

大武山牧場科技股份有限公司

DAWUSHAN FARM TECHNOLOGY CO.,LTD

股票代號(TSE)

6952

114年度年報

ANNUAL REPORT 2025

中華民國115年3月31日刊印
Printed on March 31, 2026

公開資訊觀測站網址
Taiwan Stock Exchange Market Observation Post System:
<https://mops.twse.com.tw>

大武山網址
DWS annual report is available at
<https://www.dawushan.com.tw/>

大武山牧場
DAWUSHAN EGG FARM

1. Name, Title and Contact Details of Spokesperson and Deputy Spokesperson

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2. Address and Telephone Numbers of Headquarters, Branches and Factories

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Website: <https://www.KGI.com.tw> Telephone Number: 886-2-2389-2999

4. Names, Accounting Firm, Address, Website and Telephone Number of Independent Auditors in the Most Recent Year

Names: A-Shen Liao and Chien-Chih Wu
CPA Firm: PricewaterhouseCoopers Taiwan
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Website: <https://www.pwc.tw/> Telephone Number: 886-7-237-3116

5. Overseas Securities Exchange and Methods to Access Relevant Information: None

6. Corporate Website: <https://www.dawushan.com.tw/>

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APPENDIX A: Consolidated Financial Statements for the Year Ended December 31, 2025 and Independent Auditors' Report

APPENDIX B: Parent Company Only Financial Statements for the Year Ended December 31, 2025 and Independent Auditors' Report

I. Letter to Shareholders

Dear shareholders,

The past year was marked by both challenges and transformation for the Company. Navigating the persistent pressures of global climate change and volatility in domestic egg demand and pricing, we remained steadfast in our core commitment to quality and innovation. While a fire at our facilities resulted in equipment damage that temporarily impacted short-term capacity and financial performance, we successfully advanced our long-term strategic objectives. During the year, we completed the acquisition of Fu Che Frozen Food Co., Ltd. and finalized the facility planning for our subsidiary, Dawushan Ise Foods Co., Ltd. Through the collective efforts of our team, we strengthened vertical integration, expanded our operational footprint, and returned to a growth trajectory in the fourth quarter, demonstrating exceptional operational resilience.

To ensure livestock health and production stability, the Company has implemented rigorous biosecurity protocols, integrated premium farming equipment, and elevated the level of automation in our husbandry management. Furthermore, we have expanded our portfolio of egg-based products, leveraging our own fresh eggs in combination with carefully selected ingredients to develop a diverse range of high-quality processed egg products.

The Company is committed to ESG-driven sustainable development. By establishing in-house composting facilities, we convert poultry waste into organic fertilizers, promoting environmentally friendly agriculture and enabling circular land use. In parallel, we launched an aerobic carbon reduction initiative in 2025 through cross-sector collaboration, including the deployment of intelligent composting systems. The project is expected to commence operations in the first quarter of 2026, converting poultry manure and other waste into high-efficiency organic fertilizers and advancing our “Zero Waste” objective.

Looking ahead to 2026, the Company will continue to uphold the highest standards of food safety as the core principle, strengthen brand positioning in a steady and disciplined manner, further enhance the trust of customers and consumers, and lay a solid foundation for long-term growth and sustainable development.

1. 2025 Operating Results

(1) Outcomes of business plan implementation

Item	2025	2024 (Restated)	2024 (As Previously Reported)
Operating revenue	1,944,395	1,987,639	1,218,844
Gross profit	360,497	556,622	336,877
Operating expenses	332,753	321,968	202,621
Operating income	27,744	234,654	134,256
Net (loss) income	(60,145)	185,873	95,717

Note: The acquisition of Fu Che Frozen Food Co., Ltd. is accounted for as a business combination under common control in accordance with International Financial Reporting Standards. Accordingly, the 2024 comparative financial statements have been restated.

In 2025, the Company reported consolidated operating revenue of NT\$1,944,395 thousand, representing a year-on-year decrease of 2.18% from NT\$1,987,639 thousand in 2024.

In March 2025, a fire at the Company’s poultry houses in Pingtung resulted in damage to facilities and equipment. In addition to the recognition of disaster-related losses in the

financial statements, the incident caused the most significant loss. The destruction of certain poultry houses also reduced flock size, thereby constraining egg production and limiting the effective utilization of related labor resources. In the second half of the year, market prices for fresh eggs rebounded. Coupled with poultry houses entering peak production, these factors drove record-high quarterly revenues in the fourth quarter of 2025 and the first quarter of 2026. The Company's operations and profitability are gradually returning to normal.

- (2) Budget execution: The Company did not issue a financial forecast for 2025. Actual operating performance, aside from the temporary impact of the fire on production capacity and financial results, remained broadly in line with internal plans. Overall operations and business strategies were implemented steadily as planned, with no material variances.

- (3) Financial performance and profitability analysis

Item		2025	2024 (Restated)	2024 (As Previously Reported)
Return on assets (%)		(1.19)	6.48	4.45
Return on equity (%)		(2.83)	9.72	6.06
To paid-in capital ratio (%)	Operating income	52.75	81.44	19.64
	Income before income tax	(10.82)	34.15	17.59
Net margin (%)		(3.09)	9.35	7.85
Earnings per share (NT\$)		(1.08)	2.17	1.46

- (4) Research and development status

Driven by heightened food safety awareness and the trend of consumption upgrading, consumer demand for high-quality eggs continues to rise. The Company is dedicated to addressing these demands by consistently improving farm productivity and quality standards. Through technical guidance from TAMAGO & COMPANY Inc., the Company receives support in optimizing production systems, advancing product R&D, and refining poultry management techniques. Furthermore, both companies dispatch personnel for cross-border, on-site learning and exchange programs. This initiative not only fosters talent development within Taiwan's agriculture and livestock sectors but also facilitates the joint development of innovative products to create a win-win outcome.

The Company's research and development efforts are dedicated to steadily improving egg-laying rates and continuously optimizing smart-farming data analytics to enhance decision-making quality. The Company's fresh eggs are produced using commercial layer hens developed through long-term, well-structured breeding programs by internationally renowned breeding companies. In accordance with established management guidelines, the Company optimizes environmental conditions, feed nutrition, and immunization practices with the aim of exceeding standard production benchmarks. The Company's operations are certified under multiple quality assurance systems. From day-old chicks onward, the Company maintains rigorous, end-to-end control to ensure the absence of drug residues and full compliance with food safety and hygiene standards. In addition, the Company continues to advance feed nutrition optimization, disease control measures, and the application of innovative technologies to further improve eggshell quality.

2. Current Year Business Plan Overview

(1) Management policy

Since its establishment in 2007, the Company has adhered to the principle of “Dedication, Integrity, and Food Safety.” It has developed modern, environmentally friendly poultry houses equipped with fully enclosed environmental control systems, alongside highly automated and rigorously controlled breeding and production processes. By focusing on core farm operations and leveraging competitive strengths, the Company implements a comprehensive 14-step egg washing and grading process, together with refrigerated transportation at 7°C, to strengthen its presence in the branded egg market. In addition, the Company continues to develop value-added egg-based products tailored to customer needs, with the aim of enhancing the overall gross margin. Dawushan Group is currently one of the few egg and food processing companies in Taiwan to have obtained multiple food safety certifications, including HACCP, ISO 22000, FDA, AVA, TAP production and sales traceability, and CAS certification for premium agricultural products. It also maintains a team with professional qualifications in food technology, inspection and analysis, PCQI, and BPCS. Supported by strong brand recognition and peak-season demand, both fresh eggs and processed products have maintained steady sales growth momentum.

(2) Production and sales status

The Company’s fresh egg products are distributed through major retail chains across Taiwan. By maintaining direct control over the sales channels, the Company has moved away from traditional egg distribution systems. It continues to expand channel footprint and pursue a diversified market presence to mitigate market risks.

In recent years, the Company has actively advanced the development of the proprietary brand, “Dawushan Egg Farm,” targeting the mid- to high-end egg product segment. It has expanded presence across domestic foodservice and convenience store channels. The Company continues to invest in brand building and marketing initiatives to broaden its reach across diverse consumer segments. As brand visibility continues to increase and farm capacity expands, fluctuations in operating revenue are primarily driven by changes in demand from key customer groups, including chain fast-food operators, foodservice distributors, bakery businesses, food processing companies, convenience stores, and supermarkets, as well as by the Company’s fresh egg production capacity. Furthermore, the Company partners with internationally renowned IPs to integrate health, safety, and fun into our products. These collaborations strengthen consumer recognition of our premium egg quality while demonstrating our ongoing commitment to corporate social responsibility and product innovation.

In addition to the continued efforts in the fresh egg segment, the Company formally entered the egg processing sector in April 2025 through the acquisition of Fu Che Frozen Food Co., Ltd. This strategic initiative not only enhances the utilization of raw eggs but also elevates product value through product portfolio expansion (such as tea eggs and other processed foods) and effective channel integration.

3. Future Development Strategy

The Company will continue to advance the dual-engine strategy, focusing on “premium branded eggs” and “professional egg processing.” In support of future business growth, and in response to rising domestic demand for fresh eggs and the need to enhance competitiveness, Dawushan Ise Foods Co., Ltd. is being developed as a specialized egg washing and grading facility. It will serve as a centralized platform for washing, packaging, and cold storage services for the Company and the prospective partner farms. This initiative is expected not only to enhance revenue and profitability, but also to improve operational flexibility, facilitate market expansion,

and increase market share, thereby generating positive benefits for the future operations of both the Company and the subsidiaries. It also supports the Company's strategic objective of enhancing product value and overall operating performance.

Through the subsidiary, Fu Che Frozen Food Co., Ltd., the Company has formally entered the food processing services sector. Looking ahead, it will continue to expand the Group's product portfolio, marking a new milestone in the pursuit of becoming Taiwan's leading professional egg products company.

4. Influence of External Competition, Regulatory, and Overall Business Environment

(1) External competition

The domestic market for premium branded eggs remains undersupplied, while the government continues to actively promote the adoption of washed eggs. It is expected that by July 2026, businesses above a certain scale, including chain restaurant operators with 30 or more outlets, bakery chains with 15 or more locations, breakfast chains with 50 or more outlets, or enterprises with paid-in capital of NT\$10 million or more, will be required to fully adopt washed eggs. Looking ahead, eggs are expected to be centrally processed at washing and grading facilities, with quality and pricing differentiated through standardized grading systems. As industry competitors ramp up their investment plans, market competition is expected to intensify. In response, the Company has partnered with TAMAGO & COMPANY Inc. to introduce advanced breeding and management technologies, continuously enhance production systems and product development, and expand into Japanese-style foodservice channels.

In addition, the Company has strengthened its collaboration with animal welfare-friendly farms, gradually increasing the proportion of cage-free eggs. At the same time, it leverages vertical integration to enhance product value and reinforces differentiated marketing strategies to further expand its scale of operations.

(2) Regulatory environment

As consumer awareness of food safety and rights protection continues to rise, the government has strengthened its regulatory oversight of food safety, requiring companies to ensure quality across all stages, including feed production, farming, product testing, and labeling. Should national standards be further tightened in the future, the Company may need to increase its investment in quality control and testing, which could lead to higher production costs. In response, the Company has established a Food Safety Department responsible for feed sample retention and composition analysis, thereby mitigating the potential impact of feed ingredients on product safety.

Also, egg products undergo regular testing for residues of veterinary drugs and pesticides, as well as heavy metals and microbiological contaminants, to ensure compliance with applicable health regulations and to mitigate food safety risks. Through scientifically managed farming practices and nutritional optimization, the Company is committed to producing high-quality, healthy eggs. It also employs a fully automated washing and grading process to ensure precise quality control and has obtained food safety management system certifications. These measures ensure the consistent delivery of safe, hygienic, and high-quality fresh eggs to consumers, supporting consumer health and well-being.

(3) Overall business environment

Domestic supplies of corn and soybeans are highly dependent on imports, and rising international agricultural commodity prices have driven up feed costs for laying hens. Coupled with labor shortages and increasing labor costs, the industry faces mounting challenges. To ensure a stable supply, the Company maintains long-term relationships with

key raw material suppliers and enhances farming management efficiency through the application of AI and big data, thereby reducing feed and labor costs. It has also introduced smart agriculture technologies, including automated material handling systems and intelligent robotics.

Poultry diseases, such as avian influenza and Newcastle disease, pose significant risks. This is particularly the case given Taiwan's location along migratory bird routes, which heightens disease prevention pressures. The Company has adopted fully automated, enclosed poultry houses equipped with water curtain systems, implemented strict personnel access controls, and conducted daily monitoring of flock health. In addition, a professional veterinary team applies a preventive medicine approach, enabling early intervention and helping to ensure stable production.

Chairperson: Feng-Chun Lin



President: Shang-Chiang Wei



II. Corporate Governance

1. Directors, President, Vice Presidents, Assistant Vice Presidents and Managers of Departments and Branches

(1) Directors

A. Directors

As of March 31, 2026 (In Shares; %)																				
Title	Nationality or Place of Registration	Name	Gender Age	Date First Elected	Date Elected	Term	Shareholding When Elected		Current Shareholding		Spouse and Minor Children		Nominee Arrangement		Education and Selected Past Positions	Present Positions at the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within the Second-Degree of Kinship to Each Other			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairperson	R.O.C.	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	-	2019.06.23	2026.02.04	3	10,228,755	18.60	10,740,413	15.71	-	-	18,372,293 (Note 4)	26.88	-	-	-	-	-	-
		Representative: Feng-Chun Lin	Female 51~60				2,062,503	3.75	2,179,735	3.19	-	-	-	-	Department of Business Administration, Cheng Shiu University Chairperson, Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	Note 2	Director	Yung-Li Lin	Sisters	Note 1
Director	R.O.C.	HsiangCheng Investment Co., Ltd.	-	2019.06.28	2026.02.04	3	10,228,755	18.60	10,740,413	15.71	-	-	-	-	-	-	-	-	-	-
		Representative: Yung-Li Lin	Female 61~70				2,035,000	3.70	2,116,650	3.10	-	-	-	-	Two-year Program in Mechanical Engineering, Cheng Shiu University Chief Financial Officer, Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	Note 3	Chairperson	Feng-Chun Lin	Sisters	-
Director	R.O.C.	TePen Investment Co., Ltd.	-	2022.06.23	2026.02.04	3	1,900,000	3.45	1,995,000	2.92	-	-	-	-	-	-	-	-	-	-
		Representative: Shang-Chiang Wei	Male 61~70				1,375,000	2.50	1,443,750	2.11	1,443,750	2.11	4,540,780 (Note 5)	6.64	Department of Business Management, Tatung University President, Tai Qin Organism Technology Co., Ltd. President, Dawushan Ise Foods Co., Ltd. Chairperson, TaShu Investment Co., Ltd. Supervisor, TePen Investment Co., Ltd.	President, Dawushan Farm Technology Co., Ltd. Chairperson, Tai Da Eggs Technology Co., Ltd. Director, Dawushan Ise Foods Co., Ltd. Chairperson, TaShu Investment Co., Ltd. Supervisor, TePen Investment Co., Ltd.	Chief Operating Officer	Yu-Heng Wei	Father and son	Note 1
Director	R.O.C.	TePen Investment Co., Ltd.	-	2025.05.20	2026.02.04	3	1,900,000	3.45	1,995,000	2.92	-	-	-	-	-	-	-	-	-	-
		Representative: Yu-Heng Wei	Male 31~40				1,375,000	2.50	2,362,500	3.46	-	-	1,995,000 (Note 6)	2.92	Department of Economics, National Tsing Hua University Executive Program in Entrepreneurial Management, National Chengchi University	Chief Operating Officer, Dawushan Farm Technology Co., Ltd. President, Tai Da Eggs Technology Co., Ltd.	President	Shang-Chiang Wei	Father and son	-

Title	Nationality or Place of Registration	Name	Gender Age	Date First Elected	Date Elected	Term	Shareholding When Elected		Current Shareholding		Spouse and Minor Children		Nominee Arrangement		Education and Selected Past Positions	Present Positions at the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within the Second-Degree of Kinship to Each Other			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
															Member of the Egg Layer Welfare Committee, Council of Agriculture, Executive Yuan International sales representative, Innolux Corporation	Chairperson, TePen Investment Co., Ltd. Director, TaShu Investment Co., Ltd. Director, LumoTrace BioTech Co., Ltd.				
Independent Director	R.O.C.	Pei-Fen Liao	Female 40-50	2026.02.04	2026.02.04	3	-	-	-	-	-	-	-	-	Department of Business Administration, National Kaohsiung University of Applied Sciences Assistant Vice President, Finance and Accounting Department, Dawushan Farm Technology Co., Ltd. Audit Manager/Accounting Manager, Joben Bio-Medical Co., Ltd. Internal Audit Specialist, TFN Media Co., Ltd. Senior Associate, Ernst & Young Taiwan Audit Associate II, Baker Tilly Clock & Co	CFO, Lianyou Metals Co., Ltd.	-	-	-	-
Independent Director	R.O.C.	Suey-Ping Chi	Male 71~80	2023.05.17	2026.02.04	3	-	-	-	-	-	-	-	-	Ph.D. in Food Science, Mississippi State University Master in Food Science, University of Hawai'i at Mānoa Bachelor in Food Science, National Chung Hsing University Adjunct professor of Department of Animal Science and Technology, National Taiwan University Adjunct professor of Department of Food and Nutrition, Fu Jen Catholic University Professor of Department of Hospitality Management, College of Human Life Science, Chung Hwa University of Medical Technology Dean, College of Human Life Science, Chung Hwa University of Medical Technology	Academic Consultant, Chinese Food Additives Association Advisor, Taiwan Frozen Meat Packers Association Advisor, Taiwan Premium Agricultural Products Development Institute	-	-	-	-

Title	Nationality or Place of Registration	Name	Gender Age	Date First Elected	Date Elected	Term	Shareholding When Elected		Current Shareholding		Spouse and Minor Children		Nominee Arrangement		Education and Selected Past Positions	Present Positions at the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within the Second-Degree of Kinship to Each Other			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
															Researcher and section chief, Livestock Research Institute, Council of Agriculture, Executive Yuan Senior Specialist of Food Processing Section, Council of Agriculture, Executive Yuan					
Independent Director	R.O.C.	Chien-Nan Hsieh	Male 71~80	2025.07.28	2026.02.04	3	-	-	-	-	-	-	-	-	Department of Business Administration, Chung Yuan Christian University Vice Chairperson and CEO, Chuan Lian Enterprise Co., Ltd. CEO, Comestibles Master Co., Ltd. Chief Operating Officer / Chief Strategy Officer, President Chain Store Corporation (7-ELEVEN) President, RSI, Retail Support International Corporation Chairperson, PLI, President Logistics International Corporation Chairperson / President, Books.com Co., Ltd. President, President Information Corporation Chairperson, Qware Systems & Services Corporation	President, Business Transformation Institute (Taiwan Digital Enterprise Alliance) Representative of corporate director, Mytrex Health Technologies, Inc. Independent director, 91APP, Inc. (Cayman Islands) (Stock Code: 6741) Independent director, KGI Financial Holding Co., Ltd. (Stock Code: 2883) Independent director, KGI Bank Co., Ltd. (Stock Code: 2837)	-	-	-	-

Note 1: Where the Company's Chairperson and the President or personnel with equivalent position (top executive) are the same person, spouses or relatives within one degree of kinship, please state the reasons, reasonability, necessity and measures to be taken (e.g., increase the number of independent directors and have majority of directors not serving as employees or managerial officers): The Company's Chairperson and President are neither the same person nor spouses or relatives within the first degree of kinship.

Note 2: Chairperson of Kuo Hsing Poultry & Livestock Feeds Co., Ltd.; Chairperson of Fu Che Frozen Food Co., Ltd.; Chairperson of Ever Light Oil Industrial Co., Ltd.; Chairperson of Dawushan Ise Foods Co., Ltd.; Chairperson of YingPaiShih International Co., Ltd.; Director of HsingChin Foods Co., Ltd.; Chairperson of TienHsing Investment Co., Ltd.; Director of Spring Breeze Enterprise Co., Ltd.

Note 3: Director of Kuo Hsing Poultry & Livestock Feeds Co., Ltd.; Chairperson of HsiangCheng Investment Co., Ltd.; Chairperson of HsingChin Foods Co., Ltd.; Director of Ever Light Oil Industrial Co., Ltd.; Director of TienHsing Investment Co., Ltd.; Chairperson of Modern Feed Co., Ltd.; Chairperson of TienMeiWei Foods Co., Ltd.; Chairperson of Kuo Hsing Frozen Meat Products Co., Ltd.; Supervisor of KueiKai Co., Ltd.; Supervisor of HungChun Investment Co., Ltd.

Note 4: Shares held in the name of another party are those held by Kuo Hsing Poultry & Livestock Feeds Co., Ltd. through HsiangCheng Investment Co., Ltd.

Note 5: Shares held in the name of another party are those held by Shang-Chiang Wei through TaShu Investment Co., Ltd.

Note 6: Shares held in the name of another party are those held by Yu-Heng Wei through TePen Investment Co., Ltd.

B. Major shareholders of corporate shareholders

Name of Corporate Shareholder	Major Shareholders of Corporate Shareholders
Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	YingPaiShih International Co., Ltd. (11.63%), KueiKai Co., Ltd. (7.75%), HungChun Investment Co., Ltd. (7.75%), KuoPing Investment Co., Ltd. (7.00%), YuChao International Co., Ltd. (5.38%), Shang-Chun Lin (5.50%), Yen-Hua Lin (5.05%), Hung-Yu Chen (4.70%), Kueih-Siung Chen (4.55%), Yu-Chi Lin (3.75%)
HsiangCheng Investment Co., Ltd.	Kuo Hsing Poultry & Livestock Feeds Co., Ltd. (100%)
TePen Investment Co., Ltd.	Yu-Heng Wei (99.67%), Shang-Chiang Wei (0.33%)
TaShu Investment Co., Ltd.	Shang-Chiang Wei (99.90%), Yu-Heng Wei (0.03%)

C. Major shareholders of corporate shareholders who are major shareholders in the table above

Name of Corporate Shareholder	Major Shareholders of Corporate Shareholders
YingPaiShih International Co., Ltd.	Feng-Chun Lin (55.03%), Che-Chen Chang (40.31%), Che-Ming Chang (4.66%)
KueiKai Co., Ltd.	Yung-Li Lin (50.85%), Hsin-Wei Lin (32.41%), Tien-Han Chung (16.74%)
HungChun Investment Co., Ltd.	Yung-Li Lin (43.46%), Tien-Han Chung (37.97%), Hsin-Wei Lin (18.57%)
KuoPing Investment Co., Ltd.	Kuo-Chung Lin (96.89%), Ya-Ping Wang (3.11%)
YuChao International Co., Ltd.	Che-Ming Chang (93.20%), Feng-Chun Lin (6.80%)

D. Professional qualifications of directors and independence status of independent directors:

Name	Conditions	Professional Qualifications and Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Feng-Chun Lin		Graduated from Cheng Shiu University with a Bachelor of Business Administration, she is currently the Chairperson of the Company and Kuo Hsing Poultry & Livestock Feeds Co., Ltd. She is not a person who meets any of the conditions outlined in Article 30 of the Company Act.	The Company's directors are in compliance with the independence requirements outlined in the Securities and Exchange Act.	0
Yung-Li Lin		Graduated from the Two-year Program in Mechanical Engineering of Cheng Shiu University, she is currently the director and Chief Financial Officer of Kuo Hsing Poultry & Livestock Feeds Co., Ltd., and a representative of corporate director of the Company. She is not a person who meets any of the conditions outlined in Article 30 of the Company Act.		0

Conditions Name	Professional Qualifications and Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Shang-Chiang Wei	Graduated from Tatung University with a Bachelor of Business Management, he was the President of Tai Qin Organism Technology Co., Ltd. He is currently a representative of corporate director and the President of the Company. He is not a person who meets any of the conditions outlined in Article 30 of the Company Act.		0
Yu-Heng Wei	Graduated from the National Tsing Hua University with a Bachelor of Economics and the Executive Program in Entrepreneurial Management of the National Chengchi University, he was a member of the Egg Layer Welfare Committee, Council of Agriculture, Executive Yuan and an international sales representative at Innolux Corporation. He is currently a representative of corporate director and Chief Operating Officer of the Company. He is not a person who meets any of the conditions outlined in Article 30 of the Company Act.		0
Pei-Fen Liao	Graduated from National Kaohsiung University of Applied Sciences with a Bachelor's degree in Business Administration, she was a former Associate Vice President of Finance and Accounting of the Company, an audit manager and accounting manager at Joben Bio-Medical Co., Ltd., an internal audit specialist at TFN Media Co., Ltd., a senior associate at Ernst & Young Taiwan, and an audit associate II at Baker Tilly Clock & Co. She is currently the Chief Financial Officer of Lianyou Metal Technology Co., Ltd. She is not a person who meets any of the conditions outlined in Article 30 of the Company Act.	1. In compliance with the independence requirements outlined in Subparagraphs 5-8, Paragraph 1, Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." 2. Have already signed the statement of compliance with rules concerning professional qualifications, independence, and concurrent positions for independent directors.	0
Suey-Ping Chi	Graduated from Mississippi State University with a Ph.D. in Food Science, he was an adjunct professor in the Department of Animal Science and Technology at National Taiwan University, an adjunct professor in the Department of Food and Nutrition at Fu Jen Catholic University, a professor in the Department of Hospitality Management under College of Human Life Science at Chung Hwa University of Medical Technology, Dean of College of Human Life Science at Chung Hwa University of Medical Technology, a researcher and section chief at the Livestock Research Institute of the Council of Agriculture, Executive Yuan, and a senior specialist of Food Processing Section at the Council of Agriculture, Executive Yuan. He is currently an academic consultant at Chinese Food Additives Association, and an advisor of both the Taiwan Frozen Meat Packers Association and the Taiwan Premium Agricultural Products Development Institute. He is not a person who meets any of the conditions outlined in Article 30 of the Company Act.		0

Conditions Name	Professional Qualifications and Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chien-Nan Hsieh	Graduated from the Department of Business Administration at Chung Yuan Christian University, he was a former Vice Chairperson and CEO at Chuan Lian Enterprise Co., Ltd., the CEO at Comestibles Master Co., Ltd., the Chief Operating Officer and Chief Strategy Officer at President Chain Store Corporation (7-ELEVEN), the President at RSI, Retail Support International Corporation, the Chairperson at PLI, President Logistics International Corporation, the Chairperson and President at Books.com Co., Ltd., the President at President Information Corporation, and the Chairperson at Qware Systems & Services Corporation. He is currently an independent director of the Company as well as an independent director of 91APP, Inc. (Cayman Islands) (Stock Code: 6741), KGI Financial Holding Co., Ltd. (Stock Code: 2883) and KGI Bank Co., Ltd. (Stock Code: 2837). He is not a person who meets any of the conditions outlined in Article 30 of the Company Act.		2

E. Independence and diversity of the Board of Directors

(a) Board diversity:

In alignment with its diversity policy and commitment to strengthening corporate governance and promoting the sound development of the Board's composition and structure, the Company adopts the candidate nomination system outlined in the Articles of Incorporation for selecting director candidates. The nomination process involves evaluating candidates based on their academic and professional qualifications, assessing their background, integrity, and relevant expertise. Nominations are made following a Board resolution and are subsequently submitted for election at the shareholders' meeting. Regarding Board composition, in addition to ensuring that no more than one-third of directors serve concurrently as Company managers, the diversity policy is developed to reflect the Company's operations, business models, and development needs. The policy encompasses, but is not limited to, the following:

- i. Basic conditions and values: Gender, age, nationality, and culture.
- ii. Professional knowledge and skills: operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, global market perspective, leadership and decision-making.

The Company's current Board consists of seven directors. The specific management goals and achievement status related to the Board diversity policy are as follows:

Management Goals	Achievement Status
The number of independent directors accounts for over one-third of the total number of directors	Achieved

Management Goals	Achievement Status
The Board of Directors includes at least one director of a different gender	Achieved
Independent directors have not served for more than three consecutive terms	Achieved
Adequate and diverse professional knowledge and skills	Achieved

Status of Board diversity:

As of the date of this annual report, the Board of Directors comprises seven seats, with each gender represented by at least one-third of the total seats.

Diversity core items Name		Basics								Professional background					Professional knowledge and skills						
		Nationality	Gender	Employee	Age			Seniority of Independent Director		Accounting	Industry	Finance	Technology	Law	Operational Judgment	Business Management	Leadership and Decision-Making	Crisis Management	Industry Knowledge	Global Market Perspective	
					31-40	41-50	51-60	61-70	Over 71												Under 3 years
Director	Kuo Hsing Poultry & Livestock Feeds Co., Ltd. Representative: Feng-Chun Lin	R.O.C.	Female			V				V	V	V			V	V	V	V	V	V	
	HsiangCheng Investment Co., Ltd. Representative: Yung-Li Lin		Female				V			V	V	V			V	V	V	V	V	V	
	TePen Investment Co., Ltd. Representative: Shang-Chiang Wei		Male	V			V			V	V	V			V	V	V	V	V	V	
	TePen Investment Co., Ltd. Representative: Yu-Heng Wei		Male	V	V					V	V	V			V	V	V	V	V	V	
Independent Director	Pei-Fen Liao		Female		V			V	V		V			V	V	V	V	V	V	V	
	Suey-Ping Chi		Male				V	V		V				V	V	V	V	V	V	V	
	Chien-Nan Hsieh		Male				V	V		V	V	V			V	V	V	V	V	V	

(b) Board independence:

The Company's current Board consists of 7 members, including 3 independent directors, accounting for more than one-third of the Board seats. As of the date of this annual report, all independent directors comply with relevant regulations set forth by the Securities and Futures Bureau of the Financial Supervisory Commission. Also, none of the directors or independent directors is involved in any circumstances specified in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.

