

Standard Foods Corporation

**Parent Company Only Financial Statements for the
Years Ended December 31, 2025 and 2024 and
Independent Auditors' Report**

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Standard Foods Corporation

Opinion

We have audited the accompanying parent company only financial statements of Standard Foods Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Company's parent company only financial statements for the year ended December 31, 2025 is stated as follows:

The Accuracy of the Calculation of Contractual Trade Promotion Fees for Major Retailers

The Company's sales channels mainly consist of supermarkets and major hypermarkets. The sales contracts signed between the Company and retailers include contractual trade promotion fees that distributors are required to pay for various promotional and marketing activities in support of the Company's products. Considering these fees as a reduction in the transaction price, they are accounted for as deductions from operating revenue. The calculation of contractual trade promotion fees is based on the actual sales amount according to the terms of the contract agreed upon with the retailers. Considering the significant amount and complexity of contractual trade promotion fees, we considered the accuracy of the calculation of contractual trade promotion fees for major retailers to be a key audit matter.

The key audit procedures that we performed in respect of the accuracy of the calculation of contractual trade promotion fees for major retailers included the following:

1. We obtained an understanding of and tested the design and operating effectiveness of the key controls over the estimates of the contractual trade promotion fees.
2. We obtained subsidiary ledgers from the major retailers in the current year, and conducted audit sampling by comparing delivery orders to confirm sales quantities and amounts.
3. We obtained the sales contracts of major retailers and confirmed that the agreed-upon contractual trade promotion fee rates were consistent with those rates in the SAP.
4. We recalculated the amounts of contractual trade promotion fees for major retailers based on the sales subsidiary ledger and the agreed-upon contractual trade promotion fee rates and confirmed whether these fees should be considered as deductions from operating revenue.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Han-Ni Fang and Zhao-Yu Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2026

Notice to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance 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 parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

STANDARD FOODS CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 539,710	3	\$ 821,684	4
Financial assets at fair value through profit or loss - current (Note 7)	863,579	4	1,128,926	5
Financial assets at fair value through other comprehensive income - current (Note 8)	26,640	-	26,344	-
Financial assets at amortized cost - current (Note 9)	1,015,232	5	1,419,023	7
Notes receivable (Notes 10 and 22)	354	-	558	-
Trade receivables (Notes 10 and 22)	1,691,994	8	1,865,798	9
Trade receivables from related parties (Notes 22 and 28)	244,511	1	149,193	1
Other receivables (Note 10)	40,573	-	11,323	-
Other receivables from related parties (Note 28)	135,861	1	55,970	-
Inventories (Note 11)	2,472,604	12	2,182,985	10
Prepayments (Note 12)	280,266	1	354,617	2
Other current assets (Notes 17 and 19)	48,144	-	49,433	-
Total current assets	<u>7,359,468</u>	<u>35</u>	<u>8,065,854</u>	<u>38</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Note 7)	1,702	-	1,403	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	946,782	4	646,505	3
Investments accounted for using the equity method (Note 13)	10,315,311	49	10,455,783	50
Property, plant and equipment (Note 14)	2,245,031	11	1,489,068	7
Right-of-use assets (Note 15)	48,685	-	75,919	1
Other intangible assets (Note 16)	38,427	-	33,776	-
Deferred tax assets (Note 24)	240,140	1	208,069	1
Other non-current assets (Note 17)	44,098	-	30,985	-
Total non-current assets	<u>13,880,176</u>	<u>65</u>	<u>12,941,508</u>	<u>62</u>
TOTAL	<u>\$ 21,239,644</u>	<u>100</u>	<u>\$ 21,007,362</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Note 22)	\$ 40,720	-	\$ 4,471	-
Notes payable (Note 18)	29,239	-	24,946	-
Trade payables (Note 18)	835,739	4	824,601	4
Trade payables to related parties (Note 28)	34,327	-	14,701	-
Other payables (Note 19)	1,354,186	7	1,273,768	6
Other payables to related parties (Note 28)	684	-	602	-
Current tax liabilities (Note 24)	130,026	1	127,418	1
Lease liabilities - current (Note 15)	35,269	-	42,533	-
Other current liabilities (Note 19)	63,853	-	59,220	-
Total current liabilities	<u>2,524,043</u>	<u>12</u>	<u>2,372,260</u>	<u>11</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Note 24)	50,529	-	86,807	-
Lease liabilities - non-current (Note 15)	13,950	-	33,987	-
Net defined benefit liabilities (Note 20)	92,925	1	101,661	1
Other non-current liabilities (Note 19)	150	-	150	-
Total non-current liabilities	<u>157,554</u>	<u>1</u>	<u>222,605</u>	<u>1</u>
Total liabilities	<u>2,681,597</u>	<u>13</u>	<u>2,594,865</u>	<u>12</u>
EQUITY (Note 21)				
Ordinary shares	9,150,897	43	9,150,897	44
Capital surplus	183,259	1	173,922	1
Retained earnings				
Legal reserve	4,273,632	20	4,096,216	19
Special reserve	577,494	2	577,494	3
Unappropriated earnings	4,194,570	20	4,432,868	21
Total retained earnings	<u>9,045,696</u>	<u>42</u>	<u>9,106,578</u>	<u>43</u>
Other equity	199,377	1	2,282	-
Treasury shares	(21,182)	-	(21,182)	-
Total equity	<u>18,558,047</u>	<u>87</u>	<u>18,412,497</u>	<u>88</u>
TOTAL	<u>\$ 21,239,644</u>	<u>100</u>	<u>\$ 21,007,362</u>	<u>100</u>

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

STANDARD FOODS CORPORATION

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

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales (Notes 22 and 28)	\$ 12,188,324	100	\$ 12,384,997	100
OPERATING COSTS				
Cost of goods sold (Notes 11, 23 and 28)	<u>8,586,209</u>	<u>70</u>	<u>8,693,200</u>	<u>70</u>
GROSS PROFIT	<u>3,602,115</u>	<u>30</u>	<u>3,691,797</u>	<u>30</u>
OPERATING EXPENSES (Note 23)				
Selling and marketing expenses	2,004,656	17	1,858,157	15
General and administrative expenses	412,509	3	443,030	4
Research and development expenses	78,480	1	80,796	-
Expected credit (gain) loss recognized on trade receivables	<u>(729)</u>	<u>-</u>	<u>304</u>	<u>-</u>
Total operating expenses	<u>2,494,916</u>	<u>21</u>	<u>2,382,287</u>	<u>19</u>
OPERATING INCOME	<u>1,107,199</u>	<u>9</u>	<u>1,309,510</u>	<u>11</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 23 and 28)	52,904	1	54,366	-
Other income (Notes 23 and 28)	13,510	-	16,190	-
Other gains (Note 23)	49,580	-	144,592	1
Finance costs (Note 23)	(878)	-	(1,347)	-
Share of the profit of subsidiaries	<u>210,143</u>	<u>2</u>	<u>537,652</u>	<u>5</u>
Total non-operating income and expenses	<u>325,259</u>	<u>3</u>	<u>751,453</u>	<u>6</u>
PROFIT BEFORE INCOME TAX	1,432,458	12	2,060,963	17
INCOME TAX EXPENSE (Note 24)	<u>223,668</u>	<u>2</u>	<u>326,999</u>	<u>3</u>
NET PROFIT FOR THE YEAR	<u>1,208,790</u>	<u>10</u>	<u>1,733,964</u>	<u>14</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 20)	8,989	-	39,932	-
Unrealized profit on investments in equity instruments at fair value through other comprehensive income	300,715	3	29,427	-

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STANDARD FOODS CORPORATION

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

	2025		2024	
	Amount	%	Amount	%
Share of the other comprehensive income of subsidiaries accounted for using the equity method	\$ 18,617	-	\$ 44,599	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 24)	(784)	-	(7,478)	-
Total items that will not be reclassified subsequently to profit or loss	<u>327,537</u>	<u>3</u>	<u>106,480</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(148,699)	(1)	410,776	3
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 24)	<u>29,710</u>	<u>-</u>	<u>(82,155)</u>	<u>-</u>
Total items that may be reclassified subsequently to profit or loss	<u>(118,989)</u>	<u>(1)</u>	<u>328,621</u>	<u>3</u>
Other comprehensive income (loss) for the year, net of income (loss) tax	<u>208,548</u>	<u>2</u>	<u>435,101</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,417,338</u>	<u>12</u>	<u>\$ 2,169,065</u>	<u>17</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 1.33</u>		<u>\$ 1.91</u>	
Diluted	<u>\$ 1.33</u>		<u>\$ 1.91</u>	

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

STANDARD FOODS CORPORATION

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

	Ordinary Shares	Capital Surplus	Retained Earnings				Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other Equity		Treasury Shares	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Total		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total		
BALANCE ON JANUARY 1, 2024	\$ 9,150,897	\$ 165,585	\$ 3,978,059	\$ 577,494	\$ 3,920,727	\$ 8,476,280	\$ (576,053)	\$ 183,430	\$ (392,623)	\$ (21,182)	\$ 17,378,957
Appropriation of 2023 earnings											
Legal reserve	-	-	118,157	-	(118,157)	-	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(1,143,862)	(1,143,862)	-	-	-	-	(1,143,862)
Adjustment of capital surplus for the Company's cash dividends received by subsidiaries	-	8,337	-	-	-	-	-	-	-	-	8,337
Net profit for the year ended December 31, 2024	-	-	-	-	1,733,964	1,733,964	-	-	-	-	1,733,964
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	37,917	37,917	328,621	68,563	397,184	-	435,101
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	1,771,881	1,771,881	328,621	68,563	397,184	-	2,169,065
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	2,279	2,279	-	(2,279)	(2,279)	-	-
BALANCE ON DECEMBER 31, 2024	<u>9,150,897</u>	<u>173,922</u>	<u>4,096,216</u>	<u>577,494</u>	<u>4,432,868</u>	<u>9,106,578</u>	<u>(247,432)</u>	<u>249,714</u>	<u>2,282</u>	<u>(21,182)</u>	<u>18,412,497</u>
Appropriation of 2024 earnings											
Legal reserve	-	-	177,416	-	(177,416)	-	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(1,281,125)	(1,281,125)	-	-	-	-	(1,281,125)
Adjustment of capital surplus for the Company's cash dividends received by subsidiaries	-	9,337	-	-	-	-	-	-	-	-	9,337
Net profit for the year ended December 31, 2025	-	-	-	-	1,208,790	1,208,790	-	-	-	-	1,208,790
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	11,453	11,453	(118,989)	316,084	197,095	-	208,548
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	1,220,243	1,220,243	(118,989)	316,084	197,095	-	1,417,338
BALANCE ON DECEMBER 31, 2025	<u>\$ 9,150,897</u>	<u>\$ 183,259</u>	<u>\$ 4,273,632</u>	<u>\$ 577,494</u>	<u>\$ 4,194,570</u>	<u>\$ 9,045,696</u>	<u>\$ (366,421)</u>	<u>\$ 565,798</u>	<u>\$ 199,377</u>	<u>\$ (21,182)</u>	<u>\$ 18,558,047</u>

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

STANDARD FOODS CORPORATION

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

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,432,458	\$ 2,060,963
Adjustments for:		
Depreciation expenses	215,234	210,996
Amortization expenses	30,815	20,863
Expected credit (reversed) loss recognized on trade receivables	(729)	304
Net gain recognized on financial assets at fair value through profit or loss	(52,799)	(70,521)
Finance costs	878	1,347
Interest income	(52,904)	(54,366)
Dividend income	(2,862)	(6,636)
Share of the profit of subsidiaries	(210,143)	(537,652)
Net loss (gain) on disposal of property, plant and equipment	70	(1,453)
Write-down of inventories	15,362	-
Reversal of write-down of inventories	-	(13,005)
Others	-	(22)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	317,847	(108,283)
Notes receivable	204	399
Trade receivables	174,533	16,530
Trade receivables from related parties	(95,318)	8,941
Other receivables	(21,934)	12,010
Other receivables from related parties	(79,891)	864,478
Inventories	(304,981)	401,985
Prepayments	74,351	(139,923)
Other current assets	1,289	6,403
Contract liabilities	36,249	(10,400)
Notes payable	4,293	618
Trade payables	11,138	64,002
Trade payables to related parties	19,626	4,812
Other payables	80,418	23,926
Other payables to related parties	82	602
Other current liabilities	4,633	(13,303)
Net defined benefit liabilities	253	(34,847)
Cash generated from operations	1,598,172	2,708,768
Interest received	45,588	54,232
Interest paid	(878)	(1,347)
Income tax paid	(260,483)	(222,852)
Net cash generated from operating activities	<u>1,382,399</u>	<u>2,538,801</u>

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STANDARD FOODS CORPORATION

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

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ (10,000)	\$ (439,750)
Proceeds from capital reduction of financial assets at FVTOCI	10,142	-
Purchase of financial assets at amortized cost	(2,601,796)	(3,321,605)
Proceeds from sale of financial assets at amortized cost	3,005,587	2,598,348
Payments for property, plant and equipment	(925,540)	(192,111)
Proceeds from disposal of property, plant and equipment	952	2,453
Payments for intangible assets	(22,933)	(19,055)
Increase in other financial assets	(1,471)	(320)
Increase in other non-current assets	(24,174)	(13,395)
Dividends received from subsidiaries	321,922	336,068
Other dividends received	<u>2,862</u>	<u>6,636</u>
Net cash used in investing activities	<u>(244,449)</u>	<u>(1,042,731)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(46,747)	(42,004)
Dividends paid to owners of the Company	(1,281,125)	(1,143,862)
Acquisition of interest in subsidiaries	<u>(92,052)</u>	<u>(16,372)</u>
Net cash used in financing activities	<u>(1,419,924)</u>	<u>(1,202,238)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(281,974)	293,832
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>821,684</u>	<u>527,852</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 539,710</u>	<u>\$ 821,684</u>

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

STANDARD FOODS CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Standard Foods Corporation (the “Company”) was incorporated on June 6, 1986. The Company mainly manufactures and sells nutritious foods, edible oils, dairy products and beverages.

The Company’s shares have been listed on the Taiwan Stock Exchange since April 1994.

The financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Company’s board of directors on March 12, 2026.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Company’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

1) The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- a) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
 - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- b) To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- c) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

2) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Company can choose to derecognize the financial liability before the settlement date if, and only if, the Company has initiated a payment instruction that resulted in:

- The Company having no practical ability to withdraw, stop or cancel the payment instruction;
- The Company having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the financial statements were authorized for issue, the Company is continuously assessing other impacts of the above amended standards and interpretations on the Company’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Company shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Company shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

- Interest and dividends received by the Company shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Company has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

As of the date the financial statements were authorized for issue, the Company is continuously assessing other impacts of the above amended standards and interpretations on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The parent company only financial statements and have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and relative regulations.

b. Basis of preparation

The parent company only the financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair values and net defined benefit liabilities that are determined by deducting the fair value of plan assets from the present value of the defined benefit obligation.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

When preparing these parent company only financial statements, the Company used the equity method to account for its investment in subsidiaries. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in these parent company only financial statements to be the same as the amounts attributable to the owners of the Company in its consolidated financial statements, adjustments arising from the differences in accounting treatment between parent company only basis and consolidated basis were made to the investments accounted for by the equity method, the share of profit or loss of subsidiaries, the share of other comprehensive income of subsidiaries and the related equity items, as appropriate, in these parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within twelve months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within twelve months after the reporting period, even if an agreement to refinance or to reschedule payments on a long-term basis is completed after the reporting period and before the financial statements are authorized for issue; and
- 3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least twelve months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Foreign currencies

In preparing the Company's financial statements, transactions in currencies other than the Company's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income attributed to the owners of the Company and non-controlling interests as appropriate.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting the financial statements, the functional currencies of the entities (including operations of the subsidiaries in other countries that use currencies which are different from the functional currency of the Company) are translated into the presentation currency - the New Taiwan dollar as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

e. Inventories

Inventories consist of raw materials, packaging materials and supplies, work-in-process, finished goods and merchandise and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost on the balance sheet date.

f. Investment in subsidiaries

The Company used the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Company.

Under the equity method, investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries attributable to the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are accounted for as equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

When the Company's share of loss of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further loss.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the entire financial statements of the invested company. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides this, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Company directly disposed of the related assets or liabilities.

