Company Code: 1442

# Advancetek Enterprise Co., Ltd. And Subsidiaries

**Consolidated Financial Statements for the**

**Three Months Ended March 31, 2026 and 2025 and**

**Independent Auditors' Review Report**


## Advancetek Enterprise Co., Ltd.

8F., No.218, Sec. 3, Zhonghua Rd., Xinzhuang Dist., New Taipei City

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Advancetek Enterprise Co., Ltd. And Subsidiaries

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# INDEPENDENT AUDITORS' REVIEW REPORT

To Advancetek Enterprise Co., Ltd.

**Introduction**

We have reviewed the accompanying consolidated balance sheets of Advancetek Enterprise Co., Ltd. and its Subsidiaries as of March 31, 2026 and 2025, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and the related notes to the consolidated financial statements, including material accounting policy information. 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 International Accounting Standard No. 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission. Our responsibility is to draw a conclusion on the consolidated financial statements based on our reviews.

**Scope**

Except as described in the Basis for Qualified Conclusion section, we conducted our reviews in accordance with the "Review of Financial Statements" of the Reviewing Standard No. 2410. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. Since a review is substantially less in scope than an audit, we might not be fully aware of all material matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Basis for Qualified Conclusion**

As described in Note IV(III) to the consolidated financial statements, the financial statements for the same period of a non-significant subsidiary, which are included in the accompanying consolidated financial statements, have not been reviewed by independent accountants. As of March 31, 2026 and 2025, its total assets (after elimination of intercompany transactions) amounted to NT$87,216 thousand and NT$89,007 thousand, respectively, representing 0.60% and 0.61% of the consolidated total assets, respectively. Its total liabilities (after elimination of intercompany transactions) amounted to NT$164,870 thousand and NT$104,650 thousand, respectively, representing 2.56% and 1.86% of the consolidated total liabilities, respectively. For the three months ended March 31, 2026 and 2025, its comprehensive income (loss) (after elimination of intercompany transactions) amounted to

NT$(5,076) thousand and NT$(5,093) thousand, respectively, representing (5.92%) and (1.07%) of the consolidated total comprehensive income, respectively. In addition, the related information on investees in Note XIII was provided by the investees and has not been reviewed by independent accountants.

**Qualified Conclusion**

Based on the results of our reviews, except for the possible effects on the aforementioned consolidated financial statements of such adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiary and the related information on investees, as described in the Basis for Qualified Conclusion paragraph, been reviewed by independent accountants, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to conform with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission, which would result in them not presenting fairly, in all material respects, the consolidated financial position of Advancetek Enterprise Co., Ltd. and its subsidiaries as of March 31, 2026 and 2025, and the consolidated financial performance and the consolidated cash flows for the three months ended March 31, 2026 and 2025.

Earnest & Co., CPAs.
CPA: Hsiang Wen-Ting
CPA: Lin Hsin-Ju
Document approved by the Competent Authority of Securities:
Jin-Guan-Zheng-Liu-Zi No. 0950106502
Jin-Guan-Zheng-Shen-Zi No. 1000001522
May 8, 2026

**Notice 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 review such consolidated financial statements are those generally applied in the Republic of China.

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

(English Translation of Consolidated Balance Sheets Originally Issued in Chinese)

Advancetek Enterprise Co., Ltd. And Subsidiaries

Consolidated Balance Sheets

As of March 31, 2026, December 31, 2025 and March 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

| Code | Assets<br>Items | Note | March 31, 2026<br>Amount | % | December 31, 2025<br>Amount | % | March 31, 2025<br>Amount | % |
|---|---|---|---|---|---|---|---|---|
| | **Current assets** | | | | | | | |
| 1100 | Cash and cash equivalents | IV、VI | $ 457,751 | 3.15 | $ 604,836 | 4.23 | $ 1,125,189 | 7.68 |
| 1120 | Current financial assets at fair value through other comprehensive income | IV、VI、XII | 415 | - | 437 | - | 450 | - |
| 1150 | Notes receivable, net | IV、VI | 835 | 0.01 | 1,170 | 0.01 | 1,935 | 0.01 |
| 1170 | Accounts receivable, net | IV、VI | 45,212 | 0.31 | 63,690 | 0.45 | 35,768 | 0.25 |
| 1200 | Other receivables | | 954 | 0.01 | 410 | - | 2,213 | 0.02 |
| 1210 | Other receivables due from related parties | VII | - | - | - | - | 1 | - |
| 1220 | Current tax assets | IV、VI | - | - | 84 | - | 1,790 | 0.01 |
| 130x | Inventories | IV、VI、VII、VIII | 12,620,448 | 86.81 | 12,231,745 | 85.58 | 12,031,644 | 82.14 |
| 1410 | Prepayments | VII | 103,745 | 0.71 | 89,003 | 0.62 | 156,910 | 1.07 |
| 1476 | Other current financial assets | VI、VIII | - | - | 20,066 | 0.14 | - | - |
| 1479 | Other current assets, others | | 3,631 | 0.03 | 1,583 | 0.01 | 2,275 | 0.02 |
| 1480 | Current assets recognised as incremental costs to obtain contract with customers | IV | 5,674 | 0.04 | 5,202 | 0.04 | 6,651 | 0.05 |
| 11xx | **Total current assets** | | 13,238,665 | 91.07 | 13,018,226 | 91.08 | 13,364,826 | 91.25 |
| | **Non-current assets** | | | | | | | |
| 1517 | Non-current financial assets at fair value through other comprehensive income | IV、VI、XII | 41,436 | 0.28 | 41,337 | 0.29 | 38,940 | 0.27 |
| 1600 | Property, plant and equipment | IV、VI、VIII | 426,922 | 2.94 | 429,418 | 3.00 | 436,901 | 2.98 |
| 1755 | Right-of-use assets | IV、VI | 1,726 | 0.01 | 1,934 | 0.01 | - | - |
| 1760 | Investment property, net | IV、VI、VIII | 780,565 | 5.37 | 769,929 | 5.39 | 760,596 | 5.19 |
| 1780 | Intangible assets | IV、VI | 2,766 | 0.02 | 2,990 | 0.02 | 2,859 | 0.02 |
| 1920 | Guarantee deposits paid | VII | 10,547 | 0.07 | 10,090 | 0.07 | 10,001 | 0.07 |
| 1930 | Long-term notes and accounts receivable | IV、VI | 14,635 | 0.10 | 19,555 | 0.14 | 12,910 | 0.09 |
| 1980 | Other non-current financial assets | VI、VIII | 20,066 | 0.14 | - | - | 19,939 | 0.13 |
| 15xx | **Total non-current assets** | | 1,298,663 | 8.93 | 1,275,253 | 8.92 | 1,282,146 | 8.75 |
| 1xxx | **Total assets** | | $ 14,537,328 | 100.00 | $ 14,293,479 | 100.00 | $ 14,646,972 | 100.00 |

(Continued on the next page)

(English Translation of Consolidated Balance Sheets Originally Issued in Chinese)

Advancetek Enterprise Co., Ltd. And Subsidiaries

Consolidated Balance Sheets

As of March 31, 2026, December 31, 2025 and March 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

(Continued from previous page)

| Liabilities and Equity | | | March 31, 2026 | | December 31, 2025 | | March 31, 2025 | |
|---|---|---|---|---|---|---|---|---|
| Code | Items | Note | Amount | % | Amount | % | Amount | % |
| | **Current liabilities** | | | | | | | |
| 2100 | Short-term loans | VI | $ 970,000 | 6.67 | $ 1,095,000 | 7.66 | $ 41,960 | 0.29 |
| 2110 | Short-term notes and bills payable | VI | - | - | - | - | 19,987 | 0.14 |
| 2130 | Current contract liabilities | IV、VI、VII | 113,409 | 0.78 | 97,986 | 0.69 | 197,998 | 1.35 |
| 2150 | Notes payable | | 2,986 | 0.02 | 1,146 | 0.01 | 6,035 | 0.04 |
| 2170 | Accounts payable | | 187,173 | 1.29 | 191,725 | 1.34 | 179,203 | 1.22 |
| 2180 | Accounts payable to related parties | VII | 124,813 | 0.86 | 51,956 | 0.36 | 174,382 | 1.19 |
| 2200 | Other payables | VI | 116,368 | 0.80 | 147,755 | 1.03 | 139,465 | 0.95 |
| 2220 | Other payables to related parties | VII | 19 | - | - | - | 268 | - |
| 2230 | Current tax liabilities | IV、VI | 197,575 | 1.36 | 180,830 | 1.27 | 309,435 | 2.11 |
| 2250 | Current provisions | VI | 2,542 | 0.02 | 2,902 | 0.02 | 2,148 | 0.01 |
| 2280 | Current lease liabilities | IV、VI | 4,749 | 0.03 | 4,722 | 0.03 | 3,777 | 0.03 |
| 2310 | Advance receipts | IV、VII | 597 | - | 469 | - | 511 | - |
| 2320 | Long-term liabilities, current portion | VI | 779,441 | 5.36 | 64,440 | 0.45 | 1,832,700 | 12.51 |
| 2399 | Other current liabilities, others | VII | 35,472 | 0.24 | 39,164 | 0.28 | 40,745 | 0.28 |
| 21xx | **Total current liabilities** | | 2,535,144 | 17.43 | 1,878,095 | 13.14 | 2,948,614 | 20.12 |
| | **Non-current liabilities** | | | | | | | |
| 2540 | Long-term loans | VI | 3,173,770 | 21.83 | 3,643,771 | 25.49 | 2,065,456 | 14.10 |
| 2552 | Non-current warranty provision | IV、VI | 30,262 | 0.21 | 33,330 | 0.23 | 43,236 | 0.30 |
| 2560 | Non-current tax liabilities | IV、VI | 130,767 | 0.90 | 155,574 | 1.09 | - | - |
| 2580 | Non-current lease liabilities | IV、VI | 574,336 | 3.95 | 575,534 | 4.03 | 568,501 | 3.88 |
| 2645 | Guarantee deposits received | | 3,668 | 0.03 | 3,573 | 0.02 | 3,735 | 0.03 |
| 25xx | **Total non-current liabilities** | | 3,912,803 | 26.92 | 4,411,782 | 30.86 | 2,680,928 | 18.31 |
| 2xxx | **Total liabilities** | | 6,447,947 | 44.35 | 6,289,877 | 44.00 | 5,629,542 | 38.43 |
| | **Equity attributable to owners of parent** | | | | | | | |
| | **Share capital** | | | | | | | |
| 3110 | Ordinary share | VI | 3,662,113 | 25.19 | 3,662,113 | 25.62 | 3,662,113 | 25.00 |
| 3100 | **Total share capital** | | 3,662,113 | 25.19 | 3,662,113 | 25.62 | 3,662,113 | 25.00 |
| 3200 | **Capital surplus** | VI | 991,852 | 6.82 | 991,852 | 6.94 | 991,852 | 6.77 |
| | **Retained earnings** | | | | | | | |
| 3310 | Legal reserve | VI | 1,141,845 | 7.86 | 1,141,845 | 7.99 | 879,128 | 6.00 |
| 3320 | Special reserve | VI | 170 | - | 170 | - | 170 | - |
| 3350 | Unappropriated retained earnings | VI | 2,276,445 | 15.66 | 2,190,743 | 15.33 | 3,468,940 | 23.69 |
| 3300 | **Total retained earnings** | | 3,418,460 | 23.52 | 3,332,758 | 23.32 | 4,348,238 | 29.69 |
| 3400 | **Other equity interest** | | 16,956 | 0.12 | 16,879 | 0.12 | 15,227 | 0.11 |
| 31xx | **Total equity attributable to owners of parent** | | 8,089,381 | 55.65 | 8,003,602 | 56.00 | 9,017,430 | 61.57 |
| 3xxx | **Total equity** | | 8,089,381 | 55.65 | 8,003,602 | 56.00 | 9,017,430 | 61.57 |
| 3x2x | **Total liabilities and equity** | | $ 14,537,328 | 100.00 | $ 14,293,479 | 100.00 | $ 14,646,972 | 100.00 |

(The Notes for Consolidated Financial Statements are part of the Consolidated Financial Statements and should be read together.)

Chairman：Wu Hung-Ying　　General Manager：Wu Sheng-Li　　Accountant Officer：Huang Hui-Chin

(English Translation of Consolidated Statements of Comprehensive Income Originally Issued in Chinese)

Advancetek Enterprise Co., Ltd. And Subsidiaries

Consolidated Statements of Comprehensive Income

For the Three Months Ended March 31,2026 and 2025

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

| | | | First Quarter of 2026 | | First Quarter of 2025 | |
|---|---|---|---|---|---|---|
| Code | Items | Note | Amount | % | Amount | % |
| 4000 | **Operating revenue** | IV、VI、VII | $ 302,076 | 100.00 | $ 1,376,172 | 100.00 |
| 5000 | **Operating costs** | IV、VI | 151,443 | 50.13 | 702,325 | 51.03 |
| 5900 | **Gross profit from operations** | | 150,633 | 49.87 | 673,847 | 48.97 |
| | **Operating expenses** | | | | | |
| 6100 | Selling expenses | IV | 10,522 | 3.48 | 50,477 | 3.67 |
| 6200 | Administrative expenses | | 36,080 | 11.95 | 44,796 | 3.26 |
| 6000 | **Total operating expenses** | VII | 46,602 | 15.43 | 95,273 | 6.93 |
| 6900 | **Net operating income** | | 104,031 | 34.44 | 578,574 | 42.04 |
| | **Non-operating income and expenses** | | | | | |
| 7100 | Interest income | | 837 | 0.28 | 1,897 | 0.14 |
| 7010 | Other income | VI | 453 | 0.15 | 827 | 0.06 |
| 7020 | Other gains and losses | VI | 1,374 | 0.45 | 53 | - |
| 7050 | Finance costs | VI | ( 1,397) | ( 0.46) | ( 3,228) | ( 0.23) |
| 7000 | **Total non-operating income and expenses** | | 1,267 | 0.42 | ( 451) | ( 0.03) |
| 7900 | **Net profit before tax** | | 105,298 | 34.86 | 578,123 | 42.01 |
| 7950 | Tax expense | IV、VI | ( 19,596) | ( 6.49) | ( 102,697) | ( 7.46) |
| 8200 | **Profit** | | 85,702 | 28.37 | 475,426 | 34.55 |
| | **Other comprehensive income** | | | | | |
| | **Components of other comprehensive income that will not be reclassified to profit or loss** | | | | | |
| 8316 | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | IV、VI | 77 | 0.03 | 71 | - |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | | - | - | - | - |
| 8310 | **Components of other comprehensive income that will not be reclassified to profit or loss** | | 77 | 0.03 | 71 | - |
| 8300 | **Total other comprehensive income** | | 77 | 0.03 | 71 | - |
| 8500 | **Total comprehensive income** | | $ 85,779 | 28.40 | $ 475,497 | 34.55 |
| 8600 | **Profit attributable to：** | | | | | |
| 8610 | Owners of parent company | | 85,702 | 28.37 | 475,426 | 34.55 |
| 8620 | Non-controlling interests | | - | - | - | - |
| | | | $ 85,702 | 28.37 | $ 475,426 | 34.55 |
| 8700 | **Total comprehensive income attributable to：** | | | | | |
| 8710 | Owners of parent company | | 85,779 | 28.40 | 475,497 | 34.55 |
| 8720 | Non-controlling interests | | - | - | - | - |
| | | | $ 85,779 | 28.40 | $ 475,497 | 34.55 |
| | **Earnings Per Share** | | | | | |
| 9750 | Total basic earnings per share | IV、VI | $ 0.23 | | $ 1.30 | |

(The Notes for Consolidated Financial Statements are part of the Consolidated Financial Statements and should be read together.)

Chairman：Wu Hung-Ying　　General Manager：Wu Sheng-Li　　Accountant Officer：Huang Hui-Chin

(English Translation of Consolidated Statements of Changes in Equity Originally Issued in Chinese)

Advancetek Enterprise Co., Ltd. And Subsidiaries

Consolidated Statements of Changes in Equity

For the Three Months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

| | Share capital | Capital surplus | | | Retained earnings | | | | Other equity interest | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Summary | Ordinary share | Capital arising from ordinary share | Treasury stock transaction | Total capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Total retained earnings | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | Total equity attributable to owners of parent | Total equity |
| Balance, January 1, 2026 | $ 3,662,113 | $ 964,821 | $ 27,031 | $ 991,852 | $ 1,141,845 | $ 170 | $ 2,190,743 | $ 3,332,758 | $ 16,879 | $ 8,003,602 | $ 8,003,602 |
| Net profit | - | - | - | - | - | - | 85,702 | 85,702 | - | 85,702 | 85,702 |
| Other comprehensive income | - | - | - | - | - | - | - | - | 77 | 77 | 77 |
| Total comprehensive income | - | - | - | - | - | - | 85,702 | 85,702 | 77 | 85,779 | 85,779 |
| Balance as of March 31, 2026 | $ 3,662,113 | $ 964,821 | $ 27,031 | $ 991,852 | $ 1,141,845 | $ 170 | $ 2,276,445 | $ 3,418,460 | $ 16,956 | $ 8,089,381 | $ 8,089,381 |
| Balance, January 1, 2025 | $ 3,662,113 | $ 964,821 | $ 27,031 | $ 991,852 | $ 879,128 | $ 170 | $ 2,993,514 | $ 3,872,812 | $ 15,156 | $ 8,541,933 | $ 8,541,933 |
| Net profit | - | - | - | - | - | - | 475,426 | 475,426 | - | 475,426 | 475,426 |
| Other comprehensive income | - | - | - | - | - | - | - | - | 71 | 71 | 71 |
| Total comprehensive income | - | - | - | - | - | - | 475,426 | 475,426 | 71 | 475,497 | 475,497 |
| Balance as of March 31, 2025 | $ 3,662,113 | $ 964,821 | $ 27,031 | $ 991,852 | $ 879,128 | $ 170 | $ 3,468,940 | $ 4,348,238 | $ 15,227 | $ 9,017,430 | $ 9,017,430 |

(The Notes for Consolidated Financial Statements are part of the Consolidated Financial Statements and should be read together.)

