Stock Code：1229

LIEN HWA INDUSTRIAL HOLDINGS CORPORATION AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditor’s Report
For the Years Ended December 31, 2025 and 2024

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Representation Letter

The entities that are required to be included in the consolidated financial statements of Lien Hwa Industrial Holdings Corporation as of and for the year ended December 31, 2025 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements. " endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the consolidated financial statements of the affiliated enterprises (“affiliates”) is included in the consolidated financial statements. Consequently, Lien Hwa Industrial Holdings Corporation and Subsidiaries do not prepare a separate set of consolidated financial statements of the affiliates.

Very truly yours,

Lien Hwa Industrial Holdings Corporation

Matthew Feng-Chiang Miau

March 10, 2026

Independent Auditors' Report

To the Board of Directors of Lien Hwa Industrial Holdings Corporation:

Opinion

We have audited the consolidated financial statements of Lien Hwa Industrial Holdings Corporation and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Recognition of revenue

For the accounting policies on revenue recognition, please refer to Note 4(17) to the consolidated financial statements; for the uncertainties of significant accounting estimates and assumptions, please refer to Note 5(2) to the consolidated financial statements; and for the details of revenue, please refer to note 6(24) to the consolidated financial statements.

Description of key audit matter:

The flour business of the Group primarily processes wheat into flour products, which are then sold indirectly to consumers through distributors and retail chains, or via food companies that purchase and process them into food products. As a subsidiary of a listed company, sales revenue is a key indicator for investors and management to evaluate financial or operational performance. Since the accuracy of the timing of revenue recognition is material to the Group's revenue reporting, it has been identified as a key audit matter in our audit of the consolidated financial statements.

How the matter was addressed in our audit:

Our principal audit procedures included: understanding the accounting policies for revenue recognition; testing the effectiveness of internal controls over sales and cash receipts and performing substantive tests; and implementing sampling procedures by selecting sales transaction samples from a period before and after the reporting date and verifying them against relevant supporting documents to evaluate the accuracy of the timing of revenue recognition.

The Group－System integration business segment, the system integration business segment primarily engages in information project engineering and intelligent project engineering businesses. The project engineering revenue is calculated based on the estimated percentage of completion and the total contract price in accordance with accounting standards. As the estimation of the percentage of completion requires reference to internal and external relevant supporting evidence and involves certain estimated information, the calculation is complex and the revenue amount is material. Therefore, it is a matter of significant focus for the auditors in the audit of the consolidated financial statements.

How the matter was addressed in our audit:

The main audit procedures performed by the auditors for the above key audit matter included: understanding and testing the design and operating effectiveness of key internal controls related to the estimation of the percentage of completion and the accuracy of project revenue recognition; evaluating whether the accounting policies for estimating the percentage of completion were applied consistently; and performing substantive tests of details on uncompleted project contracts at the end of the period to verify the accuracy of the estimated percentage of completion and project revenue recognition.

Other Matters

Lien Hwa Industrial Holdings Corporation has prepared its parent-company-only financial statements as of and for the years then ended December 31, 2025 and 2024, on which we have issued an unqualified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee or supervisors) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up

to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 audit resulting in this independent auditors' report are Swimming Hsu and Prudence Kuo.

KPMG

Taipei, Taiwan (Republic of China)

March 10, 2026

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

LIEN HWA INDUSTRIAL HOLDINGS CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Assets	2025.12.31 Amount	%	2024.12.31 Amount	%
	Current assets：				
1100	Cash and cash equivalent (note 6(1))	$ 5,379,898	6	4,966,714	6
1110	Financial assets at fair value through profit or loss- current (note 6(2))	73,870	-	279,722	-
1120	Financial assets at fair value through other comprehensive income- current (note 6(3) and 8)	803,432	1	750,031	1
1140	Contract assets – current (note 6(24))	4,264,935	4	5,302,731	6
1150	Notes receivable, net (note 6(4) and (24))	156,001	-	155,888	-
1170	Accounts receivable, net (note 6(4), (24) and 7)	2,280,547	2	2,282,692	3
1200	Other receivables (note 6(5) and 7)	79,844	-	74,110	-
1210	Other receivables due from related parties (note 6(5) and 7)	3,182	-	304,881	-
1220	Current income tax assets	2,152	-	4,890	-
130X	Net inventory (note 6(6))	2,127,246	2	1,375,760	1
1460	Non-current assets held for sale (Net) (note 6(7))	-	-	9,688	-
1470	Other current assets (note 7 and 8)	775,308	1	457,970	-
		15,946,415	16	15,965,077	17
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (note 6(2))	96,568	-	232,920	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(3) and 8)	44,575,422	46	43,046,939	47
1550	Investments accounted for using equity method (note 6(8))	26,638,498	28	24,427,011	27
1600	Property, plant and equipment (note 6(10) and 8)	4,453,983	5	4,427,703	5
1755	Right-of-use assets (note 6(11) and 7)	558,923	1	500,804	1
1760	Net investment property (note 6(12) and 8)	3,559,205	4	3,006,556	3
1780	Intangible assets	135,938	-	224,754	-
1840	Deferred income tax assets (note 6(20))	58,302	-	56,895	-
1920	Refundable deposits (note 8)	176,690	-	111,537	-
1975	Net defined benefit assets – non-current	48,103	-	39,143	-
1995	Other non-current assets – others (note 8)	100,773	-	63,534	-
		80,402,405	84	76,137,796	83
	Total assets	**$ 96,348,820**	**100**	**92,102,873**	**100**

	Liabilities and Equity	2025.12.31 Amount	%	2024.12.31 Amount	%
	Current liabilities：				
2100	Short-term loans (note 6(13))	$ 6,576,000	7	8,244,000	9
2110	Short-term notes payable (note 6(14))	529,311	1	998,535	1
2130	Contract liabilities– current (note 6(24))	2,677,149	3	2,167,018	2
2150	Notes payable (note 7)	8,284	-	25,697	-
2170	Accounts payable (note 7)	1,982,658	2	1,824,628	2
2200	Other payables (note 6(21) and 7)	642,785	1	627,503	1
2230	Current income tax liabilities	235,672	-	138,144	-
2280	Lease liabilities – current (note 6(17) and 7)	84,070	-	57,203	-
2320	Long-term liabilities, current portion (note 6(15))	500,000	1	100,000	-
2300	Other current liabilities	232,580	-	30,114	-
		13,468,509	15	14,212,842	15
	Non-current liabilities:				
2530	Bonds payable (note 6(16))	2,498,721	3	2,497,793	3
2540	Long-term loans (note 6(15))	1,000,000	1	800,000	1
2570	Deferred income tax liabilities (note 6(20))	168,742	-	161,898	-
2580	Lease liabilities – non-current (note 6(17) and 7)	429,401	-	394,986	-
2640	Net defined benefit liabilities – non-current	-	-	5,318	-
2645	Deposits received (note 7)	141,193	-	119,192	-
2670	Other non-current liabilities – other (note 7)	104,771	-	110,657	-
		4,342,828	4	4,089,844	4
	Total liabilities	17,811,337	19	18,302,686	19
	Equity attributable to the owners of the parent company (note 6(21)):				
3110	Common stock	17,959,607	19	17,104,388	19
3200	Capital surplus	1,164,546	1	1,150,677	1
3300	Retained earnings	17,919,323	18	16,201,843	18
3400	Other equity	20,290,782	21	18,067,464	20
3500	Treasury stock	(136,868)	-	(136,868)	-
	Total equity attributable to the owners of the parent company	57,197,390	59	52,387,504	58
36XX	**Non-controlling interests (note 6(9))**	21,340,093	22	21,412,683	23
	Total equity	78,537,483	81	73,800,187	81
	Total liabilities and equity	**$ 96,348,820**	**100**	**92,102,873**	**100**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

LIEN HWA INDUSTRIAL HOLDINGS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, except earnings per share)

		2025		2024	
		Amount	%	Amount	%
4000	**Operating revenue (note 6(24) and 7)**	$ 13,583,582	100	12,946,776	100
5000	**Operating cost (note 6(6) and 7)**	10,176,206	75	10,254,375	79
	Operating gross profit	3,407,376	25	2,692,401	21
	Operating expenses:				
6100	Marketing expenses (note 7)	700,470	5	698,134	5
6200	Administrative expenses	568,560	4	580,870	5
6300	R&D expenses	91,503	1	82,398	1
6450	Reversal of expected credit losses (note 6(4))	(22)	-	75	-
		1,360,511	10	1,361,477	11
	Net operating profit	2,046,865	15	1,330,924	10
	Non-operating income and expenses:				
7100	Interest income (note 6(26))	166,467	1	183,400	1
7010	Other income (note 6(26))	484,459	4	445,618	3
7020	Other gains and losses (note 6(26))	83,166	1	163,589	1
7050	Finance costs (note 6(26))	(225,213)	(2)	(222,096)	(1)
7060	Share of profit or loss of associates and joint ventures accounted for using the equity method (note 6(8))	3,321,508	24	3,162,377	25
		3,830,387	28	3,732,888	29
	Net income before tax	5,877,252	43	5,063,812	39
7951	**Less: Income tax expenses (note 6(20))**	299,729	2	197,028	1
	Net income	5,577,523	41	4,866,784	38
8300	**Other comprehensive income (loss):**				
8310	**Items that will not be reclassified to profit or loss**				
8311	Remeasurements of defined benefit obligations	2,880	-	4,386	-
8316	Unrealized valuation gains and losses from the equity instrument investment at fair value through other comprehensive income	1,317,565	10	5,277,003	41
8320	Share of other comprehensive income of associates and joint ventures accounted for using the equity method	799,679	6	153,646	1
8349	Less: Income tax related to items not reclassified	322	-	731	-
	Total items not reclassified into profit or loss	2,119,802	16	5,434,304	42
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(118,311)	(1)	437,900	3
8370	Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(216,367)	(2)	428,673	3
8399	Less: Income tax relating to items that may be reclassified	(1,181)	-	72,983	1
	Total items that may be reclassified to profit or loss	(333,497)	(3)	793,590	5
8300	**Other comprehensive income (loss) for the period, net of tax**	1,786,305	13	6,227,894	47
	Total comprehensive income	$ 7,363,828	54	11,094,678	85
	Net profit attributable to:				
8610	Parent company shareholders	$ 4,599,753	34	4,190,598	33
8620	Non-controlling interests	977,770	7	676,186	5
	Net income	$ 5,577,523	41	4,866,784	38
	Total comprehensive income attributable to:				
8710	Parent company shareholders	$ 7,019,587	52	8,853,700	68
8720	Non-controlling interests	344,241	2	2,240,978	17
	Total comprehensive income	$ 7,363,828	54	11,094,678	85
	EPS (unit: NTD) (note 6(23))				
9750	**Basic earnings per share**	$	2.57		2.34
9850	**Diluted earnings per share**	$	2.57		2.34

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

LIEN HWA INDUSTRIAL HOLDINGS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars)

	Equity attributable to the owners of parent company										
	Share capital		Retained earnings			Other equity items					
	Common stock share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Treasury stocks	Total equity equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance on January 1, 2024	$ 15,837,396	1,163,321	4,616,536	141,843	10,550,484	(187,471)	13,620,068	(136,868)	45,605,309	19,762,354	65,367,663
Profit for the period	-	-	-	-	4,190,598	-	-	-	4,190,598	676,186	4,866,784
Other comprehensive income for the period	-	-	-	-	20,155	799,056	3,843,891	-	4,663,102	1,564,792	6,227,894
Total comprehensive income for the period	-	-	-	-	4,210,753	799,056	3,843,891	-	8,853,700	2,240,978	11,094,678
Appropriation and distribution of earnings:											
Legal reserve appropriated	-	-	417,583	-	(417,583)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(2,058,861)	-	-	-	(2,058,861)	-	(2,058,861)
Stock dividends of common stock s	1,266,992	-	-	-	(1,266,992)	-	-	-	-	-	-
Changes in associates and joint ventures accounted for using the equity method	-	(21,127)	-	-	8,080	-	(8,080)	-	(21,127)	-	(21,127)
Changes in other capital surplus	-	209	-	-	-	-	-	-	209	-	209
Capital surplus adjustments arising from dividends distributed to subsidiaries	-	8,298	-	-	-	-	-	-	8,298	-	8,298
Changes in ownership interests in subsidiaries	-	(24)	-	-	-	-	-	-	(24)	-	(24)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(590,649)	(590,649)
Balance on December 31, 2024	17,104,388	1,150,677	5,034,119	141,843	11,025,881	611,585	17,455,879	(136,868)	52,387,504	21,412,683	73,800,187
Profit for the period	-	-	-	-	4,599,753	-	-	-	4,599,753	977,770	5,577,523
Other comprehensive income for the period	-	-	-	-	7,866	(304,364)	2,716,332	-	2,419,834	(633,529)	1,786,305
Total comprehensive income for the period	-	-	-	-	4,607,619	(304,364)	2,716,332	-	7,019,587	344,241	7,363,828
Appropriation and distribution of earnings:											
Legal reserve appropriated	-	-	421,884	-	(421,884)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(2,223,570)	-	-	-	(2,223,570)	-	(2,223,570)
Stock dividends of common stock	855,219	-	-	-	(855,219)	-	-	-	-	-	-
Changes in associates and joint ventures accounted for using the equity method	-	(17,953)	-	-	188,650	-	(188,650)	-	(17,953)	-	(17,953)
Changes in other capital surplus	-	369	-	-	-	-	-	-	369	-	369
Capital surplus adjustments arising from dividends distributed to subsidiaries	-	7,545	-	-	-	-	-	-	7,545	-	7,545
Changes in ownership interests in subsidiaries	-	16,487	-	-	-	-	-	-	16,487	-	16,487
Compensation cost of share-based payment	-	7,421	-	-	-	-	-	-	7,421	-	7,421
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(416,831)	(416,831)
Balance on December 31, 2025	$ 17,959,607	1,164,546	5,456,003	141,843	12,321,477	307,221	19,983,561	(136,868)	57,197,390	21,340,093	78,537,483

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

LIEN HWA INDUSTRIAL HOLDINGS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars)

		2025	2024
Cash flows from operating activities:			
Profit before tax	$	5,877,252	5,063,812
Adjustments:			
Adjustments to reconcile profit (loss)			
Depreciation expense		395,552	385,690
Amortization expense		57,486	38,719
Reversal of expected credit loss		(22)	74
Net gains of financial assets and liabilities at fair value through profit or loss		(103,697)	(98,552)
Interest expense		225,213	222,096
Interest income		(166,467)	(183,400)
Dividend income		(1,892,678)	(1,437,334)
Compensation cost of share-based payment expense		7,421	-
Share of profit or loss of associates and joint ventures accounted for using the equity method		(3,337,135)	(3,176,067)
Gain on disposal of property, plant and equipment		(9,824)	(13,640)
Gain on disposal of investment properties		(80,719)	(68,540)
Impairment loss on non-financial assets		95,273	13,902
Gain on lease modification		(2,145)	(892)
Income/expenses		(4,811,742)	(4,317,944)
Changes in operating activities related assets and liabilities:			
Net changes in assets relating to operating activities:			
Contract assets		1,037,797	(309,700)
Receivable notes		1,159	123,004
Accounts receivable		2,171	773,358
Other receivable		(26,508)	22,105
Other receivable - related parties		10,699	212
Inventory		(756,364)	176,524
Other current assets		111,757	126,467
Net defined benefit assets		-	(479)
Net changes in liabilities relating to operating activities:		380,711	911,491
Net changes in operating liabilities:			
Contract liabilities		510,131	289,620
Notes payable		(17,413)	(39,033)
Accounts payable		151,644	(630,616)
Other payable		13,312	(65,972)
Other current liabilities		200,856	(91,211)
Net defined benefit liability		588	-
Net changes in liabilities relating to operating activities		859,118	(537,212)
Changes in operating activities related assets and liabilities		1,239,829	374,279
Total adjustments		(3,571,913)	(3,943,665)
Cash inflow generated from operating activities		2,305,339	1,120,147
Interest income received		180,741	162,096
Dividends received		4,153,999	3,177,811
Interest paid		(222,008)	(223,573)
Income taxes paid		(193,085)	(154,985)
Net cash inflow from operating activities		6,224,986	4,081,496

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

LIEN HWA INDUSTRIAL HOLDINGS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars)

		2025	2024
Cash flows from investing activities:			
Acquisition of financial assets at fair value through other comprehensive income	$	(217,650)	(285,965)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		22,467	44,775
Acquisition of financial assets at fair value through profit or loss		(3,024,729)	(1,165,199)
Proceeds from disposal of financial assets at fair value through profit or loss		3,286,107	1,050,656
Acquisition of investments using the equity method		(90,000)	(681)
Acquisition of property, plant and equipment		(287,715)	(323,608)
Proceeds from disposal of property, plant and equipment		23,882	24,565
Refundable deposits		(65,227)	37,923
Acquisition of intangible assets		(63,680)	(28,695)
Acquisition of investment properties		(588,894)	(566,313)
Proceeds from disposal of investment properties		86,006	72,915
Other assets		(313,550)	-
Other non-current assets		(163,213)	257,562
Net cash outflow from investing activities		(1,396,196)	(882,065)
Cash flows from financing activities:			
Short-term loans		(1,668,000)	457,000
Short-term notes payables		(469,880)	(299,929)
Proceeds from long-term loans		700,000	-
Repayments of long-term loans		(100,000)	(538,756)
Guarantee deposits		21,922	27,450
Payments of lease liabilities		(87,214)	(58,725)
Other non-current liabilities		(5,200)	16,330
Cash dividend distribution		(2,214,608)	(2,056,064)
Changes in non-controlling Interests		(393,500)	(584,029)
Other financing activities		(3,544)	(145)
Net cash outflow from financing activities		(4,220,024)	(3,036,868)
Effect of exchange rate changes		(195,582)	117,946
Current cash and cash equivalents increase		413,184	280,509
Opening balance of cash and cash equivalents		4,966,714	4,686,205
Closing balance of cash and cash equivalents	**$**	**5,379,898**	**4,966,714**

See accompanying notes to consolidated financial statements.

LIEN HWA INDUSTRIAL HOLDINGS CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

I. Company history

Lien Hwa Industrial Holdings Corporation (Hereinafter referred to as “the Company”.) was established in the Republic of China. The Company's primary business involves overseeing the operations of its subsidiaries and managing investments to enhance the overall efficiency of the group. To align with the Company's business development needs, a resolution was passed at the shareholders' meeting on May 27, 2024, approving the name change. The change was subsequently approved by the Ministry of Economic Affairs on August 28, 2024, officially renaming the Company from Lien Hwa Industrial Investment Holdings Corporation to Lien Hwa Industrial Holdings Corporation.

II. Approval date and procedures of the consolidated financial statements

The consolidated financial statements were approved and published by the board of directors on March 10, 2026.

III. Application of new and revised standards, amendments and interpretations

(I) Impact of adoption of new, revised or amended standards and interpretations endorsed by the Financial Supervisory Commission, ROC (”FSC”).

The Group adopted the following amendments to the International Financial Reporting Standards Accounting Standards, with effective date from January 1, 2025. The adoption does not have a material impact on the Group’s consolidated financial statements.

•Amendments to IAS21 "Lack of Exchangeability"

(II) Impact of IFRS Accounting Standards endorsed by the FSC but not yet in effect

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a material impact on its consolidated financial statements.

•IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”.

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

•Annual Improvements to IFRS Accounting Standards — Volume 11

•Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(III) The IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") but not yet endorsed by the FSC.

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (“IASB”), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. • Management Performance Measures (MPMs): The new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027 Note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

The Group is evaluating the impact on its consolidated financial position and financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a material impact on its consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" and amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
- Amendments to IAS21"Lack of Exchangeability"

IV. Summary of significant accounting policies

The significant accounting policies presented in the consolidated financial statements are set out as below. The following accounting policies have been applied consistently throughout the periods presented in the consolidated financial statements.

