted on September 7, 2022

	For the six-month periods ended June 30			
	2025		2024	
	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (\$)	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (\$)
Outstanding stock options as of January 1	2,154	\$10	3,240	\$10
Grant of stock options in the period	-	-	-	-
Exercise of stock options in the period	-	-	-	-
Forfeit of stock options in the period	-	-	-	-
Outstanding stock options as of June 30	<u>2,154</u>	10	<u>3,240</u>	10
Exercisable as of June 30	<u>913</u>	-	<u>-</u>	-

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The information on the outstanding share options as of June 30, 2025 and June 30, 2024, is as follows:

	Exercise price	Weighted average remaining contractual life (Years)
June 30, 2025		
Outstanding stock options	\$10	7.15
June 30, 2024		
Outstanding stock options	\$10	8.15

3. Modification or cancellation of the share-based payment plan for employees

No modification or cancellation of share-based payment plan has occurred in the six-month periods ended June 30, 2025.

4. The expenses of the share-based payment plan for employees recognized by the Group are as follows:

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Expense arising from share-based payment transaction (All of arising from equity-settled share-based payment transaction)	\$47,410	\$1,273	\$98,345	\$2,547

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(XIII) Operating revenues

Information relating to the Group's revenue from contracts with customers for the three-month and six-month periods ended June 30, 2025 and 2024 is as follows:

1. Disaggregation of revenue

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Revenue from sale of goods	\$12,011,184	\$5,193,286	\$22,423,443	\$10,122,868
Revenue from rendering services	6,816	31,136	56,762	54,774
Total	<u>\$12,018,000</u>	<u>\$5,224,422</u>	<u>\$22,480,205</u>	<u>\$10,177,642</u>

2. The Group's revenue from contracts with customers is recognized at certain points in time.

(XIV) Expected credit losses (gains)

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Operating expenses - expected credit impairment losses (gains)				
Accounts receivable	<u>\$(1,086)</u>	<u>\$896</u>	<u>\$3,411</u>	<u>\$5,746</u>

Please refer to Note XII for more details on credit risk.

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The credit risk for the Group's financial assets measured at amortized cost are assessed as low as of June 30, 2025, December 31, 2024, and June 30, 2024 (The same as the assessment result of January 1, 2024). Since the transaction counterparties of the Group are all financial institutions such as banks with good credit, all of them are calculated based on the expected credit loss rate of 0% and the allowance loss amount is \$0.

The Group measures the loss allowance of its trade receivables (including notes receivable and accounts receivable) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as of June 30, 2025, December 31, 2024, and June 30, 2024 are as follows:

The Group considers the grouping of trade receivables by counterparties' credit rating, by geographical region and by industry sector and its loss allowance is measured by using a provision matrix, details are as follows:

June 30, 2025

		Overdue					Total
		Under 30	31-60	61-90	91-120	Over 121	
	Not yet due	days	days	days	days	days	
Total carrying amount	\$2,198,801	\$464,718	\$24,281	\$10,749	\$72,539	\$12,522	\$2,783,610
Loss ratio	1.62%	1.87%	1.04%	2.53%	1.15%	0.97%	
Lifetime expected credit losses	35,615	8,681	253	272	837	121	45,779
Carrying Amount	<u>\$2,163,186</u>	<u>\$456,037</u>	<u>\$24,028</u>	<u>\$10,477</u>	<u>\$71,702</u>	<u>\$12,401</u>	<u>\$2,737,831</u>

December 31, 2024

		Overdue					Total
		Under 30	31-60	61-90	91-120	Over 121	
	Not yet due	days	days	days	days	days	
Total carrying amount	\$1,960,232	\$385,947	\$83,344	\$38,025	\$52,406	\$2,210	\$2,522,164
Loss ratio	1.76%	1.93%	0.67%	0.17%	1.85%	77.61%	
Lifetime expected credit losses	34,550	7,443	562	63	971	1,715	45,304
Carrying Amount	<u>\$1,925,682</u>	<u>\$378,504</u>	<u>\$82,782</u>	<u>\$37,962</u>	<u>\$51,435</u>	<u>\$495</u>	<u>\$2,476,860</u>

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June 30, 2024

	Not yet due	Overdue					Total
		Under 30 days	31-60 days	61-90 days	91-120 days	Over 121 days	
Total carrying amount	\$1,660,856	\$305,582	\$40,594	\$9,338	\$29,671	\$1,928	\$2,047,969
Loss ratio	1.97%	2.03%	0.60%	4.57%	4.60%	88.03%	
Lifetime expected credit losses	32,765	6,198	242	427	1,364	1,697	42,693
Carrying Amount	\$1,628,091	\$299,384	\$40,352	\$8,911	\$28,307	\$231	\$2,005,276

The movement in the provision for impairment of trade receivables during the six-month periods ended June 30, 2025 and 2024.

	Accounts receivable
January 1, 2025	\$45,304
Addition/ (reversal) for the current period	3,411
Effects of the exchange rate	(2,936)
June 30, 2025	\$45,779
January 1, 2024	\$35,564
Addition/ (reversal) for the current period	5,746
Effects of the exchange rate	1,383
June 30, 2024	\$42,693

(XV) Leases

Group as a lessee

The Group leases various properties, including real estate such as land and buildings, and parking space. The lease terms range from 1 to 5 years without renewal right. The Group is not subject to any special restrictions.

The Group's leases effect on the financial position, financial performance and cash flows are as follows:

1. Amounts recognized in the balance sheet

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(1) Right-of-use assets

The carrying amount of right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Houses and buildings	<u>\$88,812</u>	<u>\$113,766</u>	<u>\$115,674</u>

The Group added \$7,829 thousand and \$5,322 thousand to the right-of-use assets during the six-month periods ended June 30, 2025 and 2024.

(2) Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Lease liabilities	<u>\$91,347</u>	<u>\$116,128</u>	<u>\$116,823</u>
Current	<u>\$61,620</u>	<u>\$61,859</u>	<u>\$56,682</u>
Non-current	<u>\$29,727</u>	<u>\$54,269</u>	<u>\$60,141</u>

Please refer to Note VI(XVII) 4. for the interest on lease liabilities recognized during the three-month and six-month periods ended June 30, 2025 and 2024 and refer to Note XII(V) Liquidity Risk Management for the maturity analysis for lease liabilities.