Chairman：Wu Hung-Ying　　General Manager：Wu Sheng-Li　　Accountant Officer：Huang Hui-Chin

(English Translation of Consolidated Statements of Cash Flows Originally Issued in Chinese)

Advancetek Enterprise Co., Ltd. And Subsidiaries

Consolidated Statements of Cash Flows

For the Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

| Items | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Cash flows from (used in) operating activities： | | |
| Profit before tax | $ 105,298 | $ 578,123 |
| Adjustments： | | |
| Adjustments to reconcile profit (loss) | | |
| Depreciation expense | 4,958 | 4,708 |
| Amortization expense | 328 | 330 |
| Interest expense | 1,397 | 3,228 |
| Interest income | ( 837) | ( 1,897) |
| Gain on disposal of investment properties | ( 1,374) | ( 53) |
| Changes in operating assets and liabilities | | |
| Decrease in notes receivable | 435 | 571 |
| Decrease in accounts receivable | 23,298 | 13,558 |
| Decrease (increase) in other receivables | 52 | ( 181) |
| Decrease in other receivables due from related parties | - | 12 |
| (Increase) decrease in inventories | ( 371,464) | 349,927 |
| (Increase) decrease in prepayments | ( 14,742) | 11,404 |
| (Increase) decrease in other current assets, others | ( 2,048) | 719 |
| Decrease in other financial assets | - | 22,590 |
| (Increase) decrease in assets recognised as incremental costs to obtain contract with customers | ( 472) | 35,122 |
| Increase (decrease) in current contract liabilities | 15,268 | ( 245,280) |
| Increase (decrease) in notes payable | 1,840 | ( 48,237) |
| Decrease in accounts payable | ( 4,552) | ( 8,202) |
| Increase (decrease) in accounts payable to related parties | 72,857 | ( 165,975) |
| (Decrease) increase in other payables | ( 31,416) | 8,669 |
| Increase in other payables to related parties | 19 | 35 |
| Decrease in provisions | ( 3,428) | ( 2,706) |
| Increase in advance receipts | 128 | 155 |
| Decrease in other current liabilities, others | ( 3,692) | ( 8,147) |
| Cash inflow generated (used in) from operations | ( 208,147) | 548,473 |
| Interest received | 241 | 108 |
| Interest paid | ( 37,313) | ( 30,452) |
| Income taxes paid | ( 27,574) | ( 11,844) |
| Net cash flows (used in) from operating activities | ( 272,793) | 506,285 |

(Continued on the next page)

(English Translation of Consolidated Statements of Cash Flows Originally Issued in Chinese)

Advancetek Enterprise Co., Ltd. And Subsidiaries

Consolidated Statements of Cash Flows

For the Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

(Continued from previous page)

| Items | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Cash flows from (used in) investing activities： | | |
| Acquisition of property, plant and equipment | - | (587) |
| Increase in guarantee deposits paid | (457) | (1) |
| Decrease in guarantee deposits paid | - | 315 |
| Acquisition of intangible assets | (104) | (1,352) |
| Proceeds from disposal of investment property | 7,345 | 1,841 |
| Net cash flows from investing activities | 6,784 | 216 |
| | | |
| Cash flows from (used in) financing activities： | | |
| Decrease in short-term loans | (125,000) | - |
| Increase in short-term notes and bills payable | 200,000 | 60,000 |
| Decrease in short-term notes and bills payable | (200,000) | (60,000) |
| Proceeds from long-term loans | 270,000 | 45,000 |
| Repayments of long-term loans | (25,000) | - |
| Increase in guarantee deposits received | 165 | 84 |
| Decrease in guarantee deposits received | (70) | - |
| Payments of lease liabilities | (1,171) | (931) |
| Net cash flows from financing activities | 118,924 | 44,153 |
| Net (decrease) increase in cash and cash equivalents | (147,085) | 550,654 |
| Cash and cash equivalents at beginning of period | 604,836 | 574,535 |
| Cash and cash equivalents at end of period | $ 457,751 | $ 1,125,189 |

(The Notes for Consolidated Financial Statements are part of the Consolidated Financial Statements and should be read together.)

Chairman：Wu Hung-Ying General Manager：Wu Sheng-Li Accountant Officer：Huang Hui-Chin

Advancetek Enterprise Co., Ltd. And Subsidiaries
Notes To Consolidated Financial Statements
For the Three Months Ended March 31, 2026, and 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

I. Company History

Advancetek Enterprise Co., Ltd. (the Company) was incorporated in July, 1974 to engage primarily in commissioning construction companies to build public housing and commercial buildings for lease and sale. The Company's registered office and principal operating address were originally located at 5F., No. 16, Lane 189, Sec. 1, Chengtai Rd., Wugu Dist., New Taipei City. On August 13, 2024, a resolution was passed by the Board of Directors to relocate the address to 8F., No. 218, Sec. 3, Zhonghua Rd., Xinzhuang Dist., New Taipei City. In November 1989, The Company’s shares were listed on the Taiwan Stock Exchange (TWSE).

II. Approval date and procedures of Financial Statements

The consolidated financial statements were authorized for issue by the Company’s board of directors on May 8, 2026.

III. Application of New, Amended and Revised Standards and Interpretations

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

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have any material impact on the Group’s accounting policies.

2.The IFRS accounting Standards endorsed by the FSC with an effective date starting 2027.

| New, Revised, Amended Standards and Interpretation | Effective in the year after following dates as issued by the IASB |
|---|---|
| IFRS 18 “Presentation and Disclosure in Financial Statements” | January 1, 2027(Note) |
| IFRS 19 “Subsidiaries without Public Accountability: Disclosures” | January 1, 2027 |
| Amendments to IAS 21 “Translation to a Presentation Currency of a Hyperinflationary Economy” | January 1, 2027 |

Note: The Financial Supervisory Commission (FSC) issued a press release on September 25, 2025, announcing that public companies shall apply IFRS 18 starting from January 1, 2028.

Except as noted below, the Group has assessed that the above standards and interpretations will have no significant impact on its financial position and financial performance.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements." The main changes include:

(i) The Company shall assess whether it has specific main business activities of investing in particular types of assets and providing financing to customers, so as to classify income and expense items in the statement of profit or loss into operating, investing, financing, income taxes, and discontinued operations categories.

(ii) The statement must present subtotals and totals for operating profit/loss, profit/loss before financing and income tax, and profit/loss.

(iii) It provides guidance to enhance the requirements for aggregation and disaggregation: entities must identify assets, liabilities, equity, income, expenses, and cash flows from individual transactions or other events and classify/aggregate them based on common characteristics, ensuring that each line item presented in the primary financial statements has at least one similar characteristic. Items with dissimilar characteristics must be disaggregated in the primary financial statements and notes. Entities may only label items as "other" if no more informative label can be found.

(iv) It introduces new disclosure requirements for management-defined performance measures: where an entity communicates an aspect of its overall financial performance from management's perspective outside of or within the financial statements, it must disclose relevant information in a single note, including a description of the measure, how it is calculated, a reconciliation to an IFRS Accounting Standards specified subtotal or total, and the income tax and non-controlling interests impact of the relevant reconciling items.

Other than the impacts described above, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the amendments to the above standards and interpretations may have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

3.The IFRS Accounting Standards issued by International Accounting Standards Board(IASB) but not yet endorsed and issued into effect by the FSC.

| New, Revised, Amended Standards and Interpretation | Effective in the year after following dates as issued by the IASB |
|---|---|
| Amendments to IFRS 10 and IAS 28 – "Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture" | To be determined |

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of the amendments to the aforementioned standards and interpretations will have no material impact on the Group's financial position and financial performance.

## IV. Summary of Significant Accounting Policies

The significant accounting policies presented in the consolidated financial statements are summarized below. The following accounting policies were applied consistently throughout the period presented in the financial statements unless stated otherwise.

(i) Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No.34 “Interim Financial Reporting” endorsed by the Financial Supervisory Commission.

(ii) Basis of Preparation

1. The accompanying consolidated financial statements have been prepared on a historical cost basis, except for the following significant items.
   (1) Financial assets and liabilities measured at fair value through profit or loss (including derivatives).
   (2) Financial assets measured at fair value through other comprehensive income.
2. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

(iii) Basis of Consolidation

1. Principles for preparing consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries).The Company controls an entity when the Company 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.

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-Group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of The Company’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. 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 owners of the Company.

2. The subsidiaries in the consolidated financial statements

| Investor | Subsidiary | Business nature | Percentage of ownership | | |
|---|---|---|---|---|---|
| | | | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| Advancetek Enterprise Co., Ltd. | ChiaYuan Construction Co., Ltd. | Comprehensive construction industry | 100% | 100% | 100% |

The above–mentioned Subsidiary that is consolidated into the consolidated financial statements does not meet the definition of significant subsidiary.

(iv) Classification of Current and Non-current Assets and Liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current assets:

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 12 months after the reporting period; or
4. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used for settling a liability at least 12 months after the reporting period.

A liability is classified as current under the following criteria, and all other liabilities are classified as non-current liabilities:

1. It is expected to be settled in a normal operating cycle;
2. It is expected to be held for the purpose of trading;
3. It is expected to be settled within 12 months after the reporting period; or
4. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the counterparty's option, result in its settlement by issuing equity instruments do not affect its classification.

The Group engages mainly in the building of real estate, which has an operating cycle longer than one year. Thus, assets and liabilities related to building business are classified as current or non-current based on the normal operating cycle.

(v) Cash and Cash Equivalent

Cash and cash equivalent comprises cash, cash on hand, demand deposits, and 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 that meet the above definition and are held for the operational purpose of meeting short-term cash commitments should be recognized as a cash equivalent.

(vi) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. The scope of IFRS 9 defined "Financial instrument" is applicable to financial assets and financial liabilities of which transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

※Recognition and measurement of financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. The Group categorizes financial assets into financial assets at amortized cost, financial assets at FVTOCI, and financial assets at FVTPL on the following basis:

A.The business model for managing financial assets.

B.Contractual cash flow characteristics of financial assets.

1. Financial assets measured at amortized cost

Financial assets meet the following two criteria, are measured at amortized cost, and shall listed in the balance sheet as items of notes receivable, accounts receivable, financial assets measured at amortized cost, and other receivables:

A. The business model for managing financial assets: financial assets are held for the collection of contractual cash flow.

B. Contractual cash flow characteristics of financial assets: the contractual cash flow is solely for the payments of principal and interest on the principal amount outstanding.

This type of financial assets (not including those involved hedging relationship) are measured at amortized cost, which is the amount measured at initial recognition, deduct principal paid, plus or minus the accumulated amortization (determined by effective interest method) arising from the difference between the initial amount and the amount due, and with adjustment of the loss allowance. The gain or loss arising from derecognition, through amortization procedure or recognition of impairment gain or loss, are recognized as profit or loss.

For interest that is determined by effective interest method (multiplying effective interest rate with the total carrying amount of financial assets) or following calculations, is recognized in profit or loss:

A. For purchased or originated credit-impaired financial assets, calculated by multiplying the credit-adjusted effective interest rate and the cost of amortized financial assets.

B. For not purchased or originated as credit - impaired but subsequently become credit-impaired, it is calculated by multiplying effective interest rate and cost of amortized financial assets.

2. Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following two criteria are measured at FVTOCI, and shall be listed as assets at FVTOCI on the balance sheet:

A. The business model for managing financial assets: collecting contractual cash flows and selling financial assets.

B. Contractual cash flow characteristics of financial assets: cash flows are solely payments of principal and interest on the principal amount outstanding.

Recognition of related profit or loss of this type of financial assets is as follows:

A. Before derecognition or reclassification, except impairment gain or loss and foreign currency exchange profit or loss is recognized in profit or loss, the gains or losses of an asset are recognized in other comprehensive income.

B. Derecognition of assets is achieved by adjustment for reclassification of the accumulated income or loss that were previously recognized in other comprehensive income and reclassified from equity to income.

C. Interest calculated by using effective interest method (multiplying effective interest rate with the total carrying amount of financial assets) or following calculations, are recognized as income:

(a) For purchased or originated credit-impairment financial assets, calculated by multiplying the credit-adjusted effective interest rate and the cost of amortized financial assets.

(b) For not purchased or originated as credit-impaired but subsequently become credit - impaired, it is calculated by multiplying effective interest rate and cost of amortized financial assets.

In addition, for equity instrument applicable at IFRS 9, and that equity instrument is not specifically for the transaction, nor is it applicable at IFRS 3 of recognized contingent consideration by the acquirer in a business combination, the equity instrument, at initial recognition, elect (irrevocable) to include the changes at fair value through other comprehensive income. The amount presented in other comprehensive income may not transfer to profit or loss (upon disposal of the equity instrument, it will be included in the cumulative amount of other equity instrument item and directly turned into retained earnings), and the financial assets measured at fair value through other comprehensive income is presented on the balance sheet. Invest in dividend is included in profit or loss unless the dividend shows the obvious partial recovery of investment cost.

3. Financial Assets at fair value through profit or loss (FVTPL)

Except for the above - mentioned financial assets that meet the criteria to be measured at amortized cost or at fair value through other comprehensive income, financial assets are all measured at fair value through profit or loss and presented on the balance sheet as financial assets at FVTPL.

The gains or losses arising from remeasuring the financial assets measured at fair value are recognized as profit or loss. The recognized profit or loss from the gains and losses includes any dividend or interest collected by the financial assets.

(vii) Impairment of Financial Assets

The Group recognizes and measures loss allowances for expected credit loss (ECL) on debt investments measured at FVTOCI and financial assets measured at amortized cost. The loss allowance for the debt instrument investment measured at FVTOCI is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The Group measures expected credit losses (ECLs) in accordance with those listed below:

1. Through evaluation of the range of possible outcomes for determining an unbiased and probability-weighted amount.
2. Time value of money.
3. Reasonable and supportable information (which involved no undue cost or effort if obtained) about past events, current conditions and forecasts of future economic conditions.

Methods for measuring loss allowance are as follows:

1. Measured at an amount equal to 12-month ECLs: Including financial assets that show no significant increase in credit risk since initial recognition or that is determined as low credit risk at the balance sheet date. The financial assets, which have loss allowance measured at lifetime expected credit losses in the prior reporting period but no longer show a significant increase in credit risk since initial recognition at the current balance sheet date, is also included.
2. Measured at an amount of lifetime expected credit losses: Including financial assets that have shown a significant increase in credit risk since initial recognition or that of purchased or originated credit-impaired financial assets.
3. For accounts receivable and contract assets arising from the transaction within the scope of IFRS 15, the Group measured loss allowance at lifetime expected credit losses.

The Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition by comparing the changes in the risk of default at the balance sheet date with those at initial recognition.

(viii) Property, Plant and Equipment

Property, plant and equipment that is held for producing a commodity or for management, use acquisition cost as basis for an account entry and presented in the balance sheet with the amount that has deducted accumulated depreciation and accumulated impairment.

Aside from land, depreciation of all the property, plant and equipment is computed using the straight-line method and is recognized so as to write off the cost of the assets less their residual values over their useful lives. If each property, plant and equipment consist of a significant part, it shall be depreciated separately.

The estimated useful lives of property, plant and equipment are as follows:

1. Buildings and structures: 50 years.
2. Computer and telecommunication equipment: 3-5 years.
3. Transportation equipment: 5 years.
4. Office equipment: 3-5 years.
5. Machinery equipment: 5 years.
6. Other equipment: 3-10 years.

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

An item of property, plant and equipment should be removed from the statement of financial position on disposal or when no future economic benefits are expected from the continued use of the assets. Any gain or loss arising from the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(ix) Investment property

Either to earn rent income or have assets increase in value or both are purposes to hold this property, including those under construction for the same purposes. Investment property also comprise property that is held but have not yet determines its use. Thus, it is considered held for the acquisition of capital appreciation.

Investment property is originally measured at cost (including transaction cost) and subsequently measured at cost less accumulated depreciation and accumulated impairment.

Investment property under construction is recognized at the cost less accumulated impairment loss. Cost comprised of the professional service fee, and the amount of IAS 23 “Borrowing Costs” that are directly attributable to the qualifying asset form part of the cost of that asset should be capitalized. Recognition of depreciation is commenced when this asset is built and achieved its expected usage.

Recognition of depreciation of the building and affiliated facilities use a straight-line method as the basis. The cost of the asset is spread out equally over the expected useful life of the investment property.

Investment property should be removed from the statement of financial position on disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss arising from the disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss.

The estimated useful life of each item of investment property is as follows:

1. Buildings and structures (comprised renovation): 3~50 years.

(x) Leases

For a contract that contains a lease component and non-lease component, the Group may elect to account for the lease and non-lease components as a single lease component.

If the contractual terms have the right to direct the use of the asset and obtain substantially all of the economic benefits through the period of use, then the contract is, or contains, a lease. Except for short-term leases and low-value leases, all leases shall recognize right-of-use assets and lease liabilities.

As the lessee, the Group recognizes right-of use assets and lease liabilities for all leases at the commencement date of the lease, except for low-value asset leases and short-term leases which are recognized as expenses on a straight-line basis. The depreciation expense of right-of-use assets and the interest incurred from lease liability measured at the effective interest method are presented separately on the comprehensive income statement. Whereas in statements of cash flows, the principal amount of payment for lease liability and part of paid interest are presented separately as financing activities and operating activities.

Right-of-use assets are measured at cost (including the cost of right-of-use assets comprises the initial measurement of lease liabilities adjusted for lease payment, lease payment and initial direct costs made at or before the commencement date, and an estimate of costs needed to restore the underlying assets). Subsequent measurement is calculated as costless accumulated depreciation and accumulated impairment loss and adjusted for changes in lease liabilities resulting from lease term modifications or other related factors.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier end of the useful lives of the right-of-use assets or the end of the lease terms. If the lease transfers ownership of the underlying assets to the Company by the end of the lease terms or if the cost of right-of-use assets reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use assets from the commencement dates to the end of the useful lives of the underlying assets.

Lease liabilities are measured at the present value of lease payments. Lease payments comprise fixed payments, variable lease payments which depend on an index or rate and the exercise price of a purchase option if the Company is reasonably certain to exercise that option. The lease payments are discounted using the lessee’s incremental borrowing rates.

The carrying amount of lease liabilities are either added or deducted due to the interests and lease payments of subsequent lease liabilities. The interest for each lease period is calculated so that the periodic rate applied to the carrying amount of the lease liability remains constant.

The right-of-use assets and lease liabilities are presented in the Group's balance sheet. In contrast, depreciation expense and interest related to leases are presented separately on the comprehensive income statement. For short-term leases or low-value asset leases, the lease payment of related leases is recognized as an expense during the leasing term on the basis of the straight-line method. Impairment of right-of-use assets recognized are evaluated at balance sheet date, and incurred impairment losses are treated as well.

A right-of-use asset is classified as inventory if it meets the definition of inventory and is subsequently measured in accordance with IAS 2.

(xi) Intangible Assets

Other intangible assets with finite useful lives that the Group acquired are measured at cost less accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred, where amortization is calculated on the basis of the cost of the asset or amount of other alternative costs, less its residual value.

