

**DAWUSHAN FARM TECHNOLOGY CO., LTD.
AND SUBSIDIARIES**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2025 and 2024 and
Independent Auditors' Review Report
(Stock Code: 6952)**

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Notice to Readers

The English consolidated financial statements are not reviewed nor audited by independent auditors. They have been translated into English from the original Chinese version which has been reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese version shall prevail.

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Independent Auditors' Review Report

The Board of Directors and Shareholders

Dawushan Farm Technology Co., Ltd.

Introduction

We have reviewed the consolidated balance sheets of Dawushan Farm Technology Co., Ltd. and its subsidiaries (hereinafter referred to as "Dawushan Group") as of March 31, 2025, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended, and the notes to the consolidated financial statements (including a summary of significant accounting policies). 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 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except for matters described in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standards on Review Engagement No. 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity." A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(3) to the consolidated financial statements, financial statements of non-material subsidiaries for the same period included in the above consolidated financial statements have not been reviewed by independent auditors. As of March 31, 2025, their total assets amounted to NT\$404,605 thousand and accounted for 15.92% of total consolidated assets; and their total liabilities amounted to NT\$130,450 thousand and accounted for 14.19% of total consolidated liabilities. The total comprehensive income amounted to NT\$1,443 thousand and accounted for (1.30%) of consolidated total comprehensive income for the three months ended March 31, 2025.

Qualified Conclusion

Based on our reviews, except for financial statements of non-material subsidiaries stated in the Basis for Qualified Conclusion paragraph, which may result in adjustments to the consolidated financial statements if they have been reviewed by independent auditors, we did not discover matters which would lead us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Dawushan Group as of March 31, 2025, and its consolidated financial performance and cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matters - Prior Period Reviewed by Other Independent Auditors

The consolidated financial statements of Dawushan Group for the three months ended March 31, 2024 were reviewed by other auditors. On May 10, 2024, those auditors issued a review report with a qualified conclusion due to the fact that the financial statements of non-material subsidiaries included in the consolidated financial statements had not been reviewed by independent auditors.

Emphasis of Matter - Fire Loss

As disclosed in Note 10 to the consolidated financial statements, a portion of Dawushan Group’s production facilities was damaged by fire on March 12, 2025. As a result, the Group recognized a disaster loss of NT\$41,176 thousand for the damage to its plant and equipment. The Group is currently in the process of filing an insurance claim, and no insurance compensation has been recognized as of the reporting date. Our review conclusion is not modified in respect of this matter.

The engagement partners on the reviews resulting in this independent auditors’ review report are A-Shen Liao and Chien-Chih Wu.

PricewaterhouseCoopers Taiwan

May 9, 2025

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
March 31, 2025, December 31, 2024 and March 31, 2024
(In Thousands of New Taiwan Dollars)

Assets	Notes	March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
Current assets							
Cash and cash equivalents	6(1)	\$ 444,034	18	\$ 257,250	11	\$ 265,268	12
Financial assets at amortized cost - current	6(2), 8	8,000	-	-	-	-	-
Notes receivable, net	5,6(3)	3,130	-	733	-	1,541	-
Accounts receivable, net	5,6(3),7	156,339	6	187,811	8	202,981	9
Other receivables		2,434	-	1,342	-	1,824	-
Current income tax assets		146	-	146	-	27	-
Inventories	5,6(4)	37,732	2	37,469	2	29,042	1
Biological assets - current	6(5)	-	-	11,429	-	16,441	1
Prepayments		26,569	1	20,303	1	18,576	1
Other financial assets - current	6(2),8	-	-	-	-	100,430	4
Total current assets		<u>678,384</u>	<u>27</u>	<u>516,483</u>	<u>22</u>	<u>636,130</u>	<u>28</u>
Non-current assets							
Property, plant and equipment	6(6),8,10	1,699,189	67	1,657,483	70	1,439,445	64
Right-of-use assets	6(7),7	30,503	1	33,342	1	42,649	2
Intangible assets	6(8)	47,870	2	48,374	2	54,629	2
Biological assets - non-current	6(5),7	78,362	3	119,402	5	78,535	4
Deferred income tax assets		4,892	-	3,435	-	4,774	-
Refundable deposits		2,098	-	1,438	1	2,428	-
Total non-current assets		<u>1,862,914</u>	<u>73</u>	<u>1,863,474</u>	<u>79</u>	<u>1,622,460</u>	<u>72</u>
Total assets		<u>\$ 2,541,298</u>	<u>100</u>	<u>\$ 2,379,957</u>	<u>101</u>	<u>\$ 2,258,590</u>	<u>100</u>

(Continued)

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS-(Continued)
March 31, 2025, December 31, 2024 and March 31, 2024
(In Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
Current liabilities							
Short-term loans	6(9),8	\$ 316,000	13	\$ -	-	\$ 30,000	1
Contract liabilities - current	6(16)	72	-	2,662	-	44	-
Notes payable		100	-	100	-	-	-
Accounts payable		32,507	1	64,188	3	31,064	1
Accounts payable - related parties	7	31,018	1	39,670	2	60,977	3
Other payables	6(10),7	135,650	4	89,786	4	65,449	3
Current income tax liabilities		9,120	1	9,116	-	39,870	2
Provisions - current		-	-	3,708	-	2,834	-
Lease liabilities - current	7	10,874	1	10,965	-	11,738	1
Current portion of long-term loans	6(11),8	21,217	1	21,181	1	97,886	4
Total current liabilities		<u>556,558</u>	<u>22</u>	<u>241,376</u>	<u>10</u>	<u>339,862</u>	<u>15</u>
Non-current liabilities							
Long-term loans	6(11),8	343,028	13	303,345	13	500,828	22
Deferred income tax liabilities		5	-	270	-	103	-
Lease liabilities - non-current	7	19,939	1	22,646	1	31,100	2
Total non-current liabilities		<u>362,972</u>	<u>14</u>	<u>326,261</u>	<u>14</u>	<u>532,031</u>	<u>24</u>
Total liabilities		<u>919,530</u>	<u>36</u>	<u>567,637</u>	<u>24</u>	<u>871,893</u>	<u>39</u>
Equity							
Equity attributable to owners of the parent							
Share capital	6(13)						
Common shares		683,450	27	683,450	29	607,500	27
Capital surplus	6(14)						
Capital surplus		585,286	23	585,286	25	230,350	10
Retained earnings	6(15)						
Legal reserve		54,616	2	54,616	2	47,408	2
Unappropriated earnings		242,280	10	420,788	18	445,031	20
Treasury shares	6(13)	(49,013)	(2)	(36,511)	(2)	-	-
Total equity attributable to owners of the parent		<u>1,516,619</u>	<u>60</u>	<u>1,707,629</u>	<u>72</u>	<u>1,330,289</u>	<u>59</u>
Non-controlling interests	4(3)	<u>105,149</u>	<u>4</u>	<u>104,691</u>	<u>4</u>	<u>56,408</u>	<u>2</u>
Total equity		<u>1,621,768</u>	<u>64</u>	<u>1,812,320</u>	<u>76</u>	<u>1,386,697</u>	<u>61</u>
Significant contingent liabilities and unrecognized contract commitments	9						
Significant disaster loss	10						
Significant subsequent events	11						
Total liabilities and equity		<u>\$ 2,541,298</u>	<u>100</u>	<u>\$ 2,379,957</u>	<u>100</u>	<u>\$ 2,258,590</u>	<u>100</u>

(The accompanying notes are an integral part of the consolidated financial statements.)

(Concluded)

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Three Months Ended March 31, 2025 and 2024
(In Thousands of New Taiwan Dollars,
Except for (loss) earnings per share, which are expressed in New Taiwan Dollars)

	Notes	Three Months Ended March 31			
		2025		2024	
		Amount	%	Amount	%
Operating revenue	5,6(16),7	\$ 224,013	100	\$ 338,336	100
Operating costs	6(4,21,22),7	(187,061)	(84)	(267,775)	(79)
(Loss) gain arising from initial recognition of biological assets and agricultural produce		(6,774)	(3)	31,450	9
Gross profit		30,178	13	102,011	30
Operating expenses	6(8,21,22),7				
Sales and marketing expenses		(26,702)	(12)	(28,480)	(8)
General and administrative expenses		(17,169)	(8)	(17,884)	(5)
Research and development expenses		(3,477)	(1)	(2,450)	(1)
Expected credit gain (loss)		47	-	(584)	-
Total operating expenses		(47,301)	(21)	(49,398)	(14)
Operating (loss) income		(17,123)	(8)	52,613	16
Non-operating income and expenses					
Interest income	6(17)	45	-	301	-
Other income	6(18)	4,589	2	4,143	1
Other gains and losses	6(19)	(99,761)	(44)	(501)	-
Finance costs	6(6,20),7	(169)	-	(3,498)	(1)
Total non-operating income and expenses		(95,296)	(42)	445	-
(Loss) income before income tax		(112,419)	(50)	53,058	16
Income tax benefit (expense)	6(23)	1,714	1	(10,430)	(3)
Net (loss) income		(\$ 110,705)	(49)	\$ 42,628	13
Total comprehensive income		(\$ 110,705)	(49)	\$ 42,628	13
Net income (loss) attributable to:					
Owners of the parent		(\$ 111,163)	(49)	\$ 43,490	13
Non-controlling interests		458	-	(862)	-
Total net income (loss)		(\$ 110,705)	(49)	\$ 42,628	13
Total comprehensive income attributable to:					
Owners of the parent		(\$ 111,163)	(49)	\$ 43,490	13
Non-controlling interests		458	-	(862)	-
Total comprehensive income		(\$ 110,705)	(49)	\$ 42,628	13
(Loss) earnings per share	6(24)				
Basic		(\$ 1.65)		\$ 0.72	
Diluted		(\$ 1.65)		\$ 0.71	

(The accompanying notes are an integral part of the consolidated financial statements.)

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Three Months Ended March 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

		Equity Attributable to Owners of the Parent					Non-Controlling Interests	Total Equity
Notes	Common Shares	Capital Surplus	Unappropriated Earnings	Legal Reserve	Treasury Shares	Total		
<u>For the three months ended March 31, 2024</u>								
Balance as of January 1, 2024	\$ 607,500	\$ 230,350	\$ 401,541	\$ 47,408	\$ -	\$ 1,286,799	\$ 57,270	\$ 1,344,069
Net income for the period	-	-	43,490	-	-	43,490	(862)	42,628
Total comprehensive income for the period	-	-	43,490	-	-	43,490	(862)	42,628
Balance as of March 31, 2024	<u>\$ 607,500</u>	<u>\$ 230,350</u>	<u>\$ 445,031</u>	<u>\$ 47,408</u>	<u>\$ -</u>	<u>\$ 1,330,289</u>	<u>\$ 56,408</u>	<u>\$ 1,386,697</u>
<u>For the three months ended March 31, 2025</u>								
Balance as of January 1, 2025	\$ 683,450	\$ 585,286	\$ 420,788	\$ 54,616	(\$ 36,511)	\$ 1,707,629	\$ 104,691	\$ 1,812,320
Net loss for the period	-	-	(111,163)	-	-	(111,163)	458	(110,705)
Total comprehensive income for the period	-	-	(111,163)	-	-	(111,163)	458	(110,705)
Appropriation of 2024 earnings:								
Cash dividends	6(15)	-	(67,345)	-	-	(67,345)	-	(67,345)
Repurchase of treasury shares	6(13)	-	-	-	(12,502)	(12,502)	-	(12,502)
Balance as of March 31, 2025	<u>\$ 683,450</u>	<u>\$ 585,286</u>	<u>\$ 242,280</u>	<u>\$ 54,616</u>	<u>(\$ 49,013)</u>	<u>\$ 1,516,619</u>	<u>\$ 105,149</u>	<u>\$ 1,621,768</u>

(The accompanying notes are an integral part of the consolidated financial statements.)