2. Amounts recognized in the statement of profit or loss

Depreciation of right-of-use assets

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Houses and buildings	<u>\$15,481</u>	<u>\$16,370</u>	<u>\$31,836</u>	<u>\$32,112</u>

3. Lessee's revenue and expenses related to leasing activities

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
The expenses relating to variable lease payments not included in the measurement of lease liabilities	\$6,705	\$5,038	\$12,648	\$10,542

4. Cash outflow relating to leasing activities

During the six-month periods ended June 30, 2025 and 2024, the Group's total cash outflows for leases amounting to \$45,390 thousand and \$43,989 thousand, respectively.

(XVI) Summary statement of employee benefits, depreciation and amortization expenses by function is as follows:

By nature \ By function	For the three-month periods ended June 30					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenses						
Salary expenses	\$-	\$472,814	\$472,814	\$-	\$361,755	\$361,755
Labor and health insurance expenses	-	24,344	24,344	-	20,411	20,411
Pension expenses	-	12,146	12,146	-	10,953	10,953
Other employee benefit expenses	-	20,393	20,393	-	15,700	15,700
Depreciation expense	792	46,044	46,836	830	43,991	44,821
Amortization expense	-	4,772	4,772	-	4,128	4,128



Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

By function By nature	For the six-month periods ended June 30					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenses						
Salary expenses	\$-	\$937,671	\$937,671	\$-	\$726,069	\$726,069
Labor and health insurance expenses	-	52,417	52,417	-	44,781	44,781
Pension expenses	-	24,040	24,040	-	21,557	21,557
Other employee benefit expenses	-	38,487	38,487	-	30,478	30,478
Depreciation expense	1,587	89,524	91,111	1,440	87,474	88,914
Amortization expense	-	8,770	8,770	-	8,304	8,304

According to the Articles of Incorporation, 5% of profit of the current year is distributable as employees' compensation and no higher than 1% of profit of the current year is distributable as remuneration to directors and supervisors. However, the Company's accumulated losses shall have been covered. The Company may, by a resolution adopted by a majority vote at a board meeting attended by two-thirds of the total number of directors, have the profit distributed as employees' compensation in the form of shares or in cash; and shall be reported to the shareholders' meeting. Information on the board meeting resolution approval of the employees' compensation and remuneration to directors and supervisors can be inquired to the "Market Observation Post System" website of the TWSE.

In the first half of 2025, the Company estimated the employee remuneration and the director and supervisor remuneration at 7.61% and 0.761% respectively based on the profitability. The amounts of employee remuneration and director and supervisor remuneration recognized for the three-month and six-month periods ended June 30, 2025 totaled \$40,313 thousand and \$4,031 thousand as well as \$87,142 thousand and \$8,714 thousand, respectively, which were

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)

(Unless otherwise stated, all amounts are in NTD thousand)

recorded under salary expenses; In the first half of 2024, the employee remuneration and the director and supervisor compensation were estimated at 7.61% and 0.761%, respectively, based on the profitability. The amounts of employee remuneration and director and supervisor remuneration recognized for the three-month and six-month periods ended June 30, 2024 totaled \$26,125 thousand and \$2,612 thousand as well as \$56,381 thousand and \$5,638 thousand, respectively, which were recorded under salary expenses.

A resolution was passed at the board meeting held on March 4, 2025 to distribute \$115,752 thousand and \$11,575 thousand in cash as employees' compensation and remuneration to directors of 2024, respectively. No material differences exist between the estimated amount and the actual distribution of the employee compensation and remuneration to directors and supervisors for the year ended December 31, 2024.

A resolution was passed at the board meeting held on March 6, 2024 to distribute \$88,850 thousand and \$8,885 thousand in cash as employees' compensation and remuneration to directors of 2023, respectively. No material differences exist between the estimated amount and the actual distribution of the employee compensation and remuneration to directors and supervisors for the year ended December 31, 2023.

(XVII) Non-operating income and expenses

1. Interest income

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Interest income				
Financial assets				
measured at				
amortized cost	\$36,587	\$40,609	\$68,046	\$78,168

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

2. Other income

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Other income - others	\$6,205	\$11,049	\$15,594	\$30,357

3. Other gains and losses

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Foreign exchange gain (loss)	\$(36,063)	\$17,639	\$(5,993)	\$89,369
Gains on disposal of property, plant and equipment	-	28	2,395	28
Other losses - others	(6,632)	24	(10,818)	(1,455)
Total	\$(42,695)	\$17,691	\$(14,416)	\$87,942

4. Finance costs

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Interest on bank loans	\$1,269	\$-	\$5,496	\$-
Interest on lease liabilities	471	727	1,078	1,517
Total	\$1,740	\$727	\$6,574	\$1,517

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

(XVIII) Components of other comprehensive income

The components of other comprehensive income for the three-month periods ended June 30, 2025 are as follows:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax benefit (expense)	Amount after tax
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign financial statements	<u>\$ (622,044)</u>	<u>\$-</u>	<u>\$ (622,044)</u>	<u>\$-</u>	<u>\$ (622,044)</u>

The components of other comprehensive income for the three-month periods ended June 30, 2024 are as follows:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax benefit (expense)	Amount after tax
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign financial statements	<u>\$62,890</u>	<u>\$-</u>	<u>\$62,890</u>	<u>\$-</u>	<u>\$62,890</u>

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)

(Unless otherwise stated, all amounts are in NTD thousand)

The components of other comprehensive income for the six-month periods ended June 30, 2025 are as follows:

	Arising	Reclassification adjustments	Other	Income tax	
	during the	during the	comprehensive	benefit	Amount
	period	period	income	(expense)	after tax
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign financial statements	<u>\$ (548,326)</u>	<u>\$-</u>	<u>\$ (548,326)</u>	<u>\$-</u>	<u>\$ (548,326)</u>

The components of other comprehensive income for the six-month periods ended June 30, 2024 are as follows:

	Arising	Reclassification adjustments	Other	Income tax	
	during the	during the	comprehensive	benefit	Amount
	period	period	income	(expense)	after tax
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign financial statements	<u>\$ 242,401</u>	<u>\$-</u>	<u>\$ 242,401</u>	<u>\$-</u>	<u>\$ 242,401</u>

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)

(Unless otherwise stated, all amounts are in NTD thousand)

(XIX) Income tax

The main components of income tax expenses (income) for the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

Total income tax recognized in profit or loss

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Current income tax expense:				
Current income tax charge	\$160,528	\$91,186	\$345,637	\$192,504
Current income taxes for the prior years adjusted in this period	-	(14)	(15,834)	(14)
Deferred tax expense (income):				
Deferred tax relating to origination and reversal of temporary differences	15,983	8,344	11,242	(12,590)
Effects of the exchange rate	2,027	35	2,049	48
Income tax expenses	<u>\$178,538</u>	<u>\$99,551</u>	<u>\$343,094</u>	<u>\$179,948</u>