The useful life of each item of externally generated intangible asset is as follows:

1. Trademark rights: 12 years.
2. Computer software: 2-5 years.

(xii) Impairment - Nonfinancial Assets

The Group recognized impairment loss when there is an indication that the recoverable amount of an asset is less than its carrying amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. When impairment no longer exists, the impairment loss recognized in prior years is reversed to the extent of the previously recognized amount.

(xiii) Provision

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets," the Group has complied with "Instructions should be / should not be Described in a Standard Contract of the Sale and Purchase of Presale House" announced by the Ministry of Interior and provide a 15-year warranty for building structures and a one-year warranty for fixed materials and equipment. Based on past experience, the Group recognizes a warranty provision representing the best estimate of expenditures that are expected to be incurred.

(xiv) Accounting treatments of revenue, costs and expenses

The accounting treatments of revenue, costs and expenses related to investment in building houses for sale are as follows:

1. Operating revenue

The Group commissioned builders to construct pre-sale real estate or for existing home sales, which complies with IFRS 15 "Revenue from Contracts with Customers" regulation on goods sales to recognize revenue.

Selling goods is recognized revenue through following procedure:

(a) Identify the contract with customers;

(b) Identify the performance obligations in the contract;

(c) Determine transaction price;

(d) Allocate the transaction price to each performance obligation in the contract; and

(e) Recognize revenue when a performance obligation is satisfied.

The Group runs the business in land development and selling real estate. Related revenue is recognized when transferring the control of real estate to the customer. Based on terms and conditions of a signed residential sale contract, the real estate no longer provides usage to the Company other than that stated in the contract, but the Group will have the enforceable right not until the legal ownership right or use rights of the real estate is transferring to the customer. Thus, revenue is recognized when legal ownership right or use right is transferred to the customer and the real estate has been handover. But if only one of the above-mentioned procedures is done before the end of the reporting period, revenue could also be recognized after reporting period if another is done within 20 days before delivering to the board of directors for approval.

Revenue is measured at the price agreed in the contract. The payment of contract price is made by the customer when transferring legal ownership of the real estate. In a few cases, the Group and customer may come to an agreement to defer the time for payment, the time span between transferring of real estate ownership right to customer and the payment made by customer may extend one year. Therefore, if the contract contains a significant financing component, the promised consideration should be adjusted to reflect the effects of the time value of money.

2. Operating Cost

The cost arising from the investment of the Group in constructing houses is included in construction in progress. When the house is recognized as revenue, the cost shall be included in the operating cost of the year, whereas established houses but not yet sold are presented as Building and land held for sale. The operating cost is allocated using the Income Approach, the Area Proportion Method, or the Appraised Present Value Method but if the method used by a construction site has been chosen, then the change cannot be made.

The land purchased for building houses to sale is classified as the Land held for construction site, whereas the land with on going construction is classified as land under construction. When the house and the land are recognized revenue, the related costs are transferred to the operating cost of the year. Any unsold portion is reclassified as buildings and land held for sale.

Since the superficies of leased land acquired by the Group is held for construction project development, the royalties for superficies right is recognized as the cost of inventories.

The Group measures Land held for construction site, Properties under construction, and Buildings and land held for sale at cost, and they are evaluated at the lower of cost and net realizable value at the end of the reporting period.

3. Cost of contract with customers - incremental costs to obtain contract and operating expenses

If the Group expects that the incremental costs of obtaining a contract with customers are recoverable, such costs are recognized as assets. The incremental costs of obtaining a contract are incurred to obtain a contract from the customer, which would not be incurred if the Group failed to obtain the contract. Regardless of whether the contract is obtained, costs of obtaining a contract that would have been incurred are expensed as incurred, unless the cost can certainly be collected from the customer no matter the contract is successfully obtained.

4. Capitalization of interest cost

Interest expenses arising from the advance payment before the transfer of legal ownership of the Group's purchased land are capitalized and included in land cost. Loan interests arising from the cost of land and house construction incurred during the time of establishing houses are capitalized and included in the properties under construction to reflect the cost for building a house.

(xv) Employee Benefits

1. Retirement benefit plans

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

2. Employee's compensation and directors' remuneration

Employee's compensation and directors' remuneration of the Group are recognized as expense and included in appropriate accounting item under operating cost or operating expense according to the attribution, whilst the actual amount distributed is the basis on the resolution of the shareholder's meeting in the next year. Any difference between the resolved amount by the shareholders' meeting and that presented on financial statements is considered changes in estimates and recognized as profit or loss of the period resolved by the shareholders' meeting.

(xvi) Taxation

Income tax expense represents the sum of the current tax and deferred tax.

1. Current income tax

Current tax liabilities are measured based on taxable income for the year. As there are income and expense in other periods that are items of either taxable or deductible, or that of nontaxable or nondeductible, which resulted in taxable income is different from the net income reported in the statements of comprehensive income. The current income tax and related liabilities of the Group are calculated based on tax laws that have been enacted or substantively enacted as of the reporting date.

According to the Income Tax Act, an additional income tax of unappropriated retained earnings is recognized and recorded as an expense in the year in which it is approved by the shareholders' meeting.

2. Deferred income tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable income. Deferred income tax liabilities are generally recognized for all taxable temporary differences. Deferred income tax assets are recognized when it is probable that taxable income will be available against which those deductible temporary differences can be utilized. If the temporary differences incurred from the initial recognition of other assets and liabilities, which has no effects on taxable income and accounting profit, it's not recognized as deferred tax assets and liabilities.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the assets to be recovered.

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

3. Current and deferred income tax

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

(xvii) Construction Contract

1. If the outcome of a construction contract can be estimated reliably, revenue and costs are recognized respectively with reference to the completeness of the contract on the balance sheet date, and the completeness is measured as the proportion of accumulated contract costs incurred to the estimated total contract costs. However, exceptions are made if the completeness is not representative. If there are changes in the contract work, compensation and bonuses, they will only be included in the contract income to the extent that the amount can be measured reliably and is likely to be collected.

If the results of a construction contract cannot be reliably estimated, contract revenue is recognized only to the extent that the contract costs incurred are expected to be recovered, and the contract costs are recognized as expenses in the period in which they are incurred.

If it is probable that total contract costs will exceed total contract revenue, all expected losses are immediately recognized as expenses.

If a contract includes several assets, and each asset has a separate proposal, is separately negotiated, and its costs and revenues can be identified, then the construction of each asset is treated as a single construction contract. If a group of simultaneous or successive contracts is agreed as a single package and is so closely related that each contract is effectively part of a single project with an overall profit margin, the Group of contracts is treated as a single construction contract.

2. The Group's total amount of accounts receivable to customers for contract work, that is, the excess of the incurred costs plus recognized profits (minus recognized losses) in the construction contract over the project progress reimbursement amount, is expressed as assets. List the contract assets. If the amount of reimbursement for project progress in a contract under construction exceeds the total of costs incurred plus recognized profits (minus recognized losses), it is expressed as a liability and the contract liabilities is accounted for.

(xviii)Earnings per Share

Calculation of earnings per share is treated according to IAS 33 “Earnings per Share.” Basic Earnings per share is calculated as the net income after tax divided by the weighted average number of outstanding shares during the period. If there is an increase in number of shares due to a capital increase out of earnings or capital surplus, then the calculation of retrospective adjustment shall be used. When calculating diluted earnings per share, shall be taken into account the effect of dilutive potential ordinary shares converts into ordinary share. In contrast, potential ordinary shares with the anti-dilution effect are not included in the calculation.

V. Critical Accounting Judgements and Key Sources of Estimation and Assumption Uncertainty

In the application of the Group’s accounting policies as described in Note IV, the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future period.

Information about future assumptions and other key sources of estimation uncertainties at the end of the financial reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities in the coming year is as follows:

1.Valuation of Inventory

Inventories are stated at the lower of cost or net realizable value. The Group uses judgement and estimates to determine the realizable value of inventory at the end of each balance sheet date. Due to the rapid industrial transformation, the Company estimates the net realizable value of inventory for fluctuating market and unmarketable items at the end of the balance sheet date and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is determined mainly based on assumptions about future demand within a specific time horizon. Thus, there may be significant changes in the net realizable value of inventories.

VI. Explanation of Significant Accounting Items

(i) Cash and cash equivalents

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Petty cash | $ 190 | $ 200 | $ 160 |
| Demand deposit | 457,561 | 604,636 | 1,125,029 |
| Total | $ 457,751 | $ 604,836 | $ 1,125,189 |

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

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Current item: | | | |
| Listed company's stocks | | | |
| En Tie Commercial Bank Co., Ltd. | $ 548 | $ 548 | $ 548 |
| Less: Valuation Adjustment | (133) | (111) | (98) |
| Net amount | $ 415 | $ 437 | $ 450 |

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Noncurrent item: | | | |
| Listed company's stocks | | | |
| Far EasTone Telecom Co., Ltd. | $ 8,271 | $ 8,271 | $ 8,271 |
| Unlisted company's stocks | | | |
| Taiwan Biotech Co., Ltd. | 16,076 | 16,076 | 15,344 |
| Tah Chung Steel Corporation | — | — | — |
| Subtotal | 24,347 | 24,347 | 23,615 |
| Add: Valuation Adjustment | 17,089 | 16,990 | 15,325 |
| Net amount | $ 41,436 | $ 41,337 | $ 38,940 |

1.As of March 31, 2026 and 2025, the Group's financial assets measured at fair value through other comprehensive income was not pledged.

2.Taiwan Biotech Co., Ltd. resolved at its shareholders' meeting and board of directors on April 28, 2025, to distribute a stock dividend of NT$0.4 per share (40 shares for every

1,000 shares held). Our company acquired 50,808 shares, with the dividend distribution date being May 26, 2025.Additionally, on March 27, 2025, Taiwan Biotech Co., Ltd. resolved at its board of directors to issue capital increase through a cash offering at an issue price of NT$18 per share. The record date for the capital increase was June 19, 2025, and the company subscribed for 40,646 shares.

(iii) Net notes receivable and long-term notes receivable

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| --- | --- | --- | --- |
| Notes receivable | $ 835 | $ 1,270 | $ 2,770 |
| Less: Loss allowance | — | — | — |
| Subtotal | 835 | 1,270 | 2,770 |
| Less: Long - term notes receivable | — | (100) | (835) |
| Net notes receivable | $ 835 | $ 1,170 | $ 1,935 |

No notes receivable of the Group was pledged to others.

(iv) Net accounts receivable and long-term installment accounts receivable

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| --- | --- | --- | --- |
| Accounts receivable | $ 9,240 | $ 20,151 | $ 1,031 |
| Less: Loss allowance | — | — | (513) |
| Subtotal | 9,240 | 20,151 | 518 |
| Installment accounts receivable | 50,607 | 62,994 | 47,325 |
| Less: Net long-term installment accounts receivable | (14,635) | (19,455) | (12,075) |
| Subtotal | 35,972 | 43,539 | 35,250 |
| Net accounts receivable | $ 45,212 | $ 63,690 | $ 35,768 |

The Group's primary business is to commission construction companies to build residential and commercial buildings for sale or lease. Thus, the Group’s receivables are primarily incurred from the sale of its buildings and land, and payments are collected according to terms and conditions stated in the sale contracts. Title Transfer is completed only when the full payment has been collected or when the customer’s bank loan has been approved. If a customer has insufficient loan financing that results in outstanding accounts receivable, the Group may, after assessing the customer’s credit quality and repayment ability, collect the payments in installments as agreed upon by both parties.

1. No accounts receivable of the Group was pledged to others.
2. The provision matrix approach is used to measure the loss allowance of receivables, and the related information is as follows:

(1) As of March 31, 2026

| | | Days past due | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Not past due (Note) | Within a month | 1-3 months | 4-6 months | 7-12 months | above 12 months | Forward-looking information on an individual basis | Total |
| Total carrying amounts | $ 60,612 | $ 70 | $ - | $ - | $ - | $ - | $ - | $ 60,682 |
| Loss rate | -% | -% | 1% | 3% | 30% | 100% | 100% | |
| Lifetime expected credit loss | - | - | - | - | - | - | - | - |
| Total | $ 60,612 | $ 70 | $ - | $ - | $ - | $ - | $ - | $ 60,682 |

(2) As of March 31, 2025

| | | Days past due | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Not past due (Note) | Within a month | 1-3 months | 4-6 months | 7-12 months | above 12 months | Forward-looking information on an individual basis | Total |
| Total carrying amounts | $ 50,613 | $ - | $ - | $ - | $ - | $ - | $ 513 | $ 51,126 |
| Loss rate | -% | -% | 1% | 3% | 30% | 100% | 100% | |
| Lifetime expected credit loss | - | - | - | - | - | - | (513) | (513) |
| Total | $ 50,613 | $ - | $ - | $ - | $ - | $ - | $ - | $ 50,613 |

Note: All notes receivable of the Group were not past due.

3. Information on changes in the loss allowance of the Group's accounts receivable for the first quarter of 2026 and 2025 was as follows:

| Item | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Opening balance | $ — | $ 513 |
| Increase in current period | — | — |
| Ending balance | $ — | $ 513 |

(v) Inventories

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Buildings and land held for sale | $ 3,171,415 | $ 3,326,995 | $ 4,229,885 |
| Land held for construction site | 726,356 | 726,356 | 2,450,760 |
| Properties under construction | 7,916,927 | 7,092,458 | 4,267,909 |
| Royalty for Superficies Rights | 645,362 | 858,583 | 858,583 |
| Right-of-use assets | 181,450 | 248,415 | 245,569 |
| Cost | 12,641,510 | 12,252,807 | 12,052,706 |
| Less: Allowance for inventory valuation losses | (21,062) | (21,062) | (21,062) |
| Total | $ 12,620,448 | $ 12,231,745 | $ 12,031,644 |

1. Buildings and land held for sale

| Construction Projects | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Luodong Gongzheng | $ 211,813 | $ 211,813 | $ 211,813 |
| Xinzhuang Fuduxin | 36,723 | 36,723 | 36,723 |
| Taoyuan Kuaiji | 17,031 | 35,892 | 35,892 |
| Lot 8, Taichung Zhenxing section | 23,539 | 24,784 | 27,203 |
| Taichung Lianwu | 9,685 | 9,685 | 26,803 |
| Danhai | 2,872,624 | 3,008,098 | 3,891,451 |
| Sub-Total | 3,171,415 | 3,326,995 | 4,229,885 |
| Less: Allowance for inventory valuation losses | (14,892) | (14,892) | (14,892) |
| Total | $ 3,156,523 | $ 3,312,103 | $ 4,214,993 |

(1) As of March 31, 2026 and 2025, buildings and land held for sale were insured for the amounts of NT$3,774,797 thousand and NT$4,593,593 thousand, respectively.

(2) The costs incurred from the Company's buildings and land held for sale used for rental purposes for the first quarter of 2026 and 2025 were NT$18,861 thousand and NT$6,633 thousand, respectively, which were reclassified from buildings and land held for sale to investment property. Please refer to Note VI(ix) for more details.

(3) As of March 31, 2026 and 2025, the above mentioned buildings and land held for sale were pledged. Please refer to Note VIII for more details.

2. Land held for construction site

| Name of Land | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Land held for development | $ 130,175 | $ 130,175 | $ 127,219 |
| Land for capacity transfer | 22,265 | 22,265 | 22,265 |
| Hsinchu Zhongxing project | — | — | 1,727,360 |
| Longyi Section of Houlong Town, Miaoli | 154,910 | 154,910 | 154,910 |
| Case B of Taoyuan Sanmin section | 419,006 | 419,006 | 419,006 |
| Subtotal | 726,356 | 726,356 | 2,450,760 |
| Less: Allowance for inventory valuation losses | (6,170) | (6,170) | (6,170) |
| Total | $ 720,186 | $ 720,186 | $ 2,444,590 |

(1) As of March 31, 2026 and 2025, the above-mentioned land held for construction site was pledged. Please refer to Note VIII for more details.

3. Properties under construction

| Construction Projects | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Kaohsiung O4 project | $ 416,897 | $ 412,036 | $ 362,023 |
| Kaohsiung FuCheng project | 2,408,516 | 2,122,039 | 1,700,083 |
| Taipei Zhongzheng project | 1,239,965 | 1,201,694 | 1,102,373 |
| Miaoli Weizhen project | 1,733,533 | 1,535,362 | 1,103,430 |
| Hsinchu Zhongxing project | 1,834,461 | 1,821,327 | — |
| Taipei Fuhe project | 283,555 | — | — |
| Total | $ 7,916,927 | $ 7,092,458 | $ 4,267,909 |

(1) For the first quarter of 2026 and 2025, interest capitalized as buildings under construction amounted to NT$36,100 thousand and NT$27,044 thousand, respectively. Please refer to Note VI(xxiv) for more details. Capitalization rates ranged from 2.605% to 2.966% and from 2.540% to 2.909%, respectively.

(2) The Kaohsiung FuCheng project involves the construction of buildings on superficies land in the Fengshan District of Kaohsiung. The duration of the superficies is 70 years, starting from August 21, 2020 to August 20, 2090. The details are as follows:

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Royalties for superficies right | $ 603,638 | $ 603,638 | $ 603,638 |
| Right-of-use assets | 156,365 | 156,365 | 153,208 |
| Construction in progress | 1,648,513 | 1,362,036 | 943,237 |
| Total | $ 2,408,516 | $ 2,122,039 | $ 1,700,083 |

(3) Taipei Zhongzheng project involves the construction of buildings on superficies land in the Zhongzheng District of Taipei. The duration of the superficies is 70 years, starting from December 23, 2020 to December 22, 2090. The details are as follows:

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Royalties for superficies right | $ 715,881 | $ 715,881 | $ 715,881 |
| Right-of-use assets | 188,178 | 188,178 | 185,330 |
| Construction in progress | 335,906 | 297,635 | 201,162 |
| Total | $ 1,239,965 | $ 1,201,694 | $ 1,102,373 |

(4) Taipei Fuhe Project involves the construction of buildings on superficies land in the Taipei Fuhe Section. The duration of the superficies is 70 years, starting from March 25, 2024 to March 24, 2094, and construction commenced in January 2026. The relevant superficies royalties and right-of-use assets were reclassified as inventories—properties under construction. Please refer to Notes VI(v)4 and 5 for details. The details are as follows:

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| --- | --- | --- | --- |
| Royalties for superficies right | $ 213,221 | $ — | $ — |
| Right-of-use assets | 66,965 | — | — |
| Construction in progress | 3,369 | — | — |
| Total | $ 283,555 | $ — | $ — |

(5) The right-of-use assets for the Kaohsiung Fucheng and Taipei Zhongzheng Projects were adjusted due to an increase in monthly land rent resulting from the reassessment of declared land value. As of December 31, 2025, the Company remeasured the lease liabilities and increased the right-of-use assets by NT$3,157 thousand and NT$2,848 thousand, respectively.