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Three Months Ended March 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

		Three Months Ended March 31	
	Notes	2025	2024
<u>Cash flows from operating activities</u>			
(Loss) income before income tax		(\$ 112,419)	\$ 53,058
Adjustments			
Non-cash income and expense items			
Depreciation	6(5,6,7,21)	43,864	46,007
Amortization	6(8,21)	504	487
Expected credit (gain) loss	12(2)	(47)	584
Interest expense	6(20)	169	3,498
Interest income	6(17)	(45)	(301)
Loss on disposal of property, plant and equipment	6(19)	3	-
Loss (gain) on disposal of biological assets	6(19)	56,479	(1,123)
Disaster loss	6(19)	41,176	-
Changes in operating assets and liabilities			
Net changes in operating assets			
Notes receivable		(2,397)	2,506
Accounts receivable		31,519	31,815
Other receivables		(1,092)	1,439
Inventories		(263)	2,262
Biological assets - current		-	(23,113)
Prepayments		(6,266)	(8,924)
Net changes in operating liabilities			
Contract liabilities - current		(2,590)	(80)
Notes payable		-	(100)
Accounts payable		(31,681)	(3,813)
Accounts payable - related parties		(8,652)	(14,766)
Other payables		(25,084)	(13,952)
Increase in provisions - current		-	(339)
Cash (used in) generated from operations		(16,822)	75,145
Interest received		45	340
Interest paid		(443)	(3,534)
Income tax paid		(4)	(34)
Net cash (used in) generated by operating activities		(17,224)	71,917
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at amortized cost - current		(8,000)	-
Acquisition of biological assets - non-current		(28,135)	(7,700)
Disposal of biological assets - non-current		6,380	3,666
Acquisition of property, plant and equipment	6(25)	(107,996)	(3,535)
Disposal of property, plant and equipment		2,000	-
Acquisition of intangible assets	6(8)	-	(351)
(Increase) decrease in refundable deposits		(660)	100
Increase in other financial assets - current		-	(2)
Net cash used in investing activities		(136,411)	(7,822)
<u>Cash flows from financing activities</u>			
Increase in short-term loans	6(26)	316,000	-
Decrease in short-term loans	6(26)	-	(36,000)
Proceeds from long-term loans	6(26)	45,000	-
Repayment of long-term loans	6(26)	(5,281)	(24,276)
Repayment of lease principal	6(26)	(2,798)	(1,625)
Cost of treasury shares repurchased	6(13)	(12,502)	-
Net cash generated by (used in) financing activities		340,419	(61,901)
Net increase in cash and cash equivalents		186,784	2,194
Cash and cash equivalents at beginning of period	6(1)	257,250	263,074
Cash and cash equivalents at end of period	6(1)	\$ 444,034	\$ 265,268

(The accompanying notes are an integral part of the consolidated financial statements.)

DAWUSHAN FARM TECHNOLOGY CO., LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2025 and 2024

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

1. History and Organization

- (1) Dawushan Farm Technology Co., Ltd. (the “Company”) was approved for incorporation on January 4, 2007. The Company was originally registered under the name Dawushan Livestock Products Co., Ltd. It was renamed Mountain River Livestock Products Co., Ltd. in March 2015 and Dawushan Farm Technology Co., Ltd. in January 2022. The Company primarily engages in the production and wholesale of poultry eggs as well as the manufacturing and trading of organic fertilizers.
- (2) The Company’s shares were listed on the Taiwan Stock Exchange on June 13, 2024, under the stock code 6952.
- (3) Please refer to Note 4(3) for main operational activities of the Company and its subsidiaries (the “Group”).
- (4) Kuo Hsing Poultry & Livestock Feeds Co., Ltd. directly and indirectly holds 41.94% of the Company’s shares and is the ultimate parent company of the Group.

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements for the three months ended March 31, 2025 and 2024 were approved and authorized for issue in the Board of Directors’ meeting on May 9, 2025.

3. Newly Issued or Revised Standards and Interpretations

- (1) Impact of adopting newly issued or amended International Financial Reporting Standards (IFRS) Accounting Standards endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China (FSC)

The table below summarized new, revised or amended standards and interpretations of IFRS Accounting Standards endorsed by the FSC to take effect for annual periods beginning on January 1, 2025:

New, Revised or Amended Standards and Interpretations	Effective Date Announced by International Accounting Standards Board (IASB)
Amendments to IFRS 21 “Lack of Exchangeability”	January 1, 2025

Upon assessment, the Group determined that the adoption of above standards and interpretations had no material impact on its financial position and financial performance.

- (2) Impact of not yet adopting new or amended IFRS Accounting Standards endorsed by the FSC

The table below summarized new, revised or amended standards and interpretations of IFRS Accounting Standards endorsed by the FSC to take effect for annual periods beginning on January 1, 2025:

DAWUSHAN FARM TECHNOLOGY CO., LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(In Thousands of New Taiwan Dollars, Unless Otherwise Specified)

New, Revised or Amended Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026

Upon assessment, the Group determined that the adoption of above standards and interpretations had no material impact on its financial position and financial performance.

(3) Impact of IFRS Accounting Standards issued by the IASB but not yet endorsed by the FSC

The table below summarized new, revised or amended standards and interpretations of IFRS Accounting Standards issued by the IASB but not yet endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	Yet to be determined
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

Except as described below, the Group has assessed that the above standards and interpretations have no material impact on its financial position and financial performance. The related impact amounts will be disclosed upon completion of the assessment.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 “Presentation and Disclosure in Financial Statements” replaces IAS 1 and updates the structure of the statement of comprehensive income. It will also introduce new disclosure requirements for management-defined performance measures and strengthen the principles of aggregation and disaggregation in the primary financial statements and notes.

4. Summary of Significant Accounting Policies

Major accounting policies adopted for the preparation of the consolidated financial statements are summarized below. Unless otherwise stated, these policies are applied consistently throughout all reporting periods.

DAWUSHAN FARM TECHNOLOGY CO., LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(In Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Statement of compliance

The consolidated financial statements for the three months ended March 31, 2025 and 2024 have been prepared in conformity 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 FSC.

(2) Basis of preparation

- A. Except for agricultural produce which is measured at fair value less estimated costs to sell, the consolidated financial statements have been prepared on a historical cost basis.
- B. The preparation of financial statements in conformity with IFRS, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations (collectively, the “IFRSs”) endorsed and issued into effect by the FSC requires the use of significant accounting estimates and the application of the Group’s accounting policies also involves management’s judgment. Please refer to Note 5 for details on items associated with a higher degree of judgement or complexity, or significant assumptions and estimates in the consolidated financial statements.

(3) Basis of consolidation

A. Preparation principle of consolidated financial statements

- (a) The Group includes all subsidiaries in its consolidated financial statements. A subsidiary is an entity controlled by the Group (including structured entities). The Group controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are included in the consolidated financial statements from the date the control is obtained by the Group and are deconsolidated from the date such control is lost.
- (b) Transactions, balances, and unrealized gains and losses between entities within the Group have been eliminated. The accounting policies of subsidiaries have been adjusted where necessary to be consistent with those adopted by the Group.
- (c) The profit or loss and components of other comprehensive income are attributable to owners of the parent company and non-controlling interests. The total comprehensive income is also attributable to owners of the parent company and non-controlling interests, even if this results in non-controlling interests having a deficit balance.
- (d) Changes in ownership interest in subsidiaries that do not result in a loss of control (transactions with non-controlling interests) are treated as equity transactions, i.e., transactions with the owners. The difference between the adjustment of non-controlling interests and the fair value of consideration paid or received is recognized directly in equity.
- (e) When the Group loses control over a subsidiary, the investment retained in the former subsidiary is remeasured at fair value and is recognized as either the fair value of financial asset on initial recognition or the cost of the investment in associates or joint ventures on initial recognition. The difference between the fair value and the carrying amount is recognized in profit or loss for the period. For

DAWUSHAN FARM TECHNOLOGY CO., LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(In Thousands of New Taiwan Dollars, Unless Otherwise Specified)

amounts previously recognized in other comprehensive income in relation to the subsidiary, the accounting treatment is consistent with the basis used if the Group had directly disposed of the related assets or liabilities. In other words, if gains or losses previously recognized in other comprehensive income are reclassified to profit or loss upon disposal of the related assets or liabilities, such gains or losses would be reclassified from equity to profit or loss when the Group loses control over a subsidiary.

B. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Main Business	Ownership Percentage			Note
			2025.3.31	2024.12.31	2024.3.31	
The Company	Tai Da Eggs Technology Co., Ltd.	Manufacturing and trading of processed egg products	68.39%	68.39%	68.39%	Note 1
	JihShang Livestock Products Co., Ltd.	Distribution of processed products	100.00%	100.00%	100.00%	Note 1
	Mountain River Livestock Products Co., Ltd.	Distribution of processed products	100.00%	100.00%	100.00%	Note 1
	Dawushan Ise Foods Co., Ltd. (formerly ChinNungHsing Eggs Co., Ltd.)	Trading of egg products	60.00%	60.00%	53.50%	Notes 1&2

Note 1: As it does not meet the definition of a significant subsidiary, its financial statements for the three months ended March 31, 2025 and 2024 have not been reviewed by independent auditors.

Note 2: In August 2024, Dawushan Ise Foods Co., Ltd. conducted a cash capital increase. The Group subscribed to new shares from the cash capital increase, increasing the ownership percentage from 53.50% to 60.00%.

C. Subsidiaries not included in the consolidate financial statements: None.

D. Adjustments and treatments of subsidiaries having different accounting periods: None.

E. Major restrictions: None.

F. Subsidiaries with non-controlling interests that are significant to the Group:

As of March 31, 2025, December 31, 2024, and March 31, 2024, the Group's total non-controlling interests amounted to NT\$105,149, NT\$104,691, and NT\$56,408, respectively. The following provides information on subsidiaries with non-controlling interests that are significant to the Group:

Subsidiary	Principal Place of Business	Non-Controlling Interests					
		March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
Dawushan Ise Foods Co., Ltd.	Taiwan	\$92,886	40.00%	\$92,893	40.00%	\$46,285	46.50%
Tai Da Eggs Technology Co., Ltd.	Taiwan	12,263	31.61%	11,798	31.61%	10,123	31.61%

DAWUSHAN FARM TECHNOLOGY CO., LTD.
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Summarized financial information of subsidiaries:

Balance sheets

	Dawushan Ise Foods Co., Ltd.		
	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 32,260	\$ 81,662	\$ 50,606
Non-current assets	304,052	209,622	48,938
Current liabilities	(97)	(53)	(7)
Non-current liabilities	(104,000)	(59,000)	-
Total net assets	\$ 232,215	\$ 232,231	\$ 99,537

	Tai Da Eggs Technology Co., Ltd.		
	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 50,717	\$ 63,410	\$ 66,549
Non-current assets	14,425	16,184	20,915
Current liabilities	(25,549)	(41,205)	(53,412)
Non-current liabilities	(804)	(1,069)	(2,030)
Total net assets	\$ 38,789	\$ 37,320	\$ 32,022

	Dawushan Ise Foods Co., Ltd.	
	Three Months Ended March 31	
	2025	2024
Revenue	\$ -	\$ -
Net loss before income tax	(\$16)	(\$477)
Income tax expense	-	-
Net loss	(16)	(477)
Total comprehensive income	(\$ 16)	(\$ 477)
Total comprehensive income attributable to non-controlling interests	(\$ 6)	(\$ 222)

	Tai Da Eggs Technology Co., Ltd.	
	Three Months Ended March 31	
	2025	2024
Revenue	\$ 21,106	\$ 33,028
Net income (loss) before income tax	\$ 1,470	(\$ 2,024)
Income tax expense	-	-

(Continued)

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	Tai Da Eggs Technology Co., Ltd.	
	Three Months Ended March 31	
	2025	2024
Net income (loss)	\$ 1,470	(\$ 2,024)
Total comprehensive income	\$ 1,470	(\$ 2,024)
Total comprehensive income attributable to non-controlling interests	\$ 464	(\$ 640)
		(Concluded)

	Dawushan Ise Foods Co., Ltd.	
	Three Months Ended March 31	
	2025	2024
Net cash used in operating activities	(\$ 4,886)	(\$ 471)
Net cash used in investing activities	(94,430)	(8)
Net cash generated by financing activities	45,000	-
Net decrease in cash and cash equivalents	(54,316)	(479)
Cash and cash equivalents at beginning of period	76,831	51,069
Cash and cash equivalents at end of period	\$ 22,515	\$ 50,590

	Tai Da Eggs Technology Co., Ltd.	
	Three Months Ended March 31	
	2025	2024
Net cash (used in) generated by operating activities	(\$ 13,577)	\$ 4,714
Net cash generated by investing activities	1,418	1,412
Net cash used in financing activities	(351)	(279)
Net (decrease) increase in cash and cash equivalents	(12,510)	5,847
Cash and cash equivalents at beginning of period	27,755	10,336
Cash and cash equivalents at end of period	\$ 15,245	\$ 16,183

(4) Foreign currency translation

The financial statements of each entity within the Group are measured using the currency of the primary economic environment in which the entity operates (i.e., the functional currency). The consolidated financial statements are presented in the Company's functional currency, New Taiwan dollars (NT\$).