Profits and losses resulting from downstream transactions are eliminated in full in the financial statements. Profits and losses transactions from upstream and transactions between subsidiaries are recognized in the financial statements only to the extent of interests in the subsidiaries that are not related to the Company.

g. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such properties are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

The depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. If a lease term is shorter than the assets' useful lives, such assets are depreciated over the lease term. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

h. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Impairment of property, plant and equipment, right-of-use asset and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

j. Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. Fair value is determined in the manner described in Note 27.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, notes receivable, trade receivables, other receivables and other financial assets that measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets and contract assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables) and finance lease receivables.

The Company always recognizes lifetime expected credit losses (ECLs) for trade receivables and finance lease receivables. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

k. Revenue recognition

The Company identifies contracts with customers and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods

Revenue from the sale of goods comes from sales of nutritious foods and cooking products. Sales of goods are recognized as revenue when the goods are delivered to the customer's specific location because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables and contract assets are recognized concurrently. Any amounts previously recognized as contract assets are reclassified to trade receivables when the remaining obligations are performed. When the customer initially purchases the goods, the transaction price received is recognized as a contract liability until the goods have been delivered to the customer.

l. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term resulting from a change to those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

m. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined contribution retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period they occur. Remeasurement, comprising actuarial gains and losses, effect of changes to asset ceiling and return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

3) Termination benefits

A liability for a termination benefit is recognized at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognizes any related restructuring costs.

n. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable is based on taxable profit for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused tax credits for research and development expenditures to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The company has applied the exception from the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes. Accordingly, the company neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

3) Current tax and deferred taxes for the year

Current tax and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimations and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Company considers the possible impact of climate change and related government policies and regulations and US reciprocal tariffs on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Cash on hand	\$ 785	\$ 785
Checking accounts and demand deposits	520,886	53,719
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	18,039	702,180
Repurchase agreements collateralized by bonds	<u>-</u>	<u>65,000</u>
	<u>\$ 539,710</u>	<u>\$ 821,684</u>

The ranges of annual interest rate of cash in bank at the end of the reporting period were as follows:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Bank balance	0.001%-1.120%	0.010%-4.950%
Repurchase agreements collateralized by bonds	-	1.440%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets at fair value through profit or loss (FVTPL) - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Listed shares	\$ 38,448	\$ 37,526
Mutual funds	693,687	959,099
Note cash	<u>131,444</u>	<u>132,301</u>
	<u>\$ 863,579</u>	<u>\$ 1,128,926</u>
<u>Financial assets at FVTPL - non-current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic unlisted shares	<u>\$ 1,702</u>	<u>\$ 1,403</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)	<u>\$ 26,640</u>	<u>\$ 26,344</u>

(Continued)

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Non-current</u>		
Investments in equity instruments at FVTOCI	\$ <u>946,782</u>	\$ <u>646,505</u> (Concluded)

Investments in Equity Instruments at FVTOCI

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Listed shares and emerging market shares		
Ordinary shares - Far Eastern International Bank	\$ 20,298	\$ 20,342
Ordinary shares - Chunghwa Telecom Co., Ltd.	<u>6,342</u>	<u>6,002</u>
	<u>\$ 26,640</u>	<u>\$ 26,344</u>
<u>Non-current</u>		
Listed shares and emerging market shares		
Ordinary shares - GeneFerm Biotechnology Co., Ltd.	\$ 103,501	\$ 100,820
Unlisted shares		
Ordinary shares - Dah Chung Bills Finance Corp.	20,796	20,662
Ordinary shares - H2U Corporation	624,963	408,170
Ordinary shares - Sancci Manufacture Food Company	<u>197,522</u>	<u>116,853</u>
	<u>\$ 946,782</u>	<u>\$ 646,505</u>

These investments by the Company are held for medium- to long-term strategic purposes and the Company expects to profit from long-term investments. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Time deposits with original maturities of more than 3 months	\$ <u>1,015,232</u>	\$ <u>1,419,023</u>

The ranges of interest rates for time deposits with original maturities of more than 3 months were approximately 1.12%-3.97% and 1.70%-4.62% per annum as of December 31, 2025 and 2024, respectively.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Notes receivable</u>		
Operating	\$ <u>354</u>	\$ <u>558</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount	\$ 1,693,969	\$ 1,868,502
Less: Allowance for impairment loss	<u>(1,975)</u>	<u>(2,704)</u>
	<u>\$ 1,691,994</u>	<u>\$ 1,865,798</u>
<u>Other receivables</u>		
Accrued interest	\$ 15,460	\$ 8,145
Others	<u>25,113</u>	<u>3,178</u>
	<u>\$ 40,573</u>	<u>\$ 11,323</u>

The average credit period of commodity sales was 30-90 days. The accounts receivables are collected without interest. To minimize credit risk, the management of the Company has assigned a dedicated team to handle credit limit decisions, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual receivable on the balance sheet date to ensure that adequate allowance is made for possible irrecoverable amounts.

The Company adopts the simplified approach of IFRS 9 to measure the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (ECLs). The Company performs assessment using the three forward-looking factors, i.e., industrial index of the customer, GDP growth rate and unemployment rate, as the ECL rate.

When there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, the credit risk management department of the Company would continue to engage in enforcement activity in compliance with laws and regulations. The trade receivable will be written off when the amount due is collected.

The following table details the loss allowance of trade receivables based on the Company's provision matrix.

December 31, 2025

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.02%	7.73%	17.85%	47.86%	100.00%	
Gross carrying amount	\$ 1,680,154	\$ 10,500	\$ 3,425	\$ 117	\$ 127	\$ 1,694,323
Loss allowance (Lifetime ECL)	<u>(369)</u>	<u>(812)</u>	<u>(611)</u>	<u>(56)</u>	<u>(127)</u>	<u>(1,975)</u>
Amortized cost	<u>\$ 1,679,785</u>	<u>\$ 9,688</u>	<u>\$ 2,814</u>	<u>\$ 61</u>	<u>\$ -</u>	<u>\$ 1,692,348</u>

December 31, 2024

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.02%	7.17%	16.48%	29.78%	100.00%	
Gross carrying amount	\$ 1,856,654	\$ 5,524	\$ 5,352	\$ 746	\$ 784	\$ 1,869,060
Loss allowance (Lifetime ECL)	<u>(421)</u>	<u>(395)</u>	<u>(882)</u>	<u>(222)</u>	<u>(784)</u>	<u>(2,704)</u>
Amortized cost	<u>\$ 1,856,233</u>	<u>\$ 5,129</u>	<u>\$ 4,470</u>	<u>\$ 524</u>	<u>\$ -</u>	<u>\$ 1,866,356</u>

The movements of the loss allowance of notes receivables and trade receivables were as follows:

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Balance on January 1	\$ 2,704	\$ 2,400
Add: Net remeasurement of loss allowance	-	304
Less: Net remeasurement of loss allowance	<u>(729)</u>	<u>-</u>
Balance on December 31	<u>\$ 1,975</u>	<u>\$ 2,704</u>

11. INVENTORIES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Merchandise	\$ 254,864	\$ 262,197
Finished goods	1,321,920	1,192,368
Work in progress	269,316	172,116
Raw materials	561,212	491,528
Packing materials	<u>65,292</u>	<u>64,776</u>
	<u>\$ 2,472,604</u>	<u>\$ 2,182,985</u>

The cost of inventories recognized as cost of goods sold for the year ended December 31, 2025 included loss on write-downs of inventories \$15,362 thousand and loss on abandoned inventories of \$17,635 thousand. The cost of goods sold for the year ended December 31, 2024 included gains from the recovery of the inventories of \$13,005 thousand and loss on abandoned inventories of \$9,279 thousand. The increase in the net realizable value of inventories was a result of de-stocking of inventories initially stated as the loss on the price decline of inventories for the year ended December 31, 2024.

12. PREPAYMENTS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Prepayments for purchases	\$ 152,828	\$ 266,993
Prepayments for rent	28,153	24,674
Prepayments for equipment parts	23,513	23,494
Prepayments for fuel oil	6,554	6,866
		(Continued)

	December 31	
	2025	2024
Prepayments for insurance	\$ 448	\$ 563
Prepayments for advertisements	1,461	2,646
Others	<u>67,309</u>	<u>29,381</u>
	<u>\$ 280,266</u>	<u>\$ 354,617</u>

(Concluded)

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2025	2024
<u>Unlisted companies</u>		
Accession Limited	\$ 3,838,598	\$ 3,890,526
Standard Investment (Cayman) Limited (“Cayman Standard”)	4,503,526	4,770,615
Standard Dairy Products Taiwan Limited (“Standard Dairy Products”)	1,124,576	1,038,034
Charng Hui Ltd. (“Charng Hui”)	365,199	344,147
Domex Technology Corporation (“Domex Technology”)	282,100	296,590
Standard Beverage Company Limited (“Standard Beverage”)	78,805	79,732
Standard Foods, LLC.	9,429	9,836
SF NUTRA PTE. LTD. (NUTRA)	36,096	9,911
Newtrin Holding PTE. LTD. (Newtrin Holding)	<u>76,982</u>	<u>16,392</u>
	<u>\$ 10,315,311</u>	<u>\$ 10,455,783</u>

Proportion of Ownership and Voting Rights

Name of Subsidiary	December 31	
	2025	2024
Accession Limited	100.0%	100.0%
Cayman Standard	100.0%	100.0%
Standard Dairy Products	100.0%	100.0%
Charng Hui	100.0%	100.0%
Domex Technology	52.0%	52.0%
Standard Beverage	100.0%	100.0%
Standard Foods, LLC.	100.0%	100.0%
SF NUTRA PTE. LTD. (Note 1)	100.0%	100.0%
Newtrin Holding PTE. LTD. (Note 2)	100.0%	100.0%

Note 1: Standard Great Foods Singapore PTE. LTD. was renamed SF NUTRA PTE. LTD. in February 2025.

Note 2: The Company invested US\$500 thousand in December 2024 to establish.

Refer to Note 31 for the details of the subsidiaries indirectly held by the Company.

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Land Improvement	Buildings	Equipment	Other Equipment	Property in Construction and Equipment to Be Tested	Total
<u>Cost</u>							
Balance on January 1, 2024	\$ 410,911	\$ 33,771	\$ 1,168,284	\$ 2,355,704	\$ 221,828	\$ 192,225	\$ 4,382,723
Additions	-	-	-	-	-	192,111	192,111
Disposals	-	-	(3,747)	(45,762)	(17,280)	-	(66,789)
Reclassified	-	-	4,301	60,018	15,424	(79,743)	-
Balance on December 31, 2024	<u>\$ 410,911</u>	<u>\$ 33,771</u>	<u>\$ 1,168,838</u>	<u>\$ 2,369,960</u>	<u>\$ 219,972</u>	<u>\$ 304,593</u>	<u>\$ 4,508,045</u>
<u>Accumulated depreciation and impairment</u>							
Balance on January 1, 2024	\$ -	\$ 1,248	\$ 797,163	\$ 1,951,209	\$ 166,834	\$ -	\$ 2,916,454
Disposals	-	-	(3,747)	(44,762)	(17,280)	-	(65,789)
Depreciation expenses	-	2,110	56,266	92,168	17,768	-	168,312
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 3,358</u>	<u>\$ 849,682</u>	<u>\$ 1,998,615</u>	<u>\$ 167,322</u>	<u>\$ -</u>	<u>\$ 3,018,977</u>
Carrying amount on December 31, 2024	<u>\$ 410,911</u>	<u>\$ 30,413</u>	<u>\$ 319,156</u>	<u>\$ 371,345</u>	<u>\$ 52,650</u>	<u>\$ 304,593</u>	<u>\$ 1,489,068</u>
<u>Cost</u>							
Balance on January 1, 2025	\$ 410,911	\$ 33,771	\$ 1,168,838	\$ 2,369,960	\$ 219,972	\$ 304,593	\$ 4,508,045
Additions	463,651	-	-	-	-	461,889	925,540
Disposals	-	-	(1,019)	(32,468)	(18,788)	-	(52,275)
Reclassified	-	1,273	32,047	110,430	27,095	(170,845)	-
Balance on December 31, 2025	<u>\$ 874,562</u>	<u>\$ 35,044</u>	<u>\$ 1,199,866</u>	<u>\$ 2,447,922</u>	<u>\$ 228,279</u>	<u>\$ 595,637</u>	<u>\$ 5,381,310</u>
<u>Accumulated depreciation and impairment</u>							
Balance on January 1, 2025	\$ -	\$ 3,358	\$ 849,682	\$ 1,998,615	\$ 167,322	\$ -	\$ 3,018,977
Disposals	-	-	(1,019)	(32,468)	(17,766)	-	(51,253)
Depreciation expenses	-	2,157	53,862	93,419	19,117	-	168,555
Balance on December 31, 2025	<u>\$ -</u>	<u>\$ 5,515</u>	<u>\$ 902,525</u>	<u>\$ 2,059,566</u>	<u>\$ 168,673</u>	<u>\$ -</u>	<u>\$ 3,136,279</u>
Carrying amount on December 31, 2025	<u>\$ 874,562</u>	<u>\$ 29,529</u>	<u>\$ 297,341</u>	<u>\$ 388,356</u>	<u>\$ 59,606</u>	<u>\$ 595,637</u>	<u>\$ 2,245,031</u>

No impairment loss or reversal of impairment loss were recognized for the years ended December 31, 2025 and 2024.

The above items of property, plant and equipment are depreciated on a straight-line basis over the following estimated useful lives of the assets:

Land improvements	15 years
Building	
Main buildings	40 years
Electrical and mechanical equipment	8-15 years
Engineering	7-39 years
Others	3-14 years
Equipment	
Main equipment	2-20 years
Engineering	7-20 years
Others	3-15 years
Other equipment	2-15 years

The Company acquired a parcel of land pursuant to a resolution of the Board of Directors, with a total contract price of NT\$541,800 thousand in August 2025. The Company had paid NT\$433,500 thousand, which has been recognized as land as of December 31, 2025. The remaining unrecognized contractual commitments are disclosed in Note 29.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
<u>Carrying amounts</u>		
Land	\$ 2,241	\$ 3,000
Buildings	32,727	64,690
Office equipment	2,671	3,059
Transportation equipment	<u>11,046</u>	<u>5,170</u>
	<u>\$ 48,685</u>	<u>\$ 75,919</u>
	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	<u>\$ 19,445</u>	<u>\$ 5,344</u>
Depreciation charge for right-of-use assets		
Land	\$ 1,893	\$ 1,892
Buildings	40,569	38,099
Office equipment	872	812
Transportation equipment	<u>3,345</u>	<u>1,881</u>
	<u>\$ 46,679</u>	<u>\$ 42,684</u>

b. Lease liabilities

	December 31	
	2025	2024
<u>Carrying amounts</u>		
Current	<u>\$ 35,269</u>	<u>\$ 42,533</u>
Non-current	<u>\$ 13,950</u>	<u>\$ 33,987</u>

Range of discount rates for lease liabilities was as follows:

	December 31	
	2025	2024
Land	1.07%	1.07%
Buildings	1.07%-1.96%	1.07%
Office equipment	1.07%-1.96%	1.07%-1.85%
Transportation equipment	1.25%-1.96%	1.25%

c. Material lease-in activities and terms

The Company leases land, buildings and transportation equipment for the use of parking garage, offices, office equipment and official vehicles with lease terms of 1 to 6 years. The Company does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Company is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

	<u>For the Year Ended December 31</u>	
	2025	2024
Expenses relating to short-term leases	<u>\$ 47,249</u>	<u>\$ 43,884</u>
Total cash outflow for leases	<u>\$ (94,775)</u>	<u>\$ (86,929)</u>

The Company's leases of certain office equipment and retail stores qualify as short-term leases. The Company has elected to apply the recognition exemption and, thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. INTANGIBLE ASSETS

	Computer Software
<u>Cost</u>	
Balance on January 1, 2024	\$ 277,940
Additions	<u>19,055</u>
Balance on December 31, 2024	<u>\$ 296,995</u>
<u>Accumulated amortization and impairment</u>	
Balance on January 1, 2024	\$ 251,054
Amortization expenses	<u>12,165</u>
Balance on December 31, 2024	<u>\$ 263,219</u>
Carrying amount on December 31, 2024	<u>\$ 33,776</u>
<u>Cost</u>	
Balance on January 1, 2025	\$ 296,995
Additions	<u>22,933</u>
Balance on December 31, 2025	<u>\$ 319,928</u>

(Continued)

	Computer Software
<u>Accumulated amortization and impairment</u>	
Balance on January 1, 2025	\$ 263,219
Amortization expenses	<u>18,282</u>
Balance on December 31, 2025	<u>\$ 281,501</u>
Carrying amount on December 31, 2025	<u>\$ 38,427</u> (Concluded)

Intangible assets are amortized on straight-line basis over their estimated useful lives as follows:

Computer software	2-3 years
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17. OTHER ASSETS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Advances to officers	\$ 17,535	\$ 20,620
Right to recover a product	<u>30,609</u>	<u>28,813</u>
	<u>\$ 48,144</u>	<u>\$ 49,433</u>
<u>Non-current</u>		
Refundable deposits	\$ 20,828	\$ 19,357
Others	<u>23,270</u>	<u>11,628</u>
	<u>\$ 44,098</u>	<u>\$ 30,985</u>

18. NOTES PAYABLE AND TRADE PAYABLES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Notes payable</u>		
Operating	<u>\$ 29,239</u>	<u>\$ 24,946</u>
<u>Trade payables</u>		
Operating	<u>\$ 835,739</u>	<u>\$ 824,601</u>

The average credit period of payables for purchases of goods was 30-90 days. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

19. OTHER LIABILITIES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Other payables		
Payable for salaries and bonuses	\$ 132,082	\$ 134,306
Payable for compensation of employees	19,566	28,146
Payable for remuneration of directors	8,031	11,553
Payable for commission and rebates	582,535	523,974
Advertisement payable	255,041	297,587
Payable for royalties	23,423	25,594
Payable for freight	5,274	5,525
Payable for purchases of equipment	91,292	71,897
Payable for labor and health insurance	22,888	21,700
Payable for environmental recycling fee	8,913	8,929
Others	<u>205,141</u>	<u>144,557</u>
	<u>\$ 1,354,186</u>	<u>\$ 1,273,768</u>
Other liabilities		
Return liability and others	<u>\$ 63,853</u>	<u>\$ 59,220</u>
<u>Non-current</u>		
Other liabilities		
Guarantee deposits	<u>\$ 150</u>	<u>\$ 150</u>

In accordance with business practices, the Company accepts the returns of goods sold. Taking into account the historical experience in the past, the Company estimates the return rate with the most probable amount, and recognizes the return liability, which accounts for other current liabilities, and related product rights to be returned, which accounts for other current assets.