(6) The land rent for the superficies of the Kaohsiung Fucheng Project, Taipei Zhongzheng Project and the Taipei Fuhe Project is recognized as right-of-use assets and lease liabilities in accordance with IFRS 16. Please refer to Note VI(xvi) for details.

(7) As of March 31, 2026 and 2025, the above-mentioned properties under construction were pledged. Please refer to Note VIII for more details.

(8) As of March 31, 2026 and 2025, the insured amounts under construction all- risk insurance were both NT$3,013,000 thousand.

4. Royalties for superficies rights

| Name of construction site | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| --- | --- | --- | --- |
| Taipei Nanhai District A | $ 479,904 | $ 479,904 | $ 479,904 |
| Taipei Nanhai District B | 165,458 | 165,458 | 165,458 |
| Taipei Fuhe | — | 213,221 | 213,221 |
| Total | $ 645,362 | $ 858,583 | $ 858,583 |

(1) The Company entered into a “Contract for the Establishment of Superficies on National Non-Public Land” with the Northern Region Branch of the National Property Administration, Ministry of Finance, for the Taipei Nanhai District A . The registration of the superficies was completed on January 12, 2024. The superficies have a term of 70 years, commencing on November 13, 2023 and expiring on November 12, 2093. During the term, the Company is entitled to construct buildings on the subject land in accordance with the purpose and usage specified in the contract. The superficies is intended for the construction and sale of properties. The paid royalty of NT$477,700 thousand and other necessary costs of NT$2,204 thousand were recognized as inventories – Royalties for superficies rights.

(2) The Company entered into a “Contract for the Establishment of Superficies on National Non-Public Land” with the Northern Region Branch of the National

Property Administration, Ministry of Finance, for the Taipei Nanhai District B. The registration of the superficies was completed on May 23, 2024. The superficies has a term of 70 years, commencing on March 25, 2024 and expiring on March 24, 2094. During the term, the Company is entitled to construct buildings on the subject land in accordance with the purpose and usage specified in the contract. The superficies is intended for the construction and sale of properties. The paid royalty of NT$164,500 thousand and other necessary costs of NT$958 thousand were recognized as inventories – Royalties for superficies rights.

(3) The Company entered into a "Contract for the Establishment of Superficies on National Non-Public Land" with the Northern Region Branch of the National Property Administration, Ministry of Finance, for the Taipei Fuhe. The registration of the superficies was completed on May 23, 2024. The superficies has a term of 70 years, commencing on March 25, 2024 and expiring on March 24, 2094. During the term, the Company is entitled to construct buildings on the subject land in accordance with the purpose and usage specified in the contract. The superficies is intended for the construction and sale of properties. The paid royalty of NT$212,060 thousand and other necessary costs of NT$1,161 thousand were recognized as inventories – Royalties for superficies rights. Construction commenced in January 2026, and the amounts were transferred to inventories – Properties under construction. Please refer to Note VI(v)3 for details.

(4) As of March 31, 2026 and 2025, information regarding the pledge of Royalties for superficies rights is disclosed in Note VIII.

5.Right-of-use assets

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Land of Taipei Nanhai District A | $ 102,150 | $ 102,150 | $ 100,783 |
| Land of Taipei Nanhai District B | 79,300 | 79,300 | 78,592 |
| Land of Taipei Fuhe | — | 66,965 | 66,194 |
| Total | $ 181,450 | $ 248,415 | $ 245,569 |

(1) The land rents for the aforementioned superficies are recognized as right-of-use assets and lease liabilities in accordance with IFRS 16, and the royalties paid are recorded under inventories – Royalties for superficies rights. The Taipei Fuhe District commenced construction in January 2026, and its right-of-use assets

were transferred to inventories – Properties under construction. Please refer to Note VI(v)3 for details.

The right-of-use assets for the Taipei Nanhai District A, Taipei Nanhai District B, and Taipei Fuhe District were adjusted due to an increase in monthly land rent resulting from the reassessment of declared land value. As of December 31, 2025, the Company remeasured the lease liabilities and increased the right-of-use assets by NT$1,367 thousand, NT$708 thousand, and NT$771 thousand, respectively.

(2) As of March 31, 2026, and 2025, information regarding the pledge of right-of-use assets is disclosed in Note VIII.

6. Inventory - related cost of sales:

| Item | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Cost of sales | $ 149,188 | $ 700,168 |
| Loss from price decline of inventory | — | — |
| Total | $ 149,188 | $ 700,168 |

(vi) Other financial assets

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Other current financial assets: | | | |
| Special bank account | $ — | $ 20,066 | $ — |

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Other non- current financial assets: | | | |
| Special bank account | $ 20,066 | $ — | $ 19,939 |

(vii) Property, Plant and Equipment

1. Details of net property, plant and equipment are as follows:

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Land | $ 224,904 | $ 224,904 | $ 224,904 |
| Buildings and structures, net | 170,097 | 170,985 | 173,651 |
| Computer and telecommunication equipment, net | 1,371 | 1,604 | 2,025 |
| Transportation equipment, net | 821 | 868 | 1,148 |
| Office equipment, net | 4,226 | 4,524 | 5,307 |
| Other equipment, net | 25,503 | 26,533 | 29,624 |
| Unfinished construction and equipment under acceptance | — | — | 242 |
| Property, plant and equipment, net | $ 426,922 | $ 429,418 | $ 436,901 |

2. Details of changes in property, plant and equipment are as follows:

| Cost | Land | Buildings and structures | Computer and telecommunication equipment | Transportation equipment | Office equipment | Other equipment | Unfinished construction and equipment under acceptance | Total |
|---|---|---|---|---|---|---|---|---|
| Balance at January 1, 2026 | $ 224,904 | $ 181,094 | $ 5,007 | $ 2,788 | $ 7,897 | $ 32,159 | $ - | $ 453,849 |
| Addition from purchase | - | - | - | - | - | - | - | - |
| Balance at March 31, 2026 | 224,904 | 181,094 | 5,007 | 2,788 | 7,897 | 32,159 | - | 453,849 |
| Accumulated depreciation and impairment | | | | | | | | |
| Balance at January 1, 2026 | - | 10,109 | 3,403 | 1,920 | 3,373 | 5,626 | - | 24,431 |
| Depreciation expense | - | 888 | 233 | 47 | 298 | 1,030 | - | 2,496 |
| Balance at March 31, 2026 | - | 10,997 | 3,636 | 1,967 | 3,671 | 6,656 | - | 26,927 |
| Property, plant and equipment, net | $ 224,904 | $ 170,097 | $ 1,371 | $ 821 | $ 4,226 | $ 25,503 | $ - | $ 426,922 |

| Cost | Land | Buildings and structures | Computer and telecommunication equipment | Transportation equipment | Office equipment | Other equipment | Unfinished construction and equipment under acceptance | Total |
|---|---|---|---|---|---|---|---|---|
| Balance at January 1, 2025 | $ 224,904 | $ 181,094 | $ 4,450 | $ 2,788 | $ 7,799 | $ 31,276 | $ 809 | $ 453,120 |
| Addition from purchase | - | - | 270 | - | - | 317 | - | 587 |
| Internal transfer | - | - | - | - | - | 567 | (567) | - |
| Balance at March 31, 2025 | 224,904 | 181,094 | 4,720 | 2,788 | 7,799 | 32,160 | 242 | 453,707 |
| Accumulated depreciation and impairment | | | | | | | | |
| Balance at January 1, 2025 | - | 6,554 | 2,443 | 1,524 | 2,199 | 1,535 | - | 14,255 |
| Depreciation expense | - | 889 | 252 | 116 | 293 | 1,001 | - | 2,551 |
| Balance at March 31, 2025 | - | 7,443 | 2,695 | 1,640 | 2,492 | 2,536 | - | 16,806 |
| Property, plant and equipment, net | $224,904 | $ 173,651 | $ 2,025 | $ 1,148 | $ 5,307 | $ 29,624 | $ 242 | $ 436,901 |

3. As of March 31, 2026 and 2025, property, plant and equipment were pledged as collateral. Please refer to Note VIII for more details.
4. As of March 31, 2026 and 2025, property, plant and equipment were insured for the amounts of NT$ 112,611 thousand and NT$ 113,033 thousand, respectively.
5. For the first quarter of 2026 and 2025, no interest was capitalized.
6. As of March 31, 2026 and 2025, the land on Bafenliao Subsection of Ruifang Town listed as property- land was accounted NT$ 7,481 thousand, while the land could not be transferred as it was attributed as agricultural land. On account of assets preservation, the right to mortgage has been attributed to the Company.

(viii) Right-of-use assets

1. Details of net Right-of-use assets are as follows:

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Transportation equipment | $ 1,726 | $ 1,934 | $ — |

2. Details of changes in Right-of-use assets are as follows:

| | Transportation equipment |
|---|---|
| Cost | |
| Balance at January 1, 2026 | $ 2,487 |
| Addition | — |
| Balance at March 31, 2026 | 2,487 |
| Accumulated depreciation and impairment | |
| Balance at January 1, 2026 | 553 |
| Depreciation expense | 208 |
| Balance at March 31, 2026 | 761 |
| Right-of-use assets, net | $ 1,726 |

For the first quarter of 2025:None.

(ix) Investment property

1. Details of net investment property are as follows:

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Land | $ 385,668 | $ 381,471 | $ 374,621 |
| Buildings and structures, net | 394,897 | 388,458 | 385,975 |
| Investment property, net | $ 780,565 | $ 769,929 | $ 760,596 |

2. Details of changes in investment property are as follows:

| Cost | Land | Buildings and structures | Total |
|---|---|---|---|
| Balance at January 1, 2026 | $ 381,471 | $ 451,605 | $ 833,076 |
| Deduction-disposal | (1,711) | (5,074) | (6,785) |
| Other items transferred in | 5,908 | 12,953 | 18,861 |
| Balance at March 31, 2026 | 385,668 | 459,484 | 845,152 |
| Accumulated depreciation and impairment | | | |
| Balance at January 1, 2026 | - | 63,147 | 63,147 |
| Deduction-disposal | - | (814) | (814) |
| Depreciation expense | - | 2,254 | 2,254 |
| Balance at March 31, 2026 | - | 64,587 | 64,587 |
| Investment property, net | $ 385,668 | $ 394,897 | $ 780,565 |

| Cost | Land | Buildings and structures | Total |
|---|---|---|---|
| Balance at January 1, 2025 | $ 373,564 | $ 438,984 | $ 812,548 |
| Deduction-disposal | (571) | (1,253) | (1,824) |
| Other items transferred in | 1,628 | 5,005 | 6,633 |
| Balance at March 31, 2025 | 374,621 | 442,736 | 817,357 |
| Accumulated depreciation and impairment | | | |
| Balance at January 1, 2025 | - | 54,640 | 54,640 |
| Deduction-disposal | - | (36) | (36) |
| Depreciation expense | - | 2,157 | 2,157 |
| Balance at March 31, 2025 | - | 56,761 | 56,761 |
| Investment properties, net | $ 374,621 | $ 385,975 | $ 760,596 |

3. As of March 31, 2026 and 2025, investment properties were insured for the amounts of NT$ 389,948 thousand and NT$ 129,818 thousand, respectively.
4. The costs incurred from the Company's buildings and land held for sale used for rental purposes for the first quarter of 2026 and 2025 were NT$18,861 thousand and NT$6,633 thousand, respectively, which were reclassified from buildings and land held for sale to investment property. Please refer to Note VI(v)1 for more details.
5. Rental income and direct operating expenses of investment property:

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Rental income of investment property | $ 2,966 | $ 3,029 |
| Direct operating expenses arising from investment property that generated rental income | $ 2,356 | $ 2,248 |

6. The fair value of investment property held by the Group was NT$1,214,840 thousand, NT$1,161,028 thousand, and NT$1,113,559 thousand, as of March 31, 2026, December 31, 2025, and March 31, 2025, respectively. The fair value is primarily determined with reference to the appraisal report prepared by an independent external valuation expert, taking into account the government-announced present value, the economic environment, and changes in market transaction prices. The evaluation was performed through the sales comparison approach and income approach, and values generated by the two methods were averaged as a result. Significant unobservable inputs are individual factor and income capitalization rate, which is level 3 fair value. Please refer to Note XII(ii) for more details.
7. As of March 31, 2026 and 2025, the above investment properties were pledged as collateral. Please refer to Note VIII for more details.

(x) Intangible Assets

1. Details of net intangible assets are as follows:

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Computer software, net | $ 2,766 | $ 2,990 | $ 2,859 |

2. Details of changes in intangible assets are as follows:

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Cost | | |
| Opening balance | $ 8,334 | $ 5,798 |
| Addition from purchase | 104 | 1,352 |
| Ending balance | 8,438 | 7,150 |
| Accumulated amortization and impairment | | |
| Opening balance | 5,344 | 3,961 |
| Amortization | 328 | 330 |
| Ending balance | 5,672 | 4,291 |
| Ending net amount | $ 2,766 | $ 2,859 |

(xi) Short-term loans

| Type of borrowings | 2026.3.31 | 2025.12.31 | 2025.3.31 | Collateral |
|---|---|---|---|---|
| Bank borrowings | | | | |
| Unsecured loan | $ 850,000 | $ 975,000 | $ — | None |
| Secured borrowings | 120,000 | 120,000 | 41,960 | Buildings and land held for sale、investment property |
| Total | $ 970,000 | $ 1,095,000 | $ 41,960 | |

1. For the first quarter of 2026 and 2025, the interest rate ranges of the Group’s Short-term loans were 2.474% ~ 2.75% and 2.858%, respectively.
2. As of March 31, 2026 and 2025, the unused short-term loan facilities granted by banks were NT$50,000 thousand and NT$270,000 thousand, respectively.
3. The Group's assets were pledged to the above borrowings as collateral. Please refer to Note VIII for more details.

(xii) Short-term notes and bills payable

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 | Collateral |
|---|---|---|---|---|
| Secured borrowings | $ — | $ — | $ — | Buildings and land held for sale、investment property |
| Unsecured loan | — | — | 20,000 | None |
| Subtotal | — | — | 20,000 | |
| Less: Discount | — | — | (13) | |
| Short-term notes and bills payable, net | $ — | $ — | $ 19,987 | |

1. For the first quarter of 2026 and 2025, the interest rate ranges of short-term notes and bills payable were 2.89% ~ 3.038% and 2.858%, respectively.
2. As of March 31, 2026 and 2025, the unused short-term notes and bills payable facilities were NT$464,360 thousand and NT$349,600 thousand, respectively.
3. The Group's assets were pledged to the above borrowings as collateral. Please refer to Note VIII for more details.

(xiii) Current contract liabilities

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Advance Receipts for Real Estate Sales | | | |
| Lot 8,Taichung Zhenxing Section | $ — | $ 95 | $ — |
| Linkou A7 | — | — | 1,502 |
| Kaohsiung Fucheng | 10,609 | 9,686 | — |
| Miaoli Weizhen | 16,229 | 9,286 | — |
| Danhai | 86,332 | 78,835 | 196,456 |
| Subtotal | 113,170 | 97,902 | 197,958 |
| Other contract liabilities | | | |
| Kaohsiung Fucheng | 100 | 29 | — |
| Miaoli Weizhen | 139 | 55 | — |
| Danhai | — | — | 40 |
| Subtotal | 239 | 84 | 40 |
| Total | $ 113,409 | $ 97,986 | $ 197,998 |

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Contract liabilities-building and land sales | $ 113,409 | $ 97,986 | $ 197,998 |

As of January 1, 2026 and 2025, the opening balance of contract liabilities was NT$97,986 thousand and NT$443,278 thousand, respectively. For the first quarter of 2026 and 2025, all contract obligations were satisfied and recognized as revenue that amounted to NT$49,959 thousand and NT$ 388,456 thousand, respectively.

(xiv) Other payables

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Construction retainage received | $ 4,998 | $ 4,080 | $ 1,359 |
| Promotional expenses payable | 46,505 | 71,798 | 42,727 |
| Employees' compensation and directors' remuneration payable | 28,504 | 26,426 | 53,737 |
| Others | 36,361 | 45,451 | 41,642 |
| Total | $ 116,368 | $ 147,755 | $ 139,465 |

(xv) Long-term liabilities, current portion

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Long-term loans, current portion | $ 779,441 | $ 64,440 | $ 1,832,700 |

(xvi) Lease liabilities

1.Details of the Group's lease liabilities are as follows:

| Item | Lease term | Discount Rate | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|---|---|
| Land for superficies right: | | | | | |
| Kaohsiung Fucheng District | 2020.08.21~2090.08.20 | 1.980% | $ 150,434 | $ 150,722 | $ 148,404 |
| Taipei Zhongzheng District | 2020.12.23~2090.12.22 | 1.890% | 181,188 | 181,545 | 179,739 |
| Taipei Nanhai District A | 2023.11.13~2093.11.12 | 2.650% | 100,929 | 101,062 | 100,085 |
| Taipei Nanhai District B | 2024.03.25~2094.03.24 | 2.650% | 78,497 | 78,600 | 78,193 |
| Taipei Fuhe District | 2024.03.25~2094.03.24 | 2.650% | 66,289 | 66,375 | 65,857 |
| Subtotal | | | 577,337 | 578,304 | 572,278 |
| Transportation equipment | 2025.05.05~2028.05.04 | 2.780% | 1,748 | 1,952 | — |
| Total | | | $ 579,085 | $ 580,256 | $ 572,278 |

As of March 31, 2026:

| Item | Future minimum lease payments | Interest | Present value of minimum lease payments |
|---|---|---|---|
| Within 1 year | $ 17,661 | $ 12,912 | $ 4,749 |
| 1 to 3 years | 34,530 | 25,504 | 9,026 |
| 3 years or more | 1,059,690 | 494,380 | 565,310 |
| Total | $ 1,111,881 | $ 532,796 | $ 579,085 |
| | | | |
| Current | $ 17,661 | $ 12,912 | $ 4,749 |
| Non-current | 1,094,220 | 519,884 | 574,336 |
| Total | $ 1,111,881 | $ 532,796 | $ 579,085 |

As of December 31, 2025:

| Item | Future minimum lease payments | Interest | Present value of minimum lease payments |
|---|---|---|---|
| Within 1 year | $ 17,661 | $ 12,939 | $ 4,722 |
| 1 to 3 years | 34,746 | 25,555 | 9,191 |
| 3 years or more | 1,063,890 | 497,547 | 566,343 |
| Total | $ 1,116,297 | $ 536,041 | $ 580,256 |
| Current | $ 17,661 | $ 12,939 | $ 4,722 |
| Non-current | 1,098,636 | 523,102 | 575,534 |
| Total | $ 1,116,297 | $ 536,041 | $ 580,256 |

As of March 31, 2025:

| Item | Future minimum lease payments | Interest | Present value of minimum lease payments |
|---|---|---|---|
| Within 1 year | $ 16,544 | $ 12,767 | $ 3,777 |
| 1 to 3 years | 33,089 | 25,285 | 7,804 |
| 3 years or more | 1,060,364 | 499,667 | 560,697 |
| Total | $ 1,109,997 | $ 537,719 | $ 572,278 |
| Current | $ 16,544 | $ 12,767 | $ 3,777 |
| Non-current | 1,093,453 | 524,952 | 568,501 |
| Total | $ 1,109,997 | $ 537,719 | $ 572,278 |

The right-of-use assets for the Kaohsiung Fucheng District, Taipei Zhongzheng District, Taipei Nanhai District A, Taipei Nanhai District B, and Taipei Fuhe District were adjusted due to an increase in monthly land rent resulting from the reassessment of declared land value. On December 31, 2025, the Company remeasured the lease liabilities and increased the right-of-use assets by NT$3,157 thousand, NT$2,848 thousand, NT$1,367 thousand, NT$708 thousand, and NT$771 thousand, respectively. Please refer to Note VI(v)3 and 5 for details.