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the spot exchange rate at the transaction date or measurement date. Exchange differences arising from such transactions are recognized in profit or loss for the period.

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- (b) Monetary assets and liabilities denominated in foreign currencies are remeasured using the spot exchange rate on the balance sheet date. Exchange differences arising from the remeasurement are recognized in profit or loss for the period.
 - (c) Foreign currency non-monetary assets and liabilities that are measured at fair value through profit or loss are remeasured using the spot exchange rate at the balance sheet date, and the resulting exchange differences are recognized in profit or loss for the period. For those measured at fair value through other comprehensive income, the exchange differences arising from remeasurement using the spot exchange rate at the balance sheet date are recognized in other comprehensive income. Non-monetary items not measured at fair value are translated using the historical exchange rate at the date of the initial transaction.
 - (d) All exchange gains and losses are presented under “other gains and losses” in the statement of profit or loss.
- (5) Classification of current and non-current assets and liabilities
- A. An asset is classified as current under one of the following criteria:
- (a) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
 - (b) It is held primarily for the purpose of trading;
 - (c) It is expected to be realized within twelve months after the reporting period; or
 - (d) The asset is classified as cash or a cash equivalent, unless it is restricted from being exchanged or used to settle a liability, or subject to other conditions for at least twelve months after the reporting period.
- Assets that are not classified as current are classified as non-current.
- B. A liability is classified as current under one of the following criteria:
- (a) It is expected to be settled in the normal operating cycle;
 - (b) It is held primarily for the purpose of trading;
 - (c) It is due to be settled within twelve months after the reporting period; or
 - (d) The Group does not have the right to defer settlement of the liability for at least twelve months after the reporting period.
- Liabilities that are not classified as current are classified as non-current.
- (6) Cash equivalents
- Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
- (7) Financial assets at amortized cost
- A. Refers to financial assets that meet both of the following conditions:
- (a) The financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows.
 - (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount

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outstanding.

- B. The Group applies trade date accounting for financial assets measured at amortized cost that meet the criteria of regular way purchases or sales.
 - C. Upon initial recognition, the Group measures such financial assets at fair value plus transaction costs. Subsequently, interest income is recognized using the effective interest method over the holding period, impairment losses are recognized as incurred, and any gain or loss on derecognition is recognized in profit or loss.
 - D. The Group holds time deposits that do not qualify as cash equivalents. As the holding period is short and the effect of discounting is not material, these deposits are measured at the investment amount.
- (8) Accounts and notes receivable
- A. Refers to notes and accounts receivables that represent an unconditional right to receive consideration in exchange for the transfer of goods or services in accordance with contractual terms.
 - B. For short-term, non-interest-bearing notes and accounts receivables, as the effect of discounting is immaterial, the Group measures them at the original invoice amount.
- (9) Impairment of financial assets
- At each balance sheet date, the Group assesses its financial assets measured at amortized cost for impairment by considering all reasonable and supportable information, including forward-looking data. For financial assets for which credit risk has not increased significantly since initial recognition, the loss allowance is measured at an amount equal to the 12-month expected credit losses. For those with a significant increase in credit risk since initial recognition, the loss allowance is measured at an amount equal to the lifetime expected credit losses. For accounts receivable or contract assets that do not contain a significant financing component, the loss allowance is measured at an amount equal to the lifetime expected credit losses.
- (10) Derecognition of financial assets
- The Group derecognizes a financial asset when the contractual rights to receive the cash flows from the asset expire.
- (11) Lessor's lease transactions - Operating leases
- Lease income from operating leases, net of any incentives granted to the lessee, is recognized in profit or loss on a straight-line basis over the lease term.
- (12) Inventories
- Inventories are measured at the lower of cost and net realizable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress includes the cost of raw materials, direct labor, other direct costs, and production-related manufacturing overhead (allocated based on normal production capacity) and does not include borrowing costs. The comparison between cost and net realizable value is performed on an item-by-item basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

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(13) Biological assets

Biological assets whose fair value cannot be reliably measured shall be measured at cost less accumulated depreciation and accumulated impairment losses.

(14) Property, plant and equipment

- A. Property, plant and equipment are stated at cost with interests incurred during construction or acquisition capitalized.
- B. Subsequent costs are included in the carrying amount of an asset or recognized as a separate asset only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of replaced parts shall be derecognized. All other repair and maintenance costs are recognized in profit or loss as incurred.
- C. Subsequent to initial recognition, property, plant and equipment are measured using the cost model. Except for land, which is not depreciated, depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Significant components of property, plant and equipment are depreciated separately.
- D. At the end of each financial year, the Group reviews the residual values, useful lives, and depreciation methods of each asset. If there are differences between the expected residual values or useful lives compared to previous estimates, or significant changes in the consumption pattern of future economic benefits of the asset, they shall be accounted for as changes in accounting estimates in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" from the date of changes. The useful lives of various assets are as follows:

Buildings and structures	2 to 35 years
Machinery and equipment	2 to 20 years
Lease improvements	10 years
Miscellaneous equipment	2 to 22 years

(15) Lessee's lease transactions - Right-of-use assets / Lease liabilities

- A. At the commencement date, the Group recognizes a right-of-use asset and a lease liability for the lease. For leases that qualify as short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. Lease payments include fixed payments less any lease incentives receivable.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease term. When changes in the lease term or lease payments occur that do not arise from lease modifications, the lease liability is remeasured and the corresponding adjustment is made to the right-of-use asset.
- C. Right-of-use assets are initially measured at cost, which comprises the amount of the initial measurement of the lease liability.

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Subsequently, the assets are measured using the cost model and depreciated over the shorter of the lease term or the useful life of the underlying asset. When the lease liability is remeasured, the right-of-use asset is adjusted by the corresponding amount.

- D. For lease modifications that decrease the scope of the lease, the lessee decreases the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognizes the difference between the remeasured lease liability and the adjusted right-of-use asset in profit or loss. For all other lease modifications, the remeasured lease liability is recognized as an adjustment to the right-of-use asset.

(16) Intangible assets

- A. Licenses, goodwill, and proprietary technologies acquired through business combinations are recognized at fair value on the acquisition date. Proprietary technologies are amortized on a straight-line basis over their estimated useful life of 10 years. Licenses and goodwill are considered to have indefinite useful lives as they are expected to generate net cash inflows for the foreseeable future. Therefore, they are not amortized but are tested for impairment annually.
- B. Computer software is recognized at acquisition cost and amortized on a straight-line basis over its estimated useful life of 5 years.

(17) Impairment of non-financial assets

At each balance sheet date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognized if the recoverable amount is less than the carrying amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. If the circumstances that led to the recognition of an impairment loss in prior years no longer exist or have decreased, the impairment loss is reversed. However, the increased carrying amount of an asset due to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

(18) Loans

Loans refer to short-term and long-term borrowings from banks. At initial recognition, the Group measures these borrowings at fair value, net of transaction costs. Subsequently, any difference between the amount net of transaction costs and the redemption amount is recognized in profit or loss as interest expense over the term of the borrowings using the effective interest method under the amortized cost approach.

(19) Notes and accounts payable

- A. Refers to liabilities arising from the purchase of raw materials, goods, or services on credit, as well as notes payable from both operating and non-operating activities.
- B. For short-term, non-interest-bearing notes and accounts payable, as the effect of discounting is immaterial, the Group measures them at the original invoice amount.

(20) Derecognition of financial liabilities

The Group derecognizes a financial liability when the obligation specified in the contract is discharged, canceled, or expires.

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(21) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and are recognized as an expense when the related services are rendered.

B. Pension

For defined contribution plans, the amount of the retirement fund to be contributed is recognized as pension cost for the period on an accrual basis. Prepaid contributions are recognized as an asset to the extent that they represent refundable cash or reduce future payments.

C. Employee compensation and remuneration to directors

Employee compensation and remuneration to directors are recognized as expenses and liabilities when the Group has legal or constructive obligations and the amounts can be reasonably estimated. If the amount accrued differs from the amount resolved to be distributed, the difference would be recognized as changes in accounting estimate.

(22) Income tax

A. Income tax expense includes both current and deferred income taxes. Except for income taxes related to items recognized in other comprehensive income or directly in equity, which are separately recognized in other comprehensive income or directly in equity, income taxes are recognized in profit or loss.

B. The Group calculates current income tax based on the tax rates that have been enacted or substantively enacted at the balance sheet date in the countries where it operates and generates taxable income. Management regularly evaluates the status of income tax filings in accordance with applicable tax regulations and recognizes income tax liabilities based on the amounts expected to be paid to the tax authorities, where applicable. The income tax on undistributed earnings, levied in accordance with income tax laws, is recognized in the year following the year in which the earnings are generated, upon the approval of the earnings distribution by the shareholders' meeting, based on the actual distribution of earnings.

C. Deferred income tax is accounted for using the balance sheet method, which recognizes temporary differences arising between the tax bases of assets and liabilities and their carrying amounts on the consolidated balance sheet. Deferred income tax liabilities arising from the initial recognition of goodwill are not recognized. Similarly, deferred income tax is not recognized if it originates from the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (loss) nor gives rise to equal taxable and deductible temporary differences. Temporary differences from investments in subsidiaries are not recognized if the Group controls the timing of the reversal of these temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future. Deferred income tax is measured at the tax rates (and tax laws) that are expected to apply when the related assets are realized or the liabilities are settled, based on tax laws that have been enacted or substantively enacted at the reporting date.

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- D. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized. The Group reassesses both unrecognized and recognized deferred tax assets at each balance sheet date.
- E. Income tax expense for interim periods is calculated by applying the estimated annual average effective tax rate to the pre-tax profit or loss for the interim period, and related information is disclosed in accordance with the aforementioned policies.

(23) Share capital

- A. Common shares are classified as equity. Incremental costs directly attributable to the issuance of new shares or share options are deducted from equity, net of any related income tax effects.
- B. When the Company repurchases its own issued shares, the consideration paid, including any directly attributable incremental costs, net of tax, is recognized as a deduction from equity. When such treasury shares are subsequently reissued, the difference between the consideration received, net of any directly attributable incremental costs and income tax effects, and the carrying amount is recognized as an adjustment to equity.

(24) Dividend distribution

Cash dividends for the 2023 earnings were recognized as liabilities in the financial statements upon approval by the shareholders' meeting. In accordance with the Company's Articles of Incorporation, cash dividends for the 2024 earnings are recognized as liabilities upon resolution by the Board of Directors. Stock dividends are recognized as stock dividends to be distributed upon approval by the shareholders' meeting and are reclassified to common shares on the record date for the issuance of new shares.

