Stock Code: 6655

Keding Enterprises Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

For the first quarters of 2026 and 2025

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Independent Auditors' Report

To Keding Enterprises Co., Ltd.

Preface

The consolidated balance sheets of Keding Enterprises Inc. and its subsidiaries as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows, together with the notes to the consolidated financial statements (including a summary of significant accounting policies), for the three months ended March 31, 2026 and 2025, have been reviewed by us.Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34, "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope

Except as described in the Basis for Qualified Conclusion section, we conducted our review in accordance with Statement on Auditing Standards No. 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity." A review of the consolidated financial statements consists primarily of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the auditing standards, the objective of which is the expression of an audit opinion on the consolidated financial statements. Accordingly, we do not express such an opinion.

Basis for Qualified Conclusion

As described in Note 10 to the consolidated financial statements, the financial statements of certain insignificant subsidiaries included in the consolidated financial statements were not reviewed by independent auditors for the corresponding periods. The total assets of these subsidiaries as of March 31, 2026 and 2025 amounted to NT$419,043 thousand and NT$252,245 thousand, respectively, representing 5% and 3% of the consolidated total assets, respectively. Their total liabilities amounted to NT$106,076 thousand and NT$34,372 thousand, respectively, representing 2% and 1% of the consolidated total liabilities, respectively. Their total comprehensive income (loss) for the three months ended March 31, 2026 and 2025 amounted to NT$(2,655) thousand and NT$10,743 thousand, respectively, representing (2)% and 17% of the consolidated total comprehensive income (loss), respectively.

In addition, the information disclosed in the notes to the consolidated financial statements relating to the aforementioned insignificant subsidiaries was based on the financial statements of these subsidiaries for the corresponding periods, which had not been reviewed by independent auditors.

Qualified Conclusion

Based on our review, except for the possible effects of adjustments to the consolidated financial statements, if any, that might have been identified had the financial statements of the insignificant subsidiaries described in the Basis for Qualified Conclusion section been reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Keding Enterprises Inc. and its subsidiaries as of March 31, 2026 and 2025, and their consolidated financial performance and cash flows for the three months ended March 31, 2026 and 2025, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34, “Interim Financial Reporting,” as endorsed and issued into effect by the Financial Supervisory Commission.

Deloitte & Touche Taiwan

CPA Yu-Ling Tsai

CPA: Wu, Shih-Tsung

Financial Supervisory Commission approval letter number
Jin-Guan-Zheng-Shen-Zi No.1140350638

Financial Supervisory Commission approval letter number
Jin-Guan-Zheng-Shen-Zi No.1100356048

May 12, 2026

Keding Enterprises Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
March 31, 2026, December 31, 2025 and March 31, 2025

Unit: NT$ thousand

Code	Assets	March 31, 2026 Amount	%	December 31, 2025 Amount	%	March 31, 2025 Amount	%
	Current Assets						
1100	Cash (Note 6)	$ 133,379	2	$ 139,556	2	$ 209,604	2
1136	Financial assets measured at amortized cost - Current (Notes 7 and 28)	1,634	-	1,630	-	4,400	-
1150	Notes receivable - Net (Notes 8 and 20)	28,485	-	34,666	1	43,074	1
1170	Accounts receivable - Net (Notes 8, 20, and 27)	269,444	3	262,828	3	216,059	3
1200	Other receivables (Note 8)	1,646	-	1,170	-	6,647	-
1220	Current tax assets (Note 4)	1,706	-	1,669	-	898	-
1300	Inventory - Net (Note 9)	1,038,701	12	1,082,699	12	1,203,141	14
1410	Prepayments	163,304	2	97,294	1	92,065	1
1481	Product rights to be returned (Note 20)	11,843	-	11,342	-	9,571	-
1479	Other current assets	3,028	-	3,295	-	7,629	-
11XX	Total Current Assets	1,653,170	19	1,636,149	19	1,793,088	21
	Non-current Assets						
1600	Property, plant, and equipment (Notes 11, 17, and 28)	3,883,508	44	3,883,680	44	3,817,459	44
1755	Right-of-use assets (Note 12)	32,528	-	33,616	-	31,806	-
1760	Investment properties - Net (Notes 13 and 28)	3,266,247	37	3,117,715	36	2,905,000	34
1821	Intangible assets (Note 14)	14,294	-	14,640	-	12,343	-
1840	Deferred tax assets (Notes 4 and 22)	39,069	-	37,833	1	41,657	1
1915	Prepaid equipment costs	11,001	-	15,223	-	12,358	-
1920	Deposits paid	11,741	-	21,802	-	13,423	-
15XX	Total Non-current Assets	7,258,388	81	7,124,509	81	6,834,046	79
1XXX	Total Assets	$ 8,911,558	100	$ 8,760,658	100	$ 8,627,134	100
Code	Liabilities and Equity						
	Current Liabilities						
2100	Short-term loans (Notes 15 and 28)	$ 120,000	1	$ 600,000	7	$ 603,014	7
2110	Short-term notes payable (Note 15)	550,000	6	549,573	6	200,000	2
2130	Contract liabilities - Current (Note 20)	135,461	2	130,354	2	119,382	2
2150	Notes Payable (Note 16)	55	-	5,388	-	-	-
2170	Accounts payable (Note 16)	48,169	1	35,572	1	47,889	1
2200	Other payables (Notes 11 and 17)	287,949	3	324,337	4	310,739	4
2230	Current tax liabilities (Note 4)	36,244	-	26,115	-	111,736	1
2280	Lease liabilities - Current (Note 12)	18,357	-	17,659	-	12,979	-
2320	Current portion of long-term loans (Notes 15 and 28)	312,428	4	255,577	3	205,333	2
2365	Refund liabilities - Current (Notes 17 and 20)	22,990	-	22,988	-	20,925	-
2399	Other current liabilities	10,685	-	11,148	-	8,117	-
21XX	Total Current Liabilities	1,542,338	17	1,978,711	23	1,640,114	19
	Non-current Liabilities						
2540	Long-term loans (Notes 15 and 28)	4,331,345	49	3,925,230	45	4,157,294	48
2550	Provisions - Non-current (Note 17)	791	-	791	-	791	-
2570	Deferred tax liabilities (Notes 4 and 22)	308,849	4	286,335	3	258,030	3
2580	Lease liabilities - Non-current (Note 12)	11,740	-	13,998	-	17,649	1
2645	Deposits received	17,334	-	15,454	-	12,732	-
25XX	Total Non-current Liabilities	4,670,059	53	4,241,808	48	4,446,496	52
2XXX	Total Liabilities	6,212,397	70	6,220,519	71	6,086,610	71
	Equity Attributable to Owners of the Company (Notes 4, 10, 19, and 22)						
3100	Share capital	805,718	9	805,718	9	821,813	10
3200	Capital surplus	20,743	-	17,820	-	78,385	1
	Retained Earnings						
3310	Legal reserve	295,150	3	295,150	4	263,085	3
3320	Special Reserve	21,024	-	21,024	-	-	-
3350	Unappropriated earnings	605,788	7	531,253	6	731,076	8
3300	Total retained earnings	921,962	10	847,427	10	994,161	11
3400	Other equity	1,131,213	13	1,050,392	12	980,315	11
3500	Treasury stock	(186,211)	(2)	(186,211)	(2)	(337,671)	(4)
31XX	Total Equity Attributable to Owners of the Company	2,693,425	30	2,535,146	29	2,537,003	29
36XX	Non-controlling Interests	5,736	-	4,993	-	3,521	-
3XXX	Total Equity	2,699,161	30	2,540,139	29	2,540,524	29
	Total Liabilities and Equity	$ 8,911,558	100	$ 8,760,658	100	$ 8,627,134	100

The accompanying notes are an integral part of these consolidated financial statements.
(Please refer to the audit report of Deloitte & Touche Taiwan dated May 12, 2026)

Chairman: Tsao, Hsien-Chang   Manager: Tsao, Hsien-Chang   Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd. and Subsidiaries

Consolidated Statement of Comprehensive Income

For the three months ended March 31, 2026 and 2025

Unit: NT$ thousands, except earnings per share, which is expressed in NT$1

Code		January 1 to March 31, 2026		January 1 to March 31, 2025	
		Amount	%	Amount	%
	Operating Revenue (Notes 20 and 27)				
4100	Net Sales Revenue	$ 675,895	98	$ 534,920	98
4800	Other Operating Revenue	11,112	2	9,096	2
4000	Total Operating Revenue	687,007	100	544,016	100
	Operating Costs				
5110	Cost of Goods Sold (Notes 9 and 21)	346,895	51	267,266	49
5900	Gross Profit from Operations	340,112	49	276,750	51
	Operating Expenses (Notes 8, 21, and 27)				
6100	Selling Expenses	200,532	29	156,511	29
6200	Administrative Expenses	39,307	6	34,222	6
6300	Research and Development Expenses	1,761	-	1,072	-
6450	Expected Credit Loss	1,644	-	1,189	-
6000	Total Operating Expenses	243,244	35	192,994	35
6900	Operating Profit	96,868	14	83,756	16
	Non-Operating Income and Expenses				
7100	Interest Income	52	-	14	-
7190	Other Income (Note 21)	20,852	3	16,463	3
7020	Other Gains and Losses (Note 21)	(869)	-	(197)	-
7050	Finance Costs (Note 21)	(26,072)	(4)	(25,385)	(5)
7230	Net Foreign Exchange Gain (Notes 21 and 29)	4,323	1	4,116	1
7000	Total Non-Operating Income and Expenses	(1,714)	-	(4,989)	(1)
7900	Profit Before Income Tax	95,154	14	78,767	15
7950	Income Tax Expense (Notes 4 and 22)	19,876	3	14,763	3
8200	Net Profit for the Period	75,278	11	64,004	12

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Code		January 1 to March 31, 2026 Amount	%	January 1 to March 31, 2025 Amount	%
8300	Other Comprehensive Income (Notes11, 19 and 22)				
	Items that will not be reclassified to profit or loss				
8312	Revaluation surplus of properties	$ 102,061	15	$ -	-
8349	Income tax relating to items that will not be reclassified to profit or loss	(20,412)	(3)	-	-
8310		81,649	12	-	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign operations	(1,035)	-	721	-
8391	Income tax related to items that may be reclassified	207	-	(144)	-
		(828)	-	577	-
	Other comprehensive income (loss), net of tax	80,821	12	577	-
8500	Total Comprehensive Income for the Period	$ 156,099	23	$ 64,581	12
8600	Net Income (Loss) Attributable to:				
8610	Owners of the Parent	$ 74,535	11	$ 63,421	12
8620	Non-controlling Interests	743	-	583	-
		$ 75,278	11	$ 64,004	12
8700	Total Comprehensive Income Attributable to:				
8710	Owners of the Parent	$ 155,356	23	$ 63,995	12
8720	Non-controlling Interests	743	-	586	-
		$ 156,099	23	$ 64,581	12
	Earnings per Share (Note 23)				
9710	Basic	$ 0.95		$ 0.81	
9810	Diluted	$ 0.95		$ 0.81	

The accompanying notes are an integral part of these consolidated financial statements.

(Please refer to the audit report of Deloitte & Touche Taiwan dated May 12, 2026)

Chairman: Tsao, Hsien-Chang　　Chairman: Tsao, Hsien-Chang　　Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd. and Subsidiaries

Consolidated Statement of Changes in Equity

For the three months ended March 31, 2026 and 2025

Unit: In NT$ thousands

		Equity Attributable to Owners of the Parent (Notes 10, 19 and 22)											
								Other Components of Equity					
		Share Capital			Retained Earnings								
Code		Number of Shares (in thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Operations	Revaluation Surplus	Treasury Shares	Total	Non-controlling Interests (Notes 10 and 19)	Total Equity
A1	Balance as of Jan. 1, 2025	82,181	$ 821,813	$ 78,385	$ 263,085	$ -	$ 667,655	$ 12,547	$ 967,194	($ 337,671)	$ 2,473,008	$ 2,935	$ 2,475,943
D1	Net income for the period Jan. 1 – Mar. 31, 2025	-	-	-	-	-	63,421	-	-	-	63,421	583	64,004
D3	Other comprehensive income, net of tax, for the three months ended March 31, 2025	-	-	-	-	-	-	574	-	-	574	3	577
D5	Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	63,421	574	-	-	63,995	586	64,581
Z1	Balance as of Mar. 31, 2025	82,181	$ 821,813	$ 78,385	$ 263,085	$ -	$ 731,076	$ 13,121	$ 967,194	($ 337,671)	$ 2,537,003	$ 3,521	$ 2,540,524
A1	Balance as of Jan. 1, 2026	80,572	$ 805,718	$ 17,820	$ 295,150	$ 21,024	$ 531,253	$ 16,003	$ 1,034,389	($ 186,211)	$ 2,535,146	$ 4,993	$ 2,540,139
	Changes in other capital surplus:												
C17	Changes in other capital surplus	-	-	2,923	-	-	-	-	-	-	2,923	-	2,923
D1	Net income for the three months ended March 31, 2026	-	-	-	-	-	74,535	-	-	-	74,535	743	75,278
D3	Other comprehensive income, net of tax, for the three months ended March 31, 2026	-	-	-	-	-	-	(828)	81,649	-	80,821	-	80,821
D5	Total comprehensive income for the three months ended March 31, 2026	-	-	-	-	-	74,535	(828)	81,649	-	155,356	743	156,099
Z1	Balance as of March 31, 2026	80,572	$ 805,718	$ 20,743	$ 295,150	$ 21,024	$ 605,788	$ 15,175	$ 1,116,038	($ 186,211)	$ 2,693,425	$ 5,736	$ 2,699,161

The accompanying notes are an integral part of these consolidated financial statements.