The assessment of income tax returns

As of June 30, 2025, the assessment of the income tax returns of the Company and its subsidiaries is as follows:

	The assessment of income tax returns	Notes
The Company	Assessed and approved up to 2022	None
Subsidiary - ASIAROCK TECHNOLOGY LIMITED	None	Exempt from income tax accordance with local regulations
Subsidiary - LEADER INSIGHT HOLDINGS LIMITED	None	Exempt from income tax accordance with local regulations
Subsidiary - ASRock Rack Incorporation	Assessed and approved up to 2020	None

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

	The assessment of income tax returns	Notes
Subsidiary - ASRock Industrial Computer Corporation	Assessed and approved up to 2021	None
Subsidiary - ASJade Technology Incorporation	Assessed and approved up to 2023	None
Subsidiary - Soaring Asia Limited	None	Exemption from income tax accordance with local regulations
Sub-subsidiary - ASROCK INDUSTRIAL COMPUTER SEA SDN. BHD.	None	None
Sub-subsidiary - ASROCK Industrial Computer Europe GmbH	None	None
Sub-subsidiary - ASRock Europe B.V.	Assessed and approved up to 2023	None
Sub-subsidiary - ASRock Holding Inc.	None	Incorporation registration approved in 2025
Sub-subsidiary - FIRSTPLACE INTERNATIONAL LTD.	None	Exempt from income tax accordance with local regulations
Sub-subsidiary - ASJade Technology Japan Corp.	None	None
Sub-subsidiary - ASROCK RACK AMERICA INC.	None	None
Great-subsidiary - ASRock America, Inc.	Assessed and approved up to 2023	None
Great-subsidiary - CALROCK HOLDINGS, LLC	Assessed and approved up to 2023	None

(XX) Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity (after adjusting for interest on the convertible preference shares) by the weighted average number

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)

(Unless otherwise stated, all amounts are in NTD thousand)

of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

		For the three-month periods ended June 30		For the six-month periods ended June 30	
		2025	2024	2025	2024
1.	Basic earnings per share				
	Profit attributable to ordinary equity holders of the Company (in thousand \$)	\$409,723	\$264,167	\$851,878	\$572,232
	Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	123,574	121,634	123,579	121,635
	Basic earnings per share (\$)	\$3.31	\$2.17	\$6.89	\$4.70
		For the three-month periods ended June 30		For the six-month periods ended June 30	
		2025	2024	2025	2024
2.	Diluted earnings per share				
	Profit attributable to ordinary equity holders of the Company (in thousand \$)	\$409,723	\$264,167	\$851,878	\$572,232
	Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	123,574	121,634	123,579	121,635
	Effect of dilution:				
	Employee compensation - stock (in thousands)	318	246	475	343
	Weighted average number of ordinary shares outstanding after dilution (in thousands)	123,892	121,880	124,054	121,978
	Diluted earnings per share (\$)	3.31	\$2.16	6.87	\$4.69



Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)

(Unless otherwise stated, all amounts are in NTD thousand)

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

(XXI) Changes in parent's interest in subsidiaries

Sale of shares issued by subsidiary

On November 27, 2024, the Group (Company) sold 1,051 thousand shares of voting rights in ASRock Rack Incorporation, resulting in a decrease in the Company's original shareholding ratio from 55.43% to 55.03%. The cash consideration received was \$351,229 thousand, while the net carrying amount of the related equity sold was \$29,755 thousand. The difference of \$321,475 thousand between the consideration received and the disposed equity has been recognized under capital surplus - difference between the acquisition or disposal price of subsidiary equity and its carrying amount.

Acquisition of new shares in a subsidiary not in proportionate to ownership interest

ASJade Technology Incorporation issued new shares for cash capital increase on March 28, 2025, and the Company participated in the subscription of \$167,571 thousand, increasing its ownership to 83.06%. The related interest in ASJade Technology Incorporation increased, including changes in non-controlling interests, is as follows:

	March 28, 2025
Additional cash received from the issuance of new shares	\$32,428
Increase (decrease) to non-controlling interests	(33,497)
Difference recognized in capital surplus within equity	<u><u>\$(1,069)</u></u>

ASRock Industrial Computer Corporation issued employee stock options for capital increase on November 21, 2024, which were not subscribed by the Company, thus reducing its ownership to 58.23%. The related interest in ASRock Industrial Computer Corporation reduced, including changes in non-controlling interests, is as follows:

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

	November 21, 2024
Increase (decrease) to non-controlling interests	<u>\$(18,346)</u>
Difference recognized in capital surplus within equity	<u><u>\$(18,346)</u></u>

ASRock Rack Incorporation issued employee stock options for capital increase on November 1, 2024, which were not subscribed by the Company, thus reducing its ownership to 55.43%. The related interest in ASRock Rack Incorporation reduced, including changes in non-controlling interests, is as follows:

	November 1, 2024
Increase (decrease) to non-controlling interests	<u>\$(22,704)</u>
Difference recognized in capital surplus within equity	<u><u>\$(22,704)</u></u>

Buying back treasury shares by the subsidiary

ASRock Industrial Computer Corporation recovered 23 thousand shares and 47 thousand shares of treasury shares from non-controlling interests and cancelled them on March 3, 2025 and June 13, 2025. As a result, the Company's ownership of ASRock Industrial Computer Corporation increased to 58.25% and 58.29%. The additional equity interest acquired including changes in non-controlling interests is as follows:

	March 3, 2025	June 13, 2025
Increase (decrease) to non-controlling interests	<u>\$180</u>	<u>\$385</u>
Difference recognized in capital surplus within equity	<u><u>\$180</u></u>	<u><u>\$385</u></u>

ASRock Rack Incorporation recovered 17 thousand shares of treasury shares from non-controlling interests and cancelled them on June 19, 2025. As a result, the Company's ownership of ASRock Rack Incorporation increased to 53.04%.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(Unless otherwise stated, all amounts are in NTD thousand)

The additional equity interest acquired including changes in non-controlling interests is as follows:

	June 19, 2025
Increase (decrease) to non-controlling interests	\$208
Difference recognized in capital surplus within equity	\$208

VII. Related Party Transactions

Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

Name and nature of relationship of the related parties

Name of the related parties	Nature of relationship of the related parties
PEGATRON Corporation	Parent company of the group
AS FLY Travel Service Ltd.	Substantive related party
PEGATRON JAPAN INC.	Substantive related party
PEGATRON Czech s.r.o.	Substantive related party

Material transactions with related parties

(I) Sales

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Parent company	\$227,474	\$28,210	\$259,670	\$122,877

