Star Comgistic Capital Co., Ltd.

Parent Company Financial Statements and Independent Auditors’ Report

2025 and 2024

(Stock code: 4930)

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Star Comgistic Capital Co., Ltd.

2025 and 2024 Parent Company Only Financial Report and Independent Auditor's Report

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Independent Auditors' Report

To the Board of Directors and Stakeholders of Star Comgistic Capital Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheet of Star Comgistic Capital Co., Ltd. (the "Company") as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on the audit results of the independent auditors and the audit report of other accountants (please refer to the other-matter paragraph), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

Key audit matters for the Company's 2025 parent company only financial statements are stated as follows:

The consolidated financial position and consolidated financial performance of the subsidiaries of the Company, Tsann Kuen (China) Enterprise Co.,Ltd. and subsidiaries ("Tsann Kuen (China) Group"), have significant impacts to the parent company only financial statements of the Company. Therefore, we listed the key audit matters, the accounting estimates for the timing of revenue recognition for export sales and inventory valuation, as the most significant matters.

Investments accounted for under equity method - Timing of revenue recognition for export sales revenue

Description

The basis for revenue recognition by the subsidiary of the Company, Tsann Kuen (China) Group, referenced mainly on the transaction terms and conditions of the export sales. The procedures for the revenue recognition involves manual checking of sales status and relevant documents, especially during times of enormous trading volumes with high shipping frequency, it may have a significant effect on the appropriateness of revenue recognition. Therefore, we consider the accuracy of the timing of revenue recognition for export sales as one of the key audit matters.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Understand and assess the internal control of the company relating to the cut-off for revenues of export sales and verify the appropriateness for the timing of revenue recognition.
2. Performed Cut-off tests on sales revenues transactions, including verifying the trading terms and conditions for exports to ensure that the sales revenue had been recorded in the period accordingly.

Investments accounted for under equity method - Accounting estimates for inventory valuation

Description

The main business of Tsann Kuen (China) Group, a subsidiary of the Company, is the manufacturing and sales of small home appliances. Due to the competitive market nature, the continuous launching of new products might have resulted in the volatility of product prices. This could in turn affect the estimation outcomes of the net realizable value for the inventory valuation.

The subsidiary of the Company, Tsann Kuen (China) Group, needs to continually adjust due to stocking demand in response to the sales market and development strategies. As the related inventory amount is considered significant, the management must conduct valuation based on the cost or net realizable value, whichever is lower. Since the evaluation of inventories is subject to management's judgment and the accounting estimations will have significant influence on the inventory values, we considered the valuation of inventories as one of the key audit matters.

How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. We have evaluated the policy adopted for the allowance for inventory write-down based on our understanding of the nature of the company's operations and industry.
2. The basis for the net realizable value test complies with the policy of the company. Calculation is performed by taking the net realizable value of the individual inventory number from random sampling.
3. We have obtained details of obsolete inventory individually identified by the management level, and have checked the relevant supporting information for identification of inventory obsolescence and crosschecked the account record.

Other matter - Reference to the reports of other auditors

For some of the investees under the equity method included in the parent company only financial statements of Star Comgistic Capital Co., Ltd., their financial statements have not been audited by us but by other CPAs. Therefore, the opinion expressed by our firm on the aforementioned financial statements, with respect to the amounts included for these companies' financial statements, is based on the audit reports of other auditors.

The above investments accounted for using equity method on December 31, 2025 and 2024, was TWD 1,092,607 thousand and TWD 904,565 thousand, accounting for 28.59% and 21.61% the total assets, respectively. For the years ended December 31, 2025 and 2024, the comprehensive loss recognized for the above-mentioned company was TWD 24,701 thousand and TWD 27,825 thousand, accounting for 159.84% and (8.81%) of total comprehensive income.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

Those charged with governance, including Audit Committee, are responsible for overseeing the financial reporting process of the Company.

Independent auditors' responsibilities for the audit of the parent company only financial statements

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

We exercise professional skepticism during the audit in accordance with the auditing standards of the Republic of China. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

For and on behalf of PricewaterhouseCoopers, Taiwan

Wei-Li Hsieh Song-Tse Wang

March 11, 2026

Star Comgistic Capital Co., Ltd.
Standalone Balance Sheet
December 31, 2025 and 2024

Expressed in thousands of TWD

	Assets	Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	VI (I)	$ 169,677	4	$ 399,930	10
1170	Accounts receivable, net	VI (II)	1,297	-	1,573	-
1180	Accounts receivable - related parties	VII	8,572	1	17,236	-
1200	Other receivables		987	-	5,997	-
1210	Other receivables related parties	VII	4	-	3	-
1220	Current income tax assets		4,997	-	1,257	-
130X	Inventories	VI (III)	7,987	-	5,540	-
1410	Prepayments		956	-	2,059	-
1476	Other financial assets - current	VIII	2,000	-	2,000	-
11XX	Total current assets		196,477	5	435,595	10
	Non-current assets					
1550	Investments accounted for under equity method	VI (IV)	3,486,384	91	3,602,274	86
1600	Property, plant, and equipment	VI (V)(IX) and VII	35,557	2	35,168	1
1755	Right-of-use assets	VI (VI)	473	-	30	-
1760	Investment property, net	VI (VII)(IX)	95,169	2	97,546	2
1780	Intangible assets	VI (VIII)	607	-	-	-
1840	Deferred income tax assets	VI (XX)	6,775	-	14,187	1
1920	Refundable deposits	VII	178	-	178	-
1975	Net defined benefit assets - non-current	VI (XI)	233	-	181	-
15XX	Total non-current assets		3,625,376	95	3,749,564	90
1XXX	Total assets		$ 3,821,853	100	$ 4,185,159	100

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Star Comgistic Capital Co., Ltd.
Standalone Balance Sheet
December 31, 2025 and 2024

Expressed in thousands of TWD

	Liabilities and equity	Notes	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities					
2100	Short-term borrowings	VI (X)	$ -	-	$ 174,500	4
2170	Accounts payable		14,705	-	26,137	1
2180	Accounts payable - related parties	VII	2,734	-	4,329	-
2200	Other payables		12,220	-	16,220	-
2230	Current income tax liabilities		-	-	3,796	-
2280	Lease liabilities - current		220	-	35	-
2399	Other current liabilities - others		7	-	7	-
21XX	Total current liabilities		29,886	-	225,024	5
	Non-current liabilities					
2570	Deferred income tax liabilities	VI (XX)	576,914	16	601,892	15
2580	Lease liabilities - non-current		262	-	-	-
2645	Guarantee deposits received	VII	1,271	-	1,269	-
25XX	Total non-current liabilities		578,447	16	603,161	15
2XXX	Total liabilities		608,333	16	828,185	20
	Equity attributable to owners of the parent					
	Share capital	VI (XII)				
3110	Common stock		800,000	21	800,000	19
	Capital surplus	VI (XIII)				
3200	Capital surplus		1,785,848	47	1,785,848	43
	Retained earnings	VI (XIV)				
3310	Legal reserve		149,618	4	128,279	3
3320	Special reserve		469,261	12	469,261	11
3350	Undistributed retained earnings		270,992	7	372,608	9
	Other equity					
3400	Other equity		(262,199)	(7)	(199,022)	(5)
3XXX	Total equity		3,213,520	84	3,356,974	80
	Significant events after balance sheet date	XI				
3X2X	Total liabilities and equity		$ 3,821,853	100	$ 4,185,159	100

Please also refer to the standalone financial report notes attached at the end which is part of the standalone financial report.

Chairman: Chi-Tien Lin Managerial Officer: Yung-Chuan Yang Chief Accountant: Yeh-Sheng Huang

Star Comgistic Capital Co., Ltd.
Standalone Statement of Comprehensive Income
For the years ended December 31, 2025 and 2024

Expressed in thousands of TWD
(Other than earnings per share in TWD)

	Item	Notes	Year ended December 31, 2025				Year ended December 31, 2024			
			Amount		%		Amount		%	
4000	Operating revenue	VI (XV) and VII	$	136,518		100	$	218,265		100
5000	Total operating cost	VI (III)(XIX) and VII	(	124,678)	(	91)	(	198,874)	(	91)
5900	Gross profit			11,840		9		19,391		9
	Operating expenses	VI (XIX) and VII								
6100	Selling expenses		(	6,695)	(	5)	(	7,003)	(	3)
6200	General administrative expenses		(	33,336)	(	24)	(	34,499)	(	16)
6000	Total operating expenses		(	40,031)	(	29)	(	41,502)	(	19)
6900	Operating profit		(	28,191)	(	20)	(	22,111)	(	10)
	Non-operating income and expense									
7100	Interest revenue	VI (XVI)		11,968		9		16,399		8
7010	Other income	VI (XVII)		1		-		19		-
7020	Other gains and losses	VI (XVIII)	(	4,975)	(	4)		13,224		6
7050	Financial costs		(	2,467)	(	2)	(	2,407)	(	1)
7060	Share of profits (loss) of associates and joint ventures accounted for under equity method	VI (IV)		74,366		54		253,804		116
7000	Total non-operating income and expenses			78,893		57		281,039		129
7900	**Profit before income tax**			50,702		37		258,928		119
7950	Income tax expense	VI (XX)	(	2,990)	(	2)	(	45,545)	(	21)
8200	**Profit**		$	47,712		35	$	213,383		98
	Total other comprehensive income (loss) for the year									
	Components of other comprehensive income that will not be reclassified to profit or loss									
8311	Gain on remeasurements of defined benefit plans	VI (XI)	$	14		-	$	11		-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	VI (XX)	(	3)		-	(	2)		-
8310	Other comprehensive income that will not to be reclassified into profit or loss			11		-		9		-
	Components of other comprehensive income that will be reclassified to profit or loss									
8361	Exchange differences arising from the translation of foreign operations' financial statements		(	78,971)	(	58)		128,102		59
8399	Income tax related to components of other comprehensive income that will be reclassified	VI (XX)		15,794		12	(	25,620)	(	12)
8360	Other comprehensive loss that will be reclassified to profit or loss		(	63,177)	(	46)		102,482		47
8300	**Total other comprehensive income (loss) for the year**		($	63,166)	(	46)	$	102,491		47
8500	**Total comprehensive income for the current period**		($	15,454)	(	11)	$	315,874		145
	Basic earnings per share									
9750	Total basic earnings per share	VI (XXI)	$	0.60			$	2.67		
	Diluted earnings per share									
9850	Total diluted earnings per share	VI (XXI)	$	0.60			$	2.66		

Please also refer to the standalone financial report notes attached at the end which is part of the standalone financial report.