(25) Revenue recognition

- A. The Group recognizes revenue from the sale of fresh eggs, egg products and related products when control of the product is transferred to the customer, i.e., when the product is delivered to the customer, the customer has discretion over the sales channel and price of the product, and the Group does not have any unsatisfied performance obligations that may affect the customer's acceptance of the product. The product is considered delivered when it is delivered to the designated location, the risks of obsolescence and loss have been transferred to the customer, and either the customer accepts the product according to the sales contract or there is objective evidence that all acceptance criteria have been met.
- B. Revenue from the sale of fresh eggs and egg products is recognized at the contract price, net of estimated quantity discounts and sales allowances. Quantity discounts and sales allowances given to customers are usually calculated based on sales volume. The Group estimates volume discounts and sales allowances using the expected value method based on historical experience. Revenue recognition is limited to the portion of revenue where a significant reversal is highly unlikely to occur in the future, and estimates are updated at each balance sheet date. The collection terms for sales transactions are usually one to two months after the shipment date. As the period between the transfer of promised goods or services to the customer and the customer's payment does not exceed one year, the Group does not adjust the transaction price for

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the time value of money.

- C. Accounts receivables are recognized when products are delivered to the customers, as the Group then has an unconditional right to the contract price and can collect the consideration from the customers as time passes.

(26) Operating segments

The Group's operating segment information is reported in a manner consistent with the internal management reports provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources to the operating segments and assessing their performance.

5. Critical Accounting Judgments, Estimates and Major Sources of Assumption Uncertainty

In preparing the consolidated financial statements, management has exercised judgment in determining the accounting policies to be applied and has made accounting estimates and assumptions based on the circumstances as of the balance sheet date and reasonable expectations of future events. The actual results may differ from those estimates and assumptions. Management continually evaluates these estimates and assumptions based on historical experience and other relevant factors, and adjusts them as necessary. Such estimates and assumptions involve a risk of material adjustments to the carrying amounts of assets and liabilities in the next financial year. Please refer to the following disclosures regarding significant accounting judgments, estimates, and sources of estimation uncertainty.

(1) Significant judgments in applying accounting policies: None.

(2) Critical accounting estimates and assumptions

A. Estimated impairment of notes and accounts receivables

The estimated impairment of accounts receivables is based on the Group's assumptions regarding default rates and expected loss rates. The Group considers historical experience, current market conditions, and forward-looking information to make assumptions and determines inputs for impairment assessment. Less-than-expected future cash flows could result in significant impairment losses.

As of March 31, 2025, the carrying amount of the Group's notes and accounts receivables was NT\$159,469.

B. Inventory valuation

As inventories are measured at the lower of cost and net realizable value, the Group is required to exercise judgment and make estimates to determine the net realizable value of inventories as of the balance sheet date. In light of rapid technological changes, the Group assesses the amount of inventories that may be subject to normal wear and tear, obsolescence, or lack of marketability as of the balance sheet date and writes down the cost of inventories to their net realizable value accordingly.

As of March 31, 2025, the carrying amount of the Group's inventories was NT\$37,732.

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6. Details of Significant Accounts

(1) Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand and petty cash	\$ 513	\$ 738	\$ 607
Checking and demand deposits	203,521	256,512	264,661
Cash equivalents			
Repurchase agreements	240,000	-	-
	<u>\$ 444,034</u>	<u>\$ 257,250</u>	<u>\$ 265,268</u>

- A. The Group only transacts with financial institutions with sound credit quality and it maintains relationships with several financial institutions to diversify credit risk. The probability of default is expected to be very low.
- B. As of March 31, 2025, December 31, 2024, and March 31, 2024, the Group's cash and cash equivalents restricted for borrowing collateral purposes amounted to NT\$8,000, NT\$0, and NT\$430, respectively, and were classified as financial assets measured at amortized cost.

(2) Financial assets at amortized cost / Other financial assets – current

Items	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets at amortized cost			
Time deposits with original maturities over three months	\$ -	\$ -	\$ -
Repayment reserve account	8,000	-	-
Other financial assets	<u>\$ 8,000</u>	<u>\$ -</u>	<u>\$ -</u>
Time deposits with original maturities over three months	\$ -	\$ -	\$ 100,000
Repayment reserve account	-	-	430
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,430</u>

- A. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk of the Group's financial assets measured at amortized cost and other financial assets as of March 31, 2025, December 31, 2024, and March 31, 2024 amounted to NT\$8,000, NT\$0, and NT\$100,430, respectively.
- B. For information on the pledge of financial assets measured at amortized cost and other financial assets as collateral, please refer to Note 8.
- C. For credit risk information related to financial assets measured at amortized cost and other financial assets, please refer to Note 12(b). The counterparties to the Group's time deposit investments are financial institutions with good credit quality, and the likelihood of default is considered to be very low.

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(3) Notes and accounts receivables

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable	\$ 3,130	\$ 733	\$ 1,541
Accounts receivable	\$ 156,421	\$ 187,940	\$ 203,641
Less: Loss allowance	(82)	(129)	(660)
	<u>\$ 156,339</u>	<u>\$ 187,811</u>	<u>\$ 202,981</u>

A. The aging analysis of notes and accounts receivables is as follows:

	March 31, 2025		December 31, 2024		March 31, 2024	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
Not past due	\$ 3,130	\$ 156,264	\$ 733	\$ 184,728	\$ 1,541	\$ 201,317
Past due:						
1 to 30 days	-	21	-	3,055	-	508
31 to 90 days	-	19	-	93	-	604
Over 91 days	-	117	-	64	-	1,212
	<u>\$ 3,130</u>	<u>\$ 156,421</u>	<u>\$ 733</u>	<u>\$ 187,940</u>	<u>\$ 1,541</u>	<u>\$ 203,641</u>

The above aging analysis is based on the number of days past due.

- B. As of March 31, 2025, December 31, 2024, and March 31, 2024, the balances of notes and accounts receivables were all derived from customer contracts. The outstanding receivables from customer contracts as of January 1, 2024 amounted to NT\$239,503.
- C. Without considering any collateral held or other credit enhancements, the maximum exposure to credit risk of the Group's notes receivable as of March 31, 2025, December 31, 2024, and March 31, 2024 amounted to NT\$3,130, NT\$733, and NT\$1,541, respectively; and the maximum exposure to credit risk of accounts receivable was NT\$156,339, NT\$187,811, and NT\$202,981, respectively.
- D. The Group has not pledged any notes or accounts receivable as collateral.
- E. For credit risk information related to accounts receivable and notes receivable, please refer to Note 12(2).

(4) Inventories

	March 31, 2025		
	Cost	Allowance for Inventory Valuation Losses	Carrying Amount
Raw materials	\$ 17,259	(\$ 1,458)	\$ 15,801
Work in progress	1,928	-	1,928
Finished goods	20,805	(802)	20,003
	<u>\$ 39,992</u>	<u>(\$ 2,260)</u>	<u>\$ 37,732</u>

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	December 31, 2024		
	Cost	Allowance for Inventory Valuation Losses	Carrying Amount
Raw materials	\$ 17,378	(\$ 1,329)	\$ 16,049
Work in progress	267	-	267
Finished goods	21,465	(312)	21,153
	<u>\$ 39,110</u>	<u>(\$ 1,641)</u>	<u>\$ 37,469</u>

	March 31, 2024		
	Cost	Allowance for Inventory Valuation Losses	Carrying Amount
Raw materials	\$ 20,859	(\$ 841)	\$ 20,018
Work in progress	58	-	58
Finished goods	9,010	(44)	8,966
	<u>\$ 29,927</u>	<u>(\$ 885)</u>	<u>\$ 29,042</u>

Inventory costs recognized as expense for the period by the Group were as follows:

	Three Months Ended March 31	
	2025	2024
Cost of inventories sold	\$ 186,093	\$ 265,151
Sale of consumable biological assets	-	3,511
Inventory write-downs	619	89
(Gain) loss on physical inventory	(77)	2
Obsolescence	731	106
Revenue from sale of scrap and waste materials	(305)	(1,084)
	<u>\$ 187,061</u>	<u>\$ 267,775</u>

(5) Biological assets

A. Details of biological assets

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Biological assets - current</u>			
Consumable biological assets	<u>\$ -</u>	<u>\$ 11,429</u>	<u>\$ 16,441</u>
<u>Biological assets - non-current</u>			
Bearer biological assets	\$ 103,478	\$ 182,856	\$ 147,011
Bearer biological assets - accumulated depreciation	<u>(25,116)</u>	<u>(63,454)</u>	<u>(68,476)</u>
	<u>\$ 78,362</u>	<u>\$ 119,402</u>	<u>\$ 78,535</u>

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Consumable biological assets are ones that are to be harvested as agricultural produce or sold as biological assets. Bearer biological assets refer to biological assets other than consumable biological assets.

B. Reconciliation of the carrying amount of biological assets

	2025	2024
Balance as of January 1	\$ 130,831	\$ 88,369
Additions through purchases	578	4,061
Costs and expenses incurred	27,557	30,263
Decreases due to sale and write-offs	(62,859)	(2,970)
Depreciation	(17,745)	(21,236)
Transferred to inventories	-	(3,511)
Balance as of March 31	<u>\$ 78,362</u>	<u>\$ 94,976</u>

- C. Biological assets of the Group mainly consist of chicks, pullets, and layer hens. Due to the difficulty in obtaining direct market prices for chicks and pullets during their raising period, the short production cycle of layer hens, and the impact of external factors such as climate and disease on the reliability of discounted cash flow estimates, these biological assets are measured at cost less accumulated depreciation and accumulated impairment. The cost of biological assets includes all costs incurred during the growth cycle, such as the purchase costs of livestock, poultry and feed, and farm-related expenses. The cost of bearer biological assets is amortized on a straight-line basis over their productive period, which is approximately 12 to 16 months for layer hens. For the three months ended March 31, 2025 and 2024, the depreciation expenses of biological assets amounted to NT\$17,745 and NT\$21,236, respectively.

D. Estimated quantity of biological assets

	March 31, 2025	December 31, 2024	March 31, 2024
Livestock:			
Quantity of biological assets (Thousand heads)	<u>586</u>	<u>1,001</u>	<u>874</u>

E. Financial risk management strategies

The Group's financial risk primarily arises from fluctuations in egg prices. The Group does not anticipate a significant decline in egg prices in the foreseeable future; therefore, no derivative contracts have been executed. The Group regularly reviews its expectations of egg prices to assess the necessity of adopting proactive financial risk management measures.