(2) President, Vice Presidents, Assistant Vice Presidents and managers of departments and branches

As of March 24, 2026 (In Shares; %)

Title	Name	Gender	Nationality	Date Elected	Shareholding		Spouse and Minor Children		Nominee Arrangement		Education and Selected Past Positions	Selected Present Positions at Other Companies	Executives Who are Spouses or within the Second-Degree of Kinship to Each Other			Employee Stock Options Granted to Executives	Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relation		
President	Shang-Chiang Wei	Male	R.O.C.	2020.06.09	1,443,750	2.11	1,443,750	2.11	4,540,780	6.64	Department of Business Management, Tatung University President, Tai Qin Organism Technology Co., Ltd.	Chairperson, Tai Da Eggs Technology Co., Ltd. Director, Dawushan Ise Foods Co., Ltd. Chairperson, TaShu Investment Co., Ltd. Supervisor, TePen Investment Co., Ltd.	Chief Operating Officer	Yu-Heng Wei	Father and son	-	Note 1, Note 2
Chief Operating Officer	Yu-Heng Wei	Male	R.O.C.	2021.08.04	2,362,500	3.46	-	-	1,995,000	2.92	Department of Economics, National Tsing Hua University Executive Program in Entrepreneurial Management, National Chengchi University Member of the Egg Layer Welfare Committee, Council of Agriculture, Executive Yuan International sales representative, Innolux Corporation	President, Tai Da Eggs Technology Co., Ltd. Chairperson, TePen Investment Co., Ltd. Director, TaShu Investment Co., Ltd. Director, LumoTrace BioTech Co., Ltd.	President	Shang-Chiang Wei	Father and son	-	Note 3
Assistant Vice President of Poultry Management Department	Wei-Chi Li	Male	R.O.C.	2021.09.01	24,000	0.04	-	-	-	-	Graduate Institute of Veterinary Medicine, National Pingtung University of Science and Technology Facility Manager of Layer Poultry Division, Kuo Hsing Poultry & Livestock Feeds Co., Ltd. Director and section chief of Animal Production Technical Department, Uni-President Enterprises Corp. President and Technical Director of Livestock Production, Qingdao President Feed & Livestock Co., Ltd. Veterinarian qualified through the Senior Civil Service Examination	Veterinarian, Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	-	-	-	-	-
Assistant Vice President of Sustainable Development Office and Food Safety Department	Hung-Ming Wang	Male	R.O.C.	2025.07.01	27,000	0.03	-	-	-	-	Master in Nutrition, College of Health Care and Management, Chung Shan Medical University Section chief of Food Safety Department, Wowprime Corp. Lead auditor, Food Safety Center, National Taiwan University Assistant Manager, Food Safety Department, Feastogether Group Co., Ltd. Quality Assurance Manager, INKISM International Co., Ltd.	-	-	-	-	-	

Title	Name	Gender	Nationality	Date Elected	Shareholding		Spouse and Minor Children		Nominee Arrangement		Education and Selected Past Positions	Selected Present Positions at Other Companies	Executives Who are Spouses or within the Second-Degree of Kinship to Each Other			Employee Stock Options Granted to Executives	Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relation		
Chief Financial Officer and the accounting/finance officer of Finance and Accounting Department	Hsiao-Hui Fang	Female	R.O.C.	2023.06.01	70,000	0.10	-	-	-	-	EMBA, National Cheng Kung University Master in Accounting, National Taipei University Project Manager of President Office / Audit officer, WinWay Technology Co., Ltd. Chief Financial Officer, Joben Bio-Medical Co., Ltd. Audit officer, Chief Telecom Inc.	Vice President of Finance, Fu Che Frozen Food Co., Ltd.	-	-	-	-	-

Note 1: Where the Company's President or personnel with equivalent position (top executive) and the Chairperson are the same person, spouses or relatives within one degree of kinship, please state the reasons, reasonability, necessity and measures to be taken (e.g., increase the number of independent directors and have majority of directors not serving as employees or managerial officers): The Company's President or personnel with equivalent position (top executive) and the Chairperson are neither the same person nor spouses or relatives within the first degree of kinship.

Note 2: TaShu Investment Co., Ltd. represents shares held in the name of another party by the director's representative.

Note 3: TePen Investment Co., Ltd. represents shares held in the name of another party by the director's representative.

2. Remuneration Paid to Directors, President and Vice Presidents in the Most Recent Year

(1) Remuneration to directors and independent directors (with individual disclosure of names and remuneration details)

(In Thousands of New Taiwan Dollars)

(In Thousands of New Taiwan Dollars)																						
Title	Name	Remuneration to Directors								Total of A, B, C and D and as a % of Net Income	Compensation Earned by Being an Employee of the Company or Its Consolidated Entities								Total of A, B, C, D, E, F and G and as a % of Net Income		Compensation from Investees other than the Subsidiaries or Parent Company	
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C) (Note 1)		Allowances (D)			Base Compensation, Bonus and Special Disbursement, etc. (E)		Severance Pay and Pensions (F)		Employee Compensation (G)							
		From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities		From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities	Cash	Stock	Cash	Stock		From the Company
Chairperson	Kuo Hsing Poultry & Livestock Feeds Co., Ltd. Representative: Feng-Chun Lin	360	600	-	-	-	222	30	30	390 (-0.54%)	852 (-1.18%)	-	-	-	-	-	-	-	-	390 (-0.54%)	852 (-1.18%)	6,393
Director	HsiangCheng Investment Co., Ltd. Representative: Yung-Li Lin	-	-	-	-	-	-	30	30	30 (-0.04%)	30 (-0.04%)	-	-	-	-	-	-	-	-	30 (-0.04%)	30 (-0.04%)	2,746
Director	TePen Investment Co., Ltd. Representative: Shang-Chiang Wei	-	-	-	-	-	-	30	30	30 (-0.04%)	30 (-0.04%)	2,492	2,492	108	108	-	-	-	-	2,630 (-3.63%)	2,630 (-3.63%)	-
Director	TePen Investment Co., Ltd. Representative: Yu-Heng Wei (Note 2)	-	-	-	-	-	-	15	15	15 (-0.02%)	15 (-0.02%)	2,657	2,897	107	107	-	-	-	-	2,779 (-3.83%)	3,019 (-4.16%)	-
Independent Director	Suey-Ping Chi	600	600	-	-	-	-	30	30	630 (-0.87%)	630 (-0.87%)	-	-	-	-	-	-	-	-	630 (-0.87%)	630 (-0.87%)	-
Independent Director	Chien-Nan Hsieh (Note 3)	256	256	-	-	-	-	15	15	271 (-0.37%)	271 (-0.37%)	-	-	-	-	-	-	-	-	271 (-0.37%)	271 (-0.37%)	-
Independent Director	Chang-Ruey Shiau (Note 4)	200	200	-	-	-	-	5	5	205 (-0.28%)	205 (-0.28%)	-	-	-	-	-	-	-	-	205 (-0.28%)	205 (-0.28%)	-
Independent Director	Chi-Hsiung Liu (Note 5)	350	350	-	-	-	-	15	15	365 (-0.50%)	365 (-0.50%)	-	-	-	-	-	-	-	-	365 (-0.50%)	365 (-0.50%)	-

Note 1: On March 6, 2026, the Board resolved not to distribute employee compensation nor director remuneration for 2025.

(1) The Company's independent directors also serve on the Audit and Compensation Committees. They receive a fixed monthly compensation and do not participate in profit-based director remuneration. These payments are approved by the Board.

(2) Except for information disclosed above, compensation paid for services rendered by directors of the Company to all consolidated entities (e.g., being a non-employee consultant) in the most recent year: None.

Note 2: Yu-Heng Wei took office on May 20, 2025.

Note 3: Chien-Nan Hsieh took office on July 28, 2025.

Note 4: Chang-Ruey Shiau resigned from his position on May 1, 2025.

Note 5: Chi-Hsiung Liu resigned from his position on August 1, 2025.

(2) Remuneration to President and Vice Presidents in the most recent year (with individual disclosure of names and remuneration details)

(In Thousands of New Taiwan Dollars)

(In Thousands of New Taiwan Dollars)														
Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonus and Special Disbursement (C)		Employee Compensation (D)				Total of A, B, C and D and as a % of Net Income (%)		Compensation from Investees other than the Subsidiaries or Parent Company
		From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities	From the Company		From All Consolidated Entities		From the Company	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
President	Shang-Chiang Wei	2,119	2,119	108	108	373	373	-	-	-	-	2,600 (-3.59%)	2,600 (-3.59%)	-
COO	Yu-Heng Wei	1,999	2,239	107	107	658	658	-	-	-	-	2,764 (-3.81%)	3,004 (-4.14%)	-
CFO	Hsiao-Hui Fang	1,610	1,790	86	86	486	486	-	-	160	-	2,182 (-3.01)	2,522 (-3.48)	-

(3) Remuneration of the top five highest-paid executives of listed companies in the most recent year (with individual disclosure of names and remuneration details)

(In Thousands of New Taiwan Dollars)

(In Thousands of New Taiwan Dollars)														
Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonus and Special Disbursement (C)		Employee Compensation (D)				Total of A, B, C and D and as a % of Net Income (%)		Compensation from Investees other than the Subsidiaries or Parent Company
		From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities	From the Company		From All Consolidated Entities		From the Company	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
President	Shang-Chiang Wei	2,119	2,119	108	108	373	373	-	-	-	-	2,600 (-3.59%)	2,600 (-3.59%)	-
COO	Yu-Heng Wei	1,999	2,239	107	107	658	658	-	-	-	-	2,764 (-3.81%)	3,004 (-4.14%)	-
CFO	Hsiao-Hui Fang	1,610	1,790	86	86	486	486	-	-	160	-	2,182 (-3.01)	2,522 (-3.48)	-
Assistant Vice President	Wei-Chi Li	1,306	1,306	93	93	206	206	-	-	-	-	1,605 (-2.21%)	1,605 (-2.21%)	60
Chief Sustainability Officer	Hung-Ming Wang	1,051	1,051	63	63	379	379	-	-	-	-	1,493 (-2.06%)	1,493 (-2.06%)	-

(4) Employee compensation to executives in the most recent year

(In Thousands of New Taiwan Dollars)

Title	Name	Stock	Cash	Total	Total as a % of Net Income
President	Shang-Chiang Wei	-	-	-	-
COO	Yu-Heng Wei				
CFO	Hsiao-Hui Fang				
Assistant Vice President, Poultry Management Department	Wei-Chi Li				
Assistant Vice President, Sustainable Development Office and Food Safety Department	Hung-Ming Wang				

(5) Separately compare and describe total remuneration paid to directors, President and Vice Presidents by the Company and all consolidated entities as a percentage of net income in the parent company only or individual financial statements in the past two years, and state the remuneration policy, standards and composition, procedures and the correlation with operation performance and future risks:

A. Analysis of remuneration paid to directors, President and Vice Presidents as a percentage of net income in the past two years:

(In Thousands of New Taiwan Dollars)

Items	2025				2024			
	From the Company		From All Consolidated Entities		From the Company		From All Consolidated Entities	
	Total	%	Total	%	Total	%	Total	%
Remuneration to directors	1,936	(2.66)	2,398	(3.3)	6,252	6.59	6,252	6.59
Remuneration to President and Vice Presidents	7,547	(10.41)	8,126	(11.21)	11,142	11.75	11,382	12.01

B. Remuneration policy, standards and composition, procedures and the correlation with operation performance and future risks:

Where a director concurrently serves as an employee (including as President, Vice President, other executives, or staff), the remuneration for such employee position shall be governed by the Company's relevant policies and regulations.

The remuneration of the President and Vice Presidents, including salary and position grade, is determined based on their education, experience, language proficiency, and years of service, as well as prevailing socioeconomic income levels and internal pay equity. It is subject to approval by the Chairperson, review by the Compensation Committee, and final approval by the Board of Directors in accordance with the Company's remuneration policies and standards.

Employees' fixed and variable remuneration, including base salary, year-end and performance bonuses, employees' compensation, and benefits, is determined based on their education, experience, years of service, and annual performance evaluations. Annual objectives are established and assessed, with the results forming the basis for year-end bonuses, promotions and salary adjustments, and performance improvement measures.

When determining the remunerations to directors, President, and Vice Presidents, the Company also takes into account future operational risks and their positive correlation with performance, aiming to balance sustainable management with risk control.

3. Corporate Governance Implementation

(1) Operation of the Board

A. Operation of the Board

In the most recent year (2025) and as of the date of this annual report, a total of eight Board meetings were convened. The attendance status of directors and independent directors is as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remark
Chairperson	Kuo Hsing Poultry & Livestock Feeds Co., Ltd. Representative: Feng-Chun Lin	8	-	100	Required to attend 8 meetings
Director	HsiangCheng Investment Co., Ltd. Representative: Yung-Li Lin	8	-	100	Required to attend 8 meetings
Director	TePen Investment Co., Ltd. Representative: Shang-Chiang Wei	8	-	100	Required to attend 8 meetings
Director	TePen Investment Co., Ltd. Representative: Yu-Heng Wei	5	-	100	By-election on May 20, 2025; required to attend 5 meetings
Director	Chi-Ming Chang	-	-	-	Resigned on February 3, 2025; required to attend 0 meetings
Independent Director	Pei-Fen Liao	2	-	100	Re-elected on February 4, 2026; required to attend 2 meetings
Independent Director	Suey-Ping Chi	8	-	100	Required to attend 8 meetings
Independent Director	Chien-Nan Hsieh	5	-	100	By-election on July 28, 2025; required to attend 5 meetings
Independent Director	Chang-Ruey Shiau	1	-	50	Resigned on May 1, 2025; required to attend 2 meetings
Independent Director	Chi-Hsiung Liu	3	-	100	Resigned on August 1, 2025; required to attend 3 meetings

B. Annotations:

- a. The Board meeting's date, session, and contents of motions, opinions of all independent directors, and actions taken by the Company regarding the opinions shall be specified if one of the following circumstances occurs:
 - i. Matters specified in Article 14-3 of the Securities and Exchange Act: For details, please refer to Operations of Audit Committee in this annual report.
 - ii. Except for items specified above, other resolutions on which an independent director expresses objection or reservation, either by recorded statement or in writing: None
- b. For situations where directors recuse themselves from any motion due to conflict of interest, the directors' names, contents of motions, causes for the recusal, and participation in voting shall be specified:

Term / Meeting No.	Date of Meeting	Content of Motions	Resolution	Recusal and Reasons
15th meeting of the 9th term	2025/02/18	Distribution details of remuneration to directors for 2024	Approved as proposed	The proposal involves directors' personal remuneration and thus constitutes a conflict of interest. Chairperson Feng-Chun Lin, Director Yung-Li Lin, and Director & President Shang-Chiang Wei each recused themselves in accordance with the law and did not participate in the discussion or voting. All other attending directors approved the proposal.

Term / Meeting No.	Date of Meeting	Content of Motions	Resolution	Recusal and Reasons
15th meeting of the 9th term	2025/02/18	By-election of one director	Approved as proposed	Director Shang-Chiang Wei is a second-degree relative of the candidate. To ensure procedural objectivity and uphold corporate governance principles, he voluntarily recused himself from the discussion and voting. All other attending directors approved the proposal.
16th meeting of the 9th term	2025/03/24	Proposed acquisition of equity interest in Fu Che Frozen Food Co., Ltd.	Approved as proposed	The counterparty is the parent company. Chairperson Feng-Chun Lin and Director Yung-Li Lin, who serve as chairperson and director of the parent company, respectively, have a conflict of interest and therefore recused themselves from the discussion and voting in accordance with the law. All other attending directors approved the proposal.
16th meeting of the 9th term	2025/03/24	Distribution details of compensation to managerial employee for 2024	Approved as proposed	The proposal involves compensation to a director concurrently serving as an executive and thus constitutes a conflict of interest. Director & President Shang-Chiang Wei recused himself in accordance with the law and did not participate in the discussion or voting. All other attending directors approved the proposal.
16th meeting of the 9th term	2025/03/24	Ratification of executive performance bonuses for 2024	Approved as proposed	The proposal involves compensation to a director concurrently serving as an executive and thus constitutes a conflict of interest. Director & President Shang-Chiang Wei recused himself in accordance with the law and did not participate in the discussion or voting. All other attending directors approved the proposal.
18th meeting of the 9th term	2025/08/12	Contract with related party	Approved as proposed	The counterparty is a related party. Chairperson Feng-Chun Lin concurrently serves as chairperson of both parties to the transaction and thus has a conflict of interest. Chairperson Feng-Chun Lin and her second-degree relative, Director Yung-Li Lin, recused themselves from the discussion and voting in accordance with the law. All other attending directors approved the proposal.
19th meeting of the 9th term	2025/11/06	Contract with related party	Approved as proposed	The counterparty is a related party. Chairperson Feng-Chun Lin (also serving as chairperson of the counterparty) and her second-degree relative, Director Yung-Li Lin, have conflicts of interest. In addition, Directors Shang-Chiang Wei and Yu-Heng Wei, in their roles as concurrent executives of the Company, have professional and economic interests in the matter. All aforementioned directors recused themselves from the discussion and voting in accordance with the law. All other attending directors approved the proposal.
19th meeting of the 9th term	2025/11/06	Distribution of year-end bonuses to executives for 2025	Approved as proposed	The proposal involves compensation to directors concurrently serving as executives and thus constitutes a conflict of interest. Director & President Shang-Chiang Wei and Director & Chief Operating Officer Yu-Heng Wei recused themselves in accordance with the law and did not participate in the discussion or voting. All other attending directors approved the proposal.
20th meeting of the 9th term	2025/12/15	Nomination and review of director candidates	Approved as proposed	The proposal involves directors' own candidacy qualifications. All directors recused themselves in accordance with the law and did not participate in the discussion or voting. The proposal was approved.
20th meeting of the 9th term	2025/12/15	Removal of non-competes	Approved as proposed	The proposal involves acquisition of rights and interests by directors and thus constitutes a material

Term / Meeting No.	Date of Meeting	Content of Motions	Resolution	Recusal and Reasons
		restrictions on newly elected directors and their institutional representatives		conflict of interest. All directors recused themselves in accordance with the law and did not participate in the discussion or voting. The proposal was approved.
2nd meeting of the 10th term	2026/03/06	Appointment of members of the 2nd Sustainability Development Committee	Approved as proposed	Directors Shang-Chiang Wei and Yu-Heng Wei recused themselves from the discussion and voting due to conflicts of interest. All other attending directors approved the proposal.

- c. Disclosure of information on the Board of Directors' self-evaluation (or peer evaluation), including the evaluation frequency and period, scope, method, and evaluation criteria.

Performance evaluation of the Board				
Frequency	Period	Scope	Method	Evaluation Criteria
Annually	January 1, 2025 to December 31, 2025	The Board	Director Self-Evaluation	Level of participation in corporate operations, enhancement on the quality of Board decisions, composition and structure of the Board, election and continuing education of directors, internal control.
		Individual Board members		Command over corporate goals and mission, understanding of directors' duties, level of participation in corporate operations, internal relationship management and communication, specialty and continuing education of directors, internal control.
		Audit Committee		Level of participation in corporate operations, understanding of Audit Committee' duties, enhancement on the quality of Audit Committee' decisions, composition of the Audit Committee and election of members, internal control.
		Compensation Committee		Level of participation in corporate operations, understanding of Compensation Committee' duties, enhancement on the quality of Compensation Committee' decisions, composition of the Compensation Committee and election of members.
At least once every three years	February 4, 2025 to February 3, 2026	The Board	External Evaluation	The operation of the Board of Directors is assessed across five key dimensions: the level of its participation in the Company's operations, the enhancement of decision-making quality, the composition and structure of the Board, the election and continuing education of directors, and internal control. The performance evaluation of individual Board members covers the following six key areas: command over corporate goals and mission, understanding of directors' duties, level of participation in corporate operations, internal relationship management and communication, specialty and continuing education of directors, and internal control.

Performance evaluation of the Board				
Frequency	Period	Scope	Method	Evaluation Criteria
				The performance evaluation of functional committees covers the following five key areas: level of participation in corporate operations, understanding of functional committee' duties, enhancement on the quality of Committee' decisions, composition of the functional committees and election of members, and internal control.

The Company has completed the 2025 Board performance self-evaluation and the evaluation conducted by an external independent professional institution, the results of which were reported to the Board of Directors on March 6, 2026, as a basis for review and improvement.

- **Internal performance evaluation results**

The overall average score for the Board of Directors' self-evaluation was 4.92 (out of 5), while the overall average score for individual directors' self-evaluations was 4.94 (out of 5), indicating that the Board operates effectively. The Audit Committee achieved an overall average self-evaluation score of 4.97 (out of 5), reflecting effective operation of the Committee. The Compensation Committee achieved an overall average self-evaluation score of 5.00 (out of 5), indicating excellent performance and effective operation.

- **External evaluation recommendations and improvement measures**

The Company engaged an external independent professional institution, LSA Grace Consulting Co., Ltd., to conduct a comprehensive evaluation. Based on the evaluation results, five key recommendations, together with corresponding improvement plans, were proposed to further enhance the quality of corporate governance.

Recommendation	Improvement Measures
It is recommended that directors' remuneration be presented as a separate agenda item at shareholders' meetings and clearly disclosed in the meeting minutes.	Starting from the 2026 annual shareholder' meeting, "director remuneration" will be presented as a standalone reporting item, with detailed disclosure of individual directors' remuneration in the meeting handbook and minutes.
It is recommended that shareholders' meetings be held in person with supplementary video conferencing.	Currently, meetings are primarily conducted in person and fully recorded. Going forward, the Company will evaluate the adoption of video conferencing based on operational needs and regulatory developments.
It is recommended that Audit Quality Indicators (AQIs) be regularly referenced to assess the independence and suitability of the certified public accountants, with the evaluation procedures disclosed in the annual report.	The Company completed a change of its audit firm in 2025. Beginning March 6, 2026, the Board of Directors conducts regular evaluations of the independence and suitability of the certified public accountants based on AQIs.
It is recommended to further diversify Board composition and continue introducing directors with varied professional backgrounds.	On February 4, 2026, the Company appointed an additional independent director, enhancing the Board's independence and diversity.

Recommendation	Improvement Measures
It is recommended to enhance the depth and duration of directors' continuing education in sustainability.	Sustainability-focused training programs are planned for 2026 to strengthen the Board's oversight of sustainable development.

d. Objectives for strengthening the functionality of the Board in the current and most recent year and evaluation of their execution:

i. Strengthen the functionality of the Board:

- i) To implement corporate governance, improve oversight, and strengthen management functions, the Company has established an Audit Committee composed of all independent directors in accordance with Article 14-4 of the Securities and Exchange Act, to reinforce the functions of the Board.
- ii) The Company regularly arranges for directors to attend professional continuing education to ensure they maintain their core values, professional competence and skills.

ii. Evaluation of the execution

- i) The Company established the Audit Committee on May 17, 2023, the Compensation Committee on May 31, 2023, and the Sustainability Development Committee on November 6, 2025. In addition, on March 6, 2026, the Company established the Risk Management Committee, which was subsequently integrated with the Audit Committee, to assist the Board of Directors in the performance of its duties.
- ii) Following Board meetings, the Company promptly uploads key resolutions to the Market Observation Post System (MOPS) to safeguard shareholder interests. A designated individual oversees the collection and disclosure of corporate information. A spokesperson system is established to ensure timely and proper disclosure of significant information, keeping shareholders and stakeholders informed about the Company's financial and business activities.
- iii) In 2025, the Company arranged for its directors to participate in professional training programs organized by the Taiwan Corporate Governance Association and the Securities & Futures Institute.

(2) Operations of Audit Committee

The Audit Committee held six meetings in the most recent year (2025) and as of the date of this annual report. The attendance status of independent directors is as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remark
Independent Director	Pei-Fen Liao (Convener)	1	-	100.00	Re-elected on February 4, 2026; required to attend 1 meeting
Independent Director	Suey-Ping Chi	6	-	100.00	Required to attend 6 meetings
Independent Director	Chien-Nan Hsieh	3	-	100.00	By-election on July 28, 2025; required to attend 3 meetings
Independent Director	Chang-Ruey Shiau	1	-	50.00	Resigned on May 1, 2025; required to attend 2 meetings
Independent Director	Chi-Hsiung Liu	3	-	100.00	Resigned on August 1, 2025; required to attend 3 meetings

A. Annotations:

- a. When one of the following situations occurs, the date and session of Audit Committee meeting; content of motions; objections, reservations or major recommendations of independent directors; resolutions of the Committee and actions taken by the Company regarding the Committee's opinions shall be specified:
 - i. Matters specified in Article 14-5 of the Securities and Exchange Act.
 - ii. Except for above-mentioned items, resolutions which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

Term / Meeting No.	Date of Meeting	Content of Motions	Resolution
14th meeting of the 1st term	2025/02/18	2024 business report and financial statements of the Company	Approved as proposed
		Proposal for distribution of 2024 earnings	Approved as proposed
		Proposal for cash distribution from capital surplus	Approved as proposed
		2024 Internal Control System Statement of the Company	Approved as proposed
		Amendment to the "First Share Repurchase and Transfer to Employees Plan in 2024"	Approved as proposed
		Amendments to the "Internal Control System" and "Internal Audit Procedures"	Approved as proposed
		Amendment to the "Procedures for Acquisition or Disposal of Assets"	Approved as proposed
15th meeting of the 1st term	2025/03/24	Proposed acquisition of equity interest in Fu Che Frozen Food Co., Ltd.	Approved as proposed
		Change of CPAs and evaluation of their independence and suitability	Approved as proposed
16th meeting of the 1st term	2025/05/09	Proposal to execute share repurchase of the Company	Approved as proposed
		The Company's consolidated financial statements for the three months ended March 31, 2025	Approved as proposed
		Contracts with related parties	Approved as proposed
17th meeting of the 1st term	2025/08/12	The Company's consolidated financial statements for the six months ended June 30, 2025	Approved as proposed

Term / Meeting No.	Date of Meeting	Content of Motions	Resolution
		Establishment of “Treasury Share Repurchase Procedures”	Approved as proposed
		Amendments to the “Internal Control System” and “Internal Audit Procedures”	Approved as proposed
		Amendments to the “Approval Authority Guidelines”	Approved as proposed
		Capital expenditure budget	Approved as proposed
		Contracts with related parties	Approved as proposed
		Provision of endorsements/guarantees for subsidiary Fu Che Frozen Food Co., Ltd.	Approved as proposed
18th meeting of the 1st term	2025/11/06	The Company’s consolidated financial statements for the nine months ended September 30, 2025	Approved as proposed
		2026 budget of the Company	Approved as proposed
		2026 internal audit plan	Approved as proposed
		Contracts with related parties	Approved as proposed
		Amendments to the “Internal Control System” and “Internal Audit Procedures”	Approved as proposed
1st meeting of the 2nd term	2026/03/06	2025 business report and financial statements of the Company	Approved as proposed
		Proposal for distribution of 2025 earnings	Approved as proposed
		2025 Internal Control System Statement of the Company	Approved as proposed
		Evaluation of CPA independence and suitability	Approved as proposed
		Proposal for the participation in cash capital increase of subsidiary Dawushan Ise Foods Co., Ltd.	Approved as proposed
		Amendment to rename the “Audit Committee Charter” to the “Audit and Risk Management Committee Charter”	Approved as proposed
		Amendment to the “Procedures for Endorsements and Guarantees”	Approved as proposed

- b. For situations where independent directors recuse themselves from any motion due to conflict of interest: None.
- c. Communications between the independent directors, the internal audit officer, and CPAs (including material issues concerning the finance and business of the Company, and the means and outcomes of communication):
 - i. In addition to submitting audit reports and follow-up reports on identified deficiencies to the independent directors each month, the internal audit unit holds at least one meeting each quarter with the Audit Committee, where the internal audit officer presents updates on audit activities, results, and follow-up actions. Communication between the Company’s independent directors and the internal audit officer is well-established.

- ii. CPAs regularly hold face-to-face meetings with the Audit Committee and independent directors to discuss the Company's financial and business status. Independent directors can also communicate with CPAs via phone or email as needed.
- iii. The internal audit officer and CPAs can directly contact the independent directors as needed. The communication channels are open and effective.