(I) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. (altogether referred to "IFRS Accounting Standards" endorsed by the "FSC")

(II) Basis for preparation

1. Basis for measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

(1) Financial instruments at fair value through profit or loss are measured at fair value;

(2) Financial assets at fair value through other comprehensive income are measured at fair value; and

(3) The defined benefit liabilities (assets) are measured at fair value of the plan assets less the present value of the defined benefit obligation, limited as explained in Note 4(20).

2. Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollar (NTD), which is the Group's functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

(III) Basis of consolidation

1. Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Financial statements of subsidiaries have been adjusted appropriately to ensure their accounting policies are consistent with those used by the Group.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

2. List of subsidiaries in the consolidated financial statements

The subsidiaries included in the consolidated financial statements are as follows.

Name of investor	Name of subsidiary	Principal activities	Percentage of ownership 2025.12.31	Percentage of ownership 2024.12.31	Description
The Company	Hua Cheng Investment Co., Ltd	General investment	100.00%	100.00%	(Note1)
〃	Lien Rui Investment Corp.	〃	100.00%	100.00%	
〃	Fortune Dragon Holding Inc.	〃	100.00%	100.00%	
〃	MiTAC Inc.	〃	35.90%	35.89%	
〃	MiTAC Information Technology Corp.	Integrated system service, and sale of industrial computer	37.66%	38.77%	(Note3)
〃	Lien Hwa Property Development Corporation	General Leasing Business	100.00%	100.00%	
〃	Asia Hydrogen Energy Corporation	Manufacture of machinery and equipment for power generation, transmission and distribution, and energy technology service.	50.927%	50.927%	
〃	Lien Hwa Milling Corporation	Flour production and sale	74.999%	74.999%	
〃	Lien Hwa Industrial Corporation	General investment	100.00%	100.00%	(Note2)
Hua Cheng Investment Co., Ltd.	Jian Foods Incorporation	Wholesaling and retailing business	0.001%	0.001%	Hua Cheng Investment Co., Ltd. and Lien Rui Investment Corp. together hold 97.091% of the Group's shares. It is therefore deemed a subsidiary. (Note4)
〃	Camel Ring International Company	Wholesaling and retailing business	0.16%	0.16%	Hua Cheng Investment Co., Ltd. and Lien Rui Investment Corp. hold 100% of the shares of the Group. It is therefore deemed a subsidiary. (Note6)
〃	MiTAC Inc.	General investment	1.95%	1.95%	
〃	MiTAC Information Technology Corp.	Integrated system service, and sale of industrial computer	5.15%	5.30%	(Note3)
〃	Lien Hwa Milling Corporation	Flour production and sale	0.001%	0.001%	Hua Cheng Investment Co., Ltd. and the Group hold 75% of the shares of the Group. It is therefore deemed a subsidiary.
〃	Asia Hydrogen Energy Corporation	Manufacture of machinery and equipment for power generation, transmission and distribution, and energy technology service.	0.007%	0.007%	Hua Cheng Investment Co., Ltd. and the Group hold 50.934% of the shares of the Group. It is therefore deemed a subsidiary.

Name of investor	Name of subsidiary	Principal activities	Percentage of ownership 2025.12.31	Percentage of ownership 2024.12.31	Description
Lien Rui Investment Corp.	Jian Foods Incorporation	Wholesaling and retailing business	97.09%	97.09%	(Note4)
〃	Oggi Restaurant Group Co., Ltd.	Restaurant business	100.00%	100.00%	(Note5)
〃	Camel Ring International Company	Wholesaling and retailing business	99.84%	99.84%	(Note6)
Fortune Dragon Holding Inc.	Pacific Gateway Holdings Inc.	General investment	100.00%	100.00%	
〃	Hifood Co., Ltd.	〃	65.81%	65.81%	
〃	Sun Lead International Limited	〃	100.00%	100.00%	
Pacific Gateway Holdings Inc.	Yantai Taihwa Food Industrial Co., Ltd.	Rental and leasing business	100.00%	100.00%	
Hifood Co., Ltd.	Hifood (Shanghai) Co., Ltd.	〃	100.00%	100.00%	
MiTAC Inc.	Mix System Holdings Ltd. (MIX)	General investment	100.00%	100.00%	
〃	Ho Li Investment Co., Ltd.	〃	100.00%	100.00%	
〃	MiTAC Hikari Corp.	System integration service	50.00%	50.00%	
〃	MiTAC Information Technology Corp.	Integrated system service, and sale of industrial computer	32.29%	33.22%	(Note3)
〃	MiTAC Advance Technology Corp.	Information Software Services, Computer and Peripheral Equipment Manufacturing, Other Electrical Engineering and Electronic Machinery Equipment Manufacturing	11.05%	11.05%	MiTAC Inc. and MiTAC Information Technology Corp. hold 70.5% of the shares of the Group. It is therefore deemed a subsidiary.
MIX	Mitac Investment China Co., Ltd. (MICCL)	General investment	100.00%	100.00%	
MICCL	Mitac (Shanghai) Business Management Consulting Co., Ltd	Business management consulting, business information consulting and system integration services	100.00%	100.00%	
Mitac (Shanghai) Business	Jiangsu Aidixun Technology Culture Co., Ltd.	Research and development of Radio Frequency Identification (RFID) technology; production and sale of the products	6.33%	6.33%	Mitac (Shanghai) Business and Aidixun hold 100% of the shares of the Group. It is therefore deemed a subsidiary.(Note7)
MiTAC Information Technology Corp.	MiTAC Communication Co., Ltd.	Sale, rental and maintenance of telephone switching systems and data communication products, communication system project contracting	100.00%	100.00%	
〃	Samoa Mitac Information Holding Ltd. (MiTAC Information Holding Co., Ltd.)	General investment	100.00%	100.00%	
〃	Mitac Information Technology (Singapore) Pte. Ltd.	Semiconductor facility monitoring and control system engineering, Network communication system engineering	100.00%	100.00%	

Name of investor	Name of subsidiary	Business Nature	Percentage of Ownership 2025.12.31	Percentage of Ownership 2024.12.31	Description
MiTAC Information Technology Corp	General Resources Co.	Railway E&M system engineering、Environmental protection solutions engineering (exhaust gas system treatment)	100.00%	100.00%	
〃	MiTAC Advance Technology Corp.	Information software services, Computer and peripheral equipment Manufacturing, Other electrical engineering and Electronic machinery equipment manufacturing	59.45%	59.45%	
General Resources Co.	General Resources Company (HK) Limited	Railway E&M system engineering	100.00%	100.00%	
〃	GENERAL RESOURCES VIETNAM COMPANY LIMITED	Railway E&M system engineering	100.00%	100.00%	
MiTAC Information Holding Co., Ltd.	Aidixun Investment Co., Ltd. (Aidixun)	General investment	100.00%	100.00%	
Aidixun	Jiangsu Aidixun Technology Culture Co., Ltd.	Operation and management of cultural venues and equipment sales, cultural and creative content management, and diversified integration services.	93.67%	93.67%	(Note7)

Note 1. Hua Cheng Investment Co., Ltd. conducted a cash capital increase of $295,000 thousand on May 16, 2024, which was fully subscribed by the Group.

Note 2. Lien Hwa Industrial Corporation conducted a cash capital increase of $23,000 thousand on July 26, 2024, which was fully subscribed by the Group.

Note 3. MiTAC Information Technology Corp. conducted a cash capital increase of $600,000 thousand on March 10, 2025, which was subscribed by the Group, MiTAC Inc., and Hua Cheng Investment Co., Ltd., in the amounts of $197,700 thousand, $169,670 thousand, and $27,012 thousand, respectively.

Note 4. Jian Foods Incorporation was approved for dissolution by the competent authority on June 20, 2025. As of the reporting date, the liquidation process was still in progress.

Note 5. Oggi Restaurant Group Co., Ltd. was approved for dissolution by the competent authority on July 16, 2025. As of the reporting date, the liquidation process was still in progress.

Note 6. Camel Ring International Company was approved for dissolution by the competent authority on October 29, 2025. As of the reporting date, the liquidation process was still in progress.

Note 7. Formerly known as Claridy Solutions (Wuxi), Inc.

3. The subsidiaries that are not included in the consolidated financial statements: None.

(IV) Foreign currency

1. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currencies at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period (hereinafter referred to as the "reporting date"), monetary items denominated in foreign currencies are retranslated into the functional currencies using the exchange rate at that date.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

(1) an investment in equity securities designated as at fair value through other comprehensive income;

(2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or

(3) qualifying cash flow hedges to the extent that the hedges are effective.

2. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, Exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(V) Classification of current and non-current assets and liabilities

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

1. It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is expected to be realized within twelve months after the reporting period; or
4. The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability is classified as current under one of the following criteria, and all other liabilities are classified as non current.

1. It is expected to be settled in the normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period; or
4. The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(VI) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes are recognized as cash equivalents.

(VII) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

1. Financial assets

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

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

・it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

・its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(2) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL：

・it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

・its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

(3) Fair value through profit or loss (FVTPL)

All financial assets not classified as measured at amortized cost or at FVOCI as described above are measured at FVTPL, including derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

(4) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables, refundable deposits, and other financial assets), debt instrument investments measured at fair value through other comprehensive income, and contract assets.

The following financial assets are measured as the 12-month expected credit loss allowance, and the others are measured as the lifetime expected credit loss allowance:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank deposits for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The loss allowance for notes and accounts receivable and contract assets are measured at an amount equal to lifetime expected credit losses (ECL).

In determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Group considers reasonable and supportable information (available without undue cost or effort), including qualitative and quantitative information and analysis based on the Group's historical experience, credit assessment, and forward-looking information.

The Group determines the expected credit loss rates based on the local industry environment of the operating segments and the credit ratings of the customer base, which are categorized into the Taiwan region, the Mainland China region, and the System Integration Service business unit.

The Group assumes that the credit risk on a financial asset has increased significantly if the aforementioned contract payments are overdue for more than 120 days and 180 days, respectively.

The Group considers a financial asset in default when the aforementioned contract payments are overdue for more than 180 days and 365 days, respectively.

Expected credit losses are a probability-weighted estimate of credit losses over the expected life of the financial instrument. Credit losses are measured as the present value of all cash shortfalls, which is the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive. Expected credit losses are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets measured at amortized cost and debt securities measured at fair value through other comprehensive income (FVOCI) are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following matters:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract, such as a default or being overdue for more than 180 to 365 days;
- The Group, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession that the Group would not otherwise consider;
- It is probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

The loss allowance for financial assets measured at amortized cost is deducted from the gross carrying amount of the assets. The loss allowance for debt instrument investments measured at FVOCI is recognized in other comprehensive income and does not reduce the carrying amount of the financial asset in the statement of financial position.

The Group reduces the gross carrying amount of a financial asset when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Group individually analyzes the timing and amount of write-offs based on whether there is a reasonable expectation of recovery. The Group expects no significant reversal of the amounts written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group’s procedures for recovery of amounts overdue.

(5) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset terminate, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, or when it neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into a transaction to transfer a financial asset but retains all or substantially all of the risks and rewards of ownership of the transferred asset, the asset continues to be recognized in the statement of financial position.

2. Financial liabilities and equity instruments

(1) Classification of debt or equity

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

(2) Equity transactions

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

(3) Treasury shares

When the equity instruments recognized by the Company are repurchased, the consideration paid (including directly attributable costs) is recognized as a decrease in equity. Repurchased shares are classified as treasury shares. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit from the transaction is recognized in capital surplus or retained earnings (if capital surplus is insufficient to offset).

(4) Financial liabilities

Financial liabilities are classified as measured at amortized cost or fair value through profit or loss (FVTPL). A financial liability is classified as FVTPL if it is held-for-trading, a derivative, or designated as such at initial recognition. Financial liabilities at FVTPL are measured at fair value, and related net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(5) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire. When the terms of a financial liability are modified and the cash flows of the modified liability are substantially different, the original financial liability is derecognized and a new financial liability is recognized at fair value based on the modified terms.

On derecognition of a financial liability, the difference between the carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(6) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position only when the Group currently has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(VIII) Inventories

Inventories are measured at the lower of cost and net realizable value. Cost includes the costs of acquisition, production, or processing and other costs incurred in bringing the inventories to their present location and condition, and is calculated using the weighted-average method. The cost of finished goods and work-in-progress includes an appropriate share of production overheads based on normal operating capacity.

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

Equipment related to system integration services purchased under contracts and stored at customers' premises for pre-sale testing is recognized as contract assets.

(IX) Non-current assets held for sale

1. Non-current assets held for sale (or disposal groups)

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that their carrying amount will be recovered primarily through a sale transaction rather than through continuing use. Before the original classification as held for sale, the components of the assets or disposal groups are remeasured in accordance with the Group’s accounting policies. Upon classification as held for sale, such assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to assets not within the scope of IAS 36 "Impairment of Assets." Such excluded items continue to be measured in accordance with the Group’s accounting policies. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in profit or loss. However, any gain on reversal shall not exceed the cumulative impairment loss that has been recognized.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer depreciated or amortized. In addition, equity-method accounting for associates is ceased when the investment is classified as held for sale.

(X) Investments in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies.

The Group's interests in associates are accounted for using the equity method. Under the equity method, investments are initially recognized at cost, which includes transaction costs. The carrying amount of the investment in associates includes goodwill identified on acquisition, net of any accumulated impairment losses.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments to align their accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When there are changes in an associate's equity that are not recognized in profit or loss or other comprehensive income and do not affect the Group's percentage of ownership interest, the Group recognizes the changes in equity attributable to the Group's share as capital surplus in proportion to its ownership interest.

Unrealized gains and losses resulting from transactions between the Group and an associate are recognized in the financial statements only to the extent of unrelated investors' interests in the associate.

When the Group's share of losses of an associate equals or exceeds its interest in that associate, the Group discontinues recognizing its share of further losses. Additional losses and relevant liabilities are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method from the date when its investment ceases to be an associate and measures the retained interest at fair value. The difference between the fair value of the retained interest plus any proceeds from disposing of a part interest in the associate and the carrying amount of the investment at the date the equity method was discontinued is recognized in profit or loss. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that investment on the same basis as would have been required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income would be reclassified to retained earnings on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to retained earnings when the equity method is discontinued. If the Group's ownership interest in an associate is reduced, but the equity method is continued, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

When an associate issues new shares and the Group does not subscribe in proportion to its ownership interest, resulting in a change in its ownership interest and a corresponding increase or decrease in the net equity of the investment, such increase or decrease is adjusted to capital surplus and investments accounted for using the equity method. If the adjustment is a reduction to capital surplus and the balance of capital surplus arising from investments accounted for using the equity method is insufficient, the difference is debited to retained earnings. However, if the Group's ownership interest in an associate is reduced due to its failure to subscribe in proportion to its ownership interest, the amounts previously recognized in other comprehensive income in relation to that associate are reclassified on the same basis as would be required if the associate had directly disposed of the related assets or liabilities, in proportion to the reduction in the ownership interest.

(XI) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost less accumulated depreciation and accumulated impairment losses. The depreciation methods, useful lives, and residual values are treated in accordance with the regulations for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss.

Rental income from investment property is recognized as lease income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total lease income over the term of the lease.

(XII) Property, plant and equipment

1. Recognition and measurement

Items of property, plant and equipment are measured at cost (including capitalized borrowing costs), less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

2. Subsequent costs

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3. Depreciation

Depreciation is calculated based on the cost of an asset less its residual value and is recognized in profit or loss as an expense on a straight-line basis over the estimated useful lives of each component.

Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

(1) Buildings	2 to 55 years
(2) Machinery and equipment	1 to 20 years
(3) Transportation equipment	2 to 6 years
(4) Office equipment	3 to 20 years
(5) Other equipment	2 to 20 years

Depreciation methods, useful lives, and residual values are reviewed by the Group at each annual reporting date and adjusted if appropriate.

4. Reclassification to investment property

A property is reclassified to investment property at its carrying amount when the use of the property changes from owner-occupied to investment property.

(XIII) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

1. As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.。

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the Group periodically assesses whether the right-of-use asset is impaired and deals with any impairment losses identified, and adjusts the right-of-use asset for any remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. If the interest rate implicit in the lease is readily determinable, the discount rate is that rate; if not, the Group's incremental borrowing rate is used. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

(1)Fixed payments, including in-substance fixed payments;

(2)Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

(3)Amounts expected to be payable under a residual value guarantee; and

(4)The exercise price of a purchase option or penalties for terminating a lease if the Group is reasonably certain to exercise such options.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when:

(1)There is a change in future lease payments arising from a change in an index or a rate used to determine those payments;

(2)There is a change in the amount expected to be payable under a residual value guarantee;

(3)There is a change in the assessment of whether a purchase option will be exercised;

(4)There is a change in the assessment of whether an extension or termination option will be exercised, resulting in a change in the lease term;

(5)There is a modification in the lease's object, scope, or other terms.

When the lease liability is remeasured due to changes in the index or rate, residual value guarantee, or assessment of options, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognized in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

For a lease modification that decreases the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or full termination of the lease, and the difference between the remeasured lease liability is recognized in profit or loss.

The Group presents right-of-use assets and lease liabilities that do not meet the definition of investment property as separate line items in the statement of financial position.

For short-term leases of office equipment and transportation equipment and leases of low-value underlying assets, the Group has elected not to recognize right-of-use assets and lease liabilities, but instead recognizes the related lease payments as an expense on a straight-line basis over the lease term.

2.As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease based on whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. In its assessment, the Group considers certain indicators, including whether the lease term is for the major part of the economic life of the underlying asset.

If the Group is an intermediate lessor, it accounts for the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the recognition exemption applies, then the sub-lease is classified as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

Assets held under a finance lease are presented as finance lease receivables at an amount equal to the net investment in the lease. Initial direct costs incurred in negotiating and arranging a lease are included in the net investment in the lease. The net investment in the lease is recognized as interest income over the lease term in a pattern that reflects a constant periodic rate of return. For operating leases, the Group recognizes lease payments received as rental income on a straight-line basis over the lease term.

(XIV) Intangible assets

1.Recognition and measurement

Goodwill arising from the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, capitalized development expenditure is measured at cost less accumulated amortization and any accumulated impairment losses.

Other intangible assets, including customer relationships, computer software, patents, and trademarks, which are acquired by the Group and have finite useful lives, are measured at cost less accumulated amortization and any accumulated impairment losses.

2.Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

3.Amortization

Except for goodwill, amortization is calculated based on the cost of the asset, less its estimated residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

(1) Computer software	1 to 5 years
(2) Other intangible assets	4 to 5 years

Amortization methods, useful lives and residual values are reviewed by the Group at each annual reporting date and adjusted if appropriate.

(XV) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets, and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount.

Impairment losses are recognized immediately in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other non-financial assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized in prior years.

(XVI) Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

(XVII) Revenue recognition

1. Revenue from contracts with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The following is a description of the major revenue items of the Group:

(1) Sale of goods

A. Flour and related products

The Group manufactures and sells products such as flour to various channels. Revenue is recognized when control of the products has transferred. Transfer of control occurs when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group provides volume discounts to its distributors if the volume of products purchased reaches a specified threshold. Revenue is recognized based on the contract price net of the estimated volume discounts. The amount of volume discounts is estimated using the expected value based on historical experience, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

For certain product sales, the Group is contractually obligated to pay commissions and slotting fees based on sales volume. Since the payment of this consideration does not result in the Group obtaining a distinct good or service from the customer, it is accounted for as a reduction of the transaction price and revenue.

The Group recognizes accounts receivable upon delivery of goods, as the Group has an unconditional right to receive consideration at that point in time.

B. Equipment products

Revenue from the sale of goods also includes equipment products. Since the customer has the right to set the price, use the products, and bears the primary responsibility for resale and the risk of obsolescence upon installation, the Group recognizes revenue and accounts receivable at that point in time.

(2) Rental income

Rental income from investment property is recognized on a straight-line basis over the lease term. Lease incentives granted are recognized as an integral part of the total rental income, as a reduction of rental income on a straight-line basis over the lease term. Income from sub-leasing property is recognized as "Rental income" under operating revenue.