(Please refer to the audit report of Deloitte & Touche Taiwan dated May 12, 2025)

Chairman: Tsao, Hsien-Chang　　Chairman: Tsao, Hsien-Chang　　Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd. and Subsidiaries

Consolidated Statement of Cash Flow

For the Periods from January 1 to March 31, 2026 and 2025

Unit: NT$ Thousands

Code		January 1 to March 31, 2026	January 1 to March 31, 2025
	Cash Flows from Operating Activities		
A00010	Profit Before Tax	$ 95,154	$ 78,767
A20010	Adjustments for Income and Expense Items		
A20100	Depreciation Expense	30,896	29,369
A20200	Amortization Expense	1,288	1,069
A20300	Expected Credit Loss	1,644	1,189
A20900	Finance Costs	26,072	25,385
A21200	Interest Income	(52)	(14)
A22500	(Gain) Loss on Disposal of Property, Plant and Equipment	101	(29)
A22900	Gain on Termination of Lease Agreements	(80)	(500)
A23700	Loss on decline in value and obsolescence of inventories	5,024	-
A30000	Net Changes in Operating Assets and Liabilities		
A31130	Notes Receivable	6,181	4,671
A31150	Accounts Receivable	(8,507)	31,106
A31180	Other Receivables	(476)	(2,733)
A31200	Inventories	38,714	4,731
A31230	Prepayments	(66,010)	(21,349)
A31240	Other Current Assets	267	(292)
A31990	Right to Returned Goods	(407)	1,650
A32125	Contract Liabilities	5,107	18,937
A32130	Notes payable	(5,333)	-
A32150	Accounts Payable	12,597	(57,689)
A32180	Other Payables	(34,551)	(9,303)
A32200	Refund Liabilities – Current	(23)	(1,543)
A32990	Other Current Liabilities	(463)	(964)
A33000	Cash Generated from Operations	107,143	102,458
A33100	Interest Received	52	14
A33500	Income Tax Paid	(8,711)	(8,467)
AAAA	Net Cash Inflows from Operating Activities	98,484	94,005

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Code		January 1 to March 31, 2026	January 1 to March 31, 2025
	Cash Flows from Investing Activities		
B00040	Acquisition of financial assets measured at amortized cost	($ 4)	$ -
B00050	Proceeds from Disposal of Financial Assets Measured at Amortized Cost	-	5,735
B02700	Acquisition of Property, Plant and Equipment	(63,447)	(142,347)
B02800	Proceeds from Disposal of Property, Plant and Equipment	27	29
B03700	Increase in Refundable Deposits (Increase)	10,163	(1,454)
B04500	Acquisition of Intangible Assets	(443)	(1,010)
B07100	Increase in Prepayments for Equipment	(6,637)	(6,179)
BBBB	Net Cash Outflows from Investing Activities	(60,341)	(145,226)
	Cash Flows from Financing Activities		
C00100	Increase in Short-Term Borrowings	220,000	-
C00200	Decrease in Short-Term Borrowings	(300,000)	(28,697)
C00500	Increase in Short-Term Notes Payable	427	100,000
C01600	Proceeds from Long-Term Borrowings	114,300	252,640
C01700	Repayment of Long-Term Borrowings	(51,334)	(151,333)
C03000	Increase in Guarantee Deposits	1,689	973
C04020	Repayment of Principal Portion of Lease Liabilities	(5,498)	(3,728)
C05600	Interest Paid	(25,942)	(25,218)
C09900	Proceeds from disposal of employee stock ownership trust	2,923	-
CCCC	Net Cash Inflows from Financing Activities	(43,435)	144,637
DDDD	Effect of Exchange Rate Changes on Cash	(885)	105
EEEE	Net Increase in Cash and Cash Equivalents	(6,177)	93,521
E00100	Cash and Cash Equivalents at Beginning of Period	139,556	116,083
E00200	Cash and Cash Equivalents at End of Period	$ 133,379	$ 209,604

The accompanying notes are an integral part of these consolidated financial statements.

(Please refer to the audit report of Deloitte & Touche Taiwan dated May 12, 2026)

Chairman: Tsao, Hsien-Chang Chairman: Tsao, Hsien-Chang Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
For the Three Months Ended March 31, 2026 and 2025
(In NT$ thousands, unless otherwise stated)

I. Company History

Keding Enterprises Co., Ltd. ("the Company" hereinafter) was duly incorporated on July 22, 2002. The Company is mainly engaged in the manufacture and sale of prefinished veneered panels, eco panels, wooden flooring, and other wooden products.

The Company's stock has been listed and traded on the Taiwan Stock Exchange since November 28, 2018.

The consolidated financial statements are presented in the Company's functional currency, New Taiwan Dollars (NTD).

II. Date and Procedures of Approval of the Financial Statements

The Consolidated Financial Statements were approved by the Board of Directors on May 12, 2026。

III. Application of New Standards, Amendments, and Interpretations

(I) The Company adopted for the first time the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission (FSC) (collectively referred to as the "IFRS Standards").

The application of the amended IFRS Accounting Standards endorsed and issued into effect by the Financial Supervisory Commission (FSC) will not have a material impact on the accounting policies of the Group.

(II) IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) but not yet endorsed and issued into effect by the Financial Supervisory Commission (FSC)

New, Amended and Revised Standards and Interpretations	Effective Date Issued by IASB (Note 1)
Amendments to IFRS 10 and IAS 28, "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 18, "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19, "Subsidiaries without Public Accountability: Disclosures" (including the 2025 Amendments)	January 1, 2027
Amendments to IAS 21, "Lack of Exchangeability"	January 1, 2027

Note 1: Unless stated otherwise, the above new, amended and revised standards and interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 shall be applied by Taiwanese entities beginning January 1, 2028. Early adoption is permitted after IFRS 18 has been endorsed by the FSC.

1. Amendments to IFRS 10 and IAS 28, "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

   The amendments provide that when the Group sells or contributes assets to its associate (or joint venture), or when the Group loses control of a subsidiary but retains significant influence over (or joint control of) that subsidiary, the Group shall recognize in full the gain or loss resulting from the transaction if the assets sold or contributed, or the former subsidiary, meet the definition of a business under IFRS 3 "Business Combinations".

   In addition, when the Group sells or contributes assets to its associate (or joint venture), or when the Group loses control of a subsidiary in a transaction with its associate (or joint venture) but retains significant influence over (or joint control of) that subsidiary, and the assets sold or contributed, or the former subsidiary, do not meet the definition of a business under IFRS 3, the Group shall recognize the gain or loss resulting from the transaction only to the extent of the interests in the associate (or joint venture) that are not related to the Group. In other words, the portion of the gain or loss attributable to the Group's interest shall be eliminated.

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

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

   The Group shall assess whether it has specified main business activities involving investing in particular types of assets and providing financing to customers. Based on this assessment, income and expense items in the statement of profit or loss shall be classified into the operating, investing, financing, income tax, and discontinued operations categories.

   The statement of profit or loss shall present subtotals and totals for operating profit or loss, profit or loss before financing and income taxes, and profit or loss.

   Guidance is introduced to strengthen aggregation and disaggregation requirements. The Group shall identify assets, liabilities, equity, income, expenses and cash flows arising from individual transactions or other events and classify and aggregate them based on shared characteristics, so that each line item presented in the primary financial statements has at least one similar characteristic. Items that do not share similar characteristics shall be disaggregated in the primary financial statements and notes. The label "other" shall be used only when a more informative description cannot be identified.

   Additional disclosures are required for management-defined performance measures (MPMs). When the Group publicly communicates management's view of an aspect of the Group's overall financial performance outside the financial statements, it shall disclose in a single note to the financial statements information relating to such MPMs, including a description of the measure, how it is calculated, reconciliations to IFRS-specified subtotals or totals, and the income tax and non-controlling interest effects of related reconciling items.

In addition, IAS 7 “Statement of Cash Flows” is amended as follows:

When presenting cash flows from operating activities using the indirect method, the reconciliation shall start from operating profit or loss.

Interest and dividends received shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. If the Group is assessed as having specified main business activities, the classification of dividend income, interest income and interest expense in the statement of profit or loss shall be considered in determining the classification of dividends received, interest received and interest paid in the statement of cash flows. However, each of these cash flows shall be classified in only one category of the statement of cash flows.

Except for the impacts described above, as of the date these consolidated financial statements were authorized for issuance, the Group is still assessing the effects of the amendments to the standards and interpretations on its financial position and financial performance. The related impacts will be disclosed when the assessment is completed.

IV、Summary of Significant Accounting Policies

(I) Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting”, endorsed and issued into effect by the Financial Supervisory Commission (FSC).These consolidated financial statements should be read in conjunction with the Group's annual consolidated financial statements and do not include all the disclosures required by IFRS Accounting Standards for a complete set of annual financial statements.

(II) Basis of Preparation

"Except for investment properties measured at fair value, these consolidated financial statements have been prepared on a historical cost basis.

Fair value measurements are classified into Level 1 to Level 3 based on the observability and significance of the inputs used:

1. Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date.
2. Level 2 inputs: Observable inputs other than Level 1 quoted prices, for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
3. Level 3 inputs: Unobservable inputs for the asset or liability.

(III) Basis of Consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company (subsidiaries). The financial statements of the subsidiaries have been adjusted to conform to the accounting policies of the Group. In preparing the consolidated financial statements, all intercompany transactions, balances, income, and expenses have been fully eliminated. The total comprehensive income of the subsidiaries is attributed to the owners of the Company and to non-controlling interests.

Changes in the ownership interests of a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's and non-controlling interests have been adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

For details of subsidiaries, including ownership percentages and business activities, please refer to Note 10, Schedule 3, and Schedule 4.

(IV) Other Significant Accounting Policies

Except for the following disclosures, please refer to the summary of significant accounting policies in the consolidated financial statements for the year 2025.

<u>Income Tax Expense</u>

Income tax expense represents the sum of current income tax and deferred income tax. Income tax for interim periods is assessed on an annual basis and is recognized by applying the tax rate that would be applicable to the expected total annual earnings to the profit before tax for the interim period.

V、Key Sources of Significant Accounting Judgments, Estimates, and Assumptions with Uncertainty

For the key sources of significant accounting judgments, estimates, and assumptions with uncertainty adopted in these consolidated financial statements, please refer to the consolidated financial statements for the year 2025.

VI、Cash

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on Hand and Petty Cash	$ 1,970	$ 949	$ 2,468
Bank Checks and Demand Deposits	131,409	138,607	207,136
	$ 133,379	$ 139,556	$ 209,604

VII、Financial Assets Measured at Amortized Cost － Current

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Restricted Bank Deposits	$ 1,634	$ 1,630	$ 4,400

Restricted bank deposits are mainly held as collateral for credit card processing facilities and short-term financing arrangements. For information regarding pledged financial assets measured at amortized cost, please refer to Note 28.

VIII、Notes Receivable, Accounts Receivable, and Other Receivables

	March 31, 2026	December 31, 2025	March 31, 2025
Notes Receivable			
Non-related Parties	$ 28,485	$ 34,666	$ 43,074
Accounts Receivable			
Non-related Party	$ 300,977	$ 292,476	$ 244,429
Less: Allowance for Losses	(31,539)	(29,648)	(28,371)
	269,438	262,828	216,058
Related Party	6	-	1
	$ 269,444	$ 262,828	$ 216,059
Other Receivables			
Non-related Party	$ 1,646	$ 1,170	$ 6,647

The Group grants an average credit period of 12 to 90 days for the sale of goods and does not charge interest due to the short credit terms.

To mitigate credit risk, the Group’s management has assigned a dedicated team responsible for determining credit limits, approving credit, and implementing other monitoring procedures to ensure that appropriate actions are taken for the collection of overdue receivables. In addition, the recoverable amounts of receivables are reviewed at each reporting date to ensure that adequate impairment losses are recognized for uncollectible amounts. Accordingly, management believes that the Group’s credit risk is significantly reduced.

The Group recognizes an allowance for accounts receivable based on lifetime expected credit losses. The lifetime expected credit losses are calculated using a provision matrix that takes into account the customer’s past default history, current financial condition, and the general economic conditions of the industry. As historical experience indicates that there are no significant differences in loss patterns among different customer groups, the Group does not further distinguish between customer categories in the provision matrix, and expected credit loss rates are determined solely based on the number of days past due.

If there is evidence that a counterparty is experiencing significant financial difficulty and the Group no longer reasonably expects to recover the receivable, the Group writes off the receivable directly. However, collection efforts continue, and any amount recovered is recognized in profit or loss.