Chairman: Chi-Tien Lin　　Managerial Officer: Yung-Chuan Yang　　Chief Accountant: Yeh-Sheng Huang

Star Comgistic Capital Co., Ltd.
Standalone Statement of Changes in Equity
For the years ended December 31, 2025 and 2024

Expressed in thousands of TWD

	Notes	Common stock	Capital surplus	Retained earnings: Legal reserve	Retained earnings: Special reserve	Retained earnings: Undistributed retained earnings	Other equity: Exchange differences arising from the translation of foreign operations' financial statements	Total equity
Year ended December 31, 2024								
Balance at January 1, 2024		$ 800,000	$ 1,785,848	$ 99,398	$ 469,261	$ 372,097	($ 301,504)	$ 3,225,100
Profit		-	-	-	-	213,383	-	213,383
Other comprehensive income (loss)		-	-	-	-	9	102,482	102,491
Total comprehensive income for the current period		-	-	-	-	213,392	102,482	315,874
Appropriations of 2023 earnings:	VI (XIV)							
Legal reserve		-	-	28,881	-	(28,881)	-	-
Cash dividends		-	-	-	-	(184,000)	-	(184,000)
Balance at December 31, 2024		$ 800,000	$ 1,785,848	$ 128,279	$ 469,261	$ 372,608	($ 199,022)	$ 3,356,974
Year ended December 31, 2025								
Balance at January 1, 2025		$ 800,000	$ 1,785,848	$ 128,279	$ 469,261	$ 372,608	($ 199,022)	$ 3,356,974
Profit		-	-	-	-	47,712	-	47,712
Other comprehensive income (loss)		-	-	-	-	11	(63,177)	(63,166)
Total comprehensive income for the current period		-	-	-	-	47,723	(63,177)	(15,454)
Appropriations of 2024 earnings:	VI (XIV)							
Legal reserve		-	-	21,339	-	(21,339)	-	-
Cash dividends		-	-	-	-	(128,000)	-	(128,000)
Balance at December 31, 2025		$ 800,000	$ 1,785,848	$ 149,618	$ 469,261	$ 270,992	($ 262,199)	$ 3,213,520

Please also refer to the standalone financial report notes attached at the end which is part of the standalone financial report.

Chairman: Chi-Tien Lin Managerial Officer: Yung-Chuan Yang Chief Accountant: Yeh-Sheng Huang

Star Comgistic Capital Co., Ltd.
Standalone statement of cash flows
For the years ended December 31, 2025 and 2024

Expressed in thousands of TWD
(Other than earnings per share in TWD)

	Notes	For the year ended December 31, 2025	For the year ended December 31, 2024
Cash flows from operating activities			
Profit before income tax		$ 50,702	$ 258,928
Adjustment items			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property and right-of-use asset)	VI (V)(VI (VII) (XVIII)	6,930	6,846
Amortization expense	VI (VII)(XIX)	415	-
Interest expenses		2,467	2,407
Interest revenue	VI (XV)	(11,968)	(16,399)
Share of profits of subsidies and associates accounted for under equity method	VI (IV)	(74,366)	(253,804)
Reversal of impairment loss on non-financial assets	VI (VIII)(XVII)	(3,018)	-
Changes in assets and liabilities related to operating activities			
Changes in assets related to operating activities			
Financial assets at fair value through profit or loss at fair value through profit or loss		-	-
Notes receivable		-	-
Accounts receivable		276	(277)
Accounts receivable - related parties		8,664	2,676
Other receivables		1,270	5,147
Other receivables related parties		(1)	14
Inventories		(2,447)	(1,686)
Prepayments		1,103	(1,270)
Other current assets - others		-	5
Net defined benefit assets - non-current		(38)	(41)
Changes in liabilities related to operating activities			
Accounts payable		(11,432)	(10,994)
Accounts payable - related parties		(1,595)	1,181
Other payables		(4,401)	(476)
Other payables - related parties		-	(300)
Other current liabilities		-	(22)
Cash (outflows) inflows generated from operations		(37,049)	(8,065)
Interest received		15,708	12,650
Interest paid		(2,456)	(2,396)
Dividends received		111,285	152,908
Income tax refunded		-	244
Income tax paid		(12,301)	(4,330)
Net cash flows from operating activities		75,178	151,011

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Star Comgistic Capital Co., Ltd.
Standalone statement of cash flows
For the years ended December 31, 2025 and 2024

Expressed in thousands of TWD
(Other than earnings per share in TWD)

	Notes	For the year ended December 31, 2025	For the year ended December 31, 2024
Cash flows from investing activities			
Acquisition of property, plant, and equipment	VI (XXI)	(330)	(1,399)
Acquisition of investment property	VI (VII)	(1,375)	(1,143)
Capital reduction of investments accounted for under equity method		-	111,619
Acquisition of intangible assets	VI (VIII)	(1,022)	-
Net cash inflows (outflows) from investing activities		(2,727)	109,077
Cash flows from financing activities			
Payments of cash dividends	VI (XIII)	(128,000)	(184,000)
Payments of lease liabilities	VI (XXII)	(215)	(208)
Increase in guarantee deposits received	VI (XXII)	2	11
Increase (decrease) in short-term borrowings	VI (XXII)	(174,500)	156,500
Net cash flows used financing activities		(302,713)	(27,697)
Net increase in cash and cash equivalents		(230,253)	232,391
Cash and cash equivalents at beginning of year		399,930	167,539
Cash and cash equivalents at end of year		$ 169,677	$ 399,930

Please also refer to the standalone financial report notes attached at the end which is part of the standalone financial report.

Chairman:	Managerial Officer:	Chief Accountant:
Chi-Tien Lin	Yung-Chuan Yang	Yeh-Sheng Huang

Star Comgistic Capital Co., Ltd.
Notes to the Parent Company Only Financial Statements For the Years Ended December 31, 2025 and 2024

Expressed in thousands of TWD
(Except as otherwise indicated)

I. Company and organization

Star Comgistic Capital Co., Ltd. (the “Company”) was incorporated under the Company Act of the Republic of China in Taiwan. The main business items of the Company cover manufacturing and sales of small home appliances such as coffee makers, electric irons, grilling and frying pans. The Company has been listed for trading on the Taipei Stock Exchange (TWSE) since June 21, 2010.

II. The date of authorization for issuance of the financial statements and procedures for authorization

These parent company only financial statements were authorized for issuance by the Board of Directors on March 11, 2026.

III. Application of new standards, amendments and interpretations

(I) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) and International Auditing Standards (“IAS") as endorsed and published by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments to IFRSs and IASs endorsed and issued into effect by the FSC from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

(II) <u>Effect of not adopting the newly issued and amended IFRSs and IASs endorsed by the FSC</u>

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, "Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7, "Contracts Involving Natural Power"	January 1, 2026
IFRS 17 "Insurance contracts"	January 1, 2023
Amendment to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17 "Initial application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
Annual Improvements to the IFRS Accounting Standards - Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(III) <u>Effects of IFRSs and IASs issued by IASB but not yet endorsed by the FSC</u>

The following table summarizes the standards and interpretations of new releases, amendments, and amendments to the IFRSs and IASs issued by the IASB but not yet recognized by the FSC:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, "Sale or contribution of assets between an investor and its associate or joint venture"	To be determined by International Accounting Standards Board
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 Hyperinflationary Presentation Currency"	January 1, 2027

Note: In a press release dated September 25, 2025, the Financial Supervisory Commission (FSC) announced that public companies will apply International Financial Reporting Standard 18 (hereinafter referred to as IFRS 18) starting from the fiscal year 2028; furthermore, if an enterprise has a need for early adoption of IFRS 18, it may choose to adopt the requirements of IFRS 18 early after the FSC has endorsed the standard.

Except for those described below, the above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment:

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1, updates the structure of the statement of profit or loss, introduces new disclosure requirements for management performance measures, and strengthens the principles of aggregation and disaggregation applied in the primary financial statements and the notes.

IV. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these parent company only financial statements are summarized below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(I) Statement of Compliance

These parent company only financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

(II) Basis of preparation

1. Except for defined benefit assets recognized as the net amount of pension fund assets less the present value of defined benefit obligations, the parent company only financial report is prepared based on historical cost.
2. The preparation of financial statements in conformity with the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations ("IFRSs") as endorsed and published by the Financial Supervisory Commission requires the use of certain significant accounting estimates, and the application of management judgment in the process of applying the Company's accounting policies. For items involving a higher degree of judgment or complexity, or items involving significant assumptions and estimates in the parent company only financial statements, please refer to Note 5 for details.

(III) Foreign currency translation

The items listed in the financial statements are measured by the currency of the primary economic environment in which the entity operate (the "functional currency"). The parent company only financial statements are presented in "New Taiwan Dollar (TWD)", which is the Company's functional and presentation currency.

1. Foreign currency transactions and balances

(1) Foreign currency transactions are translated into the functional currency by using exchange rates at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from

the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(2) Monetary assets and liabilities denominated in foreign currencies at the end of the period are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(3) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; they are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(4) All foreign exchange gains and losses are presented in the statement of comprehensive income within “other gains and losses”.

2. Translation of foreign operations

(1) The operating results and financial position of all subsidiaries and associates that have a functional currency different from the presentation currency are translated into the presentation currency by applying the following approaches:

A. Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of balance sheet;

B. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

C. All resulting exchange differences are recognized in other comprehensive income.

(2) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to the profit or loss as a part of gain or loss on sale. However, even when the Company retains partial interest in former associate or joint arrangement after losing significant influence over the former foreign associate or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.

(3) When a foreign operation is partially disposed of or sold as a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. However, if the Company retains partial interest in a former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(IV) Classification of current or non-current

1. Assets that meet one of the following criteria are classified as current assets:

(1) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
(2) Liabilities arising mainly from trading activities.
(3) Assets that are expected to be realized within 12 months after the reporting period.
(4) Cash or cash equivalents unless the assets are restricted for the purpose of usage in exchange or to settle liabilities at least 12 months after the reporting period.

All assets that do not meet the above-mentioned criteria will be classified as non-current by the Company.

2. Liabilities that meet one of the following criteria are classified as current liabilities:

(1) Liabilities are expected to be settled in the normal operating cycle.
(2) Liabilities arising mainly from trading activities.
(3) Liabilities to be settled within 12 months after the reporting period.
(4) Does not have the right to defer settlement of the liability for at least twelve months after the reporting period.

All liabilities that do not meet the above-mentioned criteria will be classified as non-current by the Company.

(V) Cash equivalents

Cash equivalents refer to the investments that are short-term, highly liquid, subject to a low risk of changes in value, and readily convertible to known amount in cash. 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 equivalents.

(VI) Accounts receivable

1. Accounts and notes receivable are accounts with unconditional right to receive the consideration for the transfer of goods or services in accordance with contractual agreements.
2. Short-term accounts receivable with unpaid interest are measured at their initial invoice amount because the effect of discounting is immaterial.

(VII) Impairment of financial assets

For financial assets at amortized cost including accounts receivable that have a significant financing component, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.

(VIII) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to receive cash flows from the financial asset expire.

(IX) Lease arrangements (lessor) - operating leases

Lease income from operating lease deducted any incentives given to the lessee is recognized in profit and loss according on a straight-line basis over the lease term.

(X) Inventories

A perpetual inventory system is adopted for inventories, and the cost carried forward is calculated in accordance with the weighted average method. The item-by-item approach is employed when evaluating the lower of costs and net realizable value. Net realizable value is the balance of estimated selling price in the normal operating course less the estimated cost of the sale.

(XI) Investments accounted for under equity method/subsidiaries and associates

1. Subsidiaries are all entities (including a structured entities) that are controlled by the Company, and the Company controls the entity when the Company is exposed to variable remuneration from its participation in the entity or has rights to such variable remuneration, and has the ability to affect such remuneration through its power over the entity.
2. Unrealized gains or losses on transactions between the Company and its subsidiaries have been eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
3. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. If the share of losses recognized by the Company for the subsidiary is equal to or more than the Company's equity for the subsidiary, the Company shall continue to recognize losses based on its shareholding ratio.
4. Changes in a parent's ownership interest in a subsidiary that does not result in the parent losing control of the subsidiary (and the non-controlling interests for transactions), transaction will be treated as an equity transaction and regarded as a transaction with the proprietor. The difference between the amount of the adjustment to the non-controlling interest and the fair value of the consideration paid or received is recognized directly in equity.
5. Associates are entities in which the Company has significant influence but not control; the Company normally holds, directly or indirectly, more than 20% of voting power of the investee. The Company uses the equity method to account for its investments in associates, which are recognized at cost when acquired.
6. The Company recognizes the share of profit or loss accounted after acquiring an associates under current profit or loss, and recognizes the share of other comprehensive income after its acquisition under other comprehensive income. When the Company's share of losses is equal to or exceeds its interests (including any other unsecured receivables) in an associate, the recognition of further losses is discontinued except to the extent of the

Company has legal or constructive obligation or has made payments on behalf of the associate.

7. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate, and such changes do not affect the Company's ownership percentage of associate, the Company recognizes the change in ownership interests in the associate in "capital surplus" based on its shareholding ratio.

8. Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

9. All amounts previously recognized in other comprehensive income or loss related to the associates are accounted for the same basis as if the Company had directly disposed of the related assets or liabilities, i.e., if a gain or loss previously recognized in other comprehensive income or loss would be reclassified to profit or loss upon disposal of the related assets or liabilities, the gain or loss is reclassified from equity to profit or loss when control over the associates is lost. If there is a significant influence on the associates, transfer the amount previously recognized in the other comprehensive income proportionately according to the above-mentioned method.

(XII) Property, plant, and equipment

1. Acquisition cost is the recording basis for property, plant, and equipment at the time of acquisition, and the borrowing costs are capitalized during the period of purchase and construction.

2. The subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance expenses are charged to profit or loss during the financial period in which they are incurred.

3. Property, plant, and equipment are measured at cost subsequently. Land is not depreciated. Other property, plant, and equipment are depreciated using the straight-line method over their estimated useful live. If the property, plant, and equipment comprise any significant components, they are depreciated individually.

4. The Company reviews the depreciation methods, useful lives and residual values at the end of each financial year. If the expected values of residual values and useful lives differ from previous estimates, or if there is a significant change in the expected pattern of consumption of future economic benefits embodied in an asset, the change is accounted for in accordance with IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors", from the date of the change. The useful life of each asset item is as follows:

Buildings	3-60 years
Transportation Equipment	3 years
Office Equipment	3-11 years
Other Equipment	10 years

(XIII) Leasing arrangements (lessee) - right-of-use assets/lease liabilities

1. On the days the lease assets are provided for use by the Company, these assets are recognized as the right-of-use assets and lease liabilities. When the lease contracts are short-term leases or leases of low-value assets, the lease payments are recognized as an expense during the lease period using the straight-line method.
2. Lease liabilities are recognized at the lease commencement date by discounting outstanding lease payments at the net present value of the Company's incremental borrowing interest rate, with lease payments consisting of fixed payments less any lease incentives receivable.

   The Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
3. Right-of-use assets are recognized at cost at the inception date of the lease and the cost consists of:

   (1) The initial measurement amount of the lease liability;
   (2) Any lease payments made at or before the commencement date;
   (3) Any initial direct costs incurred by the lessee.
   The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When a lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

(XIV) Investment property

Investment property is recognized at acquisition cost and subsequently measured at cost. Except for land, depreciation is depreciated on a straight-line basis over the estimated useful lives of 3 to 60 years.

(XV) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication of impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss must be reversed. The increased carrying amount due to the reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(XVI) Borrowings

Borrowings refer to long and short-term loans from banks. The Company recognizes borrowings at their fair value deducting transaction cost on initial recognition. Subsequently, any difference between the amount after the deduction of transaction cost and the redemption value, the effective interest method is adopted to measure the above difference in accordance with amortization procedures and recognize interest expenses in profit and loss.

(XVII) Accounts payable

1. Accounts and notes payable are liabilities for purchases of raw materials, goods or services.
2. Short-term accounts payable with unpaid interest are measured at their initial invoice amount because the effect of discounting is immaterial.

(XVIII) Derecognition of financial liabilities

A financial liability is derecognized when the contract obligation is either discharged or canceled or expired.

(XIX) Employee benefits

1. Short-term employee benefits

   Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expense in that period when the employees render service.

2. Pensions

   (1) Defined benefit plans

   A. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The discount rate employed is the market yield on government bonds (on the balance sheet date).

   B. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

   (2) Defined contribution plans

   For the defined contribution plans, the contributions are recognized as pension expense on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or reduction in the future payments.

3. Employees' compensation and directors' remuneration

   Employees' compensation and directors' remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(XX) Income tax

1. Income tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
2. The Company has computed the income tax for the current period complying with tax rates that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and where taxable income has incurred. Management regularly evaluates the status of income tax returns with respect to applicable income tax regulations and, where applicable, estimates the income tax liability based on the expected tax payments to be made to the tax authorities. Additional income tax is levied on undistributed earnings in accordance with the Income Tax Act. Additional income tax expenses on undistributed earnings are recognized when the actual distribution of earnings is approved by the shareholders in the year following the year in which the earnings are generated.
3. Deferred income tax is recognized using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts on the standalone balance sheet. Deferred income tax liabilities generated from the initial recognition of goodwill is not recognized. The same goes to deferred income tax generated from the initial recognition of assets or liabilities in a transaction (excluding amalgamation of companies), and that the accounting profit or taxable income (tax loss) is not influenced at the time of transaction and has not generated equivalent taxes and deductible temporary differences. Deferred income tax is provided on temporary differences incurred from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference can be controlled by the Company and it is probable that the temporary difference is not likely to be reversed in the foreseeable future. Deferred income tax is calculated using the tax rates (and tax laws) that are expected to apply when the deferred income tax asset is realized or the deferred income tax liability is settled, if enacted or substantively enacted by the end of each balance sheet date.
4. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against, which the temporary

differences can be utilized, and unrecognized and recognized deferred income tax assets are reassessed at the end of each balance sheet date.

(XXI) Dividends

Dividends to the Company's shareholders are recognized in the financial statements when the Company's Board of Directors resolved to distribute cash dividends, and when distribution is in the form of new shares, the proposal is submitted to the shareholders' meeting for resolution. Cash dividends are recognized as liabilities.

(XXII) Revenue recognition

1. Sales of home appliances

(1) The sales of the Company's sales of home appliances are recognized when control of the products has transferred to the customer. Sales customer possesses discretionary power towards the sales channel, and price of the product from the point onwards where the product is handed over to the sales customer. The Company also does not have unfulfilled performance obligations that may affect the customer from accepting the product. Risk from obsolescence and loss is transferred to the sales customer the moment the product is delivered to the designated location. Once the sales customer accepts the product according to the sales contract terms or where there are objective proofs showing satisfaction of all accepted standards, product delivery is considered to have occurred.

(2) Sales revenue of home appliance product is recognized by taking the net amount of the contract price less the estimated quantity discount and sales discount. The accumulated sales volume over a 12-month period is normally taken as the basis of calculation for the quantity discount and sales allowance offered to the customer. The Company adopts the expected value method based on the historical experiences for estimation of the quantity discount and sales allowance. The amount for revenue recognition is limited to the portion that has the least possibility of incurring significant reversal in the future, and the estimation is updated at the end of each balance sheet date. The estimation relating to sales of goods as of the balance sheet date must recognize the quantity discount and sales allowance payable to customer as refund liabilities. The term for the payment due date of the sales transaction is set at 30 to 60 days after shipping which is consistent with the market practice. Therefore, judgments are made that the contract does not contain significant financial components.

2. Lease income

Rental income from investment property is recognized over the lease period by using the straight-line method and is recognized in the "other operating revenue" under the operating revenue.

V. Critical Accounting Judgments, Estimates and Key Sources of Assumption Uncertainty

The management has already exercised its judgments in deciding the accounting policy for adoption when the Company prepares this parent company only financial statements. Accounting estimations and assumptions are also made for reasonable expectations of future events based on the situation at the time of the balance sheet date. There may be differences between the significant accounting estimations and assumptions made and the actual outcomes. Assessments and adjustments will be made constantly taking the historical experiences and other factors into account. These estimations and assumptions possess risk of resulting in material adjustments to the carrying amount of assets and liabilities in the next fiscal year. Please refer to the explanation below on the uncertainties to critical judgments and significant estimates and assumptions:

(I) Critical judgments in applying the Company's accounting policies

None.

(II) Critical accounting estimates and assumptions

None.

VI. Details of Significant Accounts

(I) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand and petty cash	$ 164	$ 180
Checking accounts and demand deposits	151,513	53,317
Time deposits	-	346,433
Securities sold under repurchase agreements	18,000	-
Total	$ 169,677	$ 399,930

1. The Company holds securities sold under repurchase agreements on December 31, 2025 with an annual interest of 1.44%, with maturity within 3 months and are highly liquid cash equivalents.
2. The Company maintains high credit quality with various financial institutions to disperse credit risk, so it expects that the probability of counterparty default is remote.
3. The Company does not have pledged cash or cash equivalents.

(II) Accounts receivable

	December 31, 2025	December 31, 2024
Accounts receivable	$ 1,297	$ 1,573

1. The aging analysis of accounts receivables that were past due but not impaired is as follows:

	December 31, 2025	December 31, 2024

	Accounts receivable	Accounts receivable
Not past due	$ 1,297	$ 1,573

The above aging analysis was based on past due date.

2. As at December 31, 2025, December 31, 2024, and January 1, 2024, the Company's balance of receivables from contracts with customers amounted to TWD 1,297, TWD 1,573, and TWD 1,296, respectively.
3. The Company's accounts receivable recorded does not consist of any collaterals.
4. The Group's maximum exposure to credit risk for accounts receivable, before consideration of associated collateral held and other credit enhancements was TWD 1,297 and TWD 1,573 as of December 31, 2025 and 2024, respectively.
5. Information relating to credit risk of accounts receivable is provided in Note XII (II).

(III) Inventories

	December 31, 2025		
	Cost	Allowance for valuation loss	Book value
Finished goods	$ 11,149	($ 3,169)	$ 7,980
Raw materials	122	(115)	7
Total	$ 11,271	($ 3,284)	$ 7,987

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Finished goods	$ 6,121	($ 594)	$ 5,527
Raw materials	130	(117)	13
Total	$ 6,251	($ 711)	$ 5,540

The cost of inventories recognized as cost of sales for the years 2025 and 2024:

	Year ended December 31, 2025	Year ended December 31, 2024
Cost of goods sold and other operating cost	$ 122,105	$ 200,405
(Gain on recovery) loss of decline in market value	2,573	(1,531)
	$ 124,678	$ 198,874

Note: For the year 2024, the Company disposed of inventory for which devaluation and obsolescence losses had previously been recognized. The circumstances where the inventory value was written down below cost no longer exist, leading to a reversal of inventory valuation and a recognized reduction in the cost of goods sold.

(IV) <u>Investments accounted for under equity method</u>

	December 31, 2025	December 31, 2024
Subsidiaries:		
Sino Global Development Limited (Sino Global)	$ 3,396,297	$ 3,510,733
Jin Kuanq Enterprise Co., Ltd. (Jin KuanQ)	17,681	17,039
Tsann Kuen Enterprise Ltd. (Tsann Kuen Japan)	50,440	53,593
Associates:		
Wu Wha Ma International Co., Ltd. (Wu Wha Ma)	21,966	20,909
	$ 3,486,384	$ 3,602,274

1. Subsidiaries

For information on the subsidiaries of the Company, please refer to the Company's 2025 Consolidated Financial Statements, Note IV (III).