Audit Committee	Communications with CPAs	Communications with Internal Audit Officer
2025/02/18	Key Audit Matters (KAMs); type of audit opinion; materiality for the current period; no material weaknesses in internal control identified; other required communications	Internal audit reports Amendments to internal control-related policies and procedures 2024 internal control self-assessment results, effectiveness of internal control, and Internal Control System Statement
2025/05/09	Review report; adjustments to opening balances of certain accounting items; analysis of financial position and performance for the period; other required communications; independence	Internal audit reports Amendments to internal control-related policies and procedures
2025/08/12	Review report; organizational restructuring under common control; analysis of financial position and performance for the period; other required communications; independence	Internal audit reports Amendments to internal control-related policies and procedures
2025/11/06	Review report; organizational restructuring under common control; analysis of financial position and performance for the period; other required communications; independence	Internal audit reports 2026 internal audit plan Amendments to internal control-related policies and procedures
2026/03/06	Audit scope and materiality; audit report and key audit matters; analysis of financial position and performance; other required communications; CPA independence; AQI information	Internal audit reports 2025 internal control self-assessment results, effectiveness of internal control, and Internal Control System Statement

(3) Implementation of corporate governance practices and non-compliance with Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
1. Does the Company establish and disclose its corporate governance practices pursuant to the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies”?	V		The Company has adopted a “Code of Practice for Corporate Governance” and has disclosed it on the Market Observation Post System (MOPS) and the Company’s website.	None
2. Ownership structure and shareholders’ equity				
(1) Does the Company have internal operation procedures to handle shareholders’ suggestions, concerns, disputes and litigations and proceed accordingly?	V		(1) The Company has established a spokesperson and deputy spokesperson system. Shareholders may submit suggestions or inquiries through the “Investor Relations” section of the Company’s website, which are handled by the corporate governance officer and the dedicated shareholder services unit. In addition, the Company engages a shareholder services agent to assist in handling shareholder suggestions and resolving disputes.	None
(2) Does the Company possess a list of major shareholders and ultimate owners of these major shareholders?	V		(2) The Company maintains sound relationships with its major shareholders. In addition to complying with insider shareholding reporting requirements under the Securities and Exchange Act, the Company utilizes the shareholder register provided by its shareholder services agent to disclose information on the top ten shareholders in its annual report and on its website. This enables the Company to identify the major shareholders who exercise actual control over the Company, as well as their ultimate controllers.	None
(3) Does the Company build and execute risk management and firewall mechanism between itself and affiliates?	V		(3) The Company has established the “Regulations Governing the Supervision and Management of Subsidiaries” to ensure compliance with the Regulations Governing the Establishment of Internal Control Systems and to integrate risk management into its overall governance framework. The Company implements risk control through financial and operational monitoring, as well as internal audits, and appoints representatives with relevant professional expertise to serve as directors and supervisors of the subsidiaries.	None
(4) Does the Company have internal rules to prevent insiders from using undisclosed information to trade securities?	V		(4) The Company has established the “Code of Ethical Conduct,” the “Operating Procedures for Internal Material Information,” the “Procedures for the Prevention of Insider Trading,” and the “Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct.” These policies explicitly prohibit insiders from trading securities based on non-public information and strengthen education and awareness of relevant laws and regulations.	None

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
3. Composition and duties of the Board				
(1) Has the Board established a diversity policy and specific management goals and have them been implemented accordingly?	V		(1) The Company selects its Board members primarily based on their relevant experience in the Company’s industry and business operations. Collectively, the Board possesses capabilities in operational judgment, accounting and financial analysis, crisis management, industry knowledge, global market perspective, leadership, and decision-making. Board members bring diverse industry experience and professional expertise across multiple sectors, with complementary skill sets. To strengthen Board functions and achieve sound corporate governance, Article 20 of the Company’s “Code of Practice for Corporate Governance” specifies the core competencies required of the Board as a whole, including operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, global market perspective, leadership, and decision-making. The Company provides diversified continuing education programs for Board members on an annual basis to enhance decision-making quality and supervisory capabilities, thereby strengthening overall Board effectiveness. The current Board comprises seven directors, including three independent directors. Each director possesses the capabilities required to support the Company’s diversified business development, while the independent directors contribute varied professional expertise and skill sets, fulfilling the objective of maintaining diversity in professional knowledge and competencies across the Board. The Company places strong emphasis on gender diversity in Board composition. Of the seven directors, three are female and four are male, reflecting the Company’s commitment to, and achievement beyond, its gender diversity objectives for the Board.	None
(2) Other than Compensation and Audit Committees which are required by laws, does the Company set up other functional Committees voluntarily?	V		(2) The Company established an Audit Committee on May 17, 2023, and a Compensation Committee on May 31, 2023. A Sustainability Development Committee was established on November 6, 2025. Subsequently, a Risk Management Committee was established on March 6, 2026 and was consolidated into the Audit Committee. The establishment of other functional committees will be considered as needed and in accordance with applicable laws and regulations.	None
(3) Has the Company formulated rules and methods for the performance assessment of the Board and evaluate the Board performance every year? Is the outcome of	V		(3) The Company has established the “Board Performance Evaluation Procedures” and conducts annual performance evaluations on a regular basis. The scope of evaluation covers the overall Board, individual directors, and functional committees, with an external Board performance evaluation conducted at least once every three years. The results of the Company’s 2025 Board performance self-assessment, together with the	None

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
performance assessment submitted to the Board and used as reference for the remuneration and re-election nomination of individual director?			external evaluation conducted by LSA Grace Consulting Co., Ltd., were reported to the Board of Directors on March 6, 2026. The Compensation Committee periodically reviews the compensation structure and policies for directors and executives and submits its recommendations to the Board for reference in decision-making.	
(4) Has the Company periodically evaluated the independence of its CPAs?	V		(4) Prior to the annual appointment of the independent auditors, the Company and its Board of Directors assess the independence of the certified public accountants (CPAs) in accordance with Bulletin No. 10, "Integrity, Objectivity and Independence", of the Norm of Professional Ethics for Certified Public Accountants, and obtain written independence confirmations from the auditors. In addition, pursuant to Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Company conducts regular evaluations, at least annually, of the independence and suitability of the CPAs, with reference to AQIs. The evaluation procedures, methods, and results are disclosed in the annual report or on the Company's website. Through transparent disclosure of the evaluation process and assessment criteria, the Company enhances the transparency of its audit governance and strengthens stakeholders' confidence. Based on the Company's evaluation, A-Shen Liao and Chien-Chih Wu. of PricewaterhouseCoopers, Taiwan, were deemed qualified to serve as the Company's CPAs for 2026, and the evaluation was submitted to the Board of Directors on March 6, 2026.	None
4. Does the Company have an adequate number of qualified corporate governance personnel and appoint a chief governance officer to handle matters pertaining to corporate governance (including but not limited to provide information required for business execution of directors and supervisors, assist directors and supervisors with regulatory compliance, handle matters pertaining to board meetings and shareholders' meetings according to laws and regulations, produce minutes of Board	V		On June 29, 2023, the Company's Board approved Hsiao-Hui Fang, the accounting officer, to take on the role of chief governance officer. Her responsibilities are as follows: (1) To handle matters relating to Board meetings and shareholders' meetings pursuant to laws and regulations, (2) To prepare minutes of Board meetings and shareholders' meetings, (3) To assist directors with assuming office and continuing education, (4) To provide information required for business execution of directors, (5) To assist directors with regulatory compliances, and (6) Other matters stipulated in the Company's Articles of Incorporation or contracts.	None

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
meetings and shareholders meetings, etc.)?				
5. Has the Company established a communication channel for its stakeholders (including but not limited to shareholders, employees, customers and suppliers) and created a stakeholder section at the corporate website to address their concerns on major corporate social responsibility issues?	V		(1) The Company has established a spokesperson and deputy spokesperson system and maintains communication channels with stakeholders through telephone, fax, and other means of communication. (2) A dedicated stakeholder section has been established on the Company's website, featuring specific pages with contact information for customers, suppliers, investors, employees, and other stakeholders. This enables stakeholders to access sufficient information to make informed decisions and safeguard their rights and interests. (3) The Company reports its stakeholder communication activities to the Board of Directors on an annual basis. The most recent report was presented on August 12, 2025, covering stakeholder communications for 2024. (4) The Company's website is maintained and updated by designated personnel. Any changes to financial, operational, or corporate governance information are updated on a timely basis to facilitate reference by shareholders and stakeholders.	None
6. Has the Company appointed a professional registrar to organize the shareholders' meetings?	V		The Company has appointed the Stock Management Service Department at KGI Securities to handle shareholders' meeting matters and related services	None
7. Information disclosure				
(1) Has the Company established a corporate website to disclose information regarding the Company's finance, business and corporate governance?	V		(1) The Company has established an Investor Relations section on its website (https://www.dawushan.com.tw/pages/investors), where financial, operational, and corporate governance information is disclosed in accordance with applicable regulations.	None
(2) Does the Company have other information disclosure channels (e.g., maintaining an English-language website, designating people to handle information collection and disclosure, appointing spokesperson, and webcasting investor conference on the corporate website)?	V		(2) The Company duly files all required information in accordance with applicable laws and regulations and has designated responsible personnel to oversee the collection and disclosure of corporate information. The spokesperson system is effectively implemented, with the spokesperson, deputy spokesperson, and relevant departments responding to inquiries from stakeholders and competent authorities. The Company also ensures the timely disclosure of monthly revenue, financial statements, corporate governance information, and investor conference materials on both its website and the MOPS. This ensures that information potentially affecting the decisions of shareholders and stakeholders is disclosed in a timely and appropriate manner.	None

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
(3) Does the Company publicly announce and file its annual financial report within two months after the end of financial year, and its financial reports of the first three quarters as well as operational status of each month prior to the prescribed deadlines?	V		(3) In accordance with the “List of Matters Required to Be Handled by Issuers of Listed Securities,” the Company announces and files its annual financial reports ahead of the statutory deadline and submits its quarterly financial reports within the prescribed time limits.	None
8. Does the Company have other important information to facilitate better understanding of the Company’s corporate governance practices (including but not limited to rights and welfare of employees, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, the implementation of risk management policies and risk evaluation standards, the implementation of customer policies, and liability insurance for directors and supervisors provided by the Company)?	V		(1) Rights of employees: The Company has always upheld integrity in its dealings with employees and protects their legal rights in accordance with the Labor Standards Act. (2) Welfare of employees: The Company extends appropriate care to its employees, with specific provisions detailed in related personnel and employee welfare regulations. It also offers essential benefits and support, including health examinations, group insurance, and subsidies for weddings and funerals. (3) Investor relations: The Company has implemented a spokesperson and deputy spokesperson system to address shareholder suggestions and foster a positive relationship between investors and the Company. (4) Supplier relations: The Company has always maintained a strong relationship with its suppliers. (5) Rights of stakeholders: Stakeholders have the right to communicate with the Company and offer suggestions to protect their legitimate interests. (6) Continuing education of directors and supervisors: The Company’s directors have professional industry backgrounds and practical management experience. The Company also arranges appropriate continuing education courses for its directors on an annual basis. (7) Implementation of risk management policies and risk evaluation standards: The Company has established the “Risk Management Policy and Procedures,” which were approved by the Board of Directors on August 12, 2025. A Risk Management Committee was established by the Board of Directors on March 6, 2026, and has since been integrated with the Audit Committee. The status of the Company’s risk management operations is reported to the Risk Management Committee and the Board of Directors on an annual basis. (8) Implementation of customer policies: The Company maintains stable and positive relationships with its customers to drive profitability.	None

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
			(9) Liability insurance for directors: The Company has procured directors' liability insurance to enable its directors to perform their duties with due diligence and in the best interests of investors, without undue concern over potential liabilities.	
9. Improvements based on the outcome of Corporate Governance Evaluation announced by Taiwan Stock Exchange Corporate Governance Center in the most recent year and the priority of pending issues: Not applicable, as the Company was not included among the companies subject to evaluation until 2026.				

(4) The composition and operations of the Compensation Committee

A. Members of Compensation Committee

Title	Name	Condition	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as a member of the Compensation Committee
Independent Director (Convener)	Pei-Fen Liao		Graduated from National Kaohsiung University of Applied Sciences with a Bachelor's degree in Business Administration, she was a former Associate Vice President of Finance and Accounting of the Company, an audit manager and accounting manager at Joben Bio-Medical Co., Ltd., an internal audit specialist at TFN Media Co., Ltd., a senior associate at Ernst & Young Taiwan, and an audit associate II at Baker Tilly Clock & Co. She is currently the Chief Financial Officer of Lianyou Metal Technology Co., Ltd. She is not a person who meets any of the conditions outlined in Article 30 of the Company Act.	The three independent directors of the Company are not: employees, managers, directors, or supervisors of the Company or any of its affiliates; spouses, relatives within the second degree of kinship, or direct relatives within the third degree or closer to any of the aforementioned persons; holding more than 1% of the Company's issued shares, either in their own name or under the name of a spouse, minor children, or any other individuals or among the top 10 natural-person shareholders of the Company; directly holding more than 5% of the Company's issued shares or among the top five shareholders; directors, supervisors or employees of corporate shareholders who appoint representatives to be the Company's directors or supervisors pursuant to Paragraph 1 or 2, Article 27 of the Company Act; directors, supervisors or employees of a company whose majority of directorships or voting rights are controlled by a shareholder who also controls the majority of directorships or voting rights of the Company; directors, supervisors or employees of a company or institution whose chairperson, president, or personnel with equivalent position is the same person as, or a spouse to, one of the persons holding the same positions in the Company; directors, supervisors, managers, or shareholders with more than a 5% ownership interest in specific companies or institutions that have a financial or business relationship with the Company; professional individuals who, or owners, partners, directors, supervisors, or managers of a sole proprietorship, partnership, company, or institution that provides auditing services to the Company or its affiliates, or provides commerce, law, finance, accounting or related services to the Company or its affiliates with a cumulative compensation under NT\$500,000 in the recent two years, or spouses thereof; or spouses or relatives within the second degree of kinship to any other director of the Company.	0
Independent Director	Suey-Ping Chi		Graduated from Mississippi State University with a Ph.D. in Food Science, he was an adjunct professor in the Department of Animal Science and Technology at National Taiwan University, an adjunct professor in the Department of Food and Nutrition at Fu Jen Catholic University, an adjunct professor in the Department of Hospitality Management under College of Human Life Science at Chung Hwa University of Medical Technology, Dean of College of Human Life Science at Chung Hwa University of Medical Technology, a researcher and section chief at the Livestock Research Institute of the Council of Agriculture, Executive Yuan, and a senior specialist of Food Processing Section at the Council of Agriculture, Executive Yuan. He is currently an independent director of the Company and a member of both the Audit Committee and the Compensation Committee, as well as a CAS Honorary Consultant. He is not a person who meets any of the conditions outlined in Article 30 of the Company Act.		0
Independent Director	Chien-Nan Hsieh		Graduated from the Department of Business Administration at Chung Yuan Christian University, he was a former Vice Chairperson and CEO at Chuan Lian Enterprise Co., Ltd., the CEO at Comestibles Master Co., Ltd., the Chief Operating Officer and Chief Strategy Officer at President Chain Store Corporation (7-ELEVEN), the President at RSI, Retail Support International Corporation, the Chairperson at PLI, President Logistics International Corporation, the Chairperson and President at Books.com Co., Ltd., the President at President Information Corporation, and the Chairperson at Qware Systems & Services Corporation. He is currently an independent director of the Company as well as an independent director of 91APP, Inc. (Cayman Islands) (Stock Code: 6741), KGI Financial Holding Co., Ltd. (Stock Code: 2883) and KGI Bank Co., Ltd. (Stock Code: 2837). He is not a person who meets any of the conditions outlined in Article 30 of the Company Act.		2

B. Operations of Compensation Committee

The Company's Compensation Committee comprises three members. Following the full re-election of directors at the first special shareholders' meeting on February 4, 2026, the second-term committee was appointed by the Board of Directors, with a term of office from February 4, 2026 to February 3, 2029. The Compensation Committee held four meetings in the most recent year (2025) and as of the date of this annual report. The attendance status of Committee members is as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remark
Independent Director	Pei-Fen Liao (Convener)	1	-	100.00	Re-elected on February 4, 2026; required to attend 1 meeting
Independent Director	Suey-Ping Chi	4	-	100.00	Required to attend 4 meetings
Independent Director	Chien-Nan Hsieh	2	-	100.00	By-election on July 28, 2025; required to attend 2 meetings
Independent Director	Chang-Ruey Shiau	1	-	50.00	Resigned on May 1, 2025; required to attend 2 meetings
Independent Director	Chi-Hsiung Liu	2	-	100.00	Resigned on August 1, 2025; required to attend 2 meetings

C. Annotation:

- If the Board declined to adopt or modified a recommendation of the Compensation Committee, the date and session of the Board meeting, contents of motions, resolution and actions taken by the Company regarding the Committee's opinions shall be specified (if the compensation package approved by the Board is superior to the recommendation made by the Committee, please specify the discrepancy and its reason): None.
- As for the resolutions of the Compensation Committee, if a member expresses any objection or reservation, either by recorded statement or in writing, the date and session of the committee meeting, contents of motions, all members' opinions and actions taken regarding the opinions shall be specified: None.

Term / Meeting No.	Date of Meeting	Content of Motions	Resolution
8th meeting of the 1st term	2025/02/18	Distribution of remuneration to directors and compensation to employees for 2024	Approved as proposed
		Detailed distribution of remuneration to directors for 2024	Approved as proposed
9th meeting of the 1st term	2025/03/24	Distribution details of compensation to managerial employee for 2024	Approved as proposed
		Ratification of executive performance bonuses for 2024	Approved as proposed
10th meeting of the 1st term	2025/11/06	Distribution of year-end bonuses to executives for 2025	Approved as proposed
		Review and evaluation of the policies, systems, standards, and structure of compensation for directors and executives	Approved as proposed
1st meeting of the 2nd term	2026/03/06	Distribution of remuneration to directors and compensation to employees for 2025	Approved as proposed
		Amendments to the "Rules for Managing Compensation of Directors and the Management"	Approved as proposed

Term / Meeting No.	Date of Meeting	Content of Motions	Resolution
		Review of the scope and determination criteria of “frontline employees”	Approved as proposed
		Review and evaluation of the policies, systems, standards, and structure of compensation for directors and executives	Approved as proposed

- D. Nomination Committee members and operations: The Company has yet to establish a Nomination Committee.

(5) Implementation of Sustainable Development and Disclosure of Climate-Related Information

A. Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” with reasons; Companies meeting specified criteria shall also disclose climate-related information.

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
1. Does the Company establish a governance structure for promoting sustainable developments and set up a dedicated (or part-time) sustainability unit with senior management being authorized by the Board to handle relevant issues under the supervision of the Board? (TWSE/TPEX-listed companies are required to disclose implementation status; this item is not subject to a “comply or explain” approach)	V		(1) Governance framework for promoting sustainable development The Company has established a top-down sustainability governance framework, with the Board of Directors serving as the highest governing body responsible for guiding sustainability strategy and overseeing management. A Sustainability Development Committee has been established under the Board to oversee and strengthen sustainability governance. The Board has authorized the President Office to develop the overall framework, while a dedicated unit, the Sustainable Development Office, is responsible for cross-functional planning and coordination. All operating units support the implementation of relevant initiatives, forming an integrated execution structure. (2) The Company’s implementation of sustainability initiatives includes, but is not limited to: (A) the name of the dedicated (or part-time) unit responsible for promoting sustainable development, the timing of its establishment, and authorization by the Board of Directors; (B) the composition, operations, and annual implementation of such unit (including work plans and responsibilities); and (C) the frequency of reporting to the Board of Directors (at least once annually) or the dates of such reports during the year. The Company established the Sustainable Development Office in September 2023 as the dedicated unit responsible for advancing sustainability initiatives. On November 6, 2025, the Sustainability Development Committee was established under the authorization of the Board of Directors, with responsibility for formulating, promoting, and strengthening sustainability strategies and objectives, as well as coordinating their implementation. The Committee consists of no fewer than three members, with at least one director participating in oversight. It may appoint a senior executive as Chief Sustainability Officer and form cross-functional task forces as needed.	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			The current members of the Committee are Shang-Chiang Wei (Director and President), Yu-Heng Wei (Director and Chief Operating Officer), and Hung-Ming Wang (Assistant Vice President of Sustainable Development Office and Food Safety Department), who also serves as Chief Sustainability Officer. The Committee’s core responsibilities include formulating annual sustainability plans, monitoring implementation performance, overseeing sustainability disclosures (including the review of sustainability reports), and ensuring the execution of Board resolutions. In 2025, it maintained the validity of the Company’s ISO 14064-1 Greenhouse Gas Inventory, ISO 50001 Energy Management, and ISO 14001 Environmental Management certifications. The Committee convenes meetings on a quarterly basis and reports its implementation status to the Board of Directors at least once annually. (3) Board oversight of sustainable development (Including but not limited to: management policies, formulation of strategies and goals, and review measures, etc.) The Board of Directors oversees the Company’s sustainable development in accordance with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and, in fulfilling its fiduciary duties, integrates ESG considerations into core decision-making and operations. The Board supervises climate-related risks in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) and establishes action targets consistent with Taiwan’s 2050 net-zero emissions pathway to ensure effective implementation of relevant measures. In addition, the Board regularly reviews the effectiveness of sustainability initiatives, using corporate governance and ESG evaluation results as benchmarks for continuous improvement. Through its performance evaluation framework, the Company also links sustainability performance to the compensation of directors and executives, thereby reinforcing its oversight responsibilities.	
2. Does the Company conduct risk assessments on environmental, social and corporate governance issues related to the Company’s operations in accordance with the materiality principle, and	V		(1) Scope of risk assessment (Coverage of subsidiaries) The Company’s risk management policies apply to operations at all levels of the Company and the subsidiaries. The assessment boundary disclosed in the 2024 Sustainability Report covers the Company’s headquarters, pullet farms,	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
formulate relevant risk management policies or strategies? (Note 2) (TWSE/TPEX-listed companies are required to disclose implementation status; this item is not subject to a “comply or explain” approach)			Guanmiao Farm (Tainan), Yunlin Farm (ChengHao Livestock Farm), and the subsidiary, Tai Da Eggs Technology Co., Ltd. There has been no change to the assessment boundary in the 2025 Sustainability Report. Financial data are disclosed based on the scope of the consolidated financial statements. Where the boundaries for environmental or social topics differ from the aforementioned scope, such differences are specified in the relevant disclosures. (2) Describe the risk assessment standards, processes, results, and risk management policies or strategies used to identify material environmental, social, and corporate governance (ESG) issues. 2.1 Assessment standards and process: The Company conducts assessments every three years in accordance with the GRI 2021 materiality identification process and the principle of double materiality. First, based on the five principles of the AA1000 Stakeholder Engagement Standard (AA1000 SES), the Company identifies seven stakeholder groups: customers, employees, suppliers, government authorities, shareholders, communities, and business partners. The Company then references international frameworks such as GRI, SASB, and TCFD to identify 27 sustainability topics. Through questionnaires distributed to internal management and external stakeholders, the Company evaluates the significance of each topic in terms of its impact on stakeholders and on the Company’s operations, and prepares a materiality matrix. 2.2 Assessment results: In 2025, the Company confirmed the continued applicability of ten key material topics: product quality and safety; livestock and poultry disease control; raw material management; product labeling and marketing communications; waste management; customer relationship management; economic performance; compensation and benefits; occupational health and safety; and talent development and training. 2.3 Risk management policies and strategies: The Board of Directors serves as the highest governing body for risk management, responsible for approving and overseeing related policies.	

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			On March 6, 2026, the Company established a Risk Management Committee, which was subsequently integrated with the Audit Committee to form the Audit and Risk Management Committee. This committee operates under the Board and is responsible for reviewing mechanisms, overseeing implementation, and providing regular reports. The Sustainable Development Office coordinates ESG strategies and sets management objectives for high-impact issues, with ongoing monitoring and follow-up. The Company addresses risks by enhancing corporate resilience, advancing circular economy initiatives, and expanding into new markets. In addition, sustainability performance has been incorporated into the performance evaluation and compensation system for senior management to strengthen accountability and governance.	
3. Environmental issues				
(1) Does the Company establish environmental management system designed to fit industry characteristics?	V		A. Implementation of effective environmental management systems and applicable regulations The Company has established environmental management systems in accordance with ISO 14001 Environmental Management Systems, ISO 14064-1 Greenhouse Gas Inventories, and ISO 50001 Energy Management Systems, covering four key areas: energy management, waste management, water pollution control, and greenhouse gas management. To ensure effective implementation, the Company complies with applicable environmental laws and regulations, including the Waste Disposal Act, Air Pollution Control Act, Water Pollution Control Act, and its industrial waste disposal plan. In addition, sustainability information management has been formally incorporated into the Company’s internal control system and designated as a key annual audit item. This ensures that all environmental indicators comply with regulatory requirements and are managed in a transparent manner, thereby strengthening operational resilience and environmental compliance from a governance perspective.	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			B. Valid international certifications and their scope (as of the date of this annual report) In practice, the Company continues to implement energy efficiency improvement measures and promotes the recycling of livestock waste by converting it into organic fertilizers. It has also introduced wastewater recycling and treatment systems to reduce environmental impact. Furthermore, the Company conducts annual greenhouse gas inventories and advances carbon reduction and sustainability initiatives in alignment with the 2050 net-zero emissions pathway. The Company currently maintains the following certifications: ISO 14001 Environmental Management System (valid through December 1, 2027), covering layer hen farming, egg production, and sales services; ISO 50001 Energy Management System (valid through January 20, 2028), covering layer hen farming, washing and grading, packaging, and organic fertilizer production; and ISO 14064-1 Greenhouse Gas Inventory. For 2025, the verification scope covers the Pingtung, Tainan, and Yunlin farms, as well as the subsidiary, Tai Da Eggs Technology Co., Ltd.	
(2) Is the Company committed to improving the energy efficiency and utilizing renewable materials that have low environmental impact?	V		Describe the Company's policies for enhancing energy efficiency and using recycled materials, including but not limited to: base year data, implementation measures, targets, and achievement status. In accordance with the Company's sustainability policy, 2025 has been designated as the base year for energy data, covering operations in Pingtung, Tainan, Yunlin, and Taoyuan. In 2025, total energy consumption amounted to 6,909,683 kWh of electricity, 73,097 liters of diesel, 43,115 liters of gasoline, and 48,959 liters of natural gas. The Company has adopted ISO 50001:2018 to strengthen its energy management system, with improving energy efficiency as a key objective and integrating energy conservation into daily operations. In line with system requirements, energy management representatives conduct annual inventories of major energy-consuming equipment to support the planning of energy-saving initiatives. For example, aging equipment, such as chilled water systems and fixed-frequency air conditioning units, has been identified for phased replacement beginning in 2026, with active use of government subsidy programs to support equipment upgrades.	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			In addition, the Company has introduced automation and smart management systems in key production processes. Poultry houses are equipped with intelligent temperature control systems and operational monitoring mechanisms to enhance both operational efficiency and environmental performance. In 2025, smart electricity meters were installed in key areas to monitor power consumption, analyze equipment usage, and identify opportunities for energy-saving improvements, thereby enhancing the precision of energy management. With respect to material use, the Company is committed to adopting renewable and recyclable materials with lower environmental impact to reduce the environmental footprint of its products and operations. In 2025, recyclable packaging materials accounted for 12% of total packaging procurement. The Company continues to increase the reuse of packaging materials, such as egg cartons, reduce single-use packaging, and prioritize environmentally friendly materials in procurement. It also strengthens waste classification and resource recovery practices to improve resource efficiency and reduce environmental impact. Furthermore, in supply chain management, the Company encourages its partners to adopt renewable or sustainability-certified materials, thereby extending the sustainability practices throughout the value chain. The energy consumption data disclosed for 2025 are based on the Company’s preliminary internal estimates. Final figures shall be subject to the officially published annual sustainability report and third-party assurance results.	
(3) Does the Company assess the present and future potential risks and opportunities of climate change for the entity and adopt appropriate countermeasures?	V		Describe how the Company assesses the potential current and future risks and opportunities posed by climate change, the results of such assessments, and the relevant action plans taken. The Company conducts climate-related risk assessments with reference to the TCFD framework, under the oversight of the Board of Directors and executed by the Sustainable Development Office. The assessment process begins with identifying climate-related issues relevant to the Company, followed by questionnaire-based evaluations of the likelihood of occurrence and the potential financial impact of each issue. A risk matrix is then developed to identify material climate-related topics. The assessment identified three key risks: raw material shortages, operational disruptions caused by extreme	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			weather events, and rising average temperatures. It also identified three major opportunities: enhancing corporate resilience, advancing the circular economy, and expanding into new markets. In response to these risks, the Company has implemented measures such as elevating facility foundations, installing backup generators, conducting preventive maintenance on equipment, and constructing enclosed poultry houses with water curtain negative-pressure systems to mitigate heat-related impacts. To capitalize on these opportunities, the Company promotes the conversion of livestock waste into organic fertilizers, installs solar power generation systems, and develops products that meet animal welfare and carbon footprint certification standards, thereby enhancing the overall competitiveness.	
(4) Does the Company calculate its greenhouse gas (GHG) emissions, water consumption and total waste weight in the past two years, and formulate policies for GHG and water consumption, or other waste management?		V	A. Describe the statistical data for the following items over the past two years, including intensity (e.g., calculated per unit of product, service, or revenue) and the scope of data coverage (e.g., all plants and subsidiaries): a. Greenhouse gases: Greenhouse gases include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), nitrogen trifluoride (NF₃), and others announced by the central competent authority. Emissions are categorized into direct emissions (Scope 1: emissions from sources owned or controlled by the Company), indirect energy emissions (Scope 2: indirect GHG emissions from the generation of purchased or acquired electricity, heating, or steam), and other indirect emissions (Scope 3: emissions that occur as a consequence of the Company's activities but are from sources owned or controlled by another company, excluding indirect energy emissions). The Company is not currently classified as an industry subject to mandatory regulation by the Ministry of Environment and therefore conducts greenhouse gas inventory on a voluntary basis. The consolidated greenhouse gas inventory results, assurance status, and emission reduction policies are disclosed in Table 5B (page 56) of this annual report. b. Water consumption: Water consumption totaled 46,276 cubic meters in 2024 and 61,937 cubic meters in 2025. Water resources are primarily utilized in farming operations	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			and egg washing and grading processes, where water is essential to ensure product freshness and safety. As the scale of operations expands, increased production volume and demand have led to a corresponding adjustment in process water usage (e.g. the egg washing and grading procedures). This growth in overall operational activity is reflected in the consumption of energy and resources. The Company continues to promote water conservation practices and reduce unnecessary waste. c. Waste: The Company’s waste primarily consists of livestock manure, dead poultry, and general domestic waste, with no hazardous waste generated. Total waste amounted to 25,332 metric tons in 2024 and decreased to 21,047 metric tons in 2025, representing a reduction of 17%. The decrease was primarily attributable to reduced manure output following partial damage to poultry houses caused by a fire incident in 2025. B. Describe the policies for greenhouse gas reduction, water conservation, or other waste management, including but not limited to: base year data, reduction targets, implementation measures, and achievement status The Company initially designated 2022 as the base year; however, due to changes in organizational boundaries (the inclusion of subsidiaries), the base year will be re-established once the boundaries are stabilized. The Company’s targets include achieving 1% annual energy savings, reducing general waste by 1% annually, and attaining net-zero emissions by 2050. Final targets shall be subject to disclosures in the officially published sustainability report. C. Describe the verification status of the information disclosed herein, which remains valid as of the date of this annual report, and the scope covered by such verification Greenhouse Gas Inventory (ISO 14064-1): The 2024 inventory was verified by the China Productivity Center, covering the Company’s headquarters, pullet farm, Guanmiao Farm, Yunlin Farm, and the subsidiary, Tai Da Eggs Technology Co., Ltd. The 2025 inventory will be assured by Legendary & Steadfast Accountancy, with assurance expected to be completed in May 2026. Environmental Management System (ISO 14001): Certified by SGS, valid through December 1, 2027, covering layer hen farming and egg production and	

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			sales. Energy Management System (ISO 50001): Valid through January 20, 2028, covering farming operations, washing and grading, packaging, and organic fertilizer production. Product Carbon Footprint (ISO 14067): Verification statements and carbon label certification have been obtained for animal welfare egg products (valid through June 2, 2027).	
4. Social issues				
(1) Does the Company formulate appropriate management policies and procedures according to related laws and regulations and the International Bill of Human Rights?	V		Describe the human rights protection policies and specific management programs (e.g., human rights assessments, risk mitigation measures, and relevant educational training), as well as the related laws, regulations, and international human rights conventions upon which they are based 1.1 Human rights policy and commitment The Company adheres to internationally recognized human rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, and the conventions of the International Labour Organization. It also complies with Taiwan’s Labor Standards Act, Gender Equality in Employment Act, and other applicable human rights regulations. The Company is committed to eliminating all forms of discrimination, forced labor, and child labor, and to fostering a diverse, equitable, and inclusive workplace that upholds human dignity. These standards are extended to the supply chain partners. 1.2 Human rights management measures and implementation The Company integrates human rights protection into the daily operations, with key measures as follows: Workplace diversity and equal employment: The Company upholds the principle of equal employment. Recruitment and promotion decisions are based solely on professional qualifications, without discrimination based on race, gender, religion, or other non-job-related factors. The Company provides safeguards for disadvantaged groups and indigenous peoples. For foreign migrant workers, a “zero-fee recruitment” policy is implemented, under which the Company fully covers overseas recruitment and medical examination costs to ensure transparent and fair labor practices.	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			• Labor conditions and rights protection: Working hours are strictly managed to ensure compliance with legal requirements, including the 60-hour limit on total weekly working hours and mandatory rest periods. The compensation system is transparent and exceeds statutory requirements, and comprehensive leave and attendance systems support employees’ work–life balance. • Gender equality and protection of dignity: The Company has established the “Measures for Prevention of Sexual Harassment in the Workplace and Complaint and Disciplinary Procedures,” including independent reporting channels with confidentiality and anonymity protections to safeguard personal dignity. • Occupational safety and health promotion: In accordance with the Regulations Governing Occupational Safety and Health, the Company implements risk prevention measures and conducts annual health examinations for all employees. Smart monitoring systems are used to improve working conditions, reduce labor intensity, and prevent occupational injuries. 1.3 Performance indicators and communication mechanisms The Company has established effective two-way communication channels to ensure that employees’ views are heard and addressed: • Education and training: In 2025, the Company conducted employee training programs for both new and existing employees, covering human rights awareness, sexual harassment prevention, and occupational safety, totaling 24 training hours with 39 participant attendances. • Labor-management communication: Labor-management meetings are held on a quarterly basis to maintain harmonious labor relations. • Implementation results: In 2025, there were no reported complaints, human rights violations, or labor disputes.	
(2) Does the Company formulate and execute reasonable employee welfare measures (including compensation, leaves and other benefits), and have the operating performance or results properly reflected in employee	V		A. Describe employee benefit measures, including but not limited to: employee compensation, workplace diversity and equality (including but not limited to: the proportion of female employees and senior executives), leave policies, various allowances, bonuses, and subsidies	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
compensation?			The Company provides compensation packages that exceed statutory requirements. In addition to adjusting base salaries annually in line with government-announced minimum wage standards, the Company reviews and adjusts employee compensation based on individual performance, overall business performance, and inflation. The compensation structure includes fixed monthly salaries, overtime pay, shift allowances, and bonuses for major festivals. In terms of workplace diversity, the Company maintains a balanced gender distribution. In 2025, female employees accounted for 49.79% of the workforce. As of the date of this annual report, the Board of Directors comprises three female directors (42.86%), and approximately 27.8% of managerial positions are held by women. With respect to employee benefits, the Company provides travel subsidies, departmental gatherings, birthday bonuses, and allowances for childbirth, marriage, and bereavement, as well as group insurance coverage. The Company also conducts annual health check-ups that exceed regulatory requirements and provides on-site medical services. Nursing rooms are available to support employees with childcare needs. Furthermore, in alignment with standards of the International Labour Organization, the Company implements a zero-fee recruitment policy for foreign migrant workers, fully covering all onboarding-related expenses. B. Describe how operational performance or results are reflected in employee compensation policies and the implementation results The Company links its operating performance to employee compensation. In accordance with the Articles of Incorporation, 4% to 10% of pre-tax net income, after offsetting accumulated losses, is allocated annually as employee compensation. Implementation is as follows: (a) Performance evaluation: Annual performance appraisals are conducted at year-end, covering work objectives, competency assessments, attendance, and rewards and disciplinary records. The results are directly linked to year-end bonus allocation, promotions, and salary adjustments. (b) Bonus system: The Company has established a structured incentive framework, including monthly performance bonuses for production units, quarterly performance bonuses for administrative units, and annual employee bonuses. (c) Employee stock ownership trust: An Employee Stock Ownership Association was formally established in	