(3) Construction contracts

The Group recognizes revenue over time for construction contracts in progress. Since the costs incurred are directly related to the progress toward satisfying the performance obligation, the Group measures the stage of completion based on the proportion of actual costs incurred relative to the estimated total costs. The Group recognizes contract assets progressively during the construction process and reclassifies them to accounts receivable when invoices are issued. If the progress billings exceed the amount of recognized revenue, the difference is recognized as a contract liability.

(4) Service income

Revenue from services rendered under contracts is recognized when the services are completed.

(5) Financing components

The Group expects that the time interval between the transfer of goods or services to the customer and the payment by the customer for those goods or services will be one year or less for all contracts. Therefore, the Group does not adjust the transaction price for the time value of money.

(XVIII) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The amount of cash-settled share-appreciation rights payable to employees is recognized as an expense with a corresponding increase in liabilities over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at the settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

The grant date of the share-based payment is the date when the Company notifies the employees of the exercise price and the number of shares they are entitled to subscribe.

(XIX) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for items related to business combinations, or items recognized directly in equity or other comprehensive income, current taxes and deferred taxes are recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payables or receivables in respect of previous years. The amount is the best estimate of the expected amount to be paid or received, measured using statutory tax rates or substantively enacted tax rates at the reporting date.

Deferred tax is measured and recognized based on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred tax is not recognized for the following temporary differences:

1. Assets or liabilities arising from the initial recognition of a transaction that is not a business combination and, at the time of the transaction, (i) affects neither accounting profit nor taxable profit (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;
2. Temporary differences related to investments in subsidiaries, associates, and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
3. Taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using statutory tax rates or substantively enacted tax rates at the reporting date.

The Group offsets deferred tax assets and deferred tax liabilities only if the following conditions are met:

1. The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
2. The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
   (1) The same taxable entity; or
   (2) Different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(XX) Employee benefits

1. Defined contribution plans

Obligations for contributions to defined contribution plans are recognized as an expense in the periods during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

2. Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. 。

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual reporting period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3. Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

4. Short-term employee benefits

Short-term employee benefit obligations are recognized as an expense as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(XXI) Business combinations

The Group accounts for each business combination by applying the acquisition method. Goodwill is measured as the fair value of the consideration transferred, including the amount of any non-controlling interest in the acquiree, less the net amount of the identifiable assets acquired and the liabilities assumed (generally at fair value) at the acquisition date. If the remaining balance is negative, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed before recognizing a gain on a bargain purchase in profit or loss.

Transaction costs related to business combinations are expensed as incurred, except for those costs related to the issuance of debt or equity instruments.

For each business combination, the Group elects to measure any non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets at the acquisition date. Other types of non-controlling interests are measured at their fair value at the acquisition date or on another basis specified by the IFRS Accounting Standards endorsed by the FSC. ◦

(XXII) Earnings per share

The Group presents basic and diluted earnings per share (EPS) attributable to ordinary equity holders of the Company. Basic EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted-average number of ordinary shares outstanding during the period. Diluted EPS is calculated by adjusting the profit or loss attributable to ordinary equity holders of the Company and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. The Group's dilutive potential ordinary shares include estimated amounts of employee remuneration.

(XXIII) Segment information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). The operating results of all operating segments are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Discrete financial information is available for each operating segment.

V. Significant accounting assumptions and judgments, and major sources of estimation uncertainty

In preparing these consolidated financial statements, management has made judgments and estimates about the future (including climate-related risks and opportunities) that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Management reviews the estimates and underlying assumptions on an ongoing basis, which are consistent with the Group’s risk management and climate-related commitments. Revisions to accounting estimates are recognized in the period of the change and in future periods affected.

(I) Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is as follows:：

Critical accounting judgments in applying accounting policies

The Group holds 32.29% of the voting shares of UPC Technology Corporation. Although the remaining 67.71% of the shares of UPC Technology Corporation are not concentrated in any specific shareholder, the Group is still unable to obtain a majority of the board seats of UPC Technology Corporation. After evaluation, it has been determined that the Group does not have the majority of the voting rights and cannot direct the relevant activities of its Board of Directors and shareholders’ meetings. Consequently, it is determined that the Group does not have control over UPC Technology Corporation but has significant influence over the entity.

(II) Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

Revenue recognition

The Group estimates the total contract costs based on historical experience, market and economic conditions, project characteristics, and other known factors. Engineering revenue is recognized based on the percentage-of-completion method. The Group reviews the reasonableness of the estimates periodically; however, factors such as changes in construction conditions may lead to variations in the estimation amounts and basis, which could result in significant adjustments.

VI. Description of significant accounts

(I) Cash and cash equivalents

	2025.12.31	2024.12.31
Cash	$ 924	940
Demand deposits	1,462,678	1,220,967
Time deposits	3,916,296	3,744,807
Cash and cash equivalents listed in the statements of cash flow	$ 5,379,898	4,966,714

For the interest rate risk and sensitivity analysis disclosure of the Group’s financial assets and liabilities, please refer to Note 6(27).

(II) Financial assets measured at fair value through profit and loss

	2025.12.31	2024.12.31
Financial assets mandatorily measured at fair value through profit or loss		
Stock warrants	$ -	133,773
Fund benefit certificates	66,002	265,616
Stock unlisted on domestic markets	96,568	99,147
Structured deposits	7,868	14,106
Total	$ 170,438	512,642

The financial assets stated above were not used as long-term loans or financing collateral.

(III) Financial assets at fair value through other comprehensive income

	2025.12.31	2024.12.31
Equity instruments measured at fair value through other comprehensive income：		
Stock listed on domestic markets	$ 41,407,302	40,417,421
Stock listed on foreign markets	1,803,358	999,748
Stock unlisted on domestic markets	1,486,053	1,441,861
Stock unlisted on foreign markets	682,141	937,940
Total	$ 45,378,854	43,796,970

The Group companies held these equity instrument investments as strategic investments, not held for trading purposes, and designated them as measured at fair value through other comprehensive income.

The Group recognized dividend income (classified as other income) of $484,061 thousand and $445,099 thousand for the years ended December 31, 2025 and 2024, respectively, from the aforementioned designated investments in equity instruments at fair value through other comprehensive income.

For the credit risk and market risk information, please refer to Note 6(27).

For information on certain financial assets pledged as collateral, please refer to Note 8.

(IV) Notes and accounts receivable

	2025.12.31	2024.12.31
Notes receivable	$ 156,001	155,888
Accounts receivable	2,288,597	2,291,045
Less: Loss allowance	(8,050)	(8,353)
	$ 2,436,548	2,438,580

For the flour business, rental business and other departments of the Group, the Group applies simplified approach to estimate the expected credit losses of all notes and accounts receivable, i.e. using the expected credit losses throughout the duration for measurement. For this measurement purpose, the notes and accounts receivable is classified according to the common credit risk features concerning the representative customers' capacity of paying all amount due on the contract and is included in the forward-looking information. For the expected credit losses of the notes and accounts receivable in relation to the flour business, rental business and other departments of the Group, the analysis was as follows:

	2025.12.31		
	Carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit loss
Not past due	$ 841,884	0.00%~0.01%	63
Past due 1–30 days	21	2.84%	1
Individual evaluation	538	100%	538
	$ 842,443		602

	2024.12.31			
	Carrying amount of notes and accounts receivable		**Weighted-average expected credit loss rate**	**Loss allowance for lifetime expected credit loss**
Not past due	$	843,323	0.00%~0.01%	65
Individual evaluation		538	100%	538
	$	843,861		603

The Group's business entity of integrated system service recognizes the loss allowance of the receivables for all notes and accounts receivable based on the expected credit losses throughout the duration. The expected credit losses throughout the duration takes the past default record of the customer, the present financial status and the economic situation of the industry into consideration and applies different customer's credit ratings of the receivables to establish the rate of expected credit losses. 100% of loss allowance shall be recognized if there is evidence showing that the trading counterpart is facing serious financial difficulty and the recoverable amount cannot be reasonably expected.

For the expected credit losses of the notes and accounts receivable in relation to the system integration business of the Group, the analysis are as follows:

	2025.12.31		
	Carrying amount of notes and accounts receivable		**Loss allowance for lifetime expected credit loss**
Individual evaluation–not past due	$	1,537,556	-
Individual evaluation–past due		64,599	7,448
	$	1,602,155	7,448

	2024.12.31		
	Carrying amount of notes and accounts receivable		**Loss allowance for lifetime expected credit loss**
Individual evaluation–not past due	$	1,378,182	-
Individual evaluation–past due		224,890	7,750
	$	1,603,072	7,750

The statement of changes in the loss allowance for the notes and accounts receivable of the Group are as follows:

	2025	2024
Beginning balance	$ 8,353	8,213
Impairment loss (reversal of impairment loss)	(22)	75
Amounts irrecoverable and written off in the current period	(122)	(189)
Effect of exchange rate changes	(159)	254
Ending balance	**$ 8,050**	**8,353**

The financial assets stated above were not used as long-term loans or financing collateral.

(V) Other receivable

	2025.12.31	2024.12.31
Other receivables - related parties	$ 3,182	304,881
Others	79,844	74,110
	$ 83,026	**378,991**

According to the historical experience, other receivables stated above were assessed to have no expected credit losses, as there were no defaults during the period; therefore, the expected credit loss rate was zero.

(VI) Inventory

	2025.12.31	2024.12.31
Raw materials and consumables	$ 731,427	929,038
Work in progress	40,248	60,962
Finished goods	148,582	163,280
System integration products	1,206,989	222,480
	$ 2,127,246	**1,375,760**

The components of the cost of goods sold of the Group for the years ended December 31, 2025 and 2024 are as follows:

		2025	2024
Cost of goods sold	$	6,191,514	6,228,334
Construction costs		3,260,202	3,312,165
Service costs		464,922	498,617
Leasing costs		99,118	125,538
Other operating costs		143,092	91,517
Unabsorbed manufacturing overhead		19,142	8,052
Gain on reversal of inventory write-downs		(1,585)	(9,729)
Income from sale of scrap		(199)	(119)
	$	10,176,206	10,254,375

For the years ended December 31, 2025 and 2024, the Group recognized a reduction in the cost of sales in the amounts of $1,585 thousand and $9,729 thousand, respectively. This was due to the reversal of the net realizable value of inventories that had previously been written down below cost, as the circumstances that caused the write-downs no longer existed.

No inventories of the Group were pledged as collateral as of December 31, 2025 and 2024.

(VII) Non-current assets held for sale (or disposal groups)

In 2024, the Group formulated a plan to sell certain manufacturing equipment of its overseas flour business and commenced relevant sale procedures. Accordingly, such equipment was reclassified as non-current assets held for sale (or disposal groups). As of December 31, 2024, the carrying amount of these non-current assets held for sale (or disposal groups) was $9,688 thousand, consisting primarily of equipment.

The Group completed the sale in 2025 and recognized a gain on disposal and retirement of property, plant and equipment of $9,393 thousand. This gain was reported under other gains and losses in the consolidated statement of comprehensive income; please refer to Note 6(26).

(VIII) Investments accounted for using equity method

The Group's investments accounted for using equity method are as follows:

		2025.12.31	2024.12.31
Associates	$	26,638,498	24,427,011

1. Associates

The relevant information of associates that are significant to the Group is as follows:

Name of associate	Nature of relationship with the Group	Principal place of business / Country of incorporation	Percentage of ownership and voting rights	
			2025.12.31	2024.12.31
UPC Technology Corporation and its subsidiaries	The associate of the Group which primarily engaged in producing and selling organic acid, acid anhydride and its derivatives, plasticizers.	Taiwan	32.29%	32.33%
Linde LienHwa Industrial Gases Co., Ltd. and its subsidiaries	The associate of the Group which primarily engaged in manufacturing liquid and industrial gases such as helium, hydrogen and ethane.	Taiwan	50.00%	50.00%

The fair value of material associates with quoted market prices is as follows:

		2025.12.31	2024.12.31
UPC Technology Corporation and its subsidiaries	$	4,296,126	3,827,848

The summarized financial information of associates that are significant to the Group is presented below. The financial information has been adjusted from the amounts included in the associates' IFRS consolidated financial statements to reflect the fair value adjustments arising on the acquisition of the associates by the Group, and adjustments for differences in accounting policies.

(1) The summarized financial information of UPC Technology Corporation and its subsidiaries

	2025.12.31	2024.12.31
Current assets	$ 16,684,685	20,835,789
Non-current assets	36,825,230	36,260,566
Current liabilities	(6,965,324)	(9,918,108)
Non-current liabilities	(17,114,069)	(17,687,108)
Net assets	**$ 29,430,522**	**29,491,139**
Net assets attributable to investee	**$ 29,430,522**	**29,491,139**

	2025	2024
Operating revenue	**$ 58,766,228**	**73,320,280**
Net profit (loss) from continuing operations	$ (1,553,533)	(2,358,405)
Other comprehensive income	1,695,011	2,040,680
Total comprehensive income	**$ 141,478**	**(317,725)**
Total comprehensive income attributable to investee	**$ 141,478**	**(317,725)**
The Group's shares of the associate's net assets at the beginning	$ 9,444,510	9,654,806
Total comprehensive income attributable to the Group in current period	33,172	(124,373)
Dividend received from associates in current period	(64,429)	(85,923)
Carrying amount concerning the Group's equity in associates at the ending	**$ 9,413,253**	**9,444,510**

(2) The summarized financial information of Linde LienHwa Industrial Gases Co., Ltd. and its subsidiaries

	2025.12.31	2024.12.31
Current assets	$ 14,285,319	15,377,124
Non-current assets	45,634,147	43,191,548
Current liabilities	(17,314,405)	(19,957,474)
Non-current liabilities	(5,108,341)	(5,447,844)
Net assets	**$ 37,496,720**	**33,163,354**
Net assets attributable to non-controlling equity	**$ 4,807,421**	**4,406,669**
Net assets attributable to investee	**$ 32,689,299**	**28,756,685**

	2025	2024
Operating revenue	**$ 41,253,221**	**41,044,580**
Net profit from continuing operations	$ 8,860,777	9,177,119
Other comprehensive income	2,330,822	(2,108,861)
Total comprehensive income	**$ 11,191,599**	**7,068,258**
Total comprehensive income attributable to non-controlling equity	**$ 1,123,027**	**1,030,925**
Total comprehensive income attributable to investee	**$ 10,068,572**	**6,037,333**
The Group's shares of the associate's net assets at the beginning	$ 14,237,748	12,174,685
Total comprehensive income attributable to the Group in current period	3,996,484	3,930,382
Dividend received from associates in current period	(1,893,541)	(1,867,319)
Carrying amount concerning the Company's equity in associates at the ending	**$ 16,340,691**	**14,237,748**

In April, July, and October 2025, the Group invested $30,000 thousand respectively, acquiring a total of 30% equity interest in Txi Ba Weng Inc. The Group obtained two seats on the Board of Directors and participated in the financial and operating policy decisions of Txi Ba Weng Inc. Accordingly, the Group was deemed to have significant influence over the Group and accounted for the investment using the equity method.

The summarized financial information of individually immaterial associates accounted for using the equity method are as follows. Such financial information represents the amounts included in the consolidated financial statements of the Group:

	2025.12.31	2024.12.31
The summarized carrying amount of equity in individually immaterial associates at the end of the period	$ 884,554	744,753

	2025	2024
Attributable to the Group：		
Net income from continuing operations	$ 36,807	36,521
Other comprehensive income	45,126	(62,615)
Total comprehensive income	$ 81,933	(26,094)

2. Collateral

No investments accounted for using the equity method of the Group were pledged as collateral as of December 31, 2025 and 2024.

(IX) Subsidiaries with significant non-controlling interests

Subsidiaries with non-controlling interests important to the Group were as follows:

Name of the subsidiary	The main operating place / register country	The percentage of ownership interests and voting rights held by non-controlling interests 2025.12.31	2024.12.31
MiTAC Inc.	Taiwan	62.15%	62.16%

The summarized financial information of the above subsidiaries are as follows. The financial information were prepared in accordance with the IFRSs approved by FSC and reflects the fair value adjustment made upon the acquisition date of the Group and adjustment made according to the accounting policy differences. Also, the financial information refers to the amount of the inter-company transactions before elimination.

Summarized financial information of the MiTAC Inc. and its subsidiaries:

		2025.12.31	2024.12.31
Current assets	$	1,388,553	1,284,673
Non-current assets		30,643,021	31,513,110
Current liabilities		(280,417)	(511,702)
Non-current liabilities		(91,872)	(96,766)
Net assets	$	31,659,285	32,189,315
Carrying amount of non-controlling equity at the ending	$	20,314,486	18,826,086

		2025	2024
Revenue	$	1,543,568	1,157,752
Net income	$	1,417,760	1,013,622
Other comprehensive income /loss		(996,497)	2,528,640
Total comprehensive income	$	421,263	3,542,262
Net profit attributable to non-controlling equity	$	881,868	622,184
Total comprehensive income attributable to non-controlling equity	$	205,392	1,038,936
Cash flows from operating activities	$	2,838	37,190
Cash flows from investment activities		1,192,742	1,565,255
Cash flows from financing activity		(1,133,766)	(1,575,684)
Effect of exchange rate changes		(6,329)	17,277
Increase (decrease in) cash and cash equivalents	$	55,485	44,038

(X) Property, plant and equipment

The details of changes in the property, plant, and equipment of the Group are as follows:

	Land	Building and structure	Machine & equipment	Transportation equipment	Office equipment	Other equipment	Construction in progress	Total
Cost or identified cost:								
Balance at January 1, 2025	$ 2,413,435	2,257,182	1,067,123	37,698	47,501	628,110	117,082	6,568,131
Additions	1,055	1,080	23,915	-	11,154	111,061	138,054	286,319
Transfer in	-	41,822	41,379	6,853	-	17,809	-	107,863
Transfer out	-	-	-	-	-	-	(99,171)	(99,171)
Disposal	-	-	(7,731)	(2,952)	(9,177)	(45,687)	-	(65,547)
Effect of exchange rate changes	-	116	(127)	(103)	(83)	(1,018)	-	(1,215)
Balance at December 31, 2025	$ 2,414,490	2,300,200	1,124,559	41,496	49,395	710,275	155,965	6,796,380
Balance at January 1, 2024	$ 2,148,505	2,783,714	1,460,789	48,030	64,749	666,842	666,486	7,839,115
Additions	-	44,517	46,628	5,031	540	50,235	91,795	238,746
Transfer in	264,930	8,830	91,116	-	118	21,229	1,397	387,620
Transfer out	-	(581,227)	(492,157)	(4,283)	(11,834)	(1,250)	(642,596)	(1,733,347)
Disposal	-	4,846	(54,939)	(11,438)	(6,936)	(110,640)	-	(179,107)
Effect of exchange rate changes	-	(3,498)	15,686	358	864	1,694	-	15,104
Balance at December 31, 2024	$ 2,413,435	2,257,182	1,067,123	37,698	47,501	628,110	117,082	6,568,131
Depreciation and impairment loss:								
Balance at January 1, 2025	$ -	1,090,628	573,689	18,545	35,691	421,875	-	2,140,428
Current depreciation	-	40,509	93,622	3,449	5,978	70,631	-	214,189
Transfer in	-	49,593	-	-	-	-	-	49,593
Disposal	-	-	(8,167)	(2,865)	(8,895)	(40,855)	-	(60,782)
Effect of exchange rate changes	-	46	(155)	(88)	(58)	(776)	-	(1,031)
Balance at December 31, 2025	$ -	1,180,776	658,989	19,041	32,716	450,875	-	2,342,397
Balance at January 1, 2024	$ -	1,315,209	1,002,398	29,580	42,752	457,527	-	2,847,466
Current depreciation	-	74,096	89,554	3,094	7,643	67,189	-	241,576
Reversal of impairment loss	-	-	-	(551)	(3)	(519)	-	(1,073)
Transfer in	-	-	-	-	-	30	-	30
Transfer out	-	(294,613)	(479,956)	(3,597)	(8,505)	(1,096)	-	(787,767)
Disposal	-	4,846	(53,534)	(10,275)	(6,833)	(102,387)	-	(168,183)
Effect of exchange rate changes	-	(8,910)	15,227	294	637	1,131	-	8,379
Balance at December 31, 2024	$ -	1,090,628	573,689	18,545	35,691	421,875	-	2,140,428
Carrying amount:								
Balance at December 31, 2025	$ 2,414,490	1,119,424	465,570	22,455	16,679	259,400	155,965	4,453,983
Balance at January 1, 2024	$ 2,148,505	1,468,505	458,391	18,450	21,997	209,315	666,486	4,991,649
Balance at December 31, 2024	$ 2,413,435	1,166,554	493,434	19,153	11,810	206,235	117,082	4,427,703

1. Collateral

For the details of assets pledged as collateral for long-term loans and financing facilities as of December 31, 2025 and 2024, please refer to Note 8.