2. Share of profits and losses of subsidiaries, associates and joint ventures accounted for under equity method as follows:

Investee company	Year ended December 31, 2025	Year ended December 31, 2024
Sino Global	$ 69,855	$ 249,526
Jin KuanQ	2,403	2,031
Tsann Kuen Japan	(1,470)	(604)
Wu Wha Ma	3,578	2,851
	$ 74,366	$ 253,804

3. Associates

Summary of the Company's share of the operation outcomes of associates that are not individually material:

	Year ended December 31, 2025	Year ended December 31, 2024
Profit	$ 3,578	$ 2,851
Other comprehensive income (net amount after tax)	-	-
Total comprehensive income for the current period	$ 3,578	$ 2,851

4. The valuation of these investments accounted for under equity method is based on the financial statements of each investee company audited and verified by independent auditors.

(V) Property, plant, and equipment

	Land	Buildings	Transportation Equipment	Office Equipment	Other Equipment	Total
January 1, 2025						
Cost	$ 46,402	$ 39,435	$ 291	$ 4,312	$ 4,027	$ 94,467
Accumulated depreciation and impairment	(26,171)	(25,656)	(291)	(4,187)	(2,994)	(59,299)
	$ 20,231	$ 13,779	$ -	$ 125	$ 1,033	$ 35,168
2025						
January 1	$ 20,231	$ 13,779	$ -	$ 125	$ 1,033	$ 35,168
Additions	-	-	-	330	-	330
Depreciation	-	(1,638)	-	(96)	(366)	(2,100)
Reversal of impairment loss	2,159	-	-	-	-	2,159
December 31	$ 22,390	$ 12,141	$ -	$ 359	$ 667	$ 35,557
December 31, 2025						
Cost	$ 46,402	$ 39,433	$ 291	$ 4,017	$ 4,027	$ 94,170
Accumulated depreciation and impairment	(24,012)	(27,292)	(291)	(3,658)	(3,360)	(58,613)
	$ 22,390	$ 12,141	$ -	$ 359	$ 667	$ 35,557

	Land	Buildings	Transportation Equipment	Office Equipment	Other Equipment	Total
January 1, 2024						
Cost	$ 46,402	$ 39,435	$ 291	$ 4,163	$ 4,027	$ 94,318
Accumulated depreciation and impairment	(26,171)	(24,016)	(291)	(4,114)	(2,628)	(57,220)
	$ 20,231	$ 15,419	$ -	$ 49	$ 1,399	$ 37,098
<u>2024</u>						
January 1	$ 20,231	$ 15,419	$ -	$ 49	$ 1,399	$ 37,098
Additions	-	-	-	149	-	149
Depreciation	-	(1,640)	-	(73)	(366)	(2,079)
December 31	$ 20,231	$ 13,779	$ -	$ 125	$ 1,033	$ 35,168
December 31, 2024						
Cost	$ 46,402	$ 39,435	$ 291	$ 4,312	$ 4,027	$ 94,467
Accumulated depreciation and impairment	(26,171)	(25,656)	(291)	(4,187)	(2,994)	(59,299)
	$ 20,231	$ 13,779	$ -	$ 125	$ 1,033	$ 35,168

1. None of the Company’s property, plant, and equipment is pledged to others.
2. The Company is not in the circumstance of borrowing costs capitalized from property, plant, and equipment.
3. Please refer to Note VI (IX) for explanation on the reversal gain of recognized impairment loss for property, plant, and equipment.

(VI) Leasing arrangements - Lessee

1. The Company leases various assets including transportation equipment, and the lease terms are typically three years. All lease contracts are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
2. The low-value subject matters of lease by the Company are other equipment.
3. The information of the carrying amount of the right-of-use assets and the recognized depreciation expense are as follows:

	December 31, 2025	December 31, 2024
	Book value	Book value
Transportation Equipment	$ 473	$ 30

	Year ended December 31, 2025	Year ended December 31, 2024
	Depreciation	Depreciation
Transportation Equipment	$ 219	$ 207

4. The additions to right-of-use assets of the Company in 2025 and 2024 are $662 and $0, respectively.
5. The information on profit or loss accounts relating to lease contracts are as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Items affecting profit and loss		
Interest expenses on lease liabilities	$ 10	$ 2
Expense on short-term lease contracts	904	904
Expenses on leases of low-value assets	44	64

6. For the years ended December 31, 2025 and 2024, the Company's total cash outflow for leases are $1,173 and $1,178, respectively.
7. Extension and termination options

   The Company takes all facts and circumstances into account, where the exercise of the extension option, or the non-exercise of the termination option, would create an economic incentive in determining the lease period. The lease period will be re-estimated upon the evaluation showing occurrence of a material event that would affect the exercise of the extension option or the non-exercise of the termination option.

(VII) Investment property

	Land	Buildings	Total
January 1, 2025			
Cost	$ 48,351	$ 111,743	$ 160,094
Accumulated depreciation and impairment	(6,014)	(56,534)	(62,548)
	$ 42,337	$ 55,209	$ 97,546
2025			
January 1	$ 42,337	$ 55,209	$ 97,546
Additions	-	1,375	1,375
Depreciation	-	(4,611)	(4,611)
Reversal of impairment loss	672	187	859
December 31	$ 43,009	$ 52,160	$ 95,169
December 31, 2025			
Cost	$ 48,351	$ 113,117	$ 161,468
Accumulated depreciation and impairment	(5,342)	(60,957)	(66,299)
	$ 43,009	$ 52,160	$ 95,169

	Land	Buildings	Total
January 1, 2024			
Cost	$ 48,351	$ 110,600	$ 158,951
Accumulated depreciation and impairment	(6,014)	(51,974)	(57,988)
	$ 42,337	$ 58,626	$ 100,963
2024			
January 1	$ 42,337	$ 58,626	$ 100,963
Additions	-	1,143	1,143
Depreciation	-	(4,560)	(4,560)
December 31	$ 42,337	$ 55,209	$ 97,546
December 31, 2024			
Cost	$ 48,351	$ 111,743	$ 160,094
Accumulated depreciation and impairment	(6,014)	(56,534)	(62,548)
	$ 42,337	$ 55,209	$ 97,546

1. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Year ended December 31, 2025	Year ended December 31, 2024
Rent income from investment property	$ 7,662	$ 7,557
Direct operating expenses arising from the investment property that generated rental income during the year	$ 4,611	$ 4,560

2. The fair value of the investment property held by the Company on December 31, 2025 and 2024, is $414,332 and $424,846. which was valued by independent valuers. Valuations were made using the comparison approach, cost approach and direct capitalization approach. Key assumptions are as follows:

	December 31, 2025	December 31, 2024
Overall capital interest rate	1.32%	1.25%
Investment profit margin	8.00% ~ 10.00%	8.00% ~ 10.00%

3. Please refer to Note VI (VIII) for explanation on the reversal gain of recognized impairment loss for investment properties.

(VIII) Intangible assets

	Computer software cost
January 1, 2025	
Cost	$ 800
Accumulated amortization and impairment	(800)
	$ -
Additions	1,022
Amortization expenses	(415)
December 31	$ 607
Cost	$ 1,022
Accumulated amortization and impairment	(415)
	$ 607

2024: None.

(IX) Impairment of non-financial assets

The Company recognized reversal gain of impairment of TWD 3,018 in 2025. This is due to fair value changes to parts of the land and buildings generating differences between their recoverable amounts and carrying amount. The statement are as follows:

	Recognized in profit or loss Year ended December 31, 2025
Reversal of impairment loss - Land	$ 2,159
Reversal of impairment loss - Investment property	859
	3,018

2024: None.

(X) Short-term borrowings

December 31, 2025: None.

Type of borrowings	December 31, 2024	Interest rate	Collateral
Credit borrowings	$ 174,500	1.81%~1.98%	None

1. The interest expenses recognized in profit and loss in 2025 and 2024 are TWD 2,435 and TWD 2,405, respectively.
2. Information on the Company's unused loan quota, please refer to Note XII (II).

(XI) Pensions

1.(1) In accordance with the "Labor Standards Act", the Company have a defined benefit retirement plan that applies to all regular employees' years of service prior to the implementation of the "Labor Standards Act" on July 1, 2005, and to employees who elect to continue to be subject to the "Labor Standards Act" after the implementation of the "Labor Standards Act" for subsequent years of service.

The Company deposits a monthly pension fund of 2% of salaries and wages to a dedicated account in the Bank of Taiwan, in the name of the Supervisory Committee of the Labor Retirement Reserve. Before the end of each year, the Company estimates the balance in the dedicated account of the Labor Retirement Reserve. If the balance is not sufficient to pay the aforementioned amount of pension benefits to employees eligible for retirement in the following year, the Company will make a lump-sum appropriation for the difference by the end of March of the following year.

(2) The amounts recognized in the balance sheet are as follows:

	December 31, 2025	December 31, 2024
Fair value of plan assets	$ 233	$ 181

Net defined benefit assets	$ 233	$ 181

(3) Movements in net defined benefit assets are as follows:

	Fair value of plan assets	Net defined benefit assets
2025		
At January 1	$ 181	$ 181
Re-measurement:		
Return on plan assets (excluding amounts included in interest income or expenses)	14	14
Pension fund contribution	38	38
At December 31	$ 233	$ 233

	Fair value of plan assets	Net defined benefit assets
2024		
At January 1	$ 129	$ 129
Re-measurement:		
Return on plan assets (excluding amounts included in interest income or expenses)	11	11
Pension fund contribution	41	41
At December 31	$ 181	$ 181

(4) The assets of the Company's defined benefit pension plan are entrusted to be administered by the Bank of Taiwan in accordance with Article 6 of the Regulations for Revenues, Expenditures, Safeguarding and Utilization of the Labor Retirement Fund (i.e., Deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate, and its securitization products, and so forth), within the proportion and amount of the entrusted items set forth in the annual investment and utilization plan of the fund. Related operation situations are monitored and supervised by the Labor Pension Fund Supervisory Committee. The minimum annual earnings to be distributed from the fund cannot be less than the earnings calculated based on the two-year time deposit rate of the local bank. If there is any deficiency, the national treasury must make up the deficiency after approval by the competent authority. The Company has no right to participate in managing and operating the fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 Paragraph 142. The composition of fair value of the fund’s total assets as of December 31, 2025 and 2024, is given in the Annual Labor Retirement Fund Utilization Report announced by the government.

(5) The principal actuarial assumptions used are as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Discount rate	-	-
Future rate of increase of salaries	1.5%	1.5%

Assumptions regarding future mortality experience are set based on the 3rd Taiwan Standard Ordinary Experience Mortality Table by 70%.

As the effects of changes in actuarial assumptions adopted by the Company on the current value of defined benefit obligations are insignificant, no disclosure is made.

2. (1) Since July 1, 2005, the Company has established the defined Contribution Pensions Regulations complying to the “Labor Pension Act”. Employees who choose the Labor Pension System under Article 7 of the Act can have 6% of their monthly salary allocated to the employee’s individual account with the Bureau of Labor Insurance as the pension funds. The payment of employee’s pension depends on the option of choice: The pension paid to the employee can be made either on a monthly basis or as a one-time payment from the dedicated account of the pension amount and its accumulated income.

   (2) The pension costs under defined contribution pension plans of the Company for the years ended December 31, 2025 and 2024, were $821 and $819, respectively.