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			November 2024. Share-based incentive contributions are granted based on job grade, with Company contributions of up to 100% of employees’ own contributions. This mechanism enables employees to share in the Company’s long-term operating performance and strengthens talent retention. In 2025, the Company’s contributions to the plan increased to 95 times those of 2024, and the number of participants reached 57 by year-end, representing 2.7 times the 21 participants at the end of 2024.	
(3) Does the Company provide a safe and healthy work environment and regular safety and health training?	V		A Describe the measures taken to provide a safe and healthy work environment for employees, the relevant education and training policies, and the implementation results Measures for employee safety and health, education policies and implementation: The Company provides necessary personal protective equipment, including safety helmets, protective footwear, N95 masks, and earplugs, to employees. Regular maintenance and automated inspection programs are implemented for diesel generators and various machinery and equipment. In terms of health management, the Company conducts annual employee health check-ups that exceed regulatory requirements and arranges monthly on-site services by medical professionals. Health education is provided to high-risk employees, and pregnant employees are assigned to less physically demanding duties. With respect to education and training, new employees are required to complete three hours of occupational safety training upon onboarding. The Company also regularly conducts fire drills and emergency response training. In 2025, a total of 671 hours of occupational safety and health training were delivered, with 382 participant attendances. B. Describe relevant certifications obtained by the Company which remains valid as of the date of this annual report, and the scope of coverage for each certification Certifications obtained and scope: The Company has obtained ISO 14001 Environmental Management System certification (valid through December 1, 2027) and ISO 50001 Energy Management System certification (valid through January 20, 2028), covering layer hen farming, egg production, and organic fertilizer manufacturing. Food safety management covers the Pingtung and Yunlin sites, both of which have obtained HACCP and ISO 22000	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			certifications. In addition, 100% of egg production complies with Traceable Agricultural Products (TAP) certification. The Company has also obtained Healthy Workplace Certification and conducts regular verification of its greenhouse gas inventory in accordance with ISO 14064-1. C. Describe the number of occupational injury cases, the number of employees involved, and the percentage relative to the total workforce for the current year, along with relevant improvement measures In 2025, the number of occupational injury cases, affected employees, and the ratio to the total workforce were all zero. Preventive and improvement measures include the establishment of a comprehensive safety management system, regular preventive maintenance of equipment, automated inspections of machinery, and ongoing training to enhance employees’ awareness and capabilities in hazard prevention and emergency response. D. Describe the number of fire incidents for the current year, the resulting number of casualties, and the ratio of casualties to the total workforce, along with the relevant improvement measures taken in response to these fire incidents In 2025, there was one fire incident, which resulted in no injuries or fatalities; accordingly, the casualty rate was zero. In response, personnel were immediately evacuated and the fire department was promptly notified. Follow-up measures include reviewing and strengthening emergency response procedures and disaster prevention capabilities. The Company also conducts monthly inspections of firefighting equipment, including fire extinguishers, hydrants, and fire alarm systems, to ensure workplace safety.	
(4) Has the Company established effective career development training programs for employees?	V		Describe the scope, coverage, and implementation of training programs, including areas such as new employee training, professional development, and management training, as well as the target groups (e.g., managers at all levels and employees) The Company has established a comprehensive training system aimed at enhancing employees’ professional capabilities and supporting their career development. The scope and target groups of the training programs are as follows: A. New employees: Orientation is provided for new hires. In addition to mandatory courses on occupational safety and food safety, the program covers the Company’s operations, future outlook, and employees’ rights and obligations, facilitating their smooth integration into the corporate culture.	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			B. Management personnel: Training programs are provided on regulatory compliance, ethical business conduct, risk management, and information security. Carbon management courses have also been introduced to strengthen awareness of sustainability trends. C. Administrative personnel: Professional training is provided to enhance skills required for administrative functions. D. Professional personnel (including farming, washing and grading, food safety, and equipment maintenance): The Company engages external experts and university professors to deliver training on food safety, advanced washing and grading operations, and specialized farming techniques. Implementation status and effectiveness: A. Training investment: In 2025, total training hours reached 2,561 hours, with an average of 11.5 training hours per employee. Total training expenditures amounted to NT\$406,460, representing 1.32 times the amount in 2024. B. Evaluation mechanism: Upon completion of training, internal programs are evaluated by instructors through methods such as random questioning, quizzes, group discussions, or practical exercises. Evaluation methods and results are documented in attendance records. Employees who do not meet the required standard are required to retake the assessment within one week until satisfactory results are achieved. For external training programs, participants are required to submit certificates or proof of completion. Where such documentation is unavailable, participants must submit a training feedback form to ensure effective evaluation and support continuous improvement.	
(5) Has the Company complied with related regulations and international standards for issues of customer health and safety, customer privacy, and marketing and labeling of products and services, and formulated relevant consumer or customer protection policies and complaint procedures?	V		Describe the applicable laws, regulations, and international standards with which the Company complies, and explain the policies for protecting consumer or customer rights and interests, including their titles, content, and complaint handling procedures The Company places strong emphasis on protecting customer health, safety, and privacy rights. It strictly complies with applicable domestic regulations, including the Act Governing Food Safety and Sanitation, Consumer Protection Act, Personal Data Protection Act, and Good Hygiene Practice (GHP) standards, and has obtained internationally recognized certifications such as ISO 22000 and HACCP. The Company implements its quality policy and food	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			safety culture of “Integrity in Processing, Safe Egg Products, Full Participation, and Pursuit of Excellence,” ensuring that all processes, from smart environmental control in farming to automated washing and grading, comply with Taiwan Good Agricultural Practice (TGAP) standards. Transparency and regulatory compliance are maintained in product labeling and marketing practices. With respect to customer privacy, the Company has established robust protection mechanisms in accordance with its Information Security Policy. Transaction data from major distribution channels and personal data of e-commerce members are used strictly for legitimate business purposes and are not disclosed to third parties without prior consent. To safeguard consumer rights, the Company has established a Standard Operating Procedure for Handling Consumer Complaints. This mechanism integrates customer service, food safety, sales, and production functions, and provides multiple complaint channels, including telephone, the Company’s website, and the official LINE account. All complaints are subject to investigation and analysis, root cause identification, and the implementation of corrective and preventive actions, followed by timely feedback to the consumer prior to case closure. This mechanism strengthens food safety traceability, enhances service quality, reduces operational risks, and supports brand value enhancement, thereby translating the Company’s commitment to sustainable development into tangible competitive advantages.	
(6) Has the Company formulated supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and the implementation results?	V		A. Describe the Company’s supplier management policies and applicable codes of conduct, including specific and proactive requirements imposed on suppliers in areas such as environmental protection, occupational safety and health, and labor and human rights (e.g., requirements to obtain relevant certifications) The Company has established a Supplier Management Policy and a Supplier Code of Conduct, requiring responsible units to take into account both social and environmental impacts in their operations. In terms of labor practices, suppliers are required to conduct human rights risk assessments and are strictly prohibited from engaging in forced labor, human trafficking, or the employment of child labor under the age of 16. Total working hours, including overtime, must not exceed 60 hours per week, and wages and benefits must comply with applicable local laws and regulations. With respect to	None

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			occupational health and safety, the Company references standards such as ISO 45001, requiring suppliers to identify workplace hazards and provide appropriate personal protective equipment. In the area of environmental protection, the Company references ISO 14001, requiring suppliers to obtain necessary emission permits, implement pollution prevention measures, and properly manage hazardous substances and waste. In addition, suppliers are required to adhere to high standards of business integrity, with a strict prohibition on bribery, corruption, and conflicts of interest. B. Describe the implementation of the Company’s supplier management policies and related compliance requirements, including practices such as supplier self-assessments, guidance or training provided to suppliers, and performance evaluations The Company requires suppliers to establish appropriate management systems, including the designation of senior management to oversee implementation and the conduct of regular reviews to ensure effective operation. The implementation framework includes risk assessment procedures, requiring suppliers to identify environmental, occupational health and safety, labor, and ethical risks associated with their operations, and to implement corresponding control measures based on risk levels. For deficiencies identified through internal or external audits, suppliers are required to promptly develop and implement corrective actions. In terms of education and communication, suppliers are expected to establish training programs for management and employees, as well as effective grievance mechanisms and communication procedures to ensure that employees can raise concerns without fear of retaliation. If a supplier is found to be in violation of applicable laws or the code of conduct, the Company may take appropriate actions, including suspension, termination, or discontinuation of the business relationship. In addition, the Company’s evaluation taskforce conducts annual assessments of major suppliers with transaction activity during the year. Among such suppliers, the top five in each category, based on annual procurement amounts, are selected for evaluation. The evaluation taskforce may also conduct additional assessments based on internal or external requirements.	

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
5. Has the Company referred to the internationally accepted report preparation standards or guidelines for its preparation of sustainability or other reports which disclose the Company’s non-financial information? Do the aforementioned reports obtain a third-party assurance or verification statement?		V	A. Describe the international standards or guidelines referenced, and the reports prepared for the disclosure of non-financial information International reporting standards and reports: The Company prepares a sustainability report to disclose non-financial information. The report is prepared with reference to internationally recognized standards, including the GRI Universal Standards 2021, GRI 13 Agriculture, Aquaculture and Fishing Sector standard, the SASB Meat, Poultry and Dairy standard, the TCFD recommendations, and the IFRS Sustainability Disclosure standards. B. If third-party assurance or verification has been obtained, describe the name of the assurance or verification provider, the subject matter or scope of assurance, and the standards applied The Company has obtained third-party assurance or verification for its sustainability report and related environmental and food safety indicators, as detailed below: Sustainability report: For the 2024 reporting period, limited assurance was provided by Ernst & Young in accordance with ISAE 3000, “Assurance Engagements Other than Audits or Reviews of Historical Financial Information.” For the 2025 reporting period, limited assurance is performed by Legendary & Steadfast Accountancy. Greenhouse Gas Inventory (ISO 14064-1): For the 2024 reporting period, verification was conducted by China Productivity Center, covering the Company’s headquarters, pullet farm, Guanmiao Farm, Yunlin Farm, and the subsidiary, Tai Da Eggs Technology Co., Ltd. For the 2025 reporting period, verification is conducted by Legendary & Steadfast Accountancy. Environmental and energy management: The ISO 14001 Environmental Management System is certified by SGS, and the ISO 50001 Energy Management System is certified by China Productivity Center. Food safety management: The HACCP and ISO 22000 food safety management systems are certified by SGS, covering 100% of the Company’s egg production. Product carbon footprint (ISO 14067): Verification is conducted by AFNOR Asia Ltd., and the Company has obtained carbon footprint certification for its animal welfare egg products.	The Company will prepare relevant reports based on operational developments and legal requirements.

Implementation of sustainable developments and non-compliance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and reasons				
Promotion Items	Status			Non-compliance and Reasons
	Yes	No	Description	
6. If the Company has established its sustainable principles according to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” please specify any discrepancy between the principles and their implementation: The Company has established its own “Sustainable Development Best Practice Principles” and will continue to implement them in accordance with the prescribed guidelines. There are no material differences between the Company’s practices and the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.” In addition, the data presented in the above tables are based on the Company’s preliminary internal estimates. Final and verified quantitative information shall be subject to the officially published annual sustainability report and third-party assurance results.				
7. Other important information to facilitate better understanding of the Company’s sustainable practices: The Company is committed to information transparency. The sustainability initiatives, environmental performance data, and social responsibility activities are disclosed in the annually published sustainability report. For details, please refer to the Company’s website under “Sustainability” - “Sustainable Development” (https://www.dawushan.com.tw/sustainability?category=csr).				

B. Implementation of climate-related information

Climate-Related Information for TWSE/TPEX Listed Companies	
Item	Implementation Status
1. Describe the oversight and governance of the Board and management on climate-related risks and opportunities.	The Company has incorporated climate change into its highest level of governance, with the Board of Directors serving as the ultimate governing body responsible for integrating climate-related matters into strategic planning, target setting, and performance management. In addition to approving climate-related policies, the Board oversees implementation progress and effectiveness on a regular basis through the Audit Committee. At the management level, the Sustainable Development Office has been established as the dedicated unit responsible for identifying climate-related risks and opportunities, formulating response strategies, and setting specific targets. The unit reports to the Board of Directors on its implementation status at least annually. Furthermore, members of the Board participate in training programs on topics such as net-zero emissions and carbon management to enhance their oversight capabilities, ensuring that the Company's risk management framework can effectively respond to environmental changes.
2. Describe how the identified climate risks and opportunities would affect the business, strategy, and finance of the entity (short, medium, and long-term).	The Company continues to develop climate change mitigation and adaptation strategies to enhance organizational resilience. The defined time horizons are as follows: short-term (within 1 year), short- to medium-term (1~3 years), medium-term (3~7 years), and long-term (over 10 years). With respect to financial impacts, the Company currently adopts "operational continuity" and "cost trends" as key evaluation indicators. The identified risks and corresponding response measures are as follows: A. Physical risk: Raw material shortages (chronic risk) • Description of impact: Global extreme weather events have led to significant volatility in feed raw material prices. • Financial and operational impact: As feed represents a major production cost, price increases may significantly compress gross margins. While the Company mitigates supply disruption risks through stable sourcing from its parent company, it remains exposed to international price fluctuations. • Time horizon: Medium-term. • Response measures: The Company has established a dynamic supplier evaluation mechanism and optimizes procurement and delivery scheduling to secure more favorable pricing. B. Physical risk: Extreme weather events (acute risk) • Description of impact: Typhoons or heavy rainfall may cause facility flooding or power disruptions affecting automated equipment. • Financial and operational impact: Operational disruptions may result in production losses and increased repair and maintenance costs. • Time horizon: Medium-term.

Climate-Related Information for TWSE/TPEX Listed Companies	
Item	Implementation Status
	- Response measures: The Company adopts elevated foundation designs for facilities (with products positioned 5 cm above ground level and pallets at a height of 15 cm), and has installed backup generators and automated alert systems. C. Physical risk: Rising average temperatures (chronic risk) - Description of impact: Higher temperatures increase cooling demand in poultry houses and elevate the risk of disease transmission. - Financial and operational impact: Increased electricity consumption during summer months raises operating costs, while potential declines in survival rates may directly impact revenue. - Time horizon: Medium-term. - Response measures: The Company has fully adopted enclosed poultry houses equipped with water curtain cooling systems and strictly implements vaccination programs and biosecurity measures.
3. Describe the financial impact of extreme weather events and transition activities.	Extreme weather events such as typhoons, flooding, and heavy rainfall may disrupt automated poultry farming systems or water supply equipment due to power outages, or result in unstable network connectivity that prevents real-time data transmission, thereby increasing the likelihood of operational disruptions. The associated financial impacts include increased expenditures for the procurement and maintenance of backup generators, higher procurement costs for the urgent replacement of exclusively supplied equipment, and revenue losses arising from product contamination and disposal. In addition, if extreme weather conditions lead to inconsistent egg quality, this may damage the Company's reputation, potentially reducing transaction volumes and overall operating revenue. In response to the above risks, the Company has adopted the following mitigation measures and financial responses: A. Enhance infrastructure and disaster resilience: Elevating land levels during facility construction and positioning products, pallets, and inspection equipment above safe height thresholds to reduce flood risk and potential asset losses. B. Establish backup mechanisms: Each site is equipped with two backup generators, supported by monthly test runs and regular maintenance to ensure rapid power switching during outages to maintain stable operations. C. Introduce monitoring systems: Deployment of automated alert systems for equipment anomalies to enable timely detection and response, thereby minimizing operational downtime. D. Energy efficiency and cooling measures: Installation of solar panels on facility rooftops to reduce reliance on conventional energy sources. These panels also help lower indoor temperatures by approximately 3~5°C by reducing direct sunlight exposure, thereby decreasing air-conditioning-related electricity costs.

Climate-Related Information for TWSE/TPEX Listed Companies	
Item	Implementation Status
	E. Poultry house environmental management: Adoption of enclosed, water-curtain negative-pressure poultry houses that utilize natural evaporative cooling, reducing the need for energy-intensive air conditioning systems and helping control fixed operating costs.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company has incorporated climate change-related issues into its overall risk management framework. The integration of identification, assessment, and management processes is described as follows: A. Organizational structure and governance integration The Company has established a comprehensive risk governance framework, with the Board of Directors serving as the highest governing body for climate change management. The Board is responsible for integrating climate-related issues into corporate objectives and performance management. At the management level, the Sustainable Development Office has been established as the dedicated unit responsible for assessing climate-related risks and opportunities, and for formulating relevant policies and targets. The unit reports its implementation status to the Board of Directors annually. In addition, the Sustainability Development Committee, under the authorization of the Board, oversees the effectiveness of climate risk management. B. Integration of risk identification and assessment processes The Company classifies the risk management scope into four dimensions: governance, environmental, social, and industry. Climate-related risks are managed under the environmental dimension. (1) Identification and analysis: With reference to the TCFD framework, the Company considers industry characteristics, regulatory trends, and international standards to identify potential climate-related risks, such as raw material shortages, operational disruptions, and rising average temperatures. (2) Measurement and evaluation: The Company adopts “likelihood of occurrence” and “financial impact” as key evaluation criteria. Through cross-functional discussions, these factors are consolidated into a climate risk matrix. Risks are categorized by level based on scoring, and material climate-related issues are identified accordingly. C. Integration of management processes and response mechanisms For identified material climate-related risks, the Company integrates corresponding measures into the existing risk management processes, including: (1) Risk response: Each department formulates response strategies based on risk assessment results, such as elevating infrastructure to mitigate flood risks and installing backup generators to address potential power disruptions. (2) Monitoring and disclosure: The responsible units (the President Office and the Sustainable Development Office) oversee the implementation of risk response measures and incorporate

Climate-Related Information for TWSE/TPEX Listed Companies	
Item	Implementation Status
	results into performance evaluations. Implementation reports are submitted to the Board of Directors annually to ensure alignment with the Company's overall business strategy.
5. If scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions and analysis factors used as well as major financial impacts shall be described.	The Company has not yet adopted scenario analysis to assess its resilience to climate-related risks. Accordingly, there are currently no disclosures regarding the scenarios, parameters, assumptions, analytical factors, or potential financial impacts associated with such analysis. At this stage, the Company addresses climate change primarily through the identification, assessment, and management of climate-related risks and opportunities, which are integrated into its overall risk management framework. Should scenario analysis be adopted in the future, the Company will disclose the relevant scenarios, key assumptions, and financial impact assessments in accordance with applicable standards.
6. If there is a transition plan for managing climate-related risks, describe the plan details, and the indicators and targets used to identify and manage physical risks and transition risks.	To manage climate-related risks, the Company has developed a transition plan to enhance climate governance and supply chain resilience. By adopting a dual approach of "circular economy" and "low-carbon operations," the Company seeks to transform environmental risks into competitive advantages. Under this transition plan, the Company integrates smart agriculture technologies with resource recycling systems, with a key focus on operating its own composting facilities. Approximately 80% of poultry manure generated from operations is converted into organic fertilizer, significantly reducing outsourcing treatment costs and carbon emissions, while strengthening value chain resilience. In addition, the Company has installed solar photovoltaic systems on facility rooftops and implemented an ISO 50001 energy management system to systematically reduce energy consumption and improve energy efficiency. To support risk management, the Company has established clear performance indicators to ensure operational stability. For physical risks, key indicators include the adoption of intelligent enclosed negative-pressure poultry houses and the full operation of cooling systems, minimizing the impact of extreme temperatures on poultry health and productivity. For transition risks, key indicators include greenhouse gas emissions intensity and animal welfare product certification. Through annual ISO 14064 greenhouse gas inventories and the continued maintenance of animal welfare certifications, the Company aims to sustain its brand premium and market leadership amid evolving regulatory requirements and shifting consumer preferences.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	The Company recognizes the importance of climate change to operations and long-term sustainability and continues to monitor global trends in carbon emissions management. At present, the Company has not yet formally adopted an internal carbon pricing mechanism. However, it plans to undertake the necessary preparatory work to more effectively incorporate carbon costs into its decision-making processes in the future. Although internal carbon pricing has not yet been implemented, the Company conducts regular greenhouse gas inventories to monitor its emissions profile. It also promotes energy-saving and carbon

Climate-Related Information for TWSE/TPEX Listed Companies	
Item	Implementation Status
	reduction initiatives, such as replacing high energy-consuming equipment, and encourages suppliers to reduce emissions, working collaboratively toward a low-carbon transition. In addition, the Company regularly publishes sustainability reports to disclose carbon-related information, thereby enhancing transparency and strengthening the management of its carbon emissions.
8. If climate-related targets have been set, the activities covered, the scope of GHG emissions, the planning horizon, and the progress achieved each year shall be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or the quantity of RECs to be offset shall be specified.	To achieve its 2050 net-zero emissions target, the Company actively implements energy-saving and carbon reduction initiatives to continuously enhance energy efficiency. Since 2022, the Company has adopted ISO 14064-1 to establish a systematic framework for greenhouse gas monitoring and management. To ensure optimal equipment performance, the Company conducts comprehensive and regular maintenance, which not only improves energy efficiency but also reduces equipment failure rates. Employees are actively engaged in environmental initiatives, incorporating energy conservation and carbon reduction into daily practices, such as optimizing air-conditioning settings, conserving water and electricity, and adopting energy-efficient lighting, thereby reinforcing environmental awareness and demonstrating the Company's long-term commitment to sustainability and social responsibility. The Company has completed the transition to LED lighting in poultry houses and replaced all reservoir motors with variable frequency drives. Looking ahead, it plans to progressively replace existing air-conditioning systems with high-efficiency inverter models and continue introducing environmentally friendly refrigerants in cold storage facilities. The Company does not currently utilize carbon offsets or renewable energy certificates. However, rooftop solar photovoltaic systems have been installed across the facilities to reduce reliance on conventional energy sources and lower greenhouse gas emissions. These systems also provide shading that reduces direct sunlight exposure, lowering indoor temperatures by approximately 3~5°C and thereby reducing air-conditioning-related electricity consumption of facilities and offices. These initiative delivers tangible environmental benefits by advancing the green energy economy. The Company has been progressively installing solar photovoltaic systems on the rooftops of its facilities. As of 2025, the total installed capacity is approximately 3,626.854 MWh. Final figures shall be based on the officially disclosed 2025 Sustainability Report.
9. GHG inventory and assurance status as well as reduction targets, strategy, and concrete action plans. (Data available in 5C (page 61) and 5D (page 63))	For further details, please refer to the sections "GHG inventory and assurance status in the recent two years" and "GHG reduction targets, strategy, and concrete action plans" in this Annual Report.

C. GHG inventory and assurance status in the most recent two years

a. GHG inventory

Describe the GHG emission volume (MT CO₂e), intensity (MT CO₂e / NT\$ million), and data coverage in the recent two years.

In accordance with the Sustainable Development Roadmap for TWSE/TPEX Listed Companies, the Company is classified as an entity with paid-in capital of less than NT\$5 billion:

1. The parent company (standalone) is required to commence greenhouse gas inventory in 2026, with assurance to be obtained in 2028.
2. Subsidiaries included in the consolidated financial statements are required to commence greenhouse gas inventory in 2027, with assurance to be obtained in 2029.

The Company has established its greenhouse gas inventory mechanism in accordance with ISO 14064-1 issued by the International Organization for Standardization (ISO). Since 2022, the Company has proactively conducted annual greenhouse gas inventories and obtained assurance for the standalone entity, enabling comprehensive monitoring of greenhouse gas emissions.

The greenhouse gas inventory data for the most recent two years have been compiled using the operational control approach to aggregate the Company's emissions, as outlined below:

		2025		2024	
		Emissions (MT CO ₂ e)	Intensity (MT CO ₂ e / NT\$ million)	Emissions (MT CO ₂ e)	Intensity (MT CO ₂ e / NT\$ million)
The Company	Scope 1	1,843.8618		1,871.9741	
	Scope 2	3,275.1900		3,477.4770	
	Scope 3	487.3144		97.2767	
	Scope 4	798.6866		876.7015	
	Subtotal	6,405.055	3.2941	6,323.429	5.1881

1. Complete assurance information for 2025 will be disclosed in the sustainability report.
2. The inventory scope covers the Company and the subsidiary, Tai Da Eggs Technology Co., Ltd., included in the consolidated financial statements; however, Fu Che Frozen Food Co., Ltd. has not yet been included in the inventory.

Note 1: Direct emissions (Scope 1, i.e., emissions from sources owned or controlled by the Company), energy indirect emissions (Scope 2, i.e., indirect greenhouse gas emissions from purchased electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions resulting from the Company's activities, excluding energy indirect emissions, and originating from sources owned or controlled by other entities).

Note 2: The coverage of data for direct emissions and energy indirect emissions shall be disclosed in accordance with the timeline prescribed under Paragraph 2, Article 10 of the Regulations. Disclosure of other indirect emissions is voluntary.

Note 3: Greenhouse gas inventory standards include the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the ISO.

Note 4: Greenhouse gas emissions intensity may be calculated per unit of revenue; however, it shall at a minimum be disclosed based on revenue (in NT\$ million).

b. GHG assurance information

Describe the assurance status in the most recent two years, including the assurance scope, provider, standards, and opinion.		
Status of the Company's greenhouse gas inventory assurance for the most recent two years are as follows: Complete assurance information for 2025 will be disclosed in the sustainability report.		
Item	2025	2024
Assurance Scope	No. 68-27, 68-29, 68-30, 90, Pingshan Rd., Wanlong Village, Xinpi Township, Pingtung County; No. 3-36, Zhongshan Rd., Wanlong Village, Xinpi Township, Pingtung County; No. 98, Xinnan St., Yanpu Township, Pingtung County; No. 100, Ln. 135, Sec. 1, Guanxin Rd., Guanmiao Dist., Tainan City; No. 61-160, Zhongxing, 7th Neighborhood, Xinghua Village, Mailiao Township, Yunlin County; 14F & 16F, No. 206, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City; 3F, No. 17-1, Datong 1st Rd., Caoluo Village, Guanyin Dist., Taoyuan City	No. 68-27, 68-29, 68-30, 90, Pingshan Rd., Wanlong Village, Xinpi Township, Pingtung County; No. 3-36, Zhongshan Rd., Wanlong Village, Xinpi Township, Pingtung County; No. 100, Ln. 135, Sec. 1, Guanxin Rd., Guanmiao Dist., Tainan City; No. 61-160, Zhongxing, 7th Neighborhood, Xinghua Village, Mailiao Township, Yunlin County; 3F, No. 17-1, Datong 1st Rd., Caoluo Village, Guanyin Dist., Taoyuan City
Assurance Provider	Legendary & Steadfast Accountancy	Assurance Office, China Productivity Center (CPC)
Assurance Standard	ISAE 3410	ISO 14064-3:2019
Assurance Opinion	The Company has not yet obtained the complete greenhouse gas assurance opinion as of the date of this annual report. Full assurance information will be disclosed in the sustainability report.	The information and data disclosed by Dawushan Farm Technology Co., Ltd. are historical in nature. The CPC conducted a voluntary verification of the Company's greenhouse gas emissions for the period from January 1, 2024 to December 31, 2024, in accordance with ISO 14064-3:2019. The verification results were found to be in accordance with ISO 14064-1:2018, and an unqualified opinion was therefore issued.

Note 1: Disclosure shall be made in accordance with the timeline prescribed under Paragraph 2, Article 10 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion as of the date of the annual report, it shall state that “complete assurance information will be disclosed in the sustainability report.” If the Company does not prepare a sustainability report, it shall state that “complete assurance information will be disclosed on the MOPS.” The complete assurance information shall then be disclosed in the following year’s annual report. For 2025, complete assurance information will be disclosed in the sustainability report and the 2026 Annual Report.

Note 2: The assurance provider shall comply with the relevant requirements applicable to sustainability report assurance providers as prescribed by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note 3: For disclosure content, reference may be made to best practice examples available on the Corporate Governance Center website of the Taiwan Stock Exchange.

D. GHG reduction targets, strategy, and concrete action plans

Specify the GHG reduction base year and its data; the reduction targets, strategy and concrete action plans; and the status of target achievement.
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The Company initially designated 2022 as the base year for its greenhouse gas inventory. However, due to rapid business expansion and changes in reporting and organizational boundaries (such as mergers, acquisitions, or divestitures), the base year will be re-established in accordance with applicable regulations once the organizational boundary is finalized, and the corresponding baseline greenhouse gas emissions will be recalculated. The actual targets will be disclosed in the Company’s sustainability report.

Note 1: Disclosure shall be made in accordance with the timeline prescribed under Paragraph 2, Article 10 of the Regulations.

Note 2: The base year shall be the year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, pursuant to Paragraph 2, Article 10 of the Regulations, companies with paid-in capital exceeding NT\$10 billion are required to complete the inventory for the 2024 consolidated financial statements in 2025; accordingly, the base year would be 2024. If the Company completes the consolidated inventory in advance, an earlier year may be designated as the base year. In addition, baseline emissions may be calculated based on a single year or as an average of multiple years.

Note 3: For disclosure content, reference may be made to best practice examples available on the Corporate Governance Center website of the Taiwan Stock Exchange.