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plan

The defined benefit plan of the Company is operated by the government of the Republic of China ("ROC") in accordance with the Labor Standards Act. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company makes monthly contributions to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name.

Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the “Bureau”); the Company has no right to influence the investment policy and strategy.

The amounts included in the balance sheets in respect of the Company’s defined benefit plan were as follows:

	December 31	
	2025	2024
Present value of defined benefit obligation	\$ 441,496	\$ 441,722
Fair value of plan assets	<u>(348,571)</u>	<u>(340,061)</u>
Net defined benefit liability	<u>\$ 92,925</u>	<u>\$ 101,661</u>

Movements in net defined benefit liability (asset) were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability
Balance on January 1, 2024	<u>\$ 470,069</u>	<u>\$ (293,629)</u>	<u>\$ 176,440</u>
Service cost			
Current service cost	1,181	-	1,181
Past service cost	4,440	-	4,440
Net effects in employee transfer	2,289	-	2,289
Net interest expense (income)	<u>5,876</u>	<u>(3,738)</u>	<u>2,138</u>
Recognized in profit or loss	<u>13,786</u>	<u>(3,738)</u>	<u>10,048</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(26,174)	(26,174)
Actuarial gain - changes in financial assumptions	(8,852)	-	(8,852)
Actuarial gain - experience adjustments	<u>(4,906)</u>	<u>-</u>	<u>(4,906)</u>
Recognized in other comprehensive income	<u>(13,758)</u>	<u>(26,174)</u>	<u>(39,932)</u>
Contributions from the employer	<u>-</u>	<u>(42,092)</u>	<u>(42,092)</u>
Benefits paid	<u>(25,572)</u>	<u>25,572</u>	<u>-</u>
Direct payment to employees	<u>(2,803)</u>	<u>-</u>	<u>(2,803)</u>
Balance on December 31, 2024	<u>\$ 441,722</u>	<u>\$ (340,061)</u>	<u>\$ 101,661</u>
Balance on January 1, 2025	<u>\$ 441,722</u>	<u>\$ (340,061)</u>	<u>\$ 101,661</u>
Service cost			
Current service cost	941	-	941
Past service cost	11,166	-	11,166
Net interest expense (income)	<u>6,626</u>	<u>(5,197)</u>	<u>1,429</u>
Recognized in profit or loss	<u>18,733</u>	<u>(5,197)</u>	<u>13,536</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(23,324)	(23,324)

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability
Actuarial loss - changes in financial assumptions	\$ 8,554	\$ -	\$ 8,554
Actuarial loss - experience adjustments	<u>5,781</u>	<u>-</u>	<u>5,781</u>
Recognized in other comprehensive income	<u>14,335</u>	<u>(23,324)</u>	<u>(8,989)</u>
Contributions from the employer	<u>-</u>	<u>(12,031)</u>	<u>(12,031)</u>
Benefits paid	<u>(32,042)</u>	<u>32,042</u>	<u>-</u>
Direct payment to employees	<u>(1,252)</u>	<u>-</u>	<u>(1,252)</u>
Balance on December 31, 2025	<u>\$ 441,496</u>	<u>\$ (348,571)</u>	<u>\$ 92,925</u> (Concluded)

Through the defined benefit plan under the Labor Standards Act, the Company is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2025	2024
Discount rate	1.250%	1.500%
Expected rate of salary increase	3.250%	3.250%

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2025	2024
Discount rate		
0.250% increase	<u>\$ (8,554)</u>	<u>\$ (8,590)</u>
0.250% decrease	<u>\$ 8,843</u>	<u>\$ 8,852</u>
Expected rate of salary increase		
0.250% increase	<u>\$ 8,535</u>	<u>\$ 8,556</u>
0.250% decrease	<u>\$ (8,301)</u>	<u>\$ (8,347)</u>

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
The expected contributions to the plan for the next year	<u>\$ 12,436</u>	<u>\$ 12,865</u>
The average duration of the defined benefit obligation	8.8 years	8.3 years

21. EQUITY

a. Share capital

Ordinary shares

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Shares authorized (in thousands of shares)	<u>920,000</u>	<u>920,000</u>
Shares authorized, par value of \$10 (in thousands of NT\$)	<u>\$ 9,200,000</u>	<u>\$ 9,200,000</u>
Shares issued and fully paid (in thousands of shares)	<u>915,089</u>	<u>915,089</u>
Shares issued (in thousands of NT\$)	<u>\$ 9,150,897</u>	<u>\$ 9,150,897</u>

b. Capital surplus

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Recognized from the difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	\$ 1	\$ 1
Recognized from treasury share transactions	182,549	173,212
<u>May be used to offset a deficit</u>		
Changes in percentage of ownership interests in subsidiaries (2)	<u>709</u>	<u>709</u>
	<u>\$ 183,259</u>	<u>\$ 173,922</u>

1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

2) Such capital surplus arises from the effect of changes in ownership interests in subsidiaries that result from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, where the Company made profit in a fiscal year, the profit shall be appropriated from (less any paying taxes and deficit):

- 1) 10% thereof as legal reserve;
- 2) Special reserve provided or reversed in accordance with the regulations;
- 3) 30% to 100% of this the sum of the remainder and prior years' unappropriated earnings as dividends.

The Company's Articles of Incorporation also prescribe that 30% to 100% of dividends shall be paid in cash; however, if the Company has major investment plans for which external funds are not available, the percentage may be lowered to 5% to 20%. The distribution plan shall be proposed by the Company's board of directors and resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders. For the policies on distribution of the compensation of employees and remuneration of directors after amendment, refer to Note 23(h) employees' compensation and remuneration of directors.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2024 and 2023, which were resolved by in the shareholders in their meetings on June 19, 2025 and June 19, 2024, respectively, were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2024	2023
Legal reserve	<u>\$ 177,416</u>	<u>\$ 118,157</u>
Cash dividends	<u>\$ 1,281,125</u>	<u>\$ 1,143,862</u>
Cash dividends per share (NT\$)	\$ 1.40	\$ 1.25

The appropriation of earnings for 2025, which were proposed by the Company's board of directors on March 12, 2026, were as follows:

	Appropriation
	of Earnings
Legal reserve	<u>\$ 122,024</u>
Special reserve	<u>\$ 1,226,220</u>
Cash dividends	\$ 1.34

The appropriation of earnings for 2025 will be resolved by the shareholders in their meeting to be held on June 17, 2026.

d. Special reserve

	<u>For the Year Ended December 31</u>	
	2025	2024
Balance on January 1 and December 31	<u>\$ 577,494</u>	<u>\$ 577,494</u>

Appropriation for special reserve should be made in the amount equal to the net debit balance of other equity at the end of the reporting period. If there is a subsequent reversal of the net deduction of other shareholders' equity, the special reserve reversed may be reverted to distribute the surplus.

e. Other equity items

1) Exchange differences on translation of the financial statements of foreign operations

	<u>For the Year Ended December 31</u>	
	2025	2024
Balance on January 1	\$ (247,432)	\$ (576,053)
Recognized for the year		
Exchange differences on translation of the financial statements of foreign operations	<u>(118,989)</u>	<u>328,621</u>
Other comprehensive income recognized for the year	<u>(118,989)</u>	<u>328,621</u>
Balance on December 31	<u>\$ (366,421)</u>	<u>\$ (247,432)</u>

2) Unrealized (loss) gain on financial assets at FVTOCI

	<u>For the Year Ended December 31</u>	
	2025	2024
Balance on January 1	\$ 249,714	\$ 183,430
Recognized for the year		
Unrealized (loss) gain - equity instruments	<u>316,084</u>	<u>68,563</u>
Other comprehensive income recognized for the year	<u>316,084</u>	<u>68,563</u>
Disposal of equity instruments transferred to the retained earnings	<u>-</u>	<u>(2,279)</u>
Balance on December 31	<u>\$ 565,798</u>	<u>\$ 249,714</u>

f. Treasury shares

Purpose of Buy-back	Shares Held by Subsidiaries (In Thousands of Shares)
Number of shares at January 1, 2025 and December 31, 2025	<u>6,669</u>
Number of shares at January 1, 2024 and December 31, 2024	<u>6,669</u>

For the purpose of maintaining the Company's credit and shareholders' equity, the Company's shares held by its subsidiaries at the end of the reporting periods were as follows:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Market Price
<u>December 31, 2025</u>			
Chang Hui	6,669	<u>\$ 21,182</u>	<u>\$ 201,418</u>
<u>December 31, 2024</u>			
Chang Hui	6,669	<u>\$ 21,182</u>	<u>\$ 244,436</u>

The Company's shares held by subsidiaries were treated as treasury shares, aside from the rights to participate in any share issuance for cash and to vote, the rest were similar to general shareholders' rights.

22. REVENUE

	<u>For the Year Ended December 31</u>	
	2025	2024
Revenue from contracts with customers		
Revenue from sale of goods	<u>\$ 12,188,324</u>	<u>\$ 12,384,997</u>

a. Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Notes receivable (Note 10)	<u>\$ 354</u>	<u>\$ 558</u>	<u>\$ 957</u>
Trade receivables (Note 10)	<u>\$ 1,693,969</u>	<u>\$ 1,868,502</u>	<u>\$ 1,885,032</u>
Trade receivables from related parties (Note 28)	<u>\$ 244,511</u>	<u>\$ 149,193</u>	<u>\$ 158,134</u>
Contract liabilities - current			
Sale of goods	<u>\$ 40,720</u>	<u>\$ 4,471</u>	<u>\$ 14,871</u>

b. Disaggregation of revenue

	<u>Reportable Segments</u>			Total
	Nutritious Foods	Cooking Products	Others	
For the year ended <u>December 31, 2025</u>				
Type of goods or services				
Sale of goods	<u>\$ 9,237,502</u>	<u>\$ 2,540,841</u>	<u>\$ 409,981</u>	<u>\$ 12,188,324</u>

(Continued)

	Reportable Segments			Total
	Nutritious Foods	Cooking Products	Others	
For the year ended <u>December 31, 2024</u>				
Type of goods or services				
Sale of goods	<u>\$ 9,423,838</u>	<u>\$ 2,529,331</u>	<u>\$ 431,828</u>	<u>\$ 12,384,997</u> (Concluded)

23. NET PROFIT

Net Profit

a. Interest income

	For the Year Ended December 31	
	2025	2024
Interest income		
Bank deposits	\$ 16,055	\$ 16,797
Financial assets at amortized cost	31,293	17,599
Repurchase agreements collateralized by bonds	489	535
Loans to related parties	1,833	16,855
Others	<u>3,234</u>	<u>2,580</u>
	<u>\$ 52,904</u>	<u>\$ 54,366</u>

b. Other income

	For the Year Ended December 31	
	2025	2024
Royalties	\$ 10,648	\$ 9,554
Dividends	<u>2,862</u>	<u>6,636</u>
	<u>\$ 13,510</u>	<u>\$ 16,190</u>

c. Other gains and losses

	For the Year Ended December 31	
	2025	2024
Fair value changes of financial assets and financial liabilities		
Net gain on financial assets mandatorily classified as at FVTPL	\$ 52,799	\$ 70,521
Net foreign exchange (losses) gains	(23,445)	67,154
Net (loss) gain on disposal of property, plant and equipment	(70)	1,453
Government grants	9,015	3,455
Others	<u>11,281</u>	<u>2,009</u>
	<u>\$ 49,580</u>	<u>\$ 144,592</u>

d. Finance costs

	<u>For the Year Ended December 31</u>	
	2025	2024
Interest on bank loans	\$ 71	\$ 27
Interest on lease liabilities	779	1,041
Other interest expenses	<u>28</u>	<u>279</u>
	<u>\$ 878</u>	<u>\$ 1,347</u>

e. Impairment loss (gain on reversal)

	<u>For the Year Ended December 31</u>	
	2025	2024
Trade receivables	\$ (729)	\$ 304
Inventories (included in operating costs)	<u>15,362</u>	<u>(13,005)</u>
	<u>\$ 14,633</u>	<u>\$ (12,701)</u>

f. Depreciation and amortization

	<u>For the Year Ended December 31</u>	
	2025	2024
An analysis of depreciation by function		
Operating costs	\$ 151,174	\$ 150,693
Operating expenses	<u>64,060</u>	<u>60,303</u>
	<u>\$ 215,234</u>	<u>\$ 210,996</u>
An analysis of amortization by function		
Operating costs	\$ 10,275	\$ 7,157
Operating expenses	<u>20,540</u>	<u>13,706</u>
	<u>\$ 30,815</u>	<u>\$ 20,863</u>

g. Employee benefits expense

	<u>For the Year Ended December 31</u>	
	2025	2024
Post-employment benefits		
Defined contribution plans	\$ 51,681	\$ 43,956
Defined benefit plans (see Note 20)	<u>13,536</u>	<u>10,048</u>
	65,217	54,004
Other employee benefits	<u>1,385,130</u>	<u>1,332,926</u>
Total employee benefits expense	<u>\$ 1,450,347</u>	<u>\$ 1,386,930</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 609,665	\$ 586,834
Operating expenses	<u>840,682</u>	<u>800,096</u>
	<u>\$ 1,450,347</u>	<u>\$ 1,386,930</u>

h. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at the rates of no less than 0.5% and no higher than 0.75%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Company's board of directors on March 12, 2026 and March 11, 2025, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2025	2024
Compensation of employees	1.34%	1.34%
Remuneration of directors	0.55%	0.55%

Amount

	For the Year Ended December 31	
	2025	2024
	Cash	Cash
Compensation of employees	\$ 19,566	\$ 28,146
Remuneration of directors	8,031	11,553

If the amount changes after the financial statements are approved and announced to the public, the difference will be treated as a change in accounting estimate and recognized as a gain or loss in the following year.