(XII) Share capital

1. As of December 31, 2025, the Company’s authorized capital was $3,000,000 (inclusive of 6,000 thousand shares which were employee stock warrants, preferred shares with warrants, issuance of corporate bonds with warrants), and the paid-in capital was $800,000, with face value per share at TWD 10 for 80,000 thousand shares. All proceeds from shares issued have been collected.
2. The number of outstanding common stock shares of the Company in 2025 and 2024 was both 80,000 thousand.

(XIII) Capital surplus

Pursuant to the Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. In addition, the Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. The company cannot use the capital reserve to make good its capital loss, unless the surplus reserve is insufficient to make good such loss.

	2025				
	Share premium	Other expenses	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Total
January 1 (i.e., December 31)	$ 1,729,280	$ 157	$ 56,220	$ 191	$ 1,785,848

	2024				
	Share premium	Other expenses	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Total
January 1 (i.e., December 31)	$ 1,729,280	$ 157	$ 56,220	$ 191	$ 1,785,848

(XIV) Retained earnings

1. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be reserved for tax payments, offset its losses, and then allocate 10% of the remaining earnings as legal capital reserve when the legal reserve is less than the Company's paid-in capital. Subsequently, set aside a special capital reserve or its reversal in accordance with relevant laws and regulations of competent authorities. Any balance will be added to the unappropriated earnings at the beginning of the same period and the adjusted amount of unappropriated earnings of the current period to become distributable earnings. The distributable earnings may be preserved depending on the business needs and the Board of Directors may also propose a distribution plan. Proposals entailing issuance of new shares must be submitted for resolution at the Shareholders' Meeting.

   The Company distributes dividends and bonuses in pursuant to Article 240, Paragraph 5 of the Company Act or the legal capital reserve and capital surplus of Article 241, Paragraph 1 of the Company Act in whole or in part. When distribution is in the form of cash, it must be resolved in a Board Meeting with more than two-thirds of the Directors present, voted in favor by more than half of the attending Directors, and reported in the upcoming shareholders' meeting. The Company's dividend and surplus distribution policy takes various factors such as finance, business, and management into consideration for the issuance of new shares or cash distribution method. The amount of dividend to be distributed each year shall not be less than 30% of the net profit after tax for that year, and the cash dividend shall not be less than 50% of the total distribution for that year.

2. The legal reserve shall not be used for purposes other than to cover the accumulated losses of the company and for issuance of new shares or cash to shareholders in proportion of their original shareholding percentage. However, for the issuance of new shares or cash, this can only be proceeded with when the balance of the reserve exceeds 25% of the Company's paid-in capital.

3. (1) In accordance with the regulations, the Company must set aside a special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When the debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

   (2) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with the official letter issued by Financial-Supervisory-Securities-Corporate No. 1090150022 on March 31, 2021 must be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

4. The Company's Board of Directors meeting on March 11, 2026, had resolved the 2025 cash dividends distribution at TWD 0.6 per share for a total of $48,000. The cash dividends distribution status would be reported to the shareholders at the 2026 annual general meeting. The appropriation of earnings proposal would be proposed for ratification at the 2026 Shareholders' Meeting. Related earnings

distribution proposed is as follows:

	2025	
	Amount	Dividend per share (in dollars)
Legal reserve	$ 4,772	
Cash dividends	48,000	$ 0.6
Total	$ 52,772	

5. The Company’s Board of Directors resolved on March 11, 2025, to distribute a cash dividend of TWD 1.6 per share for the year 2024, totaling TWD 128,000, which was paid on April 22, 2025. On June 3, 2025, the Company reported to the shareholders' meeting the distribution of cash dividends and the resolution for profit distribution as follows:

	2024	
	Amount	Dividend per share (in dollars)
Legal reserve	$ 21,339	
Cash dividends	128,000	$ 1.6
Total	$ 149,339	

6. The Company’s Board of Directors resolved on March 11, 2024, to distribute a cash dividend of TWD 2.30 per share for the year 2023, totaling TWD 184,000, which was paid on April 24, 2024. On May 29, 2024, the Company reported to the shareholders' meeting the distribution of cash dividends and the resolution for profit distribution as follows:

	2023	
	Amount	Dividend per share (in dollars)
Legal reserve	$ 28,881	
Cash dividends	184,000	$ 2.3
Total	$ 212,881	

7. On the employee remuneration information, please refer to Note VI (XIX).

(XV) Operating revenue

	Year ended December 31, 2025	Year ended December 31, 2024
Revenue from contracts with customers	$ 128,856	$ 210,708
Other operating revenue	7,662	7,557
	$ 136,518	$ 218,265

Breakdown of the revenues from customer contracts

The Company's revenue from customer contracts originating is from home appliances transferred at a specific point in time:

	Year ended December 31, 2025		
	Small home appliances	Audiovisual products	Total
The timing of revenue recognition			
Recognized as revenue at a specific point in time	$ 81,410	$ 47,446	$ 128,856

	Year ended December 31, 2024		
	Small home appliances	Audiovisual products	Total
The timing of revenue recognition			
Recognized as revenue at a specific point in time	$ 131,900	$ 78,808	$ 210,708

(XVI) Interest revenue

	Year ended December 31, 2025	Year ended December 31, 2024
Interest income from bank deposits	$ 11,968	$ 16,399

(XVII) Other income

	Year ended December 31, 2025	Year ended December 31, 2024
Other income - Others	$ 1	$ 19

(XVIII) Other gains and losses

	Year ended December 31, 2025	Year ended December 31, 2024
Foreign exchange (losses) gains	($ 7,992)	$ 13,227
Reversal of impairment loss on non-financial assets (Note)	3,018	-
Other losses	(1)	(3)
	($ 4,975)	$ 13,224

Note: For a statement of impairment gain on reversal for non-financial assets recognized, please refer to the explanation in Note VI (XIX).

(XIX) Employee Benefits, Depreciation, Depletion and Amortization Expenses

	Year ended December 31, 2025		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense			

Wages and Salaries	$ -	$ 16,374	$ 16,374
Labor and health insurance fees	-	1,704	1,704
Pension costs	-	821	821
Director's remuneration	-	3,980	3,980
Other personnel expenses	-	960	960
Depreciation	4,611	2,319	6,930
Amortization expenses	-	415	415

	Year ended December 31, 2024		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense			
Wages and Salaries	$ -	$ 17,137	$ 17,137
Labor and health insurance fees	-	1,750	1,750
Pension costs	-	819	819
Director's remuneration	-	5,130	5,130
Other personnel expenses	-	1,016	1,016
Depreciation	4,560	2,286	6,846

1. For the year ended December 31, 2025 and 2024, the Company's number of employees was 28 persons. Among which, the number of directors who are not concurrently an employee of the company was 4 persons.

   (1) For the years ended December 31, 2025 and 2024, the average employee benefit expense amounted to $827 and $863, respectively.

   (2) For the years ended December 31, 2025 and 2024, the average employee salary expenses amounted to $682 and $714, respectively.

   (3) The average employee salary and expense adjustment decreased by 4.5%.

   (4) The Company's salary remuneration policy (including Directors, managers, and employees) is stated as follows:

      a. The Director's remuneration is processed in accordance with the company's Articles of Incorporation passed by the Shareholders' Meeting. Directors must be paid a monthly remuneration regardless of the company's financial performance. The Board of Directors is authorized to decide the remuneration amount based on the Director's involvement in the Company's operation and contribution.
      b. The salary/remuneration for management is determined based on the individual's performance, and the company's annual operation performance, and the assessment of the company's future operation development.
      c. The salary method for employee is negotiated with the employee and it cannot be lower than the basic wage and salary. The Company conducts performance appraisal regularly to form a basis for salary and bonus adjustments, promotions, and for appointment or discharge.

   (5) The Company has an Audit Committee and has abolished the supervisor

system. Therefore, it is not applicable on the disclosure of remuneration information for Supervisors.

2. According to the company's Articles of Incorporation, the Company must take the profit before income tax exclusive of the employee remuneration and deduct the accumulated losses. The Company must allocate 0.1% to 5% of the balance from the deduction as the employee remuneration, and another 0.1% to 5% shall be allocated for the distribution of remuneration to entry-level employees.

3. The Company's estimated amounts for employee remuneration and entry-level employee remuneration for 2025 were TWD 102 and TWD 410, respectively. These amounts, recorded under the salary expense account, were estimated based on the profitability of the current year (at rates of 0.2% and 0.8%, respectively).

   For the year 2024, the estimated amount for employee remuneration was TWD 2,615. The amount for the 2024 employee remuneration passed by the Board's resolution and as recognized in the 2024 financial report has been consistent. The amount was TWD 2,615. This will be paid in cash, though the relevant remuneration has not yet been fully distributed.

4. Related information on the employee remuneration passed by the Company's Board of Directors can be obtained from the MOPS website.

(XX) Income tax

1. Income tax expense

(1) Income tax expense components:

	Year ended December 31, 2025	Year ended December 31, 2024
Current tax:		
Current tax on profits for the year	$ 1,658	$ -
Tax on undistributed earnings	3,202	3,796
Prior year income tax overestimation	(95)	(135)
Total current tax	4,765	3,661
Deferred tax:		
Origination and reversal of temporary differences	(1,775)	41,884
Total deferred tax	(1,775)	41,884
Income tax expense	$ 2,990	$ 45,545

(2) Income tax credit (charge) relating to components of other comprehensive income is as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Currency translation differences	$ 15,794	($ 25,620)
Remeasurement of defined benefit obligations	(3)	(2)
	$ 15,791	($ 25,622)

2. Reconciliation between income tax expense and accounting profit:

	Year ended December 31, 2025	Year ended December 31, 2024
Tax calculated based on profit before tax and statutory tax rate	$ 10,140	$ 51,786
Effect on income tax due to items adjusted in accordance with laws and regulations	1,831	2,673
Effect of income tax loss carryforwards	-	3,639
Regular income tax after overseas income tax is credited	(12,089)	(16,214)
Prior year income tax overestimation	(95)	(135)
Tax on undistributed earnings	3,203	3,796
Income tax expense	$ 2,990	$ 45,545

3. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2025			
	January 1	Recognized in profit and loss	Recognized in other comprehensive income	December 31
Deferred tax assets:				
- Temporary differences				
Unrealized market price decline and obsolete inventory	$ 142	$ 514	$ -	$ 656
Impairment loss of assets	6,708	(733)	-	5,975
Annual leave and bonus payable	133	9	-	142
Other expenses	253	(251)	-	2
Tax loss	6,951	(6,951)	-	-
Subtotal	$ 14,187	($ 7,412)	$ -	$ 6,775
Deferred tax liabilities:				
- Temporary differences				
Exchange differences arising from the translation of foreign operations' financial statements	($ 69,504)	$ -	$ 15,794	($ 53,710)
Unrealized investment income	(489,685)	7,234	-	(482,451)
Capital surplus, difference between consideration and carrying amounts of subsidiaries acquired or disposed	(39,979)	-	-	(39,979)
Other expenses	(2,724)	1,953	(3)	(774)

	January 1	Recognized in profit and loss	Recognized in other comprehensive income	December 31
Deferred tax liabilities:				
- Temporary differences				
Subtotal	($ 601,892)	$ 9,187	$ 15,791	($ 576,914)
Total	($ 587,705)	$ 1,775	$ 15,791	($ 570,139)

	2024			
	January 1	Recognized in profit and loss	Recognized in other comprehensive income	December 31
Deferred tax assets:				
- Temporary differences				
Unrealized market price decline and obsolete inventory	$ 449	($ 307)	$ -	$ 142
Impairment loss of assets	6,708	-	-	6,708
Annual leave and bonus payable	107	26	-	133
Other expenses	524	(271)	-	253
Tax loss	25,838	(18,887)	-	6,951
Subtotal	$ 33,626	($ 19,439)	$ -	$ 14,187
Deferred tax liabilities:				
- Temporary differences				
Exchange differences arising from the translation of foreign operations' financial statements	($ 43,884)	$ -	($ 25,620)	($ 69,504)
Unrealized investment income	(469,452)	(20,233)	-	(489,685)
Capital surplus, difference between consideration and carrying amounts of subsidiaries acquired or disposed	(39,979)	-	-	(39,979)
Other expenses	(510)	(2,212)	(2)	(2,724)
Subtotal	($ 553,825)	($ 22,445)	($ 25,622)	($ 601,892)
Total	($ 520,199)	($ 41,884)	($ 25,622)	($ 587,705)

4. Expiration dates of unused tax losses and amounts of unrecognized deferred tax assets are as follows:

December 31, 2025: None.