The sales price to the above related parties was determined through mutual agreement based on the market rates. The collection period for related parties sales was O/A 90 days. The collection period for non-related parties sales were TT or 1 to 3 months from FOB shipping point. The outstanding balance at the end of the quarter was unsecured, non-interest bearing and must be settled in cash. The receivables from the related parties were not guaranteed.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

(II) Accounts receivable - related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Parent company	<u>\$235,977</u>	<u>\$6,620</u>	<u>\$29,984</u>

(III) Other current assets

	June 30, 2025	December 31, 2024	June 30, 2024
Other related parties	<u>\$1,890</u>	<u>\$1,152</u>	<u>\$1,362</u>

(IV) Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Parent company	<u>\$7,847</u>	<u>\$5,779</u>	<u>\$4,652</u>
Other related parties	<u>1,057</u>	<u>711</u>	<u>1,011</u>
Total	<u>\$8,904</u>	<u>\$6,490</u>	<u>\$5,663</u>

(V) Other current liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Parent company	<u>\$-</u>	<u>\$1</u>	<u>\$-</u>

(VI) Other operating revenues

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Parent company	<u>\$-</u>	<u>\$-</u>	<u>\$6,551</u>	<u>\$-</u>

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(Unless otherwise stated, all amounts are in NTD thousand)

(VII) Other income

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Parent company	\$-	\$-	\$1,000	\$1,000

(VIII) Operating costs and expenses

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Parent company	\$2,494	\$3,120	\$6,221	\$5,281
Other related parties	6,442	3,562	10,226	4,678
Total	\$8,936	\$6,682	\$16,447	\$9,959

(IX) Key management personnel compensation

	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	\$15,567	\$12,580	\$40,501	\$37,684
Post-employment benefits	242	269	483	537
Share-based payment	5,902	16	11,804	33
Total	\$21,711	\$12,865	\$52,788	\$38,254

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

VIII. Pledged Assets

The following table lists assets of the Group pledged as security:

Item	Carrying Amount			Secured liabilities content
	June 30, 2025	December 31, 2024	June 30, 2024	
Financial assets measured at amortized cost - non-current				R&D Center Project of the Ministry of Economic Affairs Tariffs, lease guarantees, etc.
	<u>\$3,918</u>	<u>\$3,955</u>	<u>\$3,956</u>	

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments

As of June 30, 2025, the company and its subsidiaries recorded customs duties of \$105,000 thousand.

X. Major Disaster Losses

None.

XI. Material Subsequent Events

None.

XII. Others

(I) Category of financial instruments

Financial assets

	June 30, 2025	December 31, 2024	June 30, 2024
Financial asset measured at fair value through other comprehensive income	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$20,000</u>

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(Unless otherwise stated, all amounts are in NTD thousand)

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets measured at amortized cost:			
Cash and cash equivalents (exclude cash on hand)	3,909,740	3,579,803	1,728,588
Financial assets measured at amortized cost	2,388,966	1,178,955	2,333,148
Trade receivables	2,737,831	2,476,860	2,005,276
Other receivables (accounted for under current assets- other assets)	178,849	77,410	118,127
Guarantee deposits paid	27,427	28,460	28,105
Subtotal	9,242,813	7,341,488	6,213,244
Total	<u>\$9,262,813</u>	<u>\$7,361,488</u>	<u>\$6,233,244</u>

Financial liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Financial liabilities measured at amortized cost:			
Short-term loans	\$-	\$361,346	\$-
Accounts payable	7,595,881	6,030,638	3,478,452
Lease liabilities	91,347	116,128	116,823
Other payables	1,965,245	1,930,366	1,579,955
Guarantee deposits received	24,425	16,128	-
Total	<u>\$9,676,898</u>	<u>\$8,454,606</u>	<u>\$5,175,230</u>

(II) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(Unless otherwise stated, all amounts are in NTD thousand)

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. During the execution of the financial management activities, the Group is required to ensure compliance with the relevant requirements of financial risk management as prescribed.

(III) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise mainly currency risk and interest rate risk.

In practice, it is rarely the case that a single risk variable will change independently from other risk variable, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for foreign currency USD. The information of the sensitivity analysis is as follows:



Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
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(Unless otherwise stated, all amounts are in NTD thousand)

When NTD strengthens/weakens against foreign currency USD by 1%, the profit for the six-month periods ended June 30, 2025 and 2024 is decreased/increased by \$(22,638) thousand and \$(1,647) thousand, respectively, the equity is decreased/increased by \$56,276 thousand and \$46,528 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash in banks and time deposit at variable interest rates.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period. At the reporting date, a change of 25 basis points of interest rate in a reporting period could cause the profit/loss for the six-month periods ended June 30, 2025 and 2024 to increase /decrease by \$3,808 thousand and \$4,957 thousand, respectively.

(IV) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss.

The Group is exposed to credit risk from operating activities (primarily for accounts and notes receivables) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to credit risk management. Credit limits are established for all counter parties based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria, etc. Certain counter parties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment.

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(Unless otherwise stated, all amounts are in NTD thousand)

As of June 30, 2025, December 31, 2024 and June 30, 2024, amounts receivables from top ten customers represent 35.06%, 43.87% and 39.46% of the total trade receivables of the Group, respectively. The credit concentration risk of other trade receivables is insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

The Group adopted IFRS 9 to assess the expected credit losses. The Group measures the loss allowance of its trade receivables at an amount equal to lifetime expected credit losses, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

When the credit risk on debt instrument investment has increased, the Group will dispose that investment in order to minimize the credit losses. When assessing the expected credit losses, the evaluation of the forward-looking information (available without undue cost and effort) is mainly based on the macroeconomic information and the credit loss ratio is further adjusted if there is significant impact from forward-looking information.

(V) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, bank borrowings and finance leases. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity.