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the financial statements for the years ended December 31, 2024 and 2023.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

i. Gain or loss on foreign currency exchange

	For the Year Ended December 31	
	2025	2024
Foreign exchange gains	\$ 45,037	\$ 108,593
Foreign exchange losses	<u>(68,482)</u>	<u>(41,439)</u>
Net (losses) gains	<u>\$ (23,445)</u>	<u>\$ 67,154</u>

24. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of the current year	\$ 248,206	\$ 279,642
Additional tax on unappropriated earnings	15,781	-
Adjustments for prior years	<u>(896)</u>	<u>(667)</u>
	<u>263,091</u>	<u>278,975</u>
Deferred tax		
In respect of the current year	<u>(39,423)</u>	<u>48,024</u>
Income tax expense recognized in profit or loss	<u>\$ 223,668</u>	<u>\$ 326,999</u>

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31	
	2025	2024
Profit before tax from continuing operations	<u>\$ 1,432,458</u>	<u>\$ 2,060,963</u>
Income tax expense calculated at the statutory rate	\$ 286,492	\$ 412,193
Nondeductible expenses in determining taxable income	7,614	9,318
Tax-exempt income	(85,323)	(93,845)
Additional tax on unappropriated earnings	15,781	-
Adjustments for prior years' tax	<u>(896)</u>	<u>(667)</u>
Income tax expense recognized in profit or loss	<u>\$ 223,668</u>	<u>\$ 326,999</u>

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2025	2024
<u>Deferred tax</u>		
In respect of the current year		
Translation of foreign operations	\$ (29,710)	\$ 82,155
Remeasurement of defined benefit plans	1,604	7,476
Fair value changes of financial assets at FVTOCI	<u>(820)</u>	<u>2</u>
Total (income) expense tax recognized in other comprehensive income	<u>\$ (28,926)</u>	<u>\$ 89,633</u>

c. Current tax liabilities

	December 31	
	2025	2024
Current tax liabilities		
Income tax payable	<u>\$ 130,026</u>	<u>\$ 127,418</u>

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2025

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred tax assets</u>				
Temporary differences				
Investments accounted for using the equity method	\$ 58,253	\$ (214)	\$ -	\$ 58,039
Exchange differences on translation of the financial statements of foreign operations	61,857	-	29,710	91,567
Defined benefit plans	60,804	50	(1,797)	59,057
Deferred sales returns and allowances	1,998	430	-	2,428
Allowance for inventory loss	4,751	3,072	-	7,823
FVTOCI financial assets	<u>20,406</u>	<u>-</u>	<u>820</u>	<u>21,226</u>
	<u>\$ 208,069</u>	<u>\$ 3,338</u>	<u>\$ 28,733</u>	<u>\$ 240,140</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Investments accounted for using the equity method	\$ 41,923	\$ (34,401)	\$ -	\$ 7,522
Reserve for land value increment tax	33,685	-	-	33,685
Defined benefit plans	1,251	-	(193)	1,058
Others	<u>9,948</u>	<u>(1,684)</u>	<u>-</u>	<u>8,264</u>
	<u>\$ 86,807</u>	<u>\$ (36,085)</u>	<u>\$ (193)</u>	<u>\$ 50,529</u>

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred tax assets</u>				
Temporary differences				
Investments accounted for using the equity method	\$ 71,395	\$ (13,142)	\$ -	\$ 58,253
Exchange differences on translation of the financial statements of foreign operations	144,012	-	(82,155)	61,857
Defined benefit plans	69,764	(973)	(7,987)	60,804
Deferred sales returns and allowances	2,203	(205)	-	1,998
Allowance for inventory loss	7,353	(2,602)	-	4,751
FVTOCI financial assets	<u>20,408</u>	<u>-</u>	<u>(2)</u>	<u>20,406</u>
	<u>\$ 315,135</u>	<u>\$ (16,922)</u>	<u>\$ (90,144)</u>	<u>\$ 208,069</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Investments accounted for using the equity method	\$ 20,653	\$ 21,270	\$ -	\$ 41,923
Reserve for land value increment tax	33,685	-	-	33,685
Defined benefit plans	1,762	-	(511)	1,251
Others	<u>116</u>	<u>9,832</u>	<u>-</u>	<u>9,948</u>
	<u>\$ 56,216</u>	<u>\$ 31,102</u>	<u>\$ (511)</u>	<u>\$ 86,807</u>

e. Income tax assessments

The income tax returns of the Company through 2023 have been assessed by the tax authorities.

25. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<u>For the Year Ended December 31</u>	
	2025	2024
Basic earnings per share	<u>\$ 1.33</u>	<u>\$ 1.91</u>
Diluted earnings per share	<u>\$ 1.33</u>	<u>\$ 1.91</u>

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net Profit for the Year

	<u>For the Year Ended December 31</u>	
	2025	2024
Earnings used in the computation of basic earnings per share	<u>\$ 1,208,790</u>	<u>\$ 1,733,964</u>

Shares

	<u>For the Year Ended December 31</u>	
	2025	2024
Weighted average number of ordinary shares used in computation of basic earnings per share	908,420	908,420
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>830</u>	<u>898</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>909,250</u>	<u>909,318</u>

The Company may settle compensation paid to employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

26. CAPITAL MANAGEMENT

The Company's capital management objective is to ensure financial resources are available and operating plans are in place for working capital, capital expenditures, research and development expenses, refund liabilities and dividend disbursement, etc. in the next twelve months. The Company manages its capital to ensure that entities in the Company and subsidiaries will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

27. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares	\$ 38,448	\$ -	\$ -	\$ 38,448
Unlisted shares	-	-	1,702	1,702
Mutual funds	693,687	-	-	693,687
Note cash	<u>-</u>	<u>131,444</u>	<u>-</u>	<u>131,444</u>
	<u>\$ 732,135</u>	<u>\$ 131,444</u>	<u>\$ 1,702</u>	<u>\$ 865,281</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares	\$ 130,141	\$ -	\$ -	\$ 130,141
Unlisted shares	<u>-</u>	<u>-</u>	<u>843,281</u>	<u>843,281</u>
	<u>\$ 130,141</u>	<u>\$ -</u>	<u>\$ 843,281</u>	<u>\$ 973,422</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares	\$ 37,526	\$ -	\$ -	\$ 37,526
Unlisted shares	-	-	1,403	1,403
Mutual funds	959,099	-	-	959,099
Note cash	<u>-</u>	<u>132,301</u>	<u>-</u>	<u>132,301</u>
	<u>\$ 996,625</u>	<u>\$ 132,301</u>	<u>\$ 1,403</u>	<u>\$ 1,130,329</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares	\$ 127,164	\$ -	\$ -	\$ 127,164
Unlisted shares	<u>-</u>	<u>-</u>	<u>545,685</u>	<u>545,685</u>
	<u>\$ 127,164</u>	<u>\$ -</u>	<u>\$ 545,685</u>	<u>\$ 672,849</u>

There were no transfers between Levels 1 and 2 for the years ended December 31, 2025 and 2024.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2025

Financial Assets	Financial Assets at FVTPL Equity Instruments	Financial Assets at FVTOCI Equity Instruments	Total
Balance on January 1, 2025	\$ 1,403	\$ 545,685	\$ 547,088
Recognized in profit or loss (included in other gains and losses)	299	-	299
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	-	297,738	297,738
Purchases	-	10,000	10,000
Proceeds from capital reduction	-	(10,142)	(10,142)
Balance on December 31, 2025	<u>\$ 1,702</u>	<u>\$ 843,281</u>	<u>\$ 844,983</u>
Recognized in other gains and losses - unrealized	<u>\$ 299</u>		<u>\$ 299</u>

For the year ended December 31, 2024

Financial Assets	Financial Assets at FVTPL Equity Instruments	Financial Assets at FVTOCI Equity Instruments	Total
Balance on January 1, 2024	\$ 2,028	\$ 19,474	\$ 21,502
Recognized in profit or loss (included in other gains and losses)	(625)	-	(625)
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	-	86,461	86,461
Purchases	-	439,750	439,750
Balance on December 31, 2024	<u>\$ 1,403</u>	<u>\$ 545,685</u>	<u>\$ 547,088</u>
Recognized in other gains and losses - unrealized	<u>\$ (625)</u>		<u>\$ (625)</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Financial Instrument</u>	<u>Valuation Technique and Inputs</u>
Note cash	Discounted cash flow. Future cash flows are discounted at a rate that reflects current borrowing interest rates of the bond issuers at the end of the year.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

The valuation techniques of unlisted shares with no active market are mainly applicable for market and asset valuation methods.

The market method is mainly used to value the fair value of investment objects' market prices and environments.

The asset method is mainly utilized to value the fair value of investment objects' net asset values.

b. Categories of financial instruments

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets</u>		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	\$ 865,281	\$ 1,130,329
Financial assets at amortized cost (1)	3,689,063	4,342,906
Financial assets at FVTOCI		
Equity instruments	973,422	672,849
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (2)	991,431	936,897

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, trade receivables from related parties, other receivables and other receivables from related parties and refundable deposits.

2) The balances include financial liabilities measured at amortized cost, which comprise notes payable, trade payables, trade payables to related parties, other payables to related parties, payables for purchases of equipment and guarantee deposits.

c. Financial risk management objectives and policies

The Company's major financial instruments include cash and cash equivalents, equity and debt investments, mutual funds, trade receivables and trade payables. The Company's Financial Department provides services to the business, coordinates access to financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

a) Foreign currency risk

The Company's foreign currency risk arises from its monetary assets and monetary liabilities denominated in currencies other than the functional currency. The Company watches out for the fluctuation of market exchange rates, and takes appropriate actions to manage the exchange rate risk.

For the monetary assets and liabilities of the Company denominated in non-functional currencies on the balance sheet date, refer to Note 30.

Sensitivity analysis

The Company was mainly exposed to the RMB, USD, EUR, AUD, CHF, SGD and JPY.

The following table details the Company's sensitivity to a 3% increase or decrease in New Taiwan dollars (the functional currency) against the relevant foreign currencies. A change of 3% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis used the outstanding foreign currency denominated monetary items at the end of the reporting period and assumed the exchange rates at the end of the reporting period changed by 3% increase or decrease. The amount below indicates an increase (decrease) in pre-tax profit associated with the New Taiwan dollar weakening 3% against the relevant currency. For a 3% strengthening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	RMB Impact		USD Impact	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2025	2024	2025	2024
Profit or loss	\$ 29,132 (i)	\$ 29,137 (i)	\$ 1,718 (ii)	\$ 5,354 (ii)
	EUR Impact		AUD Impact	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2025	2024	2025	2024
Profit or loss	\$ 737 (iii)	\$ (32)(iii)	\$ 1,250 (iv)	\$ 2,826 (iv)
	CHF Impact		SGD Impact	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2025	2024	2025	2024
Profit or loss	\$ 2,170 (v)	\$ 762 (v)	\$ (120)(vi)	\$ (49)(vi)
	JPY Impact			
	For the Year Ended			
	December 31			
	2025	2024		
Profit or loss	\$ (151)(vii)	\$ -(vii)		

i. This was mainly attributable to the exposure of outstanding RMB-denominated bank deposits, receivables and payables which were not hedged at the end of the reporting period.

ii. This was mainly attributable to the exposure of outstanding USD-denominated bank deposits, receivables and payables which were not hedged at the end of the reporting period.

iii. This was mainly attributable to the exposure of outstanding EUR-denominated bank deposits, receivables and payables which were not hedged at the end of the reporting period.

- iv. This was mainly attributable to the exposure of outstanding AUD-denominated bank deposits, receivables and payables which were not hedged at the end of the reporting period.
 - v. This was mainly attributable to the exposure of outstanding CHF-denominated bank deposits and receivables which were not hedged at the end of the reporting period.
 - vi. This was mainly attributable to the exposure of outstanding SGD-denominated bank deposits and payables which were not hedged at the end of the reporting period.
 - vii. This was mainly attributable to the exposure of outstanding JPY-denominated bank deposits and payables which were not hedged at the end of the reporting period.
- b) Interest rate risk

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates at the end of the reporting periods were as follows.

	<u>December 31</u>	
	2025	2024
Fair value interest rate risk		
Financial assets	\$ 1,033,271	\$ 2,186,203
Financial liabilities	49,219	76,520

Sensitivity analysis

The sensitivity analyses below were determined based on the Company's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets, the analysis was prepared assuming the amount of the asset outstanding at the end of the reporting period was outstanding for the whole year. A 1% basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables were held constant, the Company's pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$0 thousand and \$0 thousand, respectively.

- c) Other price risk

The Company was exposed to equity price risk due to its investments in listed equity securities and mutual funds. The Company has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$8,653 thousand and \$11,303 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the years ended December 31, 2025 and 2024 would have increased/decreased by \$9,734 thousand and \$6,728 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. As of the balance sheet date, the Company's maximum exposure to credit risk which will cause a financial loss to the Company (specifically, the maximum amount of irrevocable exposure without taking into consideration the effect of collaterals and other credit enhancements) due to failure of counterparties to discharge an obligation and due to financial guarantees provided by the Company could arise from:

- a) The carrying amount of the respective recognized financial assets as stated in the balance sheets; and
- b) The amount of contingent liabilities in relation to financial guarantees issued by the Company.

In order to minimize credit risk, management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade receivable at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts.

The Company's concentration of credit risk of 67% and 71% in total trade receivables as of December 31, 2025 and 2024, was related to the Company's four largest customers.

3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Company relies on bank borrowings as a significant source of liquidity. As of December 31, 2025 and 2024, the Company had available unutilized bank loan facilities in the amounts of \$2,289,619 thousand and \$2,365,679 thousand, respectively.

Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The table included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from interest rate curve at the end of the reporting period.

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5-10 Years
Non-interest bearing	\$ 317,472	\$ 604,656	\$ 68,469	\$ 150	\$ -
Lease liabilities	4,190	8,191	23,263	14,156	50
Contract liabilities	<u>13,574</u>	<u>27,146</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 335,236</u>	<u>\$ 639,993</u>	<u>\$ 91,732</u>	<u>\$ 14,306</u>	<u>\$ 50</u>

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Non-interest bearing	\$ 295,223	\$ 587,000	\$ 53,923	\$ 150
Lease liabilities	3,658	7,253	32,219	34,249
Contract liabilities	<u>1,490</u>	<u>2,981</u>	<u>-</u>	<u>-</u>
	<u>\$ 300,371</u>	<u>\$ 597,234</u>	<u>\$ 86,142</u>	<u>\$ 34,399</u>

The amount included above for variable interest rate instruments of non-derivative financial liabilities were subject to change if variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

28. TRANSACTIONS WITH RELATED PARTIES

The transactions between the Company and its related parties, other than those disclosed in other notes, are summarized as follows:

a. Related parties and relationships

<u>Name of Related Party</u>	<u>Relationship with the Company</u>
Standard Dairy Products	Subsidiary
Chang Hui Company Limited	Subsidiary
NUTRA	Subsidiary
Dermalab S.A. (Dermalab)	Subsidiary
GeneFerm Biotechnology Co., Ltd. (“GeneFerm”)	The Company is one of the directors
H2U Corporation	The Company is one of the directors
Sancci Manufacture Food Company	The Company is one of the directors

b. Sales of goods

Line Items	Related Party Category/Name	For the Year Ended December 31	
		2025	2024
Sales	Subsidiaries		
	Standard Dairy Products	\$ 1,750,744	\$ 1,641,683
	NUTRA	2,652	-
	The Company is one of the directors		
	GeneFerm	246	285
	H2U Corporation	<u>35,257</u>	<u>12,802</u>
		<u>\$ 1,788,899</u>	<u>\$ 1,654,770</u>

Sales to related parties were conducted on normal commercial terms.

c. Purchases of goods

Related Party Category/Name	For the Year Ended December 31	
	2025	2024
Subsidiaries		
Standard Dairy Products	\$ 1,135,654	\$ 1,143,482
The Company is one of the directors		
GeneFerm	60,823	40,590
H2U Corporation	-	63
Sancci Manufacture Food Company	<u>128,839</u>	<u>48,989</u>
	<u>\$ 1,325,316</u>	<u>\$ 1,233,124</u>

Purchases from related parties were conducted on normal commercial terms.

d. Receivables from related parties

Line Items	Related Party Category/Name	December 31	
		2025	2024
Trade receivables	Subsidiaries		
	Standard Dairy Products	\$ 235,943	\$ 141,253
	The Company is one of the directors		
	GeneFerm	102	119
	H2U Corporation	<u>8,466</u>	<u>7,821</u>
		<u>\$ 244,511</u>	<u>\$ 149,193</u>
Other receivables	Subsidiaries		
	Standard Dairy Products	\$ 9,403	\$ 3,965
	Charng Hui	54,121	26,619
	Dermalab	<u>72,337</u>	<u>25,386</u>
		<u>\$ 135,861</u>	<u>\$ 55,970</u>