December 31, 2024				
Year incurred	Amount filed/Amount approved	Unused amount	Unrecognized deferred tax assets	Expiry year
2020	92,699	34,755	-	2030

5. The Company’s income tax returns through 2023 have been assessed and approved by the Tax Authority.

(XXI) Earnings per share

	Year ended December 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (thousand shares)	Earnings per share (in dollars)
Basic earnings per share			
Profit	$ 47,712	80,000	$ 0.60
Diluted earnings per share			

	Amount after tax	Weighted average number of ordinary shares outstanding (thousand shares)	Earnings per share (in dollars)
Profit	$ 47,712	80,000	
Assumed conversion of all dilutive potential ordinary shares - Employee compensation	-	39	
Profit plus assumed conversion of all dilutive potential ordinary shares	$ 47,712	80,039	$ 0.60

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (thousand shares)	Earnings per share (in dollars)
Basic earnings per share			
Profit	$ 213,383	80,000	$ 2.67
Diluted earnings per share			
Profit	$ 213,383	80,000	
Assumed conversion of all dilutive potential ordinary shares - Employee compensation	-	105	
Profit plus assumed conversion of all dilutive potential ordinary shares	$ 213,383	80,105	$ 2.66

(XXII) Supplemental cash flow information

Investing activities with partial cash payments:

	Year ended December 31, 2025	Year ended December 31, 2024
Purchase of property, plant and equipment (Note)	$ 330	$ 149
Add: Equipment payments payable at the beginning of the period (recognized in other payables)	-	1,250
Cash paid during the year	$ 330	$ 1,399

(XXIII) Changes in liabilities from financing activities

	Short-term borrowings	Lease liabilities	Guarantee deposits received	Liabilities from financing activities-gross
January 1, 2025	$ 174,500	$ 35	$ 1,269	$ 175,804
Changes in cash flows from financing activities	(174,500)	(215)	2	(174,723)
Changes in other non-cash items	-	662	-	672
December 31, 2025	$ -	$ 482	$ 1,271	$ 1,753

	Short-term borrowings		Lease liabilities		Guarantee deposits received		Liabilities from financing activities-gross	
January 1, 2024	$	18,000	$	243	$	1,258	$	19,501
Changes in cash flows from financing activities		156,500	(	208)		11		156,303
December 31, 2024	$	174,500	$	35	$	1,269	$	175,804

VII. Related party transaction

(I) Names of related parties and relationship

Names of related parties	Relationship with the Company
Jin Kuanq Enterprise Co., Ltd. (Jin KuanQ)	Subsidiary of the Company
Tsann Kuen (Zhang Zhou) Enterprise Co., Ltd. (Zhang Zhou Tsann Kuen)	〃
Tsann Kuen Enterprise Co., Ltd. (Tsann Kuen)	Other related parties

(II) Significant transactions with related parties

1. Operating revenue

	Year ended December 31, 2025		Year ended December 31, 2024	
Sales of goods				
Other related parties - Tsann Kuen	$	122,321	$	197,556

	Year ended December 31, 2025		Year ended December 31, 2024	
Rent income:				
Subsidiaries	$	1,127	$	1,127
Other related parties		6,155		6,145
	$	7,282	$	7,272

The sales transactions and lease transactions between the Company and related parties are conducted based on the negotiated terms and conditions. The payment term is 30 days at close of the month.

2. Purchase

	Year ended December 31, 2025		Year ended December 31, 2024	
Purchase of goods:				
Subsidiaries	$	13,986	$	15,512

The purchase price is based on the negotiated trading terms and conditions between the Company and subsidiaries for a 60 days payment after purchase.

3. Receivables of related parties

	December 31, 2025	December 31, 2024
Accounts receivable:		
Other related parties - Tsann Kuen	$ 8,572	$ 17,236
Other receivables:		
Other related parties - Tsann Kuen	$ 4	$ 3

4. Payables of related parties

	December 31, 2025	December 31, 2024
Accounts payable:		
Subsidiary－Tsann Kuen (Zhang Zhou)	$ 2,734	$ 4,329

5. Refundable deposits

	Main characteristic	December 31, 2025	December 31, 2024
Other related parties - Tsann Kuen	Deposit of leased operation venue	$ 178	$ 178

6. Guarantee deposits received

	Main characteristic	December 31, 2025	December 31, 2024
Subsidiary - Jin KuanQ	Deposit for lease of warehouses	$ 197	$ 197
Other related parties - Tsann Kuen	Deposit for lease of warehouses	1,074	1,072
		$ 1,271	$ 1,269

7. Asset transactions

Acquisition of property, plant, and equipment

	Year ended December 31, 2025	Year ended December 31, 2024
Other related parties	$ 330	$ 148

8. Other expenses (stated as “management expenses”)

	Year ended December 31, 2025	Year ended December 31, 2024
Other related parties	$ 1,898	$ 1,609

Mainly consist of rental expenses and service fees.

(III) Remuneration information of principal management

	Year ended December 31, 2025	Year ended December 31, 2024
Salaries and other short term employee benefits	$ 9,253	$ 9,844
Post-employment compensation	83	79
	$ 9,336	$ 9,923

VIII. Pledged Assets

Statement of the guarantees provided by the Company's assets:

Asset item	Guarantee purpose	Book value December 31, 2025	Book value December 31, 2024
Pledged time deposits (recorded in other financial assets - current)	Purchase guarantee	$ 2,000	$ 2,000

IX. Significant contingent liabilities and unrecognized contractual commitment

(I) Contingencies

None.

(II) Commitments

None.

X. Significant Disaster Loss

None.

XI. Significant events after balance sheet date

The 2025 Appropriation of Earnings proposed by the Board of Directors, please refer to Note VI (XIV).

XII. Other expenses

(I) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust its capital structure, the Company may adjust the amounts of dividend paid to shareholders, return share capital to shareholders, issue new shares, or sell assets in order to lower the debts. The Company uses the debt-to-capital ratio to monitor its capital, and such ratio is calculated by dividing the total debt by the total capital. The calculation of the total debt refers to the total of short-term borrowings and long-term borrowings on the unconsolidated balance sheet. The calculation of the total capital refers to the addition of the "equity" listed on the unconsolidated balance sheet with the total debt.

The Company maintains the same policy for 2025 and 2024 staying committed to sustaining the debt-to-total-capital ratio at a steady level. As of December 31, 2025 and 2024, the Company's debt-to-total-capital ratio was as follows:

	December 31, 2025	December 31, 2024
Net debt	$ -	$ 174,500
Total equity	3,213,520	3,356,974
Total capital	$ 3,213,520	$ 3,531,474
Debt-to-total-capital ratio	-	4.94%

(II) Financial instruments

1. Types of financial instruments

	December 31, 2025	December 31, 2024
Financial assets		
Financial assets measured at amortized cost		
Cash and cash equivalents	$ 169,677	$ 399,930
Accounts receivable	1,297	1,573
Accounts receivable - related parties	8,572	17,236
Other receivables	987	5,997
Other receivables related parties	4	3
Refundable deposits	178	178
Other financial assets - current	2,000	2,000
	$ 182,715	$ 426,917
Financial liabilities		
Financial liabilities at amortized cost		
Short-term borrowings	$ -	$ 174,500
Accounts payable	14,705	26,137
Accounts payable - related parties	2,734	4,329
Other payables	12,220	16,220
Guarantee deposits received	1,271	1,269
	$ 30,930	$ 222,455
Lease liabilities	$ 482	$ 35

2. Risk management policy

(1) The Company's activities expose it to a variety of financial risks: market risks (including foreign exchange risks and price risks), credit risks and liquidity risks. To minimize disadvantageous impacts to the Company's financial performance as a result of uncertainties, the Company adopts the strictest control standards for its financial risks of various financial products. A thorough assessment on possible market risk, credit risk, and liquid risk for any financial investments and control is performed for the purpose of selecting an option that carries the minimum risk. A more conservative and robust principle is adopted by the Company's financial works. Therefore, the Company does not engage in derivatives that are of higher risks and complexity.

(2) The Company's Finance Department performs risk management work in compliance with the policy approved by the Board of Directors. The Company's Finance Department works closely with each of the operating unit within the company to carry out its responsibilities in the identification, assessment and hedging of financial risks. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

3. The nature and degree of material financial risks

(1) Market risk

Exchange rate risk

A. The main exchange rate risk is generated from the transactions in currencies different from the Company's functional currency, primarily the USD and JPY. Related exchange rate risk derives from commercial transactions and recognized assets and liabilities.

B. The Company's management has established the policies regulating the company to manage the exchange rate risk relative to its functional currencies. The Company must hedge its overall currency risk through the Finance Department.

C. The Company held several foreign operating institution investments, and its net asset bears the foreign exchange risk.

D. The Company engages in businesses that involve several non-functional currencies (TWD is the Company's functional currency), which are impacted by exchange rate volatilities. The foreign currency assets and liabilities with significant impacts of exchange rate volatilities are as follows:

	December 31, 2025					
				Sensitivity analysis		
(Foreign currency: Functional currency)	Foreign currency amount (In thousands)	Currency exchange rate	Carrying amount (NTD)	Range of variation	Effects on profit and loss	Effects on other comprehensive income
Financial assets						
Monetary items						
USD : TWD	$ 4,721	31.4290	$ 148,323	1%	$ 1,483	$ -

Non-monetary items						
USD : TWD	108,063	31.4290	3,396,297			
JPY: TWD	251,258	0.2008	50,440			

	December 31, 2024					
				Sensitivity analysis		
(Foreign currency: Functional currency)	Foreign currency amount (In thousands)	Currency exchange rate	Carrying amount (NTD)	Range of variation	Effects on profit and loss	Effects on other comprehensive income
Financial assets						
Monetary items						
USD : TWD	$ 11,954	32.7260	$ 391,210	1%	$ 3,912	$ -
Non-monetary items						
USD : TWD	107,277	32.7260	3,510,733			
JPY: TWD	258,466	0.2074	53,593			

E. On the Company’s monetary items, foreign currency exchange rate volatility has cast a significant impact on the 2025 and 2024 all exchange rate losses and gains (inclusive of those realized and unrealized) recognized. The aggregate amounts are ($7,992) and $13,227, respectively.

(2) Credit risk

A. The Company’s credit risk refers to risks of financial losses due to default by the clients or transaction counterparties of financial instruments on the contract obligations. The Company acts accordingly to its internal credit policy in conducting management and credit risk analysis for each new customers before forming the terms and conditions for the payments and goods delivery. Internal risk control assesses the credit quality of the customers by taking its financial position, past experiences and other factors into account. Major credit risk arises from cash and cash equivalents, deposits at banks and financial institutions, wholesale and retail customers, and account receivable for cash payments.