The Group measures the allowance for notes and accounts receivable based on a provision matrix, as follows:

March 31, 2026

	Not Yet Due	Past Due 1 ~ 60days	Past Due 61 ~ 90days	Past Due 91 ~ 180days	Past Due Over 180 days	Total
Expected Credit Loss Rate (%)	0.00-9.00	0.00-29.88	1.00-36.52	5.00-72.04	0.00-100.00	
Total Carrying Amount	$ 260,965	$ 31,429	$ 2,070	$ 9,090	$ 25,914	$ 329,468
Allowance for Losses (Lifetime Expected Credit Losses)	(1,157)	(1,623)	(525)	(2,732)	(25,502)	(31,539)
Amortized Cost	$ 259,808	$ 29,806	$ 1,545	$ 6,358	$ 412	$ 297,929

December 31, 2025

	Not Yet Due	Past Due 1 ~ 60days	Past Due 61 ~ 90days	Past Due 91 ~ 180days	Past Due Over 180 days	Total
Expected Credit Loss Rate (%)	0.00-6.60	0.00-29.45	1.00-36.73	5.00-73.06	0.00-100.00	
Total Carrying Amount	$ 272,120	$ 21,179	$ 4,156	$ 4,890	$ 24,797	$ 327,142
Allowance for Losses (Lifetime Expected Credit Losses)	(1,151)	(1,471)	(935)	(1,588)	(24,503)	(29,648)
Amortized Cost	$ 270,969	$ 19,708	$ 3,221	$ 3,302	$ 294	$ 297,494

March 31, 2025

	Not Yet Due	Past Due 1 ~ 60days	Past Due 61 ~ 90days	Past Due 91 ~ 180days	Past Due Over 180 days	Total
Expected Credit Loss Rate (%)	0.00-5.19	0.00-29.25	1.00-42.70	5.00-88.14	0.00-100.00	
Total Carrying Amount	$ 233,647	$ 19,111	$ 4,560	$ 8,226	$ 21,960	$ 287,504
Allowance for Losses (Lifetime Expected Credit Losses)	(644)	(1,310)	(1,332)	(4,134)	(20,951)	(28,371)
Amortized Cost	$ 233,003	$ 17,801	$ 3,228	$ 4,092	$ 1,009	$ 259,133

The movements in the allowance for accounts receivable are as follows:

	From January 1 to March 31, 2026	From January 1 to March 31, 2025
Beginning Balance	$ 29,648	$ 27,021
Add: Impairment Losses Recognized During the Period	1,644	1,189
Foreign Currency Translation Differences	247	161
Ending Balance	$ 31,539	$ 28,371

IX、Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Merchandise Inventory	$ 8,808	$ 3,968	$ 318
Finished Goods	597,109	596,820	612,943
Work in Progress	410,554	466,984	567,186
Raw Materials	22,230	14,927	22,694
	$ 1,038,701	$ 1,082,699	$ 1,203,141

Cost of goods sold related to inventories is as follows:

	From January 1 to March 31, 2026	From January 1 to March 31, 2025
Cost of inventories sold	$ 341,871	$ 267,266
Loss on inventory write-down	5,024	-
	$ 346,895	$ 267,266

Due to the nature of the industry, the Group requires a wood seasoning period during the production process, resulting in the recovery of certain inventories being expected to occur beyond 12 months. As of March 31, 2026, December 31, 2025, and March 31, 2025, inventories of related raw materials and work in progress, including logs and lumber, that are expected to be recovered after more than 12 months amounted to NT$24,353 thousand, NT$27,441 thousand, and NT$36,029 thousand,

X、Subsidiary

The reporting entity of these consolidated financial statements is as follows:

Name of the Investee Company	Name of the Subsidiary	Nature of Business	Ownership (%) March 31, 2026	Ownership (%) December 31, 2025	Ownership (%) March 31, 2025	Explanation
The Company	Keding Enterprises Co., Ltd. (Seychelles)	Reinvestment business	100%	100%	100%	
	Keding (Hong Kong) Enterprises Limited (Keding, Hong Kong)	Trading of prefinished veneered panels and other products	100%	100%	100%	
	Keding Enterprises Pte. Ltd. (Keding, Singapore)	Trading of prefinished veneered panels and other products	100%	100%	100%	

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Name of the Investee Company	Name of the Subsidiary	Nature of Business	Ownership (%) March 31, 2026	Ownership (%) December 31, 2025	Ownership (%) March 31, 2025	Explanation
The Company	Keding Enterprises Sdn. Bhd.(Keding Malaysia)	Trading of prefinished veneered panels and other products	100%	100%	100%	
	Keding Enterprises Inc. （Keding, Philippines）	Trading of prefinished veneered panels and other products	100%	100%	100%	2.
	Keding Enterprises Private Limited (Keding India)	Trading of prefinished veneered panels and other products	100%	100%	100%	
	PT Keding Panels Indonesia(Keding Indonesia)	Trading of prefinished veneered panels and other products	60%	60%	60%	
	Keding Enterprises, Llc （Keding, USA）	Trading of prefinished veneered panels and other products	100%	100%	100%	
	Keding Vietnam Co., Ltd （Keding, Vietnam）	Trading of prefinished veneered panels and other products	100%	100%	100%	
	Keding Enterprises（Korea） Co., Ltd.(Keding Korea)	Trading of prefinished veneered panels and other products	100%	100%	100%	
	Keding Enterprises （Thailand） Co., Ltd. （Keding, Thailand）	Trading of prefinished veneered panels and other products	100%	100%	100%	
	Keding Enterprises （Australia） Pty Ltd （Keding, Australia）	Trading of prefinished veneered panels and other products	100%	100%	100%	1.(1)
	Keding Japan Inc. （Keding, Japan）	Trading of prefinished veneered panels and other products	100%	100%	100%	1.(1)
	Keding Enterprises （UK） Co., Ltd.(Keding UK)	Trading of prefinished veneered panels and other products	100%	100%	-	1.(2)
	Yang Jin Co., Ltd. (Yang Jin)	International trade	100%	100%	100%	
Keding Enterprises Co., Ltd	Keding (Shanghai) Trading Co., Ltd. (Keding, Shanghai)	Trading of prefinished veneered panels and other products	100%	100%	100%	
Keding, Shanghai	Keding (Wuxi) Decoration Materials Co., Ltd. (Keding, Wuxi)	Trading of prefinished veneered panels and other products	100%	100%	100%	

1. To expand international markets, increase revenue and profitability, enhance overseas brand recognition, and advance global operations, the Company’s Board of Directors has approved the establishment of the following subsidiaries:
   (1) In April and July 2025, the Company injected capital into Keding Japan and Keding Australia, respectively. As of May 12, 2026, the Company has invested JPY 10,000 thousand and AUD 100, respectively, obtaining 100% equity interest.
   (2) On January 13, 2025, the Board of Directors resolved to establish a subsidiary in the United Kingdom. As of May 12, 2026, the Company has invested GBP 50 thousand, obtaining 100% equity interest.
2. Keding Enterprises Inc. (Philippines Keding) decided to reduce its capital and return capital contribution amounting to PHP 39,000 thousand due to management considerations. After the capital reduction, its capital amounted to PHP 11,000 thousand. The capital

reduction was approved on March 5, 2024. As of May 12, 2026, the capital reduction proceeds had not yet been remitted back.

3. For the subsidiaries included in the consolidated financial statements for the three months ended March 31, 2026, all subsidiaries were non-significant subsidiaries, and their financial information was calculated based on financial statements that had not been reviewed by independent auditors for the same period. For the subsidiaries included in the consolidated financial statements for the three months ended March 31, 2025, except for Seychelles Keding, Shanghai Keding, and Wuxi Keding, whose financial information was calculated based on financial statements reviewed by independent auditors, the remaining non-significant subsidiaries' financial information was calculated based on financial statements that had not been reviewed by independent auditors for the same period.
4. On May 12, 2026, the Company's Board of Directors approved the disposal of the subsidiary Keding Enterprises Private Limited.
5. In order to integrate group resources and reduce management costs, the Company's Board of Directors resolved on May 12, 2026, to liquidate and dissolve the subsidiary Keding Enterprises (UK) Co., Ltd.

XI、Property, Plant and Equipment

	March 31, 2026	December 31, 2025	March 31, 2025
For Own Use	$ 3,883,508	$ 3,883,680	$ 3,817,459

	Land	Land Improvements	Buildings and Structures	Machinery and Equipment	Transportation Equipment	Production Tools and Other Equipment	Leasehold Improvements	Construction in Progress	Total
Cost									
Balance as of January 1, 2026	$ 1,904,891	$ -	$ 1,185,562	$ 461,229	$ 69,705	$ 92,028	$ 4,759	$ 803,668	$ 4,521,842
Additions	-	-	121	93	3,483	1,652	148	55,983	61,480
Disposal	-	-	-	-	-	(1,079)	(207)	-	(1,286)
Transferred to investment property	(20,097)	-	(36,533)	-	-	-	-	-	(56,630)
Internal transfer	-	-	-	7	7,071	3,106	268	-	10,452
Net foreign exchange differences	-	-	-	218	57	135	22	-	432
Balance as of March 31, 2026	$ 1,884,794	$ -	$ 1,149,150	$ 461,547	$ 80,316	$ 95,842	$ 4,990	$ 859.651	$ 4,536,290
Accumulated depreciation and impairment									
Balance as of January 1, 2026	$ -	$ -	$ 266,830	$ 281,923	$ 39,022	$ 47,784	$ 2,603	$ -	$ 638,162
Depreciation expense	-	-	11,075	7,342	3,044	4,020	231	-	25,712
Disposals	-	-	-	-	-	(1,079)	(79)	-	(1,158)
Transferred to investment property	-	-	(10,159)	-	-	-	-	-	(10,159)
Net foreign exchange differences	-	-	-	98	46	73	8	-	225
Balance as of March 31, 2026	$ -	$ -	$ 267,746	$ 289,363	$ 42,112	$ 50,798	$ 2,763	$ -	$ 652,782
Net balance as of March 31, 2026	$ 1,884,794	$ -	$ 881,404	$ 172,184	$ 38,204	$ 45,044	$ 2,227	$ 859.651	$ 3,883,508
Net balance as of December 31, 2025	$ 1,904,891	$ -	$ 918,732	$ 179,306	$ 30,683	$ 44,244	$ 2,156	$ 803,668	$ 3,883,680
Cost									
Balance as of January 1, 2025	$ 2,026,525	$ 505	$ 1,180,045	$ 491,147	$ 67,491	$ 97,424	$ 16,649	$ 432,442	$ 4,312,228
Additions	-	-	1,314	3,830	-	351	-	132,821	138,316
Disposals	-	(505)	-	-	(612)	(10)	-	-	(1,127)
Internal transfer	-	-	397	4,671	-	880	-	-	5,948
Net foreign exchange differences	-	-	-	170	83	83	76	-	412
Balance as of March 31, 2025	$ 2,026,525	$ -	$ 1,181,756	$ 499,818	$ 66,962	$ 98,728	$ 16,725	$ 565,263	$ 4,455,777
Accumulated depreciation and impairment									
Balance as of January 1, 2025	$ -	$ 505	$ 220,664	$ 290,078	$ 35,499	$ 53,921	$ 13,311	$ -	$ 613,978
Depreciation expense	-	-	11,689	7,394	2,350	3,508	279	-	25,220
Disposals	-	(505)	-	-	(612)	(10)	-	-	(1,127)
Net foreign exchange differences	-	-	-	69	71	58	49	-	247
Balance as of March 31, 2025	$ -	$ -	$ 232,353	$ 297,541	$ 37,308	$ 57,477	$ 13,639	$ -	$ 638,318
Net carrying amount as of March 31, 2025	$ 2,026,525	$ -	$ 949,403	$ 202,277	$ 29,654	$ 41,251	$ 3,086	$ 565,263	$ 3,817,459

To optimize asset utilization and enhance working capital efficiency, the Group entered into lease arrangements for the unused areas of the building of Chiayi Plant 4 and the Chiayi land in March 2026 and September 2025, respectively. As these assets were no longer held for own use, they were reclassified as investment properties based on their intended use.Prior to the reclassification, the assets were revalued in accordance with International Accounting Standard No. 16 (“IAS 16”). The carrying amounts before revaluation were NT$46,471 thousand and NT$121,634 thousand, respectively, and the amounts after revaluation were NT$148,532 thousand and NT$205,628 thousand, respectively. The resulting revaluation surpluses of NT$102,061 thousand and NT$83,994 thousand, respectively, were recognized in other comprehensive income as revaluation surplus on properties.

The Group entered into a construction contract for the logistics center building with Lihua Construction Co., Ltd. in August 2023, with a contract price of NT$858,000 thousand (including business tax). As of March 31, 2026, the Group had paid NT$815,100 thousand.

In 2020, the Group entered into construction contracts for its headquarters building with Chung Hwa Electric Wire & Cable Co., Ltd. and Nippon Kokudo Development Co., Ltd., with contract amounts of NT$177,345 thousand and NT$634,797 thousand, respectively (inclusive of value-added tax). The headquarters building was completed and accepted in September 2024 and was subsequently reclassified to Buildings and Structures. As of March 31, 2026, the outstanding contract payments amounted to NT$19,137 thousand and NT$120,491 thousand, respectively, which were recognized under Other Payables.