2.The amounts of lease liabilities recognized by the Group in the statement of profit or loss and in the statement of cash flows are as follows:

| Item | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Interest expense on lease liabilities | $ 3,245 | $ 3,205 |
| Expense on short-term lease contracts | $ 307 | $ 473 |
| Total cash outflow for leases | $ 4,416 | $ 4,136 |

## (xvii) Long-term loans

| Bank Name | Type of borrowings | 2026.3.31 | Contract period | Collateral |
|---|---|---|---|---|
| Wu Gu Branch, Bank of Taiwan | Secured borrowings | $ 165,500 | 2019.11.08~2027.11.08 | Land held for construction site(Note5) |
| Mega International Commercial Bank | Secured borrowings | 929,000 | 2012.09.25~2028.12.25 | Land used in construction(Note6) |
| Mega International Commercial Bank | Secured borrowings | 239,000 | 2024.01.05~2044.01.05 | Property, plant and equipment |
| Mega International Commercial Bank | Secured borrowings | 69,000 | 2024.01.05~2039.01.05 | Property, plant and equipment |
| Fengshan Branch, Bank of Taiwan | Secured borrowings | 711,700 | 2020.08.17~2027.02.17 | Land used in construction(Note7) |
| Mega International Commercial Bank | Secured borrowings | 540,251 | 2021.02.01~2027.04.01 | Land used in construction |
| Chengdong Branch, Land Bank of Taiwan | Secured borrowings | 387,100 | 2021.05.25~2029.05.25 | Land used in construction |
| Chengdong Branch, Land Bank of Taiwan | Secured borrowings | 64,440 | 2021.08.06~2026.08.06 | Land held for construction site |
| Chengdong Branch, Land Bank of Taiwan | Secured borrowings | 381,200 | 2025.09.08~2029.11.20 | Land used in construction |
| Wugu District Farmer’s Association | Secured borrowings | 45,000 | 2025.03.20~2028.03.20 | Investment property |
| Agricultural Bank of Taiwan | Secured borrowings | 224,430 | 2024.01.19~2029.01.19 | Inventory-Land for superficies right、Inventory- Right-of-use assets |
| Agricultural Bank of Taiwan | Secured borrowings | 196,590 | 2024.05.29~2029.05.29 | Inventory-Land for superficies right、Inventory- Right-of-use assets、Land used in construction |
| Total | | 3,953,211 | | |
| Less: Long-term loans, current portion | | (779,441) | | |
| Payable after one year or one operating cycle | | $ 3,173,770 | | |

| Bank Name | Type of borrowings | 2025.12.31 | Contract period | Collateral |
|---|---|---|---|---|
| Wu Gu Branch, Bank of Taiwan | Secured borrowings | $ 165,500 | 2019.11.08~2027.11.08 | Land held for construction site(Note5) |
| Mega International Commercial Bank | Secured borrowings | 929,000 | 2012.09.25~2028.12.25 | Land used in construction(Note6) |
| Mega International Commercial Bank | Secured borrowings | 239,000 | 2024.01.05~2044.01.05 | Property, plant and equipment |
| Mega International Commercial Bank | Secured borrowings | 69,000 | 2024.01.05~2039.01.05 | Property, plant and equipment |
| Fengshan Branch, Bank of Taiwan | Secured borrowings | 491,700 | 2020.08.17~2027.02.17 | Land used in construction(Note7) |
| Mega International Commercial Bank | Secured borrowings | 540,251 | 2021.02.01~2027.04.01 | Land used in construction |
| Chengdong Branch, Land Bank of Taiwan | Secured borrowings | 387,100 | 2021.05.25~2029.05.25 | Land used in construction |
| Chengdong Branch, Land Bank of Taiwan | Secured borrowings | 64,440 | 2021.08.06~2026.08.06 | Land held for construction site |
| Chengdong Branch, Land Bank of Taiwan | Secured borrowings | 331,200 | 2025.09.08~2029.11.20 | Land used in construction |
| Wugu District Farmer’s Association | Secured borrowings | 45,000 | 2025.03.20~2028.03.20 | Investment property |
| Agricultural Bank of Taiwan | Secured borrowings | 249,430 | 2024.01.19~2029.01.19 | Inventory-Land for superficies right、Inventory- Right-of-use assets |
| Agricultural Bank of Taiwan | Secured borrowings | 196,590 | 2024.05.29~2029.05.29 | Inventory-Land for superficies right、Inventory- Right-of-use assets |
| Total | | 3,708,211 | | |
| Less: Long-term loans, current portion | | (64,440) | | |
| Payable after one year or one operating cycle | | $ 3,643,771 | | |

| Bank Name | Type of borrowings | 2025.3.31 | Contract period | Collateral |
|---|---|---|---|---|
| Wu Gu Branch, Bank of Taiwan | Secured borrowings | $ 207,000 | 2019.11.08~2025.11.08 | Land held for construction site |
| Mega International Commercial Bank | Secured borrowings | 929,000 | 2012.09.25~2025.09.25 | Land held for construction site |
| Mega International Commercial Bank | Secured borrowings | 239,000 | 2024.01.05~2044.01.05 | Property, plant and equipment |
| Mega International Commercial Bank | Secured borrowings | 69,000 | 2024.01.05~2039.01.05 | Property, plant and equipment |
| Fengshan Branch, Bank of Taiwan | Secured borrowings | 411,700 | 2020.08.17~2025.08.17 | Land used in construction |
| Mega International Commercial Bank | Secured borrowings | 499,716 | 2021.02.01~2027.04.01 | Land used in construction |
| Mega International Commercial Bank | Unsecured loan | 626,000 | 2024.09.09~2026.09.09 | None |
| Chengdong Branch, Land Bank of Taiwan | Secured borrowings | 327,500 | 2021.05.25~2029.05.25 | Land used in construction |
| Chengdong Branch, Land Bank of Taiwan | Secured borrowings | 74,420 | 2021.08.06~2026.08.06 | Land held for construction site |
| Wugu District Farmer's Association | Secured borrowings | 45,000 | 2025.03.20~2028.03.20 | Investment property |
| Agricultural Bank of Taiwan | Secured borrowings | 262,730 | 2024.01.19~2029.01.18 | Inventory-Land for superficies right、Inventory- Right-of-use assets |
| Agricultural Bank of Taiwan | Secured borrowings | 207,090 | 2024.05.29~2029.05.29 | Inventory-Land for superficies right、Inventory- Right-of-use assets |
| Total | | 3,898,156 | | |
| Less: Long-term loans, current portion | | (1,832,700) | | |
| Payable after one year or one operating cycle | | $ 2,065,456 | | |

1. For the first quarter of 2026 and 2025, the interest rate ranges of the Group's long-term loans were 2.125% ~ 3.637% and 2.125% ~ 3.505% , respectively.
2. As of March 31, 2026 and 2025, the unused long-term loan facilities granted by banks were NT$ 7,598,679 thousand and NT$3,064,714 thousand, respectively.
3. The Group's assets were pledged to the above borrowings as collateral, please refer to Note VIII.
4. Repayment terms for bank secured borrowings:
   (1) Wu Gu Branch, Bank of Taiwan (Contract period: 2019/11/08 to 2027/11/08): Interest is paid monthly. By May 12, 2025, a minimum of NT$20,750 thousand in principal must be repaid. The remaining principal is to be settled upon maturity by November 8, 2025. The loan term was extended for two years in October 2025. Case B of Taoyuan Sanmin must commence by November 8, 2026. If construction does not commence by that date, the Company shall repay NT$6,000 thousand in principal monthly starting from that date, with the remaining balance to be settled in full upon maturity.
   (2) Mega International Commercial Bank (Contract period: 2024/01/05 to 2044/01/05): There is a 3-year grace period. The first installment begins one month after the loan disbursement date, with each subsequent month counted

as one installment period. From periods 1 to 36, interest is paid monthly. From periods 37 to 240, both principal and interest are paid monthly.

(3) Mega International Commercial Bank (Contract period: 2024/01/05 to 2039/01/05): There is a 3-year grace period. The first installment begins one month after the loan disbursement date, with each subsequent month counted as one installment period. From periods 1 to 36, interest is paid monthly. From periods 37 to 180, both principal and interest are paid monthly.

(4) Mega International Commercial Bank (Contract period: 2024/09/09 to 2026/09/09): The first installment starts seven months after the loan disbursement date, with each subsequent month counted as one installment period, and there are 18 monthly installments in total, with NT$57,000 thousand repaid each period. The remaining principal is repaid in the 18th installment. The loan has been repaid in advance on August 2025.

Other bank loans not listed above: Interest is paid monthly, with principal repaid in full upon maturity.

5. The Group's secured loan from Wu Gu Branch, Bank of Taiwan was granted a two-year extension for the loan maturity in October 2025.
6. The Group's secured loan from Mega International Commercial Bank, the bank had its loan term extended by three years and three months, approved in August 2025.
7. The Group's secured loan from Fengshan Branch, Bank of Taiwan, the bank had its loan term extended by one year and six months, approved in August 2025.

(xviii) Retirement benefit plans

The Group 's employee retirement regulations established in accordance with the “Labor Pension Act” is classified as a defined contribution pension plan. Pursuant to the Act, the Group shall contribute no less than 6% of each employee’s monthly salary to their labor pension. In accordance with the Act, the Group contributes 6% of employees’ monthly salaries to their individual pension accounts maintained by the Bureau of Labor Insurance.

For the first quarter of 2026 and 2025, the Group recognized the expenses in total on defined contribution pension plans were NT$860 thousand and NT$786 thousand, respectively.

(xix) Provisions

1. Analysis of provisions is shown below:

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Current | $ 2,542 | $ 2,902 | $ 2,148 |
| Non-current | $ 30,262 | $ 33,330 | $ 43,236 |

| | Current provisions | | | |
|---|---|---|---|---|
| | Provisions for employee benefits | Provision for short-term liabilities pending legal proceedings | Total | Non-current warranty provision |
| Balance as of January 1, 2026 | $ 2,902 | $ — | $ 2,902 | $ 33,330 |
| Recognized as the provision in the current period | 509 | — | 509 | — |
| Provisions incurred in the current period and written off | (869) | — | (869) | (3,068) |
| Balance as of March 31, 2026 | $ 2,542 | $ — | $ 2,542 | $ 30,262 |

| | Current provisions | | | |
|---|---|---|---|---|
| | Provisions for employee benefits | Provision for short-term liabilities pending legal proceedings | Total | Non-current warranty provision |
| Balance as of January 1, 2025 | $ 1,818 | $ — | $ 1,818 | $ 46,272 |
| Recognized as the provision in the current period | 585 | — | 585 | — |
| Provisions incurred in the current period and written off | (255) | — | (255) | (3,036) |
| Balance as of March 31, 2025 | $ 2,148 | $ — | $ 2,148 | $ 43,236 |

2. Provision of liabilities estimates the possible costs in the future on basis of past experiences, the judgment of management, and other known reasons.

(xx) Equity

1. Ordinary share

| | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Authorized shares (shares in thousands) | 500,000 | 500,000 | 500,000 |
| Authorized share capital | $ 5,000,000 | $ 5,000,000 | $ 5,000,000 |
| Number of share capital (shares in thousands) | | | |
| Number of ordinary shares | 366,212 | 366,212 | 366,212 |
| Issued share capital | | | |
| Ordinary share | $ 3,662,113 | $ 3,662,113 | $ 3,662,113 |

The ordinary shares issued has a par value of NT$ 10 per share, each share entitled to one vote and the right to collect dividends.

2. Capital surplus

| Item | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Capital arising from ordinary share | $ 964,821 | $ 964,821 | $ 964,821 |
| Treasury stock transaction | 27,031 | 27,031 | 27,031 |
| Total | $ 991,852 | $ 991,852 | $ 991,852 |

Pursuant to the Company Act, capital surplus arising from paid-in capital in excess of par value on the issuance of shares and from donations received may be used to cover accumulated deficits or, if there is no accumulated deficit, to distribute cash or issue new shares to shareholders in proportion to their shareholdings. Further, the Regulations Governing the Offering and Issuance of Securities by Securities Issuers stipulate that the total amount of capital surplus to be capitalized as mentioned above may not exceed 10% of the paid-in capital each year. Capital surplus arising from investments accounted for under the equity method, from employee stock options, and from share options may not be used for any purpose.

3. Retained earnings

(1) Legal reserve

Pursuant to the Company Act, the Company shall raise 10% of its earnings after tax as the legal reserve until the cumulative amount of capital surplus is equal to the total capital. The legal reserve may be used to cover the deficit, for a company that has no accumulated deficit may use 25% of the part exceeds by the legal reserve over the paid-in capital to issue new stocks or cash to shareholders in proportion to their share ownership.

(2) Special reserve

When distributing distributable earnings, the Company is required by the regulations to set aside a special capital reserve in an amount equal to the net debit balance of other equity items for the current period (such as the Exchange differences on translation of foreign financial statements, Unrealized gains or losses on financial assets measured at fair value through other comprehensive income, Gains or losses on hedging instruments, Revaluation surplus, etc.). The reserve shall be set aside from the current net profit, plus items other than net profit that are included in the unappropriated earnings for the current period; if the amount is insufficient, it shall be set aside from the unappropriated earnings of the prior period. For the cumulative net debit balance of other equity items from prior periods, a corresponding amount of special capital reserve set aside from the unappropriated earnings of the prior period shall not be appropriated. When the debit balance of other equity items is subsequently reversed, the reversed amount may be released from the special capital reserve for earnings distribution.

(3) Retained earnings and dividend policy

In consideration of the capital needs and long-term financial planning for future development, the current dividend policy adopts a residual dividend policy. The current year's earnings after year-end accounting, if any, shall first be used to offset prior years' operating losses, and then 10% of the remaining amount shall be set aside as a legal reserve. This does not apply if the legal reserve has reached the Company's paid-in capital. Special reserve is then allocated or reversed in accordance with the law or regulations of the authority. If there is a balance, the board will take into account the Company's financial situation and propose a surplus distribution proposal of the balance and the accumulated undistributed surplus from the beginning of the same period to the shareholders meeting for a resolution. Dividends for shareholders may be distributed in cash or stocks, and the cash dividend shall not be less than 40% of the total shareholders' dividends (prior to the amendment of the Articles of Incorporation at the shareholders' meeting on June 19, 2025, the provision was that the cash dividend shall not be less than 10% of the total shareholder dividends).

The Company's earnings appropriation plan for fiscal year 2025 was resolved by the Board of Directors on April 14, 2026. It is proposed to distribute cash dividends to shareholders, which will only become effective upon approval at the shareholders' meeting to be held on May 27, 2026. The record date for dividend distribution will be separately determined, and details are as follows:

| | Year ended December 31, 2025 | | |
|---|---|---|---|
| Item | Appropriation of retained earnings | Dividend per share (NT$) | |
| Legal reserve | $ 110,790 | | |
| Cash dividend | 878,907 | 2.4 | (Note) |
| Total | $ 989,697 | | |

Note: The dividend per share is calculated based on the Company's outstanding shares at the time of the board of directors' resolution.

The Company's earnings appropriation plan for fiscal year 2024, as resolved at the shareholders' meeting on June 19, 2025, is presented as follows:

| | Year ended December 31, 2024 | |
|---|---|---|
| Item | Appropriation of retained earnings | Dividend per share (NT$) |
| Legal reserve | $ 262,717 | |
| Cash dividend | 1,647,952 | 4.5 |
| Total | $ 1,910,669 | |

The above mentioned proposal of dividends distribution of year 2024, was resolved in shareholders' meeting to authorize Chairman to resolve the dividend record date; the ex-rights and dividend dates is set on August 29, 2025.

(4) Employee's compensation and directors' remuneration

Distributions of employee's compensation and that of directors' remuneration are as follows:

In accordance with the Company's Articles of Incorporation amended on June 19, 2025, if the Company is profitable for the fiscal year (refers to pre-tax profit before subtracting bonuses and remunerations allocated to employees and directors), no less than 1% of the profit shall be appropriated as employee compensation and no more than 2% as directors' remuneration. However, if the Company still has accumulated deficits, an amount shall be reserved in advance to make up for the losses. Among the employee remuneration, no less than 40% shall be allocated to entry-level employees. Employee compensation may be distributed in either stock or cash, and the recipients may include employees of subsidiaries who meet certain criteria. Director’s remuneration shall only be paid in cash. The aforementioned allocation shall be resolved by the Board of Directors and reported to the shareholders' meeting.

In accordance with the Company's Articles of Incorporation prior to the amendment on June 19, 2025. If the Company is profitable in the fiscal year (refers to pre-tax profit before subtracting bonuses and remunerations allocated to employees and directors), no less than 1% of the profit shall be appropriated as employees, and no more than 2% as directors’ remuneration. However, if the Company still has accumulated deficits, an amount shall be reserved in advance to make up for the losses. Employee compensation may be distributed in either stocks or cash, and the recipients may include employees of subsidiaries who meet certain criteria. Directors’ remuneration shall only be paid in cash. The aforementioned allocation shall be resolved by the Board of Directors and reported to the shareholders’ meeting.