(XI) Right-of-use assets

The movements in the cost and accumulated depreciation of the right-of-use assets leased by The Group, including land, buildings, machine equipment, and transportation equipment, are as follows:

		Land	Building and structure	Machine equipment	Transportation equipment	Total
Cost：						
Balance at January 1, 2025	$	146,854	165,087	268,661	13,808	594,410
Additions		165,823	4,221	-	2,254	172,298
Decreases		(24,557)	(716)	-	(896)	(26,169)
Other movements		-	32,217	-	-	32,217
Effect of exchange rate changes		293	101	-	-	394
Balance at December 31, 2025	$	288,413	200,910	268,661	15,166	773,150
Balance at January 1, 2024	$	77,188	239,476	268,661	15,293	600,618
Additions		67,205	20,669	-	2,133	90,007
Decreases		-	(95,255)	-	(3,618)	(98,873)
Effect of exchange rate changes		2,461	197	-	-	2,658
Balance at December 31, 2024	$	146,854	165,087	268,661	13,808	594,410
Depreciation：						
Balance at January 1, 2025	$	22,111	10,709	52,453	8,333	93,606
Depreciation		53,998	18,809	15,352	5,070	93,229
Other movements		(3,423)	31,501	-	(896)	27,182
Effect of exchange rate changes		125	85	-	-	210
Balance at December 31, 2025	$	72,811	61,104	67,805	12,507	214,227
Balance at January 1, 2024	$	11,870	31,099	37,101	5,121	85,191
Depreciation		9,881	33,501	15,352	5,088	63,822
Other movements		-	(53,970)	-	(1,876)	(55,846)
Effect of exchange rate changes		360	79	-	-	439
Balance at December 31, 2024	$	22,111	10,709	52,453	8,333	93,606
Carrying amount:						
Balance at December 31, 2025	$	215,602	139,806	200,856	2,659	558,923
Balance at January 1, 2024	$	65,318	208,377	231,560	10,172	515,427
Balance at December 31, 2024	$	124,743	154,378	216,208	5,475	500,804

(XII) Investment property

	Owned properties		
	Land	**Building and structure**	**Total**
Cost or deemed cost:			
Balance at January 1, 2025	$ 365,602	4,350,247	4,715,849
Additions	-	592,740	592,740
Transfers in	-	29,237	29,237
Transfers out	-	(61,259)	(61,259)
Disposals	(3,542)	(3,017)	(6,559)
Effect of exchange rate changes	-	4,398	4,398
Balance at December 31, 2025	**$ 362,060**	**4,912,346**	**5,274,406**
Balance at January 1, 2024	$ 633,307	2,612,117	3,245,424
Additions	256	566,057	566,313
Transfers in	-	1,143,805	1,143,805
Transfers out	(264,930)	(386)	(265,316)
Disposals	(3,031)	(1,371)	(4,402)
Effect of exchange rate changes	-	30,025	30,025
Balance at December 31, 2024	**$ 365,602**	**4,350,247**	**4,715,849**
Accumulated depreciation and impairment losses:			
Balance at January 1, 2025	$ -	1,709,293	1,709,293
Depreciation	-	88,134	88,134
Transfers out	-	(84,028)	(84,028)
Disposals	-	(1,271)	(1,271)
Effect of exchange rate changes	-	3,073	3,073
Balance at December 31, 2025	**$ -**	**1,715,201**	**1,715,201**
Balance at January 1, 2024	$ -	1,301,110	1,301,110
Depreciation	-	80,292	80,292
Transfers in	-	311,960	311,960
Transfers out		(14)	(14)
Disposals	-	(27)	(27)
Effect of exchange rate changes	-	15,972	15,972
Balance at December 31, 2024	**$ -**	**1,709,293**	**1,709,293**

	Owned properties		
	Land	**Building and structure**	**Total**
Carrying amounts:			
Balance at December 31, 2025	$ 362,060	3,197,145	3,559,205
Balance at January 1, 2024	$ 633,307	1,311,007	1,944,314
Balance at December 31, 2024	$ 365,602	2,640,954	3,006,556
Fair Value:			
Balance at December 31, 2025			$ 18,924,562
Balance at December 31, 2024			$ 13,833,880

Investment property comprises several commercial properties leased to third parties. The lease terms vary by region, ranging from 1 to 20 years, with subsequent renewal terms negotiated with the lessees. No contingent rents were collected. For related information, please refer to Note 6(18).

The fair value of investment property is based on valuations performed by the Group's personnel in accordance with its real estate appraisal regulations. Such personnel possess relevant experience and have recent experience in the location and category of the investment property being valued. These valuations are based on the income approach under the Real Estate Appraisal Research Rules to assess market value; however, if objective net income data is unavailable, the comparison approach is used to determine the property's value. The range of yields used as of December 31, 2025 and 2024 was 1.44% to 4.20%.

For the details of assets pledged as collateral for long-term loans and financing facilities as of December 31, 2025 and 2024, please refer to Note 8.

(XIII) Short-term loans

	2025.12.31	2024.12.31
Unsecured bank loans	$ 3,976,000	5,644,000
Secured bank loans	2,600,000	2,600,000
Total	$ 6,576,000	8,244,000
Unused credit facilities	$ 15,750,614	12,693,064
Interest rate range	1.85%~2.05%	0.50%~2.33%

For the details of assets pledged as collateral for bank loans, please refer to Note 8.

(XIV) Short-term notes payable

	2025.12.31	2024.12.31
Commercial paper payable	$ 530,000	1,000,000
Unamortized discount	(689)	(1,465)
Total	**$ 529,311**	**998,535**
Unused credit facilities	**$ 2,480,000**	**2,110,000**
Interest rate range	**1.50%~2.26%**	**1.50%~2.45%**

The loans have maturities of not more than one year. For related interest expenses, please refer to Note 6(26).

(XV) Long-term loans

The details of long-term loans of the Group are as follows:

	2025.12.31	2024.12.31
Unsecured bank loans	$ 1,500,000	900,000
Secured bank loans	-	-
Less: Current portion due within one year	(500,000)	(100,000)
Total	**$ 1,000,000**	**800,000**
Unused credit facilities	**$ 3,800,000**	**4,800,000**
Range of interest rates	**1.845%~1.85%**	**1.85%~2.04%**
Maturity date	**2026.10.21~2028.02.04**	**2025.05.16~2026.11.30**

(XVI) Bond payable

The details of the bond payable of the Group are as follows:

	2025.12.31	2024.12.31
Domestic secured non-convertible corporate bonds	**$ 2,498,721**	**2,497,793**

The terms and conditions of the domestic bond issued by the Group are as follows:

	Domestic secured corporate bond of 2022
Total issuance	2,500,000
Ending balance	2,500,000
Due within one year	-
Release date	May 17, 2022
Issue period	5 years
Coupon rate	1.30%
Bond interest base date	May 17, 2022
Repayment situation	Bullet repayment.

(XVII) Lease liabilities

The carrying amounts of lease liabilities of the Group are as follows:

	2025.12.31	**2024.12.31**
Current	$ 84,070	57,203
Non-current	$ 429,401	394,986

For the maturity analysis, please refer to Note 6(27).

The amounts recognized in profit or loss are as follows:

	2025	**2024**
Interest expense on lease liabilities	$ 10,650	9,026
Variable lease payments not included in the measurement of lease liabilities	$ 45	45
Income from subleasing right-of-use assets	$ -	819
Expenses relating to short-term leases	$ 11,322	4,991
Expenses relating to leases of low-value assets (excluding short-term leases of low-value assets)	$ 248	257

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

	2025	**2024**
Total cash outflow of leases	$ 109,479	73,044

1. Lease of land, buildings and structures

The Group leases land, buildings, and structures for operational purposes. Lease terms for land typically range from five to fifty years, while those for buildings and structures range from one to eighteen years. Certain lease agreements include options to extend the lease term for a period equal to the original term upon expiry. ◦

Some lease payments are linked to changes in local land price indices. In addition, under certain contracts, the Group is required to reimburse the lessor for property-related taxes and insurance expenses, which are generally incurred annually.

Portions of right-of-use assets are subleased by the Group under operating and finance lease arrangements, Please refer to Note 6(18).

2. Lease of machinery and equipment

The Group leases machinery and equipment for operational needs. Lease terms typically range from three to eighteen years. Certain lease contracts include options to extend the lease term for a period equal to the original term upon expiry.

3. Other leases

The Group leases parking spaces and office equipment, which are classified as short-term leases and leases of low-value assets. The Group has elected to apply the exemption recognition policy and therefore does not recognize the related right-of-use assets and lease liabilities.

(XVIII) Operating lease

The Group leases out investment property. Since substantially all the risks and rewards incidental to ownership of the underlying assets are not transferred, these lease contracts are classified as operating leases, please refer to Note 6(12) Investment Property.

The maturity analysis of lease payments, showing the total undiscounted lease payments to be received after the reporting date, is as follows:

	2025.12.31	2024.12.31
Less than 1 year	$ 477,731	485,885
1 to 2 years	319,511	517,009
2 to 3 years	281,679	319,562
3 to 4 years	265,735	279,220
4 to 5 years	78,610	61,648
Over 5 years	164,867	326,118
Total undiscounted lease payments	**$ 1,588,133**	**1,989,442**

Rental income generated from investment property was $394,592 thousand and $384,332 thousand for the years ended December 31, 2025 and 2024, respectively.

(XIX) Employee benefits

1. Defined benefit plan

		2025.12.31	**2024.12.31**
Present value of defined benefit obligations	$	55,749	63,231
Fair value of plan assets		(103,852)	(97,056)
Net defined benefit asset	**$**	**(48,103)**	**(33,825)**

The Group makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pensions for employees upon retirement. The plans covered by the Labor Standards Act entitle a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

(1) Composition of plan assets

The pension funds contributed by the Group under the Labor Standards Act are managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau of Labor Funds"). According to the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund", with regard to the utilization of the fund, the minimum earnings in the annual distributions shall be no less than the earnings accrued from the interest rate of a two-year time deposit from local banks.

As of the reporting date, the balance of the Group’s labor pension reserve account at the Bank of Taiwan amounted to $103,852 thousand. For information on the utilization of the labor pension fund assets, including the yield of the fund and the asset allocation, please refer to the information published on the website of the Bureau of Labor Funds, Ministry of Labor.

(2)Movements in present value of the defined benefit obligations

The movements in present value of the Group’s defined benefit obligations are as follows for the years ended December 31, 2025 and 2024:

		2025	**2024**
Defined benefit obligations at January 1	$	63,231	66,800
Current service cost and interest		1,684	1,309
Remeasurement of net defined benefit liability (asset)			
-Actuarial gains and losses from changes in financial assumptions		906	(385)
-Actuarial gains and losses from experience adjustments		3,399	4,740
Past service cost and gains and losses on settlement		(1,388)	-
Benefits paid		(12,083)	(9,233)
Defined benefit obligations at December 31	**$**	**55,749**	**63,231**

(3)Movements in fair value of plan assets

The movements in fair value of the Group's defined benefit plan assets are as follows for the years ended December 31, 2025 and 2024:

		2025	2024
Fair value of plan assets at January 1	$	97,056	95,771
Interest income		1,467	1,237
Remeasurement of net defined benefit liability (asset)			
-Return on plan assets (excluding interest income)		7,184	8,730
Contributions by plan participants		481	551
Benefits paid		(2,336)	(9,233)
Fair value of plan assets at December 31	**$**	**103,852**	**97,056**

(4)Expenses recognized in profit or loss

The details of expenses recognized by the Group are as follows for the years ended December 31, 2025 and 2024:

		2025	2024
Current service cost	$	733	481
Net interest on the net defined benefit liability (asset)		(516)	(409)
Past service cost and gains and losses on settlement		(1,388)	-
	$	**(1,171)**	**72**
Operating cost	$	16	34
Marketing expense		(1,712)	(182)
Management expense		493	152
R&D expenses		32	68
	$	**(1,171)**	**72**

(5)Actuarial assumptions

The significant actuarial assumptions used by the Group to determine the present value of the defined benefit obligations are as follows as of the end of the reporting period:

	2025.12.31	2024.12.31
Discount rate	1.250%~1.625%	1.50%~1.625%
Future salary increases	2.50%~3.00%	2.50%~3.00%

The Group expects to make contributions of $90 thousand to the defined benefit plans within one year after the reporting date of 2025.

The weighted average duration of the defined benefit plans is 9.20 to 25.90 years.

(6)Sensitivity analysis

The impact of changes in the key actuarial assumptions on the present value of the defined benefit obligations is as follows as of December 31, 2025 and 2024:

	Impact on the present value of defined benefit obligations	
	Increase by 0.25%	**Decrease by 0.25%**
As of December 31, 2025		
Discount rate	$ (1,348)	1,401
Future salary increases	1,362	(1,319)
As of December 31, 2024		
Discount rate	$ (1,524)	1,580
Future salary increases	1,537	(1,490)

The sensitivity analysis above is based on the impact of a change in a single assumption while keeping other assumptions constant. In practice, changes in many assumptions may be correlated. The method used in the sensitivity analysis is consistent with the method used to calculate the net defined benefit liability on the balance sheet.

The methods and assumptions used in preparing the sensitivity analysis for the current period are consistent with those used in the prior period.

2. Defined contribution plans

The Group's defined contribution plans are established in accordance with the Labor Pension Act. Under these plans, the Group contributes 6% of each employee's monthly salary to individual pension accounts at the Bureau of Labor Insurance. After the Group contributes fixed amounts to the Bureau of Labor Insurance, there are no further legal or constructive obligations to pay additional amounts.

The pension expenses recognized under the defined contribution plans were $71,101 thousand and $69,238 thousand, which have been contributed to the Bureau of Labor Insurance for the years ended December 31, 2025 and 2024, respectively.

3. Pension expenses recognized by foreign subsidiaries in accordance with local laws were as follows for the years ended December 31, 2025 and 2024:

	2025	**2024**
Operating cost	$ 6,888	8,264
Operating expense	3,188	5,792
	$ 10,076	**14,056**

(XX) Income tax

1. Income tax expense

The details of income tax expense for the Group are as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Current tax expense		
Current period	$ 305,292	189,529
Adjustments for prior periods	(12,025)	(15,117)
	293,267	174,412
Deferred tax expense		
Origination and reversal of temporary differences	6,462	22,616
Income tax expense	**$ 299,729**	**197,028**

The reconciliation between income tax expense and profit before tax is as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Profit before tax	**$ 5,877,252**	**5,063,812**
Income tax calculated at the domestic rates applicable to profits in the relevant countries	$ 1,175,450	1,012,763
Effect of different tax rates in foreign jurisdictions	16,834	(5,783)
Expenses not deductible for tax purposes	(26,081)	22,951
Tax-exempt income	(659,379)	(600,104)
Tax incentives	(65)	-
Adjustments for non-temporary differences	(250,965)	(287,755)
Recognition of previously unrecognized tax losses	7,798	-
Current year tax losses for which no deferred tax asset was recognized	18,765	95,620
Changes in unrecognized temporary differences	(9,445)	(66,397)
Overestimation of prior periods	(12,025)	(15,117)
Additional tax on undistributed earnings	38,842	24,663
Income basic tax	-	16,187
Total	**$ 299,729**	**197,028**

2. Deferred tax assets and liabilities

(1) Unrecognized deferred tax assets

The aggregate amounts of deductible temporary differences for which no deferred tax assets have been recognized in the consolidated balance sheets were $352,636 thousand and $418,567 thousand as of December 31, 2025 and 2024, respectively.

As of December 31, 2025, the expiration dates of the tax losses for which no deferred tax assets have been recognized by the subsidiaries, available to offset against future taxable income in accordance with the Income Tax Act, are as follows:

Subsidiaries outside the Group's jurisdiction

Year of loss	Unrecognized tax losses	Expiry year
2021	$ 47,830	2026
2022	114,874	2027
2023	117,397	2028
2024	351,244	2029
2025	27,791	2030

Subsidiaries within the Group's jurisdiction

Year of loss	Unrecognized tax losses	Expiry year
2016	$ 314,028	2026
2017	137,944	2027
2018	75,215	2028
2019	117,580	2029
2020	472,796	2030
2021	41,046	2031
2022	25,869	2032
2023	375,189	2033
2024	32,136	2034
2025	60,181	2035

(2)Recognized deferred tax assets and liabilities

The movements in deferred tax assets and liabilities are as follows for the years ended December 31, 2025 and 2024:

	Investments accounted for using equity method	Unrealized exchange gains	Land value increment tax	Others	Total
Deferred tax liabilities:					
Balance at January 1, 2025	$ (40,961)	(1,177)	(93,543)	(26,217)	(161,898)
Recognized in profit or loss	(7,717)	24	-	(277)	(7,970)
Recognized in other comprehensive income	-	-	-	1,129	1,129
Exchange differences on translation of foreign financial statements	-	(3)	-	-	(3)
Balance at December 31, 2025	$ (48,678)	(1,156)	(93,543)	(25,365)	(168,742)
Balance at January 1, 2024	$ (42,682)	(1,077)	(93,543)	(21,634)	(158,936)
Recognized in profit or loss	1,721	(62)	-	349	2,008
Recognized in other comprehensive income	-	-	-	(4,932)	(4,932)
Exchange differences on translation of foreign financial statements	-	(38)	-	-	(38)
Balance at December 31, 2024	$ (40,961)	(1,177)	(93,543)	(26,217)	(161,898)

	Tax losses	Investment tax credits	其　他	合　計
Deferred Tax Assets:				
Balance at January 1, 2025	$ 39,730	-	17,165	56,895
Recognized in profit or loss	(8,626)	-	10,134	1,508
Recognized in other comprehensive income	-	-	(270)	(270)
Exchange differences on translation of foreign financial statements	-	-	169	169
Balance at December 31, 2025	$ 31,104	-	27,198	58,302
Balance at January 1, 2024	$ 62,804	-	20,235	83,039
Recognized in profit or loss	(23,074)	-	(1,550)	(24,624)
Recognized in other comprehensive income	-	-	(1,520)	(1,520)
Balance at December 31, 2024	$ 39,730	-	17,165	56,895

The Company and its subsidiaries' tax returns for the years through 2023 were assessed by the Taipei National Tax Administration.

(XXI) Capital and other equity

1. Issuance of common shares

As of December 31, 2025 and 2024, the Company's authorized share capital amounted to $25,000,000 thousand, with a par value of $10 per share, consisting of 2,500,000 thousand shares. All of the aforementioned authorized share capital consists of ordinary shares, and the number of shares issued was 1,795,960 thousand shares and 1,710,438 thousand shares as of December 31, 2025 and 2024, respectively.

Reconciliation of shares outstanding for 2025 and 2024 was as follows:

(in thousands of shares)

	Ordinary Shares	
	2025	**2024**
Balance on January 1	1,710,438	1,583,739
Capitalization of retained earnings	85,522	126,699
Balance on December 31	**1,795,960**	**1,710,438**

The Annual General Meeting of shareholders approved the distribution of stock dividends from unappropriated earnings of $855,219 thousand and $1,266,992 thousand on May 26, 2025 and May 27, 2024, respectively. These capital increases became effective upon approval by the Financial Supervisory Commission on July 3, 2025 and July 4, 2024. The dates of capital increase were July 30, 2025 and August 3, 2024, respectively, and the relevant statutory registration procedures have been completed.