No impairment losses were recognized for the periods from January 1 to March 31, 2026 and 2025.

The Group depreciates its property, plant and equipment on a straight-line basis over the following estimated useful lives:

Buildings and Structures	1–53 years
Machinery and Equipment	1–21 years
Transportation Equipment	2–6 years
Other Equipment	1–15 years
Leasehold Improvements	3–5 years

For the amounts of property, plant and equipment pledged as collateral for borrowings, please refer to Note 28.

XII、Lease Agreement

(I)Right-of-use asset

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying Amount of Right-of-Use Assets			
Buildings	$ 32,506	$ 33,262	$ 31,656
Machinery and Equipment	22	54	150
	$ 32,528	$ 33,616	$ 31,806

	From January 1 to March 31, 2026	From January 1 to March 31, 2025
Additions to Right-of-Use Assets	$ 5,158	$ 14,087
Disposals of Right-of-Use Assets	$ 1,508	$ 6,685
Depreciation expense of right-of-use assets		
Buildings	$ 5,152	$ 4,117
Machinery and equipment	32	32
	$ 5,184	$ 4,149

Except for the additions, disposals, and depreciation expenses recognized as mentioned above, the Group's right-of-use assets did not have any significant sublease transactions or impairment losses during the periods from January 1 to March 31, 2026 and 2025.

(II) Lease liability

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount of lease liabilities			
Current	$ 18,357	$ 17,659	$ 12,979
Non-Current	$ 11,740	$ 13,988	$ 17,649

The range of discount rates for lease liabilities is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Buildings	1.15%～14.00%	1.15%～14.00%	1.30%～14.00%
Machinery and equipment	1.15%	1.15%	1.15%

(III) Significant lease activities and terms

The consolidated company leases certain buildings for use as offices and retail stores. The original lease term, including reasonably expected renewal periods, ranges from 2 to 5 years. Upon lease termination, the consolidated company does not have a preferential purchase option for the leased buildings. It is also stipulated that, without the lessor's consent, the consolidated company may not sublease or transfer all or part of the leased assets.

The consolidated company also leases certain machinery and equipment for product manufacturing, with a lease term of 5 years. These lease agreements do not contain any renewal or purchase option clauses.

(IV) Other lease information

	From January 1 to March 31, 2026	From January 1 to March 31, 2025
Short-term lease expenses	$ 1,352	$ 1,605
Low-value asset lease expenses	$ -	$ 3
Total cash outflows for leases	$ 7,307	$ 5,717

The consolidated company has elected to apply the recognition exemption for leases of buildings and transportation equipment that qualify as short-term leases, as well as for certain leases of low-value assets. Accordingly, the right-of-use assets and lease liabilities related to these leases are not recognized.

XIII、Investment property

	March 31, 2026	December 31, 2025	March 31, 2025
Land	$ 2,219,907	$ 2,115,935	$ 1,904,540
Buildings and structures	1,046,340	1,001,780	1,000,460
	$ 3,266,247	$ 3,117,715	$ 2,905,000

The lease term for investment properties ranges from 2 to 10 years and includes an option for the lessees to extend the lease. When exercising the renewal option, the rent is adjusted based on market rental rates. Lessees do not have a preferential purchase option for the investment properties at the end of the lease term.

The lease agreement also stipulates that at the end of the 5th and 8th years of the lease term, the lease payments may be adjusted based on a maximum adjustment amount.

The total future lease payments to be received from investment properties leased under operating leases are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Year 1	$ 54,034	$ 41,018	$ 40,884
Year 2	50,804	40,289	39,681
Year 3	37,305	31,115	38,000
Year 4	25,785	27,485	29,584
Year 5	11,798	14,394	25,785
Over 5 years	14,400	17,100	26,198
	$ 194,126	$ 171,401	$ 200,132

Investment property measured at fair value

	Land	Buildings and structures	Total
Balance as of January 1, 2026	$ 2,115,935	$ 1,001,780	$ 3,117,715
Transferred from property, plant and equipment	103,972	44,560	148,532
Gain on fair value adjustment	-	-	-
Balance as of March 31, 2026	$ 2,219,907	$ 1,046,340	$ 3,266,247
Balance as of January 1, 2025	$ 1,904,540	$ 1,000,460	$ 2,905,000
Transferred from property, plant and equipment	-	-	-
Gain on fair value adjustment	-	-	-
Balance as of March 31, 2025	$ 1,904,540	$ 1,000,460	$ 2,905,000

Investment properties are measured at fair value on a recurring basis, and the basis for their fair value assessment is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
External appraisal.	$ 3,266,247	$ 3,117,715	$ 2,905,000

For the investment property (Xinshu Property) with an individual carrying amount exceeding 20% of the Company’s paid-in capital, the fair values as of December 31, 2025 and 2024 were appraised on February 12, 2026 and March 3, 2025, respectively, by Mr. Chia-Ho Tsai of DTZ Real Estate Appraisers Office, who holds a certified real estate appraiser license in Taiwan.

For the investment property (Headquarters Building) with an individual amount exceeding 10% of total assets, the fair values as of December 31, 2025 and 2024 were appraised on March 10, 2026 and February 20, 2025, respectively, by Mr. Chia-Ho Tsai of DTZ Real Estate Appraisers Office, who holds a certified real estate appraiser license in Taiwan, and were also appraised by Mr. Chang-Chun Hsu of Jiajyu Real Estate Appraisers Joint Firm.

For the investment property (Chiayi Land) with an individual amount exceeding 20% of the Company's paid-in capital, the fair value as of December 31, 2025 was appraised on February 12, 2026 by Mr. Chang-Chun Hsu of Jiajyu Real Estate Appraisers Joint Firm, who holds a certified real estate appraiser license in Taiwan.

The above fair value as of March 31, 2026 and 2025 was reviewed by the Group with the original appraiser for the validity of the original appraisal report. Based on the review, the Group concluded that the fair value information of the above investment property remained valid.

For the investment property (Chiayi Plant No. 4 Building) with an individual amount exceeding 20% of the Company's paid-in capital, the fair value as of March 31, 2026 was appraised on March 31, 2026 by Mr. Chang-Chun Hsu of Jiajyu Real Estate Appraisers Joint Firm, who holds a certified real estate appraiser license in Taiwan.

The fair value of the investment property was determined using the income approach. The significant assumptions are as follows: when the estimated future net cash inflows increase or the discount rate decreases, the fair value will increase.

	March 31, 2026	December 31, 2025	March 31, 2025
Estimated future cash inflows	$ 4,515,612	$ 4,309,141	$ 3,966,286
Estimated future cash outflows	252,792	241,051	200,059
Estimated future net cash inflows	$ 4,262,820	$ 4,068,090	$ 3,766,227
Discount rate	2.67%~3.22%	2.67%~3.22%	2.72%~3.22%

The rental rates in the locations of the Xinshu property and the headquarters building are approximately NT$750 to NT$1,000 per ping and NT$1,100 to NT$1,900 per ping, respectively. The rental rates of comparable properties in the market are approximately NT$738 to NT$1,018 per ping and NT$1,306 to NT$2,133 per ping, respectively.

The Chiayi land is leased for parking purposes, with a rental rate of NT$13 per square meter in the surrounding area. The rental rates of comparable properties in the market range from approximately NT$6 to NT$162 per square meter.

The Chiayi Plant No. 4 Building is leased for warehouse purposes, with a rental rate of NT$474 per ping in the surrounding area. The rental rates of comparable properties in the market range from approximately NT$400 to NT$535 per ping.

The Xinshu property, Chiayi land, and Chiayi Plant No. 4 Building are currently fully leased under operating leases. The 11 floors above ground and 4 basement floors of the headquarters building are currently leased under operating leases. Rental income recognized for the three-month periods ended March 31, 2026 and 2025 amounted to NT$13,090 thousand and NT$6,707 thousand, respectively.

The expected future cash inflows from investment properties include rental income, interest income from security deposits, and the terminal disposal value. Rental income is projected based on the consolidated company's current rental rates, taking into account the annual rental growth rate. The income projection period is estimated to be 10 years. Interest income from security deposits is estimated using the average one-year deposit interest rate of the five major banks, as published by the Central Bank. The terminal disposal value is estimated using the direct capitalization method under the income approach.The expected future cash outflows from investment properties include land value tax, house tax, insurance premiums, maintenance expenses, management fees, and reserve for replacement. These expenditures are projected based on current spending levels, considering future adjustments to announced land values and the applicable tax rates under the House Tax Act.

The discount rate is determined based on the posted 2-year floating interest rate for small-amount time deposits of Chunghwa Post Co., Ltd., plus 30 basis points, and includes a risk premium associated with the respective investment properties.

For the amount of investment properties pledged as loan collateral, please refer to Note 28.

The reconciliation of Level 3 fair value measurements of investment properties is as follows:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Balance at beginning of period	$ 3,117,715	$ 2,905,000
Gains (losses) from fair value adjustments recognized in profit or loss	-	-
Transfers from property, plant and equipment	148,532	-
Balance at end of period	$ 3,266,247	$ 2,905,000

XIV、 Intangible assets

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
	Computer software costs	Computer software costs
Cost		
Balance at beginning of period	$ 49,710	$ 42,911
Separate acquisitions	443	1,010
Other internal transfers	411	-
Net exchange differences	264	114
Balance at end of period	50,828	44,035
Accumulated amortization and impairment		
Balance at beginning of period	35,070	30,556
Amortization expense	1,288	1,069
Net exchange differences	176	67
Balance at end of period	36,534	31,692
Net carrying amount at end of period	$ 14,294	$ 12,343

The above intangible assets — computer software costs — are amortized on a straight-line basis over their estimated useful lives of 3 to 10 years.

XV、 Borrowings

(I)Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings (Note 28)			
Bank borrowings	$ -	$ 600,000	$ 383,014
Unsecured borrowings			
Credit line borrowings	120,000	-	220,000
	$ 120,000	$ 600,000	$ 603,014
Interest rate range	2.050%	2.075%	2.025%~2.130%

(II) Short-term notes payable

	March 31, 2026	December 31, 2025	March 31, 2025
Commercial paper payable	$ 550,000	$ 549,573	$ 200,000
Interest rate range	1.89%	1.89%	1.95%~1.98%

(III) Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings (Note 28)			
Bank borrowings	$ 4,643,773	$ 4,180,807	$ 4,362,627
Less: Current portion due within one year	(312,428)	(255,577)	(205,333)
Long-term borrowings	$ 4,331,345	$ 3,925,230	$ 4,157,294
Interest rate range	2.000%~2.575%	2.000%~2.575%	2.000%~2.575%

The Group entered into medium- to long-term secured loan agreements with Chang Hwa Commercial Bank, Taipei Fubon Commercial Bank, and Taiwan Business Bank. Pursuant to the credit agreements, the loan amounts are repayable either in full upon maturity or in installments of varying amounts. Except for borrowings from Taipei Fubon Commercial Bank and certain medium- to long-term secured borrowings from Chang Hwa Commercial Bank, the remaining loan agreements do not allow revolving use within the approved credit limits. The latest contract maturity date is July 7, 2040. For details of the utilization of financing facilities, please refer to Note 26.

Among the above borrowings, the credit facility of NT$1,000,000 thousand entered into with Taipei Fubon Commercial Bank in March 2025 (of which NT$600,000 thousand had been utilized as of March 31, 2026) requires the Group to maintain certain financial ratios, including the financial liabilities ratio, interest coverage ratio, and tangible net worth, based on the annual and semi-annual consolidated financial statements during the term of the borrowing agreement. If the Group fails to meet the requirements upon the first review, the maximum utilization amount of the facility will be limited to 90% of the credit facility of NT$1,000,000 thousand. If the Group fails to meet the requirements for two consecutive reviews, the credit facility will be subject to reassessment.

Taipei Fubon Commercial Bank entered into a renewed borrowing agreement in April 2026, under which the Group is required to maintain certain financial ratios, including the financial liabilities ratio, interest coverage ratio, and tangible net worth. If the Group fails to meet the requirements upon review, an additional adjustment will be made to the approved interest rate. If the Group meets the requirements upon the subsequent review, the original approved interest rate will be restored.

XVI、Accounts Payable

	March 31, 2026	December 31, 2025	March 31, 2025
Notes payable			
Arising from operating activities	$ 55	$ 5,388	$ -
Accounts payable			
Arising from operating activities	$ 48,169	$ 35,572	$ 47,889

The average credit term for accounts payable is three months. The merged company has established a financial risk management policy to ensure that all payables are settled within the pre-agreed credit periods.

XVII、Other Liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Other payables			
Construction payables	$ 133,706	$ 133,979	$ 157,960
Salaries and bonuses payable	90,493	121,403	86,453
Labor and health insurance premiums payable	11,473	10,526	10,543
Import and export expenses and freight payable	10,041	15,108	8,487
Taxes payable	8,954	12,278	6,731
Equipment payables	358	2,052	1,598
Others	32,924	28,991	38,967
	$ 287,949	$ 324,337	$ 310,739
Other liabilities			
Refund liabilities (Note 20)	$ 22,990	$ 22,988	$ 20,925
Non-current			
Provisions			
Warranty liabilities	$ 791	$ 791	$ 791

XVIII、Post-employment Benefit Plans

The Company's applicable pension scheme under the Labor Pension Act is a government-managed defined contribution retirement plan. Under this scheme, the Company contributes an amount equal to 6% of each employee’s monthly wages to the employee’s individual pension account with the Bureau of Labor Insurance.