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(6) Property, plant and equipment

2025						
	Land	Buildings and Structures	Machinery and Equipment	Lease Improvement	Other Equipment	Construction in Progress and Equipment Awaiting Inspection Total
Balance as of January 1						
Cost	\$ 292,090	\$ 853,289	\$ 893,262	\$ 18,103	\$ 41,017	\$ 2,353,315
Accumulated depreciation	-	(195,435)	(467,347)	(13,649)	(19,401)	(695,832)
	<u>\$ 292,090</u>	<u>\$ 657,854</u>	<u>\$ 425,915</u>	<u>\$ 4,454</u>	<u>\$ 21,616</u>	<u>\$ 1,657,483</u>
Balance as of January 1	\$ 292,090	\$ 657,854	\$ 425,915	\$ 4,454	\$ 21,616	\$ 1,657,483
Additions	-	-	-	-	260	107,665
Disposals	-	-	(3)	-	-	(2,000)
Loss due to fire damage	-	(28,685)	(11,964)	-	(27)	(40,676)
Reclassifications	-	-	-	-	165	(165)
Depreciation	-	(6,970)	(14,847)	(436)	(1,027)	(23,280)
Balance as of March 31	<u>\$ 292,090</u>	<u>\$ 622,199</u>	<u>\$ 399,101</u>	<u>\$ 4,018</u>	<u>\$ 20,987</u>	<u>\$ 1,699,189</u>
Balance as of March 31						
Cost	\$ 292,090	\$ 810,653	\$ 782,121	\$ 18,103	\$ 41,382	\$ 2,305,143
Accumulated depreciation	-	(188,454)	(383,020)	(14,085)	(20,395)	(605,954)
	<u>\$ 292,090</u>	<u>\$ 622,199</u>	<u>\$ 399,101</u>	<u>\$ 4,018</u>	<u>\$ 20,987</u>	<u>\$ 1,699,189</u>
2024						
	Land	Buildings and Structures	Machinery and Equipment	Lease Improvement	Other Equipment	Construction in Progress and Equipment Awaiting Inspection Total
Balance as of January 1						
Cost	\$ 270,521	\$ 848,860	\$ 883,629	\$ 18,545	\$ 30,875	\$ 2,080,797
Accumulated depreciation	-	(167,265)	(425,022)	(12,203)	(15,735)	(620,225)
	<u>\$ 270,521</u>	<u>\$ 681,595</u>	<u>\$ 458,607</u>	<u>\$ 6,342</u>	<u>\$ 15,140</u>	<u>\$ 1,460,572</u>
Balance as of January 1	\$ 270,521	\$ 681,595	\$ 458,607	\$ 6,342	\$ 15,140	\$ 1,460,572
Additions	36	-	294	-	955	1,994
Reclassifications	21,534	-	-	-	2,348	(23,882)
Depreciation	-	(7,048)	(14,784)	(445)	(844)	(23,121)
Balance as of March 31	<u>\$ 292,091</u>	<u>\$ 674,547</u>	<u>\$ 444,117</u>	<u>\$ 5,897</u>	<u>\$ 17,599</u>	<u>\$ 1,439,445</u>
Balance as of March 31						
Cost	\$ 292,091	\$ 848,860	\$ 883,608	\$ 18,545	\$ 34,142	\$ 2,082,440
Accumulated depreciation	-	(174,313)	(439,491)	(12,648)	(16,543)	(642,995)
	<u>\$ 292,091</u>	<u>\$ 674,547</u>	<u>\$ 444,117</u>	<u>\$ 5,897</u>	<u>\$ 17,599</u>	<u>\$ 1,439,445</u>

- A. For the three months ended March 31, 2025 and 2024, the amounts of borrowing costs capitalized to property, plant and equipment by the Group were NT\$2,205 and NT\$56, respectively. The capitalization interest rates ranged from 1.98% to 2.10% and from 1.95% to 2.27%, respectively.
- B. Major components of buildings and structures include the main buildings and various improvement projects, which are depreciated over 32 to 35 years.
- C. For information regarding property, plant and equipment pledged as collateral, please refer to Note 8.
- D. As of March 31, 2025, December 31, 2024, and March 31, 2024, a portion of the Group's land holdings, amounting to NT\$51,205, NT\$51,205, and NT\$51,204, respectively, was designated for agricultural and livestock use and, due to legal restrictions, could not be registered under the Company's name and was temporarily registered under individuals' names. To protect its rights, the Group has completed mortgage registrations in its favor as a safeguard.
- E. For information on property, plant and equipment losses recognized due to fire incidents during the current period, please refer to Notes 6(19) and 10.

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(7) Lease transactions - Lessee

- A. The Group's leased assets include livestock facilities and equipment, buildings, and transportation equipment. Lease terms generally range from 1.5 to 10 years. Lease contracts are individually negotiated and contain a variety of terms and conditions. Except for restrictions that prohibit the leased assets from being used as collateral, there are no other limitations imposed.
- B. The lease terms for the Group's Taipei office, warehouse, and executive vehicles do not exceed 12 months.
- C. The carrying amounts of right-of-use assets and the related depreciation expenses are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
	Carrying Amount	Carrying Amount	Carrying Amount
Livestock facilities and equipment	\$ 28,354	\$ 30,784	\$ 38,075
Buildings	1,754	2,005	3,020
Transportation equipment	395	553	1,554
	<u>\$ 30,503</u>	<u>\$ 33,342</u>	<u>\$ 42,649</u>

	Three Months Ended March 31	
	2025	2024
	Depreciation	Depreciation
Livestock facilities and equipment	\$ 2,430	\$ 810
Buildings	251	393
Transportation equipment	158	447
	<u>\$ 2,839</u>	<u>\$ 1,650</u>

- D. Additions to right-of-use assets for the three months ended March 31, 2025 and 2024 were NT\$0 and NT\$38,885, respectively.
- E. The following amounts related to lease contracts were recognized in profit or loss:

	Three Months Ended March 31	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 169	\$ 91
Expense for short-term leases	2,161	600

- F. Total cash outflows for leases for the three months ended March 31, 2025 and 2024 amounted to NT\$5,128 and NT\$2,225, respectively.

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(8) Intangible assets

	2025				
	Licenses	Goodwill	Proprietary Technology	Computer Software	Total
Balance as of January 1					
Cost	\$ 23,810	\$ 21,500	\$ 8,571	\$ 5,737	\$ 59,618
Accumulated amortization and impairment	-	(4,739)	(2,857)	(3,648)	(11,244)
	<u>\$ 23,810</u>	<u>\$ 16,761</u>	<u>\$ 5,714</u>	<u>\$ 2,089</u>	<u>\$ 48,374</u>
Balance as of January 1	\$ 23,810	\$ 16,761	\$ 5,714	\$ 2,089	\$ 48,374
Additions - acquired separately	-	-	-	-	-
Amortization	-	-	(214)	(290)	(504)
Balance as of March 31	<u>\$ 23,810</u>	<u>\$ 16,761</u>	<u>\$ 5,500</u>	<u>\$ 1,799</u>	<u>\$ 47,870</u>
Balance as of March 31					
Cost	\$ 23,810	\$ 21,500	\$ 8,571	\$ 5,737	\$ 59,618
Accumulated amortization	-	(4,739)	(3,071)	(3,938)	(11,748)
	<u>\$ 23,810</u>	<u>\$ 16,761</u>	<u>\$ 5,500</u>	<u>\$ 1,799</u>	<u>\$ 47,870</u>
	2024				
	Licenses	Goodwill	Proprietary Technology	Computer Software	Total
Balance as of January 1					
Cost	\$ 23,810	\$ 21,500	\$ 8,571	\$ 5,386	\$ 59,267
Accumulated amortization and impairment	-	-	(2,000)	(2,502)	(4,502)
	<u>\$ 23,810</u>	<u>\$ 21,500</u>	<u>\$ 6,571</u>	<u>\$ 2,884</u>	<u>\$ 54,765</u>
Balance as of January 1	\$ 23,810	\$ 21,500	\$ 6,571	\$ 2,884	\$ 54,765
Additions - acquired separately	-	-	-	351	351
Amortization	-	-	(214)	(273)	(487)
Balance as of March 31	<u>\$ 23,810</u>	<u>\$ 21,500</u>	<u>\$ 6,357</u>	<u>\$ 2,962</u>	<u>\$ 54,629</u>
Balance as of March 31					
Cost	\$ 23,810	\$ 21,500	\$ 8,571	\$ 5,737	\$ 59,618
Accumulated amortization and impairment	-	-	(2,214)	(2,775)	(4,989)
	<u>\$ 23,810</u>	<u>\$ 21,500</u>	<u>\$ 6,357</u>	<u>\$ 2,962</u>	<u>\$ 54,629</u>

A. The details of amortization of intangible assets are as follows:

	Three Months Ended March 31	
	2025	2024
General and administrative expenses	<u>\$ 504</u>	<u>\$ 487</u>

B. The Group's intangible assets were not pledged.

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(9) Short-term loans

Nature of Loans	March 31, 2025	Interest Rate Range	Collateral
Bank loans			
Secured loans	\$ 236,000	1.98%~2.075%	Repayment reserve account, land, buildings and structures
Credit loans	<u>80,000</u>	2.09%	None
	<u>\$ 316,000</u>		

Nature of Loans	March 31, 2024	Interest Rate Range	Collateral
Bank loans			
Secured loans	<u>\$ 30,000</u>	2.075%	Debt repayment reserve account, land, buildings and structures

As of December 31, 2024: None.

For collateral of aforementioned short-term loans, please refer to Note 8 for details.

(10) Other payables

Items	March 31, 2025	December 31, 2024	March 31, 2024
Dividends payable	\$ 67,345	\$ -	\$ -
Accrued payroll and employee benefits	15,020	30,198	13,702
Compensation of employees and remuneration of directors	8,977	8,977	11,651
Accrued freight expense	6,699	11,298	9,928
Sales discounts and allowances payable	6,174	11,462	4,630
Accrued unused vacation bonus	5,190	-	-
Accrued channel fees	2,176	2,988	3,872
Interest payable	598	274	557
Payable for purchase of equipment	2	333	165
Others	23,469	24,256	20,944
	<u>\$ 135,650</u>	<u>\$ 89,786</u>	<u>\$ 65,449</u>

(11) Long-term loans

Nature of Loans	Loan Term and Repayment Method	Interest Rate Range	Collateral	March 31, 2025
Long-term bank loans				
Secured loans	From November 30, 2011 to June 17, 2040; principal and interest repaid as scheduled	1.98%~2.095%	Land, buildings, structures, machinery and equipment	\$ 364,245
Less: Current portion				<u>(21,217)</u>
				<u>\$ 343,028</u>

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Nature of Loans	Loan Term and Repayment Method	Interest Rate Range	Collateral	December 31, 2024
Long-term bank loans				
Secured loans	From November 30, 2011 to June 17, 2040; principal and interest repaid as scheduled	1.98%~2.095%	Land, buildings, structures, machinery and equipment	\$ 324,526
Less: Current portion				(21,181)
				<u>\$ 303,345</u>

Nature of Loans	Loan Term and Repayment Method	Interest Rate Range	Collateral	March 31, 2024
Long-term bank loans				
Secured loans	From November 30, 2011 to June 17, 2040; principal and interest repaid as scheduled	1.95%~2.25%	Land, buildings, structures, machinery and equipment	\$ 485,010
Credit loans	From April 18, 2022 to April 20, 2027; principal and interest repaid as scheduled	2.275%	-	<u>113,704</u>
				\$ 598,714
Less: Current portion				(97,886)
				<u>\$ 500,828</u>

Please refer to Note 8 for collateral of aforementioned long-term loans.

(12) Pension

Since July 1, 2005, the Company and its domestic subsidiaries have adopted a defined contribution retirement plan in accordance with the Labor Pension Act, applicable to employees of ROC nationality. For employees who elect to participate in the pension scheme under the Labor Pension Act, the Company and its domestic subsidiaries contribute 6% of the employees' monthly wages to their individual pension accounts with the Bureau of Labor Insurance. Pension benefits are paid either in monthly installments or as a lump sum, based on the balance in each employee's personal pension account, including accumulated returns. For the three months ended March 31, 2025 and 2024, the pension costs recognized by the Group under this plan amounted to NT\$1,484 and NT\$1,200, respectively.

(13) Share capital

A. As of March 31, 2025, the Company's authorized capital was NT\$1,000,000, divided into 100,000 thousand shares with a par value of NT\$10 per share. The paid-in capital amounted to NT\$683,450. Of the authorized capital, NT\$50,000 (equivalent to 5,000 thousand shares) was reserved for the issuance of employee stock options. The Board of Directors may be authorized, in accordance with applicable laws, to issue the reserved shares in installments. All proceeds from issued shares have been fully received.

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Reconciliation of the Company's outstanding common shares (in thousands) at the beginning and end of the period is as follows:

	2025	2024
Balance as of January 1	67,600	60,750
Shares repurchased	(255)	-
Balance as of March 31	67,345	60,750

On March 29, 2024, the Company's Board of Directors resolved to increase capital by issuing 7,595 thousand new shares, each with a par value of NT\$10, at a premium of approximately NT\$57.13 per share. Following this capital increase, the paid-in capital amounted to NT\$683,450. The record date was set on June 11, 2024 and the registration of the cash capital increase was completed.