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Non-derivative financial liabilities

	Less than 1 year	2 to 3 years	4 to 5 years	Over 5 years	Total
June 30, 2025					
Accounts payable	\$7,595,881	\$-	\$-	\$-	\$7,595,881
Lease liabilities	62,993	30,002	-	-	92,995
Other payables	1,965,245	-	-	-	1,965,245
Guarantee deposits received	-	24,425	-	-	24,425
December 31, 2024					
Short-term loans	\$365,508	\$-	\$-	\$-	\$365,508
Accounts payable	6,030,638	-	-	-	6,030,638
Lease liabilities	63,758	54,944	-	-	118,702
Other payables	1,930,366	-	-	-	1,930,366
Guarantee deposits received	-	16,128	-	-	16,128
June 30, 2024					
Accounts payable	\$3,478,452	\$-	\$-	\$-	\$3,478,452
Lease liabilities	58,700	61,015	-	-	119,715
Other payables	1,579,955	-	-	-	1,579,955

(VI) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the six-month periods ended June 30, 2025:

	Short-term loans	Lease liabilities	Liabilities from financing gross
January 1, 2025	\$361,346	\$116,128	\$477,474
Cash flow	(361,346)	(32,742)	(394,088)
Non-cash change	-	8,907	8,907
Effects of the exchange rate	-	(946)	(946)
June 30, 2025	\$-	\$91,347	\$91,347

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)

(Unless otherwise stated, all amounts are in NTD thousand)

Reconciliation of liabilities for the six-month periods ended June 30, 2024:

	Lease liabilities	Liabilities from financing gross
January 1, 2024	\$142,113	\$142,113
Cash flow	(33,447)	(33,447)
Non-cash change	6,839	6,839
Effects of the exchange rate	1,318	1,318
June 30, 2024	<u>\$116,823</u>	<u>\$116,823</u>

(VII) Fair value of financial instruments

1. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

- (1) The carrying amount of cash and cash equivalents, trade receivables, other receivables, payables and other payables approximate their fair value mainly due to their short maturities.
- (2) For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.
- (3) The fair values of equity instruments not traded in an active market (such as stocks privately offered on TWSE/TPEX, publicly listed companies' stocks without an active market, and privately offered company stocks) are estimated with a market approach. The fair values are estimated based the prices of the transactions of the same or comparable companies' equity instruments in the market and other relevant information (such as discounting factors due to lack of liquidity, price-earnings ratios of similar companies' stocks, price-to-book ratios, of similar companies' stocks).

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)

(Unless otherwise stated, all amounts are in NTD thousand)

- (4) The fair values of debt instrument investments, bank borrowings, corporate bonds payable, and other non-current liabilities without quoted prices in the active market are determined based on counterparties' quotes or valuation techniques through a cash flow discount analysis, and the assumptions about interest rates and discount rates are mainly based on information on similar instruments (such as the reference yield curve announced by TPEx, the average quote of interest rates on commercial promissory notes announced by Reuters, and credit risks).

2. Fair value of financial instruments measured at amortized cost

The carrying amount of the Group's financial assets and liabilities measured at amortized cost approximate their fair value.

3. Information on the financial instrument fair value hierarchy

See Note XII, (VIII) for the information on the Group's financial instrument fair value hierarchy.

(VIII) Fair value hierarchy

1. Definitions of fair value levels

All assets and liabilities measured or disclosed at fair value are the lowest level inputs, which are important to the overall fair value measurement, classified to the fair value levels to which they belong. The input at each level is as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities on the measurement date.

Level 2: Inputs, other than quoted market prices within Level 1 that are observable, either directly or indirectly, for assets or liabilities.

Level 3: The unobservable input value of an asset or liability.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)

(Unless otherwise stated, all amounts are in NTD thousand)

For assets and liabilities that are recognized in the financial statements on a repetitive basis, the classification is reevaluated at the end of each reporting period to determine whether there is a transfer between the fair value levels.

2. Information on the hierarchy of fair value measurement

The Group does not have assets measured at fair value on a non-recurring basis. The information on the fair value levels of assets and liabilities on a recurring basis is shown below:

June 30, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial asset measured at fair value through other comprehensive income				
Stocks	\$-	\$-	\$20,000	\$20,000

December 31, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial asset measured at fair value through other comprehensive income				
Stocks	\$-	\$-	\$20,000	\$20,000

June 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial asset measured at fair value through other comprehensive income				
Stocks	\$-	\$-	\$20,000	\$20,000

Transfer between Level 1 and Level 2 fair values

The Group's assets and liabilities measured at fair value on a recurring basis during the six-month periods ended June 30, 2025 and 2024 were not transferred between Level 1 and Level 2.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

Details of movements at Level 3 fair value on a recurring basis

If the Group's assets and liabilities measured at fair value on a recurring basis that belong to Level 3 fair value, the reconciliation of the opening and ending balances is listed as follows:

	Assets
	Measured at fair value through other comprehensive income
	Stocks
January 1, 2025	\$20,000
Acquired for the current period	-
June 30, 2025	\$20,000

	Assets
	Measured at fair value through other comprehensive income
	Stocks
January 1, 2024	\$20,000
Acquired for the current period	-
June 30, 2024	\$20,000

Significant unobservable Level 3 fair value inputs

Regarding the Group's assets at Level 3 fair value on a recurring basis, the significant unobservable inputs at fair value are as follows:

The fair values of unlisted stocks are estimated using a market approach or an asset-based approach. Regarding a market approach, the fair value of a stock is calculated by referring to the market transaction prices of comparable companies with business and industry attributes similar to the stock invested, with their liquidity discount parameters considered. As for an asset-based approach, the total value of individual assets and individual

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)

(Unless otherwise stated, all amounts are in NTD thousand)

liabilities of a company with its stock to be invested is valued to reflect the total worth of the company or business, and the company's equity value is measured at the fair value of its net assets.

Valuation process for Level 3 fair value

The Group's management is responsible for fair value verification, using data from independent sources to bring the valuation results closer to the market, confirming that the sources of the data are independent, reliable, consistent with other resources and represent executable prices, while analyzing the changes in the value of assets and liabilities that must be remeasured or re-valued in accordance with the Group's accounting policies at each balance date, to ensure that the valuation results are reasonable.

(IX) Information on foreign currency financial assets and liabilities with significant impact

The Group's information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

Unit: thousands of NTD			
June 30, 2025			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$207,815	29.851	6,203,474
<u>Financial liabilities</u>			
Monetary items:			
USD	\$283,650	29.851	8,467,248



Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

December 31, 2024			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$170,936	32.790	\$5,605,002
<u>Financial liabilities</u>			
Monetary items:			
USD	\$221,432	32.790	\$7,260,756
June 30, 2024			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$124,020	32.440	\$4,023,221
<u>Financial liabilities</u>			
Monetary items:			
USD	\$129,097	32.440	\$4,187,897

Since there were various functional currencies used within the subsidiaries of the Group, the Group was unable to disclose foreign exchange (losses) gains towards each foreign currency with significant impact. The realized and unrealized foreign exchange (losses) gains for the three-month and six-month periods ended June 30, 2025 and 2024 were \$(36,063) thousand, \$17,639 thousand, \$(5,993) thousand, and \$89,369 thousand, respectively.