Employees of the merged company’s subsidiaries in China, Hong Kong, Singapore, Malaysia, the Philippines, India, Indonesia, Vietnam, and Thailand are enrolled in government-run pension benefit plans in their respective jurisdictions. Each subsidiary is required to contribute a specific percentage of payroll costs to fund these retirement benefit plans. The merged company's obligation to these government-operated pension plans is limited solely to making the required contributions.

XIX、Equity

(1) Capital Stock

Common Stock

	March 31, 2026	December 31, 2025	March 31, 2025
Authorized Shares (in thousands of shares)	100,000	100,000	100,000
Authorized Capita	$ 1,000,000	$ 1,000,000	$ 1,000,000

	March 31, 2026	December 31, 2025	March 31, 2025
Issued and Fully Paid Shares (in thousands of shares)	80,572	80,572	82,181
Issued capital	$ 805,718	$ 805,718	$ 821,813

Each issued common share has a par value of NT$10, entitles the holder to one vote, and carries the right to receive dividends.

(2) Capital Surplus

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset losses, distribute cash dividends, or be transferred to share capital (Note 1)			
Share premium	$ 18,555	$ 15,632	$ 10,379
Treasury stock transactions	-	-	65,818
May only be used to offset losses			
Changes in ownership interests in subsidiaries recognized (Note 2)	2,180	2,180	2,180
Put option rights	8	8	8
	$ 20,743	$ 17,820	$ 78,385

Note 1: This type of capital surplus may be used to offset losses. When the company has no accumulated losses, it may also be used to distribute cash dividends or be capitalized into share capital, provided that the amount capitalized each year shall be subject to a certain percentage of paid-in capital.

Note 2: This type of capital surplus arises from the effects of equity transactions recognized due to changes in the ownership interests of subsidiaries when the Company has not actually acquired or disposed of any equity in the subsidiaries, or from adjustments recognized by the Company under the equity method for capital surplus of subsidiaries.

In addition, when employees of the Group resign during the stock trust period, the Employee Welfare Trust Plan Committee, in accordance with the trust agreement, sells the shares held in trust by the resigned employees to third parties. After deducting the amounts to be returned to the employees from the proceeds of disposal, the remaining proceeds are remitted to the Group. The amount of the remaining proceeds for the period from January 1 to March 31, 2026 was NT$2,923 thousand. The consideration received from the sale of the Company’s own shares is treated as an equity transaction and credited to capital surplus — share premium.

(3) Retained Earnings and Dividend Policy

In accordance with the Company’s Articles of Incorporation, the earnings distribution policy provides that, after the closing of accounts for each semi-annual period, if there is profit, income taxes shall first be paid and prior years' losses shall be covered. Thereafter, 10% of the remaining profit shall be appropriated as legal reserve, except where the accumulated legal reserve has reached the total capital of the Company, in which case this requirement shall not apply. Special reserve shall also be appropriated or reversed in accordance with laws and regulations if necessary. If there is any remaining balance, together with the unappropriated earnings accumulated from previous years, the Board of Directors is authorized, by special resolution, to distribute all or part of the distributable dividends and bonuses, or all or part of the legal reserve, and the capital surplus derived from the issuance of shares in excess of par value or from donations received, in cash to shareholders in proportion to their shareholding. Such distributions shall be reported to the shareholders' meeting.The Company's policy for distribution of employee and director remuneration is prescribed in Article 21(6) of the Notes to the Financial Statements.

The Company's dividend policy takes into account the current and future investment environment, capital requirements, domestic and international competition, and capital budget planning. Balancing shareholder interests with long-term financial planning, the Company determines the appropriate amount of stock or cash dividends to be distributed based on future capital expenditure plans and funding needs. In case of a loss in the current year, or where there are undistributed earnings from previous years, the Company may distribute dividends from prior years' earnings. However, if the accumulated distributable earnings for the current year (i.e., distributable earnings plus undistributed earnings from previous years) are less than 10% of the Company's paid-in capital, no dividends or bonuses need to be distributed. Dividends to shareholders may be distributed in the form of cash or stock dividends, provided that cash dividends shall comprise no less than 20% of the total dividends distributed. The Board of Directors may adjust the ratio of distribution based on the Company's actual profit and funding conditions and report such to the shareholders' meeting.

The legal reserve shall be appropriated until it equals the Company's total paid-in capital. It may be used to offset losses. If there is no loss, the portion of the legal reserve exceeding 25% of paid-in capital may be capitalized or distributed in cash.

The Company's interim and annual earnings distribution plans for the years 2025 and 2024, as well as the cash dividends per share, were resolved by the Board of Directors as follows:

	July 1 to December 31, 2025	January 1 to June 30, 2025	July 1 to December 31, 2024	January 1 to June 30, 2024
Date of resolution by the Board of Directors	May 12, 2026	October 2, 2025	May 12, 2025	September 5, 2024
Legal reserve	$ 11,365	$ 13,298	$ 18,767	$ 19,151
Special reserve	5,103	-	21,024	-
Cash dividends	377,078	94,269	235,674	338,162
Dividend per share (NT$)	4.8	1.2	3	4.35

The Company's earnings distribution proposal for 2024 was approved by the shareholders' meeting on June 25, 2025.

The cash dividend under the earnings distribution proposal for 2025 was approved by the Board of Directors on May 12, 2026. The remaining items of the 2025 earnings distribution proposal are subject to approval by the shareholders' meeting to be held on June 29, 2026.

(4) Treasury Shares

	Shares Transferred to Employees (in thousands of shares)
Number of shares outstanding as of January 1 and March 31, 2026	2,014
Number of shares outstanding as of January 1 and March 31, 2025	3,688

The treasury shares held by the Company are prohibited from being pledged pursuant to the Securities and Exchange Act and do not have any rights to receive dividends or exercise voting rights.

On May 12, 2026, the Board of Directors resolved to amend the "Regulations Governing the Transfer of Repurchased Shares to Employees." In response to the Company's operational requirements, the period for transferring repurchased shares to employees was shortened from within five years to within three years and two months.

XX. Revenue

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Revenue from Product Sales		
Coated Wood Veneer Panels	$ 276,725	240,788
Eco-friendly Particle Boards	157,262	175,213
Melamine Boards	78,489	70,958
System Cabinets	26,595	18,818
Wood Flooring	19,877	13,213
Interior Doors	30,511	8,767
TRUE⁺ Panels	56,822	-
Others	29,614	7,163
	675,895	534,920
Other Operating Income	11,112	9,096
Total Revenue	$ 687,007	$ 544,016

In accordance with business practice, the consolidated company accepts product returns with a full refund within 60 days of sale. Based on accumulated past experience, the consolidated company estimates the most likely return rate to recognize refund liabilities – current, and rights to returned products.

Contract Balance

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Notes Receivable (Note 8)	$ 28,485	$ 34,666	$ 43,074	$ 47,745
Accounts Receivable (Note 8)	$ 269,444	$ 262,828	$ 216,059	$ 248,515
Contract Liabilities – Current	$ 135,461	$ 130,354	$ 119,382	$ 100,445

XXI. Net Income for the Period

The net income for the period includes the following items:

(1) Other Income

	January 1 to March 31, 2026	January 1 to March 31, 2025
Rental Income	$ 14,059	$ 8,968
Government grants income	1,709	1,885
Other Income	5,084	5,610
	$ 20,852	$ 16,463

(2) Other Gains and Losses

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Disposal Gains from Lease Agreements	$ 80	$ 500
Miscellaneous Expenses	(949)	(697)
Total	($ 869)	($ 197)

(3) Financial Costs

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Interest on Bank Borrowings	$ 29,771	$ 27,752
Interest on Lease Liabilities	457	381
	30,228	28,133
Less: Amount Capitalized as Qualifying Asset Cost	(4,156)	(2,748)
	$ 26,072	$ 25,385

The following are details related to interest capitalization:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Capitalized Interest Amount	$ 4,156	$ 2,748
Capitalization Interest Rate	2.10%	2.18%

(4) Depreciation and Amortization

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Depreciation Expense by Function		
Cost of Goods Sold	$ 15,214	$ 16,631
Operating Expenses	15,682	12,738
	$ 30,896	$ 29,369
Amortization Expense by Function		
Cost of Goods Sold	$ 58	$ 58
Selling Expenses	387	494
Administrative Expenses	843	517
	$ 1,288	$ 1,069

(5) Employee Benefits Expenses

	January 1, 2026 to March 31, 2026	January 1, 2025 to March 31, 2025
Salaries and Wages Expenses	$ 162,450	$ 150,323
Labor and Health Insurance Expenses	14,551	12,862
Pension Expenses (Note 18)		
Defined Contribution Plan	6,999	6,497
Other Employee Benefits Expenses	2,075	1,791
Total Employee Benefits Expenses	$ 186,075	$ 171,473
Summarized by Function		
Cost of Goods Sold	$ 54,870	$ 59,091
Operating Expenses	131,205	112,382
	$ 186,075	$ 171,473

(6) Employee compensation and remuneration of directors

Pursuant to the Company's Articles of Incorporation, the Company shall allocate employee compensation at no less than 2% and directors' remuneration at no more than 2% of the annual pre-tax income before deducting the amounts of employee compensation and directors' remuneration.Following the amendment to the Securities and Exchange Act in August 2024, the Company amended its Articles of Incorporation, which was approved by the shareholders' meeting in 2025, to stipulate that a portion of employee compensation shall be allocated to entry-level employees at no less than 1% of the annual pre-tax income before deducting employee compensation and remuneration of directors and supervisors.The estimated amounts of employee compensation and remuneration of directors and supervisors for the three-month periods ended March 31, 2026 and 2025 are as follows:

Estimated Provision Rate

	January 1 to March 31, 2026	January 1 to March 31, 2025
Employee Remuneration	2.00%	2.00%

Amount

	January 1 to March 31, 2026	January 1 to March 31, 2025
Employee Remuneration	$ 1,924	$ 1,594

If there are any changes in the amounts after the annual consolidated financial statements have been approved and issued, such changes shall be accounted for as changes in accounting estimates and adjusted in the subsequent year.

The employee compensation and directors' remuneration for the years 2025 and 2024 were respectively resolved by the Board of Directors on March 9, 2026 and March 11, 2025, as follows:

	2025	2024
	Cash	Cash
Employee Remuneration	$ 7,795	$ 9,597

The actual distribution amounts of employee compensation and directors' remuneration for the years 2025 and 2024 were not different from the amounts recognized in the consolidated financial statements for the respective years.

For information regarding the Board of Directors' resolutions on employee compensation and directors' remuneration, please refer to the "Market Observation Post System" of the Taiwan Stock Exchange.

(7) Foreign Currency Exchange Gains – Net

	January 1 to March 31, 2026	January 1 to March 31, 2025
Total Foreign Exchange Gains	$ 6,298	$ 6,795
Total Foreign Exchange Losses	(1,975)	(2,679)
Net income	$ 4,323	$ 4,116

XXII. Income tax expense from continuing operations

(1) Income Tax Recognized in Profit or Loss

The main components of income tax expense are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Current Income Tax		
Incurred During the Period	$ 18,647	$ 9,479
Adjustments for Prior Periods	156	8
	18,803	9,487
Deferred Income Tax		
Current period	1,073	5,276
Income Tax Expense Recognized in Profit or Loss	$ 19,876	$ 14,763

(2) Income Tax Recognized in Other Comprehensive Income

	January 1 to March 31, 2026	January 1 to March 31, 2025
Deferred income tax		
Arising in the current period		
- Revaluation surplus of property	$ 20,412	$ -
- Exchange differences arising from translation of the financial statements of foreign operations	(207)	144
Income tax recognized in other comprehensive income	$ 20,205	$ 144

(3) Income Tax Assessment Status

The Company and its subsidiary, Yang Jin Trading, have had their corporate income tax filings assessed by the tax authorities up to the year 2024.

XXIII. Earnings Per Share

	January 1 to March 31, 2026	January 1 to March 31, 2025
Basic Earnings Per Share	$ 0.95	$ 0.81
Diluted Earnings Per Share	$ 0.95	$ 0.81

The earnings and weighted average number of common shares used in the calculation of earnings per share are as follows:

Net Income for the Period

	January 1 to March 31, 2026	January 1 to March 31, 2025
Net income used in the calculation of basic and diluted earnings per share	$ 74,535	$ 63,421

Number of Shares

Unit: Thousands of Shares

	January 1 to March 31, 2026	January 1 to March 31, 2025
Weighted Average Number of Common Shares Used in Calculating Basic Earnings Per Share	78,558	78,493
Effects of Potential Dilutive Common Shares:		
Employee Remuneration	59	69
Weighted Average Number of Common Shares Used in Calculating Diluted Earnings Per Share	78,617	78,562

If the Company has the option to distribute employee remuneration in cash or stock, the calculation of diluted earnings per share assumes that employee remuneration will be distributed in stock. Such potential common shares with dilutive effects are included in the weighted average number of outstanding shares for diluted earnings per share calculation. When calculating diluted earnings per share before the number of shares to be distributed as employee remuneration is resolved in the following year, the dilutive effects of such potential common shares continue to be considered.