2. Capital surplus

The balances of capital surplus were as follows as of December 31, 2025 and 2024:

	2025.12.31	**2024.12.31**
Share premium	$ 289,318	289,318
Treasury stock transactions	107,634	100,089
Differences between actual acquisition or disposal of subsidiary equity and carrying amount	899	899
Changes in equity of associates and joint ventures accounted for using the equity method	403,796	421,749
Recognized changes in ownership interests in subsidiaries	353,822	337,335
Employee stock options	7,421	-
Others	1,656	1,287
	$ 1,164,546	**1,150,677**

According to the Company Act, the capital surplus should be used to cover losses first before being distributed as new shares or cash dividends to shareholders in proportion to their original shareholdings from realized capital surplus. Realized capital surplus includes the premiums on issuance of stock exceeding the face value and the income from donations received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the total amount of capital surplus that can be used for capital increase each year should not exceed 10% of the paid-in capital.

3. Retained earnings

According to the Company's Articles of Incorporation, if there is a profit after the annual final closing, it shall first be used to pay taxes and offset prior years' deficits, followed by an appropriation of 10% as legal reserve. However, this shall not apply if the legal reserve has reached the Company's paid-in capital. A special reserve shall then be appropriated or reversed in accordance with relevant laws or operating requirements. Any remaining balance, together with the undistributed retained earnings at the beginning of the period, shall be proposed by the Board of Directors as a distribution plan and submitted to the Annual General Meeting of shareholders for approval.

The Company is currently in a stable growth stage, and a significant portion of its earnings is derived from investments accounted for using the equity method. To ensure sustainable operations and long-term development, the Company's annual earnings, after offsetting accumulated deficits and paying taxes, shall first be appropriated as 10% legal reserve and then assigned to or reversed from special reserve according to legal regulations. The remaining earnings, combined with the accumulated undistributed earnings from prior years, will be proposed for distribution by the Board of Directors. For distributions made in the form of new shares, a resolution must be passed during the Annual General Meeting. For distributions in the form of cash, the Board of Directors is authorized to approve such distribution by a resolution supported by at least two-thirds of the directors present at a meeting attended by more than half of the total directors, in accordance with Paragraph 5 of Article 240 of the Company Act, and such distribution shall be reported to the Annual General Meeting.

The aforementioned distribution ratio and the ratio of cash dividends to shareholders may be determined by the Board of Directors considering the Company's financial structure, future capital requirements, and profitability, provided that cash dividends shall not be less than 10% of the total dividends.

(1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by the Annual General Meeting, distribute its legal reserve by issuing new shares or by distributing cash, provided that only the portion of legal reserve which exceeds 25% of paid-in capital may be distributed.

(2) Special reserve

Upon the initial adoption of IFRS Accounting Standards endorsed by the Financial Supervisory Commission, the Company elected to apply the exemptions under IFRS 1 First-time Adoption of International Financial Reporting Standards. Any unrealized revaluation surplus recorded under equity, for which the fair value was used as deemed cost at the transition date, resulted in an increase in retained earnings. In accordance with the requirements issued by the Financial Supervisory Commission, the Company allocated an equivalent amount to special reserve. When the relevant assets are used, disposed of, or reclassified, the Company may reverse the special reserve in proportion to the original allocation for earnings distribution. The balance of such special reserve was $141,843 thousand as of December 31, 2025 and 2024.

Furthermore, in accordance with the regulations issued by the Financial Supervisory Commission, when distributing the distributable earnings, the Company shall appropriate a special reserve from the current period’s profit or loss and prior period’s undistributed earnings for the difference between the net deduction of other equity interests incurred during the current year and the balance of the special reserve mentioned above. For the accumulated deduction of other equity interests from prior periods, an equivalent amount of special reserve shall be appropriated from the prior period’s undistributed earnings and shall not be distributed. If the deduction of other equity interests is subsequently reversed, the reversed portion may be distributed as earnings.

(3) Earnings distribution

The cash dividends in the 2024 earnings distribution plan were approved by the Board of Directors on March 10, 2025, and other earnings distribution items for 2024 were approved during the Annual General Meeting of shareholders on May 26, 2025. Similarly, the cash dividends in the 2023 earnings distribution plan were approved by the Board of Directors on March 8, 2024, and other earnings distribution items for 2023 were approved during the Annual General Meeting on May 27, 2024. The details of these distributions are as follows:

	2024		2023	
	Dividend Per Share **(NT$)**	**Amount**	Dividend Per Share **(NT$)**	**Amount**
Dividends distributed to ordinary shareholders:				
Cash	$ 1.30	2,223,570	1.30	2,058,861
Shares	0.50	855,219	0.80	1,266,992
Total		**$ 3,078,789**		**3,325,853**

The distribution of 2025 earnings was proposed by the Board of Directors on March 10, 2026. The dividend amounts to be distributed to owners are as follows. In addition to cash dividends, other items in the earnings distribution statement are subject to the approval of shareholders during the Annual General Meeting:

	2025	
	Dividend Per Share **(NT$)**	**Amount**
Dividends distributed to ordinary shareholders:		
Cash	$ 1.80	3,232,729
Shares	0.20	359,192
Total		**$ 3,591,921**

4. Treasury stock

The details of the Company's shares held by subsidiaries as of December 31, 2025 and 2024 are as follows:

	2025.12.31			2024.12.31		
Ledger account	**Number of shares (in thousand)**	**Cost**	**Market price**	**Number of shares (in thousand)**	**Cost**	**Market price**
Financial assets at fair value through other comprehensive income– non-current	7,238	$ 136,868	344,207	6,894	136,868	349,532

In accordance with the Securities and Exchange Act, the treasury shares held by subsidiaries shall not be pledged, and shall not be entitled to any shareholders' rights until they are transferred.

5. Other equity (net of tax)

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Non-controlling interests
Balance at January 1, 2025	$ 611,585	17,455,879	21,412,683
Exchange differences on translation of net assets of foreign operations	(87,997)	-	(29,133)
Share of exchange differences of associates accounted for using the equity method	(216,367)	-	-
Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	-	1,936,693	(619,128)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	(3,368)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	779,639	14,024
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(188,650)	(52,728)
Others	-	-	617,743
Balance at December 31, 2025	$ 307,221	19,983,561	21,340,093
Balance at January 1, 2024	$ (187,471)	13,620,068	19,762,354
Exchange differences on translation of net assets of foreign operations	370,383	-	(5,466)
Share of exchange differences of associates accounted for using the equity method	428,673	-	-
Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	-	3,688,986	1,588,017
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	(87)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	154,905	(19,462)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(8,080)	(704)
Others	-	-	88,031
Balance at December 31, 2024	$ 611,585	17,455,879	21,412,683

(XXII) Share-based payment

On March 21, 2025, the Group obtained approval from the Securities and Futures Bureau of the Financial Supervisory Commission to issue the fifth employee stock options with 6,000 units. Each unit entitles the holder to subscribe for 1,000 common shares, for a total of 6,000,000 common shares. These options may be issued in one or multiple tranches, depending on actual requirements. Subsequently, on April 9 and December 8, 2025, the Group issued the first and second tranches of the fifth employee stock options, totaling 2,991 units and 3,009 units, respectively. The grantees are limited to full-time employees of the Group and its domestic or overseas controlled or affiliated companies who meet specific requirements. The stock options have a contractual term of six years, and the option holders may exercise a certain portion of the granted options starting from two years after the grant date.

As of December 31, 2025, the Group had the following two share-based payment arrangements:

	Equity-settled	
	Employee Stock Option Certificate A	**Employee Stock Option Certificate B**
Grant date	2025/4/9	2025/12/8
Number of options granted	2,991,000 shares	3,009,000 shares
Grantees	Employees of the Group and its domestic and overseas subsidiaries. Based on the length of service (two to four years), the options vest as follows, 50% after two years of service, 75% after three years, and 100% after four years.	Employees of the Group and its domestic and overseas subsidiaries. Based on the length of service (two to four years), the options vest as follows, 50% after two years of service, 75% after three years, and 100% after four years.
Vesting condition	Future service of two years	Future service of two years

1. Parameters for measuring the fair value at grant date

The Group estimated the fair value of share-based payments at the grant date using the Black-Scholes option-pricing model. The inputs to the model are as follows:

	Employee Stock Option Certificate A	**Employee Stock Option Certificate B**
Grant date fair value (NT$)	8.08~8.97	8.90~10.15
Share price at grant date (NT$)	41.65	47.15
Exercise price (NT$)	41.65	47.15
Expected volatility (%)	20.85%~21.41%	21.13%~21.39%
Expected life (years)	6	6
Risk-free interest rate (%)	1.42%~1.47%	1.25%~1.28%

The expected volatility was based on the weighted-average historical volatility, adjusted for changes expected from publicly available information. The expected life was determined in accordance with the terms of the plans. The risk-free interest rate was based on government bond yields. The determination of fair value did not take into account service conditions and non-market performance conditions.

2. Information on employee stock option plans

Details of the aforementioned employee stock options are as follows:

(In thousands of units)

	2025			
	Employee Stock Option Certificate A		**Employee Stock Option Certificate B**	
	Weighted-average exercise price (NT$)	Number of options	Weighted-average exercise price (NT$)	Number of options
Outstanding as of January 1	$ -	-	-	-
Granted during the period	38.50	2,991	47.15	3,009
Exercised during the period	-	-	-	-
Forfeited during the period	-	(110)	-	(27)
Outstanding as of December 31	38.50	**2,881**	47.15	**2,982**

3. Employee expenses and liabilities

The expenses and liabilities incurred by the Group due to share-based payment transactions for the years ended December 31, 2025 and 2024 are as follows:

	2025	**2024**
Expense arising from share-based payment	**$ 7,421**	**-**

(XXIII) Earnings per share

1. Basic EPS

The calculation of basic earnings per share for the years ended December 31, 2025 and 2024 was based on the profit attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares outstanding, as follows:

(1)Profit attributable to ordinary shareholders of the Company

	2025	2024
Profit attributable to ordinary shareholders of the Company	$ 4,599,753	4,190,598

(2)Weighted average number of ordinary shares outstanding (in thousands)

	2025	2024
Issued ordinary shares at 1 January	1,710,438	1,710,438
Effect of treasury shares held	(7,238)	(7,238)
Effect of stock dividends	85,522	85,522
Weighted average number of ordinary shares at 31 December	1,788,722	1,788,722
Basic earnings per share (NTD)	$ 2.57	2.34

2. Diluted earnings per share

The calculation of diluted earnings per share for the years ended December 31, 2025 and 2024 was based on the profit attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares outstanding after adjusting for the effects of all dilutive potential ordinary shares, as follows:

(1)Profit attributable to ordinary shareholders of the Company (diluted)

	2025	2024
Profit attributable to ordinary shareholders of the Company (diluted)	$ 4,599,753	4,190,598

(2) Weighted average number of ordinary shares (diluted) (in thousands)

	2025	2024
Weighted-average number of ordinary shares outstanding (basic)	1,788,722	1,788,722
Impact of employee stock-based compensation	116	95
Impact of employee stock options	240	-
Weighted-average number of ordinary shares outstanding as of December 31 (diluted)	1,789,078	1,788,817
Diluted earnings per share (NTD)	$ 2.57	2.34

(XXIV) Revenue from contracts with customer

1. Revenue details

	2025					
		Rental business	Flour business	IT business	All other departments	Total
Main area and market						
Taiwan	$	350,879	4,848,876	6,133,881	1,516,047	12,849,683
China		36,189	-	109,805	2,754	148,748
Other countries		-	172,223	412,928	-	585,151
	$	387,068	5,021,099	6,656,614	1,518,801	13,583,582
Main product/service line						
Product sale	$	-	5,021,099	2,401,601	81,937	7,504,637
Investment property and rental revenue		387,068	-	103	7,421	394,592
Construction revenue		-	-	3,522,098	-	3,522,098
Maintenance revenue		-	-	645,608	-	645,608
Investment revenue		-	-	-	1,424,251	1,424,251
Others		-	-	87,204	5,192	92,396
	$	387,068	5,021,099	6,656,614	1,518,801	13,583,582

	2024					
		Rental business	Flour business	IT business	All other departments	Total
Main area and market						
Taiwan	$	343,645	5,110,099	4,720,427	1,303,069	11,477,240
China		33,367	-	130,138	242,649	406,154
Other countries		-	198,152	861,235	3,995	1,063,382
	$	377,012	5,308,251	5,711,800	1,549,713	12,946,776
Main product/service line						
Product sale	$	-	5,308,251	1,354,441	533,645	7,196,337
Investment property and rental revenue		377,012	-	2,800	4,520	384,332
Construction revenue		-	-	3,642,417	-	3,642,417
Maintenance revenue		-	-	659,834	-	659,834
Investment revenue		-	-	-	1,006,018	1,006,018
Others		-	-	52,308	5,530	57,838
	$	377,012	5,308,251	5,711,800	1,549,713	12,946,776

2. Contract balance

		2025.12.31	2024.12.31	2024.1.1
Notes receivable	$	156,001	155,888	282,401
Accounts receivable		2,288,597	2,291,045	3,063,182
Less: Loss allowance		(8,050)	(8,353)	(8,213)
Total	$	2,436,548	2,438,580	3,337,370

		2025.12.31	2024.12.31	2024.1.1
Contract assets - System engineering	$	4,217,427	4,009,006	3,996,704
Contract assets - Maintenance and trading		47,508	1,293,725	996,327
	$	4,264,935	5,302,731	4,993,031

		2025.12.31	2024.12.31	2024.1.1
Contract liabilities - System engineering	$	1,781,557	1,413,073	1,301,678
Contract liabilities - Maintenance and trading		895,592	753,945	572,879
	$	2,677,149	2,167,018	1,874,557

For the disclosures of notes and accounts receivable and their impairment, please refer to Note 6(4).

The amount of revenue recognized for the years ended December 31, 2025 and 2024 that was included in the contract liability balance at the beginning of the period were $731,071 thousand and $516,245 thousand, respectively.

(XXV) Remuneration to employees and directors

On May 26, 2025, the Company's shareholders resolved at the Annual General Meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profit in a given fiscal year, it shall allocate no less than 0.1% as employee remuneration (of which no less than 0.1% shall be allocated to base-level employees) and no more than 1% as remuneration for directors for the years ended December 31, 2025 and 2024. Prior to the amendment, the Articles stipulated that if the Company has profit in a given fiscal year, it shall allocate no less than 0.1% as employee remuneration and no more than 1% as remuneration for directors. However, if there are accumulated losses, the Company shall reserve an amount to offset the losses in advance. The recipients of the aforementioned employee remuneration, in the form of shares or cash, may include employees of subsidiaries meeting certain specific requirements.

For the years ended December 31, 2025 and 2024, the estimated amounts of employee remuneration were $4,773 thousand and $4,250 thousand, respectively, and the estimated amounts of remuneration for directors were $9,000 thousand and $9,020 thousand, respectively. These estimates were based on the Group's profit before tax for the respective periods, excluding the effect of employee and director remuneration, and were determined in accordance with the distribution percentages stipulated in the Articles of Incorporation and based on historical experience. The remuneration was recognized as operating expenses for the years ended December 31, 2025 and 2024, and related information can be accessed on the Market Observation Post System. There were no differences between the amounts of employee and director remuneration resolved by the Board of Directors and the amounts recognized in the consolidated financial reports for the years ended December 31, 2025 and 2024.

Any difference between the actual distributed amounts and the estimated amounts for the year ended December 31, 2025 shall be treated as a change in accounting estimate and recognized in profit or loss for the year ending December 31, 2026.

(XXVI) Non-operating revenue and expense

1. Interest income

The details of interest income for the Group are as follows:

		2025	2024
Interest on bank deposits	$	164,461	154,021
Other interest income		2,006	29,379
	$	**166,467**	**183,400**

2. Other income

The details of other revenue for the Group for the years ended December 31, 2025 and 2024 are as follows:

		2025	2024
Dividend income	$	484,061	445,099
Labor service revenue		398	519
	$	**484,459**	**445,618**

3. Other gains and losses

The details of other profits and losses for the Group for the years ended December 31, 2025 and 2024 are as follows:

		2025	2024
Gains on disposal of property, plant and equipment	$	9,824	13,639
Gain on disposal of investment properties		80,719	68,540
Gain on lease modification		2,145	892
Foreign exchange gains (losses)		(6,909)	44,306
Gain on financial assets at fair value through profit or loss		105,854	99,533
Impairment loss		(95,273)	(13,902)
Other expense		(69,952)	(85,425)
Other revenue		56,758	36,006
	$	**83,166**	**163,589**

4. Finance costs

The details of finance costs for the Group for the years ended December 31, 2025 and 2024 are as follows:

		2025	2024
Interest expense	**$**	**225,213**	**222,096**

(XXVII) Financial instruments

1. Credit risk

(1) Credit risk exposure

As at reporting date, the Group's exposure to credit risk and the maximum exposure were mainly from:

(2) Concentration of credit risk

As the Group has a broad customer base, there is no significant concentration of credit risk for accounts receivable, as transactions are not significantly concentrated with any single customer and the sales regions are widely dispersed. To mitigate credit risk, the Group also continuously and regularly evaluates the financial condition of its customers; however, collateral is generally not required.

2.Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments but excluding the impact of netting arrangements.

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years
December 31, 2025							
Non-derivative financial liabilities							
Short-term notes payable	$ 529,311	530,000	530,000	-	-	-	-
Unsecured bank loans	5,476,000	6,059,924	562,302	4,477,880	18,500	1,001,242	-
Secured bank loans	2,600,000	2,629,281	23,981	2,605,300	-	-	-
Payable notes and payable accounts	1,990,942	1,990,942	1,990,942	-	-	-	-
Other payable	642,785	642,785	642,785	-	-	-	-
Lease liabilities	513,471	565,430	61,938	31,398	81,352	148,242	242,500
Bonds payable	2,498,721	2,544,610	16,117	16,383	2,512,110	-	-
	$ 14,251,230	**14,962,972**	**3,828,065**	**7,130,961**	**2,611,962**	**1,149,484**	**242,500**
December 31, 2024							
Non-derivative financial liabilities							
Short-term notes payable	$ 998,535	1,002,161	1,002,161	-	-	-	-
Unsecured bank loans	6,544,000	6,619,592	2,855,719	2,952,150	811,723	-	-
Secured bank loans	2,600,000	2,631,799	23,208	2,608,591	-	-	-
Payable notes and payable accounts	1,850,325	1,850,325	1,850,325	-	-	-	-
Other payable	627,503	627,503	627,433	70	-	-	-
Lease liabilities	452,189	508,807	32,693	33,027	60,740	109,847	272,500
Bonds payable	2,497,793	2,577,110	16,116	16,384	32,500	2,512,110	-
	$ 15,570,345	**15,817,297**	**6,407,655**	**5,610,222**	**904,963**	**2,621,957**	**272,500**

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

3. Foreign currency risk

(1) Exposure to foreign currency risk

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

	2025.12.31			
	Foreign currency (thousand)	**Rate**		**TWD**
Financial assets				
Monetary items				
USD	$ 5,212	USD：TWD	31.4300	163,813
HKD	3,738	HKD：TWD	4.0380	15,094
EUR	110	EUR：TWD	36.9000	4,059
RMB	924	RMB：TWD	4.4960	4,154
Financial liabilities				
Monetary items				
USD	201	USD：TWD	31.4300	6,317
HKD	134	EUR：TWD	4.0380	541
EUR	368	EUR：TWD	36.9000	13,579
RMB	671	RMB：TWD	4.4960	3,017

	2024.12.31			
	Foreign currency (thousand)	**Rate**		**TWD**
Financial assets				
Monetary items				
USD	$ 8,288	USD：TWD	32.7850	271,722
HKD	5,913	HKD：TWD	4.2220	24,965
EUR	155	EUR：TWD	34.1400	5,292
RMB	5,936	RMB：TWD	4.4780	26,581
Financial liabilities				
Monetary items				
USD	414	USD：TWD	32.7850	13,573

(2) Sensitivity analysis

The exchange rate risk of the Group's monetary items arises primarily from cash and cash equivalents, and accounts receivable denominated in foreign currencies, which result in foreign exchange gains or losses upon translation. If the functional currency of the reporting entity had depreciated or appreciated by 1% against the foreign currencies, with all other factors remaining constant, the net profit after tax would have increased or decreased by $1,309 thousand and $2,736 thousand for the years ended December 31, 2025 and 2024, respectively.