(6) Performance in ethical management and non-compliance with “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and reasons

Assessment Items	Status			Non-compliance and Reasons
	Yes	No	Description	
1. Establishment of ethical management policies and schemes				
(1) Does the Company formulate ethical management policies approved by the Board and clearly express ethical management policies and actions as well as the Board and senior management’s commitment to implement those policies in the Company’s internal rules and external documents?	V		(1) The Company has established policies including the “Principles of Business Ethics,” “Procedures and Guidelines for Business Ethics,” and “Code of Ethical Conduct,” all of which have been approved by the Board of Directors and reported to the shareholders’ meeting. In addition, the Company has adopted the “Procedures for Handling Reports of Illegal, Unethical, or Dishonest Behavior,” thereby establishing both internal and external whistleblowing channels and related handling mechanisms to foster a culture of ethical corporate management. Management is also committed to implementing and overseeing the enforcement of these policies.	None
(2) Does the Company establish assessment mechanism for risk arising from unethical conducts, regularly analyze and assess operating activities with higher risk of unethical conduct within its business, and formulate preventive schemes accordingly, which at least contain preventive measures for conducts set forth in Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?	V		(2) The Company has established the “Principles of Business Ethics,” “Procedures and Guidelines for Business Ethics,” and “Code of Ethical Conduct.” These policies cover areas including bribery and corruption, illegal political contributions, improper charitable donations, inappropriate gifts and hospitality, infringement of intellectual property rights, unfair competition, and product safety issues that may harm stakeholders. Business ethics have also been incorporated into employee performance evaluations and human resource policies, with clearly defined and effective reward, disciplinary, and grievance mechanisms in place.	None
(3) Does the Company have clear statements regarding relevant procedures, conduct guidelines, disciplinary measures and compliant system in the schemes to prevent unethical conduct, and does the Company implement them accordingly and regularly review those schemes?	V		(3) The Company has established the “Procedures for Handling Reports of Illegal, Unethical, or Dishonest Behavior,” which set out the scope of reportable matters, responsible units, reporting formats and channels, handling procedures, non-accepted report categories, and corresponding response measures. These procedures apply to violations of the “Employee Code of Conduct and Ethics,” “Principles of Business Ethics,” “Procedures and Guidelines for Business Ethics,” and “Code of Ethical Conduct,” and are promoted through the Company’s website and internal electronic bulletin boards. In addition, they are integrated into the Company’s reward and disciplinary system and performance evaluation framework to enhance the effectiveness of preventing unethical conduct.	None

Assessment Items	Status			Non-compliance and Reasons
	Yes	No	Description	
2. Implementation of ethical management				
(1) Does the Company review the counterparty’s history of ethical conduct and include the compliance of business ethics as a clause in the contract?	V		(1) When entering contracts with customers and suppliers, the Company clearly specifies the rights and obligations of both parties and includes integrity and ethical conduct clauses in such contracts.	None
(2) Has the Company established a dedicated department under the Board to promote ethical conducts and report regularly (at least once every year) its ethics policies and preventive schemes for unethical conducts as well as implementation status to the Board?	V		(2) The President Office serves as the unit responsible for promoting ethical corporate management on a part-time basis and reports the status of implementation to the Board of Directors on a regular basis (at least once annually).	None
(3) Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels and thoroughly implement the policies?	V		(3) The Company’s “Procedures and Guidelines for Business Ethics,” and “Code of Ethical Conduct” include policies for the prevention of conflicts of interest. Directors and interested parties are required to disclose the nature of any conflicts of interest at Board meetings and shall recuse themselves where there is a potential conflict with the Company’s interests. Employees who identify potential conflicts of interest in the course of their duties are required to report such matters to their supervisors and the responsible unit to ensure effective prevention. Internally, the Company has established an “Improper Conduct Reporting” mechanism on its intranet. Externally, reporting and complaint channels are provided through the “Stakeholder” section of the Company’s website, enabling relevant parties to submit reports or raise concerns.	None
(4) Has the Company established effective accounting and internal control systems for the implementation of ethics policies and had the internal audit unit formulating relevant audit plans based on the assessment outcome of risk associated with unethical conducts? Has the Company then performed audits on the compliance with the preventive schemes for unethical conducts accordingly, or entrust the CPAs to conduct the audits?	V		(4) The Company has established effective accounting and internal control systems. Business ethics has been incorporated into the annual internal control risk assessment. Based on the assessment results, relevant audit plans are formulated and executed. Where special circumstances arise, additional ad hoc audits will be conducted as necessary.	None

Assessment Items	Status			Non-compliance and Reasons
	Yes	No	Description	
(5) Has the Company regularly held internal and external training sessions on business ethics?	V		(5) The Company promotes business ethics through meetings and regular internal training programs to ensure that employees clearly understand the relevant principles and requirements. All new employees receive orientation and training organized by the Human Resources Department and the responsible unit on business ethics, the Code of Ethical Conduct, and the whistleblowing system upon onboarding, ensuring that proper ethical values are established from the outset. In addition, the Company provides annual briefings to the Board of Directors on business ethics, covering the latest regulatory developments, conflict of interest avoidance, and the oversight and implementation of measures to prevent unethical conduct.	None
3. Implementation of whistleblowing system				
(1) Has the Company established specific whistleblowing and reward systems, set up conveniently accessible complaint channels, and designated responsible individuals to handle the complaint received?	V		(1) The Company has established the “Procedures for Handling Reports of Illegal, Unethical, or Dishonest Behavior” to govern the reporting mechanism. Reports may be submitted in writing or through electronic means. Reports from shareholders, investors, and other stakeholders are received and handled by the spokesperson, while reports from internal employees, customers, suppliers, and other parties are handled by the Administration Department, Internal Audit Department, or other relevant units.	None
(2) Has the Company established standard operating procedures for investigating the complaints received, actions to be taken upon the completion of investigation, and mechanisms for confidentiality?	V		(2) Procedures for handling reported incidents: A. If a reported incident is verified to be substantiated, it shall be handled in accordance with applicable laws and regulations and the Company’s Work Rules and related disciplinary provisions. Prior to any disciplinary action, the Company shall provide the accused party with an opportunity to present a statement or file an appeal. B. The Company shall ensure confidentiality and provide protection for whistleblowers and individuals involved in the investigation to prevent any unfair treatment or retaliation. If any such individual experiences unfair treatment, retaliation, or similar circumstances, they shall promptly report the matter to the original responsible unit. C. If the responsible unit determines that the reported incident involves directors, supervisors, or senior management, or constitutes a material violation that may cause significant harm to the Company, it shall	None

Assessment Items	Status			Non-compliance and Reasons
	Yes	No	Description	
			promptly prepare a report and notify the independent directors in writing. D. The results of the investigation shall be communicated to the reporting party by official correspondence, telephone, or other appropriate means. E. Any person who knowingly submits false reports or provides fraudulent evidence would be held responsible for any resulting criminal charges. The Company reserves the right to pursue legal action where applicable. F. Where a reported incident is substantiated and deemed material, the reporting party may be granted an appropriate reward based on their contribution and the resulting economic benefits.	
(3) Has the Company established measures to protect whistleblowers from improper treatments?	V		(3) In accordance with the Company's "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Behavior," the Company ensures confidentiality and protection for whistleblowers and individuals involved in investigations.	None
4. Enhancement on information disclosure				
Does the Company disclose its principles of business ethics and information about implementation of such guidelines on its website and the MOPS?	V		The Company has disclosed the "Principles of Business Ethics" and the "Procedures and Guidelines for Business Ethics" on the MOPS, and is actively planning to establish a Corporate Governance section on its website to present relevant business ethics policies and their implementation status.	None
5. If the Company has established ethical conduct policies based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," please specify any discrepancy between the policies and their implementation: The Company has established the "Principles of Business Ethics" and operates in compliance with such principles. There are no significant discrepancies between the operations and the established Principles.				
6. Other important information to facilitate better understanding of the Company's ethical conduct practices (e.g., the Company reviews and revises its Principles of Business Ethics, etc.): (1) The Company strictly complies with applicable laws and regulations, including the Company Act, the Securities and Exchange Act, relevant listing and OTC regulations, and other laws governing business conduct, as the foundation for implementing ethical corporate management. (2) The Company regularly arranges for directors and department heads to attend corporate governance training programs to enhance their oversight and governance capabilities, with the aim of strengthening corporate governance effectiveness and reinforcing ethical corporate management practices. (3) The Company has established a director recusal mechanism in its "Rules of Procedure for Board of Directors' Meeting." Where a director has a personal interest, or represents an entity with an interest, in any agenda item that may be detrimental to the Company's interests, such director may state opinions and respond to inquiries, but shall not participate in the discussion or voting, and shall recuse himself or herself during deliberation and voting. Such director shall				

Assessment Items	Status			Non-compliance and Reasons
	Yes	No	Description	
also not exercise voting rights on behalf of another director.				
(4) The Company has adopted the “Management Procedures for Insider Trading Prevention,” which expressly prohibit insiders and any persons who become aware of material information by virtue of their position or duties from disclosing such information to others.				

(7) For further details, please refer to the MOPS (www.mops.twse.com.tw) and the Company’s website (<https://www.dawushan.com.tw/>).

(8) The following items shall be disclosed regarding the implementation status of the internal control system

A. The Statement of Internal Control System is as follows:

Dawushan Farm Technology Co., Ltd.

Statement of Internal Control System

Date: March 6, 2026

Based on the findings of a self-assessment, Dawushan Farm Technology Co., Ltd. (the Company) states the following with regard to its internal control system for 2025:

1. The Company's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets); reliability, timeliness, and transparency of reporting; and compliance with applicable laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three objectives mentioned above. Moreover, the effectiveness of an internal control system may be subject to changes of environment or circumstances. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any deficiencies identified.
3. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components of internal control based on the process of management: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component further contains several items. Please refer to the Regulations for details.
4. The Company has reviewed the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the review mentioned in the preceding paragraph, the Company believes that, as of December 31, 2025, its internal control system (including its supervision and management of subsidiaries), as well as its internal controls to monitor the achievement of its objectives concerning operational effectiveness and efficiency; liability, timeliness, and transparency of financial reporting; and compliance with applicable laws and regulations, were effective in design and operation, and reasonably assured the achievement of the above-mentioned objectives.
6. This Statement will be an essential part of the Company's annual report and prospectus, and will be publicly disclosed. Any falsehood, concealment, or other illegality in the content made public will entail legal liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchanged Act.
7. This Statement has been approved in the Board of Directors' meeting on March 6, 2026, with 0 of the 7 attending directors expressing objectives, and the remainder all affirming the content of this Statement.

Dawushan Farm Technology Co., Ltd.



Chairperson: Feng-Chun Lin



President: Shang-Chiang Wei



B. Where CPAs are retained to audit the internal control system, please disclose the CPAs' audit report: None.

(9) Major resolutions of shareholders' meetings and Board meetings in the most recent year and as of the date of this annual report

A. Major resolutions of shareholders' meetings

Date	Meeting	Agenda	Resolution
2025/05/20	2025 annual shareholders' meeting	2024 business report and financial statements of the Company	Approved as proposed
		Proposal for distribution of 2024 earnings	Approved as proposed; cash dividends of NT\$67,345,000 (NT\$1 per share) to be distributed
		Proposal for cash distribution from capital surplus	Approved as proposed; NT\$67,345,000 (NT\$1 per share) to be distributed from capital surplus
		Amendments to the "Articles of Incorporation"	Approved as proposed
		Amendment to the "Procedures for Acquisition or Disposal of Assets"	Approved as proposed
		By-election of one director	Elected: TePen Investment Co., Ltd. Representative: Yu-Heng Wei
2025/07/28	2025 first special shareholders' meeting	By-election of one independent director	Elected: Chien-Nan Hsieh
2026/02/04	2025 first special shareholders' meeting	Full re-election of directors	Elected: Kuo Hsing Poultry & Livestock Feeds Co., Ltd. Representative: Feng-Chun Lin Kuo Hsing Poultry & Livestock Feeds Co., Ltd. Representative: Yung-Li Lin TePen Investment Co., Ltd. Representative: Shang-Chiang Wei TePen Investment Co., Ltd. Representatives: Yu-Heng Wei, Suey-Ping Chi, Chien-Nan Hsieh, Pei-Fen Liao
		Removal of non-compete restrictions on newly appointed directors and their institutional representatives	Approved as proposed

B. Major resolutions of Board meetings

Term	Date	Content of Motions	Resolution
15th meeting of the 9nd term	2025/02/18	Compensation to employees and remuneration to directors for 2024	Approved the appropriation of NT\$3,847,137 for remuneration to directors and NT\$5,129,516 for compensation to employees for 2024.
		Detailed distribution of remuneration to directors for 2024	Approved
		2024 business report and financial statements of the Company	Approved
		Proposal for distribution of 2024 earnings	Approved the distribution of cash dividends totaling NT\$67,345,000 (NT\$1 per share)

Term	Date	Content of Motions	Resolution
		Proposal for cash distribution from capital surplus	Approved the distribution of cash dividends totaling NT\$67,345,000 (NT\$1 per share)
		2024 Internal Control System Statement of the Company	Approved
		Amendment to the “First Share Repurchase and Transfer to Employees Plan in 2024”	Approved
		Amendments to the “Internal Control System” and “Internal Audit Procedures”	Approved
		Amendment to the “Procedures for Acquisition or Disposal of Assets”	Approved
		Board of Directors and functional committees’ performance evaluation	Approved
		Amendments to the “Articles of Incorporation”	Approved
		Evaluation of the scope of frontline employees	The definition of frontline employees was revised to exclude managerial personnel, and the threshold for average monthly regular salary was set below the standard prescribed under the “Regulations Governing Additional Deduction of Wage Expense Increases for Small and Medium Enterprises.” The proposal was approved as amended.
		Proposed liquidation and dissolution of subsidiaries JihShang Livestock Products Co., Ltd. and Mountain River Livestock Products Co., Ltd.	Approved
		Application for short-term loan and secured credit facilities with First Commercial Bank	Approved
		Application for short-term and medium- to long-term credit facilities with Chang Hwa Commercial Bank	Approved
		Organizational restructuring of the Company	Approved
		Removal of non-compete restrictions on executives	Approved
		2023 sustainability report	Approved
		Greenhouse gas inventory and verification timeline plan	Approved
16th meeting of the 9nd term	2025/03/24	Matters relating to the convening of the 2025 annual shareholders’ meeting	Approved
		By-election of one director	Approved
		Proposed acquisition of equity interest in Fu Che Frozen Food Co., Ltd.	Approved
		Change of CPAs and evaluation of their independence and suitability	Approved
		Establishment of the “Standard Operating Procedures for Handling Requests from Directors”	Approved
		Application for credit facilities with Mega International Commercial Bank	Approved
		Application for credit facilities with First Commercial Bank	Approved
		Matters relating to the 2025 annual shareholders’ meeting	Approved
17th meeting of the 9nd term	2025/05/09	Distribution details of compensation to managerial employee for 2024	Approved
		Ratification of executive performance bonuses for 2024	Approved
		Proposal to execute share repurchase of the Company	Approved
		The Company’s consolidated financial statements for the three months ended March 31, 2025	Approved
		Contracts with related parties	Approved

Term	Date	Content of Motions	Resolution
		Application for credit facilities with Yuanta Commercial Bank	Approved
		Application for credit facilities with Taiwan Cooperative Bank	Approved
		Application for credit facilities with Chang Hwa Commercial Bank	Approved
		Application for credit facilities with CTBC Bank	Approved
		Matters relating to the convening of the 2025 first special shareholders' meeting	Approved
		By-election of one independent director and nomination and review of independent director candidates	Approved
18th meeting of the 9nd term	2025/08/12	The Company's consolidated financial statements for the six months ended June 30, 2025	Approved
		Establishment of "Treasury Share Repurchase Procedures"	Approved
		Amendments to the "Internal Control System" and "Internal Audit Procedures"	Approved
		Amendments to the "Approval Authority Guidelines"	Approved
		Capital expenditure budget	Approved
		Contracts with related parties	Approved
		Provision of endorsements/guarantees for subsidiary Fu Che Frozen Food Co., Ltd.	Approved
		Establishment of the "Risk Management Policies and Procedures"	Approved
19th meeting of the 9nd term	2025/11/06	2024 sustainability report	Approved
		The Company's consolidated financial statements for the nine months ended September 30, 2025	Approved
		2026 budget of the Company	Approved
		2026 internal audit plan	Approved
		Contracts with related parties	Approved
		Amendments to the "Internal Control System" and "Internal Audit Procedures"	Approved
		Establishment of the "Sustainability Development Committee Charter"	Approved
		Appointment of members of the Sustainability Development Committee	Approved the appointment of Director Shang-Chiang Wei, Director Yu-Heng Wei, and the Associate Vice President of the Sustainability Development Office and Food Safety Department Hung-Ming Wang
		Formulation of the "Corporate Value Enhancement Plan"	Approved
		Distribution of year-end bonuses to executives for 2025	Approved
20th meeting of the 9nd term	2025/12/15	Full re-election of directors	Approved
		Nomination and review of director candidates	Approved
		Removal of non-compete restrictions on newly appointed directors and their institutional representatives	Approved
		Matters relating to the convening of the 2026 first special shareholders' meeting	Approved
1st meeting of the 10th term	2026/02/04	Election of the Chairperson of the Board	Approved
2nd meeting of the 10th term	2026/03/06	Distribution of remuneration to directors and compensation to employees for 2025	Approved that, due to a pre-tax loss in the 2025 financial statements, no compensation to employees or remuneration to directors will be distributed in

Term	Date	Content of Motions	Resolution
			accordance with Article 21 of the Company's Articles of Incorporation.
		2025 business report and financial statements of the Company	Approved
		Proposal for distribution of 2025 earnings	Approved that, due to a net loss after tax in 2025, no dividends will be distributed for the year.
		2025 Internal Control System Statement of the Company	Approved
		Evaluation of CPA independence and suitability	Approved
		Proposal for the participation in cash capital increase of subsidiary Dawushan Ise Foods Co., Ltd.	Approved
		Amendment to rename the "Audit Committee Charter" to the "Audit and Risk Management Committee Charter"	Approved
		Amendment to the "Procedures for Endorsements and Guarantees"	Approved
		Appointment of members of the 2nd Sustainability Development Committee	Approved the appointment of Director Shang-Chiang Wei, Director Yu-Heng Wei, and the Associate Vice President of the Sustainability Development Office and Food Safety Department Hung-Ming Wang
		Renewal of short-term credit facilities with First Commercial Bank	Approved
		Renewal of short-term credit facilities with Chang Hwa Commercial Bank	Approved
		Renewal of short-term credit facilities with Mega International Commercial Bank	Approved
		Renewal of short-term credit facilities with Yuanta Commercial Bank	Approved
		Application for short-term credit facilities with E.Sun Commercial Bank	Approved
		Amendments to the "Rules for Managing Compensation of Directors and the Management"	Approved
		Review of the scope and determination criteria of "frontline employees"	Approved
		Organizational restructuring of the Company	Approved
		Amendments to the "Rules of Procedure for Shareholders' Meetings"	Approved
		Matters relating to the convening of the 2026 annual shareholders' meeting	Approved

- (10) Different opinions expressed by directors regarding major Board resolutions, either by recorded statement or in writing, in the most recent year and as of the date of this annual report: None.

4. Audit Fees for CPA

(1) Audit fees for CPA

(In Thousands of New Taiwan Dollars)

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee	Total	Note
PricewaterhouseCoopers Taiwan	A-Shen Liao and Chien-Chih Wu	2025.01.01-2025.12.31	2,000	250	2,250	Non-audit fees relate to tax compliance audits and certifications under the direct deduction method for business tax.

- (2) For a change in accounting firms where the audit fee paid in the year of the change is less than that of the previous year, the amounts of audit fees before and after the change, as well as the reasons for the change, shall be disclosed: Not applicable.
- (3) For a decrease in audit fees of over 10% compared to the previous year, the amount and percentage of the decrease, as well as the reasons for the decrease, shall be disclosed: Not applicable.

5. Change of CPA

(1) Former CPA

Date of change	Approved by the Board on March 24, 2025		
Reasons for change and explanation	In response to the Company’s operational development and internal management needs		
Explain whether the Company ended the engagement or CPA declined further engagement	Parties		CPA
	Cases		The Company
	Voluntarily Termination of Engagement		V
	Decline (Terminate) Further Engagement		
Opinion and reason for the former CPA to issue an audit report expressing other than an unqualified opinion during the two most recent years	None		
Disagreement with the Company	Yes		Accounting principle or practice
			Financial report disclosure
			Auditing scope or procedure
			Others
	No	V	
	Explanation	None	
Supplementary disclosure (Matters specified in Items 1-4 to 1-7, Subparagraph 6, Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies)	None		

(2) Successor CPA

CPA Firm	PricewaterhouseCoopers Taiwan
CPAs	A-Shen Liao Chien-Chih Wu
Date of Engagement	From the first quarter of 2025
Consultation on accounting treatment of or application of accounting principles to a specified transaction, or the type of audit opinion that might be rendered prior to the engagement	N/A
Written opinions from successor CPA regarding disagreeable items of the former CPA	N/A

6. **Any of the Company's Chairperson, President, or Managers in Charge of Finance or Accounting Held a Position in the CPA's Firm or Its Affiliates in the Most Recent Year: None.**

7. Changes in Shareholding and Shares Pledged by Directors, Managers and Shareholders with 10% Shareholdings or More in the Most Recent Year and as of the Date of this Annual Report

(In Shares)

Changes in Shareholding of Directors, Managers, and Major Shareholders						
Title	Name	2025		As of the Date of this Annual Report		Remark
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged	
Chairperson	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	300,097	-	-	-	
	Representative: Feng-Chun Lin	-	-	-	-	
Director	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	N/A	N/A	-	-	Note1
	HsiangCheng Investment Co., Ltd.	34,000	-	597,000	-	
	Representative: Yung-Li Lin	30,000	-	-	-	
Director President	TePen Investment Co., Ltd.	-	-	-	-	
	Representative: Shang-Chiang Wei	-	-	-	-	
Director COO	TePen Investment Co., Ltd.	-	-	-	-	
	Representative: Yu-Heng Wei	-	1,000,000	-	-	Notes 2&9
Director	Chi-Ming Chang	-	-	N/A	N/A	Note3
Independent Director	Pei-Fen Liao	N/A	N/A	-	-	Note1
Independent Director	Suey-Ping Chi	-	-	-	-	
Independent Director	Chien-Nan Hsieh	-	-	-	-	Note4
Independent Director	Chi-Hsiung Liu	-	-	-	-	Note5
Independent Director	Chang-Ruey Shiau	-	-	-	-	Note6
CFO, Finance and Accounting Department	Hsiao-Hui Fang	-	-	-	-	
Assistant Vice President, Poultry Management Department	Wei-Chi Li	-	-	-	-	
Assistant Vice President of Sustainable Development Office and Food Safety Department	Hung-Ming Wang	N/A	N/A	-	-	Note7
Assistant Vice President, Administration Department	Pin-I Yeh	-	-	N/A	N/A	Note8
Shares held through a nominee	TaShu Investment Co., Ltd.	-	-	-	-	

Note 1: Following the full re-election of directors at the first special shareholders' meeting on February 4, 2026, Director Yung-Li Lin, as representative of Kuo Hsing Poultry & Livestock Feeds Co., Ltd., and Independent Director Pei-Fen Liao assumed office; meanwhile, Director Yung-Li Lin, as representative of HsiangCheng Investment Co., Ltd., stepped down from her directorship.

Note 2: Yu-Heng Wei, as representative of TePen Investment Co., Ltd., assumed office following a by-election at the annual shareholders' meeting on May 20, 2025.

Note 3: Director Chi-Ming Chang resigned on February 3, 2025.

Note 4: Independent Director Chien-Nan Hsieh assumed office following a by-election at the first special shareholders' meeting on July 28, 2025.

Note 5: Independent Director Chi-Hsiung Liu resigned on August 1, 2025.

Note 6: Independent Director Chang-Ruey Shiau resigned on May 1, 2025.

Note 7: Assistant Vice President Hung-Ming Wang assumed office on July 1, 2025.

Note 8: Assistant Vice President Pin-I Yeh resigned on March 1, 2025.

Note 9: The counterparties to the share pledges are not related parties.

(1) Share Transferred by Directors, Managers and Major Shareholders to Related Parties: None.

(2) Share Pledged by Directors, Managers and Major Shareholders to Related Parties: None.

8. Top 10 Shareholders Who are Related Parties, Spouses, or within Second-Degree of Kinship to Each Other

As of March 24, 2026 (In Shares, %)

Name	Shareholding		Spouses, Minor Children		Nominee Arrangement		Names and Relationship of Top 10 Shareholders who are Related Parties, Spouses or within Second-Degree of Kinship to Each Other		Remark
	Shares	%	Shares	%	Shares	%	Title (or Name)	Relation	
HsiangCheng Investment Co., Ltd. Representative: Yung-Li Lin	18,372,293	26.88	-	-	-	-	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	Parent and subsidiary	-
	2,116,650	3.1	-	-	-	-	Feng-Chun Lin, Kuo-Chung Lin	Relatives within the second degree of kinship	-
Kuo Hsing Poultry & Livestock Feeds Co., Ltd. Representative: Feng-Chun Lin	10,740,413	15.71	-	-	18,372,293	26.88	HsiangCheng Investment Co., Ltd.	Parent and subsidiary	Note 1
	2,179,735	3.19	-	-	-	-	Yung-Li Lin, Kuo-Chung Lin	Relatives within the second degree of kinship	-
TaShu Investment Co., Ltd. Representative: Shang-Chiang Wei	4,540,780	6.64	-	-	-	-	JuiChao Investment Co., Ltd. TePen Investment Co., Ltd.	Representatives are relatives within the second degree of kinship to each other	-
	1,443,750	2.11	1,443,750	2.11	4,540,780	6.64	Yu-Heng Wei, Tzu-Huan Wei	Relatives within the second degree of kinship	Note 2
Cathay Sustainability Private Equity Fund Limited Partnership	4,396,363	6.43	-	-	-	-	-	-	-
JuiChao Investment Co., Ltd. Representative: Tzu-Huan Wei	2,886,056	4.22	-	-	-	-	TaShu Investment Co., Ltd. TePen Investment Co., Ltd.	Representatives are relatives within the second degree of kinship to each other	-
	3,000	0.00	-	-	-	-	TaShu Investment Co., Ltd. Shang-Chiang Wei, Yu-Heng Wei	Director Relatives within the second degree of kinship	- -
Yu-Heng Wei	2,362,500	3.46	-	-	1,995,000	2.92	TaShu Investment Co., Ltd.	Director	-
							TePen Investment Co., Ltd.	Chairperson	Note 3
							JuiChao Investment Co., Ltd.	Relatives within the second degree of kinship to the representative	-
							Yu-Heng Wei, Tzu-Huan Wei	Relatives within the second degree of kinship	-
Feng-Chun Lin	2,179,735	3.19	-	-	-	-	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	Chairperson	-
							Yung-Li Lin, Kuo-Chung Lin	Relatives within the second degree of kinship	-
Yung-Li Lin	2,116,650	3.1	-	-	-	-	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	Director	
							Feng-Chun Lin, Kuo-Chung Lin	Relatives within the second degree of kinship	
TePen Investment Co., Ltd.	1,995,000	2.92	-	-	-	-	TaShu Investment Co., Ltd. JuiChao Investment Co., Ltd.	Representatives are relatives within the second degree of kinship to each other	-

Name	Shareholding		Spouses, Minor Children		Nominee Arrangement		Names and Relationship of Top 10 Shareholders who are Related Parties, Spouses or within Second-Degree of Kinship to Each Other		Remark
	Shares	%	Shares	%	Shares	%	Title (or Name)	Relation	
Representative: Yu-Heng Wei	2,362,500	3.46	-	-	-	-	TaShu Investment Co., Ltd.	Director	-
							TePen Investment Co., Ltd.	Chairperson	-
							JuiChao Investment Co., Ltd.	Representatives are relatives within the second degree of kinship to each other	-
							Shang-Chiang Wei, Tzu-Huan Wei	Relatives within the second degree of kinship	-
Kuo-Chung Lin	1,943,670	2.84	-	-	-	-	Feng-Chun Lin, Yung-Li Lin	Relatives within the second degree of kinship	-

9. Number of Shares Held and Shareholding Percentage of the Company, the Company's Directors, Managers and Directly or Indirectly Controlled Entities on the Same Investee

As of December 31, 2025; (In Shares; %)

Investee (Note 1)	Investment by the Company		Investment by Directors, Supervisors, Managers and Directly or Indirectly Controlled Entities		Total	
	Shares	%	Shares	%	Shares	%
Tai Da Eggs Technology Co., Ltd.	3,761,200	68.39%	770,000	14.00%	4,531,200	82.39%
Dawushan Ise Foods Co., Ltd.	13,950,000	60.00%	-	-	13,950,000	60.00%
Fu Che Frozen Food Co., Ltd. (Note 2)	15,364,000	51.21%	-	-	15,364,000	51.21%

Note 1: Investments accounted for using the equity method of the Company.

Note 2: The Company acquired an equity interest on April 1, 2025, of which 51% was purchased from Kuo Hsing Poultry & Livestock Feeds Co., Ltd.

III. Capital Overview

1. Capital and Shares

(1) Source of capital

(In Thousands of Shares; Thousands of New Taiwan Dollars)

Year/Month	Issue Price (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source	Capital Increase by Assets Other than Cash	Others
2007.01.04	10	10,000	100,000	10,000	100,000	Paid-in capital of NT\$100,000 thousand	None	Note 1
2011.04.15	10	15,000	150,000	15,000	150,000	Cash capital increase of NT\$50,000 thousand	None	Note 2
2012.01.05	10	20,000	200,000	20,000	200,000	Cash capital increase of NT\$50,000 thousand	None	Note 3
2012.04.25	10	25,000	250,000	25,000	250,000	Cash capital increase of NT\$50,000 thousand	None	Note 4
2012.08.10	10	30,000	300,000	30,000	300,000	Cash capital increase of NT\$50,000 thousand	None	Note 5
2017.11.30	10	40,000	400,000	34,816	348,158	Cash capital increase of NT\$48,158 thousand	None	Note 6
2017.12.22	10	40,000	400,000	40,000	400,000	Cash capital increase of NT\$51,842 thousand	None	Note 7
2022.08.29	10	100,000	1,000,000	55,000	550,000	Capitalization of capital surplus of NT\$150,000 thousand	None	Note 8
2023.08.23	10	100,000	1,000,000	57,750	577,500	Capitalization of earnings of NT\$27,500 thousand	None	Note 9
2023.10.23	56	100,000	1,000,000	60,750	607,500	Cash capital increase of NT\$30,000 thousand	None	Note 10
2024.06.11	57.13	100,000	1,000,000	68,345	683,450	Cash capital increase of NT\$75,950 thousand	None	Note 11

Note 1: Official Letter No. 09631514660 issued by MOEA on January 4, 2007.

Note 2: Official Letter No. 10031867740 issued by MOEA on April 15, 2011.

Note 3: Official Letter No. 10131505770 issued by MOEA on January 5, 2012.

Note 4: Official Letter No. 10131929720 issued by MOEA on April 25, 2012.

Note 5: Official Letter No. 10132364010 issued by MOEA on August 10, 2012.

Note 6: Official Letter No. 10633698680 issued by MOEA on November 30, 2017.

Note 7: Official Letter No. 10633760300 issued by MOEA on December 22, 2017.

Note 8: Official Letter No. 11101155800 issued by MOEA on August 29, 2022.

Note 9: Official Letter No. 11230153050 issued by MOEA on August 23, 2023.

Note 10: Official Letter No. 11230190820 issued by MOEA on October 23, 2023.

Note 11: Official Letter No. 11330113070 issued by MOEA on November 08, 2024.