XXIV. Cash Flow Information

(1) Non-cash Transactions

Except for the information disclosed in other notes, the cash payments for acquisitions of property, plant and equipment by the Group are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Increase in Property, Plant and Equipment	$ 61,480	$ 138,316
Net Change in Other Payables	1,967	4,031
Cash Paid	$ 63,447	$ 142,347

(2) Changes in Liabilities Arising from Financing Activities

			Non-Cash Changes					
	January 1, 2026	Cash Flows	New Leases	Amortization of Interest Expense	Disposals	Foreign Exchange Impact	Others	March 31, 2026
Short-term Borrowings	$ 600,000	($ 80,000)	$ -	$ -	$ -	$ -	($ 400,000)	$ 120,000
Short-term Notes Payable	549,573	427	-	-	-	-	-	550,000
Long-term Borrowings (including current portion)	4,180,807	62,966	-	-	-	-	400,000	4,643,773
Security Deposits Received	15,454	1,689	-	-	-	191	-	17,334
Lease Liabilities	31,657	(5,955)	5,158	457	(1,588)	368	-	30,097
	$ 5,377,491	($ 20,873)	$ 5,158	$ 457	($ 1,588)	$ 559	$ -	$ 5,361,204

			Non-Cash Changes					
	January 1, 2025	Cash Flows	New Leases	Amortization of Interest Expense	Disposals	Foreign Exchange Impact	Others	March 31, 2025
Short-term Borrowings	$ 631,711	($ 28,697)	$ -	$ -	$ -	$ -	$ -	$ 603,014
Short-term Notes Payable	100,000	100,000	-	-	-	-	-	200,000
Long-term Borrowings (including current portion)	4,261,320	101,307	-	-	-	-	-	4,362,627
Security Deposits Received	11,668	973	-	-	-	91	-	12,732
Lease Liabilities	27,075	(4,109)	14,087	381	(7,185)	379	-	30,628
	$ 5,031,774	$ 169,474	$ 14,087	$ 381	($ 7,185)	$ 470	$ -	$ 5,209,001

XXV. Capital Risk Management

The consolidated company manages its capital to ensure that entities within the Group will be able to continue as going concerns, while maximizing shareholder returns through the optimization of the debt and equity balance. The Group's overall strategy has remained unchanged from previous years.

The Group's capital structure consists of net debt and equity attributable to the shareholders of the consolidated entities.

Senior management of the Group reviews the capital structure regularly, taking into consideration the cost of each type of capital and the associated risks. Based on the recommendations of senior management, the Group may adjust its capital structure by issuing new debt or repaying existing debt to maintain an optimal capital structure.

XXVI. Financial Instruments

(1) Categories of Financial Instruments

	March 31, 2026	December 31, 2025	March 31, 2025
Financial Assets			
Financial assets measured at amortized cost (Note 1)	$ 446,329	$ 461,652	$ 493,207
Financial Liabilities			
Financial liabilities measured at amortized cost (Note 2)	5,667,280	5,711,131	5,537,001

Note 1: The balance includes financial assets measured at amortized cost, including cash, restricted-use bank deposits, notes receivable, accounts receivable (including related parties), other receivables, and refundable deposits.

Note 2: The balance includes financial liabilities measured at amortized cost such as short-term borrowings, short-term bills payable, accounts payable, other payables, long-term borrowings (including current portion of long-term borrowings), and guarantee deposits received.

(3) Objectives and Policies of Financial Risk Management

The finance department of the consolidated company provides services to various business units, centrally coordinates access to domestic and international financial markets, and monitors and manages financial risks related to the Group’s operations through internal risk reports analyzing exposures by degree and magnitude of risk. These risks include market risk (including currency risk and interest rate risk), credit risk, and liquidity risk.

To mitigate financial risks, the consolidated company is committed to identifying, assessing, and avoiding market uncertainties in order to reduce the potential adverse impact of market fluctuations on the Group’s financial performance.

1. Market Risk

The Group’s operating activities expose it primarily to financial risks from foreign currency exchange rate fluctuations (see item (1) below) and interest rate fluctuations (see item (2) below).

(1) Foreign Currency Risk

The Group engages in sales and purchases denominated in foreign currencies, which expose it to foreign exchange rate fluctuations.

For the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the functional currency as of the balance sheet date, please refer to Note 29.

Sensitivity Analysis

The Group is primarily affected by fluctuations in the U.S. dollar exchange rate.

The following table presents a sensitivity analysis of the impact on the Group's profit before tax, assuming a 5% appreciation or depreciation of the U.S. dollar against the functional currency of the respective entities within the Group. The 5% rate represents management’s assessment of a reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency-denominated monetary items, with their year-end balances adjusted for a 5% change in exchange rates.A positive amount in the table indicates an increase in profit before tax when the New Taiwan Dollar depreciates by 5% against the U.S. dollar; a negative amount of the same value would result if the New Taiwan Dollar appreciates by 5%.

Unit: NT$ Thousands

	January 1 to March 31, 2026	January 1 to March 31, 2025
Profit or Loss Impact	$ 787	$ 358

Since the above sensitivity analysis is based solely on foreign currency exposures as of the balance sheet date, management believes it does not reflect the exposure throughout the year.

(2) Interest Rate Risk

The Group is exposed to fair value interest rate risk due to its holdings of fixed-rate financial assets and liabilities, and to cash flow interest rate risk due to its holdings of floating-rate financial assets and liabilities.Management monitors changes in market interest rates on a regular basis and adjusts the portfolio of floating-rate financial liabilities accordingly, aiming to align the Group’s interest rates with market levels and reduce the risk arising from interest rate fluctuations.

As of the balance sheet date, the carrying amounts of financial assets and liabilities exposed to interest rate risk are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Exposed to Fair Value Interest Rate Risk			
－Financial Liabilities	$ 700,097	$ 581,230	$ 230,628
Exposed to Cash Flow Interest Rate Risk			
－Financial Assets	133,043	140,237	211,536
－Financial Liabilities	4,643,773	4,780,807	4,965,641

Sensitivity Analysis

The Group’s sensitivity analysis for interest rate risk is based on its financial assets and financial liabilities as of the balance sheet date. The Group considers a 0.5% increase/decrease in market interest rates to be a reasonably possible change for the purpose of reporting interest rate risk to management.Assuming all other variables remain constant, a 0.5% increase/decrease in market interest rates would have decreased/increased the Group’s profit before tax by NT$5,638 thousand and NT$5,943 thousand for the three-month periods ended March 31, 2026 and 2025, respectively.

2. Credit Risk

Credit risk refers to the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations. As of the balance sheet date, the maximum exposure to credit risk that could result in a financial loss for the Group—due to a counterparty' s failure to fulfill its obligations or from financial guarantees provided by the Group—is primarily represented by the carrying amounts of financial assets recognized in the consolidated balance sheet.The Group' s policy is to transact only with counterparties that have demonstrated sound credit quality in order to reduce the risk of financial loss. The Group also continuously monitors credit exposure and the creditworthiness of its counterparties.

The Group's accounts receivable are derived from a broad customer base that is geographically dispersed, without significant concentration in any single customer or region. In addition, the Group regularly evaluates the financial condition of its customers with accounts receivable, and therefore, the overall credit risk is considered limited.

As of the balance sheet date, the Group's maximum exposure to credit risk approximates the carrying amounts of the financial assets recognized in the financial statements.

3. Liquidity Risk

The Group manages and maintains sufficient cash reserves to support its operations and mitigate the impact of cash flow fluctuations. Management oversees the usage of bank financing facilities and ensures compliance with loan covenant terms.

Bank borrowings are an important source of liquidity for the Group. As of March 31, 2026, December 31, 2025, and March 31, 2025, details of the Group's unused financing facilities are provided in section (2) Financing Facilities below.

The Group's working capital and available bank financing facilities are sufficient to meet operational needs. Therefore, the risk of being unable to raise funds to fulfill contractual obligations is considered low.

(1) Liquidity and Interest Rate Risk Table of Non-Derivative Financial Liabilities

The following table provides a detailed analysis of the remaining contractual maturities of the Group's non-derivative financial liabilities with agreed repayment terms. The analysis is prepared based on the earliest possible repayment dates.

March 31, 2026

	Weighted AverageEffective Interest Rate (%)	Due on Demand or Within 1 Year	1 to 5 Years	Over 5 Years
Non-derivative financial liabilities				
Non-interest-bearing liabilities	-	$ 336,173	$ -	$ -
Lease liabilities	1.15～14.00	19,530	12,103	-
Variable interest rate instruments	2.00～2.575	414,710	3,853,547	636,346
Fixed interest rate instruments	1.89	670,418	-	-
		$ 1,440,831	$ 3,865,650	$ 636,346

Further information regarding the maturity analysis of the aforementioned financial liabilities is as follows:

	Within 1 Year	1 to 5 Years	5 to 10 Years	10 to 15 Years	15 to 20 Years	Over 20 Years
Floating Rate Instruments	$ 414,710	$ 3,853,547	$ 485,191	$ 151,155	$ -	$ -

December 31, 2025

	Weighted AverageEffective Interest Rate (%)	Due on Demand or Within 1 Year	1 to 5 Years	Over 5 Years
Non-derivative Financial Liabilities				
Non-interest-bearing Liabilities	-	$ 365,297	$ -	$ -
Lease Liabilities	1.15～14.00	18,999	14,370	-
Floating Rate Instruments	2.00～2.575	956,364	3,244,997	838,859
Fixed Rate Instruments	1.89	550,000	-	-
		$ 1,890,660	$ 3,259,367	$ 838,859

Further information regarding the maturity analysis of the aforementioned financial liabilities is as follows:

	Within 1 Year	1 to 5 Years	5 to 10 Years	10 to 15 Years	15 to 20 Years	Over 20 Years
Floating Rate Instruments	$ 956,364	$3,244,997	$ 678,684	$ 160,175	$ -	$ -

March 31, 2025

	Weighted AverageEffective Interest Rate (%)	Due on Demand or Within 1 Year	1 to 5 Years	Over 5 Years
Non-derivative Financial Liabilities				
Non-interest-bearing Liabilities	-	$ 358,628	$ -	$ -
Lease Liabilities	1.15～14.00	14,228	18,520	-
Floating Rate Instruments	2.00～2.575	881,461	3,212,022	1,175,321
Fixed Rate Instruments	1.95～1.98	200,000	-	-
		$ 1,454,317	$ 3,230,542	$ 1,175,321

Further information regarding the maturity analysis of the aforementioned financial liabilities is as follows:

	Within 1 Year	1 to 5 Years	5 to 10 Years	10 to 15 Years	15 to 20 Years	Over 20 Years
Floating Rate Instruments	$ 881,461	$ 3,212,022	$ 896,889	$ 227,695	$ 50,737	$ -

(2) Financing Facilities

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured Bank Borrowing Facilities			
– Amount Utilized	$ 120,000	$ -	$ 420,000
– Amount Unutilized	470,000	590,000	170,000
	$ 590,000	$ 590,000	$ 590,000
Secured Bank Borrowing Facilities			
– Amount Utilized	$ 5,259,440	$ 5,475,602	$ 4,917,197
– Amount Unutilized	1,034,207	585,122	939,824
	$ 6,293,647	$ 6,060,724	$ 5,857,021

XXVII. Related Party Transactions

Transactions, account balances, income, and expenses between the Company and its subsidiaries (which are related parties of the Company) have been eliminated in consolidation and are therefore not disclosed in this note. Transactions between the Group and other related parties are disclosed as follows:

(1) Names of Related Parties and Their Relationships with the Group

Name of Related Party	Relationship with the Group
Jun-Jia Interior Design Co., Ltd. ("Jun-Jia")	The chairman of this company is a second-degree relative of the Company’s chairman.

(2) Sales

Category/Name of Related Party	January 1 to March 31, 2026	January 1 to March 31, 2025
Jun-Jia Interior Design Co., Ltd. ("Jun-Jia")	$ 5	$ 1

The collection terms for sales between the Group and its related parties are 30 to 90 days after delivery. The transaction terms and prices did not differ significantly from those in arm’s length transactions.

(3) Accounts Receivable

Category/Name of Related Party	January 1 to March 31, 2026	January 1 to March 31, 2025
Jun-Jia Interior Design Co., Ltd. ("Jun-Jia")	$ 6	$ 1

No guarantees were obtained for outstanding receivables from related parties. No impairment losses were recognized for receivables from related parties as of March 31, 2026 and 2025.

(4) Compensation of Key Management Personnel

The total compensation to directors and other key management personnel is as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Short-term Employee Benefits	$ 4,670	$ 3,452
Post-employment Benefits	36	64
	$ 4,706	$ 3,516

The compensation of directors and other key management personnel is determined by the Remuneration Committee based on individual performance and prevailing market trends.