(3) Foreign exchange gain and loss on monetary items

Due to the various functional currencies used by the Group, information on foreign exchange gains or losses on monetary items is disclosed on an aggregate basis. Foreign exchange gains or losses (including realized and unrealized portions) amounted to a loss of $6,909 thousand and a gain of $44,306 thousand for the years ended December 31, 2025 and 2024, respectively. ◦

4. Interest rate analysis

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

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is based on the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.5% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rates had increased or decreased by 0.5%, with all other variables remaining constant, the net profit after tax of the Group would have decreased or increased by $11,704 thousand and $20,340 thousand for the years ended December 31, 2025 and 2024, respectively. This is mainly due to the Group's loans at variable interest rates.

5. Other market price risk

If the prices of equity securities had changed at the reporting date (based on the same basis for both periods and assuming all other variables remained constant), the impact on comprehensive income is as follows:

	2025		2024	
Price of securities at reporting date	**After-tax other comprehensive income**	**Profit (loss) after tax**	**After-tax other comprehensive income**	**Profit (loss) after tax**
Increased 3%	$ 1,296,320	-	1,242,515	-
Decreased 3%	(1,296,320)	-	(1,242,515)	-

6. Fair value of financial instruments

(1) Categories and fair value of the financial instruments

The Group's financial assets at fair value through other comprehensive income are measured on a recurring basis. The carrying amounts and fair values of each class of financial assets and financial liabilities (including information on fair value hierarchy; however, disclosure of fair value information is not required for financial instruments not measured at fair value whose carrying amounts are a reasonable approximation of fair value, and for lease liabilities, in accordance with regulations) are as follows:

	2025.12.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss					
Stock unlisted on domestic markets	$ 96,568	-	-	96,568	96,568
Structured deposit	7,868	-	7,868	-	7,868
Fund beneficiary certificate	66,002	66,002	-	-	66,002
Subtotal	170,438	66,002	7,868	96,568	170,438
Financial assets measured at fair value through other comprehensive income					
Stocks listed on domestic and foreign markets	43,210,660	43,210,660	-	-	43,210,660
Stocks unlisted on domestic and foreign markets	2,168,194	267,857	480,506	1,419,831	2,168,194
Subtotal	45,378,854	43,478,517	480,506	1,419,831	45,378,854
Financial assets measured at amortized cost					
Cash and cash equivalent	5,379,898	-	-	-	-
Notes and accounts receivable	2,436,548	-	-	-	-
Other receivable	83,026	-	-	-	-
Guarantee deposits paid	176,690	-	-	-	-
Other current assets-current	494,590	-	-	-	-
Other current assets- non-current	62,587	-	-	-	-
Subtotal	8,633,339	-	-	-	-
Total	**$ 54,182,631**	**43,544,519**	**488,374**	**1,516,399**	**45,549,292**
Financial liabilities measured at amortized cost					
Short-term loans	$ 6,576,000	-	-	-	-
Short-term notes payable	529,311	-	-	-	-
Notes payable	8,284	-	-	-	-
Accounts payable	1,982,658	-	-	-	-
Other payable	642,785	-	-	-	-
Long-term loans	1,500,000	-	-	-	-
Deposits received	141,193	-	-	-	-
Lease liabilities	513,471	-	-	-	-
Bonds payable	2,498,721	-	-	-	-
Total	**$ 14,392,423**	**-**	**-**	**-**	**-**

	2024.12.31				
	Carrying	**Fair value**			
	amount	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value through profit or loss					
Stock warrants	$ 133,773	133,773	-	-	133,773
Stock unlisted on domestic markets	99,147	-	-	99,147	99,147
Structured deposit	14,106	-	14,106	-	14,106
Fund beneficiary certificate	265,616	265,616	-	-	265,616
Subtotal	512,642	399,389	14,106	99,147	512,642
Financial assets measured at fair value through other comprehensive income					
Stocks listed on domestic and foreign markets	41,417,169	41,417,169	-	-	41,417,169
Stocks unlisted on domestic and foreign markets	2,379,801	40,000	717,349	1,622,452	2,379,801
Subtotal	43,796,970	41,457,169	717,349	1,622,452	43,796,970
Financial assets measured at amortized cost					
Cash and cash equivalent	4,966,714	-	-	-	-
Notes and accounts receivable	2,438,580	-	-	-	-
Other receivable	378,991	-	-	-	-
Guarantee deposits paid	111,537	-	-	-	-
Other current assets-current	52,650	-	-	-	-
Other current assets- non-current	59,126	-	-	-	-
Subtotal	8,007,598	-	-	-	-
Total	**$ 52,317,210**	**41,856,558**	**731,455**	**1,721,599**	**44,309,612**
Financial liabilities measured at amortized cost					
Short-term loans	$ 8,244,000	-	-	-	-
Short-term notes payable	998,535	-	-	-	-
Notes payable	25,697	-	-	-	-
Accounts payable	1,824,628	-	-	-	-
Other payable	627,503	-	-	-	-
Long-term loans	900,000	-	-	-	-
Deposits received	119,192	-	-	-	-
Lease liabilities	452,189	-	-	-	-
Bonds payable	2,497,793	-	-	-	-
Total	**$ 15,689,537**	-	-	-	-

(2) Fair value evaluation technology for the financial instrument measured at fair value

(2.1) Non-derivative financial instrument

If a financial instrument has a quoted price in the active market, the quoted price will be the fair value. The market price announced by the Taiwan Stock Exchange Corporation is the basis for listed companies' equity instrument.

If the financial instrument possessed by the Group is in the active market, its fair value is listed by category and attribute below:

The fair value of financial assets and liabilities and listed company stocks with standard terms/conditions and traded in the active market shall be decided subject to the market quotation.

Except for the financial instrument in the active market, the fair value of other financial instruments is based on the evaluation technology or the quotation of the counterparty. The fair value acquired through the evaluation technology can take reference from other substantial conditions and the evaluation technology used on similar financial instruments, including the market information that can be acquired on the date of preparing the consolidated balance sheet. The information is then used on a calculation model.

If the financial instrument possessed by the Group is an equity instrument that does not have an open quotation, its fair value is measured using the cash flows discount model. The main assumption is to apply the expected cash flows estimated by the investee to reflect the time value of money and the risk and rate of return on investment and measure with the discount. When adopting the market approach to measure the fair value, the main assumption uses the quotation of the listed company to calculate the P/S ratio (sales multiple) and applies it on the measurement. The discount effect resulting from the lack of market liquidity of the equity security is considered and the estimated number has been adjusted.

(2.2) Derivative financial instruments

The forward foreign exchange contracts are usually valued based on the current forward foreign exchange rate.

(3) Reconciliation of Level 3

		Equity instruments without quoted price	
		Fair value through other comprehensive income	**Fair value through profit or loss**
January 1, 2025	$	1,622,452	99,147
Total gains and losses			
Recognized in profit or loss		-	(2,579)
Recognized in other comprehensive income		(173,614)	-
Purchases		2,500	-
Capital reduction refunds		(22,467)	-
Effect of exchange rate changes		(9,040)	-
December 31, 2025	**$**	**1,419,831**	**96,568**
January 1, 2024	$	1,699,021	-
Total gains and losses			
Recognized in profit or loss		-	(853)
Recognized in other comprehensive income		(148,855)	-
Reclassification		50,000	-
Purchases		52,500	100,000
Capital reduction refunds		(44,774)	-
Effect of exchange rate changes		14,560	-
December 31, 2024	**$**	**1,622,452**	**99,147**

The aforementioned total gains or losses were recognized in “other gains and losses” and “unrealized gains or losses on financial assets at fair value through other comprehensive income”. Those related to assets held as of December 31, 2025 and 2024 are as follows:

		2025	**2024**
Total gains and losses recognized:			
In profit or loss, and including “other gains and losses”	**$**	**(2,579)**	**(853)**
In other comprehensive income, and presented in “unrealized gains and losses on financial assets at fair value through other comprehensive income”	**$**	**(173,614)**	**(148,855)**

(4) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments measured at fair value categorized as Level 3 primarily consist of financial assets at fair value through other comprehensive income – equity instrument investments.

Most of the Group's fair value measurements categorized as Level 3 have only a single significant unobservable input; only equity instrument investments without an active market have multiple significant unobservable inputs. Since the significant unobservable inputs for equity instrument investments without an active market are independent of each other, there is no correlation between them.

For certain equity investment instruments held by the Group that lack active market quotes and are not held for short-term trading purposes, management obtains the investee's recent financial reports, assesses industry development, and reviews publicly available information to examine and evaluate the investee's current operational status and future performance, which are used to estimate the fair value of the investee. Generally, changes in industry and market prospects are highly positively correlated with changes in the investee's operations and future performance.

Quantified information of significant unobservable inputs is as follows:

Item	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income - equity instruments investments without an active market	Net asset value method	• Discount for lack of control (23.90% and 24.64% as of December 31, 2025 and 2024, respectively)	• The higher the discount for lack of control, the lower the fair value.

(5) For the fair value Level 3 measurement, the fair value is used for the sensitivity analysis of reasonably possible alternative.

The fair value measurements of the Group's financial instruments are reasonable. However, the results of the valuation may vary in different valuation models or inputs are used. For financial instruments classified as Level 3, changes in valuation inputs would affect other comprehensive income as follows:

	Input	Increase or decrease	Change in fair value reflected on other comprehensive income: Advantageous change	Change in fair value reflected on other comprehensive income: Disadvantageous change
December 31, 2025				
Financial assets at fair value through other comprehensive income				
Equity instruments investments without an active market	Discount rate	0.50%	$ 17	(17)
December 31, 2024				
Financial assets at fair value through other comprehensive income				
Equity instruments investments without an active market	Discount rate	0.50%	$ 60	(60)

The favorable and unfavorable changes for the Group refer to the fluctuations in fair value, which is calculated using valuation techniques based on unobservable inputs of varying degrees. If the fair value of a financial instrument is affected by more than one input, the table above reflects only the impact of changes in a single input and does not take into account the correlation and variability between inputs.

(XXVIII) Financial risk management

1. Overview

The Group have exposures to the following risks from its financial instruments:

(1) credit risk

(2) liquidity risk

(3) market risk

The following likewise discusses the Group's objectives, policies and processes for measuring and managing the above mentioned risks. For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying consolidated financial statements.

2. Structure of risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has authorized appropriate departments with the authority and responsibility to develop and monitor the Group's risk management policies and to report regularly to the Board on their operations.

Internal auditors assist the Board of Directors in its oversight role. These personnel perform regular and ad hoc reviews of risk management controls and procedures, and report the results of such reviews to the Board.

3. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in securities.

(1) Accounts receivable and other receivables

The Group's financial instruments in accounts receivable are not significantly concentrated with a single customer and the sales regions are diversified; therefore, there is no significant concentration of credit risk for accounts receivable.

The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases, bank references. Purchase limits are established for each customer, representing the maximum open amount without requiring approval from the appropriate authorized department. These limits are reviewed periodically. Customers that do not meet the Group's benchmark credit rating may transact with the Group only on a prepayment basis.

The Group operates in a traditional industry where market environment changes are minimal. Most of its customers have long-standing relationships with the Group, and no impairment losses have been recognized for these customers. In monitoring customer credit risk, customers are grouped according to their credit characteristics.

The Group maintains an allowance for doubtful accounts to reflect the estimate of potential losses in accounts receivable. The main components of this allowance include a specific loss component related to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical payment statistics of similar financial assets.

(2) Investments

The credit risk of bank deposits and other financial instruments is measured and monitored by the Group's finance department. Since the Group's counterparties and performing parties are all reputable banks and financial institutions or corporate organizations with investment-grade ratings or above, there are no significant concerns regarding performance; therefore, there is no significant credit risk.

(3) Guarantees

The Group's policy stipulates that financial guarantees may only be provided to entities in accordance with the Group's "Procedures for Endorsement and Guarantee". For the details of endorsements and guarantees provided by the Group to its subsidiaries as of December 31, 2025 and 2024, please refer to Note 13.

4. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash to meet expected operational requirements for sixty days, including the fulfillment of financial obligations; this, however, excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the unused credit lines of the Group were $22,030,614 thousand and $19,603,064 thousand as of December 31, 2025 and 2024, respectively.

5. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity instrument prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return on investment.

The Group engages in derivative transactions and consequently incurs financial liabilities in order to manage market risk. All such transactions are carried out in accordance with the internal control system and relevant operational guidelines.

(1) Currency risk

The Group is exposed to currency risk on sales, purchases, and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily the NTD, RMB, and USD. The currencies used in these transactions are primarily the NTD, RMB, HKD, and USD.

(2) Interest rate risk

The Group's interest rate risk arises primarily from long-term and short-term borrowings with floating interest rates. Consequently, changes in interest rates will cause the effective interest rates of these borrowings to change, leading to fluctuations in future cash flows. For the interest rate analysis, please refer to Note 6(27).

(XXIX) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor, and market confidence and to sustain future development of the business. Capital consists of ordinary shares, capital surplus, retained earnings, other equity, and non-controlling interests of the Group. The Board of Directors monitors the return on capital as well as the level of dividends on ordinary shares.

The debt-to-equity ratio as of the reporting date was as follows:

	2025.12.31	2024.12.31
Total liabilities	$ 17,811,337	18,302,686
Less: cash and cash equivalents	(5,379,898)	(4,966,714)
Net debt	**$ 12,431,439**	**13,335,972**
Total equity	**$ 78,537,483**	**73,800,187**
Debt-to-equity ratio at 31 December	**15.83%**	**18.07%**

As of December 31, 2025, there was no change in the Group's approach to capital management.

(XXX) Non – cash investing and financing activities

The Group's non-cash investing and financing activities for the years ended December 31, 2025 and 2024 were as follows:

A reconciliation of liabilities arising from financing activities are as follows: ：

			Non-cash changes		
	2025.1.1	Cash flows	Exchange rate change	Other changes	2025.12.31
Long-term loans (include expiry within one year)	$ 900,000	600,000	-	-	1,500,000
Short-term loans	8,244,000	(1,668,000)	-	-	6,576,000
Lease liabilities	452,189	(87,214)	-	148,496	513,471
Short-term notes payable	998,535	(469,880)	-	656	529,311
Bonds payable	2,497,793	-	-	928	2,498,721
Total liabilities from financing activities	$ 13,092,517	(1,625,094)	-	150,080	11,617,503

			Non-cash changes		
	2024.1.1	Cash flows	Exchange rate change	Other changes	2024.12.31
Long-term loans (include expiry within one year)	$ 1,438,756	(538,756)	-	-	900,000
Short-term loans	7,787,000	457,000	-	-	8,244,000
Lease liabilities	467,760	(58,725)	-	43,154	452,189
Short-term notes payable	1,298,464	(299,929)	-	-	998,535
Bonds payable	2,496,866	-	-	927	2,497,793
Total liabilities from financing activities	$ 13,488,846	(440,410)	-	44,081	13,092,517

VII. Related-party Transactions

(I) Names and relationship with related parties

The followings are related parties that have had transactions with the consolidated company during the periods covered in the consolidated financial statements:

Name of related party	Relationship with the Group
Linde Lienhwa Industrial Gases Co., Ltd. (Note)	Associate of the Group
UPC Technology Corp.	Associate of the Group
Lienhwa United LPG Co., Ltd.	Associate of the Group
BOC Lienhwa (B.V.I) Holding Co., Ltd.	Associate of the Group
Txi Ba Weng Inc.	Associate of the Group
Tung Bao Corp.	Subsidiary of associate of the Group
United Industrial Gases Co., Ltd.	Subsidiary of associate of the Group
Lien Hwa Cryo Equipment Co., Ltd.	Subsidiary of associate of the Group
Asia Union Electronic Chemical Corp.	Subsidiary of associate of the Group
Far Eastern Industrial Gases Co., Ltd.	Subsidiary of associate of the Group
Yuan Rong Industrial Gases Co., Ltd.	Subsidiary of associate of the Group
Lien Fung Precision Technology Development Co., Ltd.	Subsidiary of associate of the Group
Lien Tong Gases Co., Ltd.	Subsidiary of associate of the Group
Lien Quan Industrial Gases Co., Ltd.	Subsidiary of associate of the Group
Confederate Technology Co., Ltd.	Subsidiary of associate of the Group
FETC International Co., Ltd.	Other related party of the Group
Yih Yuan Investment Corp	Other related party of the Group
MiTAC International Corporation	Other related party of the Group
Harbinger Venture Management Co., Ltd.	Other related party of the Group
Getac Technology Corp.	Other related party of the Group
MiTAC Computing Technology Corporation	Other related party of the Group
MiTAC Digital Technology Corp.	Other related party of the Group
Synnex Technology International Corp.	Other related party of the Group
MiTAC Holdings Corp.	Other related party of the Group
EasyCard Corporation	Other related party of the Group

Name of related party	Relationship with the Group
Mei Feng Investment Co., Ltd.	Other related party of the Group
Ares International Corp.	Other related party of the Group
Chiao Thai Hsing Enterprise Co., Ltd.	Other related party of the Group
Atemitech Corporation	Other related party of the Group
Getac Holdings Corporation	Other related party of the Group
Yu Shiu Educational Foundation	Other related party of the Group
Mei An Investment Co., Ltd.	Other related party of the Group
Mei An Culture and Education Foundation	Other related party of the Group
Far Eastern Electronic Toll Collection Co., Ltd	Other related party of the Group
Union Welfare Committee of Lien Hwa Industrial Holdings Co., Ltd.	Other related party of the Group
Golden Harvest Food Enterprise Ltd.	Other related party of the Group
Shen-Tong Construction & Development Co., Ltd.	Other related party of the Group

Note: Formerly known as Lienhwa Industrial Gases Co., Ltd.

(II) Material transactions with related parties

1. Operating revenue

The Group’s significant sales to related parties are as follows:

	2025	2024
Associates	$ 122,798	75,007
Other related parties	83,858	101,284
	$ 206,656	176,291

The sales terms to related parties were not significantly different from those of general sales. The credit periods for the receivables were 60 to 90 days from the end of the month. No collateral was received for the receivables from related parties, and based on evaluation, no allowance for doubtful accounts was considered necessary.

2. Lease to related parties

The Group’s rental income from leasing assets to related parties are as follows:

		2025	2024
Associates：			
Linde Lienhwa Industrial Gases Co., Ltd.	$	63,640	62,102
Other associates		30,282	30,680
Other related parties:			
Getac Technology Corp.		56,768	55,046
Atemitech Corp.		20,938	20,344
Other related parties		11,064	10,673
	$	**182,692**	**178,845**

The lease periods ranged from January 1, 2019 to June 30, 2053. The rental amounts of the leased assets mentioned above were determined by negotiation with reference to the announced present value or appraised value of the land and buildings. In addition, the Group received lease deposits from the related parties amounting to $22,725 thousand and $22,547 thousand as of December 31, 2025 and 2024, respectively.

3. Purchase

The Group's purchase value to related parties are as follows:

		2025	2024
Associates	$	24	24
Other related parties:			
Chiao Thai Hsing Enterprise Co., Ltd.		623,636	656,788
Other related parties		124,877	63,739
	$	**748,537**	**720,551**

The purchased conditions for the related party required by the Group are the same as general transaction conditions. The payment term is 1 to 2 months.