The outstanding receivables from related parties are unsecured. For the years ended December 31, 2025 and 2024, no impairment loss was recognized on receivables from related parties.

e. Payables to related parties

Line Items	Related Party Category/Name	December 31	
		2025	2024
Trade payables	The Company is one of the directors		
	GeneFerm	\$ 17,325	\$ 12,555
	H2U Corporation	-	9
	Sancci Manufacture Food Company	<u>17,002</u>	<u>2,137</u>
		<u>\$ 34,327</u>	<u>\$ 14,701</u>
Other payables	The held company as its director		
	H2U Corporation	<u>\$ 684</u>	<u>\$ 602</u>

The outstanding payables from related parties are unsecured.

f. Loans to related parties (included in other receivables from related parties)

Related Party Category/Name	December 31	
	2025	2024
Subsidiary		
Charng Hui	\$ 54,000	\$ 26,500
Dermalab	<u>72,337</u>	<u>25,386</u>
	<u>\$ 126,337</u>	<u>\$ 51,886</u>

Interest expenses

Related Party Category/Name	For the Year Ended December 31	
	2025	2024
Subsidiary		
Charng Hui	\$ 817	\$ 849
China Standard Foods	-	5,809
Xiamen Standard Foods	-	10,197
Dermalab	<u>1,016</u>	<u>-</u>
	<u>\$ 1,833</u>	<u>\$ 16,855</u>

g. Endorsements and guarantees

Endorsements and guarantees provided by the Company

Related Party Category/Name	December 31	
	2025	2024
Subsidiaries		
Charng Hui		
Amount endorsed	<u>\$ 94,290</u>	<u>\$ 98,355</u>
Amount utilized	<u>\$ -</u>	<u>\$ -</u>

h. Other transactions with related parties

Line Items	Related Party Category/Name	For the Year Ended December 31	
		2025	2024
Royalty revenue	Subsidiaries Standard Dairy Products	<u>\$ 10,648</u>	<u>\$ 9,554</u>
Service revenue	Subsidiaries Charng Hui	<u>\$ 1,320</u>	<u>\$ 1,320</u>

i. Remuneration of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$ 19,772	\$ 27,204
Post-employment benefits	<u>668</u>	<u>681</u>
	<u>\$ 20,440</u>	<u>\$ 27,885</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

29. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Company as of December 31, 2025 were as follows:

- a. The Company has entered into a license agreement with The Quaker Oats Company (“Quaker”) for a period ending July 11, 2034. The agreement provides that the Company may use Quaker’s trademark, and process, manufacture, market and sell Quaker baby cereal, oatmeal, fruit cereal, ready-to-eat cereal, sesame paste, milk powder and other cereal products in the ROC. In consideration of the above, the Company shall pay Quaker royalties at an agreed percentage of net sales (as defined).
- b. Unrecognized commitments for acquisition of property, plant and equipment of approximately \$251,672 thousand.
- c. Unrecognized commitments for acquiring approximately 18,169 tons of colostrum from dairymen.

30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The significant assets and liabilities denominated in foreign currencies other than functional currency of the Company and the exchange rates between foreign currencies and functional currency were as follows:

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 1,999	31.43 (USD:NTD)	\$ 62,814
EUR	728	36.90 (EUR:NTD)	26,881
RMB	217,245	4.47 (RMB:NTD)	971,434
AUD	2,448	21.01 (AUD:NTD)	51,438
CHF	1,826	39.62 (CHF:NTD)	<u>72,337</u>
			<u>\$ 1,184,904</u>
Non-monetary items			
Investments accounted for using the equity method			
USD	4,028	31.43 (USD:NTD)	\$ 126,587
RMB	1,865,329	4.47 (RMB:NTD)	<u>8,342,124</u>
			<u>\$ 8,468,711</u>
<u>Financial liabilities</u>			
Monetary items			
USD	176	31.43 (USD:NTD)	\$ 5,539
EUR	63	36.90 (EUR:NTD)	2,330
RMB	84	4.47 (RMB:NTD)	375
AUD	466	21.01 (AUD:NTD)	9,786
JPY	24,992	0.20 (JPY:NTD)	5,018
SGD	163	24.45 (SGD:NTD)	<u>3,986</u>
			<u>\$ 27,034</u>

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 5,661	32.79 (USD:NTD)	\$ 185,596
RMB	212,949	4.56 (RMB:NTD)	971,219
AUD	5,050	20.39 (AUD:NTD)	102,971
CHF	700	36.26 (CHF:NTD)	<u>25,387</u>
			<u>\$ 1,285,173</u>

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
Non-monetary items			
Investments accounted for using the equity method			
USD	\$ 800	32.79 (USD:NTD)	\$ 26,228
RMB	1,898,936	4.56 (RMB:NTD)	8,661,141
SGD	411	24.13 (SGD:NTD)	<u>9,911</u>
			<u>\$ 8,697,280</u>
<u>Financial liabilities</u>			
Monetary items			
USD	217	32.78 (USD:NTD)	\$ 7,119
EUR	31	34.14 (EUR:NTD)	1,057
AUD	430	20.39 (AUD:NTD)	8,768
SGD	67	24.13 (SGD:NTD)	<u>1,627</u>
			<u>\$ 18,571</u>
			(Concluded)

The significant realized and unrealized foreign exchange gains (losses) were as follows:

Foreign Currency	For the Year Ended December 31			
	2025		2024	
	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
USD	31.18 (USD:NTD)	\$ (14,344)	32.11 (USD:NTD)	\$ 18,124
RMB	4.36 (RMB:NTD)	(19,046)	4.51 (RMB:NTD)	47,803
EUR	35.18 (EUR:NTD)	1,918	34.74 (EUR:NTD)	6,330
AUD	20.09 (AUD:NTD)	593	21.19 (AUD:NTD)	(3,914)
CHF	37.54 (CHF:NTD)	6,612	36.47 (CHF:NTD)	(153)
SGD	23.85 (SGD:NTD)	745	24.04 (SGD:NTD)	(759)
Others		<u>77</u>		<u>(277)</u>
		<u>\$ (23,445)</u>		<u>\$ 67,154</u>

31. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financings provided to others: (Table 1)
- 2) Endorsement/guarantee provided to others: (Table 2)
- 3) Significant marketable securities held (excluding investments in subsidiaries): (Table 3)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: (Table 4).

- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: (Table 5).
- b. Information on reinvestments (excluding investees in mainland China): (Table 6).
 - c. Information on investment in mainland China
 - 1) The name of the investee in mainland China, the main businesses and products, its issued capital, the method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on investee: (Table 7)
 - 2) Significant direct or indirect transactions (through a third region) with the investee, its prices and terms of payment, unrealized gain or loss: None.

STANDARD FOODS CORPORATION

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
0	Standard Foods Corporation	Standard Foods (Xiamen) Co., Ltd.	Financing receivables - related parties	Y	\$ 457,490	\$ -	\$ -	2.300%	b.	\$ -	Need for operation	\$ -	-	\$ -	\$ 3,571,557 (Note 3)	\$ 7,143,114 (Note 4)	Note 11
		Chang Hui	Financing receivables - related parties	Y	150,000	150,000	54,000	2.000%-2.300%	b.	-	Need for operation	-	-	-	3,571,557 (Note 3)	7,143,114 (Note 4)	Note 11
		Dermalab S.A.	Financing receivables - related parties	Y	141,252	72,337	72,337	2.000%	b.	-	Need for operation	-	-	-	7,143,114 (Note 5)	7,143,114 (Note 5)	Note 11
1	Standard Investment (China) Co., Ltd.	Shanghai Dermalab Corporation	Financing receivables - related parties	Y	231,290	223,580	165,744	2.650%	b.	-	Need for operation	-	-	-	1,504,851 (Note 6)	1,504,851 (Note 6)	Note 11
		Shanghai Le Ben Tuo Health Technology Co., Ltd.	Financing receivables - related parties	Y	536,592	536,592	367,709	2.650%	b.	-	Need for operation	-	-	-	1,504,851 (Note 6)	1,504,851 (Note 6)	Note 11
		Standard Foods (Xiamen) Co., Ltd.	Financing receivables - related parties	Y	555,096	402,444	272,007	2.650%	b.	-	Need for operation	-	-	-	1,504,851 (Note 6)	1,504,851 (Note 6)	Note 11
		Standard Foods (China) Co., Ltd.	Financing receivables - related parties	Y	89,432	89,432	82,917	2.650%	b.	-	Need for operation	-	-	-	1,504,851 (Note 6)	1,504,851 (Note 6)	Note 11
2	Shanghai Standard Foods Co., Ltd.	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Y	670,741	447,160	75,458	2.650%	b.	-	Need for operation	-	-	-	1,383,552 (Note 7)	1,383,552 (Note 7)	Note 11
		Standard Foods (Xiamen) Co., Ltd.	Financing receivables - related parties	Y	402,444	402,444	214,637	2.650%	b.	-	Need for operation	-	-	-	1,383,552 (Note 7)	1,383,552 (Note 7)	Note 11
		Standard Foods (China) Co., Ltd.	Financing receivables - related parties	Y	231,290	-	-	2.650%	b.	-	Need for operation	-	-	-	1,383,552 (Note 7)	1,383,552 (Note 7)	Note 11
		Jiangsu Hua Sun Health Technology Co., Ltd.	Financing receivables - related parties	Y	245,938	245,938	-	2.650%	b.	-	Need for operation	-	-	-	1,383,552 (Note 7)	1,383,552 (Note 7)	Note 11
3	Shanghai Le Ho Industrial Co., Ltd.	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Y	55,510	-	-	2.650%	b.	-	Need for operation	-	-	-	171,328 (Note 8)	171,328 (Note 8)	Note 11
		Shanghai Le Ben Tuo Health Technology Co., Ltd.	Financing receivables - related parties	Y	89,432	89,432	51,871	2.650%	b.	-	Need for operation	-	-	-	171,328 (Note 8)	171,328 (Note 8)	Note 11
4	Shanghai Le Min Industrial Co., Ltd.	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Y	55,510	-	-	2.650%	b.	-	Need for operation	-	-	-	107,344 (Note 9)	107,344 (Note 9)	Note 11
		Shanghai Le Ben Tuo Health Technology Co., Ltd.	Financing receivables - related parties	Y	89,432	89,432	34,655	2.650%	b.	-	Need for operation	-	-	-	107,344 (Note 9)	107,344 (Note 9)	Note 11
5	Shanghai Le Ben De Health Technology Co., Ltd.	Shanghai Le Ben Tuo Health Technology Co., Ltd.	Financing receivables - related parties	Y	13,415	13,415	13,415	2.650%	b.	-	Need for operation	-	-	-	13,598 (Note 10)	13,598 (Note 10)	Note 11

Note 1: "0" for the Company, subsidiaries are numbered from "1".

Note 2: Reasons for financing are as follows:

- a. Please fill in 1 for having business transactions.
- b. Please fill in 2 for short-term financing.

Note 3: The single limit is calculated based on 20% of the net worth of the latest financial statements of Standard Foods Corporation, which was calculated to be \$3,571,557 thousand (the net value per financial statements of \$17,857,785 thousand x 20% as of September 30, 2025).

Note 4: The maximum limit is calculated based on 40% of the net worth of the latest financial statements of Standard Foods Corporation, which was calculated to be \$7,143,114 thousand (the net value per financial statements of \$17,857,785 thousand x 40% as of September 30, 2025).

Note 5: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Standard Foods Corporation., which was calculated to be \$7,143,114 thousand (the net value per financial statements of \$17,857,785 thousand x 40% as of September 30, 2025).

Note 6: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Shanghai Investment (China) Co., Ltd., which was calculated to be \$1,504,851 thousand (the net value per financial statements of \$3,762,128 thousand x 40% as of September 30, 2025).

(Continued)

Note 7: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Shanghai Standard Foods Co., Ltd., which was calculated to be \$1,383,552 thousand (the net value per financial statements of \$3,458,881 thousand x 40% as of September 30, 2025).

Note 8: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Shanghai Le Ho Industrial Co., Ltd., which was calculated to be \$171,328 thousand (the net value per financial statements of \$428,320 thousand x 40% as of September 30, 2025).

Note 9: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Shanghai Le Min Industrial Co., Ltd., which was calculated to be \$107,344 thousand (the net value per financial statements of \$268,361 thousand x 40% as of September 30, 2025).

Note 10: The single and maximum limit is calculated based on 40% of the net worth of the latest financial statements of Shanghai Le Ben De Health Technology Co., Ltd., which was calculated to be \$13,598 thousand (the net value per financial statements of \$33,996 thousand x 40% as of September 30, 2025).

Note 11: The amounts presented above were eliminated upon consolidation.

(Concluded)

STANDARD FOODS CORPORATION

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorsement/Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount	Guarantee Provided by Parent Company (Note 5)	Guarantee Provided by Subsidiary (Note 5)	Guarantee Provided to Subsidiaries in Mainland China (Note 5)	Note
		Name	Nature of Relationship (Note 2)											
0	Standard Foods Corporation	Charng Hui	b.	\$ 14,286,228 (Note 3)	\$ 99,615	\$ 94,290	\$ -	\$ -	0.53%	\$ 17,857,785 (Note 4)	Y	-	-	

Note 1: "0" for the Company, subsidiaries are numbered from "1".

Note 2: There are seven types of relationships between the guaranteed party and the Company:

- a. Trading partner.
- b. The company in which the Company holds, directly or indirectly, more than fifty percent (50%) of the voting shares.
- c. The company that holds, directly or indirectly, more than fifty percent (50%) of the Company's voting shares.
- d. The company in which the Company holds, directly or indirectly, more than fifty percent (90%) of the voting shares.
- e. Guaranteed by construction contracts formed due to the need of construction projects, in which the companies in the same industry or joint builders provide endorsement/guarantee to one another.
- f. The guarantees were provided based on the Company's proportionate share in a jointly invested company.
- g. Companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The single enterprise's limit is calculated based on 80% of the net worth of the latest financial statements of Standard Foods Corporation, which is \$14,286,228 thousand (the net value per financial statements of \$17,857,785 thousand x 80% as of September 30, 2025).

Note 4: The maximum limit is calculated based on 100% of the net worth of the latest financial statements of Standard Foods Corporation, which is \$17,857,785 thousand (the net value per financial statements of \$17,857,785 thousand x 100% as of September 30, 2025).

Note 5: Guarantee provided by the listed parent company, guarantee provided by the subsidiary or guarantee provided to subsidiaries in mainland China, coded "Y".