As resolved by the Board of Directors on March 6, 2026 and reported in the shareholders’ meeting on May 27, 2026, the employees’ compensation and Directors’ remuneration of year 2025, that would be paid in cash, were both accrued at NT$ 13,208 thousand, which has no difference from the amount accounted for expense as stated in the financial statements of year 2025.

For the first quarter of 2026, the Company's employees’ compensation and Directors' remuneration were both accrued at NT$1,040 thousand.

For the first quarter of 2025, the Company's employees’ compensation and Directors' remuneration were accrued at NT$5,855 thousand and NT$2,927 thousand, respectively.

The employee compensation and directors’ remuneration were accrued based on the amount of current profit before tax, before deducting such compensation and remuneration, in accordance with the percentages stipulated in the Company’s Articles of Incorporation and taking into account the distribution ratios of prior years. If the amounts subsequently approved by the shareholders’ meeting differ from the accrued amounts, the difference will be recognized in profit or loss of the following fiscal year.

For information regarding the proposed appropriations of earnings and the proposed employees’ and directors’ remuneration approved by the Board of Directors and subsequently resolved by the shareholders’ meeting, please refer to the Market Observation Post System (MOPS) website of the Taiwan Stock Exchange.

(xxi) Operating revenue

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Revenue from contracts with customers: | | |
| Revenue of buildings and land sales | $ 298,165 | $ 1,372,199 |
| Other - rental revenue | 3,911 | 3,973 |
| Total | $ 302,076 | $ 1,376,172 |

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Revenue recognition point: | | |
| At a point in time | $ 298,165 | $ 1,372,199 |
| Over time | 3,911 | 3,973 |
| Total | $ 302,076 | $ 1,376,172 |

1. The sales area of the Group's construction projects for the first quarter of year 2026 and 2025 is all in Taiwan.
2. The aggregated amount of transaction price allocated to unsatisfied performance obligation from the Group's signed contracts, as of March 31, 2026 and 2025, and its expected fiscal year of revenue recognition are as follows:

| | Contracted amount | Expected year of revenue recognition |
|---|---|---|
| As of March 31, 2026 | $ 873,798 | The full year of 2026 and the second and third quarters of 2027 |
| As of March 31, 2025 | $ 973,689 | Second quarter of 2025 |

(xxii) Other income

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Rental revenue | $ 21 | $ 21 |
| Other income, others | 432 | 806 |
| Total | $ 453 | $ 827 |

(xxiii) Other gains and losses

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Gain on disposal of investment property | $ 1,374 | $ 53 |

(xxiv) Finance costs

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Interest expense | | |
| Interest on bank borrowings | $ 34,057 | $ 27,029 |
| The imputed interest on deposit | 40 | 39 |
| Imputed interest on contract liabilities | 155 | — |
| Interest on the lease liability | 3,245 | 3,204 |
| Subtotal | 37,497 | 30,272 |
| Less: Capitalizable amount of qualifying assets | (36,100) | (27,044) |
| Total | $ 1,397 | $ 3,228 |

Details of capitalizable amount of qualifying assets that meet the requirements are as follows:

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Buildings under construction | $ 36,100 | $ 27,044 |

(xxv) Expenses by nature

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Depreciation and amortization charges | | |
| Depreciation of property, plant and equipment | $ 2,496 | $ 2,551 |
| Depreciation of investment property | 2,254 | 2,157 |
| Depreciation of right-of-use assets | 208 | — |
| Amortization of intangible assets | 328 | 330 |
| Total | $ 5,286 | $ 5,038 |

(xxvi) Employee benefit expense

| | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Wages and salaries | $ 16,971 | $ 22,396 |
| Labor and health insurance fees | 1,568 | 1,441 |
| Pension costs | 860 | 786 |
| Other employee benefit expense | 1,778 | 1,859 |
| Total | $ 21,177 | $ 26,482 |

Please refer to Note VI(xx) for information on the compensation of employees and remuneration of directors.

(xxvii) Taxation

1. Income tax expense

(1) The Group's components of income tax expense:

| Item | First Quarter of 2026 | | First Quarter of 2025 | |
|---|---|---|---|---|
| Current income tax expense | $ | 10,846 | $ | 55,333 |
| Land value increment tax | | 2,840 | | 12,562 |
| Decrease in deferred tax expense | | — | | (898) |
| 5% income tax on undistributed surplus earnings | | 5,910 | | 35,700 |
| Income tax expense included in profit or loss | $ | 19,596 | $ | 102,697 |

(2) The Group's income tax expenses recognized as other comprehensive income for the first quarter of 2026 and 2025 were both NT$0 thousand.

2. Analysis of items of the Group's deferred income tax liabilities are as follows:

(1) Deferred income tax liabilities

The first quarter of 2026: None.

| | 2025.1.1 | | Included in profit or loss | | 2025.3.31 | |
|---|---|---|---|---|---|---|
| Temporary differences | | | | | | |
| Buildings and land held for sale and buildings under construction capitalized interest | $ | (898) | $ | 898 | $ | — |

3. Unrecognized deferred tax assets:

As of March 31, 2026, December 31, 2025 and March 31, 2025, the amounts of deferred income tax assets not recognized by the Group due to there was not probable to have taxable profits were NT$28,150 thousand, NT$29,296 thousand and NT$20,725 thousand, respectively.

4. A reconciliation between net profit before tax and income tax expense presented in statements of comprehensive income is as follows:

| Item | First Quarter of 2026 | | First Quarter of 2025 | |
|---|---|---|---|---|
| Net profit before tax | $ | 105,298 | $ | 578,123 |
| Tax computed at applicable tax rate (20%) | | 21,060 | | 115,624 |
| Reasons for differences: | | | | |
| Exempt income of land transaction | | (12,270) | | (64,319) |
| Other adjustments in accordance with the tax act | | (1,717) | | 1,871 |
| Intercompany eliminations | | 3,773 | | 2,157 |
| Current tax expense | | 10,846 | | 55,333 |
| Land value increment tax | | 2,840 | | 12,562 |
| Decrease in deferred tax expense | | — | | (898) |
| 5% income tax on undistributed surplus earnings | | 5,910 | | 35,700 |
| Income tax expense included in profit or loss | $ | 19,596 | $ | 102,697 |

5. The composition of the Group's income tax expense and current income tax (assets) liabilities is described as follows:

| Item | 2026.3.31 | 2025.3.31 |
|---|---|---|
| Current tax expense | $ 10,846 | $ 55,333 |
| Less: Withholding Tax | (11) | — |
| Current income tax payable | 10,835 | 55,333 |
| Add: Prior year's estimated current income tax liabilities | 81,602 | 218,402 |
| Installment Income Tax Payable (Note) | 162,667 | — |
| 5% income tax on undistributed surplus earnings | 5,910 | 35,700 |
| Installment Provisional Tax Payable (Note) | 67,328 | — |
| Subtotal of Tax Liabilities | 328,342 | 309,435 |
| Less: Non-current tax liabilities | (130,767) | — |
| Current tax liabilities | $ 197,575 | $ 309,435 |

| Item | 2026.3.31 | 2025.3.31 |
|---|---|---|
| Prior year's income tax refund receivable | $ — | $ (33) |
| Prepaid land value increment Tax | — | (1,757) |
| Current tax assets | $ — | $ (1,790) |

Note: Due to the impact of the US countervailing duty policy, the Company applied for the installment payment of its corporate income tax for year 2024, the 5% income tax on undistributed surplus earnings for year 2023, and the provisional corporate income tax for year 2025.These applications were approved by the competent tax authority in June and September 2025, respectively, for repayment in 36 monthly installments.

6. As of December 31, 2025, the final deadline of tax credit for the unused deduction of losses and the balance: None.

7. The tax authorities have examined the income tax returns of the Company through year 2024 and the payment of tax was made.

(xxviii) Earnings per share

| | First Quarter of 2026 | | |
|---|---|---|---|
| | Profit attributable to ordinary shareholders | Weighted average number of ordinary shares (shares in thousands) | Earnings per share (NT$) |
| Basic earnings per share | $ 85,702 | 366,212 | $ 0.23 |

| | First Quarter of 2025 | | |
|---|---|---|---|
| | Profit attributable to ordinary shareholders | Weighted average number of ordinary shares (shares in thousands) | Earnings per share (NT$) |
| Basic earnings per share | $ 475,426 | 366,212 | $ 1.30 |

(xxix) Operating lease arrangements

1. The Group has leased out assets in the form of operating leases to lessees for use as offices, residences, shops and parking lots, etc. For the first quarter of 2026 and 2025, rental income (Account as operating revenue and other revenue) recognized amounted to NT$3,932 thousand and NT$3,994 thousand, respectively. The total amount of future minimum lease payments of non-cancellable lease agreements is as follows:

| Item | 2026.3.31 | 2025.3.31 |
|---|---|---|
| Within 1 year | $ 13,752 | $ 12,917 |
| 1 to 5 years | 27,853 | 23,808 |
| Over 5 years | 15,026 | 14,447 |
| Total | $ 56,631 | $ 51,172 |

2. The Group leases Xerox machines, advertising signs, construction offices and warehouses, etc., under operating leases and pays a fixed rent in accordance with the agreement. For the first quarter of 2026 and 2025, rental expenditures (Account as operating expenses and construction-in-progress expenses) recognized amounted to NT$343 thousand and NT$511 thousand, respectively. The total amount of future minimum lease payments of non-cancellable lease agreements is as follows:

| Item | 2026.3.31 | 2025.3.31 |
|---|---|---|
| Within 1 year | $ 655 | $ 973 |
| 1 to 5 years | 136 | 148 |
| Over 5 years | — | — |
| Total | $ 791 | $ 1,121 |

(xxx) Changes in liabilities from financing activities

| | Short-term loans | Short-term notes and bills payable | Long-term loans (including current portion) | Lease liabilities | Others | Liabilities from financing activities-gross |
|---|---|---|---|---|---|---|
| As of January 1, 2026 | $ 1,095,000 | $ — | $ 3,708,211 | $ 580,256 | $ 3,573 | $ 5,387,040 |
| Changes in cash flows from financing activities | (125,000) | — | 245,000 | (1,171) | 95 | 118,924 |
| Changes in non-cash: | | | | | | |
| Discount on short-term notes and bills payable | — | — | — | — | — | — |
| As of March 31, 2026 | $ 970,000 | $ — | $ 3,953,211 | $ 579,085 | $ 3,668 | $ 5,505,964 |

| | Short-term loans | Short-term notes and bills payable | Long-term loans (including current portion) | Lease liabilities | Others | Liabilities from financing activities-gross |
|---|---|---|---|---|---|---|
| As of January 1, 2025 | $ 41,960 | $ 19,989 | $ 3,853,156 | $ 573,209 | $ 3,651 | $ 4,491,965 |
| Changes in cash flows from financing activities | — | — | 45,000 | (931) | 84 | 44,153 |
| Changes in non-cash: | | | | | | |
| Discount on short-term notes and bills payable | — | (2) | — | — | — | (2) |
| As of March 31, 2025 | $ 41,960 | $ 19,987 | $ 3,898,156 | $ 572,278 | $ 3,735 | $ 4,536,116 |

## VII. Related-Party Transactions

### (i) Names of related parties and relationships with the Group

| Name of related parties | Relationship with the Group |
|---|---|
| Lih Pao Construction Co., Ltd. | The Chairperson of that company is a relative of the Company's Chairperson within the second degree of kinship under the Civil Code. |
| Pao Juan Development Enterprise Co., Ltd. | The Company's substantive related parties. |
| Sheng Jun Enterprise Co., Ltd. | The Chairperson of that company is a relative of the Company's Chairperson within the second degree of kinship under the Civil Code. |
| Xin Shengdi Enterprise Co., Ltd. | The Chairperson of that company is a relative of the Company's Chairperson within the second degree of kinship under the Civil Code. |
| Fullon Hotels & Resorts | The legal representative director of that company is a relative of the Company's Chairperson, within the second degree of kinship under the Civil Code, and the Chairperson of the Company is also a director of that company. |
| Fullon Hotel Fulong | The Chairperson of that company is a relative of the Company's Chairperson within the second degree of kinship under the Civil Code. |
| Ansheng Construction Co., Ltd. | More than half of the directors of that company are relatives of the Company's chairperson within the second degree of kinship under the Civil Code. |
| Zhongfu Construction Co., Ltd. | The Company's substantive related parties. |
| Zhongyi Construction Co., Ltd. | The Company's substantive related parties. |
| Baoshi Construction Co., Ltd. | The Company's substantive related parties. |
| Harvest Construction Co., Ltd. | The Company's substantive related parties. |

(Continued on the next page)

| Name of related parties | Relationship with the Group |
|---|---|
| (Continued from previous page) | |
| Yuan Tai Enterprise Co., Ltd. | The Company's substantive related parties. |
| Pengcheng Construction Co., Ltd. | The Chairperson of that company is a relative of the Company's Chairperson within the second degree of kinship under the Civil Code. |
| Li Xin Emporium Co., Ltd. | The Chairperson of that company is a relative of the Company's Chairperson within the second degree of kinship under the Civil Code. |
| A maz inn business Co., Ltd. | The Chairperson of that company is the spouse of The Company's Chairperson. |
| Fullon Development Co., Ltd. | The Company's substantive related parties. |
| Jian Yi Development Co., Ltd. | The Company's substantive related parties. |
| Wu 0 Qian | The relative of the Company's general manager, within the second degree of kinship under the Civil Code. |
| Feng 0 Tang | Spouse of a close relative of the general manager of the Company. |
| Wu 0 Jun | The relative of the Company's general manager, within the second degree of kinship under the Civil Code. |
| Wu 0 Wen | The Company's management. |

(ii) Significant transactions between the Group and related parties are disclosed as follows:

1.Purchase

(1) Details are as follows:

| Name of related parties | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Ansheng Construction Co., Ltd. | $ 263,693 | $ 141,727 |
| Zhongfu Construction Co., Ltd. | － | 20,000 |
| Zhongyi Construction Co., Ltd. | － | 18,238 |
| Total | $ 263,693 | $ 179,965 |

(2) Information on construction contracts that the Company has signed with the following related parties but has not yet settled or currently settled as of March 31, 2026 and 2025 are as below:

① Ansheng Construction Co., Ltd.

As of March 31, 2026:

| Construction projects | (tax excluded) Total contract price | Paid amount | Unpaid amount |
|---|---|---|---|
| Kaohsiung Fucheng section | $ 2,154,323 | $ 1,252,687 | $ 901,636 |

As of March 31, 2025:

| Construction projects | (tax excluded) Total contract price | Paid amount | Unpaid amount |
|---|---|---|---|
| Kaohsiung Fucheng section | $ 2,154,323 | $ 682,682 | $ 1,471,641 |

② Zhongfu Construction Co., Ltd.

As of March 31, 2026:

| Construction projects | (tax excluded) Total contract price | Paid amount | Unpaid amount |
|---|---|---|---|
| Case of Kaohsiung O4 | $ 2,675,163 | $ 230,000 | $ 2,445,163 |
| Case of Hsinchu Zhongxing | 22,400 | 2,240 | 20,160 |
| Total | $ 2,697,563 | $ 232,240 | $ 2,465,323 |

As of March 31, 2025:

| Construction projects | (tax excluded) Total contract price | Paid amount | Unpaid amount |
|---|---|---|---|
| Case of Danhai | $ 7,396,978 | $ 7,297,261 | $ 99,717 |
| Case of Kaohsiung O4 | 2,675,163 | 190,000 | 2,485,163 |
| Total | $ 10,072,141 | $ 7,487,261 | $ 2,584,880 |

③ Baoshi Construction Co., Ltd.

As of March 31, 2026: None.

As of March 31, 2025:

| Construction projects | (tax excluded) Total contract price | Paid amount | Unpaid amount |
|---|---|---|---|
| Case A of Taoyuan Sanmin section | $ 613,988 | $ 613,988 | $ — |

④ Zhongyi Construction Co., Ltd.

As of March 31, 2026:

| Construction projects | (tax excluded) Total contract price | Paid amount | Unpaid amount |
|---|---|---|---|
| Case of Kaohsiung O4 | $ 95,988 | $ 54,713 | $ 41,275 |

As of March 31, 2025:

| Construction projects | (tax excluded) Total contract price | Paid amount | Unpaid amount |
|---|---|---|---|
| Case of Kaohsiung O4 | $ 95,988 | $ 45,594 | $ 50,394 |

The above construction projects are contracted on a labor-and-material basis. The contract price is paid based on project progress, and the transaction terms are not significantly different from those with non-related parties.

2.Other receivables – related parties

| Name of related parties | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Zhongfu Construction Co., Ltd. | $ — | $ — | $ 1 |

3.Prepayments

(1)Other prepayments and prepaid expenses

| Name of related parties | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Lih Pao Construction Co., Ltd. | $ 45 | $ 9 | $ 5 |
| Fullon Hotels & Resorts | 15 | 35 | 1 |
| Fullon Development Co., Ltd. | 185 | — | — |
| Pao Juan Development Enterprise Co., Ltd. | 79 | — | — |
| Pengcheng Construction Co., Ltd. | 87 | — | — |
| Baoshi Construction Co., Ltd. (Note1 、2) | — | — | 7,561 |
| Total | $ 411 | $ 44 | $ 7,567 |

Note: 1.The Company recognized the amount paid for fence construction etc. at unbuilt construction sites as prepayments. These prepayments will be transferred to the item of Inventories – Buildings under construction upon obtaining the building permit.

2.The company signed the contract of fences constructions and Water Channel Diversion Project etc. with Baoshi Construction Co., Ltd, the details of information are as follows:

As of March 31, 2026: None.

As of March 31, 2025:

| Construction projects | Contracting | (tax excluded) Total contract price | Paid amount | Unpaid amount |
|---|---|---|---|---|
| Zhongxing Section in Hsinchu | Contract for labor and materials | $ 1,087 | $ 1,087 | $ — |
| Zhongxing Section in Hsinchu | Contract for labor and materials | 1,171 | 1,171 | — |
| Zhongxing Section in Hsinchu | Contract for labor and materials | 5,452 | 5,303 | 149 |
| Total | | $ 7,710 | $ 7,561 | $ 149 |

4.Guarantee Deposits Paid

| Name of related parties | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| --- | --- | --- | --- |
| Lih Pao Construction Co., Ltd. | $ 1 | $ — | $ — |

5.Contract Liabilities – Current (Advance Receipts for Real Estate Sales)

| Name of related parties | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| --- | --- | --- | --- |
| Wu 0 Wen | $ — | $ 667 | $ 95 |

The total contract price for the above-mentioned sale of real estate to related parties amounted to NT$12,970 thousand (including tax). The selling prices for these transactions were negotiated based on general market conditions, and the collection terms were comparable to those of non-related parties. The transaction was subsequently canceled, and the sales return was processed in February 2026.