B. Treasury shares

(a) Purpose and quantity of repurchased shares:

		March 31, 2025	
Name of Holding Entity	Purpose of Repurchase	Number of Shares (thousand)	Carrying Amount
The Company	For transfer to employees	1,000	\$ 49,013

		December 31, 2024	
Name of Holding Entity	Purpose of Repurchase	Number of Shares (thousand)	Carrying Amount
The Company	For transfer to employees	745	\$ 36,511

There were no such transactions as of March 31, 2024.

- (b) According to the Securities and Exchange Act, the total number of shares a company may repurchase shall not exceed 10% of the total number of issued shares, and the total amount of repurchase shall not exceed the sum of retained earnings, share premium, and realized capital surplus.
- (c) Treasury shares held by the Company may not be pledged and shall not carry shareholder rights before being transferred, in accordance with the Securities and Exchange Act.
- (d) Pursuant to the Securities and Exchange Act, shares repurchased for the purpose of transferring to employees shall be transferred within five years from the date of repurchase. Any portion not transferred within this period shall be deemed unissued shares of the Company and shall be cancelled through amendment registration. In addition, shares repurchased for the purpose of maintaining the Company's credit and shareholders' equity shall be cancelled through amendment registration within six months from the date of repurchase.

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(14) Capital surplus

- A. According to the Company Act, capital surplus arising from shares issued at premium or from endowments may be used to offset a deficit. If the Company has no accumulated deficits, such capital surplus may be distributed as stock or cash dividends in proportion to shareholders' original holdings. Furthermore, pursuant to relevant regulations under the Securities and Exchange Act, when capital surplus is used for capital increases, the total amount capitalized each year shall not exceed 10% of the paid-in capital. The Company shall not use capital surplus to offset losses unless the retained earnings are insufficient to cover the losses.

2025					
	Additional paid-in capital	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Employee stock options expired	Others	Total
January 1 (and March 31)	<u>\$ 542,949</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 42,325</u>	<u>\$ 585,286</u>
2024					
	Additional paid-in capital	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Employee stock options expired	Others	Total
January 1 (and March 31)	<u>\$ 188,009</u>	<u>\$ 10</u>	<u>\$ 6</u>	<u>\$ 42,325</u>	<u>\$ 230,350</u>

- B. On February 18, 2025, the Board of Directors proposed a cash distribution of NT\$67,345 from capital surplus (NT\$1 per common share), pending approval by the shareholders' meeting.

(15) Retained earnings

- A. Pursuant to the Company's Articles of Incorporation, when the Company generates profits for the current year, it shall first provide for taxes, offset accumulated losses and then set aside 10% of the remaining balance as legal reserve, unless the legal reserve has equaled the Company's paid-in capital. Next, the Company shall appropriate or reverse a special reserve based on the Company's operational needs and applicable laws and regulations. The Board of Directors would then draft an earning distribution proposal based on the remaining profit, if any, together with cumulative undistributed earnings. Where the aforementioned earnings are distributed in the form of cash, such distribution shall be resolved by the Board of Directors in accordance with Article 228-1 and Paragraph 5 of Article 240 of the Company Act, and reported to the shareholders' meeting.
- B. The Company's dividend policy is designed to align with current and future development plans, while taking into account the investment environment, funding needs, and domestic and international competitions, as well as the interests of

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shareholders. At least 10% of the distributable earnings for the year shall be allocated to shareholder dividends. However, if the accumulated distributable earnings are less than 10% of the paid-in capital, the Company may elect not to distribute dividends. Dividends may be distributed in the form of cash or stock, and cash dividend shall not be less than 10% of the total dividends.

- C. Legal reserve may not be used except to offset deficits or to be distributed as new shares or cash in proportion to shareholders' original holdings. However, the distributions of new shares or cash are limited to the portion of the reserve that exceeds 25% of the paid-in capital.
- D. In accordance with applicable laws and regulations, when distributing earnings, the Company is required to appropriate a special reserve from the current year's earnings to the extent of any debit balance in other equity items as of the balance sheet date. When such debit balances are subsequently reversed, the reversed amount may be included in distributable earnings.
- E. On May 31, 2024, the shareholders' meeting resolved to distribute a cash dividend of NT\$1 per common share from the 2023 earnings, totaling NT\$68,345.
- F. On February 18, 2025, the Board of Directors resolved to distribute a cash dividend of NT\$1 per common share from the 2024 earnings, totaling NT\$67,345.

(16) Operating revenue

- A. All of the Group's operating revenue is derived from customer contracts for goods transferred at a point in time, as detailed below:

Three Months Ended March 31, 2025						
	Dawushan BU			Tai Da BU		Total
	Fresh Eggs	Processed Egg Products	Others	Processed Egg Products	Others Processed Egg Products	
Segment revenue	\$ 186,281	\$ 32,258	\$ 76	\$ 21,106	(\$ 7)	\$ 239,714
Inter-segment revenue	(6,599)	-	-	(9,102)	-	(15,701)
Revenue from external customer contracts	<u>\$ 179,682</u>	<u>\$ 32,258</u>	<u>\$ 76</u>	<u>\$ 12,004</u>	<u>(\$ 7)</u>	<u>\$ 224,013</u>
Timing of revenue recognition						
Revenue recognized at a specific point in time	<u>\$ 179,682</u>	<u>\$ 32,258</u>	<u>\$ 76</u>	<u>\$ 12,004</u>	<u>(\$ 7)</u>	<u>\$ 224,013</u>

Three Months Ended March 31, 2024						
	Dawushan BU			Tai Da BU		Total
	Fresh Eggs	Processed Egg Products	Others	Processed Egg Products	Others Processed Egg Products	
Segment revenue	\$ 290,522	\$ 37,857	\$ 3,205	\$ 33,028	\$ 888	\$ 365,500
Inter-segment revenue	(21,483)	-	-	(5,681)	-	(27,164)
Revenue from external customer contracts	<u>\$ 269,039</u>	<u>\$ 37,857</u>	<u>\$ 3,205</u>	<u>\$ 27,347</u>	<u>\$ 888</u>	<u>\$ 338,336</u>
Timing of revenue recognition						
Revenue recognized at a specific point in time	<u>\$ 269,039</u>	<u>\$ 37,857</u>	<u>\$ 3,205</u>	<u>\$ 27,347</u>	<u>\$ 888</u>	<u>\$ 338,336</u>

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B. Contract liabilities

The Group recognized the following contract liabilities related to revenue from contracts with customers:

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Contract liabilities	\$ 72	\$ 2,662	\$ 44	\$ 124

Revenue recognized in the current period from contract liabilities at the beginning of the period

	Three Months Ended March 31	
	2025	2024
Revenue from sale of goods	\$ 2,662	\$ 124

(17) Interest income

	Three Months Ended March 31	
	2025	2024
Interest on bank deposits	\$ -	\$ 293
Other interest income	45	8
	\$ 45	\$ 301

(18) Other income

	Three Months Ended March 31	
	2025	2024
Rental income	\$ 97	\$ 110
Income from selling electricity	4,000	2,310
Government grants	333	1,574
Others	159	149
	\$ 4,589	\$ 4,143

(19) Other gains and losses

	Three Months Ended March 31	
	2025	2024
(Loss) gain on disposal of biological assets	(\$ 56,479)	\$ 1,123
Loss on disposal of property, plant and equipment	(3)	-
Depreciation and maintenance expenses of electricity distribution and sales equipment	(2,084)	-
Foreign exchange gain (loss), net	107	(1,624)
Disaster loss		
- Property, plant and equipment	(40,676)	-
- Compensation loss	(500)	-

(Continued)

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	Three Months Ended March 31	
	2025	2024
Others	(\$ 126)	\$ -
	(\$ 99,761)	(\$ 501)
	(Concluded)	

(20) Finance costs

	Three Months Ended March 31	
	2025	2024
Interest expenses		
Bank loans	\$ 2,205	\$ 3,463
Lease liabilities	169	91
	2,374	3,554
Less: Amount capitalized for qualifying assets	(2,205)	(56)
	\$ 169	\$ 3,498

(21) Additional information on the nature of expenses

	Three Months Ended March 31	
	2025	2024
Employee benefits expense	\$ 47,863	\$ 43,865
Depreciation of property, plant and equipment	23,280	23,121
Depreciation of right-of-use assets	2,839	1,650
Depreciation of biological assets	17,745	21,236
Amortization expense	504	487

(22) Employee benefits expense

	Three Months Ended March 31	
	2025	2024
Payroll	\$ 40,296	\$ 35,856
Labor and health insurance	4,269	3,278
Pension	1,484	1,200
Remuneration to directors	595	2,382
Other personnel expenses	1,219	1,149
	\$ 47,863	\$ 43,865

- A. Pursuant to the Company's Articles of Incorporation, if there is a remaining balance after deducting accumulated losses from the current year's profit, compensation to employees shall be between 4% and 10% of the remaining balance, while the remuneration to directors shall be capped at 4% of the remaining balance.
- B. The Company accrued compensation to employees and remuneration to directors in the amounts of NT\$0 and NT\$2,317, and NT\$0 and NT\$1,737, respectively, for the three months ended March 31, 2025 and 2024. These amounts were recognized under

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payroll expenses and were estimated based on the profitability of the respective periods and the percentages specified in the Articles of Incorporation.

The amounts of compensation to employees and remuneration to directors for 2024, as resolved by the Board of Directors on February 18, 2025, are consistent with those recognized in the 2024 financial statements. As of March 31, 2025, the compensation and remuneration had not yet been distributed.

Relevant information on compensation to employees and remuneration to directors approved by the Board of Directors is available on the Market Observation Post System.

(23) Income tax

A. Components of income tax (benefit) expense:

	Three Months Ended March 31	
	2025	2024
Current income tax:		
Income tax for the current period	\$ 8	\$ 11,162
Tax levied on undistributed earnings	-	46
Total current income tax	8	11,208
Deferred income tax:		
Origination and reversal of temporary differences	(1,722)	(778)
Income tax (benefit) expense	(\$ 1,714)	\$ 10,430

B. The Company's profit-seeking enterprise income tax returns were assessed and approved up to 2023.

(24) (Loss) earnings per share

	Three Months Ended March 31, 2025		
	After-tax	Weighted average no. of common shares outstanding (In thousand shares)	Loss per share (NT\$)
<u>Basic and diluted loss per share</u>			
Net loss attributable to common shareholders of the parent	(\$ 111,163)	67,387	(\$ 1.65)
	Three Months Ended March 31, 2024		
	After-tax	Weighted average no. of common shares outstanding (In thousand shares)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net income attributable to common shareholders of the parent	\$ 43,490	60,750	\$ 0.72

(Continued)

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Items	Three Months Ended March 31, 2024		
	After-tax	Weighted average no. of common shares outstanding (In thousand shares)	Earnings per share (NT\$)
<u>Diluted earnings per share</u>			
Net income attributable to common shareholders of the parent	\$ 43,490	60,750	
Effects of dilutive potential common shares			
Employee compensation	-	231	
Net income attributable to common shareholders of the parent and effect of potential common shares	\$ 43,490	60,981	\$ 0.71

(Concluded)

(25) Supplementary information on cash flows

A. Investing activities with partial cash payments only:

	Three Months Ended March 31	
	2025	2024
Acquisition of property, plant and equipment	\$ 107,665	\$ 1,994
Add: Beginning balance of equipment payables	333	1,706
Less: Ending balance of equipment payables	(2)	(165)
Cash paid for acquisition of property, plant and equipment	\$ 107,996	\$ 3,535

B. Financing activities not involving cash flows:

	Three Months Ended March 31	
	2025	2024
Cash dividends declared but not yet distributed	\$ 67,345	\$ -

(26) Changes in liabilities arising from financing activities

	January 1, 2025	Changes from Financing Cash Flows	Non-cash Movements	March 31, 2025
Short-term loans	\$ -	\$ 316,000	\$ -	\$ 316,000
Dividends payable	-	-	67,345	67,345
Long-term loans	324,526	39,719	-	364,245
Lease liabilities	33,611	(2,798)	-	30,813
Total liabilities from financing activities	\$ 358,137	\$ 352,921	\$ 67,345	\$ 778,403

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	January 1, 2024	Changes from Financing Cash Flows	Non-cash Movements	March 31, 2024
Short-term loans	\$ 66,000	(\$ 36,000)	\$ -	\$ 30,000
Long-term loans	622,990	(24,276)	-	598,714
Lease liabilities	5,578	(1,625)	38,885	42,838
Total liabilities from financing activities	<u>\$ 694,568</u>	<u>(\$ 61,901)</u>	<u>\$ 38,885</u>	<u>\$ 671,552</u>

7. Related Party Transactions

(1) Parent company and the ultimate controller

The Company is controlled by Kuo Hsing Poultry & Livestock Feeds Co., Ltd., a company incorporated in the Republic of China, which holds 41.94% of the Company's shares. The remaining 58.06% is held by public shareholders. The Company's ultimate parent and ultimate controlling party is Kuo Hsing Poultry & Livestock Feeds Co., Ltd.