All deposits and loans must reach a certain level of credit rating, and other business dealings with the banks. The Company has acquired such level of rating meaning that a business needs to possess Adequate level on its ability in committing to the financial obligations for long term credit. It has to obtain long-term debt credit rating at or above “twBBB-” by Taiwan Ratings Corporation or equivalent level from other credit rating institutions within or outside of Taiwan.

B. The Finance Department of the Company manages credit risks of the bank deposits and other financial instruments in accordance with the company’s policies. As of December 31, 2025 and 2024, the trading partners of the Company are banks or company organizations in good credit status as determined based on the internal control procedures of the Company. There have been no significant and abnormal incidents of exceeding the credit limits. The management does not expect the occurrence of defaults by trading partners resulting in material losses. Therefore, there are no significant credit risks.

C. The Company adopts the premise provided by IFRS 9. When the contractual payments overdue from the payment terms for more than 30 days, the credit risks of the financial assets are deemed to have increased significantly since the initial recognition.

D. The Company adopts the premise provided by IFRS 9. When the contractual payments overdue from the payment terms for more than 90 days, it is deemed as a breach of contract.

E. The Company classifies the account receivables based on the nature of the customers according to the customer ratings, and applies the simplified approach for estimation of the expected credit losses using the loss ratio method as the basis.

F. After the recourse procedures, the Company writes off the financial assets amount that it has no reasonable expectation of recovery. However, the Company continues to conduct legal recourse procedures for preservation of creditor's rights. As of December 31, 2025 and 2024, the Company did not have write-off liabilities nor liabilities under recourse.

G. The expected loss rate of customer group with good credit is 0.2%. As of December 31, 2025 and 2024, the total carrying value of account receivable (including related parties) and allowance for losses are $9,869 and $0, as well as $18,809 and $0, respectively.

(3) Liquidity risk

A. Cash flow projection is performed by the Finance Department of the company. The Company's Finance Department monitors the projections for the company's needs of funds to ensure that there is sufficient funding to support operating requirements, and that it can sustain sufficient unused committed loan credits. The projection takes the company's loan financing plan, compliance in loan terms and conditions, and whether the company meets the financial ratio target of the internal asset and liability into account.

B. When the remaining cash held by the Company exceeds the amount required by the management of operation funds, it will be re-allocated to the Company's Finance Department. The Company's Finance Department invests the remaining capital in the saving deposit with interest, time deposit and securities. The chosen instruments have appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts.

C. The Company has the following undrawn borrowing facilities:

	December 31, 2025	December 31, 2024
Floating rate		
Expiry within one year	$ 650,000	$ 575,500

D. The table below shows the Company's non-derivative financial liabilities and net or total of the settlement of derivative financial liabilities which are classified based on related maturity dates. The non-derivative financial liabilities are analyzed for the remaining period between the balance sheet date and contract maturity date. The derivative financial liabilities are analyzed for the remaining period between the balance sheet date and the expected maturity date. The contractual cash flow amount disclosed in the following table is the undiscounted amount.

December 31, 2025	Less than 3 months	Within 3 months to 1 year	More than 1 year
Non-derivative financial liabilities:			
Account payables (including related parties)	$ 17,439	$ -	$ -
Other payables	11,706	514	-
Lease liabilities	57	171	265

December 31, 2024	Less than 3 months	Within 3 months to 1 year	More than 1 year
Non-derivative financial liabilities:			
Short-term borrowings	$ 174,500	$ -	$ -
Notes payable	-	-	-
Account payables (including related parties)	30,466	-	-
Other payables	6,504	9,716	-
Lease liabilities	31	4	-

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

(III) Fair value information

1. The different levels of the valuation techniques used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access on the measurement date. An active market refers to a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

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

Level 3: Unobservable inputs for the asset or liability. This includes the Company's investments in unlisted/OTC stocks and investment properties.

2. Fair value information of investment property at cost is provided in Note VI (VII).

3. Financial instruments not measured at fair value

The carrying amounts of the Company's cash and cash equivalents, accounts receivable (including related parties), other receivables (including related parties), other financial assets - current, refundable deposits, short-term borrowings, accounts payable (including related parties), other payables, guarantee deposits received, and lease liabilities are reasonable approximations of their fair values.

4. There was no transfer between Level 1 and Level 2 fair values in 2025 and 2024.
5. There were no movements in Level 3 during 2025 and 2024.
6. There have been no occurrences of transfer in or out for Level 3 in 2025 and 2024.

XIII. Supplementary Disclosure

(I) Significant transactions information

1. Loans to others: Please refer to Schedule I.
2. Provision of endorsements and guarantees to others: Please refer to Schedule II.
3. Holding of significant marketable securities at the end of the year (not including subsidiaries, associates and joint ventures): None.
4. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to Schedule III.
5. Receivables from related parties reaching TWD 100 million or 20% of paid-in capital or more: None.
6. Business relationships and significant transactions between parent and subsidiaries: None.

(II) Information on investees

Information on investees (not including investees in Mainland China): Please refer to Schedule IV.

(III) Information on investments in Mainland China

1. Basic information: Please refer to Schedule V.
2. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

XIV. Segment information

Not applicable.

Star Comgistic Capital Co., Ltd.

Loans to others

For the year ended December 31, 2025

Schedule I

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Creditor	Borrower	Items	Is a related party	Maximum outstanding balance during the year ended December 31, 2025	Balance on December 31, 2025	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amounts of transactions with the borrower	Reason for short-term	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single entity	Ceiling on total loans granted	Note
													Item	Value			
1	Tsann Kuen (Zhang Zhou) Enterprise Co., Ltd.	Tsann Kuen (China) Enterprise Co., Ltd.	Other receivables related parties	Yes	$ 64,572	$ -	$ -	0	2	$ -	Operation	$ -	None	$ -	$ 2,374,556	$ 5,936,389	Note 3

Note 1: The column of Number is described as follows:

(1) Please fill in 0 for the issuers.

(2) Please fill in Arabic numerals sequentially numbered starting from 1 for the investee companies according to the company type.

Note 2: Please fill in whether the nature of the lending of funds is for business dealings or when short-term financing facility is necessary.

(1) Please fill in 1 for establishments of business relationships.

(2) Please fill in 2 when short-term financing facility is necessary.

Note 3: The total amount of loaning funds by Tsann Kuen (Zhang Zhou) Enterprise Co., Ltd. is limited to within 100% of the company's net assets. However, the total amount for lending funds to others is kept within 40% of that company's net assets for the companies with short-term financing facility needs.

Star Comgistic Capital Co., Ltd.

Provision of Endorsements and guarantees for others

For the year ended December 31, 2025

Schedule II

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2025	Outstanding endorsement/ guarantee amount as of December 31, 2025	Actual amount drawn down	Endorsement/ guarantee amount secured by property	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company (Note 3)	Ceiling on total amount of endorsements/guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary (Note 5)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 5)	Provision of endorsements/ guarantees to the party in Mainland China (Note 5)	Note
		Company name	Relationship (Note 2)											
1	Tsann Kuen (Zhang Zhou) Enterprise Co., Ltd.	PT. STAR COMGISTIC INDONESIA	2	$5,936,389	$ 581,581	$ 357,716	$ 21,540	$ -	11.13%	$ 5,936,389	N	N	N	Note 4

Note 1: The column of Number is described as follows:
(1) Please fill in 0 for the issuers.
(2) Please fill in Arabic numerals sequentially numbered starting from 1 for the investee companies according to the company type.

Note 2: There are seven types of relationships between the company making an endorsement/guarantee and the party for which the endorsement/guarantee is made as shown below. Please indicate the type only:
(1) A company with which the Company does business.
(2) A company in which the Company holds more than 50% of its total outstanding common shares.
(3) An investee companies in which the Parent Company and the subsidiary together hold more than 50% of its outstanding common shares.
(4) The Parent Company which holds, directly or indirectly through a subsidiary, more than 50% of its outstanding common shares.
(5) A company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry.
(6) A company in which each of all capital-contributing shareholders makes an endorsement/guarantee for their jointly invested company in proportion to their shareholding percentages.
(7) Companies in the same industry provide joint and several security for a performance guarantee of a sales contract among themselves, for pre-sale houses pursuant to the Consumer Protection Act for each other.

Note 3: In accordance with Article 25 of the Regulations Governing the Lending of Funds and Endorsements/Guarantees by Public Companies, it is calculated based on the ratio of the remaining endorsement/guarantee balance of the subsidiary to the Company's net worth.

Note 4: The aggregate amount of endorsements/guarantees by Tsann Kuen (Zhang Zhou) Enterprise Co., Ltd. is according to the regulations of the Bulletin No. 26 (2022) of the China Securities Regulatory Commission (CSRC). The endorsements/guarantees amount is limited at less than 50% of the company’s net assets which needs to be approved by the board resolution.
Approval at the meeting of the shareholders is required for the amount exceeding 50% or more of the company’s net assets. In accordance with the company’s “Procedures for Endorsements and Guarantees”, the aggregate endorsements/guarantees amount and the endorsements/guarantees amount for one single company cannot surpass 100% of the net worth shown in the latest financial statement.

Note 5: Column Y must be filled in if any of the following criteria were met: Provision of endorsements/guarantees by a listed Parent Company to subsidiary, provision of endorsements/guarantees by subsidiary to listed Parent Company, and provision of endorsements/guarantees to an entity in Mainland China.

Star Comgistic Capital Co., Ltd.

Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more

For the year ended December 31, 2025

Schedule III

Expressed in thousands of NTD
(Except as otherwise indicated)

			Trading status				Status and reasons for differences between the terms and conditions and general transactions		Notes and accounts receivables (payables)		
Purchaser/seller	Counterparty	Relationship	Purchases or (sale)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Note
Star Comgistic Capital Co., Ltd.	Tsann Kuen Enterprise Co., Ltd.	Other related parties	Sales	($ 128,476)	(94.11%)	Payment term is 30 days at close of the month	Price negotiation	Agreement by contract	$ 8,572	86.86%	

Star Comgistic Capital Co., Ltd.