6.Accounts payable to related parties

| Name of related parties | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| --- | --- | --- | --- |
| Ansheng Construction Co., Ltd. | $ 124,813 | $ 49,604 | $ 49,604 |
| Zhongfu Construction Co., Ltd. | — | 2,352 | 115,203 |
| Zhongyi Construction Co., Ltd. | — | — | 9,575 |
| Total | $ 124,813 | $ 51,956 | $ 174,382 |

7.Other payables to related parties

| Name of related parties | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| --- | --- | --- | --- |
| Fullon Hotels & Resorts | $ 19 | $ — | $ 245 |
| Pao Juan Development Enterprise Co., Ltd. | — | — | 21 |
| Lih Pao Construction Co., Ltd. | — | — | 2 |
| Total | $ 19 | $ — | $ 268 |

8.Advance receipts

| Name of related parties | 2026.3.31 | 2025.12.31 | 2025.3.31 |
| --- | --- | --- | --- |
| Sheng Jun Enterprise Co., Ltd. | $ 26 | $ — | $ 26 |
| Xin Shengdi Enterprise Co., Ltd. | 26 | — | 26 |
| Total | $ 52 | $ — | $ 52 |

9.Other current liabilities-Other (Receipts under custody)

| Name of related parties | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Wu 0 Qian 、 Feng 0 Tang | $ 26 | $ 26 | $ 26 |
| Wu 0 Jun | 22 | 22 | 42 |
| Total | $ 48 | $ 48 | $ 68 |

10.Rental revenue

| | | | First Quarter of 2026 | |
|---|---|---|---|---|
| Lessee | Location | Lease term | Monthly rent | Rental revenue |
| Sheng Jun Enterprise Co., Ltd. | Section 1, Chengtai Road, Wugu District | 2026.01.01~2026.12.31 | $ 3 | $ 9 |
| Xin Shengdi Enterprise Co., Ltd. | Section 1, Chengtai Road, Wugu District | 2026.01.01~2026.12.31 | $ 3 | $ 9 |

| | | | First Quarter of 2025 | |
|---|---|---|---|---|
| Lessee | Location | Lease term | Monthly rent | Rental revenue |
| Sheng Jun Enterprise Co., Ltd. | Section 1, Chengtai Road, Wugu District | 2025.01.01~2025.12.31 | $ 3 | $ 9 |
| Xin Shengdi Enterprise Co., Ltd. | Section 1, Chengtai Road, Wugu District | 2025.01.01~2025.12.31 | $ 3 | $ 9 |

11.Rent expense

| | | | First Quarter of 2026 | |
|---|---|---|---|---|
| Lessor | Location | Lease term | Monthly rent | Rent expense |
| Pao Juan Development Enterprise Co., Ltd. | Archive Room and warehouse on Section 1, Chengtai Road, Wugu District | 2026.01.01~2026.12.31 | $ 9 | $ 26 |
| Pengcheng Construction Co., Ltd. | Kaohsiung Office | 2025.03.01~2026.02.28 | $ 29 | $ 58 |
| | | 2026.03.01~2026.12.31 | $ 29 | $ 29 |
| Lih Pao Construction Co., Ltd. | Parking Space | 2026.03.01~2026.12.31 | $ 4 | $ 4 |
| A maz inn business Co., Ltd. | Parking Space | Temporary tenancy | | $ 2 |

| Lessor | Location | Lease term | First Quarter of 2025 Monthly rent | First Quarter of 2025 Rent expense |
|---|---|---|---|---|
| Pao Juan Development Enterprise Co., Ltd. | Archive Room and warehouse on Section 1, Chengtai Road, Wugu District | 2025.01.01~2025.12.31 | $ 5 | $ 15 |
| Pao Juan Development Enterprise Co., Ltd. | Warehouse | 2025.01.01~2025.12.31 | $ 2 | $ 5 |
| Pengcheng Construction Co., Ltd. | Kaohsiung Office | 2024.03.01~2025.02.28 | $ 29 | $ 58 |
| | | 2025.03.01~2026.02.28 | $ 29 | $ 29 |
| Lih Pao Construction Co., Ltd. | Parking Space | Temporary tenancy | | $ 4 |
| Lih Pao Construction Co., Ltd. | Health examination venue | Temporary tenancy | | $ 2 |

12.Operating expenses (excluding rent expense)

| Name of related parties | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Fullon Hotels & Resorts | $ 739 | $ 866 |
| Fullon Hotel Fulong | 6 | — |
| Pao Juan Development Enterprise Co., Ltd. | — | 1 |
| Lih Pao Construction Co., Ltd. | 18 | 21 |
| Yuan Tai Enterprise Co., Ltd. | 3 | — |
| A maz inn Business Co., Ltd. | 1 | — |
| Li Xin Emporium Co., Ltd. | 1 | — |
| Total | $ 768 | $ 888 |

Details of operating expenses on transactions with the above-mentioned related parties are as follows:

| Item | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Entertainment expense | $ 669 | $ 808 |
| Traveling expense | 3 | 1 |
| Advertising expense | 57 | 57 |
| Utilities expense | 12 | 16 |
| Other expenses | 27 | 6 |
| Total | $ 768 | $ 888 |

13.Key management compensation

| Item | First Quarter of 2026 | First Quarter of 2025 |
|---|---|---|
| Short-term employee benefits | $ 2,246 | $ 5,127 |
| Post-employment compensation | 26 | 26 |
| Total | $ 2,272 | $ 5,153 |

14.Other transactions

(1) On December 17, 2025, the Company signed a “Joint Investment and Development Agreement” with its related party, Fullon Development Co., Ltd. , to jointly invest in the urban renewal project located in Da’an District, Taipei City. The investment ratios are 40% for the Company and 60% for Fullon Development Co., Ltd.

(2) Pengcheng Construction Co., Ltd. has provided a joint guarantee for the Company's construction of Kaohsiung Fucheng project in April 2025. The guarantee period ends on construction’s completion date (that is the date obtaining the occupation permit).

(3) Harvest Construction Co., Ltd. has provided a joint guarantee for the Company's construction of Miaoli Weizhen project in May 2025. The guarantee period ends on construction’s completion date (that is the date obtaining the occupation permit).

(4) Jian Yi Development Co., Ltd. has provided a joint guarantee for the Company's construction of the Taipei Zhongzheng project in March 2026. The guarantee period ends on construction’s completion date (that is the date obtaining the occupation permit).

VIII. Pledged Assets

The Group provided the assets below as collateral or subject to the limit, details are as follows:

| Name of Assets | 2026.3.31 | Type of pledge |
|---|---|---|
| Land | $ 207,533 | Long-term loans guarantee |
| Buildings and structures | 165,296 | Long-term loans guarantee |
| Investment property | 313,484 | Short-term notes and bills payable<br>long-term and short-term loans guarantee |
| Inventories - land used in construction | 4,271,005 | Long-term loans guarantee |
| Inventories - buildings and land held for sale | 32,006 | Short-term notes and bills payable |
| Inventories - land held for construction site | 573,916 | Long-term loans guarantee |
| Inventories - Royalties for superficies right | 645,362 | Long-term loans guarantee |
| Inventories - Right-of-use assets | 181,450 | Long-term loans guarantee |
| Other non - current financial assets | 20,066 | Special bank account |
| Total | $ 6,410,118 | |

| Name of Assets | 2025.12.31 | Type of pledge |
|---|---|---|
| Land | $ 207,533 | Long-term loans guarantee |
| Buildings and structures | 166,143 | Long-term loans guarantee |
| Investment property | 314,076 | Short-term notes and bills payable long-term and short-term loans guarantee |
| Inventories - land used in construction | 3,990,819 | Long-term loans guarantee |
| Inventories - buildings and land held for sale | 33,251 | Short-term notes and bills payable |
| Inventories - land held for construction site | 573,916 | Long-term loans guarantee |
| Inventories - Royalties for superficies right | 858,583 | Long-term loans guarantee |
| Inventories - Right-of-use assets | 248,415 | Long-term loans guarantee |
| Other current financial assets | 20,066 | Special bank account |
| Total | $ 6,412,802 | |

| Name of Assets | 2025.3.31 | Type of pledge |
|---|---|---|
| Land | $ 207,533 | Long-term loans guarantee |
| Buildings and structures | 168,687 | Long-term loans guarantee |
| Investment property | 216,710 | Short-term Notes and Bills payable and Short-term loans guarantee |
| Inventories - land used in construction | 2,257,455 | Long-term loans guarantee |
| Inventories - buildings and land held for sale | 258,621 | Short-term Notes and Bills payable and Short-term loans guarantee |
| Inventories - land held for construction site | 2,301,276 | Long-term loans guarantee |
| Inventories - Royalties for superficies right | 858,583 | Long-term loans guarantee |
| Inventories - Right-of-use assets | 245,569 | Long-term loans guarantee |
| Other non-current financial assets | 19,939 | Special bank account |
| Total | $ 6,534,373 | |

## IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

(i) The Group has entered into significant construction contracts, as of March 31, 2026 and 2025, the total contract price amounted to NT$7,245,688 thousand and NT$11,560,425 thousand, respectively, amounts paid were NT$2,440,513 thousand and NT$5,982,277 thousand, respectively. In contrast, the payments not yet been made were NT$4,805,175 thousand and NT$5,578,148 thousand, which will be paid along with the progress of the construction project.

(ii) On December 17, 2025, the Company signed a "Joint Investment and Development Agreement" with its related party, Fullon Development Co., Ltd. , to jointly invest in the urban renewal project located in Da'an District, Taipei City. The investment ratios are 40% for the Company and 60% for Fullon Development Co., Ltd.

(iii) Pengcheng Construction Co., Ltd. has provided a joint guarantee for the Company's construction of Kaohsiung Fucheng project in April 2025. The guarantee period ends on construction's completion date (that is the date obtaining the occupation permit).

(iv) Harvest Construction Co., Ltd. has provided a joint guarantee for the Company's construction of Miaoli Weizhen project in May 2025. The guarantee period ends on construction's completion date (that is the date obtaining the occupation permit).

(v) Jian Yi Development Co., Ltd. has provided a joint guarantee for the Company's construction of the Taipei Zhongzheng project in March 2026. The guarantee period ends on construction's completion date (that is the date obtaining the occupation permit).

(vi) The Group is investing in the Kaohsiung City Mass Rapid Transit System Orange Line O4 Station Land Development project executed by the Kaohsiung City Government Rapid Transit Engineering Bureau, the details of the joint guarantees provided by the banks are as follows:

| Guarantor Bank | Guaranteed Amount | Guarantee period |
|---|---|---|
| Land Bank of Taiwan | $ 98,444 | 2021.11.08 to 2030.12.31 (Note) |

Note: The original joint guarantee issued by Land Bank of Taiwan expired on March 31, 2026, and the bank has agreed to extend the expiration date of the aforementioned joint guarantee to December 31, 2030.

X. Significant Disaster Losses: None.

XI. Significant Subsequent Events: None.

XII. Others

(i) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to maintain an optimal capital structure to reduce the cost of capital and to provide returns for shareholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group adjusts the amount of the borrowings on the basis of the progress of construction, and the funds required for operating.

(ii) Financial instruments

1. Financial instruments by category

| Financial assets | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Measured at amortized cost | | | |
| Cash and cash equivalents | $ 457,751 | $ 604,836 | $ 1,125,189 |
| Notes and accounts receivable | 46,047 | 64,860 | 37,703 |
| Other receivables (including related parties) | 954 | 410 | 2,214 |
| Other current financial assets | — | 20,066 | — |
| Guarantee deposits paid | 10,547 | 10,090 | 10,001 |
| Long-term notes and accounts receivable | 14,635 | 19,555 | 12,910 |
| Other non-current financial assets | 20,066 | — | 19,939 |
| Total | $ 550,000 | $ 719,817 | $ 1,207,956 |

| Financial liabilities | 2026.3.31 | 2025.12.31 | 2025.3.31 |
|---|---|---|---|
| Measured at amortized cost | | | |
| Short-term loans | $ 970,000 | $ 1,095,000 | $ 41,960 |
| Short-term notes and bills payable | — | — | 19,987 |
| Notes and accounts payable (including related parties) | 314,972 | 244,827 | 359,620 |
| Other payables (including related parties) | 116,387 | 147,755 | 139,733 |
| Other current liabilities, others | 35,472 | 39,164 | 40,745 |
| Long-term loans (including long-term loans, current portion) | 3,953,211 | 3,708,211 | 3,898,156 |
| Lease liabilities | 579,085 | 580,256 | 572,278 |
| Guarantee deposits received | 3,668 | 3,573 | 3,735 |
| Total | $ 5,972,795 | $ 5,818,786 | $ 5,076,214 |

2. Fair value information

(1) The book value of financial assets and financial liabilities not at fair value were considered by the Group’s management as close to their fair value or has no reliable fair value measurement.

(2) Valuation techniques and assumptions used in fair value measurements

The fair value of the Group’s financial assets and financial liabilities were determined by using the following techniques and assumptions:

A. The fair value of financial assets subject to standard terms and conditions and were transacting in active markets was determined after reference of the quoted market price (including stocks of exchange-listed and OTC -listed companies and bond funds-quasi money market).

B. The fair value of other financial assets and financial liabilities was determined by using the generally recognized valuation model based on discounted cash flow analysis.

(3) Fair value measurement recognized in the balance sheet

Below is an analysis of valuation techniques used by financial instruments at fair value. Each level is defined as follows:

A. Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

B. Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

C. Level 3: Inputs are not based on observable market data.

Basic categorization of the Group's financial assets and liabilities at fair value, by their nature and fair value level is presented as follows:

| | 2026.3.31 | | | |
|---|---|---|---|---|
| **Recurring non-derivative assets** | Level 1 | Level 2 | Level 3 | Total |
| Current financial assets at fair value through other comprehensive income | | | | |
| Shares of listed companies | $ 415 | $ - | $ - | $ 415 |
| Non-current financial assets at fair value through other comprehensive income | | | | |
| Shares of listed companies | 2,533 | - | - | 2,533 |
| Shares of unlisted companies | - | - | 38,903 | 38,903 |
| Total | $ 2,948 | $ - | $ 38,903 | $ 41,851 |
| **Recurring fair value measurement disclosures** | | | | |
| Investment property | $ - | $ - | $1,214,840 | $ 1,214,840 |

| | 2025.12.31 | | | |
|---|---|---|---|---|
| **Recurring non-derivative assets** | Level 1 | Level 2 | Level 3 | Total |
| Current financial assets at fair value through other comprehensive income | | | | |
| Shares of listed companies | $ 437 | $ - | $ - | $ 437 |
| Non-current financial assets at fair value through other comprehensive income | | | | |
| Shares of listed companies | 2,434 | - | - | 2,434 |
| Shares of unlisted companies | - | - | 38,903 | 38,903 |
| Total | $ 2,871 | $ - | $ 38,903 | $ 41,774 |
| **Recurring fair value measurement disclosures** | | | | |
| Investment property | $ - | $ - | $1,161,028 | $ 1,161,028 |

| Recurring non-derivative assets | 2025.3.31 Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Current financial assets at fair value through other comprehensive income | | | | |
| Shares of listed companies | $ 450 | $ - | $ - | $ 450 |
| Non-current financial assets at fair value through other comprehensive income | | | | |
| Shares of listed companies | 2,536 | - | - | 2,536 |
| Shares of unlisted companies | - | - | 36,404 | 36,404 |
| Total | $ 2,986 | $ - | $ 36,404 | $ 39,390 |
| **Recurring fair value measurement disclosures** | | | | |
| Investment property | $ - | $ - | $1,113,559 | $ 1,113,559 |

No transfers between Level 1 and Level 2 for the first quarter of 2026 and 2025.

(4) Valuation techniques for measuring fair value

A. The fair value of financial assets and financial liabilities subject to standard terms and conditions and were transacting in active markets was determined after reference to the quoted market price (including stocks of exchange-listed and OTC -listed companies and funds etc.).

B. The equity instruments not traded in active market (including stocks of not exchange-listed and OTC -listed companies) that use market approach or asset-based approach for valuation of fair value estimates, the fair value by using the same or comparable price derived from equity instruments traded in an active market, and other relevant information.

C. Please refer to Note VI (ix) for details of information on the fair value of the Group’s investment property measured at cost.

(5) Significant unobservable inputs of level 3 within the fair value hierarchy

The Group’s assets measured at recurring fair value of level 3 within the fair value hierarchy, used for significant unobservable inputs measured at fair value are as follows:

As of March 31, 2026

| | Valuation technique | Significant unobservable inputs | Quantitative information | Relationship between inputs and fair value | Sensitivity of the input to fair value |
|---|---|---|---|---|---|
| Financial assets: | | | | | |
| Financial Assets at Fair Value through Other Comprehensive Income - stock | Market approach | Value multiples (P/B) | Value multiples (1.76-2.15) | Higher the price-book ratio, the higher the fair value estimates. | If the valuation multiple for fair value measurement has risen (dropped) 10%, The Company's equity will increase NT$3,894 thousand/decrease NT$3,894 thousand. |
| | | Value multiples (P/E) | Value multiples (15.11-18.47) | Higher the stock price to EPS ratio, the higher the fair value estimates. | |
| | Market approach | Liquidity discount rate (P/B)<br>Liquidity discount rate (P/E) | Liquidity discount rate (13.00%-17.43%) | Higher the liquidity discount rate, the lower the fair value estimates. | If the liquidity discount rate has risen (dropped) by 5%, The Company's equity will decrease NT$994 thousand/increase NT$1,048 thousand. |

As of March 31, 2025

| | Valuation technique | Significant unobservable inputs | Quantitative information | Relationship between inputs and fair value | Sensitivity of the input to fair value |
|---|---|---|---|---|---|
| Financial assets: | | | | | |
| Financial Assets at Fair Value through Other Comprehensive Income - stock | Market approach | Value multiples (P/B) | Value multiples (1.68-2.06) | Higher the price-book ratio, the higher the fair value estimates. | If the valuation multiple for fair value measurement has risen (dropped) 10%, The Company's equity will increase NT$ 3,671 thousand/decrease NT$ 3,671 thousand. |
| | | Value multiples (P/E) | Value multiples (21.35-26.09) | Higher the stock price to EPS ratio, the higher the fair value estimates. | |
| | Market approach | Liquidity discount rate (P/B)<br>Liquidity discount rate (P/E) | Liquidity discount rate (10.52%-21.22%) | Higher the liquidity discount rate, the lower the fair value estimates. | If the liquidity discount rate has risen (dropped) 5%, The Company's equity will decrease NT$2,299 thousand/increase NT$2,324 thousand. |

Note: Stock valuation as of March 31, 2026 and 2025, the stock price results are averaged using the stock price to book ratio and the stock price to earnings per share ratio, and the assessed value after liquidity discount is taken into account as a stock price reference.