STANDARD FOODS CORPORATION

SIGNIFICANT MARKETABLE SECURITIES HELD

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Standard Foods Corporation	<u>Shares</u>							
	Far Eastern International Commercial Bank Co., Ltd.		Financial assets at fair value through other comprehensive income - current	1,579,575	\$ 20,298	-	\$ 20,298	
	Chunghwa Telecom Co., Ltd.		Financial assets at fair value through other comprehensive income - current	48,600	6,342	-	6,342	
	GeneFerm Biotechnology Co., Ltd.	The Company is one of the directors	Financial assets at fair value through other comprehensive income - non-current	2,145,110	103,501	5.2	103,501	
	Dah Chung Bills Finance Corp.		Financial assets at fair value through other comprehensive income - non-current	1,338,204	20,796	0.3	20,796	
	H2U Corporation	The Company is one of the directors	Financial assets at fair value through other comprehensive income - non-current	6,398,723	624,963	15.3	624,963	
	Sancci Manufacture Food Company	The Company is one of the directors	Financial assets at fair value through other comprehensive income - non-current	1,286,786	197,522	10.0	197,522	
	NVIDIA Corporation		Financial assets at fair value through profit or loss - current	272	1,594	-	1,594	
	AbbVie Inc.		Financial assets at fair value through profit or loss - current	277	1,989	-	1,989	
	Berkshire Hathaway Inc.		Financial assets at fair value through profit or loss - current	165	2,607	-	2,607	
	Costco Wholesale Corporation		Financial assets at fair value through profit or loss - current	81	2,195	-	2,195	
	Alphabet Inc.		Financial assets at fair value through profit or loss - current	179	1,766	-	1,766	
	Johnson & Johnson		Financial assets at fair value through profit or loss - current	340	2,212	-	2,212	
	JPMorgan Chase & Co.		Financial assets at fair value through profit or loss - current	284	2,876	-	2,876	
	Eli Lilly and Company		Financial assets at fair value through profit or loss - current	109	3,682	-	3,682	
	The Procter & Gamble Company		Financial assets at fair value through profit or loss - current	558	2,513	-	2,513	
	T-Mobile US, Inc.		Financial assets at fair value through profit or loss - current	342	2,183	-	2,183	
	UnitedHealth Group Incorporated		Financial assets at fair value through profit or loss - current	275	2,853	-	2,853	
	Walmart Inc.		Financial assets at fair value through profit or loss - current	911	3,190	-	3,190	
	Taiwan Semiconductor Manufacturing Co., Ltd.		Financial assets at fair value through profit or loss - current	5,670	8,788	-	8,788	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
	<u>Mutual funds</u>							
	UPAMC James Bond Money Market Fund		Financial assets at fair value through profit or loss - current	10,392,487	\$ 183,552	-	\$ 183,552	
	Cathay China Domestic Demand Growth Fund		Financial assets at fair value through profit or loss - current	3,585,869	92,049	-	92,049	
	Cathay Target Date 2029 Fund		Financial assets at fair value through profit or loss - current	4,720,915	79,466	-	79,466	
	Fubon Money Market Fund		Financial assets at fair value through profit or loss - current	15,275,951	239,966	-	239,966	
	Cathay Global Aggressive Fund		Financial assets at fair value through profit or loss - current	2,284,844	82,049	-	82,049	
	Yuanta FTSE4Good TIP Taiwan ESG ETF		Financial assets at fair value through profit or loss - current	300,000	16,605	-	16,605	
	<u>Note cash</u>							
	HSBC Holdings USD Bond (HSBC_4.3_030826)		Financial assets at fair value through profit or loss - current	10,000	31,446	-	31,446	
	TSMC Unsecured Corporate Bond 2023 2nd Offering		Financial assets at fair value through profit or loss - current	500,000	49,999	-	49,999	
	The 3rd unsecured corporate bonds of Far Eastern New Century Corp. in 2024 (Far Eastern New Century Corporation 7th Unsecured Corporate Bond-A Issue In 2024)		Financial assets at fair value through profit or loss - current	500,000	49,999	-	49,999	
	<u>Shares</u>							
	Paradigm Venture Capital Corporation		Financial assets at fair value through profit or loss - non-current	153,320	1,702	7.0	1,702	
	U-Teck Environment Corporation, Ltd.		Financial assets at fair value through profit or loss - non-current	11,200	-	0.2	-	
	Techgains Pan-Pacific Corporation		Financial assets at fair value through profit or loss - non-current	500,000	-	0.9	-	
	Authenex, Inc.		Financial assets at fair value through profit or loss - non-current	2,424,242	-	5.5	-	
	Octamer, Inc. - Series E Preferred Stock		Financial assets at fair value through profit or loss - non-current	800,000	-	7.8	-	
	Octamer, Inc. - Series F Preferred Stock		Financial assets at fair value through profit or loss - non-current	107,815	-	1.0	-	
	Fortemedia, Inc. - Series D Preferred Stock		Financial assets at fair value through profit or loss - non-current	3,455	-	1.2	-	
	Fortemedia, Inc. - Series E Preferred Stock		Financial assets at fair value through profit or loss - non-current	71,397	-	1.2	-	
	Fortemedia, Inc. - Series F Preferred Stock		Financial assets at fair value through profit or loss - non-current	29,173	-	1.2	-	
	Fortemedia, Inc. - Series G Preferred Stock		Financial assets at fair value through profit or loss - non-current	31,135	-	1.3	-	
	Fortemedia, Inc. - Series I Preferred Stock		Financial assets at fair value through profit or loss - non-current	29,102	-	1.3	-	
	Fortemedia, Inc. - Common Stock		Financial assets at fair value through profit or loss - non-current	12,938	-	1.2	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Standard Dairy Products Taiwan Limited	<u>Mutual funds</u> Taishin Ta-Chong Money Market Fund		Financial assets at fair value through profit or loss - current	3,665,854	\$ 55,155	-	\$ 55,155	
	FSITC Taiwan Money Market Fund		Financial assets at fair value through profit or loss - current	3,411,653	55,299	-	55,299	
	Cathay China Domestic Demand Growth Fund		Financial assets at fair value through profit or loss - current	1,195,290	30,683	-	30,683	
	Cathay Target Date 2029 Fund		Financial assets at fair value through profit or loss - current	786,819	13,244	-	13,244	
	Cathay Global Aggressive Fund		Financial assets at fair value through profit or loss - current	761,615	27,350	-	27,350	
	Charng Hui Company Ltd.	<u>Shares</u> Standard Foods Corporation	Parent of Charng Hui Ltd.	Financial assets at fair value through other comprehensive income - current	6,669,471	201,418	0.7	201,418
Polytronics Technology Corp.		Charng Hui Ltd. is one of the directors	Financial assets at fair value through other comprehensive income - current	1,596,000	68,628	1.9	68,628	
Taiwan Semiconductor Manufacturing Co., Ltd.			Financial assets at fair value through other comprehensive income - current	90,000	139,500	-	139,500	
<u>Mutual funds</u> Fuh Hwa Global Strategic Allocation FoF			Financial assets at fair value through profit or loss - current	1,000,000	15,870	-	15,870	
Franklin Templeton SinoAm Franklin Templeton Global Bond Fund of Funds-Accu.			Financial assets at fair value through profit or loss - current	1,453,360	20,006	-	20,006	
<u>Shares</u> Amphastar Pharmaceuticals Inc. (AMPH)			Financial assets at fair value through profit or loss - non-current	7,742	6,517	-	6,517	
Standard Beverage Company Limited		<u>Mutual funds</u> Taishin 1699 Money Market Fund		Financial assets at fair value through profit or loss - current	1,993,156	28,640	-	28,640
	Accession Limited	<u>Shares</u> AsiaVest Liquidation Co.	Financial assets at fair value through other comprehensive income - non-current	200	1,077	0.7	1,077	
SF NUTRA PTE. LTD.		<u>Shares</u> Hello Health Holdings Pte. Ltd.	Financial assets at fair value through other comprehensive income - non-current	27,033	27,350	2.2	27,350	
China Standard Investment	<u>Shares</u> Better Life Commercial Chain Share Co., Ltd.		Financial assets at fair value through profit or loss - current	1,143,000	27,140	-	27,140	
	<u>Mutual funds</u> JPMorgan Funds		Financial assets at fair value through profit or loss - current	20,428,611	91,385	-	91,385	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Shanghai Standard Foods Co., Ltd.	Mutual funds JPMorgan Funds		Financial assets at fair value through profit or loss - current	30,034,446	\$ 134,355	-	\$ 134,355	

Note: The amounts presented above were eliminated upon consolidation.

(Concluded)

TABLE 4

STANDARD FOODS CORPORATION

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationships	Transaction Details				Abnormal Transaction		Notes/Accounts Payable (Receivable)		Note
			Purchases (Sales)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Standard Foods Corporation	Standard Dairy Products Taiwan Limited	The Company's subsidiary	Sales	\$ (1,750,744)	14.36	55 days after month end closing (net of receivables and payables)	-	-	\$ 235,943	12.17	Note
			Purchases	1,135,654	15.17	55 days after month end closing (net of receivables and payables)	-	-	-	-	Note
Standard Dairy Products Taiwan Limited	Standard Foods Corporation	Parent company of Standard Dairy Products Taiwan Limited	Purchases	1,750,744	56.54	55 days after month end closing (net of receivables and payables)	-	-	(235,943)	48.56	Note
			Sales	(1,135,654)	28.62	55 days after month end closing (net of receivables and payables)	-	-	-	-	Note
Shanghai Standard Foods Co., Ltd.	Standard Investment (China) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Sales	(1,043,573)	50.96	60 days after month-end closing	-	-	399,470	95.30	Note
			Purchases	486,145	25.41	60 days after month-end closing	-	-	(124,995)	60.70	Note
Standard Investment (China) Co., Ltd.	Shanghai Standard Foods Co., Ltd.	Brother company of Standard Investment (China) Co., Ltd.	Purchases	1,043,573	9.84	60 days after month-end closing	-	-	(399,470)	8.91	Note
			Sales	(486,145)	3.95	60 days after month-end closing	-	-	124,995	8.11	Note
Shanghai Standard Foods Co., Ltd.	Standard Foods (China) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Sales	(119,989)	5.86	60 days after month-end closing	-	-	18,619	4.44	Note
Standard Foods (China) Co., Ltd.	Shanghai Standard Foods Co., Ltd.	Brother company of Standard Foods (China) Co., Ltd.	Purchases	119,989	2.36	60 days after month-end closing	-	-	(18,619)	7.63	Note
Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (China) Co., Ltd.	Sales	(5,415,081)	94.90	60 days after month-end closing	-	-	1,571,862	95.33	Note
Standard Investment (China) Co., Ltd.	Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Purchases	5,415,081	50.91	60 days after month-end closing	-	-	(1,571,862)	35.04	Note
Standard Foods (Xiamen) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (Xiamen) Co., Ltd.	Sales	(4,150,827)	96.21	60 days after month-end closing	-	-	826,148	96.52	Note
Standard Investment (China) Co., Ltd.	Standard Foods (Xiamen) Co., Ltd.	Standard Foods (China) Co., Ltd.'s subsidiary	Purchases	4,150,827	39.02	60 days after month-end closing	-	-	(826,148)	18.42	Note

Note: The amounts presented above were eliminated upon consolidation.

STANDARD FOODS CORPORATION

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationships	Ending Balance for Account Receivable - Related Parties		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts	Note
						Amount	Actions Taken			
Standard Foods Corporation	Standard Dairy Products Taiwan Limited	The Company's subsidiary	Trade receivables	\$ 235,943	9.28	\$ -		\$ 235,943 (Note 1)	\$ -	(Note 2)
			Other receivables	9,403		-		9,403 (Note 1)	-	(Note 2)
				<u>\$ 245,346</u>		<u>\$ -</u>		<u>\$ 245,346</u> (Note 1)	<u>\$ -</u>	
Shanghai Standard Foods Co., Ltd.	Standard Investment (China) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Trade receivables	\$ 399,470	3.12	\$ -		\$ 399,470 (Note 1)	\$ -	(Note 2)
			Financing receivables	75,458		-		- (Note 1)	-	(Note 2)
			Other receivables	4,745		-		4,745 (Note 1)	-	(Note 2)
		<u>\$ 479,673</u>	<u>\$ -</u>	<u>\$ 404,215</u> (Note 1)	<u>\$ -</u>					
	Standard Foods (Xiamen) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Trade receivables	\$ 48	380.30	\$ -		\$ 48 (Note 1)	\$ -	(Note 2)
			Financing receivables	214,637		-		- (Note 1)	-	(Note 2)
Other receivables			7,670	-		- (Note 1)		-		
	<u>\$ 222,355</u>	<u>\$ -</u>	<u>\$ 48</u> (Note 1)	<u>\$ -</u>						
Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (China) Co., Ltd.	Trade receivables	\$ 1,571,862	3.80	\$ -		\$ 1,203,334 (Note 1)	\$ -	(Note 2)
			Other receivables	20		-		10 (Note 1)	-	
	<u>\$ 1,571,882</u>	<u>\$ -</u>	<u>\$ 1,203,344</u> (Note 1)	<u>\$ -</u>						
Standard Investment (China) Co., Ltd.	Standard Foods (Xiamen) Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Financing receivables	\$ 272,007		\$ -		\$ - (Note 1)	\$ -	(Note 2)
			Other receivables	42,546		-		42,546 (Note 1)	-	(Note 2)
		<u>\$ 314,553</u>	<u>\$ -</u>	<u>\$ 42,546</u> (Note 1)	<u>\$ -</u>					
	Shanghai Standard Foods Co., Ltd.	Brother company of Standard Investment (China) Co., Ltd.	Trade receivables	<u>\$ 124,995</u>	3.45	<u>\$ -</u>		<u>\$ 124,995</u> (Note 1)	<u>\$ -</u>	(Note 2)
Shanghai Le Ben Tuo Health Technology Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Trade receivables	\$ 15	5.07	\$ -		\$ 15 (Note 1)	\$ -	(Note 2)	
		Financing receivables	367,709		-		- (Note 1)	-	(Note 2)	
		Other receivables	9,922		-		9,922 (Note 1)	-	(Note 2)	
	<u>\$ 377,646</u>	<u>\$ -</u>	<u>\$ 9,937</u> (Note 1)	<u>\$ -</u>						
Shanghai Dermalab Corporation	Standard Investment (China) Co., Ltd.'s subsidiary	Financing receivables	\$ 165,744		\$ -		\$ - (Note 1)	\$ -	(Note 2)	
		Other receivables	4,787		-		4,787 (Note 1)	-	(Note 2)	
	<u>\$ 170,531</u>	<u>\$ -</u>	<u>\$ 4,787</u> (Note 1)	<u>\$ -</u>						
Standard Foods (Xiamen) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (Xiamen) Co., Ltd.	Trade receivables	<u>\$ 826,148</u>	4.93	<u>\$ -</u>		<u>\$ 783,871</u> (Note 1)	<u>\$ -</u>	(Note 2)

Note 1: Amounts received before March 12, 2026.

Note 2: The amounts presented above were eliminated upon consolidation.

STANDARD FOODS CORPORATION

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2025	December 31, 2024	Shares	%	Carrying Amount			
Standard Foods Corporation	Accession Limited	Tortola, British Virgin Islands	Investment business	\$ 3,936,267	\$ 3,936,267	123,600,000	100	\$ 3,838,598	\$ 736	\$ 1,073 (Note 1)	Subsidiary (Note 5)
	Standard Investment (Cayman) Limited	Grand Cayman, Cayman Islands	Investment business	4,931,225	4,931,225	157,147,892	100	4,503,526	(169,891)	(169,891)	Subsidiary (Note 5)
	Standard Dairy Products Taiwan Limited	Taipei, Taiwan	Manufacture and sale of dairy products and beverages	300,853	300,853	30,000,000	100	1,124,576	330,370	346,630 (Note 2)	Subsidiary (Note 5)
	Charng Hui Company Ltd.	Taipei, Taiwan	Investment business	230,000	230,000	24,100,000	100	365,199	16,665	7,328 (Note 3)	Subsidiary (Note 5)
	Domex Technology Corporation	Hsinchu, Taiwan	Manufacture and sale of computer peripherals and computer and information products	114,116	114,116	10,374,399	52	282,100	53,923	28,045	Subsidiary (Note 5)
	Standard Beverage Company Limited	Taipei, Taiwan	Manufacture and sale of beverages	79,072	79,072	7,907,000	100	78,805	(927)	(927)	Subsidiary (Note 5)
	Standard Foods, LLC.	U.S.A.	Sale of health foods	9,056	9,056	Note 4	100	9,429	-	-	Subsidiary (Note 5)
SF NUTRA PTE. LTD.	Singapore	Food trade	38,986	9,427	1,309,095	100	36,096	(1,211)	(1,211)	Subsidiary (Note 5)	
	Newtrin Holding PTE. LTD.	Singapore	Investment business	78,865	16,372	2,500,000	100	76,982	(904)	(904)	Subsidiary (Note 5)
Accession Limited	Dermalab S.A.	Switzerland	Development and sale of cosmetics	379,489	379,489	4,050	100	205,993	(32,340)	-	Indirect subsidiary (Note 5)
Dermalab S.A.	Swissderma SL	Spain	Sale of cosmetics	96	96	3,000	100	-	-	-	Third-tier subsidiary (Note 5)
	Labo AG	Switzerland	Day Spa	27,195	-	900	100	(8,532)	(5,775)	-	Third-tier subsidiary (Note 5)
Standard Investment (Cayman) Limited	Standard Corporation (Hong Kong) Limited	Hong Kong	Investment business	4,927,405	4,927,405	157,021,892	100	4,502,880	(169,556)	-	Indirect subsidiary (Note 5)
Newtrin Holding PTE. LTD.	Newtrin Healthcare Foods Japan Co., Ltd.	Japan	Manufacture and sale of nutritious foods	11,066	-	10,000	100	8,988	(1,111)	-	Indirect subsidiary (Note 5)
	Newtrin Healthcare Foods Vietnam Company Limited	Vietnam	Sale of nutritious foods	3,274	-	Note 4	100	3,000	24	-	Indirect subsidiary (Note 5)
Shanghai Dermalab Corporation	Rotiva International Limited	Hong Kong	Sale of cosmetics	90	34	20,699	100	61	-	-	Fourth-tier subsidiary (Note 5)

Note 1: The amount after the net profit in investees recognized based on the shareholding ratio, \$736 thousand, plus the adjustment on unrealized gain or loss from side-stream transactions of \$337 thousand.