Information on investees (excluding information on investments in Mainland china)

For the year ended December 31, 2025

Schedule IV

Expressed in thousands of TWD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Original investment amount (Note 3) Balance as on December 31, 2025	Original investment amount (Note 3) Balance as on December 31, 2024	Shares held as at December 31, 2025 Number of shares	Shares held as at December 31, 2025 Ownership (%)	Shares held as at December 31, 2025 Book value	Net profit (loss) of the investee for the year ended December 31, 2025 (Note 2 (2))	Investment income (loss) recognized by the Company for the year ended December 31, 2025 (Note 2 (3))	Note
Star Comgistic Capital Co., Ltd.	Sino Global Development Limited	British Virgin Islands	Holding company	$ 315,949	$ 315,949	14,500,000	100.00	$ 3,396,297	$ 69,977	$ 69,855	Subsidiary of the Company
Star Comgistic Capital Co., Ltd.	Jin Kuanq Enterprise Co., Ltd.	Taiwan	Coffee wholesale	393,888	393,888	1,491,964	51.45	17,681	4,631	2,403	Subsidiary of the Company
Star Comgistic Capital Co., Ltd.	Wu Wha Ma International Co., Ltd.	Taiwan	Food and beverage segment	84,573	84,573	679,760	23.44	21,966	15,266	3,578	Equity-method investees of the Company
Star Comgistic Capital Co., Ltd.	Tsannkuen Japan Enterprise Ltd.	Japan	Property management	43,800	43,800	4,000	50.83	50,440	(2,893)	(1,470)	Subsidiary of the Company
Sino Global Development Limited	Fillman Investments Limited	Hong Kong	Holding company	3,267	3,267	57,400,000	100.00	410,614	6,957	-	Subsidiary of the company
Sino Global Development Limited	Fordchee Development Ltd.	Hong Kong	Holding company	612,067	612,067	126,057,793	93.90	1,864,313	42,556	-	Subsidiary of the company
Sino Global Development Limited	EUPA Industry Ltd.	Hong Kong	Holding company	918	918	94,288,027	100.00	1,167,549	23,552	-	Subsidiary of the company
Sino Global Development Limited	Tsannkuen Japan Enterprise Ltd.	Japan	Property management	668,904	668,904	3,870	49.17	48,793	(2,893)	-	Subsidiary of the company
Tsann Kuen (Zhang Zhou) Enterprise Co., Ltd.	East Sino Development Ltd.	Hong Kong	Holding company	1,548,424	1,179,499	412,387,093	100.00	907,157	(39,374)	-	Subsidiary of the company
Tsann Kuen (Zhang Zhou) Enterprise Co., Ltd.	Orient Star Investments Ltd.	Hong Kong	Holding company	5,822	5,822	185,000	100.00	5,590	(132)	-	Subsidiary of the company
East Sino Development Ltd.	PT. STAR COMGISTIC INDONESIA	Indonesia	Manufacturing and sales of home appliances	1,581,186	1,212,261	529,250	99.86	906,762	(39,211)	-	Subsidiary of the company
Orient Star Investments Ltd.	PT. STAR COMGISTIC INDONESIA	Indonesia	Manufacturing and sales of home appliances	992	992	750	0.14	598	(39,211)	-	Subsidiary of the company
Orient Star Investments Ltd.	PT. STAR COMGISTIC PROPERTY DEVELOPMENT INDONESIA	Indonesia	Lands and architectural buildings sales, lease and management	317	317	10,000	0.44	237	396	-	Subsidiary of the company
PT. STAR COMGISTIC INDONESIA	PT. STAR COMGISTIC PROPERTY DEVELOPMENT INDONESIA	Indonesia	Lands and architectural buildings sales, lease and management	69,771	69,771	2,270,000	99.56	41,158	396	-	Subsidiary of the company

Note 1: For public companies with an overseas holding company and a consolidated financial report as its principal financial report according to the local laws and regulations must disclose only related information to that holding company, which is an overseas investee.

Note 2: For the companies that do not fall under the circumstances described in Note 1, information must be filled in according to the following rules:

(1) The columns of “Investee”, “Location”, “Main business items”, “Original investment amount”, and “Ownership at end of the period” must be filled in based on the (public) Company's investment status. The re-investment situation of each investee directly or indirectly controlled in order, and the relationship between each investee, and the (public) Company (e.g., a subsidiary or a sub-subsidiary) must be indicated in the remarks column.

(2) The column, “profit (loss) income of the investee company for the current period”, must be filled in with the gain or loss amount for the current period.

(3) The column, “Gains and losses on investment recognized for the current period”, must be filled in with the (public) Company’s recognized subsidiaries through direct investments and the gain or loss amount for each of the equity-method investee company, and the rest is not required. When filling in the “Recognized amount of current profit or loss on each subsidiary directly invested”, it must be confirmed that the amount of the current profit or loss on each subsidiary has included the investment gains and losses that must be recognized in accordance with the regulations for its investment.

Note 3: Part of the original investment amount is obtained based on the currency exchange rate conversion as of December 31, 2012.

Star Comgistic Capital Co., Ltd.

Information on investments in Mainland China

For the year ended December 31, 2025

Schedule V

Expressed in thousands of TWD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Net income of investee for the year ended December 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2025 (Note 2)	Book value of investments in Mainland China as of December 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2025	Note
					Remitted	Remitted back to Taiwan							
Tsann Kuen (China) Enterprise Co., Ltd.	Manufacturing and sales of home appliances	$ 828,970	2	$ 28,558	$ -	$ -	$ 28,558	$ 117,663	42.90	$ 50,483	$ 2,043,763	$ 584,212	Note 4
Tsann Kuen (Zhang Zhou) Enterprise Co., Ltd.	Manufacturing and sales of home appliances	5,520,563	2	1,210,017	-	-	1,210,017	79,820	57.18	45,641	5,909,727	669,199	Note 5
Tsan Kun (Xiamen) Property Service Co., Ltd.	Property management	6,707	3	-	-	-	-	2,819	42.90	1,209	16,450	-	Note 6 and Note 7
Tsann Kuen (Shanghai) Enterprise Ltd.	Manufacturing and sales of home appliances	1,478,583	3	-	-	-	-	15,433	35.74	5,516	734,779	-	Note 6 and Note 8
Shanghai Upal Smart Chain Household Appliances Co., Ltd. (Shanghai Upal)	Sale of home appliances	89,429	3	-	-	-	-	(15,433)	28.02	(8,284)	35,257	-	Note 6 and Note 8

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (Note 4 and Note 5)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Star Comgistic Capital Co., Ltd. and Subsidiaries	$ 1,238,575	$ 1,287,605	$ 1,928,112

Note 1: For public companies with an overseas holding company and a consolidated financial report as its principal financial report according to the local laws and regulations must disclose relevant information on the overseas investees.

(1) Direct investment of company in Mainland China.

(2) Establish a company through third region area: Sino Global Development Limited makes reinvestments in Mainland China.

(3) Other method.

Note 2: The valuation and disclosure of the gains and losses from investments recognized for the current period of Tsann Kuen (China) Enterprise Co.,Ltd. (XiamenTsann Kuen) and Tsann Kuen (Zhang Zhou) Enterprise Co., Ltd. (Zhang Zhou Tsann Kuen) are based on the Taiwan Parent Company's financial report audited and verified by independent auditors.

Note 3: The shareholding of Tsann Kuen (China) reinvestment of Tsann Kuen (Zhang Zhou) is 75%. Part of the gains and losses from investment and carrying value of Tsann Kuen (Zhang Zhou) have been included in Tsann Kuen (China) financial report.

Note 4: The investment amount of "Tsann Kuen (China)" for USD 909 thousand was approved by the Investment Commission. The Committee also approved the exclusion of USD 64,043 thousand in increased investments and capitalization through earnings of "Tsann Kuen (China)" in the calculation of the investment amount by the Company for investments in Mainland China.

Note 5: The investment amount of "Tsann Kuen (Zhang Zhou)" for USD 38,500 thousand has been approved by the Investment Review Committee. The Committee has also approved the exclusion of USD 1,500 thousand in increased investments and capitalization through earnings of "Tsann Kuen (Zhang Zhou)" in the calculation of the investment amount by the Company for investments in Mainland China.

Note 6: Information for Shanghai Upal, Tsann Kuen (China) Property Service, and Tsann Kuen Shanghai is based on the valuation and disclosure in financial reports audited and verified by other independent auditors.

Note 7: Tsann Kuen (China) Property Service Co., Ltd. is directly invested by Tsann Kuen (China) Enterprise Co., Ltd.

Note 8: Shanghai Upal and Tsann Kuen (Shanghai) Enterprise Ltd. are directly invested by Tsann Kuen Enterprise Co., Ltd.

Star Comgistic Capital Co., Ltd.
Cash and cash equivalents
December 31, 2025

Statement I

Expressed in thousands of TWD

Item	Summary	Amount
Cash on hand and petty cash		$ 164
TWD demand deposits		1,109
Foreign currency deposits	USD 4,719 thousand, exchange rate 31.429	148,323
Foreign currency deposits	JPY 10,364 thousand, exchange rate 0.2008	2,081
Securities sold under repurchase agreements		18,000
		$ 169,677

Star Comgistic Capital Co., Ltd.
Changes in investments accounted for using equity method
For the year ended December 31, 2025

Statement II

Expressed in thousands of TWD

	Beginning balance		Additions		Deductions		Balance on December 31, 2025			Market value or net equity		
Item	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Ownership (%)	Amount	Unit price (in dollars)	Total price	Provision of collateral or pledges
Sino Global Development Limited	14,500,000	$3,510,733	-	$ 69,855	-	($ 184,291)	14,500,000	100.00%	$3,396,297	234.26	$3,396,720	None
Jin Kuanq Enterprise Co., Ltd.	1,491,964	17,039	-	2,403	-	(1,794)	1,491,964	51.45%	17,681	11.79	17,591	"
Tsannkuen Japan Enterprise Ltd.	4,000	53,593	-	-		(3,153)	4,000	51.83%	50,440	12,610.00	50,440	〃
Wu Wha Ma International Co., Ltd.	679,760	20,909	-	3,578	-	(2,521)	1,265,760	23.44%	21,966	17.96	21,966	〃
		$3,602,274		$ 75,836		($ 191,726)			$3,486,384		$3,486,717	

Star Comgistic Capital Co., Ltd.

Accounts payable

December 31, 2025

Statement III

Expressed in thousands of TWD

Supplier name	Summary	Amount		Note
Company A		$	7,112	
Company B			3,433	
Company C			1,434	
Company D			895	
Company E			879	
Other expenses			952	The balance of each supplier has not exceeded 5% of total account balance
		$	14,705	

Star Comgistic Capital Co., Ltd.

Operating revenue

For the year ended December 31, 2025

Statement IV

Expressed in thousands of TWD

Item	Volume (1,000 pieces)	Amount	Note
Sales revenue			
Small home appliances	87	$ 81,695	
Audiovisual products	9	47,602	
		129,297	
Other operating revenue		7,662	
Less: Sales returns and discounts		(441)	
		$ 136,518	

Star Comgistic Capital Co., Ltd.

Total operating cost

For the year ended December 31, 2025

Statement V | Expressed in thousands of TWD

Item	Summary	Amount	Note
Raw materials at the beginning		$ 130	
Add: Materials purchased for the year		9	
Less: Raw materials at the end		(122)	
Reclassified expenses		(15)	
Raw materials used in the year		2	
Cost of purchase and sales		2	
Add: Inventory of finished goods at the beginning of the period (including inventory in transit at the beginning of the period)		6,121	
Externally purchased finished goods		122,513	
Less: Inventory of finished goods at the end of the period		(11,149)	
Other expenses		7	
Cost of goods sold		117,494	
Gain on reversal of decline in market value		2,573	
Other operating costs		4,611	
Total operating cost		$ 124,678	

Star Comgistic Capital Co., Ltd.
Selling expenses
For the year ended December 31, 2025

Statement VI

Expressed in thousands of TWD

Item	Summary	Amount	Note
Salaries expense		$ 3,773	
Depreciation		859	
Others (Note)		2,063	Note: None of the individual amounts exceeded 5% of the balance of this account.
		$ 6,695	

Star Comgistic Capital Co., Ltd.
General & Administrative Expenses
For the year ended December 31, 2025

Statement VII | Expressed in thousands of TWD

Item	Summary	Amount	Note
Salaries expense		$ 12,601	
Professional service fees		6,175	
Director’s remuneration		3,980	
Shareholder services agency fee		1,835	
Others (Note)		8,745	Note: None of the individual amounts exceeded 5% of the balance of this account.
		$ 33,336	