Class of Shares	Authorized Capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Common Shares	68,345,000	31,655,000	100,000,000	The shares are listed on a stock exchange

- (2) Major shareholders (name, number of shares and shareholding percentage of shareholders with holdings equal to or exceed 5% or the top 10 shareholders)

As of March 24, 2026

Shareholding	Shares	%
Major Shareholders		
HsiangCheng Investment Co., Ltd.	18,372,293	26.88
Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	10,740,413	15.71
TaShu Investment Co., Ltd.	4,540,780	6.64
Cathay Sustainability Private Equity Fund Limited Partnership	4,396,363	6.43
JuiChao Investment Co., Ltd.	2,886,056	4.22
Yu-Heng Wei	2,362,500	3.46
Feng-Chun Lin	2,179,735	3.19
Yung-Li Lin	2,116,650	3.1
TePen Investment Co., Ltd.	1,995,000	2.92
Kuo-Chung Lin	1,943,670	2.84

- (3) Dividend policy and execution status

A. Dividend policy

If the Company has profits for the year, it shall first pay applicable taxes and offset accumulated losses, and then set aside 10% of the remaining balance as a legal reserve, unless the legal reserve has reached the level of the Company's paid-in capital. The Company shall thereafter appropriate or reverse a special reserve in accordance with its operational needs and applicable laws and regulations. The remaining balance, together with any accumulated undistributed earnings from prior years, shall be used by the Board of Directors to propose an earnings distribution plan. Where such distribution is to be made in cash, it shall be resolved by the Board of Directors and reported to the shareholders' meeting.

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 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.

B. Dividend distribution plan proposed (approved)

The Company's 2025 earnings distribution proposal was approved by the Board of Directors on March 6, 2026. As the Company recorded a net loss after tax of NT\$72,484,413 for 2025, and had accumulated distributable earnings of NT\$262,573,980, the Board, after considering the Company's future operational plans and funding requirements, resolved not to distribute any dividends for the year.

- (4) Impact of stock dividends on operation performance and earnings per share: Not applicable.

(5) Compensation to employees and remuneration to directors

- A. Percentage or range of compensation to employees and remuneration to directors in the Articles of Incorporation:

When the Company generates profits for the current year, remuneration to directors and compensation to employees shall be allocated as follows: (a) Remuneration to directors shall not exceed 4%, and (b) Compensation to employees shall be appropriated at a rate of 4% to 10% of profits, of which no less than 2% of profits shall be allocated to non-managerial employees. However, where the Company has accumulated losses, an amount shall first be reserved to cover such losses before any appropriation of remuneration to directors and compensation to employees is made in accordance with the aforementioned percentages. The distribution of remuneration to directors and compensation to employees shall be reported to the shareholders' meeting.

- B. Accrual basis of compensation to employees and remuneration to directors, calculation basis for number of shares distributed as employee compensation and accounting treatments for difference between the accrued and actual payment amounts:

The Company accrues compensation to employees and remuneration to directors and supervisors based on the percentages specified in the Company's Articles of Incorporation and recognizes them as payroll expenses. Differences between the estimated and actual amounts are treated as changes in accounting estimates, and reflected in the profit or loss of the year in which the payment is made.

- C. Compensation approved by the Board:

- (a) For compensation to employees and remuneration to directors and supervisors in the form of cash or stock, if the amount distributed differs from the amount accrued in the year when expense was recognized, the differences, reasons and actions taken shall be disclosed:

The Board of Directors resolved on March 6, 2026 that, due to a pre-tax loss reported in the 2025 financial statements, no compensation to employees or remuneration to directors will be distributed in accordance with Article 21 of the Company's Articles of Incorporation. This is consistent with the estimated expenses recognized for 2025 and will be reported at the 2026 annual shareholders' meeting.

- (b) Percentages of employee compensation distributed in the form of stock relative to the net income and the aggregate compensation to employees: None.

- D. Actual distribution of compensation to employees and remuneration to directors of the previous year (including the number of shares, dollar amount, and share price), as well as the differences, reasons and actions taken where the amount distributed differs from the amount accrued:

The Company's compensation to employees and remuneration to directors for 2024 were approved by the Board of Directors on February 18, 2025 and March 24, 2025. The amounts approved were NT\$3,847 thousand for remuneration to directors and NT\$5,130 thousand for compensation to employees. There was no difference between the amounts approved for distribution and the expenses recognized for the year.

(6) Share repurchase status:

A. Share repurchase (Completed)

Repurchase Tranche	First Repurchase	Second Repurchase
Purpose	Transfer shares to employees	Maintain the Company's credit standing and protect shareholders' interests
Repurchase Period	November 25, 2024 to January 24, 2025	May 12, 2025 to June 30, 2025
Repurchase Price Range	NT\$40~68; if the market price falls below the lower limit, the Company will continue the share repurchase	NT\$40~70; if the market price falls below the lower limit, the Company will continue the share repurchase
Type and Number of Shares Repurchased	1,000,000 common shares	0 common shares
Total Repurchase Amount	NT\$49,012,547	NT\$0
Percentage of Planned Repurchase Completed (%)	100%	0%
Shares Cancelled or Transferred	0 shares	0 shares
Cumulative Shares Held	1,000,000 shares	1,000,000 shares
Cumulative Shares Held as % of Total Issued Shares (%)	1.46%	1.46%

B. Share repurchase (In progress): None.

2. **Corporate Bonds: None.**

3. **Preferred Shares: None.**

4. **Global Depositary Shares: None.**

5. **Employee Stock Options and Employee Restricted Stock: None.**

6. **New Shares Issued in Connection with Mergers, Acquisitions or Acquisition of Shares of Other Companies: None.**

7. **Execution of Financing Plans: None.**

IV. Operational Highlights

1. Business

(1) Business scope

A. Main businesses of the Company

- (a) Crops cultivation
- (b) Livestock farm management
- (c) Rearing of livestock and poultry
- (d) Livestock service
- (e) Slaughter
- (f) Manufacturing of canned, frozen, dehydrated and pickled food
- (g) Manufacture of bakery and steam products
- (h) Manufacture of ready-to-eat meal
- (i) Manufacture of other food products not elsewhere classified
- (j) Fertilizer manufacturing
- (k) Wholesale of livestock and poultry
- (l) Wholesale of vegetables and fruits
- (m) Wholesale of other agricultural, livestock and aquatic products
- (n) Wholesale of foods and groceries
- (o) Wholesale of animal feeds
- (p) Wholesale of fertilizer
- (q) Retail sale of agricultural products
- (r) Retail sale of livestock products
- (s) Retail sale of other agricultural, livestock and aquaculture products
- (t) Retail sale of feeds
- (u) Retail sale of food, grocery and beverage
- (v) Retail sale of fertilizer
- (w) International trade
- (x) Waste disposal
- (y) Waste treatment
- (z) All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

B. Main products and their weightings:

(In Thousands of New Taiwan Dollars; %)

Main Products	2025		2024	
	Revenue	%	Revenue	%
Fresh eggs	883,266	45	972,742	49
Processed egg products	748,016	39	720,089	36
Prepared foods	269,336	14	244,146	12
Other	43,777	2	50,662	3
Total	1,944,395	100	1,987,639	100

C. Main products and services of the Company

The Company's principal products include eggs, processed egg products, and prepared foods. The Company's main products are currently as follows:

Category	Product Range
Fresh eggs	Branded eggs, commercial eggs, eggs for raw consumption, and functional eggs
Processed egg products	Liquid eggs (e.g., liquid egg whites and yolks), soft-boiled eggs, tea eggs, braised eggs, egg rolls, puddings, and mini waffles, etc.
Prepared foods	Dried tofu, soups, and braising spice packs, etc.

D. Development of new products and services

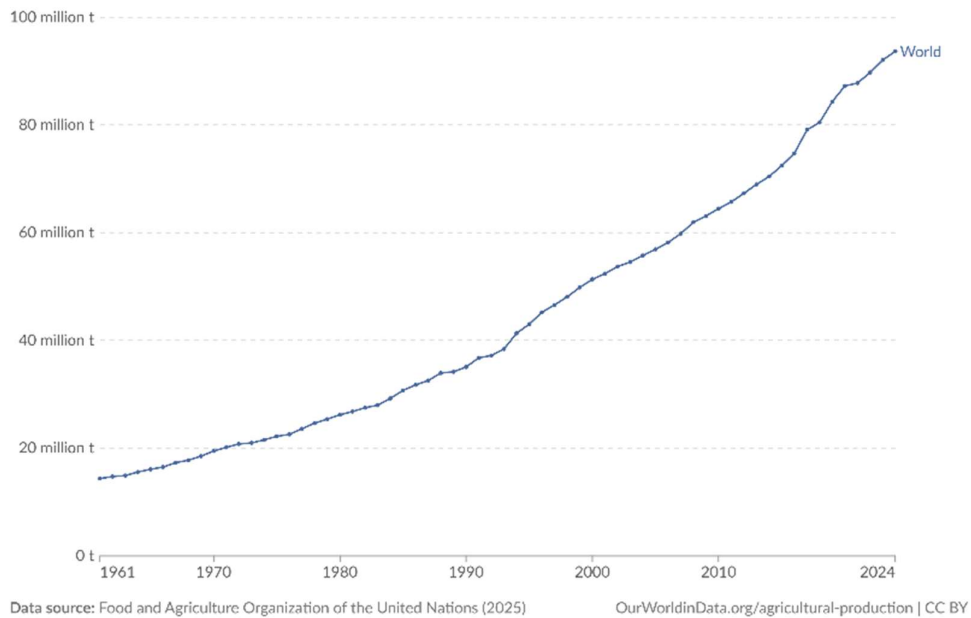
The Company continues to develop egg-based processed products, including diced egg whites, while expanding its offerings to include tea eggs and dessert varieties such as egg rolls.

(2) Industry overview

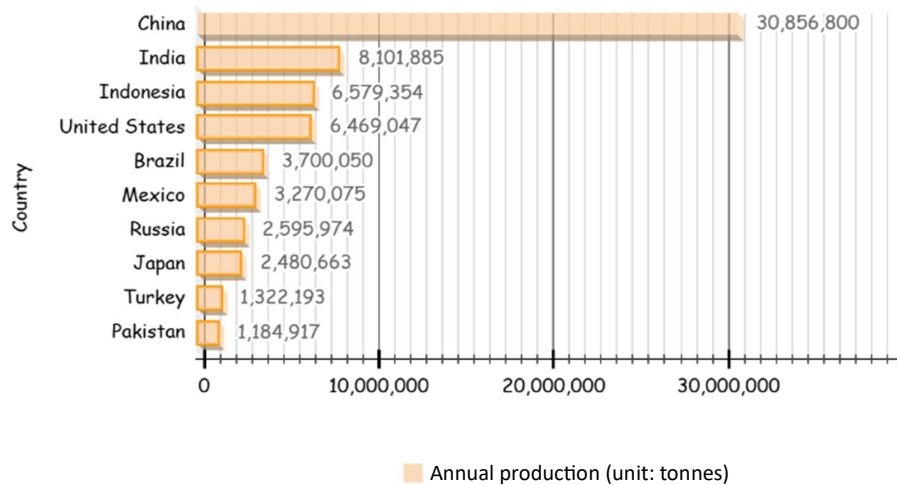
A. Industry status and development

Based on the latest data released by the United Nations' Food and Agriculture Organization (FAO) in 2025, egg production has consistently expanded over the past two decades, increasing from 14 million tons in 1960 to 94 million tons in 2024. Asia emerges as the world's largest egg-producing region, contributing over 65% of global egg production in 2024. Among all regions, Asia exhibits the highest growth rate in egg production, with China being the world's largest producer. Since 1985, China has maintained its position as the top producer globally. Key egg-producing provinces in China include Shandong, Hebei, Henan, Hubei, and Liaoning, which together produced approximately 30 million tons in 2024, representing 32% of global output. India ranks second, followed by Indonesia, with the United States ranking next. Major production areas in the United States are located in Indiana, Pennsylvania, Ohio, Iowa, and California. Together, the four major regions account for approximately 55% of global egg production. According to FAO forecasts, global egg production is projected to grow by approximately 60% between 2010 and 2050.

Egg production from hens, 1961 to 2024



Annual Production : Top 10 Country



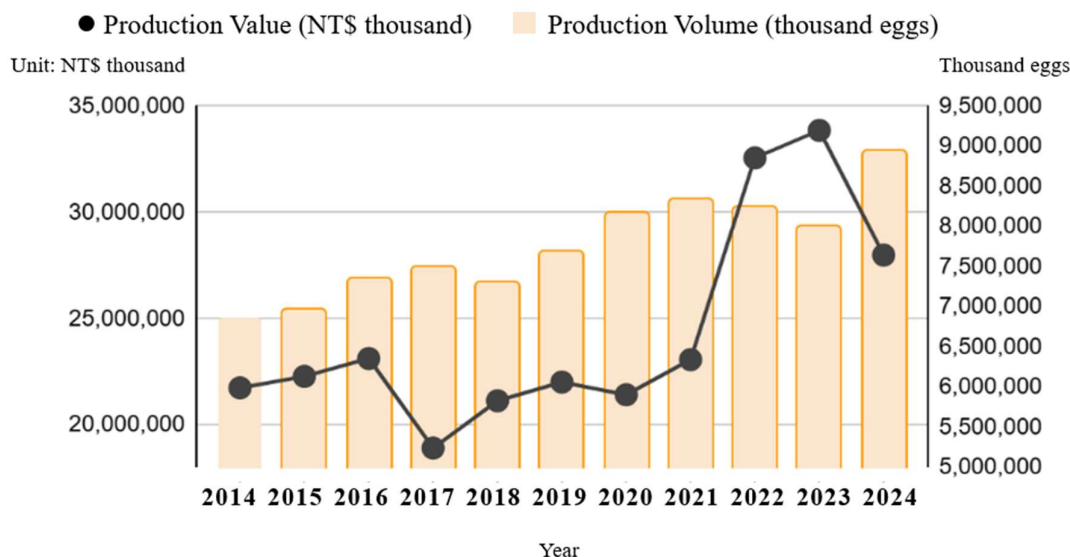
In the 1980s and 1990s, Taiwan's egg industry evolved towards centralized production and specialized labor (i.e., layer breeder farms, hatcheries, pullet farms, and commercial layer farms). Egg producers in the Changhua region capitalized on advantageous geographic conditions, including the successful promotion of local flower cultivation and intensive crops like grapes. This enabled them to sell organic fertilizers, boosting their income and facilitating expansion. As a result, the Changhua region became the leading egg industry cluster in Taiwan, housing the largest number of layer chickens in the country. Since 2000, Taiwan's egg-laying industry has gradually evolved in two distinct directions due to factors such as economic diversification, rapid development, increased non-agricultural employment opportunities, and rising labor and land costs. In industrial and commercial cities like Taichung and Kaohsiung, the industry has shifted towards intensive and specialized

production. Conversely, in rural and township areas distant from metropolitan centers, the industry has embraced a diversified operational model, characterized by smaller-scale farms, each typically raising around 20,000 chickens. The former describes professional poultry farmers who expand their operations by investing in automated tiered cage systems and using either high-rise or enclosed chicken houses. This strategy is designed to boost production efficiency and achieve economies of scale to reduce production costs. The latter refers to small-scale poultry farmers who rely on their own labor and use traditional open chicken houses. Their operations generally encompass agricultural and horticultural crops as well as egg-laying hens.

Given that over 90% of poultry farms in Taiwan still rely on traditional open chicken houses, the Ministry of Agriculture is currently promoting the “Smart Agriculture Program - Poultry Industry.” This initiative focuses on integrating smart production and digital services into the poultry industry by employing sensors, environmental control systems, and network communication technologies. The program aims to standardize farming practices and enhance poultry growth patterns through data-driven insights and intelligent control systems. The objectives include reducing poultry disease rates, improving hatch and growth rates, and facilitating the transfer of farming knowledge through data accumulation. Additionally, the program is designed to alleviate labor shortages by reducing labor requirements, gradually transitioning the poultry industry towards a smarter, more specialized management model to boost overall competitiveness.

According to the agricultural statistics of the third quarter 2025 from the Ministry of Agriculture, Executive Yuan, Taiwan has approximately 46.62 million egg-laying hens and around 2,215 poultry farms. The main regions for egg production are concentrated in Changhua, Pingtung, Chiayi, and Tainan. Due to their perishable nature, sensitivity to storage conditions, and susceptibility to breaking, eggs are not well-suited for long-distance transportation. As a result, the supply of eggs in Taiwan is predominantly produced and supplied locally. According to the statistics, domestic egg production totaled 7.5 billion eggs with a production value of NT\$18.9 billion in 2017. In recent years, the poultry industry has been challenged by avian influenza and other diseases, accentuating the importance of poultry disease prevention, health management, and effective poultry management. Concurrently, there have been increases in the prices of commodities, as well as higher international freight and fuel costs. On the demand side, the domestic market for food, foodservice, and baking continues to expand. Consequently, domestic egg production was 8.9 billion eggs, with the production value reaching NT\$27.99 billion in 2024.

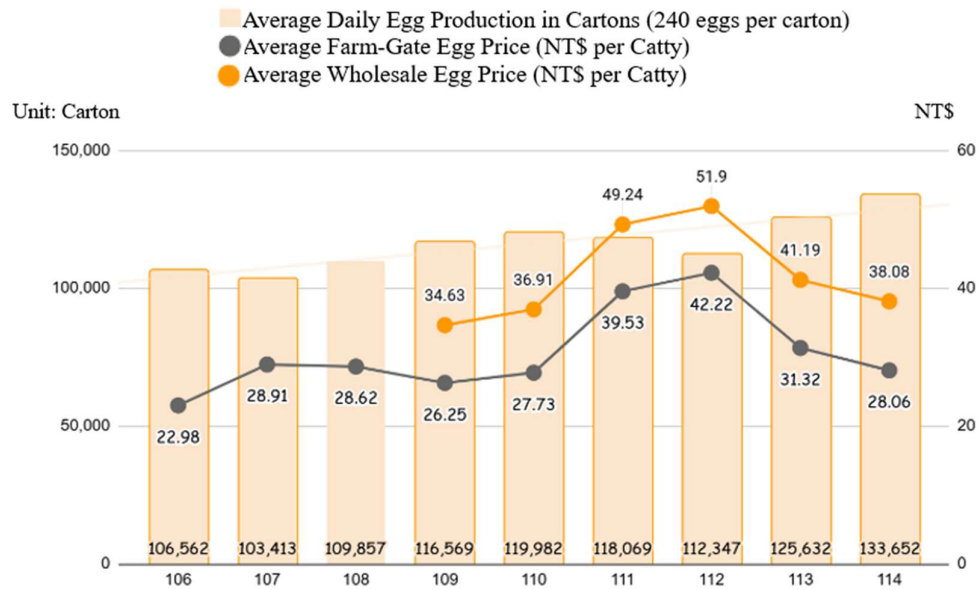
Annual Egg Production Value and Volume (2014-2024)



Source: Ministry of Agriculture Statistics

Due to their high protein content, ease of preparation, and versatility in various dishes and baked goods, eggs are a key source of protein in the daily diet of people in Taiwan. Moreover, the increasing availability of processed egg products and rising health trends have contributed to a growing demand for eggs. Consequently, the average daily egg production, measured in cartons, has steadily risen from 103,413 cartons in 2018 to 133,652 cartons in 2025. Except for 2020, where the COVID-19 pandemic severely affected the foodservice industry and caused egg prices to plunge to NT\$26.25, the average farmgate egg price increased from 2021 onwards due to the impact of avian influenza, rising feed costs, and supply-demand imbalances, reaching NT\$42.22 by 2023. In response to the egg shortage caused by avian influenza since 2021, the government introduced breeder chickens, which led to oversupply in 2024 and drove the average egg price down to NT\$31.32. In 2025, as laying hen capacity recovered, egg production increased by 58,000 metric tons (+11.2%) compared to the previous year, further exerting downward pressure on prices. The farm-gate egg price declined to NT\$28.06, while the wholesale price fell to NT\$38.08.

Average Daily Egg Production in Cartons and Average Egg Price

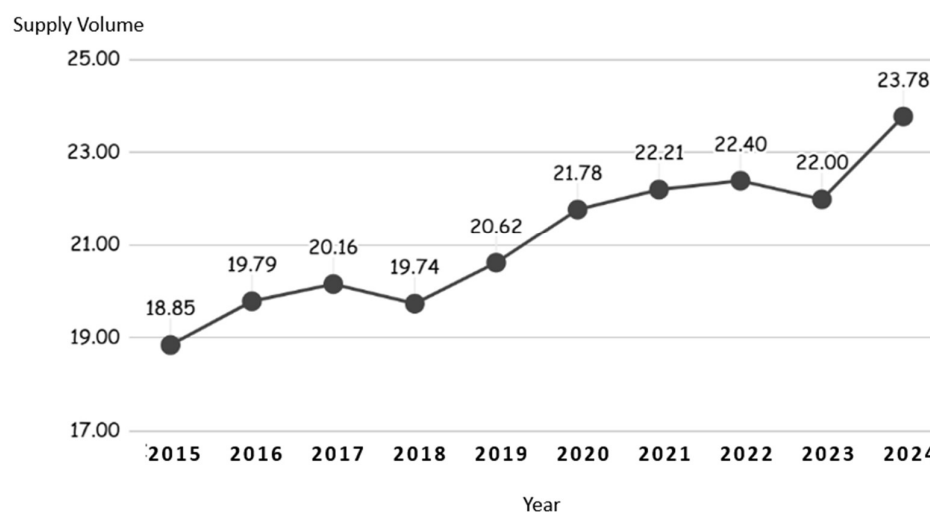


Source: Poultry Association Republic of China

According to the Agricultural Statistical Yearbook published by the Ministry of Agriculture, Executive Yuan, under Taiwan's self-sufficient production and consumption model, the average annual egg consumption per capita in Taiwan was 20.16 kg in 2017 (equivalent to about 336 eggs, based on an average weight of 60 grams per egg). This figure has grown steadily, reaching approximately 23.78 kg per person by 2024 (around 396 eggs, based on an average weight of 60 grams per egg). Compared with other countries, this level of consumption ranks among the highest globally, indicating that domestic demand for egg products is stable and supported by a substantial market scale.

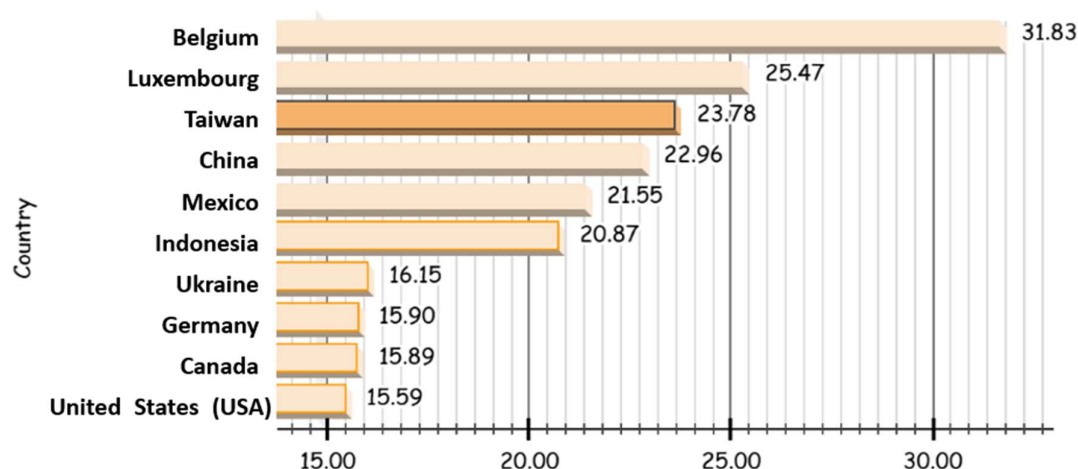
Overall, eggs are highly nutritious, offering a range of essential nutrients. The egg white is a good source of protein and contains small amounts of B vitamins and folic acid. The egg yolk is rich in lecithin, vitamins A, B12, D and folic acid, as well as minerals like calcium and potassium, making it a valuable source of nutrition. With the growing emphasis on fitness and higher protein intake, alongside glowing domestic demand in the food, foodservice, and baking sectors, egg demand has risen steadily each year. In addition, in response to global egg shortages caused by avian influenza and climate change, the government introduced breeder chickens, resulting in increased production capacity and further supporting growth in the egg industry.

Per Capita Egg Supply in Taiwan (Unit: kg)



Source: Agricultural Statistical Yearbook

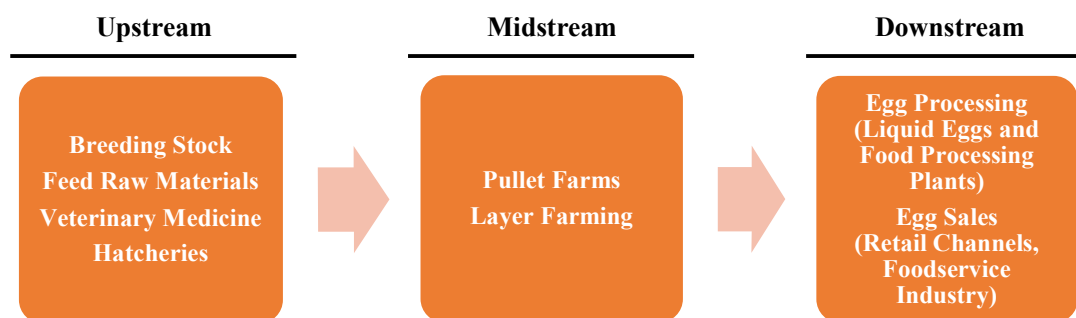
Per Capita Egg Consumption (kg)



Source: Agricultural Statistical Yearbook; FAO (2024) - Processed by Our World in Data

B. Supply chain:

The Company specializes in rearing pullet chickens and layer hens, and in selling fresh eggs and processed egg products. We primarily offer our eggs as shell eggs, mainly to convenience store chains and fast-food restaurants. Additionally, our eggs are extensively used across the food industry, baking sector, and foodservice distribution channels due to their properties such as heat coagulation, whipping ability, emulsifiability, and gelation. The diagram below illustrates the upstream, midstream, and downstream components of our industry.



C. Product development trends

(a) Smart upgrade of poultry housing facilities to enhance egg production efficiency

Item	Traditional Type/ A-Frame Type, Vertical Type	New Type/Negative Pressure Environmental Control with Enclosed Cooling Pad	Three Major Friendly Farming Practices Announced by the Council of Agriculture: Enclosed Aviary
Hardware Cost	An average of NT\$400-500 per chicken	An average of NT\$1,000 per chicken	An average of NT\$2,000 per chicken
Temperature Variation	Open environment with temperature dependent on outdoor conditions	Enclosed environment with environmental control facilities (Heating in cold weather and cooling in hot weather)	
Egg Production Rate	Up to 70% on average and 50% in cold weather	At least 80%, comparable to 85% in Europe, the US, and Japan	80% to 85%, comparable to 85% in Europe, the US, and Japan
Biosecurity	- Numerous weaknesses in disease prevention - Higher risk of interaction with wild birds carrying avian influenza viruses - Easier for rodents and insects to enter	- Clear biosecurity barriers - Prevents wild birds from accessing feed - Difficult for rodents and insects to enter	
Chicken Manure	- Chicken manure falls directly and piles up - Difficult to remove and prone to disease	- Manure is transported by manure belt - Regularly cleaned and removed	Under environmental control, chicken manure is dried with the addition of components such as straw and diatomaceous earth. No sun drying is required; the manure can be processed into organic fertilizers for reuse within a circular agricultural economy once all chickens are removed
Space per Chicken	Often described as the space of a single A4 sheet of paper, high-density housing	May not meet animal welfare standards, which require each chicken to have 750 square centimeters of space, unless EU-regulated enrichment systems are adopted	Limited to 9 to 10 chickens per square meter
Cyclical Operations	Without adopting the all-in, all-out system, predicting the timing and quantity of replenishment becomes more challenging, which adversely affects the supply from upstream pullet farms	By adopting the all-in, all-out system, the timing and quantity of replenishment can be predicted, facilitating the supply from pullet farms	

Source: Agriculture Policy & Review, Ministry of Agriculture, May 2023

In egg production, there are currently three main types of systems: traditional poultry farms, tiered poultry farms, and enclosed cooling pad poultry farms. Traditional poultry farms feature open-air structures with minimal mechanization; aside from a semi-automatic feed delivery system, egg collection is largely done manually. Tiered poultry farms are semi-open, two-story structures with a higher degree of mechanization. The upper level accommodates the egg-laying hens, while the lower level is designated for manure collection. Machinery is employed for cleaning, and the separation of manure from the chickens enhances hygiene

within the poultry house and allows for the reuse of chicken manure in composting. Enclosed cooling pad farms are fully enclosed facilities outfitted with cooling pad systems for temperature control. These systems utilize heat exchange technology to cool the air before it enters the poultry house, while maintaining a negative pressure inside the structure. This setup ensures proper air circulation within the poultry house. According to the 2024 Taiwan Poultry Production Statistics, of the 1,841 commercial layer farms in Taiwan, only 210 are equipped with modern cooling pad systems, and 264 are tiered poultry farms. The majority, comprising 74.25% of the total, are traditional chicken houses. Due to the difficulties in maintaining comprehensive production records, controlling diseases, and effectively and consistently improving productivity and yield on traditional poultry farms, the Council of Agriculture plans to launch the smart agriculture initiatives. It aims to integrate advanced technologies, including IoT, ICT, and big data analytics, and incorporate sensor components to enhance data collection as well as provide more effective management and operational models. Many operators have already modernized their facilities with upgrades such as enclosed chicken houses, cooling pad systems, or cooling pad systems with environmental controls, moving away from traditional farms that relied on outdated approaches and less effective disease prevention methods. The industry as a whole is gradually moving towards smart and specialized management models to enhance overall competitiveness.

- (b) Rise in humane farming concept worldwide highlights welfare issues for economic animals

With the rise in awareness of humane farming, the European Union took the lead by banning the use of battery cages for egg-laying hens starting in 2012. Since then, many countries have followed suit, and over 2,000 multinational companies worldwide have adopted cage-free egg policies to protect consumer and animal health. In line with this global trend, the Ministry of Agriculture is also planning to replace traditional caged systems with enriched cages, aviaries, or free-range systems. In recent years, Taiwanese retailers and food industry players have aligned with international standards in response to increasing consumer awareness and market changes. Additionally, chain store operators are actively promoting animal welfare egg products, which is expected to drive a transformation in the egg industry.

- (c) Promote washing, grading, and inkjet printing on all eggs, and ensure traceability

To enhance the hygiene, safety, and quality of processed egg products and fresh eggs, the Council of Agriculture (now reorganized as the Ministry of Agriculture) officially implemented a traceability labeling policy on January 1, 2022. Through the implementation of the egg inkjet labeling policy, batch production management for egg sources is being established to ensure that each egg can be traced back to its washing and grading facility as well as its source farm. This aims to enhance producers' self-management and production responsibility, effectively control egg traceability, reduce food safety risks, and protect the rights of both producers and consumers. Furthermore, washing and grading eggs post-production helps to minimize residues of contaminants, such as chicken manure and bacteria, on the egg shells, which in turn helps to prevent Salmonella infections. The government will continue to actively promote the policy of egg washing and grading.