Note 2: The amount after the net profit in investees recognized based on the shareholding ratio, \$330,370 thousand, plus the adjustment on unrealized gain or loss from up-stream transactions of \$16,260 thousand.

Note 3: The amount after the net profit in investees recognized based on the shareholding ratio, \$16,665 thousand, minus the Standard Foods Corporation cash dividends paid of \$9,337 thousand.

Note 4: This is a limited company with no issued shares.

Note 5: The amounts presented above were eliminated upon consolidation.

STANDARD FOODS CORPORATION

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025	Note
					Outward	Inward							
Shanghai Standard Foods Co., Ltd.	Manufacture and sale of edible oil products and nutritional foods	\$ 3,949,575	b. (Note 3)	\$ 3,949,575 (Note 4)	\$ -	\$ -	\$ 3,949,575 (Note 4)	\$ 38,675	100.0	\$ 38,033 (Note 9)	\$ 3,473,146	\$ -	Note 11
Standard Investment (China) Co., Ltd.	Investment and sales of edible oil products and nutritional foods	3,755,530	b. (Note 5)	3,718,677 (Note 5)	-	-	3,718,677 (Note 5)	50,083	99.0	49,582 (Note 9)	3,752,916	-	Note 11
Shanghai New Vitality Health Technology (Group) Co., Ltd.	Sale of nutritional foods, cosmetics and international trading	664,630	b. (Note 5)	217,434 (Note 5)	-	-	217,434 (Note 5)	(203,357)	99.0	(201,323) (Note 9)	56,993	-	Note 11
Standard Foods (China) Co., Ltd.	Manufacture and sale of edible oil products and nutritional foods	2,600,443	c. (Note 6)	- (Note 6)	-	-	- (Note 6)	266,735	99.0	269,675 (Note 9)	3,075,287	-	Note 11
Shanghai Dermalab Corporation	Sale of nutritional foods, cosmetics and international trading	93,989	c. (Note 7)	- (Note 7)	-	-	- (Note 7)	(35,636)	99.0	(35,280) (Note 9)	(100,032)	-	Note 11
Shanghai Le Ben Tuo Health Technology Co., Ltd.	Sale of nutritional foods and international trading	284,127	c. (Note 7)	181,048 (Note 7)	-	-	181,048 (Note 7)	(94,095)	99.0	(93,154) (Note 9)	(446,348)	-	Note 11
Shanghai Le Ben De Health Technology Co., Ltd.	Sale of health, to beautify produce and about service trading	31,220	c. (Notes 4 and 7)	31,220 (Note 4)	-	-	31,220 (Note 4)	481	99.0	476 (Note 9)	33,814	-	Note 11
Standard Foods (Xiamen) Co., Ltd.	Manufacture and sale of edible oil products and nutritional foods	1,307,582	c. (Note 6)	- (Note 6)	-	-	- (Note 6)	135,252	99.0	141,039 (Note 9)	2,136,597	-	Note 11
Shanghai Le Ho Industrial Co., Ltd.	Property management	607,717	b. (Note 5)	607,717 (Note 5)	-	-	607,717 (Note 5)	(10,874)	100.0	(10,874) (Note 9)	425,262	-	Note 11
Shanghai Le Min Industrial Co., Ltd.	Property management	378,009	b. (Note 5)	378,009 (Note 5)	-	-	378,009 (Note 5)	(6,731)	100.0	(6,731) (Note 9)	266,444	-	Note 11
Jiangsu Hua Sun Health Technology Co., Ltd	Develop brands and products in the field of health foods and special nutritious foods	315,921	c. (Note 8)	- (Note 8)	-	-	- (Note 8)	(74,534)	99.0	(73,789) (Note 9)	155,555	-	Note 11

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$9,136,959	\$9,874,201	Unlimited amount of investment (Note 10)

Note 1: The methods for engaging in investment in mainland China include the following:

- Direct investment in mainland China.
- Indirect investment in mainland China through companies registered in a third region. (Please specify the investor company in a third region.)
- Other methods.

(Continued)

Note 2: For the investment income (loss) recognized in the current period:

- a. There was no investment income (loss) recognized due to the investment still being in the development stage.
- b. The investment income (loss) was determined based on the following basis:
 - 1) The financial report was audited and certified by an international accounting firm in cooperation with an accounting firm in ROC.
 - 2) The financial statements audited by the CPA of the parent company in Taiwan.
 - 3) Others.

Note 3: Accession Limited is the investor company in third region.

Note 4: There was no difference between the beginning balance and the ending balance of the accumulated amount invested from Taiwan for the current period. The investment remained at \$4,034,074 thousand. Of the \$4,034,074 thousand, \$53,279 thousand has been retained in Accession Ltd. The remaining balance thereof, amounting to \$3,980,795 thousand, was originally the outward remittance of the investment of Shanghai Standard Foods Co., Ltd. However, as of July 2015, of the \$3,980,795 thousand, \$31,220 thousand was invested in Shanghai Le Ben De Health Technology Co., Ltd. by Shanghai Standard Foods Co., Ltd. In aggregate, the outward remittance of the investments in Shanghai Standard Foods Co., Ltd. and Shanghai Le Ben De Health Technology Co., Ltd. was \$3,949,575 thousand and \$31,220 thousand, respectively.

Note 5: Standard Corporation (Hong Kong) Limited is the investor company in third region.

Note 6: The company in mainland China was reinvested through a company registered in mainland China, namely Standard Investment (China) Co., Ltd.

Note 7: The company in mainland China was reinvested through a company registered in mainland China, namely Shanghai New Vitality Health Technology (Group) Co., Ltd.

Note 8: A new company was incorporated upon the split of Shanghai Le Ben Tuo Health Technology Co., Ltd. as invested by Shanghai New Vitality Health Technology (Group) Co., Ltd., a company in mainland China.

Note 9: The basis for recognition of investment profit and loss is Note 2.b. Item 2)

Note 10: The Industrial Development Bureau of the MOEA issued the proofing document of operational headquarters to the Company; the document is still valid within the audit period. Hence, according to the Investment Commission of the MOEA, there is no upper limit on the amount of investment.

Note 11: The amounts presented above were eliminated upon consolidation.

(Concluded)

STANDARD FOODS CORPORATION

THE CONTENTS OF SCHEDULES OF MAJOR ACCOUNTING ITEMS

<u>Item</u>	<u>Schedule Index</u>
Major Accounting Items in Assets, Liabilities and Equity	
Schedule of cash and cash equivalents	1
Schedule of financial assets at fair value through profit or loss - current	2
Schedule of financial assets at fair value through other comprehensive income - current	3
Schedule of financial assets at amortized cost - current	4
Schedule of trade receivables	5
Schedule of inventories	6
Schedule of financial assets at fair value through profit or loss - non-current	7
Schedule of financial assets at fair value through other comprehensive income - non-current	8
Schedule of changes in investments accounted for using the equity method	9
Schedule of changes in right-of-use assets	10
Schedule of trade payables	11
Schedule of lease liabilities	12
Major Accounting Items in Profit or Loss	
Schedule of operating revenue	13
Schedule of operating costs	14
Schedule of operating expenses	15
Schedule of labor, depreciation and amortization by function	16

SCHEDULE 1**STANDARD FOODS CORPORATION****SCHEDULE OF CASH AND CASH EQUIVALENTS****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Item	Description	Interest Rate	Amount
Cash on hand			\$ <u>785</u>
Cash in banks			
Checking account deposits			511,534
Demand deposits		0.010%-0.705%	6,761
Foreign currency demand deposits	Including US\$12 thousand @31.43, RMB275 thousand @4.47 and EUR26 thousand @36.90	0.001%-0.500%	<u>2,591</u>
			<u>520,886</u>
Cash equivalents			
Foreign time deposits	Including RMB4,034 thousand @4.47	1.120%	<u>18,039</u>
			<u>18,039</u>
			<u>\$ 539,710</u>

STANDARD FOODS CORPORATION

SCHEDULE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Name of Financial Assets	Shares/Units	Par Value (NT\$)	Total Amount	Acquisition Cost	Fair Value		Changes in Fair Value Attributed to Credit Risk	Note
					Unit Price	Total Amount		
Mutual fund								
UPAMC James Bond Money Market Fund	10,392,487.38	17.66	\$ 183,552	\$ 183,311	17.66	\$ 183,552	\$ -	
Cathay China Domestic Demand Growth Fund	3,585,869.30	25.67	92,049	120,000	25.67	92,049	-	
Cathay Target Date 2029 Fund	4,720,915.20	16.83	79,466	60,000	16.83	79,466	-	
Fubon Money Market Fund	15,275,951.35	15.71	239,966	239,536	15.71	239,966	-	
Cathay Global Aggressive Fund	2,284,843.90	35.91	82,049	60,000	35.91	82,049	-	
Yuanta FTSE4Good TIP Taiwan ESG ETF	300,000.00	55.35	16,605	10,200	55.35	16,605	-	
	<u>36,560,067.13</u>		<u>693,687</u>	<u>673,047</u>		<u>693,687</u>	<u>-</u>	
Shares								
Taiwan Semiconductor Manufacturing Co., Ltd.	5,670.00	1,550.00	8,788	3,451	1,550.00	8,788	-	
NVIDIA Corporation	272.00	186.50	1,594	1,454	186.50	1,594	-	
AbbVie Inc.	277.00	228.49	1,989	1,832	228.49	1,989	-	
Berkshire Hathaway Inc.	165.00	502.65	2,607	2,616	502.65	2,607	-	
Costco Wholesale Corporation	81.00	862.34	2,195	2,396	862.34	2,195	-	
Alphabet Inc.	179.00	313.80	1,766	1,177	313.80	1,766	-	
Johnson & Johnson	340.00	206.95	2,212	1,900	206.95	2,212	-	
JPMorgan Chase & Co.	284.00	322.22	2,876	2,680	322.22	2,876	-	
Eli Lilly and Company	109.00	1,074.68	3,682	2,506	1,074.68	3,682	-	
The Procter & Gamble Company	558.00	143.31	2,513	2,764	143.31	2,513	-	
T-Mobile US, Inc.	342.00	203.04	2,183	2,711	203.04	2,183	-	
UnitedHealth Group Incorporated	275.00	330.11	2,853	2,676	330.11	2,853	-	
Walmart Inc.	911.00	111.41	3,190	2,788	111.41	3,190	-	
	<u>9,463.00</u>		<u>38,448</u>	<u>30,951</u>		<u>38,448</u>	<u>-</u>	
Note cash								
HSBC Holdings USD Bond (HSBC_4.3_030826)	10,000.00	100.05	31,446	30,660	100.05	31,446	-	
TSMC Unsecured Corporate Bond 2023 2nd Offering	500,000.00	99.99	49,999	50,125	99.99	49,999	-	
The 3rd unsecured corporate bonds of Far Eastern New Century Corp. in 2024 (Far Eastern New Century Corporation 7th Unsecured Corporate Bond-A Issue In 2024)	500,000.00	99.99	49,999	50,000	99.99	49,999	-	
	<u>1,010,000.00</u>		<u>131,444</u>	<u>130,785</u>		<u>131,444</u>	<u>-</u>	
	<u>37,579,530.13</u>		<u>\$ 863,579</u>	<u>\$ 834,783</u>		<u>\$ 863,579</u>	<u>\$ -</u>	

STANDARD FOODS CORPORATION

SCHEDULE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH COMPREHENSIVE INCOME - CURRENT

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Name of Financial Assets	Shares	Par Value (NT\$)	Total Amount	Acquisition Cost	Accumulated Impairment	Fair Value	
						Unit Price	Total Amount
Listed shares							
Chunghwa Telecom Co., Ltd.	48,600	\$ 10	\$ 486	\$ 4,063	\$ -	\$ 130.50	\$ 6,342
Far Eastern International Commercial Bank Co., Ltd.	1,579,575	10	<u>15,796</u>	<u>17,114</u>	<u>-</u>	12.85	<u>20,298</u>
			<u>\$ 16,282</u>	<u>\$ 21,177</u>	<u>\$ -</u>		<u>\$ 26,640</u>

STANDARD FOODS CORPORATION

SCHEDULE OF FINANCIAL ASSETS AT AMORTIZED COST - CURRENT

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Name	Description	Number	Par Value	Currency	Total Amount	Annual Interest Rate	Carrying Amount	Remark
Taishin Bank foreign time deposit	Expiry in January 2026, maturity interest	1	881	AUD	\$ 18,514	3.67%	\$ 18,514	Fixed (@21.01)
Taishin Bank foreign time deposit	Expiry in April 2026, maturity interest	1	512	AUD	10,758	3.62%	10,758	Fixed (@21.01)
Taishin Bank foreign time deposit	Expiry in June 2026, maturity interest	1	1,043	AUD	21,903	3.97%	21,903	Fixed (@21.01)
HSBC Bank foreign time deposit	Expiry in April 2026, maturity interest	1	700	EUR	25,830	1.97%	25,830	Fixed (@36.90)
President Securities foreign time deposits	Expiry in March 2026, maturity interest	1	51,528	RMB	230,414	2.50%	230,414	Fixed (@4.47)
President Securities foreign time deposits	Expiry in March 2026, maturity interest	1	50,000	RMB	223,580	2.50%	223,580	Fixed (@4.47)
President Securities foreign time deposits	Expiry in April 2026, maturity interest	1	53,294	RMB	238,308	2.30%	238,308	Fixed (@4.47)
ANZ Bank foreign time deposit	Expiry in February 2026, maturity interest	1	2,048	RMB	9,157	1.12%	9,157	Fixed (@4.47)
Bank of China foreign time deposit	Expiry in April 2026, maturity interest	1	30,000	RMB	134,148	1.58%	134,148	Fixed (@4.47)
Bank of China foreign time deposit	Expiry in April 2026, maturity interest	1	22,949	RMB	<u>102,620</u>	1.58%	<u>102,620</u>	Fixed (@4.47)
					<u>\$ 1,015,232</u>		<u>\$ 1,015,232</u>	

STANDARD FOODS CORPORATION**SCHEDULE OF TRADE RECEIVABLES****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

Client Name	Amount
Unrelated parties	
Company A	\$ 598,405
Company B	253,357
Company D	242,744
Company F	117,569
Company E	95,177
Others (Note)	<u>386,717</u>
	1,693,969
Less: Allowance for impairment loss	<u>(1,975)</u>
	<u>\$ 1,691,994</u>
Related party	
Standard Dairy Products Taiwan Limited	\$ 235,943
GeneFerm Biotechnology Co., Ltd.	102
H2U Corporation	<u>8,466</u>
	<u>\$ 244,511</u>

Note: The amount of individual vendor included in others does not exceed 5% of the account balance.