XXVIII. Pledged Assets

The Group’s restricted assets are pledged for credit card machine operations and as collateral for bank financing facilities. The details are as follows:

Item	March 31, 2026	December 31, 2025	March 31, 2025
Property, Plant and Equipment – Land	$ 1,882,190	$ 1,902,287	$ 1,923,107
Property, Plant and Equipment – Buildings	881,405	918,732	949,403
Financial Assets Measured at Amortized Cost	1,634	1,630	4,400
Investment Property – Land	2,182,272	2,078,299	1,867,852
Investment Property – Buildings	1,046,340	1,001,780	1,000,460
	$ 5,993,841	$ 5,902,728	$ 5,745,222

XXIX. Information on Foreign Currency Assets and Liabilities with Significant Influence

The following information is presented in aggregate based on foreign currencies other than the functional currencies of the entities within the Group. The disclosed exchange rates represent the rates used to translate the foreign currencies into the respective functional currencies. Foreign currency assets and liabilities with significant influence are as follows:

Unit: Thousands of foreign currencies / Thousands of TWD

	March 31, 2026				
	Foreign Currency	Exchange rate (in dollars)		Functional Currency	TWD
Foreign currency assets					
Monetary items					
USD	$ 8,458	31,9950	(USD:TWD)	$ 270,627	$ 270,627
USD	182	1.2901	(USD:SGD)	235	5,829
USD	149	6.9194	(USD:CNY)	1,029	4,757
USD	526	4.1810	(USD:MYR)	2,198	16,823
USD	1	60.7346	(USD:PHP)	30	16
USD	-	26,663	(USD:VND)	8,621	10

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	March 31, 2026				
	Foreign Currency	Exchange rate (in dollars)		Functional Currency	TWD
Foreign currency assets					
Monetary items					
USD	$ 5,153	6.9194	(USD: RMB)	$ 35,653	$ 164,856
USD	477	31.9950	(USD: NTD)	15,266	15,266
USD	6	4.1810	(USD: MYR)	26	196
USD	1,360	1.2901	(USD: SGD)	1,754	43,510
USD	24	7.8400	(USD: HKD)	188	768
USD	295	60.7346	(USD: PHP)	17,892	9,425
USD	925	93.7692	(USD: INR)	86,767	29,606
USD	75	17,019	(USD: IDR)	1,276,274	2,399
USD	194	26,663	(USD: VND)	5,174,576	6,209
USD	194	32.7080	(USD: THB)	6,351	6,213
USD	3	1,514.9148	(USD: KRW)	4,023	85
USD	91	1.4570	(USD: AUD)	132	2,902
USD	15	159.5761	(USD: JPY)	2,337	469
USD	13	0.7569	(USD: GBP)	10	414

	December 31, 2025				
	Foreign Currency	Exchange rate (in dollars)		Functional Currency	TWD
Foreign currency assets					
Monetary items					
USD	$ 7,379	31.4300	(USD: NTD)	$ 231,908	$ 231,908
USD	170	1.2855	(USD: SGD)	218	5,334
USD	38	7.0288	(USD: RMB)	270	1,207
USD	423	4.2016	(USD: MYR)	1,778	13,303
USD	1	58.9128	(USD: PHP)	29	16
USD	-	26,636	(USD: VND)	11,842	14
Foreign currency liabilities					
Monetary items					
USD	4,736	7.0288	(USD: RMB)	33,288	148,852
USD	506	31.4300	(USD: NTD)	15,902	15,902
USD	170	4.2016	(USD: MYR)	713	5,334
USD	938	1.2855	(USD: SGD)	1,206	29,493
USD	20	7.7836	(USD: HKD)	156	631
USD	158	58.9128	(USD: PHP)	9,313	4,969
USD	979	90.0238	(USD: INR)	88,138	30,772
USD	-	16,718	(USD: IDR)	641	1
USD	132	26,636	(USD: VND)	3,508,129	4,140
USD	58	31.3704	(USD: THB)	1,805	1,808
USD	3	1,427.9873	(USD: KRW)	3,792	83
USD	90	1.4960	(USD: AUD)	135	2,833
USD	7	156.5239	(USD: JPY)	1,144	230
USD	13	0.7425	(USD: GBP)	10	407

	March 31, 2025				
	Foreign Currency	Exchange rate (in dollars)		Functional Currency	TWD
Foreign currency assets					
Monetary items					
USD	$ 8,694	33.2050	(USD: NTD)	$ 288,693	$ 288,693
USD	4	1.3405	(USD: SGD)	5	131
USD	27	7.1782	(USD: RMB)	193	892
USD	180	4.5993	(USD: MYR)	830	5,991
USD	1	57.2401	(USD: PHP)	29	17
USD	1	25,941	(USD: VND)	14,432	18
Foreign currency assets					
Monetary items					
USD	5,448	7.1782	(USD: RMB)	39,106	180,895
USD	236	33.2050	(USD: NTD)	7,805	7,805
USD	32	4.5993	(USD: MYR)	145	1,047
USD	916	1.3405	(USD: SGD)	1,229	30,432
USD	24	7.7800	(USD: HKD)	187	797
USD	216	57.2401	(USD: PHP)	12,350	7,164
USD	1,025	85.3423	(USD: INR)	87,485	34,039
USD	218	16,357	(USD: IDR)	3,566,047	7,239
USD	138	25,941	(USD: VND)	3,571,451	4,571
USD	372	33.7381	(USD: THB)	12,554	12,356
USD	3	1,458.2784	(USD: KRW)	3,872	88
USD	64	1.5956	(USD: AUD)	102	2,116
USD	1	149.1019	(USD: JPY)	133	30

The Group's realized and unrealized net foreign exchange gains for the three-month periods ended March 31, 2026 and 2025 amounted to NT$4,323 thousand and NT$4,116 thousand, respectively. Due to the variety of foreign currency transactions, it is not practicable to disclose exchange gains and losses by each significant foreign currency.

XXX. Notes Disclosure Items

(1) Significant Transaction Items:

1. Loans to others: Schedule 1.
2. Endorsements and guarantees provided for others: None.
3. Significant securities held at period-end (excluding investments in subsidiaries, associates, and joint ventures): None.
4. Purchases from and sales to related parties amounting to NT$100 million or 20% or more of paid-in capital: None.
5. Receivables from related parties amounting to NT$100 million or 20% or more of paid-in capital: Schedule 2.
6. Others: Business relationships and significant transactions between the parent company and subsidiaries, and among subsidiaries: Schedule 5.

(2) Information on Investments in Associates and Joint Ventures: Schedule 3.

(3) Investment Information in Mainland China:

1. Names of invested companies in Mainland China, main business activities, paid-in capital, investment methods, fund remittance status, shareholding percentages, investment gains or losses,

carrying amounts at period-end, repatriated investment gains or losses, and investment limits in Mainland China: Schedule 4.

2. Significant transactions directly or indirectly conducted with invested companies in Mainland China via third regions, including prices, payment terms, and unrealized gains or losses: Schedules 2.
   (1) Purchase amounts and percentages, and related accounts payable balances and percentages at period-end.
   (2) Sales amounts and percentages, and related accounts receivable balances and percentages at period-end.
   (3) Property transaction amounts and resulting gains or losses.
   (4) Endorsement or guarantee of notes and pledge balances at period-end and their purposes.
   (5) Maximum balances, period-end balances, interest rate ranges, and total interest of financing.
   (6) Other transactions that have significant impact on current profit or loss or financial position, such as provision or receipt of services.

XXXI. Segment Information

The Group provides information used by chief operating decision makers for resource allocation and performance assessment, focusing on geographic factors.

The operating segments' profit and loss of the consolidated company are primarily measured based on operating profit and loss, which serves as the basis for performance evaluation. In addition, the accounting policies used by the operating segments are consistent in all material respects with the significant accounting policies summarized in Note 4.

Segment Revenue and Operating Results

	Subsidiaries in Asia	The Company and domestic subsidiaries	Reconciliation and write-offs	Consolidated
For the three months ended March 31, 2026				
Revenue from external customers	$ 132,150	$ 554,857	$ -	$ 687,007
Revenue from the Company and subsidiaries	28,344	80,276	(108,620)	-
Total revenue	$ 160,494	$ 635,133	($ 108,620)	$ 687,007

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	Subsidiaries in Asia	The Company and domestic subsidiaries	Reconciliation and write-offs	Consolidated
Segment profit	($ 4,762)	$ 99,542	$ 2,088	$ 96,868
Other gains and losses, net				(1,714)
Profit before tax from continuing operations				$ 95,154
Identifiable assets	$ 462,047	$ 8,987,781	($ 538,270)	$ 8,911,558
For the three months ended March 31, 2025				
Revenue from external customers	$ 125,013	$ 419,003	$ -	$ 544,016
Revenue from the Company and subsidiaries	30,152	56,860	(87,012)	-
Total revenue	$ 155,165	$ 475,863	($ 87,012)	$ 544,016
Segment profit	$ 7,064	$ 74,345	$ 2,347	$ 83,756
Other gains and losses, net				(4,989)
Profit before income tax from continuing operations				$ 78,767
Identifiable assets	$ 436,522	$ 8,698,793	($ 508,181)	$ 8,627,134

Segment profit refers to the profit earned by each segment, excluding interest income, other income, gains from disposal of lease agreements, foreign exchange gains and losses, finance costs, miscellaneous expenses, and income tax expenses. This measure is provided to the chief operating decision maker for the purpose of allocating resources to segments and assessing their performance.

Keding Enterprises Co., Ltd. and Subsidiaries
Loan to others
January 1, 2026 through March 31, 2026

Table 1

Unit: In NT$1,000, unless otherwise stated

No. (Note 1)	Lender	Borrower	Item	Whether a related party	Highest outstanding balance during the year (Note 5)	Ending balance (Note 5)	Actual borrowing amount (Note 5)	Interest rate range	Nature of financing (Note 2)	Business transaction amount	Reasons for short-term financing	Loan Loss Provision	Collateral		Limit on loans to each individual entity (Note 3)	Total limit on loans to others (Note 3)	remark
													Description	Value			
0	Keding Enterprises Co., Ltd	Keding (Shanghai) Trading	Receivables from related parties	Yes	$ 99,379 (USD 3,106 thousand)	$ 96,094 (USD 3,003 thousand)	$ 96,094 (USD 3,003 thousand)	-	1	$ 66,862	—	$ -	None	$ -	$ 66,862	$ 1,077,370	Notes 3 and 6
0	Keding Enterprises Co., Ltd	Keding Enterprises Inc. (Keding Philippines)	Receivables from related parties	Yes	1,123 (USD 35 thousand)	1,123 (USD 35 thousand)	-	-	1	12,609	—	-	None	-	12,609	1,077,370	Note 3
0	Keding Enterprises Co., Ltd	Keding Enterprises （Australia）Pty Ltd. （Keding Australia）	Receivables from related parties	Yes	2,021 (USD 63 thousand)	2,021 (USD 63 thousand)	2,021 (USD 63 thousand)	-	1	108	—	-	None	-	108	1,077,370	Notes 3 and 6
0	Keding Enterprises Co., Ltd	Keding Japan Inc. （Keding Japan）	Receivables from related parties	Yes	5 (USD 0 thousand)	5 (USD 0 thousand)	5 (USD 0 thousand)	-	`1	314	-	-	None	-	314	1,077,370	Note 3
0	Keding Enterprises Co., Ltd	Keding Japan Inc. （Keding Japan）	Receivables from related parties	Yes	4,010 (JPY 20,000 thousand)	4,010 (JPY 20,000 thousand)	4,010 (JPY 20,000 thousand)	2%	2	-	Operating turnover	-	None	-	261,942	1,077,370	Note 3
1	YangJin Co., Ltd	Keding Enterprises Private Limited(Keding Indian)	Receivables from related parties	Yes	14,597 (USD 456 thousand)	14,597 (USD 456 thousand)	10,694 (USD 334 thousand)	-	1	33,341	—	-	None	-	27,162	27,162	Note 4

Note 1: The numbering in the column is explained as follows:
(1) The issuer is coded as "0".
(2) Investees are coded sequentially starting from "1" in Arabic numerals.

Note 2: The nature of the loan to others is classified as follows:
1."1" represents entities having business transactions with the Company.
2."2" represents entities having a need for short-term financing.

Note 3: According to the Company's Procedures for Lending Funds to Others, the aggregate amount of loans shall not exceed 40% of the Company's net worth. For entities having business transactions with the Company, the aggregate lending amount shall not exceed 40% of the Company's net worth. For any individual entity requiring short-term financing, the loan amount shall not exceed 10% of the Company's net worth. For entities having business transactions with the Company, the loan amount shall not exceed the higher of the Company's sales or purchases with such entity during the most recent year.

Note 4: According to the Procedures for Lending Funds to Others of Yang Jin Trading Co., Ltd., the aggregate amount of loans shall not exceed 40% of its net worth. For entities having business transactions with the company, the aggregate lending amount shall not exceed 40% of its net worth. For any individual entity requiring short-term financing, the loan amount shall not exceed 10% of its net worth. For entities having business transactions with the company, the loan amount shall not exceed the higher of the sales or purchases amount during the most recent two years. For loans to related parties, both the aggregate lending amount and the lending limit to any single entity shall not exceed 100% of net worth.