- (d) Resource utilization of agricultural waste and promotion of a comprehensive and sustainable circular agricultural economy

In recent years, human activities have significantly impacted natural environmental systems, leading to various challenges associated with climate change, including impacts on health, food, water resources, society, and land. In response, the United Nations adopted the 2030 Agenda for Sustainable Development in 2015, which outlines 17 core global goals aimed at advancing sustainable development (Sustainable Development Goals, SDGs). More than half of these goals are related to agriculture. Aligning with this international trend, domestic environmental, agricultural, and economic ministries have also committed to the principles of sustainable natural resource use. They have established regulations for the reuse of agricultural waste and encouraged operators to adopt innovative agricultural practices such as bioeconomy, circular economy, organic agriculture, and smart agriculture. These methods aim to reduce reliance on synthetic chemicals (e.g., pesticides). Also, by employing conservation and effective utilization technologies for biological resources, it is possible to produce safe, high-quality agricultural products while minimizing the environmental impact of agriculture, food production, and certain industrial processes. This approach supports the proactive measures required to achieve the 2050 net-zero carbon emission targets outlined in the COP26 Paris Agreement, including initiatives in agricultural carbon sequestration, renewable energy in agriculture, and circular agriculture.

D. Competitions

Through meticulous management and enhanced nutrition, we ensure the health of our chickens, which directly leads to the production of high-quality eggs. We utilize a fully automated washing and grading process, employ rigorous and precise quality control, and obtain certifications for our food safety management systems. We are dedicated to managing and upholding the integrity of our proprietary brand.

As market demand for cage-free eggs continues to rise, we are proactively partnering with animal-friendly farms to boost both the proportion and quality of our cage-free eggs (animal welfare eggs), thereby strengthening our competitive position. At the same time, we are committed to expanding the production and sales of eggs and processed egg products, including branded eggs, eggs for raw consumption, liquid eggs, egg rolls, puddings, and tea eggs. By offering a diversified product portfolio, we aim to expand our market share. The Company places a strong emphasis on product differentiation marketing strategies, focusing on brand development, innovative packaging design, and targeted marketing initiatives to enhance brand recognition and customer loyalty.

(3) Technology and research and development

A. Technical expertise and research and development of our operations

The fresh eggs produced by the Company are sourced from commercial layer hens that are the result of extensive and meticulously planned breeding programs developed by internationally renowned breeding companies. In accordance with their rearing management manuals, we optimize environmental conditions, feed nutrition, and immunization practices to surpass the production benchmarks outlined in these manuals. Our operations are certified under HACCP, CAS, and ISO 22000 quality assurance systems. We maintain rigorous control from the day-old chicks, ensuring no drug residues and full compliance with food safety and hygiene standards. Additionally, we continuously advance and refine our feed nutrition management,

disease control measures, and innovative technologies to improve egg shell quality.

B. Education level and number of research and development personnel

(In people)

Education \ Year	2025		2024	
	No. of Employees	Percentage (%)	No. of Employees	Percentage (%)
Ph.D.	-	-	-	-
Master's Degree	3	33.33%	3	33.33%
Bachelor's Degree	6	66.67%	6	66.67%
Senior High School	0	0.00%	0	0.00%
Total	9	100.00%	9	100.00%

C. R&D expenditures for the most recent year and as of the date of this annual report

(In Thousands of New Taiwan Dollars; %)

Items	2025	As of the Date of this Annual Report
R&D Expenses	33,519	2,156
Net Revenue	1,944,395	561,789
Percentage of Revenue (%)	1.72%	0.38%

D. Technology or product developed

The Company's main research and development achievements over the past three years are as follows:

Item \ Year	Technology or Product Developed
2023	1. Initiated a data collection project to analyze the growth patterns of chickens 2. Introduced interactive business intelligence (BI) dashboards, automated data collection processes, and incorporated external feature data
2024	Launched "Happy Fresh Eggs," a premium line of certified eggs safe for raw consumption
2025	1. Upgraded the interactive BI dashboard project with a monitoring module 2. Launched various processed egg products, including "Wu Xiang" tea eggs

(4) Long and short-term business development plans

A. Short-term development plans

- Create value and expand market share through the management of our proprietary brand.
- Construct the largest egg washing, grading, and processing facility in Taiwan and increase production capacity to meet market demand.
- Continuously enhance food safety measures.

- (d) Actively develop new products.
- (e) Promote sustainable developments and carbon reduction initiatives.
- B. Long-term development plans
 - (a) Drive egg product market development and strategic positioning.
 - (b) Integrate resources to create market synergy benefits.
 - (c) Promote sustainable circular economy in agricultural practices.

2. Market and Sales Overview

(1) Market analysis

A. Sales region of main products (services)

(In Thousands of New Taiwan Dollars; %)

Region	2025		2024	
	Amount	%	Amount	%
Domestic	1,928,540	99.18%	1,962,851	98.75%
Overseas	15,855	0.82%	24,788	1.25%

B. Market share

According to agricultural statistics from the Ministry of Agriculture, Executive Yuan, Taiwan's total egg production was approximately NT\$27,985,621 thousand in 2024. The Company specializes in branded eggs, achieving a production value of around NT\$818,510 thousand in 2024 and NT\$829,330 thousand in 2025, which represents a domestic market share of approximately 2.92~2.96%. This figure underscores significant growth potential for the Company. With ongoing efforts to increase the visibility of our proprietary brand, expansion of our farm operations, and implementation of smart systems for layer hen rearing to enhance production efficiency, we anticipate a further increase in our domestic market share.

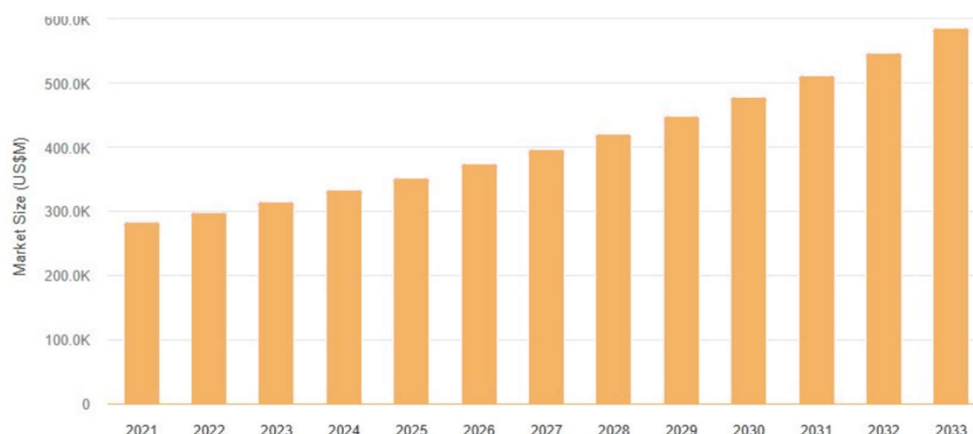
C. Future supply and demand and market growth

According to research data from Grand View Research, the global egg market increased from US\$310.64 billion in 2025 to US\$352.17 billion in 2026. It is projected that by 2029, the market will expand to US\$585.37 billion, with a compound annual growth rate of 6.6%.

As the global population continues to grow, demand for and consumption of animal protein have increased significantly. At the same time, evolving consumer lifestyles have driven rising demand for processed egg products that offer both convenience and food safety. Amid the growing trend toward high-protein and nutrition-focused diets, the application of eggs in the food processing industry continues to expand, with widespread use in baking, confectionery, and ready-to-eat foods, thereby further boosting overall market demand.

In addition, ongoing innovations in poultry farming, egg storage, and processing technologies have enhanced production efficiency and product quality, providing strong momentum for industry development and market expansion.

Global egg market, 2021-2033 (US\$M)



Source: Grand View Research

D. Competitive advantage

(a) Management team with extensive professional experience

The Company's management team possesses long-term industry experience, along with a profound understanding of evolving market conditions, product development trends, production processes, and marketing strategies. This in-depth knowledge allows us to swiftly identify market trends and deliver professional, comprehensive services to our customers in a timely manner. It significantly enhances our ability to promote and explore new markets for our products, including branded eggs, commercial eggs, enriched eggs, and a variety of processed egg products such as egg rolls.

(b) Transformation towards smart and specialized agricultural business models, leveraging extensive expertise in poultry management

Our farms employ enclosed cooling pad air conditioning systems, along with automated egg collection and manure management systems. This setup effectively prevents contact between migratory birds or other wildlife and our laying hens, thereby minimizing the risk of avian diseases. With over a decade of data on poultry rearing, we hold Taiwan's most extensive dataset in this field. By harnessing AI to integrate and upload this data to the cloud, we can produce vital reports and utilize key production indicators to predict and identify anomalies, thereby enhancing operational decision-making. Moreover, we have established standardized procedures for laying hen rearing, applying scientific methods to identify best practices. This approach improves rearing efficiency and production forecasting, ensuring a stable and reliable egg production rate.

(c) Establishment of the proprietary brand, "Dawushan Egg Farm," plus full control over the marketing channels

The Company owns the proprietary brand "Dawushan Egg Farm," targeting the mid-to-high-end egg market. Our sales channels include major chain supermarkets and hypermarkets in Taiwan, as well as chain restaurants. By maintaining full control over these sales channels, we have moved away from traditional egg distribution through intermediaries, enabling us to better manage our operations and broaden our distribution network with a more diversified

approach. Besides, we collaborate with many well-known brands and extend our brand's reach through strategic advertising and marketing efforts, effectively targeting various customer groups to mitigate market risks. In recent years, we have intensified our focus on expanding our own brand and growing our line of animal welfare products and enriched eggs, thereby increasing our brand visibility and market share.

(d) Prioritize food safety issues to protect consumer rights

With increasing consumer focus on food safety, the Company has secured HACCP, CAS, and ISO 22000 certifications. We maintain rigorous control from the day-old chicks, ensuring no drug residues and full compliance with food safety and hygiene standards. Additionally, we continuously advance and refine our feed nutrition management, disease control measures, and innovative technologies to improve fresh egg quality. Our facilities feature fully automated egg washing and grading systems, employing a thorough 14-step process. We use UV disinfection lamps and wax sealing techniques to extend freshness. Each egg is printed for traceability, with comprehensive records of its lifecycle. Eggs are transported at a controlled temperature of 7°C to minimize contamination risks. In addition, our dedicated Food Safety Department, staffed by skilled quality assurance personnel, conducts daily batch inspections and record-keeping to safeguard customer and consumer rights.

(e) Commitment to ecological sustainability and support of green farming practices

Alongside providing high-quality, nutritious fresh eggs, we integrate circular economy principles into our production model. We run a dedicated composting facility to convert poultry waste into organic fertilizer, and encourage local farmers to adopt sustainable practices. The extensive use of chemical fertilizers and pesticides has severely damaged ecosystems, significantly reducing bee populations and disrupting natural pollination. To address this, the Company connects poultry farmers with young beekeepers, fostering collaboration between the livestock and agriculture sectors. We invest in soil enhancement and bee restoration programs and partner with restaurants to source produce from sustainable farms. These initiatives not only aim to achieve our "Zero Waste" sustainability goal but also contribute to a healthy, biodiverse ecosystem. Our commitment strengthens and deepens positive relationships with ESG-focused suppliers, partners, and consumers.

E. Favorable and unfavorable factors for long-term development and countermeasures

(a) Favorable factors:

i. Branded egg market in Taiwan is trending towards segmentation and specialization

As time progresses, individual purchasing power has significantly increased, along with rising consumer awareness, leading to a greater focus on food quality and safety. Today's consumers demand more from their eggs than just the choice between red or white shells. They seek eggs with assured traceability, produced on small farms, and enriched with nutrients like lutein and Omega-3. In recent years, the growing emphasis on animal welfare and strong promotion by distribution channels have boosted the popularity of cage-free eggs, which prioritize humane, aviary, or free-range conditions. As the Taiwanese egg market matures, consumer demands are increasingly trending towards segmentation and specialization.

- ii. Government policies promote smart agriculture, driving the transformation and upgrading of the poultry industry

In its policy plan, the Ministry of Agriculture has outlined its commitment to modernizing the poultry industry. This plan involves increasing the use of precision data management, advancing the adoption of automated and smart equipment, boosting production efficiency, stabilizing the domestic poultry supply, enhancing traceability management for local poultry products, establishing market segmentation, and strengthening product innovation and value addition.

- iii. Increasing brand recognition

In recent years, as the Company has focused on the domestic branded egg market, our brand recognition has grown steadily. We have successfully obtained certifications from leading domestic and international food manufacturers, as well as major supermarkets and hypermarkets, and have secured stable orders. At the same time, we continually enhance the quality of our egg products, provide excellent service, and ensure reliable delivery schedules, thereby establishing a strong customer base. Moving forward, we will expand our range of niche egg products (such as animal welfare eggs and enriched eggs) and further enhance our customer service to boost customer loyalty and increase brand value.

- iv. Rising consumer awareness of food safety makes improving egg quality a top priority

Printed traceability labeling on individual eggs has become an international trend. The Council of Agriculture is working to implement a policy that mandates egg printing for effective batch production management and traceability. This initiative ensures that each egg can be traced back to its washing and grading facility as well as the originating farm, thereby enhancing producers' self-management and accountability. It also strengthens egg traceability, reduces food safety risks, and protects the rights of both producers and consumers. The government is progressively advancing this policy by reinforcing guidance on washing and grading operations, and implementing traceability information registration and verification for both incoming raw eggs and outgoing graded eggs. These efforts aim to increase the market share of graded fresh eggs and improve food safety. They will drive structural adjustments within the industry, accelerate its upgrade and transformation, and ultimately establish a high-quality image for domestic egg products.

(b) Unfavorable factors and countermeasures

- i. Rising raw material costs

Key commodities, such as corn and soybeans, rely heavily on imports, with their purchase prices tied to international futures markets. As a result, fluctuations in the global economic environment, climate conditions, foreign exchange markets, and futures markets make raw material costs difficult to control, thereby affecting the Company's ability to manage feed costs for layer hens.

Countermeasures

- (i) The Company has established long-term, positive relationships with raw material suppliers to secure a stable supply. We also leverage AI-driven techniques to improve rearing management efficiency and reduce feed costs.
- (ii) Our fresh eggs are distributed through major supermarkets across Taiwan. By maintaining full control over our sales channels, we can adjust product prices to reflect significant increases in feed costs, thus mitigating the risks associated with rising production costs.

ii. Risk of avian diseases

Poultry diseases pose challenges and substantial risks for the poultry farming industry. The primary diseases affecting our egg-laying operations include avian influenza, Newcastle disease, and Marek's disease. Taiwan is situated along the migratory routes of migratory birds, which can bring avian influenza viruses across the borders. If major diseases occur and spread extensively, they can lead to reduced egg production rates or abnormal mortality among laying hens, resulting in economic losses and higher operational costs.

Countermeasures

- (i) The Company employs fully automated, enclosed cooling pad chicken houses for rearing egg-laying hens. These facilities feature temperature-controlled air conditioning and strict access controls. Rearing personnel continuously monitor the health of the chickens to quickly identify and address any illnesses. Additionally, we ensure thorough disinfection of personnel, vehicles, and the surrounding environment, including roads leading to the production base, to prevent disease transmission.
- (ii) Our team of professional veterinarians is dedicated to poultry management, nutrition control, and disease prevention. We utilize a "preventive medicine" approach to implement proactive measures and swiftly address potential issues before disease outbreaks arise, ensuring stable production on the farm.

iii. Food safety risks

As consumer awareness of food safety and rights protection rises, government agencies are tightening regulations to ensure food safety. Controls across various aspects, including feed production and rearing practices, are essential for the safety of egg products. If the government raises standards further in the future, companies may need to make additional investments in quality control and testing at different production stages, which could lead to higher production costs.

Countermeasures

- (i) The Company has established a Food Safety Department tasked with overseeing daily inspections, including sampling and analyzing feed ingredients, to mitigate risks associated with feed quality. Additionally, the Department tests produced egg products for E. coli, residues of veterinary drugs, pesticides, heavy metals, microorganisms, dioxins, and polychlorinated biphenyls (PCBs). These measures ensure that

product quality meets hygiene regulations to minimize food safety risks.

- (ii) We improve poultry health and ensure high-quality egg production through meticulous rearing management and optimized nutrition. Our fully automated washing and grading process allows for precise and rigorous quality control. With certification for our food safety management systems, we are dedicated to upholding and managing our proprietary brand. This commitment guarantees that we deliver the safest, most hygienic, and highest-quality fresh eggs to consumers, providing them with reliable health assurance.
 - (iii) As food safety becomes increasingly important, the Company has secured HACCP, CAS, and ISO 22000 quality assurance certifications and established comprehensive product traceability records. We rigorously monitor and document all aspects of food safety to safeguard the rights of our customers and consumers.
- iv. Imbalance between labor supply and demand makes it difficult to recruit front-line employees

In recent years, the domestic labor shortage has notably impacted the agricultural and livestock industries, which face challenges due to their specific working conditions and job types. This has resulted in difficulties recruiting front-line workers, high employee turnover rates, and shifts in the labor force structure, posing a significant challenge for domestic livestock farms.

Countermeasures

- (i) The Company utilizes enclosed cooling pad air conditioning systems in conjunction with automated egg collection and manure management systems. This setup not only significantly reduces labor costs but also lowers the risk of disease transmission by minimizing employee access.
 - (ii) To address the shortage of front-line workers, we not only seek foreign labor but also strengthen industry-academia collaborations and partner with employment agencies to expand our recruitment channels. This diversified approach aims to expand the channels for recruiting new front-line employees and effectively address operational staffing challenges.
 - (iii) By enhancing both pre-employment and on-the-job training, we aim to boost employee quality and productivity. We are also actively improving various employee benefits, including the distribution of compensation and year-end bonuses, to share our operational success with employees, increase engagement, and reduce turnover rates. In addition, we plan to strengthen industry-academia collaborations to broaden our recruitment channels.
- v. The rise in competitors within the premium branded egg market has intensified competition

Due to the supply shortage in the domestic high-end branded egg market and the government's active promotion of advancements in the egg washing and grading industry, we are progressively transitioning towards a "standardized washing and grading process." As a result, eggs will be processed in centralized washing facilities, utilizing grading system to

ensure high quality and competitive pricing. Industry peers, such as Dachan and C.P. Group, are confident in the sector's growth. Their affiliated companies are embarking on investment plans for egg washing and grading facilities, which is expected to intensify competition in the high-end branded egg market.

Countermeasures

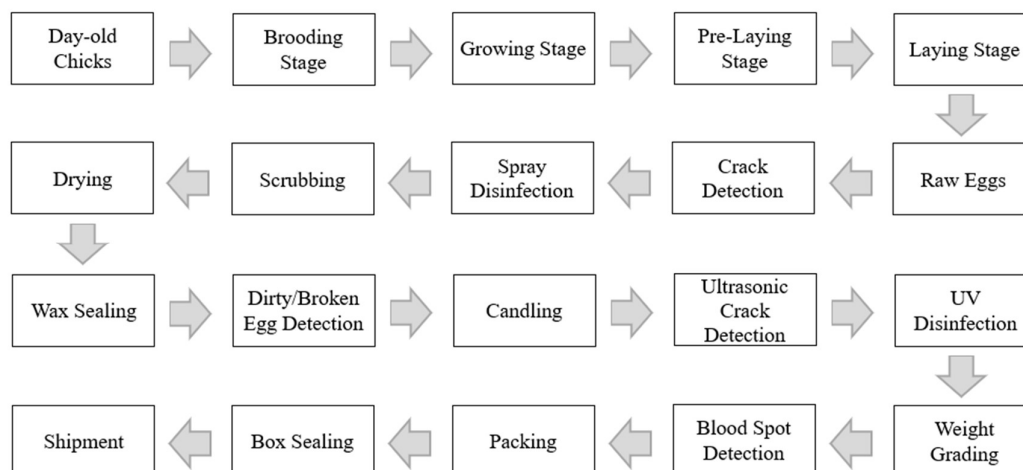
- (i) The Company partners with TAMAGO & COMPANY Inc. of Japan to introduce century-old Japanese rearing and management techniques. TAMAGO & COMPANY Inc. serves as a consultant, offering resources and support for production system reforms, product development, and livestock management techniques. Meanwhile, the Company contributes by enhancing the livestock management of our partner farmers and sharing sales channels. Going forward, products from these partner farms will be progressively introduced into Japanese foodservice industry.
- (ii) In recent years, there has been a heightened awareness of animal welfare. In response, the Company has bolstered its partnerships with farms that follow humane, aviary, or free-range rearing practices, resulting in an annual increase in the proportion of cage-free eggs (e.g., animal welfare eggs). In addition, the Company continues to actively promote the production and sale of functional eggs (e.g., lutein-enriched eggs and eggs for raw consumption), thereby enhancing the added value of its fresh egg products. Through strengthened differentiated marketing strategies, the Company aims to expand its operational scale.

(2) Main purpose and manufacturing process of key products

A. Main purpose of key products

The Company's primary raw materials include feed, packaging materials, and chicks. The Company maintains long-term and stable relationships with its key suppliers, ensuring reliable production and an adequate supply of materials.

B. Manufacturing process of key products



(3) Supply of key raw materials

Our primary raw materials include feed, packaging materials, and chicks. We have established long-term, stable relationships with our key suppliers, ensuring consistent production and ample supply.

(4) Key suppliers and customers

- A. Suppliers account for 10% or more of purchases in one of the past two years, including their purchase amounts and proportions, as well as an explanation for any changes:

(In Thousands of New Taiwan Dollars; %)

Rank	2025				2024			
	Name	Amount	Percentage to Annual Net Purchases (%)	Relationship with the Company	Name	Amount	Percentage to Annual Net Purchases (%)	Relationship with the Company
1	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	307,628	44.59	Parent company	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	296,527	48.88	Parent company
2	-	-	-	-	P1	113,771	18.76	None
	-	-	-	-	Others	196,317	32.36	-
	Net Purchase	689,893	100.00	-	Net Purchase	606,614	100.00	-

Note: As of the date of this annual report, if a listed company or a company whose shares are traded over the counter has the most recent financial information audited or reviewed by certified public accountants, such information shall also be disclosed.

Explanation for changes:

The Group's primary procurement item is feed. In 2025, purchases from Kuo Hsing Poultry & Livestock Feeds Co., Ltd. decreased, primarily due to a decline in the prices of bulk agricultural commodities.

- B. Customers account for 10% or more of sales in one of the past two years, including their sales amounts and proportions, as well as an explanation for any changes:

(In Thousands of New Taiwan Dollars; %)

Rank	2025				2024			
	Name	Amount	Percentage to Annual Net Revenue (%)	Relationship with the Company	Name	Amount	Percentage to Annual Net Revenue (%)	Relationship with the Company
1	Company S4	445,841	22.93	None	Company S4	399,190	20.08	None
2	Company S14	238,152	12.25	None	Company S8	210,917	10.61	None
3	Others	1,260,402	64.82	None	Others	1,377,531	69.30	None
	Net Revenue	1,944,395	100.00	-	Net Revenue	1,987,639	100.00	-

Note: As of the date of this annual report, if a listed company or a company whose shares are traded over the counter has the most recent financial information audited or reviewed by certified public accountants, such information shall also be disclosed.

Explanation for changes:

The Group's products are primarily distributed through established convenience stores, supermarkets, food processing manufacturers, and foodservice distribution channels. Our customer base is diverse and dispersed, and we adjust the supply volume to each channel based on sales strategies and product structure. We do not concentrate our supply to any single customer. Changes in revenue from major customers are primarily influenced by fluctuations in end consumer demand of each customer.

3. Human Resources in the Most Recent Two Years and as of the Date of this Annual Report

(No. of people; %)

Year		December 31, 2024	December 31, 2025	As of the Date of this Annual Report
No. of Employees	Management level and above	13	12	12
	Rearing personnel	88	94	89
	Logistics personnel	121	131	135
	Total	222	237	236
Average Age		36.78	37.64	37.81
Average Year of Service (Years)		3.13	4.01	4.13
Education (%)	Ph.D.	0	0	0
	Master's Degree	6.31	5.49	5.93
	Bachelor's Degree	39.19	39.24	38.56
	Senior high school/vocational schools	31.53	35.44	40.25
	Below Senior High School	22.97	19.83	15.26

4. Expenditure Related to Environmental Protection

- (1) Explanations of the application, payment, or establishment status, where entities are required by law to apply for a pollution facility installation permit or a pollution discharge permit, pay pollution control fees, or establish dedicated environmental protection unit/personnel.

- A. Applications for a pollution facility installation permit or a pollution discharge permit

Item	Permit Number
Water pollution control plans	Permit No. 00179-00 issued by the Pingtung Government
	Permit No. 00151-00 issued by the Pingtung Government
	Permit No. 00015-00 issued by the Pingtung Government
	Permit No. 02680-01 issued by the Pingtung County Government

- B. Payment of pollution control fees: The Company regularly pays pollution control fees in accordance with laws and regulations.

(In Thousands of New Taiwan Dollars)

Item	2025	2024
Water pollution control fees	1	8

- C. Establishment of dedicated environmental protection personnel: Pursuant to the Regulations for the Establishment and Management of Dedicated Units or Personnel for Wastewater (Polluted Water) Treatment, the Company is not required to appoint dedicated environmental protection personnel.

(2) Investment in major environmental pollution control equipment, its purposes, and potential benefits

As of December 31, 2025 (In Thousands of New Taiwan Dollars)

Equipment	Quantity	Acquisition Date	Investment Cost	Unadjusted Balance	Purpose and Potential Benefits
Chicken manure composting equipment	2 sets	2022.06.28	18,399	12,234	The collection and treatment of poultry and livestock manure effectively reduce its moisture content, transforming it into organic fertilizer. Securing a fertilizer sales permit further advances the objectives of sustainable recycling and utilization. Additional deodorization equipment has been installed to mitigate the impact of various gases generated during the composting and fermentation process.
Chicken manure composting equipment	2 sets	2023.10.24	12,073	10,131	
Deodorization system (fans, water sprayers, and electromechanical equipment)	1 set	2024.05.01	1,410	940	
Deodorization system (fans, water sprayers, and electromechanical equipment)	1 set	2024.08.01	1,410	1,010	
Wastewater treatment facilities	1 set	2025.03.01	1,220	790	

- A. The Company's efforts to improve environmental pollution in the most recent two years and as of the date of this annual report, and a description of the handling of any pollution-related disputes: None.
- B. Any losses incurred by the Company in the most recent two years and as of the date of this annual report due to environmental pollution incidents (including compensations and violations of environmental protection laws identified during environmental audits, of which the disposition dates, reference numbers, the specific articles and provisions of the law violated, and the details of these dispositions shall be specified), and disclosures on any estimated or potential future expenses along with action plans. If losses cannot be reasonably estimated, please state the reasons:

Date of Occurrence	Date of Penalty	Penalty Reference No.	Violated Regulation	Penalty	Corrective Actions
Dec. 26, 2024	Feb. 03, 2025	No. Ping-Huan-Cha-Zi-1148002561	Paragraph 1, Article 20 of the Air Pollution Control Act	Fine of NT\$120 thousand and 2 hours of environmental training	Paid the fine within the prescribed period and completed environmental cleanup of the farm
Dec. 23, 2024	Feb. 10, 2025	No. Ping-Huan-Cha-Zi-1148003319	Paragraph 1, Article 36 of the Waste Disposal Act and Subparagraph 2, Paragraph 1, Article 6 of the Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste	Fine of NT\$6 thousand and 1 hour of environmental training	Paid the fine within the prescribed period and completed environmental cleanup of the farm

- C. Current pollution status and the impact of relevant improvements on the Company's earnings, competitive position, and capital expenditures, as well as significant environmental capital expenditures projected for the next two years: None.

5. Employment Relations

- (1) Outline the Company's employee welfare measures, continuing education, training programs, retirement system, and their implementation, as well as labor-management agreements and measures to protect employee rights:

A. Employee welfare measures and their implementation status

In addition to providing labor, health, and group insurance as required by law, the Company conducts annual health examinations for employees. Beyond salaries, employees may also receive additional benefits such as monthly or quarterly performance bonuses, recruitment referral bonuses, holiday gifts, professional allowances, and shopping discounts. In March 2021, the Company established the Employee Welfare Committee (EWC), which has formulated guidelines for subsidies related to weddings, funerals, festivals, hospitalization, medical expenses, disaster relief, and emergency assistance. Additionally, we may distribute annual and year-end bonuses based on our profitability. Furthermore, on November 15, 2024, the Company established an Employee Stock Ownership Trust and allocated incentive contributions to employees.

B. Employee continuing education and training, and their implementation status

- (a) Pre-employment training: The training focuses on helping new employees understand their rights and obligations with respect to the Company and the Company's current status and future prospects, enhance their foundational professional knowledge, address workplace safety and health issues, and engage in practical exercises.
- (b) On-the-Job training: The Company invites expert instructors and university professors to conduct a series of educational and training courses. These sessions are designed to enhance expertise in animal husbandry and keep employees updated on the latest international trends in animal rearing.

C. Employee retirement systems and their implementation status

Retirement applications and benefit standards are managed in accordance with the Labor Standards Act and the Labor Pension Act. The Company reports and makes pension contributions to employees' individual pension accounts with the Bureau of Labor Insurance, as required by relevant regulations.

D. Labor-management agreements and measures to protect employee rights

To protect labor rights and interests and to coordinate labor-management relations, the Company elected labor-management representatives and submitted the details for filing and approval. We are committed to strengthen labor-management harmony and facilitate two-way communication to address issues effectively. Apart from general labor disputes or matters related to labor-management agreements, there have been no significant labor disputes that would have impacted the Company's financial or operational stability.

E. Comprehensive healthcare services

The Company has signed a service contract with a hospital for designated medical personnel to provide on-site services. This contract includes educational services for employees concerning the risks identified in their health examination reports, ensuring that employees understand these risks and receive proper care.

- (2) Any losses incurred by the Company in the most recent year and as of the date of this annual report due to industrial disputes (including any violations of the Labor Standards Act identified during labor inspections, of which the disposition dates, reference numbers, the specific articles and provisions of the law violated, and the details of these dispositions shall be specified), and disclosures on any estimated or potential future expenses along with action plans. If losses cannot be reasonably estimated, please state the reasons:

The Company adheres to the Labor Standards Act as the guiding principle of its labor relations practices. We employ a people-oriented management approach, which fosters harmonious interactions between labor and management. As a result, both parties maintain positive relations, and there have been no significant labor disputes in the most recent year and as of the date of this annual report.

6. Cyber Security Management

- (1) Describe the risk management structure, policy, specific management plans, and resources allocated for cyber security:
 - A. Cyber security risk management structure:

Oversee and implement information security policies, promote information security awareness, and enhance employee understanding of information security. Acquire and refine the technology, products, and procedures related to the information security management system to improve performance and effectiveness.
 - B. Policy, specific management plans, and resources allocated for cyber security:
 - (a) The Company's main and application servers are all housed in designated server rooms.
 - (b) The server room features its own air conditioning system to ensure optimal temperature for the computer equipment. It is also equipped with carbon dioxide fire extinguishers, effective for both general and electrical fires.
 - (c) The server room is equipped with uninterruptible power supplies (UPS) and voltage regulators to safeguard against system failures due to unexpected power outages from Taipower or to ensure that computer applications remain operational during temporary power interruptions.
 - (d) Enterprise-grade firewalls are installed to block unauthorized access by hackers.
 - (e) Employees accessing the ERP system remotely must apply for a VPN account. Access is granted only through a secure VPN connection.
 - (f) The email server is equipped with antivirus protection and spam filtering mechanisms to block viruses and spam from infiltrating users' computers.
 - (g) Employees requiring access to the ERP system or the shared corporate storage must complete a system access request form. Upon approval by the authorized officers, IT personnel will create the necessary system accounts for access.
 - (h) The ERP system has a backup system in place that performs daily backups, which are stored on a Network-Attached Storage (NAS) device. These backups are further secured by external hard drives.
- (2) Loss, possible impacts and action plans due to major cyber security incidents in the most recent year and as of the date of this annual report. If losses cannot be reasonably estimated, please state the reasons: The Company has not experienced any significant cybersecurity incidents that have caused operational disruptions.