(2) Names and relationships of related parties

Name	Relationship
Kuo Hsing Poultry & Livestock Feeds Co., Ltd. (Kuo Hsing)	Parent company
Fu Che Frozen Food Co., Ltd. (Fu Che)	Sister company
Feng-Chun Lin	Chairman of the Company

(3) Material transactions with related parties

A. Operating revenue

	Three Months Ended March 31	
	2025	2024
Sale of goods		
Fu Che	<u>\$ 7,318</u>	<u>\$ 4,688</u>

The Group's selling prices to related parties are mutually agreed upon by both parties. The transaction prices and collection terms are not significantly different from those of general customers.

B. Purchases

	Three Months Ended March 31	
	2025	2024
Purchase of goods		
Kuo Hsing	\$ 53,546	\$ 90,731
Feng-Chun Lin	-	16,051
	<u>\$ 53,546</u>	<u>\$ 106,782</u>

The Group's purchase prices from related parties are mutually agreed upon by both parties. The transaction prices and payment terms are not significantly different from those of general suppliers.

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C. Receivables from related parties

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable:			
Fu Che	\$ 4,836	\$ 4,051	\$ 3,247

Amounts due from related parties primarily arise from sales transactions. Payments are due one month after the date of sale. These receivables are unsecured and non-interest bearing. No allowance for doubtful accounts has been recognized for amounts due from related parties.

D. Payables to related parties

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts payable:			
Kuo Hsing	\$ 31,018	\$ 39,670	\$ 56,523
Feng-Chun Lin	-	-	4,454
	31,018	39,670	60,977
Other payables:			
Kuo Hsing	-	405	-
Fu Che	113	-	805
	113	405	805
	\$ 31,131	\$ 40,075	\$ 61,782

Amounts due to related parties primarily arise from purchase transactions and are payable two months after the purchase date. These payables are non-interest bearing.

E. Property transaction

Acquisition of biological assets:

		Three Months Ended March 31	
		2025	2024
	Financial Statement Account	Acquisition Cost	Acquisition Cost
Feng-Chun Lin	Bearer biological assets	\$ -	\$ 4,061

F. Lease transactions - Lessee

(a) The Group leases buildings from Kuo Hsing. The lease term runs from 2024 to 2028, with rental payments made on a monthly basis.

(b) Acquisition of right-of-use assets

	Three Months Ended March 31	
	2025	2024
Kuo Hsing	\$ -	\$ 38,885

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(c) Lease liabilities

i. Ending balance

	March 31, 2025	December 31, 2024	March 31, 2024
Kuo Hsing	\$ 28,669	\$ 31,047	\$ 38,107

ii. Interest expense

	Three Months Ended March 31	
	2025	2024
Kuo Hsing	\$ 157	\$ 67

G. Operating expenses

	Three Months Ended March 31	
	2025	2024
Kuo Hsing	\$ 935	\$ -
Fu Che	206	2,157
Feng-Chun Lin	-	26
	\$ 1,141	\$ 2,183

These were mainly outsourcing fees and miscellaneous expenses.

(4) Compensation to key management

	Three Months Ended March 31	
	2025	2024
Short-term employee benefits	\$ 6,907	\$ 8,207
Post-employment benefits	109	106
	\$ 7,016	\$ 8,313

8. Pledged Assets

Details of assets pledged as collateral by the Group are as follows:

Asset Items	Carrying Amount			Purpose
	March 31, 2025	December 31, 2024	March 31, 2024	
Financial assets at amortized cost - current	\$ 8,000	\$ -	\$ -	Short-term loans
Other financial assets - current	-	-	430	Short-term loans
Land	254,111	254,111	200,102	Short and long-term loans
Buildings and structures	499,286	573,825	461,907	Short and long-term loans
Machinery and equipment	170,430	211,803	227,972	Long-term loans
	\$ 931,827	\$1,039,739	\$ 890,411	

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9. Significant Contingent Liabilities and Unrecognized Contract Commitments

(1) Contingent event

None.

(2) Commitments

- A. As of March 31, 2025, December 31, 2024 and March 31, 2024, the guarantee notes provided to banks by the Group for loans amounted to NT\$151,000, NT\$91,000 and NT\$146,000, respectively.
- B. As of March 31, 2025, December 31, 2024 and March 31, 2024, the unused letters of credit amounted to JPY280,000 thousand, JPY280,000 thousand and NT\$0, respectively.
- C. Capital expenditure commitments

	March 31, 2025	December 31, 2024	March 31, 2024
Property, plant and equipment	\$ 361,185	\$ 335,575	\$ -

10. Significant Disaster Loss

On March 12, 2025, a fire occurred at the Company's Pingtung facility, damaging several poultry houses and rendering certain buildings, structures and equipment unusable. The Company recognized a total disaster loss of NT\$41,176. Details are as follows:

Item	Amount	Description
Property, plant and equipment	\$ 40,676	Carrying amount of Layer Farm Phase 1, poultry houses 2, 3, and 4 at the Pingtung facility
Compensation loss	500	Compensation paid for damage to nearby agricultural crops
	<u>\$ 41,176</u>	

The Company has property insurance in place and is currently in the process of filing an insurance claim. As of the reporting date, no insurance compensation has been recognized.

11. Significant Subsequent Events

- (1) On March 24, 2025, the Board of Directors of the Company resolved to acquire 51% of the common shares (15,300 thousand shares) of Fu Che Frozen Food Co., Ltd. from its parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd., at a transaction price of NT\$25 per share, for a total consideration of NT\$382,500. The transaction was completed on April 1, 2025. This acquisition is considered a business combination under common control (also referred to as a corporate restructuring).
- (2) On May 9, 2025, the Board of Directors of the Company resolved, for the purpose of maintaining corporate credit and protecting shareholders' equity, to repurchase up to 2,000 thousand of the Company's shares (representing 2.93% of the total issued shares) during the period from May 12 to June 30, 2025. The repurchase price range is set between NT\$40 and NT\$70 per share.

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12. Others

(1) Capital management

The objective of the Group's capital management is to ensure the Group's ability to continue as a going concern, maintain an optimal capital structure to minimize the cost of capital, and provide returns to shareholders.

Given the need to support the expansion and enhancement of its plants and equipment, the Group's capital management focuses on ensuring the availability of necessary financial resources and operational plans to meet funding requirements over the next twelve months, including working capital, capital expenditures, research and development expenses, and debt repayments.

(2) Financial instruments

A. Types of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets			
Financial assets at amortized cost			
Cash and cash equivalents	\$ 444,034	\$ 257,250	\$ 265,268
Financial assets at amortized cost	8,000	-	-
Notes receivable	3,130	733	1,541
Accounts receivable	156,339	187,811	202,981
Other receivables	2,434	1,342	1,824
Other financial assets	-	-	100,430
Refundable deposits	2,098	1,438	2,428
	<u>\$ 616,035</u>	<u>\$ 448,574</u>	<u>\$ 574,472</u>
	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities			
Financial liabilities at amortized cost			
Short-term loans	\$ 316,000	\$ -	\$ 30,000
Notes payable	100	100	-
Accounts payable (including related parties)	63,525	103,858	92,041
Other payables	135,650	89,786	65,449
Long-term loans (including current portion)	364,245	324,526	598,714
	<u>\$ 879,520</u>	<u>\$ 518,270</u>	<u>\$ 786,204</u>
Lease liabilities	<u>\$ 30,813</u>	<u>\$ 33,611</u>	<u>\$ 42,838</u>

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B. Risk management policies

The Group's daily operations are affected by various financial risks, including market risk (such as exchange rate risk, interest rate risk, and price risk), credit risk, and liquidity risk. To mitigate these financial risks, the Group is committed to identifying, assessing, and avoiding market uncertainties in order to reduce the potential adverse impacts of market fluctuations on the Company's financial performance.

Important financial activities of the Group are reviewed by the Board of Directors in accordance with relevant rules and internal control systems. During the execution of financial plans, the Group must adhere strictly to the financial operating procedures related to the overall financial risk management and the division of responsibilities.

C. Nature and extent of significant financial risks

(a) Market risk

Exchange rate risk

- i. The Group's management has established policies requiring each entity within the Group to manage exchange rate risks relative to its functional currency. Each entity is required to hedge its overall foreign exchange exposure through the Group's Finance Department.
- ii. As the Group engages in business transactions involving non-functional currencies, it is subject to the effects of exchange rate fluctuations. The information on foreign currency-denominated assets with material exposure to exchange rate volatility is as follows:

		March 31, 2025	
		Foreign Currency	Book Value
		(In Thousands)	(NT\$)
(Foreign currency: Functional currency)			
Financial assets			
Monetary items			
JPY:NTD	\$ 5,933	0.22	\$ 1,321

		December 31, 2024	
		Foreign Currency	Book Value
		(In Thousands)	(NT\$)
		Exchange Rate	
(Foreign currency: Functional currency)			
Financial assets			
Monetary items			
JPY:NTD	\$	7,615	0.22
	\$		1,696

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March 31, 2024			
	Foreign Currency		Book Value
	(In Thousands)	Exchange Rate	(NT\$)
(Foreign currency: Functional currency)			
Financial assets			
Monetary items			
JPY:NTD	\$ 296,350	0.212	\$ 62,878
iii.	Foreign exchange gains (losses), including both realized and unrealized, of monetary items with significant influence due to exchange rate fluctuations amounted to NT\$107 and (NT\$1,624) for the three months ended March 31, 2025 and 2024, respectively.		
iv.	The Group’s foreign currency risk arising from significant exchange rate fluctuations is analyzed as follows:		

Three Months Ended March 31, 2025			
Sensitivity Analysis			
	Changes	Impact on Profit or Loss	Impact on Other Comprehensive Income
(Foreign currency: Functional currency)			
Financial assets			
Monetary items			
JPY:NTD	1%	\$ 13	\$ -

Three Months Ended March 31, 2024			
Sensitivity Analysis			
	Changes	Impact on Profit or Loss	Impact on Other Comprehensive Income
(Foreign currency: Functional currency)			
Financial assets			
Monetary items			
JPY:NTD	1%	\$ 629	\$ -

Price risk

The Group is not exposed to any commodity price risk.

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Cash flow and fair value interest rate risk

- i. The Group's interest rate risk primarily arises from short-term and long-term loans issued at variable interest rates, which expose the Group to cash flow interest rate risk. For the three months ended March 31, 2025 and 2024, the Group's borrowings at variable interest rates were mainly denominated in New Taiwan dollars.
 - ii. Assuming all other variables remain constant, a 1% increase or decrease in borrowing rates would have resulted in a decrease or increase in profit before tax by \$1,701 and \$1,572, respectively, for the three months ended March 31, 2025 and 2024. This change is mainly attributable to fluctuations in interest expenses arising from loans at variable interest rates.
- (b) Credit risk

Credit risk refers to the risk of financial loss to the Group arising from a customer or counterparty to a financial instrument failing to meet its contractual obligations. The primary sources of credit risk are trade receivables where counterparties fail to settle amounts in accordance with agreed terms, and contractual cash flows classified as measured at amortized cost. The Group manages this risk internally by assessing the credit quality of customers, taking into account their financial condition, past experience, and other relevant factors.