STANDARD FOODS CORPORATION**SCHEDULE OF INVENTORIES****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

Item	Amount	
	Cost	Net Realizable Value
Merchandise	\$ 260,356	\$ 384,945
Finished goods	1,337,618	1,987,811
Work in progress	275,009	432,239
Raw materials	571,150	868,884
Packaging materials	<u>67,592</u>	<u>87,286</u>
	2,511,725	<u>\$ 3,761,165</u>
Less: Allowance for inventory valuation and obsolescence losses	<u>(39,121)</u>	
	<u>\$ 2,472,604</u>	

STANDARD FOODS CORPORATION

**SCHEDULE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Investees	Balance on January 1, 2025		Addition		Deduction		Accumulated Reversal of Impairment Loss	Balance on December 31, 2025		Collateral	Accumulated Impairment	Remark
	Shares/Units	Fair Value	Shares/Units	Amount	Shares/Units	Amount		Shares/Units	Fair Value			
Paradigm Venture Capital Corporation	153,320	\$ 1,403	-	\$ 299	-	\$ -	\$ -	153,320	\$ 1,702	Nil	\$ -	Note 1
Authenex, Inc.	2,424,242	-	-	-	-	-	-	2,424,242	-	Nil	-	-
Techgains Pan-Pacific Corporation	500,000	-	-	-	-	-	-	500,000	-	Nil	-	-
U-Teck Environment Corporation, Ltd.	11,200	-	-	-	-	-	-	11,200	-	Nil	-	-
Octamer, Inc. - Series E Preferred Stock	800,000	-	-	-	-	-	-	800,000	-	Nil	-	-
Octamer, Inc. - Series F Preferred Stock	107,815	-	-	-	-	-	-	107,815	-	Nil	-	-
Fortemedia, Inc. - Series D Preferred Stock	3,455	-	-	-	-	-	-	3,455	-	Nil	-	-
Fortemedia, Inc. - Series E Preferred Stock	71,397	-	-	-	-	-	-	71,397	-	Nil	-	-
Fortemedia, Inc. - Series F Preferred Stock	29,173	-	-	-	-	-	-	29,173	-	Nil	-	-
Fortemedia, Inc. - Series G Preferred Stock	31,135	-	-	-	-	-	-	31,135	-	Nil	-	-
Fortemedia, Inc. - Series I Preferred Stock	29,102	-	-	-	-	-	-	29,102	-	Nil	-	-
Fortemedia - ordinary Stock	12,938	-	-	-	-	-	-	12,938	-	Nil	-	-
		<u>\$ 1,403</u>		<u>\$ 299</u>		<u>\$ -</u>	<u>\$ -</u>		<u>\$ 1,702</u>			

Note: The increased due to the changes in the fair value.

STANDARD FOODS CORPORATION

**FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Item	Balance on January 1, 2025		Addition		Deduction		Unrealized Gain (Loss)	Balance on December 31, 2025		Accumulated Impairment	Collateral	Remark
	Shares	Fair Value	Shares	Amount	Shares	Amount		Shares	Fair Value			
Listed shares												
GeneFerm Biotechnology Co., Ltd.	2,145,110	\$ 100,820	-	\$ -	-	\$ -	\$ 2,681	2,145,110	\$ 103,501	\$ -	Nil	-
Unlisted shares												
Dah Chung Bills Finance Corp	1,338,204	20,662	-	-	-	-	134	1,338,204	20,796	-	Nil	-
H2U Corporation	4,165,000	408,170	2,233,723	10,000	-	-	206,793	6,398,723	624,963	-	Nil	-
SANCCI MANUFACTURE FOOD COMPANY	1,286,786	<u>116,853</u>	-	<u>-</u>	-	<u>10,142</u>	<u>90,811</u>	1,286,786	<u>197,522</u>	<u>-</u>	Nil	-
		<u>\$ 646,505</u>		<u>\$ 10,000</u>		<u>\$ 10,142</u>	<u>\$ 300,419</u>		<u>\$ 946,782</u>	<u>\$ -</u>		

STANDARD FOODS CORPORATION

SCHEDULE OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Investees	Balance on January 1, 2025		Addition		Decrease		Balance on December 31, 2025			Net Assets Value		Collateral	Remark
	Shares/Unit	Amount	Shares/Unit	Amount	Shares/Unit	Amount	Shares/Unit	%	Amount	Unit Price (NT\$)	Total Price		
Accession Limited	123,600,000	\$ 3,890,526	-	\$ 1,073	-	\$ 53,001	123,600,000	100.00	\$ 3,838,598	31.40	\$ 3,881,038	Nil	Note 1
Standard Dairy Products Taiwan Limited	30,000,000	1,038,034	-	351,665	-	265,123	30,000,000	100.00	1,124,576	37.92	1,137,561	Nil	Note 2
Chang Hui Company Ltd.	24,100,000	344,147	-	35,316	-	14,264	24,100,000	100.00	365,199	23.51	566,617	Nil	Note 3
DOMEX Technology Corporation	10,374,399	296,590	-	28,045	-	42,535	10,374,399	52.00	282,100	27.14	281,541	Nil	Note 4
Standard Beverage Company Limited	7,907,000	79,732	-	-	-	927	7,907,000	100.00	78,805	9.97	78,805	Nil	Note 5
Standard Investment (Cayman) Limited	157,147,892	4,770,615	-	-	-	267,089	157,147,892	100.00	4,503,526	28.66	4,503,526	Nil	Note 6
Standard Foods, LLC.	-	9,836	-	-	-	407	-	100.00	9,429	-	9,429	Nil	Notes 7 and 10
SF NUTRA PTE. LTD.	400,000	9,911	909,095	31,476	-	5,291	1,309,095	100.00	36,096	27.57	36,096	Nil	Notes 8 and 10
Newtrin Holding PTE. LTD.	500,000	16,392	2,000,000	62,493	-	1,903	2,500,000	100.00	76,982	30.79	76,982	Nil	Notes 9 and 10
		<u>\$ 10,455,783</u>		<u>\$ 510,068</u>		<u>\$ 650,540</u>			<u>\$ 10,315,311</u>				

Note 1: For the year ended December 31, 2025, the increase amount of investment income accounted for using the equity method was \$1,073 thousand; the decrease other comprehensive income was \$989 thousand and amount of translation adjustment accounted for using the equity method was \$52,012 thousand.

Note 2: For the year ended December 31, 2025, the increase amount of investment income accounted for using the equity method was \$346,630 thousand and other comprehensive income was \$5,035 thousand; the decrease the cash dividend which was issued by the investee was \$265,123 thousand.

Note 3: This is a subsidiary of the Company, and because it held the shares of the Company, it received cash dividend from the Company. Therefore, there was an increase in cash dividend which adjustment to the capital surplus was \$9,337 thousand, investment income accounted for using the equity method was \$7,328 thousand and other comprehensive income was \$18,651 thousand. For the year ended December 31, 2025, the decrease the cash dividend which was issued by the investee was \$14,264 thousand.

Note 4: For the year ended December 31, 2025, the increase amount of investment income accounted for using the equity method was \$28,045 thousand; and the decrease the cash dividend which was issued by the investee was \$42,535 thousand.

Note 5: For the year ended December 31, 2025, the decrease amount of investment loss accounted for using the equity method was \$927 thousand.

Note 6: For the year ended December 31, 2025, the decrease amount of investment loss accounted for using the equity method was \$169,891 thousand and amount of translation adjustment accounted for using the equity method was \$97,198 thousand.

Note 7: For the year ended December 31, 2025, the decrease amount of translation adjustment accounted for using the equity method was \$407 thousand.

Note 8: For the year ended December 31, 2025, increase in amount resulted from increasing investment was \$29,559 thousand and amount of translation adjustment accounted for using the equity method was \$1,917 thousand; the decrease amount of investment loss accounted for using the equity method was \$1,211 thousand and other comprehensive income was \$4,080 thousand.

Note 9: For the year ended December 31, 2025, increase in amount resulted from increasing investment was \$62,493 thousand; the decrease amount of investment loss accounted for using the equity method was \$904 thousand and amount of translation adjustment accounted for using the equity method was \$999 thousand.

Note 10: This is a limited company with no issued shares.

STANDARD FOODS CORPORATION**SCHEDULE OF CHANGES IN RIGHT-OF-USE ASSETS****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

Item	Land	Buildings	Office Equipment	Transportation Equipment	Amount
<u>Cost</u>					
As originally stated on January 1, 2025	\$ 4,232	\$ 176,191	\$ 4,463	\$ 7,898	\$ 192,784
Additions	1,134	8,606	484	9,221	19,445
Lease expiration/termination	<u>(1,134)</u>	<u>(1,824)</u>	<u>-</u>	<u>(1,177)</u>	<u>(4,135)</u>
Balance on December 31, 2025	<u>\$ 4,232</u>	<u>\$ 182,973</u>	<u>\$ 4,947</u>	<u>\$ 15,942</u>	<u>\$ 208,094</u>
<u>Accumulated depreciation</u>					
As originally stated on January 1, 2025	\$ 1,232	\$ 111,501	\$ 1,404	\$ 2,728	\$ 116,865
Depreciation expenses	1,893	40,569	872	3,345	46,679
Lease expiration/termination	<u>(1,134)</u>	<u>(1,824)</u>	<u>-</u>	<u>(1,177)</u>	<u>(4,135)</u>
Balance on December 31, 2025	<u>\$ 1,991</u>	<u>\$ 150,246</u>	<u>\$ 2,276</u>	<u>\$ 4,896</u>	<u>\$ 159,409</u>

STANDARD FOODS CORPORATION**SCHEDULE OF TRADE PAYABLES****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

Vendor Name	Amount
Unrelated parties	
Company B	\$ 51,135
Others (Note)	<u>784,604</u>
	<u>\$ 835,739</u>
Related party	
GeneFerm Biotechnology Co., Ltd.	\$ 17,325
Sancci Manufacture Food Company	<u>17,002</u>
	<u>\$ 34,327</u>

Note: The amount of individual vendor included in others does not exceed 5% of the account balance.

STANDARD FOODS CORPORATION**SCHEDULE OF LEASE LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

	Lease Term	Discount Rate	Balance on December 31, 2025	Remark
Land	2025/12/1-2026/11/30	1.07%	\$ 1,040	
Buildings	2021/9/1-2029/3/15	1.07%-1.96%	33,805	
Office equipment	2022/1/1-2031/7/1	1.07%-1.96%	2,740	
Transportation equipment	2023/4/1-2029/10/27	1.25%-1.96%	<u>11,634</u>	
			49,219	
Less: Within 1 year			<u>(35,269)</u>	
Lease liabilities - non-current			<u>\$ 13,950</u>	

STANDARD FOODS CORPORATION**SCHEDULE OF OPERATING REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Item	Quantity (Tons)	Amount
Nutritious foods	93,402	\$ 11,017,537
Cooking products	22,415	2,967,756
Others	8,974	<u>550,614</u>
Total sales		14,535,907
Less: Sales returns		(204,136)
Sales allowances		<u>(2,143,447)</u>
Net sales		<u>\$ 12,188,324</u>

STANDARD FOODS CORPORATION**SCHEDULE OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Item	Amount
Cost of goods sold - finished goods	
Raw materials, beginning of year	\$ 556,304
Add: Raw materials purchased	6,206,355
Gain on physical inventory of raw materials	703
Less: Transferred to other accounts	(224)
Sales of raw materials	(104,187)
Raw materials scrapped	(4,931)
Raw materials, end of year	<u>(626,504)</u>
Raw materials consumed	6,027,516
Direct labor	277,996
Manufacturing expenses	<u>1,276,892</u>
Manufacturing costs	7,582,404
Work in progress, beginning of year	172,116
Add: Work in progress inventory gain	6
Less: Work in progress scrapped	(9,842)
Other use	(6,330)
Work in progress, end of year	<u>(269,316)</u>
Cost of finished goods	7,469,038
Finished goods, beginning of year	1,192,368
Less: Cost of goods sold adjustment	(1,204)
Transferred to other accounts	(116,047)
Finished goods deficits	(40)
Finished goods scrapped	(1,987)
Finished goods, end of year	<u>(1,321,920)</u>
Cost of goods sold - finished goods	<u>7,220,208</u>
Cost of goods sold - merchandise	
Merchandise, beginning of year	262,197
Add: Merchandise purchased	1,243,512
Less: Cost of goods sold adjustment	(591)
Other use	(4,531)
Merchandise scrapped	(875)
Merchandise deficits	(12)
Merchandise, end of year	<u>(254,864)</u>
Cost of goods sold - merchandise	<u>1,244,836</u>
Cost of sales of raw materials	<u>104,187</u>
Gain on physical inventory	<u>(657)</u>
Inventory scrap losses	<u>17,635</u>
	<u>\$ 8,586,209</u>

STANDARD FOODS CORPORATION

**SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Item	Selling and Marketing Expenses	General and Administrative Expenses	Research and Development Expenses	Expected Credit Gain Recognized on Trade Receivables	Amount
Advertising expenses	\$ 1,078,183	\$ -	\$ -	\$ -	\$ 1,078,183
Salaries and pensions	471,327	238,355	45,025	-	754,707
Freight expenses	140,066	-	-	-	140,066
Taxes	20,115	74	18	-	20,207
Professional service fees	19,942	14,908	14	-	34,864
Rental	44,036	337	2	-	44,375
Insurance premiums	48,444	18,002	4,564	-	71,010
Amortization	6,027	14,513	-	-	20,540
Depreciation	28,290	33,544	2,226	-	64,060
Traveling expenses	23,265	1,529	746	-	25,540
Repair and maintenance expenses	5,859	1,150	308	-	7,317
Computer expenses	10,696	67,959	1,185	-	79,840
Meal expenses	13,708	3,977	1,341	-	19,026
Postage and telephone charges	297	1,162	76	-	1,535
Entertainment expenses	4,879	6,406	82	-	11,367
Employee welfare	9,597	2,624	910	-	13,131
Utilities	7,200	2,584	1,662	-	11,446
Donations	17,101	452	-	-	17,553
Expected credit gain recognized on trade receivables	-	-	-	(729)	(729)
Others	55,624	35,967	20,321	-	111,912
Cost-sharing sectors	<u>-</u>	<u>(31,034)</u>	<u>-</u>	<u>-</u>	<u>(31,034)</u> (Note)
	<u>\$ 2,004,656</u>	<u>\$ 412,509</u>	<u>\$ 78,480</u>	<u>\$ (729)</u>	<u>\$ 2,494,916</u>

Note: Transferred to manufacturing expenses.

STANDARD FOODS CORPORATION

**SCHEDULE OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

Item	2025			2024		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Labor cost						
Salary and bonus	\$ 501,877	\$ 690,454	\$ 1,192,331	\$ 487,016	\$ 657,524	\$ 1,144,540
Labor and health insurance	51,490	61,522	113,012	48,560	57,570	106,130
Pension	24,340	40,877	65,217	18,975	35,029	54,004
Remuneration of directors	-	8,031	8,031	-	11,553	11,553
Others	<u>31,958</u>	<u>39,798</u>	<u>71,756</u>	<u>32,283</u>	<u>38,420</u>	<u>70,703</u>
	<u>\$ 609,665</u>	<u>\$ 840,682</u>	<u>\$ 1,450,347</u>	<u>\$ 586,834</u>	<u>\$ 800,096</u>	<u>\$ 1,386,930</u>
Depreciation	<u>\$ 151,174</u>	<u>\$ 64,060</u>	<u>\$ 215,234</u>	<u>\$ 150,693</u>	<u>\$ 60,303</u>	<u>\$ 210,996</u>
Amortization	<u>\$ 10,275</u>	<u>\$ 20,540</u>	<u>\$ 30,815</u>	<u>\$ 7,157</u>	<u>\$ 13,706</u>	<u>\$ 20,863</u>

Note 1: As of December 31, 2025 and 2024, the Company had 1,181 and 1,170 employees, respectively, of which 6 directors in each year were not concurrently appointed as employees, respectively.

Note 2: The average employee benefit expense for 2025 is \$1,228 thousand. (“Total amounts of current year employee benefit expenses - Total amounts of remuneration of directors”/“The number of current year employee - The number of directors who are not concurrent employees”).

Note 3: The average employee benefit expense for 2024 is \$1,182 thousand. (“Total amounts of period year employee benefit expenses - Total amounts of remuneration of directors”/“The number of period year employee - The number of directors who are not concurrent employees”).

Note 4: The average employee salary expense for 2025 is \$1,015 thousand. (Total amounts of current year employee salary expenses/“The number of current year employee - The number of directors who are not concurrent employees”).

Note 5: The average employee salary expense for 2024 is \$983 thousand. (Total amounts of period year employee salary expenses/“The number of period year employee - The number of directors who are not concurrent employees”).

Note 6: The change in average employee salary expenses is 3.26%. (“Total amounts of current year average employee salary expenses - Total amounts of period year average employee salary expenses”/Total amounts of period year average employee salary expenses).

Note 7: There was no supervisor in the Corporation, and audit committee has replaced supervisors’ authority as required by law.

Note 8: The Company’s payment fees are determined and regularly reviewed by the Remuneration Committee, and in addition to referring to the usual level of payment of the same industry, and to consider the reasonableness of the correlation with individual performance, company operating performance, payment methods and future operational risks. It shall be implemented after the adoption of the report to the board of directors; those who are assigned items of the surplus distribution table shall also be expected to report to the shareholders’ meeting for adoption.