4. Receivables from related parties

The Group's receivable accounts-related parties are as follows:

Item	Type	2025.12.31	2024.12.31
Accounts receivable	Associates	$ 19,373	28,556
	Other related party	20,387	12,149
Other receivable	Associates：		
	Linde Lienhwa Industrial Gases Co., Ltd.	1,193	1,253
	BOC Lienhwa (BVI) Holding Co., Ltd.	-	301,459
	Other associates	233	306
	Other related parties：		
	Getac Technology Corp.	823	1,239
	Atemitech Corp.	442	423
	Other related party	491	201
		$ 42,942	345,586

The aforementioned other receivables represent rental income from the Nangang Building, advances, and cash dividends.

5. Payables from related parties

The Group's payable accounts-related parties are as follows:

Item	Type	2025.12.31	2024.12.31
Notes payable	Other related party	$ 430	441
Accounts payable	Associates	8	8
	Other related parties：		
	Synnex Technology International Corp.	33,164	13,889
	Other related party	13,535	4,010
Other payable	Associates	492	79
	Other related party	2,557	1,188
		$ 50,186	19,615

6. Prepayment (stated as other current assets)

The Group's prepayments to related parties are as follows:

	2025.12.31	2024.12.31
Other related party	$ 260	20

7. Exchange of property

(1) Purchase of equipment

The Group purchased equipment from other related parties in the total amounts of $7,220 thousand and $3,321 thousand for the years ended December 31, 2025 and 2024, respectively.

8. Operating expenses

Item	Type	2025	2024
Royalty (Marketing expenses)	Other related party	$ 11,296	11,523

9. Lease

The Group rented the plant, machinery, and equipment from Chiao Thai Hsing Enterprise Co., Ltd. in August 2021. The lease contract is for 210 months. The total contract amount was $442,730 thousand, and the contract was recognized as a right-of-use asset by the Group.

Interest expenses recognized were $7,168 thousand and $7,623 thousand for the years ended December 31, 2025 and 2024, respectively. The balances of lease liabilities were $345,269 thousand and $368,100 thousand as of December 31, 2025 and 2024, respectively.

10. Others

The Group sold factory land to Linde Lienhwa Industrial Gases Co., Ltd. in 1985 and 1998, with a disposal gain of $71,934 thousand. Since Linde Lienhwa Industrial Gases Co., Ltd. has not yet sold the land, the Group stated the sales revenue as the deferred loans-gains on inter-associate accounts (under other non-current liabilities – others).

The Group increased its investments in MiTAC Digital Corp. and Txi Ba Weng Inc. by $144,372 thousand and $90,000 thousand, respectively, which were accounted for as financial assets at fair value through other comprehensive income and investments accounted for using the equity method, respectively, for the year ended December 31, 2025.

(III) Key management personnel compensation

Key management personnel compensation comprised the following：

	2025	2024
Short-term employee benefits	$ 39,837	34,172
Post-employment benefits	679	499
Other long-term employee benefits	(397)	165
Share-based payment	2,627	-
	$ 42,746	34,836

For details of share-based payments, please refer to note 6(22).

III. Pledged Assets

The Group’s carrying amounts of pledged assets are as follows:

Pledged assets	Object	2025.12.31	2024.12.31
Other current assets and other non-current assets－others	Bank loan	$ 25,488	31,613
Financial assets at fair value through other comprehensive income	〃	1,461,300	1,734,750
Property, plant and equipment	〃	165,677	247,952
Investment property	〃	970,646	1,044,574
Guarantee deposits paid		176,690	111,537
		$ 2,799,801	3,170,426

IX. Significant contingent liabilities and unrecognized contractual commitments

Significant unrecognized contractual commitments

(I) The Group’s unused letters of credit issued

	2025.12.31	2024.12.31
Unused letters of credit issued		
USD	$ 13,398	7,271

(II) The Group entered into a collaborative construction contract and a real estate lease agreement with Ally Logistic Property Co., Ltd. in October 2021. For the purpose of the "Lien Hwa and Fugang Logistic Center Asset Development and Co-construction Project," the Group commissioned Ally Logistic Property Co., Ltd. to handle the design, planning, and construction. To facilitate subsequent engineering and contract fulfillment, the total contract price was revised to $2,200,000 thousand. As of December 31, 2025, the cumulative amount paid by the Group was $1,660,520 thousand.

X. Losses due to major disasters: None.

XI. Significant post events: None.

XII. Other

(I) A summary of employee benefits, depreciation, and amortization, by function, is as follows:

By function / By nature	2025			2024		
	Operating costs	**Operating expenses**	**Total**	**Operating costs**	**Operating expenses**	**Total**
Employee benefits expenses						
Salary expenses	820,395	745,863	1,566,258	858,820	680,291	1,539,111
Labor and health insurance expenses	78,193	66,749	144,942	79,707	64,083	143,790
Pension expenses	43,700	36,306	80,006	47,134	36,232	83,366
Other employee benefits expenses	40,447	44,474	84,921	41,288	42,956	84,244
Depreciation expenses	324,107	71,445	395,552	308,458	77,232	385,690
Amortization expenses	21,222	36,264	57,486	6,917	31,802	38,719

XIII. Supplementary disclosures

(I) Information on significant transactions

According to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the information on significant transactions to be further disclosed by the Group for the year ended December 31, 2025 is as follows:

LIEN HWA INDUSTRIAL HOLDINGS CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

1. Loans to other parties:

Unit: NT$ in thousands

No.	Lender	Borrowing company	Account titles	Related party	Current maximum amount	Ending balance	Actual amount draw down	Interest rate interval	Purpose of the loans (Note 1)	Business transaction amount	Reasons for short-term financing	Amount recognized in loss allowance	Collateral		Limit of loans to individual borrowers	Limit of total loans
													Item	Value		
0	Lien Hwa Industrial Holdings Corporation	Lien Hwa Property Development Corporation	Other receivable	Yes	1,500,000	900,000	340,000	1.81%~1.93%	2	-	Operating capital	-	-	-	5,719,739	11,439,478
0	〃	Lien Hwa Industrial Corporation	〃	〃	100,000	100,000	-	-	2	-	〃	-	-	-	5,719,739	11,439,478
1	Fortune Dragon Holding Inc.	Yantai Taihwa Food Industrial Co., Ltd.	〃	〃	232,435	157,150	157,150	-	2	-	〃	-	-	-	11,192,855	15,669,997
1	〃	Hifood Co., Ltd	〃	〃	23,244	-	-	-	2	-	〃	-	-	-	4,477,142	15,669,997
2	MiTAC Inc.	MiTAC Information Technology Corp.	〃	〃	500,000	-	-	-	2	-	〃	-	-	-	3,032,531	6,065,061
2	〃	MiTAC Advance Technology Corp	〃	〃	500,000	-	-	-	2	-	〃	-	-	-	3,032,531	6,065,061
3	MiTAC Information Technology Corp.	MiTAC Communication Co., Ltd.	〃	〃	100,000	100,000	-	1.99%	2	-	〃	-	-	-	915,102	915,102
3	〃	General Resources Co., Ltd.	〃	〃	300,000	300,000	-	1.95%~2.1%	2	-	〃	-	-	-	915,102	915,102
4	MiTAC Communication Co., Ltd.	General Resources (Hong Kong) Co., Ltd.	〃	〃	33,205	31,430	-	2.5%	2	-	〃	-	-	-	55,635	55,635
5	General Resources Co., Ltd.	GENERAL RESOURCES VIETNAM COMPANY LIMITED	〃	〃	3,772	3,772	3,772	6%	2	-	〃	-	-	-	66,218	66,218

Note 1: 1. A business associate.
2. Needs for short-term financing.

Note 2: The limit amount of loans to each borrower shall not exceed 10% of the net value of the recent financial statements audited or audited by the CPA, and the total limit of loans shall not exceed 20% of that.

Note 3: If both the borrower and lender are the foreign company that the parent company owns directly or indirectly with 100% of voting rights, the limit amount for the Fortune Dragon Holding Inc. to loan to each borrower and the limit amount of total loans shall not exceed 100% of the net value of the recent financial statements audited or audited by the CPA. If the borrower and lender do not meet said criteria, the amount shall not exceed 40%. Said amount loaned shall not exceed 140% in total.

Note 4: The limit amount of loans of MiTAC Inc.to each borrower shall not exceed 10% of the net value of the recent financial statements audited or audited by the CPA, and the total limit of loans shall not exceed 20% of that.

Note 5: MiTAC Information Technology Corp.'s limit for loans to each borrower and all borrowers in aggregate shall not exceed 40% of the latest financial statements audited or audited by the CPA.

Note 6: MiTAC Communication Co., Ltd.'s limit for loans to each borrower and all borrowers in aggregate shall not exceed 40% of the latest financial statements audited or audited by the CPA.

Note 7: General Resources Co., Ltd.'s limit for loans to each borrower and all borrowers in aggregate shall not exceed 40% of the latest financial statements audited or audited by the CPA.

Note 8: The transactions had been eliminated in the consolidated financial statements.

2. Guarantees and endorsements for other parties:

Unit: NT$ in thousands

No.	Endorsing/ guaranteeing company	Endorsed/ secured company: Company name	Endorsed/ secured company: Relationship (Note 1)	Limit amount of endorsement / guarantee to a single enterprise	Current maximum endorsement/ guarantee balance	Ending balance of endorsement/ guarantee - ending	Actual amount drawn down	Endorsement/ guarantee amount secured with property as collateral	Ratio of the cumulative endorsement/ guarantee amount to the net worth in the most recent financial statements	Maximum endorsements/ guarantees	Endorsement/ guarantee made by the parent company for its subsidiaries	Endorsements/ guarantees made by the subsidiaries for its parent company	Endorsement/ guarantee made for the operations in Mainland China
0	Lien Hwa Industrial Holdings Corporation	Fortune Dragon Holding Inc.	2	57,197,390	381,858	251,440	-	-	0.44%	57,197,390	Y	N	N
0	〃	Lien Hwa Milling Corporation	2	57,197,390	3,670,000	2,120,000	941,889	-	3.71%	57,197,390	Y	N	N
0	〃	Lien Hwa Property Development Corporation	2	57,197,390	100,000	-	-	-	-%	57,197,390	Y	N	N
1	Lien Hwa Property Development Corporation	Lien Hwa Industrial Holdings Corporation	3	8,886,075	4,024,390	4,024,390	3,024,390	4,024,390	135.87%	8,886,075	N	Y	N
2	MiTAC Inc.	MiTAC Information Technology Corp.	1	30,325,305	3,797,883	3,066,408	1,390,971	2,617,908	10.11%	30,325,305	N	N	N
3	MiTAC Information Technology Corp.	General Resources Co., Ltd.	2	2,287,754	469,243	469,243	339,243	-	20.51%	2,287,754	N	N	N
3	〃	MiTAC Advance Technology Corp.	2	2,287,754	171,728	169,700	169,700	-	7.42%	2,287,754	N	N	N
3	〃	General Resources (Hong Kong) Co., Ltd.	2	2,287,754	52,620	52,620	52,620	-	2.30%	2,287,754	N	N	N
4	MiTAC Communication Co., Ltd.	MiTAC Information Technology Corp.	3	200,000	5,709	5,709	-	-	4.10%	200,000	N	N	N

Note 1: The relationship between the endorsing/guarantying subject and the endorsed/secured subject is classified into 3 categories as follows:
1. A company with business transactions.
2. A company in which the company directly or indirectly holds more than 50% of the voting shares.
3. A company that directly or indirectly holds more than 50% of the voting shares in the company.

Note 2: The total endorsement and guarantee amount made by the Company for others shall not exceed 100% of the net value in the most recent financial statements. The endorsement and guarantee amount made by the Company to a single subsidiary shall not exceed 100% of the net value in the most recent financial statements.

Note 3: The limit of the endorsement and guarantee amount made by Lien Hwa Property Development Corporation to a single company and the total limit of endorsement and guarantee shall not exceed 300% of the net value in the most recent financial statements of Lien Hwa Property Development Corporation audited or audited by the CPA.

Note 4: The limit of the endorsement and guarantee amount made by MiTAC Inc.to a single company and the total limit of endorsement and guarantee shall not exceed 100% of the net value in the most recent financial statements of MiTAC Inc. audited or audited by the CPA.

Note 5: The limit of the endorsement and guarantee amount made by MiTAC Information Technology Corp. to a single company and the total limit of endorsement and guarantee shall not exceed 100% of the net value in the most recent financial statements of MiTAC Information Technology Corp. audited or audited by the CPA.

Note 6: The limit of the endorsement and guarantee amount made by MiTAC Communication Co., Ltd. for MiTAC Information Technology Corp. is restricted to the lower of 30% of the net value in the most recent financial statements of MiTAC Information Technology Corp. audited or reviewed by a CPA, or NT$200,000 thousand.

Note 7: The transactions had been eliminated in the consolidated financial statements.

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

Unit: NT$ in thousands/ Thousand shares

Name of holder	Category and name of security	Relationship with company	Account title	Ending Balance				Highest balance during the year	Note
				No. of shares/Unit	Book value	%	Fair value (Notes 1 and 3)		
Lien Hwa Industrial Holdings Corporation	Great Wall Enterprise Co., Ltd.	The Company is the juridical person director of the company	Financial assets at fair value through other comprehensive income-non-current	19,013	967,751	2.12%	967,751	2.12%	
〃	MiTAC Holdings Corp.	The chairman of the company is the one of the company	〃	116,535	10,068,628	8.78%	10,068,628	8.78%	
〃	Synnex Technology International Corp.	〃	〃	59,526	3,446,563	3.57%	3,446,563	3.57%	
〃	Getac Holdings Corporation	The chairman of the company is the representative of the juridical person director of the company	〃	7,210	843,570	1.16%	843,570	1.17%	
Fortune Dragon Holding Inc.	Ever Victory Global Limited.	-	〃	72,810	480,506	11.76%	480,506	11.76%	Notes 4
Sun Lead International Limited	Kelington Group Berhad	-	〃	46,361	1,803,358	5.96%	1,803,358	6.01%	
MiTAC Inc.	Lien Hwa Industrial Holdings Corporation	The parent company	〃	7,041	334,812	0.39%	334,812	0.39%	Notes 3
〃.	Synnex Technology International Corp.	The chairman of the company is the one of the company	〃	260,521	15,084,169	15.62%	15,084,169	15.62%	Notes 5
〃	MiTAC Holdings Corp.	〃	〃	111,574	9,640,011	8.41%	9,640,011	8.41%	Notes 6
Ho Li Investment Co., Ltd.	Getac Holdings Corporation	The parent company is the juridical person director of the company	Financial assets at fair value through other comprehensive income-current	5,358	626,886	0.86%	626,886	0.87%	

Note 1: This table presents the marketable securities that the Company has determined should be disclosed based on the principle of significance.
Note 2: For the TWSE/TPEx-listed Company with a public market price, the closing price on the last transaction date in the accounting period shall apply.
Note 3: The parent company's stocks possessed by subsidiaries have been deducted from the book value and these stocks were deemed as treasury stocks.
Note 4: The market price listed by the non-TWSE/TPEx-listed company refers to the equity net value. Some of it is listed in the financial statements of the same period that is prepared by the invested company or audited by the CPA.
Note 5: Among the other things, 23,000 thousand shares were pledged to the bank as the collateral to secure the application of MiTAC Information Technology Corp. for the facility under the bank's project.
Note 6: Among the other things, 1,500 thousand shares were pledged to the bank as the collateral to secure the application of MiTAC Information Technology Corp. for the facility under the bank's project.
Note 7: The transactions had been eliminated in the consolidated financial statements.

4. Related-party transactions for purchases and sales with amounts exceeding the lower of $100 million or 20% of the paid-in capital:

Unit: NT$ in thousands

Name of Company	Name of the trading counterpart	Relationship	Transaction details				Status and reason for deviation from arm's-length transaction		Accounts/notes receivable (payable)		Note
			Purchase (sale)	Amount	Percentage of total purchases /sales	Credit period	Unit price	Credit period	Balance	Percentage of accounts/ notes receivable (payable)	
Lien Hwa Milling Corporation	Chiao Thai Hsing Enterprise Co., Ltd.	Other related party	Purchase	623,636	17%	On demand	-	No significant differences	(713)	(1)%	
MiTAC Information Technology Corp.	MiTAC Advance Technology Corp.	Parent-subsidiary company	Purchase	310,676	8%	OA60	-	〃	(85,273)	(4)%	
〃	Synnex Technology International Corp..	Other related party	Purchase	102,653	3%	60 days after inspection and acceptance	-	〃	(33,502)	(2)%	

Note: The transactions had been eliminated in the consolidated financial statements.

5. Receivables from related parties with amounts exceeding the lower of $100 million or 20% of the paid-in capital:

Unit: NT$ in thousands

Name of related parties	Counter-party	Relationship	Balance of receivables from related parties	Turnover rate	Overdue amount		Amounts received in Subsequent period	Allowance for bad debt
					Amount	Action taken		
Lien Hwa Industrial Holdings Corporation	Lien Hwa Property Development Corporation	Parent-subsidiary company	340,323	-	-		-	-
Fortune Dragon Holding Inc.	Yantai Taihwa Food Industrial Co., Ltd.	〃	157,150	-	-		-	-

Note: The transactions had been eliminated in the consolidated financial statements.

6. Business relationship and significant transactions between the parent and subsidiaries:

Unit: NT$ in thousands

No.	Name of related party	Related party	Relationship	Intercompany transaction for the ended December 31, 2025			
				Account	Amount	Transaction terms	Percentage of consolidated total operating revenue or total assets
1	MiTAC Information Technology Corp.	MiTAC Advance Technology Corp.	3	Purchase	310,676	In principle, the terms are based on general conditions and adjusted according to actual circumstances	2.29%

Note 1: Information on transactions between the parent company and its subsidiaries should be indicated separately in the serial number column. The method for assigning the serial numbers is as follows.

(1) Parent company – 0.

(2) Subsidiary starts from 1.

Note 2: The relationships with counterparties are classified into the following three types. Only the type needs to be indicated. Transactions between the parent and subsidiaries, or among subsidiaries, do not need to be disclosed more than once. For example, if a transaction from the parent to a subsidiary has been disclosed, the subsidiary does not need to disclose it again; similarly, if a transaction between two subsidiaries has been disclosed by one, the other does not need to repeat the disclosure.