(X) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries  
(continued)  
(Unless otherwise stated, all amounts are in NTD thousand)

XIII. Others/Additional

(I) Relevant information on significant transactions

1. Loaning to others: Please refer to Attachment 1.
2. Endorsement/Guarantee for others: Please refer to Attachment 2.
3. Material marketable securities held at the end of the period: Please refer to Attachment 3.
4. Related party transactions for purchases and sales amounts exceeding the lower of \$100 million or 20 percent of the capital stock: Please refer to Attachment 4.
5. Receivables from related parties with amounts exceeding the lower of \$100 million or 20 percent of capital stock: Please refer to Attachment 5.
6. Others - Business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and accounts of any significant transactions between term: Please refer to Attachment 6.

(II) Information on investees

Of the investee company directly or indirectly has significant influence or control over, their investee companies' information: Please refer to Attachment 7.

(III) Investment in Mainland China

None.

XIV. Segment Information

The main business of the Group is to research and development, design and sales of products such as motherboards. The main operating decision makers monitors the overall operation results of the group to formulate decisions on resources allocation and performance evaluate the overall performance, so the group is a single operating unit.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries (continued)  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 1. Lending to Others

No.	Financing Company	Borrower	General Ledger Account	Whether it is a Related Party	Maximum Balance for this Period (Note 2)	Ending balance	Amount Actually Drawn	Interest Rate	Nature of Financing (Note 3)	Transaction Amount	Reasons for Short-Term Financing	Allowance for Losses	Collateral		Financing Limit for Each Borrowing Company (Note 4)	Financing Company's Financing Amount Limits (Note 4)
													Item	Value		
1	ASIAROCK TECHNOLOGY LIMITED	CALROCK HOLDINGS, LLC	Internal dealings	Yes	\$265,580	\$238,808	\$238,808	4.00%	2	\$-	Funding needs	\$-	-	-	\$5,339,483	\$5,339,483

Unit: thousands of NTD

Note 1: No. column should be entered in a way as follows:

(1) The Company is coded "0".

(2) The subsidiaries are coded starting from "1" in the order, and the code of the same company should be the same.

Note 2: The maximum balance of financing to others during the year.

Note 3: Instructions for completing nature of financing:

(1) Fill in 1 for a company with which it does business

(2) Fill in 2 for a company with a need for short-term financing

Note 4: The calculation method and amount of financing amount limit are as follows:

Total maximum amount:

According to the Company (ASIAROCK TECHNOLOGY LIMITED)'s Financing Operational Procedures, the total amount lent to a counterparty shall not exceed 40% of the Company's net worth. The limitation does not apply to financing activities between foreign companies that are wholly owned, either directly or indirectly, by the Company, or foreign companies in which the Company directly or indirectly holds 100% of the voting shares may extend loans to the Company, provided that the aggregate amount of such loans shall not exceed the net equity as reported in the most recent financial statement audited by a CPA.

Maximum amount allowed for individual enterprises

According to the Company (ASIAROCK TECHNOLOGY LIMITED)'s Financing Operational Procedures, the amount lent to an individual counterparty shall not exceed 15% of the Company's net worth. The limitation does not apply to financing activities between foreign companies that are wholly owned, either directly or indirectly, by the Company, or foreign companies in which the Company directly or indirectly holds 100% of the voting shares may extend loans to the Company, provided that the amount lent to an individual party shall not exceed the net equity as reported in the most recent financial statement audited by a CPA.

Note 5: If the original currency amount in the above table is foreign currency, it shall be converted into NTD at the exchange rate as stated in the 2025Q2 financial report (June 30, 2025), and the spot exchange rate of June 30, 2025 is USD/NTD 29.8510.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries (continued)  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 2. Endorsement/Guarantee for Others

No. (Note 1)	Name of the Endorser/Guarantor	Guaranteed Party		Limits on Endorsement/Guarantee Amount Provided to Each Guaranteed Party (Note 3 and Note 4)	Maximum Endorsement/ Guarantee Balance for the Period	Endorsement/ Guarantee Balance in this Period	Amount Actually Drawn	Amount of Guarantee Secured by Property	Ratio of Accumulated Endorsement/Guarantee Amount to the Net Equity in the Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowed (Note 3 and Note 4)	Endorsement Provided by Parent Company to Subsidiaries	Endorsement Provided by Subsidiaries to Parent Company	Endorsement Provided to Entities in Mainland
		Company Name	Nature of Relationship (Note 2)										
0	ASRock Incorporation	ASIARock Technology Limited	(2)	\$6,325,451	\$2,655,800	\$2,388,080	\$1,880,613	-	26.43%	\$6,325,451	Y	N	N
0	ASRock Incorporation	ASRock Rack Incorporation	(2)	2,710,907	1,991,850	1,791,060	1,791,060	-	19.82%	2,710,907	Y	N	N

Unit: thousands of NTD

Note 1 : The numbers filled in for the endorsements/guarantees provided by the group or subsidiaries are as follows:

(1) The Company is coded "0".

(2) The subsidiaries are coded starting from "1" in the order, and the code of the same company should be the same.

Note 2: The relationship between the endorser and the endorsee can be divided into the following seven categories, which can be indicated as follows:

(1) A company with which it does business.

(2) A company in which the public company directly and indirectly holds more than 50% of the voting shares.

(3) A company that directly and indirectly holds more than 50% of the voting shares in the public company.

(4) A company in which the public company holds, directly or indirectly, 90% or more of the voting shares.

(5) A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.

(6) A company that all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.

(7) Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The amount of endorsements/guarantees for any single entity 100% holding company of shall not exceed 70% of net worth of endorser/guarantor.

Note 4: The amount of endorsements/guarantees for any single entity not 100% holding company shall not exceed 30% of net worth of endorser/guarantor.

Note 5: The amount of endorsements/guarantees collateralized by properties shall not exceed 70% of net worth of endorser/guarantor.

Note 6: If the original currency amount in the above table is foreign currency, it shall be converted into NTD at the exchange rate as stated in the 2025Q2 financial report (June 30, 2025), and the spot exchange rate of June 30, 2025 is USD/NTD 29.8510.