3. Financial risk management policy

The Group's financial risk management's objective is to manage market risk, credit risk, and liquidity risk regarding operating activities. To reduce relevant financial risks, the Group is devoted to identifying, evaluating and circumventing market uncertainties for mitigating the potential negative impacts on the Group's financial performance due to market movements.

The Group's significant financial activities are reviewed by the Board of Directors in accordance with relevant regulations and the internal control system. The internal auditors have assisted the Group's Board by taking the supervisory role, continually engaged in reviewing policy compliance and different risk exposure amounts.

4. Nature and extent of significant financial risks

(1) Market risk

The Group's market risks refer to the exposure of financial instruments to risks regarding fair value and fluctuation in cash flows incurred by market price changes. Market risks include primarily foreign currency exchange rate risk, interest risk, and price risk.

a. Foreign currency exchange rate risk

The Group focused primarily on domestic sales. Thus, there is no significant risk of changes in the foreign currency exchange rate for the Group.

b. Interest rate risk

The Group's interest risks arise from short-term loans, long-term loans, and short-term notes and bills payable. Borrowings issued at variable rates expose the Group to cash flow interest rate risk, which is partially offset by cash held at variable rates. Whereas the borrowings issued at fixed rates expose the Group to the risk of fair value interest rate. The Group's short-term and long-term loans, and short-term notes and bills payable were debt with floating interest rate. Thus, any changes in the market interest rate would lead to changes in these financial facilities' effective interest rate and cause fluctuation in future cash flows. Whereas the increase of 1% in market interest rate, has increased the Group's cash outflows to NT$49,232 thousand and NT$39,601 thousand, respectively, as of March 31, 2026 and 2025.

c. Price risk

The Group holds listed, OTC -listed and non-listed equity securities and other investments. The fair value is exposed to risks due to the uncertainty in future value of portfolios and the price fluctuation arising from market price fluctuation.

As of March 31, 2026 and 2025, for listed company stocks of investments in equity instrument designated at fair value through other comprehensive income, its 1% increase / decrease in the price of equity securities affected the Group's equity amounted to NT$ 29 thousand and NT$ 30 thousand for the first quarter of 2026 and 2025, respectively.

(2) Credit risk

Credit risk refers to a breach of contractual obligations by the counterparty, which leads the Group to a financial loss risk. The Group's credit risks are primarily from receivables and other receivables incurred in business activities. Business related credit risk and financial credit risk are managed separately.

a. Business-related credit risk

The Group's primary business is to commission construction companies to construct public housing and commercial buildings for sale or lease. Thus, the receivables incurred on the Group's books are primarily generated from customers purchasing the Group's products. The majority of the Group's customers are bank mortgage applicants. Receivables arise temporarily due to the time lag between the transfer date of the property and the final disbursement of the bank loan. However, once the lending bank disburses the funds, the receivables are promptly written off. If a customer has insufficient funds and requires an installment payment plan, the Group will evaluate the person's credit status and repayment capacity and implement installment payments in accordance with the agreed-upon terms and conditions. Therefore, no significant risk exists.

b. Financial credit risk

Since the counterparties to the foregoing financial instruments are reputable banks and financial institutions with stable credit ratings, the Group has no significant concerns about their ability to fulfill obligations and is not exposed to significant credit risk.

(3) Liquidity risk

The Group maintains sufficient funding to support operating requirements and ensures compliance with the terms and conditions of loan contracts through managing and monitoring its liquidity requirements and the use of bank facilities. As operating funds are considered sufficient to meet cash flow needs, the Group is not exposed to liquidity risk arising from an inability to raise funds to meet contractual obligations.

The Group's investments in stocks of listed companies and funds, recognized as financial assets at FVTOCI and financial assets at FVTPL respectively, have an active market, thus are expected to be sold quickly with the price close to fair value in the market. The Group's investments in unlisted companies' stocks, recognized as financial assets at FVTOCI - non-current, have no active market and thus are expected to have material liquidity risk.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings, based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flows disclosed in the following table are undiscounted amounts, including both principal and interest.

As of March 31, 2026:

| Non-derivative financial liabilities | Within 1 year | 1 to 3 years | Over 3 years | Total |
|---|---|---|---|---|
| Short-term loans | $ 979,157 | $ — | $ — | $ 979,157 |
| Notes payable | 2,986 | — | — | 2,986 |
| Accounts payable (including related parties) | 311,986 | — | — | 311,986 |
| Other payables (including related parties) | 116,387 | — | — | 116,387 |
| lease liabilities | 17,661 | 34,530 | 1,059,690 | 1,111,881 |
| Long-term loans (including current portion) | 891,318 | 2,076,248 | 1,278,236 | 4,245,802 |
| Total | $ 2,319,495 | $ 2,110,778 | $ 2,337,926 | $ 6,768,199 |

As of December 31, 2025:

| Non-derivative financial liabilities | Within 1 year | 1 to 3 years | Over 3 years | Total |
|---|---|---|---|---|
| Short-term loans | $ 1,112,344 | $ — | $ — | $ 1,112,344 |
| Notes payable | 1,146 | — | — | 1,146 |
| Accounts payable (including related parties) | 243,681 | — | — | 243,681 |
| Other payables (including related parties) | 147,755 | — | — | 147,755 |
| lease liabilities | 17,661 | 34,746 | 1,063,890 | 1,116,297 |
| Long-term loans (including current portion) | 171,064 | 2,355,565 | 1,489,870 | 4,016,499 |
| Total | $ 1,693,651 | $ 2,390,311 | $ 2,553,760 | 6,637,722 |

As of March 31, 2025:

| Non-derivative financial liabilities | Within 1 year | 1 to 3 years | Over 3 years | Total |
|---|---|---|---|---|
| Short-term loans | $ 42,456 | $ — | $ — | $ 42,456 |
| Short-term notes and bills payable | 20,000 | — | — | 20,000 |
| Notes payable (including related parties) | 6,035 | — | — | 6,035 |
| Accounts payable (including related parties) | 353,585 | — | — | 353,585 |
| Other payables (including related parties) | 139,733 | — | — | 139,733 |
| lease liabilities | 16,544 | 33,089 | 1,060,364 | 1,109,997 |
| Long-term loans (including current portion) | 1,916,517 | 1,040,753 | 1,223,882 | 4,181,152 |
| Total | $ 2,494,870 | $ 1,073,842 | $ 2,284,246 | $ 5,852,958 |

The Group does not expect the timing of the cash flows estimated through the maturity date to be significantly earlier, nor does it expect the actual cash flow amount to be significantly different.

(iii) Unresolved Litigation

1. In August 2025, the community management committee of the Company's construction project applied to the Civil Division of the Taiwan Taichung District Court for mediation regarding a compensation dispute for damages to public facilities related to the Company's project, totaling NT$9,000 thousand. However, the mediation was unsuccessful, and the committee subsequently filed a civil lawsuit (Case No. Chong-Su-877 of 2025) with the same court, seeking a compensation amount of NT$9,000 thousand. As the public facilities of the project comply with all relevant laws and regulations, the Company deems the plaintiff's claim to be groundless. The case is currently under review.
2. The community management committee of the Company's Taoyuan construction project filed a lawsuit with the Taiwan Taoyuan District Court (Case No. Su 2690 of 2025) regarding a dispute over damages to public facilities, requesting the Company to perform repairs. The case is currently under review.
3. The Company filed a civil lawsuit with the Taiwan New Taipei District Court (Case No. Shen-Zhong-Su 92 of 2025) against Mr. Wei and two others, requesting all defendants in the case to return the Company’s real estate located on Zhongxiao Road, Banqiao District, which they have occupied without authority. The case is currently under review.
4. Regarding the compensation claim for damages related to the Xinzhuang construction project filed by Ms. Fu against the Company, the claim was previously dismissed by the Taiwan New Taipei District Court in November 2025. Subsequently, Ms. Fu filed an appeal with the Taiwan High Court (Case No. Shen-Shang-Yi-8 of 2026), seeking a compensation amount of NT$916 thousand from the Company. The case is currently under review in the second instance.

(iv) Others

On June 27, 2025, the Company was fined NT$1,500 thousand by the Fair Trade Commission for violating the Fair Trade Act. The Company has sought relief through administrative litigation.

## XIII. Supplementary Disclosures

### (i) Related Information About Significant Transactions

1.Financing provided to others: None.

2.Provision of endorsements and guarantees to others: None.

3.Holding of Significant marketable securities at the end of the period: Please refer to Table 1.

4.Purchases or sales of goods with related parties amounting to NT$100 million or 20% of paid in capital or more: Please refer to Table 2.

5.Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: None.

6.Business relationships and significant transaction amounts between the parent company and its subsidiaries, and among subsidiaries: Please refer to Table 3.

### (ii) Related Information on Investees

Information on investees over which the Company directly or indirectly exercises significant influence, control, or joint venture interests. (excluding mainland China investees): Please refer to Table 4.

### (iii) Information on Investments in Mainland China

1. The name of the investee in mainland China, main businesses activities, issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, profit or loss of the investee, ending of investment balance, dividends received from the investee, and investment limitation in the investee: None.

2. Significant direct or indirect transactions with the investee, including those conducted through entities in third jurisdictions, transaction prices and payment terms, unrealized gains or losses, and other related information that provide insight into the impact of investments in mainland China on the financial statements: None.

## XIV. Operating Segment Information

### (i) Industry Information:

The Company is primarily engaged in the construction, leasing, and sale of residential housing and commercial buildings. Its subsidiaries are mainly engaged in the construction of residential and commercial buildings.

(ii) Information on departmental profits, losses and assets

First Quarter of 2026

| Item | Property development business | Construction business | Internal write-off | Total |
|---|---|---|---|---|
| Revenue from external customers | $ 302,076 | $ — | $ — | $ 302,076 |
| Revenue between segment | 129 | 235,785 | (235,914) | — |
| Segment revenue | $ 302,205 | $ 235,785 | $ (235,914) | $ 302,076 |
| Segment profit and loss | $ 150,721 | $ 18,865 | $ (18,953) | $ 150,633 |
| Segment assets | $ 14,407,131 | $ 326,130 | $ (195,933) | $ 14,537,328 |
| Segment liabilities | $ 6,317,750 | $ 195,016 | $ (64,819) | $ 6,447,947 |

First Quarter of 2025

| Item | Property development business | Construction business | Internal write-off | Total |
|---|---|---|---|---|
| Revenue from external customers | $ 1,376,172 | $ — | $ — | $ 1,376,172 |
| Revenue between segment | 129 | 134,840 | (134,969) | — |
| Segment revenue | $ 1,376,301 | $ 134,840 | $ (134,969) | $ 1,376,172 |
| Segment profit and loss | $ 673,935 | $ 10,788 | $ (10,876) | $ 673,847 |
| Segment assets | $ 14,601,575 | $ 201,448 | $ (156,051) | $ 14,646,972 |
| Segment liabilities | $ 5,584,145 | $ 108,513 | $ (63,116) | $ 5,629,542 |

(iii) Product Category and Service Category Information

For the first quarter of 2026 and 2025, the Group’s major revenue mainly arose from sales of buildings and land to external customers.

(iv) Geographic Information

The Group has no foreign operating segment.

(v) Export Sales Information

The Group has no export sales revenue.

(vi) Major Customers Information

For the first quarter of 2026 and 2025, the Group had no sales to customers that accounted for 10% or more of the revenue in the consolidated statements of comprehensive income.

# Advancetek Enterprise Co., Ltd. And Subsidiaries

Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

March 31, 2026

Table 1 Unit: share/thousands of NTD

| Holding Company Name | Type and Name of Marketable Securities | | Relationship with the Issuer of Marketable Securities | Account item | At end of period | | | | Remark |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Shares/Units | Book value | Ownership held by the Company | Market Price | |
| Advancetek Enterprise Co., Ltd. | Stock | En Tie Commercial Bank Co., Ltd. | None | Current financial assets at fair value through other comprehensive income | 32,126 | $ 415 | — | $ 415 | Note 2 |
| | Stock | Taiwan Biotech Co., Ltd. | None | Non-current financial assets at fair value through other comprehensive income | 1,361,664 | 38,903 | 0.43 | 38,903 | Note 1 |
| | Stock | Tah Chung Steel Corporation | None | Non-current financial assets at fair value through other comprehensive income | 22 | — | — | — | |
| | Stock | Far EasTone Telecom Co., Ltd. | None | Non-current financial assets at fair value through other comprehensive income | 27,559 | 2,533 | — | 2,533 | Note 2 |
| | | | | Total | | $ 41,436 | | $ 41,436 | |

Note 1: The value of the stock is calculated based on the market approach. Please refer to Note XII(ii) for details.

Note 2: The value of the stock is calculated based on the closing price as of March 31, 2026.

# Advancetek Enterprise Co., Ltd. And Subsidiaries

purchases or sales of goods with related parties amounting to NT$ 100 million or 20% of paid-in capital or more

For the first quarter of 2026

Table 2 Unit: thousands of NTD

| Company Name | Related Party | Relationship | Transaction Details | | | | Transactions on terms different from normal transactions and the reasons thereof | | Notes/Accounts (Payable) or Receivable | | Remark |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Purchases/Sales | Amount | Percentage of total purchases (sales) | Credit period | Unit Price | Credit period | Ending Balance | Percentage of total Notes/Accounts (Payable) or Receivable | |
| Advancetek Enterprise Co., Ltd. | Chia Yuan Construction Co., Ltd. | Subsidiaries | Purchases | $ 180,996 | 38.18% | 50% - within 60 days 50% - cash | Denominated according to the contract | Within 30 days or 60 days for common suppliers | $ (34,673) | (17.09%) | Note 2 |
| Advancetek Enterprise Co., Ltd. | Ansheng Construction Co., Ltd. | Other related parties | Purchases | $ 263,693 | 55.63% | 50% - within 60 days 50% - cash | Denominated according to the contract | Within 30 days or 60 days for common suppliers | $ (124,813) | (61.52%) | Note 1 |
| Chia Yuan Construction Co., Ltd. | Advancetek Enterprise Co., Ltd. | Parent company | Sales | $ (235,785) | 100% | 50% - within 60 days 50% - cash | Denominated according to the contract | Within 30 days or 60 days for common suppliers | $ 34,673 | 100% | Note 3 |

Note 1: Please refer to Note VII for status on construction contracts signed by the Company with related parties.
Note 2: The contracted engineering company records the purchase amount based on the periodically assessed and priced valuation.
Note 3: The engineering contracting company recognizes construction revenue using the percentage-of-completion method and records the amount as sales.

# Advancetek Enterprise Co., Ltd. And Subsidiaries

## Business relationships and significant transaction amounts between the parent company and its subsidiaries, and among subsidiaries

March 31, 2026

Table 3

Unit: thousands of NTD

| No. (Note 1) | Related Party | Counterparty | Relationship (Note 2) | Transactions | | | |
|---|---|---|---|---|---|---|---|
| | | | | Account | Amount | Terms | Percentage of consolidated Net revenues or consolidated total assets (Note 3) |
| 0 | Advancetek Enterprise Co., Ltd. | Chia Yuan Construction Co., Ltd. | 1 | Inventory–Properties under construction | 80,435 | The same as others | 0.55% |
| 0 | Advancetek Enterprise Co., Ltd. | Chia Yuan Construction Co., Ltd. | 1 | Inventory - Land Held for Construction Site | 76 | The same as others | — |
| 0 | Advancetek Enterprise Co., Ltd. | Chia Yuan Construction Co., Ltd. | 1 | Accounts Payable - Related Parties | 34,673 | The same as others | 0.24% |
| 1 | Chia Yuan Construction Co., Ltd. | Advancetek Enterprise Co., Ltd. | 2 | Operating revenue | 235,785 | The same as others | 78.05% |
| 1 | Chia Yuan Construction Co., Ltd. | Advancetek Enterprise Co., Ltd. | 2 | Operating costs | (216,920) | The same as others | 71.81% |
| 1 | Chia Yuan Construction Co., Ltd. | Advancetek Enterprise Co., Ltd. | 2 | Contract Assets | 146,190 | The same as others | 1.01% |
| 1 | Chia Yuan Construction Co., Ltd. | Advancetek Enterprise Co., Ltd. | 2 | Contract Liabilities | 46,815 | The same as others | 0.32% |
| 1 | Chia Yuan Construction Co., Ltd. | Advancetek Enterprise Co., Ltd. | 2 | Accounts Receivable - Related Parties | (34,673) | The same as others | 0.24% |

Note 1: The business transactions between the parent company and its subsidiaries should be separately specified in the numbered column, with the following instructions for filling in the number:

1. The Company is coded ”0”.
2. Subsidiaries are coded consecutively starting from “1” in the order presented in the table above.

Note 2: There are three types of relationships with the transacting party, and only the type should be indicated:

1. Parent company to subsidiary
2. Subsidiary to parent company
3. Subsidiary to subsidiary

Note 3: When calculating the percentage of transaction amount to the consolidated revenues or the consolidated assets: Items of the balance sheets are calculated as their ending balance to total consolidated assets; items of income statement are calculated by their cumulative balance to the total consolidated revenues.

# Advancetek Enterprise Co., Ltd. And Subsidiaries

## Information on Investees Directly or Indirectly Subject to Significant Influence, Control, or Joint Venture Interests

March 31, 2026

Table 4

Unit: share / thousands of NTD

| Invest company name | Investee company name | Area | Main business items | Original investment amount | | Ending amount | | | Investee company Profit and loss for the current period | Recognized in this issue Investment gains and losses | Remark |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | End of current period | End of last period | Shares | Ratio | Book value | | | |
| Advancetek Enterprise Co., Ltd. | Chia Yuan Construction Co., Ltd. | Wugu District, New Taipei City | Comprehensive construction industry | $ 100,000 | $ 100,000 | 10,000,000 | 100% | $ 37,530 | $ 13,658 | $ (5,205) Note 1 | Subsidiaries |

Note 1: Adjusted for unrealized gains and losses on upstream transactions between companies.