(1) Parent to Subsidiary

(2) Subsidiary to Parent

(3) Subsidiary to Subsidiary

Note 3: The ratio of transaction amounts to consolidated total revenue or total assets is calculated as follows: for balance sheet items, the year-end balance is divided by consolidated total assets; for income statement items, the cumulative amount for the period is divided by consolidated total revenue. Transactions representing less than 1% of total assets or total revenue are not disclosed. 。

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

(II) Information on invested companies：

The information on the Group's investments for the year ended December 31, 2025 is as follows (excluding investees in Mainland China):

Unit: NT$ in thousands/ Thousand shares

Name of investor	Name of invested company	Location	Main business	Original investment amount: End of the period	Original investment amount: End of the last year	Held at the end of the period: Shares	Held at the end of the period: Ratio	Held at the end of the period: Book value	Maximum shareholding or capital contribution during the period	Profit or loss of invested company in the current period	Investment profit or loss recognized in the current period	Notes
Lien Hwa Industrial Holdings Corporation	UPC Technology Corp.	Taipei	Organic acid, acid anhydride and its derivatives, plasticizers, etc.	3,142,213	3,142,213	424,881	31.93%	9,307,303	31.97%	(1,553,533)	(504,490)	
〃	Linde Lienhwa Industrial Gases Co., Ltd.	〃	Production of industrial gases such as liquid oxygen, nitrogen, hydrogen, acetylene, etc.	400,000	400,000	1,886	50.00%	11,174,371	50.00%	4,313,009	2,156,505	
〃	MiTAC Inc.	〃	General investment	731,636	731,636	143,480	35.90%	11,017,901	35.90%	1,430,394	499,558	Subsidiary Note 1 and 2
〃	MiTAC Information Technology Corp.	〃	Integrated system service, and sale of industrial computer	1,487,299	1,289,599	79,080	37.66%	881,955	38.77%	95,799	36,764	Subsidiary Note 3
〃	Hua Cheng Investment Co., Ltd.	〃	General investment	1,122,116	1,122,116	140,456	100.00%	1,855,150	100.00%	64,747	64,502	Subsidiary Note 1
〃	Lienhwa United LPG Co., Ltd.	〃	Installation, purchase/sale and technical maintenance of the equipment for propane, butane and the mixture.	62,253	62,253	7,694	24.04%	106,071	24.04%	27,621	6,641	
〃	Lien Rui Investment Corp.	〃	General investment	623,500	623,500	9,700	100.00%	96,988	100.00%	576	576	Subsidiary
〃	Fortune Dragon Holding Inc.	B.V.I.	〃	3,737,817	3,737,817	120,155	100.00%	11,192,854	100.00%	1,899,902	1,899,902	Subsidiary
〃	Lien Hwa Milling Corporation	Taipei	Manufacturing and sale of flour	913,563	913,563	74,999	74.999%	1,512,912	75.00%	297,607	224,295	Subsidiary Note 3
〃	Lien Hwa Property Development Corporation	〃	Rental and leasing business	2,201,000	2,201,000	200,100	100.00%	2,962,025	100.00%	182,591	182,591	Subsidiary
〃	Lien Hwa Industrial Co., Ltd.	〃	General investment	24,000	24,000	2,400	100.00%	24,145	100.00%	139	139	Subsidiary
〃	Asia Hydrogen Energy Corporation	Hsinchu	Manufacture of machinery and equipment for power generation, transmission and distribution, and energy technology service.	303,918	303,918	7,465	50.927%	171,498	50.927%	(30,890)	(112,831)	Subsidiary
〃	Txi Ba weng Inc.	Tainan	Fertilizer manufacturing and renewable energy	60,960	-	5,080	20.32%	55,974	20.32%	(7,684)	(734)	

Name of investor	Name of invested company	Location	Main business	Original investment amount		Held at the end of the period			Maximum shareholding or capi tal contribution during the period	Profit or loss of invested company in the current period	Investment profit or loss recognized in the current period	Note
				End of the period	End of last year	Shares	Ratio	Book value				
Hua Cheng Investment Co., Ltd.	UPC Technology Corp.	Taipei	Organic acid, acid anhydride and its derivatives, plasticizers, etc.	54,933	54,933	4,732	0.36%	105,950	0.36%	(1,553,533)	(5,684)	
〃	MiTAC Inc.	〃	General investment	84,354	84,354	7,807	1.95%	616,964	1.95%	1,430,394	27,616	Subsidiary Note 2
〃	MiTAC Information Technology Corp.	〃	Integrated system service, and sale of industrial computer	167,140	140,128	10,805	5.15%	120,308	5.30%	95,799	4,972	Subsidiary
〃	Jian Foods Incorporation	〃	Wholesaling and retailing business	10	10	-	-%	-	-%	(533)	-	Subsidiary
〃	Camel Ring International Company	〃	〃	10	10	1	0.16%	8	0.16%	(166)	-	Subsidiary
〃	Lien Yung Investment Corp.	〃	General investment	87,969	87,969	9,217	19.99%	210,155	19.99%	48,265	9,648	
〃	Tung Da Investment Co., Ltd.	〃	〃	72,699	72,699	4,848	19.99%	137,739	19.99%	29,897	5,976	
〃	Lien Hwa Milling Corporation	〃	Manufacturing and sale of flour	14	14	1	0.001%	20	0.001%	297,607	3	Subsidiary
〃	Asia Hydrogen Energy Corporation	Hsinchu	Manufacture of machinery and equipment for power generation, transmission and distribution, and energy technology services.	40	40	1	0.01%	24	0.01%	(30,890)	(14)	Subsidiary
〃	Txi Ba weng Inc.	Tainan	Fertilizer manufacturing and renewable energy	60	-	5	0.02%	63	0.03%	(7,684)	(2)	
Asia Hydrogen Energy Corporation	〃	〃	〃	28,980	-	2,415	9.66%	26,613	9.66%	(7,684)	(349)	
Lien Rui Investment Corp.	Jian Foods Incorporation	Taipei	Wholesaling and retailing business	417,000	417,000	11,789	97.09%	21,544	97.09%	(533)	(517)	Subsidiary
〃	Oggi Restaurant Group Co., Ltd.	〃	Restaurant business	35,000	35,000	3,500	100.00%	2,586	100.00%	485	485	Subsidiary
〃	Camel Ring International Company	〃	〃	6,465	6,465	642	99.84%	5,168	99.84%	(166)	(166)	Subsidiary
Fortune Dragon Holding Inc.	Pacific Gateway Holdings Inc.	B.V.I.	General investment	1,186,793	1,186,793	39,461	100.00%	234,022	100.00%	(13,989)	(13,989)	Subsidiary
〃	BOC Lienhwa (B.V.I) Holding Co., Ltd	〃	〃	1,744	1,744	50	50.00%	5,166,320	50.00%	3,425,043	1,653,997	
〃	Hifood Co., Ltd	Cayman	〃	470,630	470,630	14,150	65.81%	183,256	65.81%	7,280	4,791	Subsidiary
〃	Sun Lead International Limited	B.V.I.	〃	73,525	73,525	3	100.00%	1,873,545	100.00%	130,375	130,375	Subsidiary
MiTAC Inc.	Mix System Holdings Ltd.	〃	〃	268,342	268,342	8,610	100.00%	469,615	100.00%	5,424	5,424	Subsidiary
〃	Ho Li Investment Co., Ltd.	Taipei	〃	564,035	564,035	82,234	100.00%	1,375,489	100.00%	89,366	83,603	Subsidiary Note1
〃	MiTAC Hikari Corp.	〃	System integration service	30,000	30,000	3,000	50.00%	5,639	50.00%	3,112	1,556	Subsidiary
〃	MiTAC Information Technology Corp.	〃	Integrated system service, and sale of industrial computer	774,777	605,107	67,799	32.29%	738,716	33.22%	95,799	30,818	Subsidiary
〃	MiTAC Advance Technology Corp.	〃	Information Software Services, Computer and Peripheral Equipment Manufacturing, Other Electrical Engineering and Electronic Machinery Equipment Manufacturing	159,084	159,084	9,943	11.05%	165,052	11.05%	41,768	4,615	Subsidiary

LIEN HWA INDUSTRIAL HOLDINGS CORPORATION AND SUBSIDIARIES

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Name of investor	Name of invested company	Location	Main business	Original investment amount		Held at the end of the period			Maximum shareholding or capital contribution during the period	Profit or loss of invested company in the current period	Investment profit or loss recognized in the current period	Note
				End of the period	End of last year	Shares	Ratio	Book value				
Mix System Holdings Ltd.	Mitac Investment China Co. Ltd.	B.V.I.	General investment	166,065	166,065	5,450	100.00%	263,750	100.00%	(361)	(361)	Subsidiary
Ho Li Investment Co., Ltd.	Lien Yung Investment Corp.	Taipei	〃	87,969	87,969	9,217	19.99%	210,200	19.99%	48,265	9,650	
〃	Tung Da Investment Co., Ltd.	〃	〃	72,691	72,691	4,848	19.99%	137,739	19.99%	29,897	5,977	
MiTAC Information Technology Corp.	MiTAC Communication Co., Ltd.	〃	Sale, rental and maintenance of telephone switching systems and data communication products, communication system project contracting	201,312	201,312	11,734	100.00%	139,087	100.00%	14,987	14,987	Subsidiary
〃	Samoa Mitac Information Holding Ltd.	Samoan	General investment	166,915	166,915	5,395	100.00%	116,461	100.00%	(7,521)	(7,521)	Subsidiary
〃	Mitac Information Technology (Singapore) Pte. Ltd.	Singapore	Engineering of factory affair monitoring for semiconductor factories and network communication system engineering	15,794	15,794	500	100.00%	112,399	100.00%	13,179	13,179	Subsidiary
〃	MiTAC Advance Technology Corp.	Taipei	Information Software Services, Computer and Peripheral Equipment Manufacturing, Other Electrical Engineering and Electronic Machinery Equipment Manufacturing	535,100	535,100	53,510	59.45%	696,436	59.45%	41,768	24,832	Subsidiary
〃	General Resources Co., Ltd.	Taipei	Engineering of network signal communication system for railways and rapid transit, engineering of environmental protection (engineering of systematic treatment for waste gas)	337,548	337,548	18,000	100.00%	161,525	100.00%	84,677	74,225	Subsidiary Note2
General Resources Co., Ltd.	General Resources (Hong Kong) Co., Ltd.	HK	Engineering of network signal communication system for railways and rapid transit	263,894	263,894	65,663	100.00%	34,189	100.00%	16,653	16,653	Subsidiary
〃	GENERAL RESOURCES VIETNAM COMPANY LIMITED	Vietnam	Engineering of network signal communication system for railways and rapid transit	12,185	12,185	-	100.00%	703	100.00%	(4,971)	(4,971)	Subsidiary
Samoa Mitac Information Holding Ltd.	Aidixun Investment Co., Ltd.	Samoan	General investment	163,512	163,512	8,165	100.00%	116,284	100.00%	(7,485)	(7,485)	Subsidiary

Note 1: The parent company's stocks possessed by subsidiaries have been deducted from the book value and these stocks were deemed as treasury stocks.
Note 2: The variance refers to the amortization of the difference in equity net value.
Note 3: The variance between the book value and the investment income recognized in the current period and invested company refers to the side stream transaction.
Note 4: The transactions had been eliminated in the consolidated financial statements.

(III) Information on investment in Mainland China：

1. The names of investees in Mainland China, the main businesses and products, and other information:

Unit: NT$ in thousands

Name of the invested company in China (Note 2)	Main business	Paid-in capital amount	Investment method (Note 1)	Accumulated amount investment remitted form Taiwan at the beginning of the current period.	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of current period	Investee income recognized in the current period	Direct and indirect shareholding of the Company	Maximum shareholding or capital contribution during the period	Investment income recognized in the current period	Investment book value at year end	Investment revenue received in the current period
					Remittance	Repatriation							
Yantai Taihwa Food Industrial Co., Ltd. (II).1	Manufacturing and sale of flour and flour processed food	1,232,224	(II)	1,232,224	-	-	1,232,224	(13,838)	100.00%	100.00%	(13,838)	228,330	-
Hifood (Shanghai) Co., Ltd. (II).2	Rental and leasing business	656,700	(II)	408,880	-	-	408,880	7,155	65.81%	65.81%	4,709	176,485	-
Fujian Fuhua Gases Co., Ltd. (II).2 and 3	Research and development of industrial gases, development and technical service of electronics industrial gases	824,911	(II)	-	-	-	-	336,095	25.00%	25.00%	86,137	351,552	-
BOCLH Industrial Gases (Shanghai) Co., Ltd (II). 2 and 3	Mainly in the business of gas production	580,438	(II)	1,744	-	-	1,744	397,795	50.00%	50.00%	198,898	770,078	-
Lien Xiong Investment (Shanghai) Co., Ltd. (II). 2 and 3	General investment	5,725,631	(II)	-	-	-	-	2,757,283	50.00%	50.00%	1,378,642	4,831,582	-
Shengpin Precision Gas (Shanghai) Co., Ltd. (II). 2 and 3	Mainly in the business of gas production	729,024	(II)	-	-	-	-	468,587	50.00%	50.00%	234,294	711,518	-
Lien Hwa Precision Gas (Chengdu) Co., Ltd. (II). 2 and 3	〃	501,638	(II)	-	-	-	-	77,051	50.00%	50.00%	38,526	316,026	-
Lien Hwa Precision Gas (Dalian) Co., Ltd. (II). 2 and 3	〃	478,312	(II)	-	-	-	-	452,438	50.00%	50.00%	226,219	565,359	-
Linde Lienhwa Gases (Wuhan) Co., Ltd. (II).2 and 3	〃	629,663	(II)	-	-	-	-	810,978	50.00%	50.00%	405,489	884,290	-
Linde Lienhwa Gases (Chengdu) Co., Ltd. (II).2 and 3	〃	718,696	(II)	-	-	-	-	139,308	50.00%	50.00%	69,654	465,931	-
BOCLH Industrial Gases (Beijing) Co., Ltd. (II).2 and 3	Mainly in the business of production and manufacturing of chemical raw materials	437,394	(II)	-	-	-	-	17,254	50.00%	50.00%	8,627	215,437	-
BOCLH Industrial Gases (Lianxiong Gases) Co., Ltd. (II).2 and 3	Mainly in the business of in the fields of electronic technology, industrial gases and sales of chemical products	245,969	(II)	-	-	-	-	191,362	50.00%	50.00%	95,681	284,798	-

Name of the invested company in China (Note 2)	Main business	Paid-in capital amount	Investment method (Note 1)	Accumulated amount investment remitted form Taiwan at the beginning of the current period.	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of current period	Investee income recognized in the current period	Direct and indirect shareholding of the Company	Maximum shareholding or capital contribution during the period	Investment income recognized in the current period	Investment book value at year end	Investment revenue received in the current period
					Remittance	Repatriation							
Lianxiong Gases (kunshan) Co., Ltd. (II).2 and 3	Mainly in the business of import, export, wholesale, and commission agency of helium filling equipment and similar products.	135,262	(II)	-	-	-	-	46,093	50.00%	50.00%	23,047	135,413	-
Mitac (Shanghai) Business Management Consulting Co., Ltd. (II).2	Business management consulting, business information consulting and system integration services	82,898	(II)	31,708	-	-	31,708	751	100.00%	100.00%	751	149,796	-
Jiangsu Aidixun Technology Culture Co., Ltd. (II).2	Research and development of Radio Frequency Identification (RFID) technology; production and sale of the products	86,695	(II)	93,239	-	-	93,239	(7,950)	100.00%	100.00%	(7,950)	122,791	-

2. Limitation on investment in Mainland China：

Company name	Accumulated investment amount in Mainland China at the end of period	Investment amount approved by Investment Commission, Ministry of Economic Affairs	Maximum investment amount set by Investment Commission, Ministry of Economic Affairs (Note 3)
The Company	3,720,683	3,863,569	34,318,434
MiTAC Inc.	49,114	189,212	18,195,183
MiTAC Information Technology Corp.	161,191	161,191	1,372,652

Note 1: Investment is divided into the following three categories:
(I) engaged in direct investment in Mainland China;
(II) Investment in Mainland China through a third country company.
(III) Others.

Note 2: In the column of the investment income recognized in the current period:
(I) it should be specified if the investment is in preparation without any investment gain or loss resulted.
(II) The base for the recognition of investment income can be classified into three categories and it shall be specified.
(1) The financial statements audited and attested by the CPA Firms of the parent company in Taiwan;
(2) Other- self-prepared financial statement
(3) The investment income is recognized based on the shareholding of that company as held by Fortune Dragon Holding Inc. indirectly.

Note 3: According to the regulation in the “Principle of Audit on Investment and Technical Cooperation in Mainland China” issued by the Investment Commission on August 29, 2008, 60% of the net value is used for the calculation.

Note 4: The numbers in said table are stated in New Taiwan Dollars.

Note 5: The Company’s indirect investment in Quan Ye (Shanghai) Trading Co., Ltd. had an original cost of US$1,000 thousand. The equity was disposed of in May 2017, and US$486 thousand was recovered and fully settled. As of December 31, 2025, the transaction has been reported to the Investment Commission of the Ministry of Economic Affairs for reference and cancellation. The remitted funds will be applied against the approved investment quota in Mainland China.

Note6: The transactions had been eliminated in the consolidated financial statements.

3. Significant transactions: None.

XIV. Segment information

(I) General information

The Group has 4 reportable segments: rental business, flour business, and administrative resource center and system integration service business. The rental business provides real property rental and development services. The flour business manufactures and sells all kinds of flour and processed foods. The system integration service business provides the system integration service, automatic system, applied software design and sale of industrial computer. The administrative resource center is responsible for the management of domestic/foreign investment business.

The reportable segments of the Group are strategic business departments that provide different products and laboring services. Since different technologies and marketing strategies are required for individual strategic business departments, they need to be managed separately. Most of the business departments were acquired respectively. Their initial management teams were retained.

The business decision maker of the Group was not provided with the measured asset amount of the Group. Therefore, the measured asset amount that should be disclosed was zero.

The basis for segment reporting in the consolidated financial statements for the year 2025 differs from that in the prior year, as the Group reorganized its operating segments during the current year.

(II) Information about the income, assets and liabilities, and measurement basis and reconciliation of the reportable segment

The Group mainly uses the department income before tax (excluding extraordinary gain or loss and exchange gain or loss) in the internal management report that is audited by the business decision maker to be the basis for resource distribution and performance evaluation for the management. Since the income tax, extraordinary gain or loss and exchange gain or loss were managed based on the Group, the Group did not distribute the income tax expense (profit), extraordinary gain or loss and exchange gain or loss to the reportable segment. In addition, material non-cash item other than depreciation and amortization is not included in the income of every reportable segment. The reported amount shall be consistent with the amount in the report used by the business decision maker.

Except for that the pension expense of every business department is recognized and measured based on the pension scheme paid in cash, the accounting strategy of the business department is the same as what's stated in Note 4 "Summary of Significant Accounting Policies".

The Group deems the sale and transfer between departments as third-party transactions. And the transaction is measured at current market price.

The Group's operating segments and adjustment are as follows:

Note: Segment assets are measured based on the Company's funds and investments.

2025	Rental business	Flour business	Administrative resource center	System integration business	All other departments	Adjustment and elimination	Total
Revenue							
Revenue from external customers	$ 387,068	5,021,099	1,444,101	6,656,614	74,700	-	13,583,582
Intersegment revenues	53,630	24	2,894,964	3,009	72	(2,951,699)	-
Interest revenue	1,559	2,297	26,987	6,294	133,582	(4,252)	166,467
Total revenue	$ 442,257	5,023,420	4,366,052	6,665,917	208,354	(2,955,951)	13,750,049
Interest expenses	$ 36	29,267	173,686	33,430	-	(11,206)	225,213
Depreciation and amortization	86,684	212,334	63,055	184,003	5,379	(98,417)	453,038
Share of profit (loss) of associates and joint ventures accounted for using equity method	-	-	1,657,921	-	1,696,164	(32,577)	3,321,508
Reportable segment profit or loss	$ 223,547	368,692	6,185,099	139,705	1,943,768	(2,983,559)	5,877,252
Reportable segment assets(Note)	$ -	-	65,862,078	-	-	-	65,862,078
2024							
Revenue							
Revenue from external customers	$ 377,012	5,308,251	1,073,718	5,711,800	475,995	-	12,946,776
Intersegment revenues	45,713	161	2,388,676	18,711	815	(2,454,076)	-
Interest revenue	4,135	2,355	53,155	8,374	120,554	(5,173)	183,400
Total revenue	$ 426,860	5,310,767	3,515,549	5,738,885	597,364	(2,459,249)	13,130,176
Interest expenses	$ 51	31,055	150,213	52,240	486	(11,949)	222,096
Depreciation and amortization	94,146	196,380	55,581	118,334	44,195	(84,227)	424,409
Share of profit (loss) of associates and joint ventures accounted for using equity method	-	-	1,665,345	-	1,518,532	(21,500)	3,162,377
Reportable segment profit or loss	$ 190,572	278,575	5,270,255	126,651	1,602,600	(2,404,841)	5,063,812
Reportable segment assets(Note)	$ -	-	61,053,744	-	-	-	61,053,744

(III) Geographic information

In presenting information on the basis of geography, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

Geographical information		2025	2024
Revenue from external customers:			
Taiwan	$	12,849,683	11,477,240
China		148,748	406,154
Other countries		585,151	1,063,382
Total	**$**	**13,583,582**	**12,946,776**

Geographical information		2025	2024
Non-current assets:			
Taiwan	$	8,151,317	7,540,587
China		644,936	672,471
Other countries		175	1,743
Total	**$**	**8,796,428**	**8,214,801**

Non-current assets include property, plant and equipment, right-of-use assets, investment property, intangible assets, and other assets; however, they exclude non-current assets such as financial instruments, deferred tax assets, post-employment benefit assets, and rights arising from insurance contracts.