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries (continued)  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 3, Material Marketable Securities Held at the End of the Period (Excluding Investments in Subsidiaries, Associates, and Joint Ventures)						Unit: thousands of NTD	
Company	Types and Names of Securities	Relations with Issuer of Securities	Account	End of the Period			Notes
				Number of Shares	Carrying Amount	Ratio of Shareholding	
ASRock Incorporation	Stock of Zhuhe Investment Co., Ltd.	Other related parties	Financial asset measured at fair value through other comprehensive income - non-current	2,000,000	\$20,000	10.00%	\$20,000
							-

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries (continued)  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 4, Related Party Transactions for Purchases and Sales Amounts to \$100 million or more than 20% of the Paid-in Capital Unit: thousands of NTD

Purchaser/seller Company Name	Name of Counterparty	Relationship (Note 4)	Transaction Details				Details of Non-arm's Length Transactions (Note 1)			Notes and Accounts Receivable (Payable)		Remarks (Note 2)
			Purchases (Sales)	Amount	Percentage of Total Purchases (Sales)	Credit Period	Unit Price	Credit Period	Balance	Percentage of Total Notes (Accounts) Receivable and Accounts Payable		
ASRock Incorporation	ASRock Europe B.V.	1	(Sales)	\$2,195,328	(21.41%)	45 days	Same as other clients	Same as other clients	\$333,265	12.48%		
"	ASRock America Inc.	1	(Sales)	(3,208,213)	(31.29%)	90 days	Same as other clients	Same as other clients	1,398,559	52.37%		
ASIAROCK TECHNOLOGY LIMITED	ASRock Incorporation	2	(Sales)	(8,895,937)	(88.40%)	90 days	Same as other clients	Same as other clients	4,007,515	87.17%		
"	ASRock Rack Incorporation	3	(Sales)	(754,071)	(7.49%)	60 days	Same as other clients	Same as other clients	462,999	10.07%		
"	ASRock Industrial Computer Corporation	3	(Sales)	(217,000)	(2.16%)	60 days	Same as other clients	Same as other clients	124,213	2.70%		
ASRock Rack Incorporation	ASRock America Inc.	3	(Sales)	(273,947)	(2.52%)	90 days	Same as other clients	Same as other clients	112,006	16.06%		
"	PEGATRON Corporation	2	(Sales)	(265,551)	(2.44%)	60 days	Same as other clients	Same as other clients	235,546	33.76%		
ASRock Industrial Computer Corporation	ASRock Europe B.V.	3	(Sales)	(129,949)	(14.44%)	60 days	Same as other clients	Same as other clients	-	-		
"	ASRock America Inc.	3	(Sales)	(154,781)	(17.20%)	60 days	Same as other clients	Same as other clients	-	-		

Note 1: If the related party's transaction terms are different from the general transaction terms, the unit price and credit period column should state the difference and the reason.

Note 2: If there is any receipt (payment) in advance, the reason, contractual terms, amount, and differences from the general transaction type should be stated in the remarks column.

Note 3: The paid-in capital shall refer to the paid-in capital of the parent company. If the issuer's stock has no par value or the par value per share is not NT\$10, the transaction amount of 20% of the paid-in capital shall be calculated on the basis of 10% of the equity attributable to the owners of the parent company on the balance sheet.

Note 4: The following lists the three types of intercompany transactions (any transaction between parent company and subsidiary or between subsidiaries is disclosed as one transaction by either transaction counterparty.)

For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.)

1. Transactions from parent company to subsidiary is "1".
2. Transactions from subsidiary to parent company is "2".
3. Transactions between subsidiaries is "3".

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries (continued)  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 5, Receivables from Related Parties with amounts exceeding the lower of \$100 million or 20% of Capital Stock

Company under the Accounts Receivable	Name of Counterparty	Relationship (Note 3)	Ending Balance of Receivables from Related Parties (Note 1)	Turnover	Overdue Receivable		Amount Received in Subsequent Period	Unit: thousands of NTD
					Amount	Handling Method		
ASRock Incorporation	ASRock Europe B.V.	1	\$333,265	14.05	\$-	-	\$56,387	\$-
"	ASRock America Inc.	1	1,398,559	4.11	-	-	113,845	-
ASIAROCK TECHNOLOGY LIMITED	ASRock Incorporation	2	4,007,515	4.86	-	-	11,967	-
"	ASRock Rack Incorporation	3	462,999	3.28	-	-	4,955	-
"	ASRock Industrial Computer Corporation	3	124,213	3.19	-	-	844	-
ASRock Rack Incorporation	ASRock America Inc.	3	112,006	4.44	-	-	-	-
"	PEGATRON Corporation	2	235,546	4.41	-	-	-	-

Note 1: Please fill in separately according to accounts receivable, bills, other receivables... etc.

Note 2: The paid-in capital shall refer to the paid-in capital of the parent company. If the issuer's stock has no par value or the par value per share is not NT\$10, the transaction amount of 20% of the paid-in capital shall be calculated on the basis of 10% of the equity attributable to the owners of the parent company on the balance sheet.

Note 3: The following lists the three types of intercompany transactions (any transaction between parent company and subsidiary or between subsidiaries is disclosed as one transaction by either transaction counterparty.)

For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.)

1. Transactions from parent company to subsidiary is "1".
2. Transactions from subsidiary to parent company is "2".
3. Transactions between subsidiaries is "3".

Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries (continued)  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 6, Business Relationship, and significant transactions and amounts between the Parent and its Subsidiaries and between each Subsidiary Unit: thousands of NTD

No. (Note 1)	Name of Trader	Counterparty	Relationship (Note 2)	Transaction Details			
				Ledger Account	Amount (Note 4)	Terms	Percentage of Consolidated Total Operating Revenues or Total Assets (Note 3)
0	ASRock Incorporation	ASRock Europe B.V.	1	Sales Accounts receivable	\$2,195,328 333,265	Same as other clients 45 days	9.77% 1.50%
1	ASIAROCK TECHNOLOGY LIMITED	ASRock America Inc.	1	Sales Accounts receivable	3,208,213 1,398,559	Same as other clients 90 days	14.27% 6.32%
		ASRock Incorporation	2	Sales Accounts receivable	8,895,937 4,007,515	Same as other clients 90 days	39.57% 18.10%
		ASRock Rack Incorporation	3	Sales Accounts receivable	754,071 462,999	Same as other clients 60 days	3.35% 2.09%
		ASRock Industrial Computer Corporation	3	Sales Accounts receivable	217,000 124,213	Same as other clients 60 days	0.97% 0.56%
2	ASRock Rack Incorporation	ASRock America Inc.	3	Sales Accounts receivable	273,947 112,006	Same as other clients 90 days	1.22% 0.51%
3	ASRock Industrial Computer Corporation	PEGATRON Corporation	2	Sales Accounts receivable	265,551 235,546	Same as other clients 60 days	1.18% 1.06%
		ASRock Europe B.V.	3	Sales Accounts receivable	129,949 -	Same as other clients 60 days	0.58% -
		ASRock America Inc.	3	Sales Accounts receivable	154,781 -	Same as other clients 60 days	0.69% -

Note 1: The information on business dealings between the parent company and subsidiaries should be numbered according to the following:

1. For the parent company, fill in 0.
2. The subsidiaries are coded starting from "1" in the order.

Note 2: The following lists the three types of intercompany transactions (any transaction between parent company and subsidiary or between subsidiaries is disclosed as one transaction by either transaction counterparty.)  
For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.)