Cash and cash equivalents, financial assets at amortized cost, and other financial assets

The Group's trading policy stipulates that transactions are conducted only with counterparties of good credit standing. In recent periods, there have been no significant defaults on cash and cash equivalents, financial assets at amortized cost, and other financial assets.

Notes and accounts receivables

- i. In accordance with the Group's internally defined credit policy, management and credit risk assessments are required for each new customer before setting payment terms and delivery conditions. Internal risk control evaluates the customer's credit quality by taking into account their financial condition, past experience, and other relevant factors.
- ii. The Group considers a financial asset to have experienced a significant increase in credit risk if the contractual payment is more than 30 days past due. A default is deemed to have occurred if the payment is more than 90 days past due.
- iii. The Group evaluates the credit quality of customers by customer type, taking into account multiple factors that may affect their ability to pay, including financial condition, historical transaction records, and prevailing economic conditions. A simplified approach is adopted, using a provision matrix to estimate expected credit losses.
- iv. After pursuing collection efforts, the Group writes off the portion of financial assets that are no longer reasonably expected to be recoverable. However, the Group will continue to take legal action to preserve its rights.

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- v. The expected loss rates for notes and accounts receivables from customers as of January 1, 2025, December 31, 2024, and March 31, 2024 are as follows:

	Not Past Due	1 to 30 Days	31 to 90 Days	Over 91 Days	Total
March 31, 2025					
<u>Notes receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$ 3,130	\$ -	\$ -	\$ -	\$ 3,130
Loss allowance	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Accounts receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$156,264	\$ 21	\$ 19	\$ 117	\$156,421
Loss allowance	\$ -	\$ 1	\$ 1	\$ 80	\$ 82
December 31, 2024					
<u>Notes receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$ 733	\$ -	\$ -	\$ -	\$ 733
Loss allowance	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Accounts receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$184,728	\$ 3,055	\$ 93	\$ 64	\$187,940
Loss allowance	\$ -	\$ 92	\$ 5	\$ 32	\$ 129
March 31, 2024					
<u>Notes receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$ 1,541	\$ -	\$ -	\$ -	\$ 1,541
Loss allowance	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Accounts receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$201,317	\$ 508	\$ 604	\$ 1,212	\$203,641
Loss allowance	\$ -	\$ 15	\$ 30	\$ 615	\$ 660

- vi. The movements in the loss allowance for notes and accounts receivables under the simplified approach are as follows:

	2025		2024	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
January 1	\$ -	\$ 129	\$ -	\$ 76
Impairment loss (reversed)				
recognized	-	(47)	-	584
March 31	\$ -	\$ 82	\$ -	\$ 660

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(c) Liquidity risk

- i. The objective of the Group's liquidity risk management is to maintain sufficient cash and bank deposits, highly liquid marketable securities, and adequate bank credit facilities to meet operational needs and ensure financial flexibility.
- ii. The following table presents an analysis of the Group's non-derivative financial liabilities based on the remaining contractual maturity as of the balance sheet date. The disclosed contractual cash flows are presented on an undiscounted basis.

March 31, 2025	Within 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 5 Years	Over 5 Years
<u>Non-derivative financial</u>					
<u>liabilities:</u>					
Short-term loans	\$ 147,453	\$ 171,770	\$ -	\$ -	\$ -
Notes payable	100	-	-	-	-
Accounts payable	63,525	-	-	-	-
Other payables	124,048	11,602	-	-	-
Lease liabilities	5,761	5,761	11,049	9,293	-
Long-term loans (including current portion)	14,291	14,304	131,315	76,870	166,142

Derivative financial liabilities: None.

December 31, 2024	Within 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 5 Years	Over 5 Years
<u>Non-derivative financial</u>					
<u>liabilities:</u>					
Notes payable	\$ 100	\$ -	\$ -	\$ -	\$ -
Accounts payable (including related parties)	103,858	-	-	-	-
Other payables	83,374	6,412	-	-	-
Lease liabilities	5,847	5,761	11,396	11,827	-
Long-term loans (including current portion)	10,580	10,601	80,392	65,807	157,146

Derivative financial liabilities: None.

March 31, 2024	Within 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 5 Years	Over 5 Years
<u>Non-derivative financial</u>					
<u>liabilities:</u>					
Short-term loans	\$ 30,000	\$ -	\$ -	\$ -	\$ -
Accounts payable (including related parties)	92,041	-	-	-	-
Other payables	53,798	11,651	-	-	-
Lease liabilities	6,521	5,982	11,623	20,417	-
Long-term loans (including current portion)	48,797	49,089	97,885	172,692	230,251

Derivative financial liabilities: None.

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(3) Fair value information

- A. The definitions of the fair value hierarchy levels for the valuation techniques applied to financial and non-financial instruments are as follows:

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

Level 2: Observable inputs, either directly or indirectly, other than quoted prices included in Level 1, for the asset or liability.

Level 3: Unobservable inputs for the asset or liability.

As of March 31, 2025, December 31, 2024, and March 31, 2024, the Group had no financial assets or liabilities measured at fair value.

- B. The carrying amounts of the Group's financial instruments not measured at fair value, such as cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivable, other receivables, other financial assets, refundable deposits, short-term loans, notes payable, accounts payable, other payables, lease liabilities, and long-term loans, approximate their fair values.

13. Additional Disclosures

(1) Information on significant transactions

- A. Financing provided to others: None.
- B. Endorsement/guarantee provided: None.
- C. Material marketable securities held at the end of period (excluding investments in subsidiaries, associates and joint ventures): None.
- D. Related party transactions with purchase or sales amount of at least NT\$100 million or 20 percent of the paid-in capital: None.
- E. Receivables from related parties of at least NT\$100 million or 20 percent of the paid-in capital: None.
- F. Intercompany relationships and significant intercompany transactions: Table 1.

(2) Information on investees

The names, locations, and other relevant information of investee companies (excluding investees located in mainland China): Table 2.

(3) Information on investments in mainland China

- A. Basic information: None.
- B. Significant transactions with investee companies in mainland China, either directly or indirectly through a third party: None.

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14. Segment Information

(1) General information

The Group's management has identified reportable segments based on the information used by the chief operating decision maker in making decisions. The Group's chief operating decision maker divides operating units by business units (BUs) into the following reportable segments:

- A. Dawushan BU: Primarily engages in the production and wholesale of poultry eggs, as well as the manufacturing and trading of organic fertilizers.
- B. Tai Da BU: Primarily engages in the processing and manufacturing of egg products.
- C. Others: Distribution of processed products.

(2) Segment information

The Group's chief operating decision maker evaluates the performance of the operating segments based on revenue and income (loss) before income tax. The reportable segment information provided to the chief operating decision maker is as follows:

Three Months Ended March 31, 2025					
	Dawushan BU	Tai Da BU	Others	Adjustment and Elimination	Total
External revenue	\$ 212,016	\$ 12,004	(\$ 7)	\$ -	\$ 224,013
Inter-segment revenue	6,599	9,102	-	(15,701)	-
Segment revenue	<u>\$ 218,615</u>	<u>\$ 21,106</u>	<u>(\$ 7)</u>	<u>(\$ 15,701)</u>	<u>\$ 224,013</u>
Segment income (loss)	<u>(\$ 18,694)</u>	<u>\$ 1,479</u>	<u>(\$ 26)</u>	<u>\$ 118</u>	<u>(\$ 17,123)</u>
Non-operating income and expenses					(95,296)
Loss before income tax					(112,419)
Income tax benefit					1,714
Net loss					<u>(\$ 110,705)</u>
Segment assets					<u>\$2,541,298</u>
Segment liabilities					<u>\$ 919,530</u>

Three Months Ended March 31, 2024					
	Dawushan BU	Tai Da BU	Others	Adjustment and Elimination	Total
External revenue	\$ 310,101	\$27,347	\$ 888	\$ -	\$ 338,336
Inter-segment revenue	21,483	5,681	-	(27,164)	-
Segment revenue	<u>\$ 331,584</u>	<u>\$ 33,028</u>	<u>\$ 888</u>	<u>(\$ 27,164)</u>	<u>\$ 338,336</u>
Segment income (loss)	<u>\$ 54,587</u>	<u>(\$ 2,141)</u>	<u>\$ 39</u>	<u>\$ 128</u>	<u>\$ 52,613</u>
Non-operating income and expenses					445
Income before income tax					53,058
Income tax expense					(10,430)
Net income					<u>\$ 42,628</u>
Segment assets					<u>\$2,258,590</u>
Segment liabilities					<u>\$ 871,893</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(In Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(3) Reconciliation of segment profit or loss

The total amounts of the reportable segments disclosed in item (2) above, as well as other significant items, are consistent with the corresponding amounts presented in the Group's financial statements and are measured on the same basis.

Table 1

Dawushan Farm Technology Co., Ltd.
Intercompany Relationships and Significant Intercompany Transactions
For the Three Months Ended March 31, 2025

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

No. (Note 1)	Company Name	Counterparty	Relationship	Intercompany Transactions			Percentage to Consolidated Net Revenue or Total Assets (Note 3)
				Financial Statements Account	Amount	Terms	
0	Dawushan Farm Technology Co., Ltd.	Tai Da Eggs Technology Co., Ltd.	1	Accounts receivable	\$ 18,898	Collections in 1 to 2 months after shipment	1%
1	Tai Da Eggs Technology Co., Ltd.	Dawushan Farm Technology Co., Ltd.	2	Accounts receivable	21,605	Collections in 1 to 2 months after shipment	1%

Note 1: Transaction information between the parent company and its subsidiaries shall be disclosed in the No. column by codes below:

(1) The parent company is coded "0."

(2) The subsidiaries are coded from "1" in the order presented in the table above.

Note 2: Relationships are categorized into the following three types. Please specify the type. (If the transaction is between a parent and its subsidiary, or between subsidiaries, duplicate disclosure is not required. For example, if a transaction between the parent and a subsidiary has already been disclosed by the parent, the subsidiary does not need to disclose it again. Similarly, if a transaction between two subsidiaries has been disclosed by one of them, the other is not required to repeat the disclosure.)

(1) From the parent company to a subsidiary.

(2) From a subsidiary to the parent company.

(3) Between subsidiaries.

Note 3: Regarding the percentage of transaction amount to consolidated net revenue or total assets, it is computed based on the ending balance to the consolidated total assets for balance sheet items; and based on the cumulative transaction amount relative to consolidated net revenue for profit or loss items.

Note 4: The significant transactions presented in this table refer to individual transactions with an amount of NT\$10,000 or more.

Table 2

Dawushan Farm Technology Co., Ltd.
The Names, Locations, and Other Relevant Information of Investee Companies (Excluding Investees Located in Mainland China)
For the Three Months Ended March 31, 2025

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

Investor	Investee	Business Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2025		Carrying Amount	Net Income (Loss) of Investee	Share of Profit/Loss	Note
				March 31, 2025	December 31, 2024	Shares	Ownership Percentage				
Dawushan Farm Technology Co., Ltd.	Tai Da Eggs Technology Co., Ltd.	Taiwan	Manufacturing and trading of processed egg products	\$ 37,380	\$ 37,380	3,761	68.39%	\$ 26,528	\$ 1,470	\$ 1,006	
Dawushan Farm Technology Co., Ltd.	JihShang Livestock Products Co., Ltd.	Taiwan	Distribution of processed products	1,000	1,000	100	100.00%	2,180	(10)	(10)	
Dawushan Farm Technology Co., Ltd.	Mountain River Livestock Products Co., Ltd.	Taiwan	Distribution of processed products	1,000	1,000	100	100.00%	971	-	-	
Dawushan Farm Technology Co., Ltd.	Dawushan Ise Foods Co., Ltd.	Taiwan	Trading of egg products	139,500	139,500	13,950	60.00%	139,329	(16)	(10)	