Note 5: Translated at the exchange rates prevailing on March 31, 2026.

Note 6: The lending amount exceeded the prescribed limit. The Group's improvement plan was approved by the Board of Directors on May 12, 2026.

Note 7: The balances and transactions have been eliminated in full upon consolidation.

Keding Enterprises Co., Ltd. and Subsidiaries

Accounts receivable from related parties reaching NT$100 million or 20 percent of paid-in capital or more

Balance as of March 31, 2026

Table 2

Unit: NT$ thousand, unless otherwise specified.

Companies from which the accounts receivable are due	Transaction counterparty	Relationship	Balance of receivables due from related parties (Note 3)	Turnover	Receivables from related parties past due		Receivables from related parties retrieved after the reporting period (Note 2)	Amount of loss provisions
					Amount	Actions taken		
Keding Enterprises Co., Ltd.	Keding (Shanghai) Trading Co., Ltd.	The Company's subsidiary	$ 68,762	0.76	$ 27,682	Active collection	$ 11,378	Note 1
			96,094			—	-	Note 1

Note 1: Based on the assessment performed, no allowance for expected credit losses is required.
Note 2: Subsequent collections represent amounts recovered as of May 12, 2026.
Note 3: The balance of receivables from related parties includes accounts receivable of NT$68,762 thousand and other receivables of NT$96,094 thousand reclassified from loans to others.
Note 4: The balances and transactions have been eliminated in full upon consolidation.

Keding Enterprises Co., Ltd. and Subsidiaries

Name and Territory of Investees and Other Relevant Information

January 1, 2026 through March 31, 2026

Table 3

Unit: NT$ thousand, unless otherwise specified.

Name of investor	Investee	Region	Main business line	Original investment amount		Shares held at the period-end			Profit or loss of investee in the period	Investment gain (loss) recognized in the current period	Remark
				End of this year	End of last year	Number of shares	Percentage (%)	Carrying amount			
Keding Enterprises Co., Ltd.	Keding Enterprises Co., Ltd.	Seychelles	Reinvestment business	$ 133,540	$ 133,540	4,510,000	100%	($ 82,791)	($ 1,026)	($ 1,026)	Note 1
	Keding (Hong Kong) Enterprises Limited	Hong Kong	Trading of prefinished veneered panels and other products	3,132	3,132	-	100%	1,234	(389)	(389)	Note 1
	Keding Enterprises Pte. Ltd.	Singapore	Trading of prefinished veneered panels and other products	8,749	8,749	-	100%	22,820	(1,168)	(1,168)	Note 1
	Keding Enterprises Sdn. Bhd.	Kuala Lumpur, Malaysia	Trading of prefinished veneered panels and other products	38,062	38,062	-	100%	33,192	(862)	(862)	Note 1
	Keding Enterprises Inc.	Metro Manila, Philippines	Trading of prefinished veneered panels and other products	8,198	8,198	110,000	100%	1,372	1,128	1,128	Note 1
	Keding Enterprises Private Limited	Mumbai, India	Trading of prefinished veneered panels and other products	4,818	4,817	1,200,000	100%	(5,053)	(3,373)	(3,373)	Note 1
	PT Keding Panels Indonesia	Jakarta, Indonesia	Trading of prefinished veneered panels and other products	7,770	7,770	37,530	60%	9,824	1,858	1,115	Note 1
	Keding Enterprises, Llc	Los Angeles, United States	Trading of prefinished veneered panels and other products	4,397	4,397	-	100%	(3,237)	(23)	(23)	Note 1
	Keding Vietnam Co., Ltd	Ho Chi Minh, Vietnam	Trading of prefinished veneered panels and other products	6,141	6,141	-	100%	10,478	516	516	Note 1
	Keding Enterprises （Korea） Co., Ltd.	Seoul, Korea	Trading of prefinished veneered panels and other products	2,332	2,332	20,000	100%	1,973	(17)	(17)	Note 1
	Keding Enterprises （Thailand） Co., Ltd.	Bangkok, Thailand	Trading of prefinished veneered panels and other products	2,795	2,795	30,000	100%	8,234	1,600	1,600	Note 1
	Keding Enterprises （Australia） Pty Ltd	Brisbane, Australia	Trading of prefinished veneered panels and other products	2	2	100	100%	2,827	313	313	Note 1
	Keding Japan Inc.	Tokyo, Japan	Trading of prefinished veneered panels and other products	2,232	2,332	10,000,000	100%	(2,311)	(717)	(717)	Note 1
	Keding Enterprises （UK） Ltd	London, United Kingdom	Trading of prefinished veneered panels and other products	2,013	2,013	50,000	100%	(512)	(251)	(251)	Note 1
	Yang Jin Co., Ltd.	New Taipei City	International trade	29,500	29,500	-	100%	27,162	583	583	Note 1

Note 1: The company is a subsidiary of the Company.

Note 2: For information on investee companies in Mainland China, please refer to Schedule 4.

Note 3: The balances and transactions have been eliminated in full upon consolidation.

Keding Enterprises Co., Ltd. and Subsidiaries

Information on Investments in Mainland China

January 1, 2026 through March 31, 2026

Table 4

Unit: NT$ thousand, unless otherwise specified

Investee in Mainland China	Main business line	Paid-in Capital (Note 1)	Method of investment	Accumulated amount of investments from Taiwan at the beginning of current year (Note 1)	Inward or outward investment amount in the period		Accumulated amount of investments from Taiwan at the end of current year (Note 1)	Profit or loss of the investee in the current period (Note 2)	The Company's shareholding of direct or indirect investment	Investment gains and losses recognized in the current period (Note 2)	Carrying amount of investments at the end of the period (Note 1)	Investment gains remitted back as of the end of the period	Remark
					Outward	Inward							
Keding (Shanghai) Trading Co., Ltd.	Trading of prefinished veneered panels and other products	$ 143,978 (USD 4,500 thousand)	Investment made through Keding Enterprises Co Ltd	$ 143,978 (USD4,500 thousand)	$ -	$ -	$ 143,978 (USD4,500 thousand))	($ 1,026) (USD 32 thousand)	100%	($ 1,026) (USD 32 thousand)	($ 79,051) (USD 2,471 thousand)	$ -	
Keding (Wuxi) Decoration Materials Co., Ltd. (Keding, Wuxi)	Trading of prefinished veneered panels and other products	12,947 (RMB 2,800 thousand)	Investment made through Keding (Shanghai) Trading Co., Ltd.	-	-	-	-	(103) (RMB 23 thousand)	100%	(103) (RMB 23 thousand)	5,459 (RMB 1,181 thousand)	-	

Accumulated investment amount remitted from Taiwan to China at the end of period	Investment amount approved by the MOEAIC	Upper limit on investment in mainland China imposed by the MOEAIC
$ 143,978 (Note 1) (USD4,500 thousand)	$ 143,978(Note 1) (USD4,500 thousand)	$ 1,616,055(Note 3)

Note 1: Translated at the average exchange rate between buying and selling rates prevailing on March 31, 2026.
Note 2: Translated at the average exchange rate for the period from January 1 to March 31, 2026.
Note 3: Calculated based on 60% of the net worth as of March 31, 2026.
Note 4: The entity is the reporting entity of these consolidated financial statements. The balances and transactions have been eliminated in full in the preparation of these consolidated financial statements.

Keding Enterprises Co., Ltd. and Subsidiaries

The business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and amounts of any significant transactions between them:

January 1, 2026 through March 31, 2026

Table5

Unit: NT$ thousand, unless otherwise specified

No. (Note 1)	Name of the transaction party	Transaction counterparty	Relationship with transaction party	Transaction status			
				Account	Amount (Note 4)	Transaction terms	Ratio to consolidated total revenue or total assets (Note 2)
0	Keding Enterprises Co., Ltd.	Keding (Shanghai) Trading Co., Ltd.	Parent company to subsidiary	Receivables from related parties	$ 68,762	(Note 3)	1%
0	Keding Enterprises Co., Ltd.	Keding (Shanghai) Trading Co., Ltd.	Parent company to subsidiary	Other receivables from related parties	96,094	(Note 3)	1%
0	Keding Enterprises Co., Ltd.	Keding (Shanghai) Trading Co., Ltd.	Parent company to subsidiary	Payables to related parties	17,382	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding (Shanghai) Trading Co., Ltd.	Parent company to subsidiary	Sales revenue	12,991	(Note 3)	2%
0	Keding Enterprises Co., Ltd.	Keding (Shanghai) Trading Co., Ltd.	Parent company to subsidiary	Cost of sales	20,445	(Note 3)	3%
0	Keding Enterprises Co., Ltd.	Keding Enterprises Pte. Ltd.	Parent company to subsidiary	Receivables from related parties	40,433	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Enterprises Pte. Ltd.	Parent company to subsidiary	Payments made on behalf of others	1,880	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Enterprises Pte. Ltd.	Parent company to subsidiary	Sales revenue	45,231	(Note 3)	7%
0	Keding Enterprises Co., Ltd.	Keding (Hong Kong) Enterprises Limited	Parent company to subsidiary	Advances from customers	1,384	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Enterprises Sdn. Bhd.	Parent company to subsidiary	Advances received	16,196	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Yang Jin Co., Ltd.	Parent company to subsidiary	Receivables from related parties	4,995	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Yang Jin Co., Ltd.	Parent company to subsidiary	Sales revenue	1,909	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Enterprises Inc.	Parent company to subsidiary	Receivables from related parties	9,351	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Enterprises Inc.	Parent company to subsidiary	Other receivables from related parties	20,545	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Enterprises Inc.	Parent company to subsidiary	Sales revenue	5,471	(Note 3)	1%
0	Keding Enterprises Co., Ltd.	PT Keding Panels Indonesia	Parent company to subsidiary	Receivables from related parties	2,362	(Note 3)	-
0	Keding Enterprises Co., Ltd.	PT Keding Panels Indonesia	Parent company to subsidiary	Sales revenue	2,872	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Enterprises, Llc	Parent company to subsidiary	Payments made on behalf of others	3,277	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Vietnam Co., Ltd	Parent company to subsidiary	Receivables from related parties	5,895	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Vietnam Co., Ltd	Parent company to subsidiary	Sales revenue	5,482	(Note 3)	1%
0	Keding Enterprises Co., Ltd.	Keding Enterprises (Thailand) Co., Ltd.	Parent company to subsidiary	Receivables from related parties	4,719	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Enterprises (Thailand) Co., Ltd.	Parent company to subsidiary	Payments made on behalf of others	2,075	(Note 3)	-
0	Keding Enterprises Co., Ltd.	Keding Enterprises (Thailand) Co., Ltd.	Parent company to subsidiary	Sales revenue	4,090	(Note 3)	1%
0	Keding Enterprises Co., Ltd.	Keding Japan Inc.	Parent company to subsidiary	Other receivables from related parties	4,015	(Note 3)	-
0	Keding Enterprises Co., Ltd.	KEDING Enterprises (AUSTRALIA) Pty. Ltd	Parent company to subsidiary	Other receivables from related parties	2,021	(Note 3)	-
1	Yang Jin Co., Ltd.	Keding Enterprises Private Limited	Subsidiary to subsidiary	Receivables from related parties	18,076	(Note 3)	-

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No. (Note 1)	Name of the transaction party	Transaction counterparty	Relationship with transaction party	Transaction status			
				Account	Amount (Note 4)	Transaction terms	Ratio to consolidated total revenue or total assets (Note 2)
1	Yang Jin Co., Ltd.	Keding Enterprises Private Limited	Subsidiary to subsidiary	Other receivables from related parties	$ 10,694	(Note 3)	-
1	Yang Jin Co., Ltd.	Keding Enterprises Private Limited	Subsidiary to subsidiary	Sales revenue	1,998	(Note 3)	-
2	Keding Enterprises Pte.Ltd.	Keding Enterprises Sdn. Bhd.	Subsidiary to subsidiary	Advances from customers	1,850	(Note 3)	-
3	Keding (Shanghai) Trading Co., Ltd.	Keding (Wuxi) Decoration Materials Co., Ltd. (Keding, Wuxi)	Parent company to subsidiary	Payables to related parties	4,296	(Note 3)	-
3	Keding (Shanghai) Trading Co., Ltd.	Keding (Wuxi) Decoration Materials Co., Ltd. (Keding, Wuxi)	Parent company to subsidiary	Packaging fees	1,288	(Note 3)	-

Note 1: “0” represents the parent company; the remaining numbers represent the codes of subsidiaries.

Note 2: The ratio of transaction amounts to consolidated total revenue or total assets is calculated as follows: for balance sheet accounts, the calculation is based on the ending balance as a percentage of consolidated total assets; for profit or loss accounts, the calculation is based on the cumulative amount during the period as a percentage of consolidated total revenue.

Note 3: To expand overseas markets, the Company provides subsidiaries with longer credit terms and preferential prices. Other transaction terms are not materially different from those of general transactions.

Note 4: The entity is the reporting entity of these consolidated financial statements. The balances and transactions have been eliminated in full in the preparation of these consolidated financial statements.