1. Transactions from parent company to subsidiary is "1".
2. Transactions from subsidiary to parent company is "2".
3. Transactions between subsidiaries is "3".

Note 3: The percentage is determined by the ratio of the transaction amount to the consolidated revenues or the total assets. Items on the balance sheet are calculated by the ending balance to total consolidated assets; items on the income statement are calculated by their midterm cumulative balance to the total consolidated income.

Note 4: The disclosure of material intercompany transactions in this attachment is determined by the company based on the materiality.



Notes to the Consolidated Financial Statements of ASRock Incorporation and subsidiaries (continued)  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 7. Information on Investees										Unit: thousands of NT\$	
Name of Investor	Investee Company (Note 1, Note 2(1))	Location	Main Business	Initial Investment Amount		Investment Held at the End of the Period			Investee Company Net Income (Loss) of Investee Company (Note 2 (2))	Investment Income Recognized for the Current Period (Note 2(3))	Notes
				At the End of the Period	End of Last Year	Number of Shares	Proportion	Carrying Amount			
ASRock Incorporation	ASRock Rack Incorporation	Taiwan	Manufacture and sales of computers and peripheral equipment.	\$375,230	\$375,230	33,094,984	53.04%	\$796,821	\$398,124	\$211,121	
"	ASIA ROCK TECHNOLOGY LIMITED	British Virgin Islands	Investment holding on other business.	2,470,006	2,470,006	76,000,000	100.00%	5,080,653 (Note 3)	267,516	220,423	
"	LEADER INSIGHT HOLDINGS LTD.	British Virgin Islands	Investment holding on other business.	71,559	71,559	2,100,000	100.00%	288,056	(32,315)	(32,315)	
"	ASRock Industrial Computer Corporation	Taiwan	Manufacture and sales of computers and peripheral equipment.	239,683	239,683	37,281,196	58.29%	529,824	89,385	52,057	
"	ASJade Technology Incorporation	Taiwan	Service of computer software.	384,134	216,563	30,730,714	83.06%	202,298	(40,932)	(33,921)	
"	Soaring Asia Limited	Hong Kong	International trade.	592	592	150,000	100.00%	580	1	1	
	Total									417,366	
ASRock Industrial Computer Corporation	ASROCK INDUSTRIAL COMPUTER SEA SDN. BHD	Malaysia	Asia Pacific Sales and Service Center.	6,838	6,838	1,000,000	100.00%	2,460	(331)	(331)	
"	ASROCK Industrial Computer Europe GmbH	Germany	European Sales and Service Center.	3,512	3,512	100,000	100.00%	1,048	(502)	(502)	
ASRock Rack Incorporation	ASROCK RACK AMERICA INC.	U.S.A.	American Sales and Service Center.	97	97	-	100.00%	82	(8)	(8)	(Note 4)
ASIA ROCK TECHNOLOGY LIMITED	ASRock Europe B.V.	The Netherlands	Data storage and electronic material sales, international trade, etc.	5,820	5,820	200,000	100.00%	754,016	998	998	
"	ASRock Holding Inc.	British Virgin Islands	Investment holding on other business.	953,760	-	29,979,984	100.00%	889,228	(6,113)	(6,113)	(Note 5)
"	CALROCK HOLDINGS, LLC	U.S.A.	Renting office building.	-	953,760	-	0.00%	-	(7,606)	(1,493)	(Note 5)
"	Orbweb Inc. (BVI)	British Virgin Islands	Computer equipment installation and peripheral equipment wholesale and service.	29,900	29,900	4,000,000	27.59%	-	15,077	-	
LEADER INSIGHT HOLDINGS LTD.	FIRSTPLACE INTERNATIONAL LTD.	British Virgin Islands	Investment holding on other business.	61,500	61,500	2,050,000	100.00%	288,009	(32,315)	(32,315)	
FIRSTPLACE INTERNATIONAL LTD.	ASRock America Inc.	U.S.A.	Data storage and electronic material sales, international trade, etc.	60,000	60,000	2,000,000	100.00%	286,972	(32,320)	(32,320)	
ASRock Holding Inc.	CALROCK HOLDINGS, LLC	U.S.A.	Renting office building.	953,760	-	30,000,000	100.00%	889,228	(7,606)	(6,113)	(Note 5)
ASJade Technology Incorporation	ASJade Technology Japan Corp.	Japan	Service of computer software.	1,087	1,087	500	100.00%	714	(316)	(316)	

Note 1: If a public offering company has a foreign holding company and uses consolidation as the main financial statement in accordance with local laws and regulations, the disclosure of information about the foreign invested company may only disclose relevant information to the holding company.

Note 2: If it is not in the case described in Note 1, fill in according to the following regulations:

- (1) The "name of the investee company", "location", "main business item", "original investment amount" and "end-of-term shareholding situation" should be based on the Company's reinvestment status and fill in the reinvestment situation of each invested company directly or indirectly controlled in order, and indicate the relationship between each invested company and the (public offering) company (if it is a subsidiary or a grandson company) in the remarks column.
- (2) In column B of "Invested Company Current Profit and Loss", the amount of current profit and loss of each invested company should be filled in.
- (3) In column B of "Investment Profits and Losses Recognized in the Current Period", only the amount of profit and loss of the subsidiaries recognized by the (public offering) company for direct reinvestment and each invested company evaluated by the equity method is required. When filling in the "recognition of the current profit and loss amount of each subsidiary for direct reinvestment", it should be confirmed that the current profit and loss amount of each subsidiary has included the investment profit and loss that should be recognized for its reinvestment in accordance with the regulations.

Note 3: Book value = net equity NTD5,313,133 thousand + deferred credit NTD(232,480) thousand

Note 4: The subsidiary in U.S.A., an investee of ASRock Rack Incorporation, obtained the business registration certificate on September 13, 2024, and ASRock Rack Incorporation further invested in the subsidiary in the amount of 3 thousand USD on December 5, 2024.

Note 5: ASIA ROCK TECHNOLOGY LIMITED newly established ASRock Holding Inc. as a wholly-owned subsidiary, using its equity in CALROCK HOLDINGS, LLC as consideration, and ASRock Holding Inc. was officially registered on May 13, 2025.