7. Material Contracts

Nature	Counterparty	Duration	Description	Covenant
Loan agreement	Taiwan Cooperative Bank	2011/11/30~2029/11/30	Long-term Loan	Land and buildings as collateral
Loan agreement	First Commercial Bank	2022/10/07~2037/10/07	Long-term Loan	Land, buildings and equipment as collateral
Loan agreement	Chang Hwa Commercial Bank	2022/06/17~2040/06/17	Long-term Loan	Land, buildings and equipment as collateral
Loan agreement	Mega International Commercial Bank	2021/05/20~2036/05/20	Long-term Loan	Buildings and equipment as collateral
Technical cooperation	ISE Foods Inc.	2023/06/01~2028/01/31	Technical support and trademark licensing agreement	Restricted to be used in Taiwan
Lease Agreement	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	2024/03/01~2028/02/29	Farm lease	None

V. Review and Analysis of Financial Position, Financial Performance, and Risk Factors

1. Financial Position

Reasons and impact of significant changes in asset, liability and equity in the most recent two years. If the impacts are substantial, provide details on future plans to address these changes.

(In Thousands of New Taiwan Dollars)

Item \ Year	2025	2024	Difference	
			Amount	%
Current Assets	719,044	832,034	(112,990)	(14)
Property, Plant and Equipment	2,765,458	2,486,329	279,129	11
Right-of-use Assets	92,572	46,135	46,437	101
Intangible Assets	130,219	177,577	(47,358)	(27)
Other Assets	125,961	129,456	(3,495)	(3)
Total Assets	3,833,254	3,671,531	161,723	4
Current Liabilities	1,135,084	461,020	674,064	146
Non-current Liabilities	926,755	730,334	196,421	27
Total Liabilities	2,061,839	1,191,354	870,485	73
Share Capital	683,450	683,450	0	0
Capital Surplus	467,110	585,286	(118,176)	(20)
Retained Earnings	326,671	475,404	(148,733)	(31)
Treasury Shares	49,013	36,511	12,502	34
Total Equity	1,771,415	2,480,177	(708,762)	(29)
1. Reasons and impact of significant changes (changes by over 20% year-over-year with dollar amount of at least NT\$10 million): (1) Right-of-use assets: Primarily due to the leasing of new factory facilities during the period. (2) Intangible assets: Primarily due to accounting adjustments arising from organizational restructuring. (3) Current liabilities, non-current Liabilities and total liabilities: Primarily due to increases in both long-term and short-term borrowings. (4) Capital surplus: Primarily due to the distribution of cash dividends from capital surplus during the period. (5) Retained earnings and total equity: Primarily due to the net loss after tax for the period. (6) Treasury shares: Primarily due to the repurchase of treasury shares during the period. 2. Future plans to address significant impacts: The changes described above do not have a significant adverse impact on the Company, and the Company's overall performance has remained stable without major anomalies. Therefore, the Company does not need to formulate any action plans.				

2. Financial Performance

Reasons for significant changes in revenue, operating income and income before income tax in the most recent two years, expected sales volume with basis, possible impact on the Company's finance and business and action plans.

(In Thousands of New Taiwan Dollars)

Item \ Year	2025	2024	Difference	
			Amount	%
Operating Revenue	1,944,395	1,987,639	(43,244)	(2)
Operating Costs	1,628,406	1,452,217	176,189	12
Gross Profit	360,497	556,622	(196,125)	(35)
Operating Expenses	332,753	321,968	10,785	3
Operating Income	27,744	234,654	(206,910)	(88)
Non-operating Income and Expenses	101,726	1,229	100,497	8,177
Income before Income Tax	(73,982)	233,425	(307,407)	(132)
Income Tax Benefit (Expense)	13,837	(47,552)	61,389	(129)
Net Income	(60,145)	185,873	(246,018)	(132)
Total Comprehensive Income	1,944,395	1,987,639	(43,244)	(2)
1. Reasons and impact of significant changes (changes by over 20% year-over-year with dollar amount of at least NT\$10 million): (1) Gross profit and operating income: Mainly due to the commencement of operations at Fu Che Hunei Factory, which has not yet reached full capacity utilization, resulting in higher production costs and a decline in gross profit. (2) Non-operating income and expenses: Mainly due to losses on property, plant and equipment caused by a fire at the Pingtung facility. (3) Income tax benefit (expense): An income tax benefit was recognized in 2025 due to a pre-tax net loss, whereas an income tax expense was recognized in 2024 due to pre-tax net income, resulting in the variance between the two periods. (4) Income before income tax and net income: Mainly due to the fire at the Company's Pingtung facility and the insufficient capacity utilization of Fu Che new factory, resulting in a decline in profitability. 2. Expected sales volume with basis, possible impact on the Company's finance and business and action plans: (1) Expected sales volume with basis: The Company has not prepared a financial forecast. (2) Possible impact on the Company's finance and business and action plans: The projected sales volume is based on historical sales data, expected changes in market demand, and the Company's operational goals, while taking into account the Company's production capacity. It is estimated that the Company's performance will exhibit a stable growth trend, bringing a positive impact to its financial and business condition.				

3. Cash Flows

(1) Variance analysis of cash flows in the most recent year:

(In Thousands of New Taiwan Dollars)

Item	2025	2024	Variance
Net cash generated by (used in) operating activities	120,914	363,860	(242,946)
Net cash generated by (used in) investing activities	(557, 446)	(378,700)	(178,746)
Net cash generated by (used in) financing activities	220, 561	(20,883)	241,444
Analysis of variance:			
1. Net cash generated by (used in) operating activities: Mainly affected by the loss before income tax, resulting in a decrease in net cash inflows from operations.			
2. Net cash generated by (used in) investing activities: Mainly due to the acquisition of farms and adjustments in the timing of chick placements, which increased investment in biological assets and led to a higher net cash outflow compared to the previous period.			
3. Net cash generated by (used in) financing activities: Mainly due to increases in both long-term and short-term borrowings.			

(2) Improvement plans for insufficient liquidity in the most recent year:

The Company's liquidity declined in 2025 compared to the previous year. The current ratio decreased from 180% in 2024 to 63% in 2025, while the quick ratio declined from 159% to 55%, and net working capital turned negative. Net cash inflow from operating activities remained positive at NT\$1,765 thousand, albeit lower than in 2024, primarily due to losses recognized from the fire incident. However, this did not have a continuing impact on the Company's normal operations. Excluding such non-recurring factors, the Company's operating performance remained stable.

Overall, the changes in the Company's financial structure in 2025 were mainly attributable to the fire incident. To strengthen the financial position, the Company will continue to enhance operational efficiency, implement cost control measures, and prudently plan capital expenditures. In addition, it will improve financial flexibility through diversified financing channels to support future business development.

(3) Liquidity analysis for 2026

(In Thousands of New Taiwan Dollars)

Cash, Beginning of Year ①	Projected Net Cash Provided by Operating Activities ②	Projected Net Cash Provided by Investing Activities ③	Projected Net Cash Provided by Financing Activities ④	Cash, Surplus (Shortage) ①+②+③+④	Remedies for Cash Shortage	
					Financing Plans	Financial Management Plan
187,898	380,052	(599,335)	404,398	373,013	-	-
1. Liquidity analysis for 2026:						
(1) Cash from operating activities: Mainly due to the cash inflows from operating activities driven by operating income.						
(2) Cash from investing activities: Mainly due to the ongoing capital expenditures required for operations, leading to cash outflows from investing activities.						
(3) Cash from financing activities: Mainly due to cash capital increases and loan repayments to reduce finance costs.						
2. Remedies for cash shortage and liquidity analysis: The Company does not expect any cash shortage in 2026.						

4. Major Capital Expenditures in the Most Recent Year and Their Impacts on the Company's Finance and Business

Major capital expenditures in 2025 included investments in the construction of a washing and grading facility for a subsidiary, as well as the procurement of related equipment, aimed at expanding production capacity and enhancing overall operational efficiency. In addition, following fire-related damage to certain poultry houses, the Company undertook reconstruction projects and introduced automated farming equipment and management systems. These initiatives are expected to improve production efficiency and reduce operational risks. The aforementioned capital expenditures did not have a material impact on the Company's finance and business.

5. Reinvestment Policies in the Most Recent Year, Main Reasons for Investment Gains or Losses, Improvement Plans, and Investment Plans of the Next Year

(1) Reinvestment policies

The Company has established the "Procedures for Acquisition or Disposal of Assets" in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" issued by regulatory authorities. The Procedures serve as the foundation for the Company's investments in other businesses. In addition, the Company regularly monitors the operations of the subsidiaries and tracks their business and financial conditions through the "Procedures for Supervision and Management of Subsidiaries" within its internal management system.

(2) Main reasons for reinvestment gains or losses and improvement plans in the most recent year:

(In Thousands of New Taiwan Dollars)

Investee	Share of Gain (Loss) in 2025	Main Reasons for Gains or Losses	Improvement Plans
Fu Che Frozen Food Co., Ltd.	16,210	Operations remained normal, with steady profitability.	None
Tai Da Eggs Technology Co., Ltd.	(6,750)	The business model had yet to stabilize, but the overall business operation was gradually improving.	The investee began to generate profits this year.
JihShang Livestock Products Co., Ltd.	(161)	The filing of the dissolution and final tax settlement was completed in May 2025, and the liquidation procedures were finalized in August 2025.	
Mountain River Livestock Products Co., Ltd.	-		
Dawushan Ise Foods Co., Ltd.	(73)	The Company is currently in the plant construction phase and has not yet commenced operations, resulting in a loss.	Profitability is expected to improve following completion of the plant.

(3) Investment plans of the next year: None.

6. Analysis of Risks in the Most Recent Year and as of the Date of This Annual Report

(1) Impacts of fluctuations in interest rates and foreign exchange rates and inflation on the Company's profitability and associated action plans

A. Impact of interest rate fluctuations

The Company's interest expenses for 2024 and 2025 were NT\$16,349 thousand and NT\$25,264 thousand, respectively, representing 1.31% and 0.82% of net operating

revenue. These expenses primarily comprise interest on borrowings from financial institutions and interest on lease liabilities. Based on these proportions, fluctuations in interest rates have not had a material impact on the Company's profitability.

In 2023, major economies, led by the United States, implemented multiple interest rate hikes to curb inflationary pressures, resulting in a tightening monetary environment. By 2024, global inflationary pressures began to ease, and major central banks shifted toward a more accommodative stance. Following rate cuts by the U.S. Federal Reserve in 2025, the federal funds rate was maintained within a target range of 3.75%~4.25% by year-end. Meanwhile, Taiwan's central bank maintained its rediscount rate at 2%. Compared with major Western economies, domestic interest rates remain relatively low; accordingly, interest rate movements are not expected to have a material adverse impact on the Company's earnings.

The Company closely monitors market interest rate trends and maintains strong credit relationships with financial institutions, enabling us to secure favorable financing terms as our operating scale expands and funding needs increase. In addition, through prudent financial planning and the evaluation of alternative financing instruments, the Company continues to mitigate risks associated with interest rate fluctuations.

B. Impact of foreign exchange rate fluctuations

The Company's principal business activities involve branded fresh eggs and processed egg products, with all operations based in Taiwan. Transactions are conducted in New Taiwan dollars (NTD), and sales revenue, as well as related costs and expenses, are primarily settled in NTD. For 2024 and 2025, net foreign exchange gains amounted to NT\$274 thousand and NT\$1,125 thousand, respectively, representing an immaterial proportion of the Company's net operating revenue. Accordingly, fluctuations in foreign exchange rates have not had a material impact on the Company's operations. The Company monitors foreign exchange market developments and maintains close communication with financial institutions to track currency trends and assess exchange rate movements, thereby mitigating foreign exchange risk.

C. Inflation

The price of feed, the Company's primary procurement item, is influenced by fluctuations in global grain commodity prices. In recent years, rising global raw material prices have contributed to an inflationary trend in the overall economic environment. The Company closely monitors market price movements and maintains strong relationships with both suppliers and customers to mitigate the impact of inflation on its profitability. For the most recent year and as of the date of this annual report, inflation has not had a material impact on the Company's profit or loss.

(2) Policies, main reasons for gains or losses and action plans with respect to high-risk, highly-leveraged investments, lending funds to other parties, endorsement and guarantee and derivative trading

The Company and the subsidiaries adhere to a business philosophy focused on core operations and a prudent approach to management. Financial policies are based on stability and conservatism. Currently, neither the Company nor the subsidiaries engage in high-risk or highly leveraged investments, lending of funds to other parties, or derivative transactions. The Company has established the "Procedures for Lending Funds to Other Parties." Should such transactions be undertaken in the future, they will be conducted in accordance with these procedures. Endorsements and guarantees are provided solely to the Company's subsidiaries and are governed by the "Procedures for Endorsements and Guarantees," with all related matters handled in compliance with these policies. In addition, the Company has

established the “Procedures for Acquisition or Disposal of Assets,” which stipulate that the Company shall not engage in derivative transactions.

(3) Future research and development plans and estimated expenses

The Company’s future research and development efforts will focus on feed nutrition optimization programs. R&D expenditures will be budgeted annually based on development progress. Through continued investment in funding and professional technical talent, the Company aims to maintain its competitive advantage. It is estimated that R&D expenses in 2026 will account for approximately 1% of net operating revenue.

(4) Impacts of changes in major domestic and overseas policies and regulations on the Company’s finance and business and associated action plans

The Company conducts all operations in compliance with applicable domestic and overseas laws and regulations. We continuously monitor policy developments and regulatory changes in both domestic and international markets, consult with relevant professionals, and gather information to support management’s decision-making. This enables us to respond effectively to changes in the market environment and to adjust our operating strategies as appropriate. For the most recent year and as of the date of this annual report, no material changes in major domestic or overseas policies or regulations have had a significant impact on the Company’s financial condition or business operations.

(5) Impacts of changes in technology (including cyber security risk) and industry on the Company’s finance and business and associated action plans

The Company closely monitors industry developments and market trends and adjusts the product mix in a timely manner to meet market demand and maintain competitiveness. For the most recent year and as of the date of this annual report, there have been no material impacts on the Company’s financial condition or business operations arising from technological changes or industry developments.

(6) Impacts of changes in corporate image on corporate risk management and associated action plans

The Company operates under the core values of “Dedication, Integrity, and Food Safety,” and remains focused on the sustainable operation and development of the core business. In recent years, we have also actively participated in various public welfare initiatives as part of our commitment to corporate social responsibility. For the most recent year and as of the date of this annual report, the Company has not encountered any crisis events arising from changes in its corporate image.

(7) Expected benefits and risks relating to merger and acquisition and associated action plans

On April 1, 2025, the Company acquired 51% equity interest in Fu Che Frozen Food Co., Ltd. from its parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd. This transaction was an organizational restructuring under common control. Fu Che Frozen Food Co., Ltd. is a food processing company whose primary revenue is derived from egg-based products. Its diversified product portfolio is expected to support the Company in expanding research and development of egg-based products, enhancing product competitiveness, scaling up egg processing operations, and increasing product value-added, thereby improving overall profitability.

In accordance with International Financial Reporting Standards and relevant interpretations, the Company has prudently evaluated the expected benefits and potential risks of this acquisition. The transaction was accounted for using the book value method, with the investment recognized at the parent company’s carrying amount. Any difference between the consideration paid and the carrying amount was first offset against capital surplus; if

such surplus was insufficient, the remaining amount was adjusted against retained earnings. The Company will continue to monitor post-acquisition integration risks, including the potential for synergies not being realized as expected, delays in capacity integration, and changes in market demand. Appropriate measures, such as strategic planning, operational management, and risk control mechanisms, will be implemented to address these risks and to safeguard shareholders' interests and the Company's long-term development.

(8) Expected benefits and risks relating to plant expansion and associated action plans

In light of future business growth, rising domestic demand for fresh eggs, and the need to enhance competitiveness, the supply capacity of the Company's existing self-owned farms, as well as its egg washing and grading capacity and cold storage facilities, are no longer sufficient to meet demand or to effectively balance production and sales. In March 2023, the Company invested in Dawushan Ise Foods Co., Ltd. ("Dawushan Ise Foods", formerly known as ChinNungHsing Eggs Co., Ltd.) and designated it as a specialized fresh egg washing and grading facility. On November 9, 2023, the Board of Directors approved the budget for the construction of Dawushan Ise Foods' new plant. This facility will primarily serve as a centralized platform for washing, grading, packaging, and cold storage services for the Company and its future partner farms. This initiative is expected not only to enhance revenue and profitability, but also to improve operational flexibility, facilitate market expansion, and increase market share, thereby generating positive benefits for the future operations of both the Company and the subsidiaries.

Upon completion of the new plant in 2026, production capacity is expected to increase progressively. In terms of raw egg supply, the Company has secured partner farms with a daily output of approximately 500,000 eggs, ensuring sufficient base volume for initial operations. With an estimated daily washing capacity of 1.0 to 1.5 million eggs, the facility is expected to further enhance revenue and profitability while improving operational flexibility, supporting market expansion, and increasing market share. The project will be financed through a combination of internal funds and bank financing. Given the Company's experience in the industry, as well as the availability of raw material supply and established customer demand, the associated financial and operational risks are considered manageable and are not expected to have a material adverse impact on the Company's operations.

(9) Risks of concentrated sources of purchases or sales and associated action plans

A. Purchases

The Company's largest supplier accounted for 48.88% and 44.59% of total purchases in 2024 and 2025, respectively. The Company continues to actively diversify its supplier base by identifying and engaging additional qualified suppliers to mitigate operational risks. Given the long-standing and stable relationships maintained with its suppliers, the risk of production disruption due to supply shortages remains low. Accordingly, the risks associated with purchase concentration are considered limited.

B. Sales

The Company's primary customers include major retail chains and foodservice operators across Taiwan. Its customer base is diverse and well diversified, with no reliance on any single customer. Accordingly, the Company is not exposed to material operational risks arising from sales concentration.

(10) Impact and risk of transfer or sale of significant number of shares by the directors, supervisors or shareholders with over 10% of shareholding and associated action plans

For the most recent year and as of the date of this annual report, there have been no significant changes in the shareholding percentages of the Company's directors, supervisors

or major shareholders with over 10% of shareholding. Accordingly, there has been no material impact on, or risk to, the Company's operations arising from any substantial transfer or sale of shares.

(11) Impact and risk of change in management and associated action plans

For the most recent year and as of the date of this annual report, there has been no change in control of the Company.

(12) Litigations or non-litigations

- A. Major litigations, non-litigations, or administrative disputes in the most recent two years and as of the date of this annual report that have been concluded by means of a final and unappealable judgment or are still ongoing, and have significant impacts on the shareholder interests or share prices, the facts, the monetary amount involved, the commencement date, the major parties, and the status as of the date of this annual report shall be disclosed: None.
- B. Major litigations, non-litigations, or administrative disputes in the most recent two years and as of the date of this annual report that have involved the Company's directors, supervisors, President, de facto responsible person, major shareholders with over 10% of shareholding and affiliates, and have been concluded by means of a final and unappealable judgment or are still ongoing, that have significant impacts on the shareholder interests or share prices: None.
- C. The occurrence of any event set forth under Article 157 of the Securities and Exchange Act in the most recent two years and as of the date of this annual report that have involved the Company's directors, supervisors, managers and major shareholders with over 10% of shareholding and the status as of the date of this annual report: None.
- D. If the Company's directors, supervisors, managers and major shareholders with over 10% of shareholding have encountered any financial difficulties or credit defaults in the most recent two years and as of the date of this annual report, the impact on the Company's financial position shall be disclosed: None.

(13) Other significant risks and associated action plans

A. Risks of avian diseases

Avian diseases represent a key constraint and a major risk to the poultry industry. The Company's layer farming operations are primarily exposed to diseases such as avian influenza, Newcastle disease, and Marek's disease. As Taiwan is located along migratory bird routes, avian influenza viruses may be introduced through cross-border migration of wild birds, posing increasing challenges to disease prevention and control in the domestic egg industry. A major outbreak with widespread transmission could lead to reduced egg production or elevated mortality in laying hens, resulting in economic losses and increased operating costs.

To mitigate these risks, the Company's farms are equipped with enclosed poultry houses featuring water-curtain climate control systems, as well as automated egg collection and manure handling systems. These measures effectively prevent contact between laying hens and wild or migratory birds. In addition, automation reduces reliance on manual labor and lowers the risk of disease transmission associated with personnel movement. The Company also implements routine environmental sanitation and disinfection procedures in accordance with established farming protocols to minimize the risk of disease transmission and spread.

B. Risks of raw material price fluctuations

Feed represents the primary cost of the Company's farming operations, with corn and soybean meal accounting for the largest proportion. The prices of these commodities are influenced by various factors, including government policies, global supply and demand, transportation conditions, climate, and natural disasters. As a result, production costs are susceptible to fluctuations in international agricultural commodity prices. The Company's fresh egg products are distributed through major retail chains in Taiwan. By maintaining full control over its sales channels and completely bypassing intermediaries, the Company has moved away from the traditional egg distribution system. It continues to expand its channel footprint and pursue a diversified market presence, enabling it to independently determine pricing and sales volumes and thereby mitigate market risks. In the event of a significant increase in corn and soybean meal prices leading to higher production costs, the Company will adjust product prices in a timely manner to reflect such cost increases.

C. Food safety risks

As consumer awareness of food safety and rights protection continues to rise, regulatory authorities have strengthened oversight of food safety. Compliance requires quality assurance across multiple stages, including feed production and farming. If regulatory standards are further tightened in the future, the Company may need to increase its investment in quality control and testing at each production stage, which could result in higher production costs. As the Company's scale of operations continues to expand, failure of quality control measures to keep pace with such growth or with evolving regulatory requirements could lead to deficiencies or lapses in product quality, potentially resulting in food safety incidents. Such events could adversely affect the Company's brand, reputation, and product sales.

To manage food safety risks, the Company has established a Food Safety Department responsible for overseeing routine inspection procedures, including sample retention and composition analysis of incoming feed, to mitigate risks associated with feed ingredients. In addition, egg products undergo comprehensive testing for veterinary drug residues, pesticide residues, heavy metals, microbiological contaminants, dioxins, and polychlorinated biphenyls (PCBs). These measures ensure compliance with applicable health regulations and help mitigate food safety risks.

7. Other Significant Matters: None.

VI. Special Notes

1. Affiliates

In accordance with Subparagraph 1, Paragraph 1, Article 21 and Article 22-1 of the Regulations Governing Information to be Published in Annual Reports of Public Companies, the Company's reports and statements on affiliated enterprises have been filed and disclosed on the MOPS. The information can be accessed at: https://mopsov.twse.com.tw/mops/web/t57sb01_q10

2. Private Placement of Securities in the Most Recent Year and as of the Date of this Annual Report: None.

3. Other Necessary Supplement: None.

VII. Any Events in the Most Recent Year and as of the Date of this Annual Report that had Significant Impacts on Shareholders' Equity or Security Prices as Stated in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act: None.

Appendix A

Consolidated Financial Statements for the Year Ended December 31, 2025 and Independent Auditors' Report

DAWUSHAN FARM TECHNOLOGY CO., LTD.
AND SUBSIDIARIES

Consolidated Financial Statements for the
Years Ended December 31, 2025 and 2024 and
Independent Auditors' Report
(Stock Code: 6952)

Address: No. 68-30, Pingshan Rd., Wanlong Village, Xinpi Township, Pingtung County
Telephone: 886-8-787-1888

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 audited 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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Dawushan Farm Technology Co., Ltd.
Representation Letter

The entities that are required to be included in the combined financial statements of Dawushan Farm Technology Co., Ltd. as of and for the year ended December 31, 2025, under the “Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard No. 10. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Therefore, Dawushan Farm Technology Co., Ltd. does not prepare a separate set of combined financial statements.

Very truly yours,

Dawushan Farm Technology Co., Ltd.

By

Feng-Chun Lin

Chairperson

March 6, 2026

Independent Auditors' Report

The Board of Directors and Shareholders

Dawushan Farm Technology Co., Ltd.

Audit opinion

We have audited the consolidated balance sheets of Dawushan Farm Technology Co., Ltd. and its subsidiaries (hereinafter referred to as “Dawushan Group”) as of December 31, 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to consolidated financial statements (including a summary on significant accounting policies).

In our opinion, the aforementioned consolidated financial statements present fairly, in all material respects, the consolidated financial position of Dawushan Group as of December 31, 2025, and its consolidated financial performance and cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for audit opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Dawushan Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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\$36,470 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 audit conclusion is not modified in respect of this matter.

Emphasis of matter - Organizational restructuring

As disclosed in Note 6(26) to the consolidated financial statements, on April 1, 2025, the Dawushan Group acquired 51% equity interest in Fu Che Frozen Food Co., Ltd. from its parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd. This transaction was an organizational restructuring under common control. The consolidated financial statements for the comparative periods have been presented as if the combination had been in effect from the beginning of those periods. In preparing the consolidated financial statements for the year ended December 31, 2025, the Dawushan Group restated the comparative consolidated financial statements on a retrospective basis. Our audit conclusion is not modified in respect of this matter.

Key audit matters

Key audit matters are ones that were of most significance in our audit of the consolidated financial

statements of Dawushan Group for the year ended December 31, 2025 based on our professional judgment. These matters have been covered during the audit of the overall consolidated financial statements and in forming the audit opinion. We will not express a separate opinion on these matters.

Key audit matters of the consolidated financial statements of Dawushan Group for the year ended December 31, 2025 are stated as follows:

Existence and occurrence of revenue recognition for fresh egg products

Description of the matter

For the accounting policies related to revenue recognition, please refer to Note 4(25) to the consolidated financial statements. For the accounting items of operating revenue, please refer to Note 6(16).

Operating revenue is one of the primary indicators used to assess management's performance and is also a matter of significant interest to users of the financial statements. As revenue from the sale of fresh egg products represents the largest proportion of the Group's total operating revenue, we identified the existence and occurrence of revenue recognition for fresh egg products as one of the key audit matters in the current year's audit.

Audit procedures performed

The primary audit procedures we performed in response to the above key audit matter include:

1. To understand, evaluate, and test the effectiveness of the design and implementation of internal controls over the recognition of sales revenue.
2. To obtain detailed listings of sales transactions and perform substantive testing by examining supporting documents, including customer orders, shipping documents, and sales invoices.
3. To perform external confirmations of accounts receivable.
4. To review significant sales returns and allowances occurring subsequent to year-end and examine the related supporting documentation.

Business combination under common control (organizational restructuring)

Description of the matter

For the accounting policies related to business combinations under common control (organizational restructuring), please refer to Note 4(28) to the consolidated financial statements. For the accounting items related to business combinations, please refer to Note 6(26).

On April 1, 2025, the Dawushan Group acquired 51% equity interest in Fu Che Frozen Food Co., Ltd. from its parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd. This transaction was an organizational restructuring under common control. As this represented a significant transaction during the reporting period, we identified the organizational restructuring as one of the key audit matters in the current year's audit.

Audit procedures performed

The primary audit procedures we performed in response to the above key audit matter include:

1. To interview management in order to understand the purpose of the organizational restructuring and the basis for determining the consideration.
2. To review the minutes of Board meetings and the share transfer agreement, and inspect supporting documentation for the payment of the consideration.
3. To assess the competence and objectivity of the independent experts engaged by management and review the fairness opinion issued by those experts.

4. To review the accounting treatment of the transaction and evaluate the adequacy of its presentation and disclosures in the financial statements.

Other matter - scope of audit

The consolidated financial statements of Dawushan Group for the year ended December 31, 2024 prior to restatement were audited by other auditors, who issued an unqualified opinion on February 18, 2025. As disclosed in Note 6(26) to the consolidated financial statements, the Dawushan Group restated its consolidated financial statements for the year ended December 31, 2024 as a result of an organizational restructuring. We performed the necessary audit procedures on the 2024 financial statements of Fu Che Frozen Food Co., Ltd. and on the adjustment entries made in connection with the restatement of the consolidated financial statements. In our opinion, the aforementioned financial statements of Fu Che Frozen Food Co., Ltd. for the year ended December 31, 2024 and the related adjustment entries are fairly stated and have been appropriately accounted for.

Other matter - parent company only financial statements

Dawushan Farm Technology Co., Ltd. has also prepared parent company only financial statements for the years ended December 31, 2025 and 2024. We issued an auditor's report with an unqualified opinion, including emphasis of matter paragraphs and other matter paragraphs, on the 2025 financial statements, and other auditors issued an auditor's report with an unqualified opinion on the 2024 financial statements. These financial statements are presented for reference.

Responsibilities of management and those charged with governance for the consolidated financial statements

The responsibilities of management are to prepare the consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, IFRICs, and SICs endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and maintain necessary internal controls associated with the preparation in order to ensure the financial statements are free from material misstatement arising from fraud or error.

In preparing the consolidated financial statements, management is also responsible for assessing the ability of Dawushan Group in continuing as a going concern, disclosing associated matters and adopting the going concern basis of accounting unless the management intends to liquidate the Group or cease its operations, or has no realistic alternative but to do so.

Those charged with governance of Dawushan Group (including the Audit Committee) are responsible for supervising the financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

We have exercised professional judgment and professional skepticism when carrying out auditing work according to the Standards on Auditing of the Republic of China. We also perform the following tasks:

1. Identify and assess the risks of material misstatement arising from fraud or error within the consolidated financial statements; design and execute appropriate counter-measures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our

opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error.

2. Understand internal controls relevant to the audit in order to design appropriate audit procedures under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dawushan Group's internal control.
3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by management.
4. Based on the audit evidence obtained, we conclude on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists for events or conditions that may cast significant doubts on Dawushan Group's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the consolidated financial statements to pay attention to relevant disclosures in the notes to those statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may result in Dawushan Group ceasing to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including relevant notes), and whether the consolidated financial statements adequately represent the underlying transactions and events.
6. Obtain sufficient and appropriate audit evidence concerning the financial information of entities within Dawushan Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit and the preparation of an audit opinion on the Group.

Matters communicated between us and the governance bodies include the planned scope and timing of the audit, and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provide governance bodies with a declaration that we have complied with the Norm regarding independence, and to communicate with them all relationships and other matters that may possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with governance bodies, we determine the key audit matters within the audit of Dawushan Group's consolidated financial statements for the year ended December 31, 2025. We have clearly indicated such matters in the independent auditors' report, unless legal regulations prohibit the public disclosure of specific items, or in extremely rare cases, where we decided not to communicate over specific items in the independent auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

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

PricewaterhouseCoopers Taiwan

March 6, 2026

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

			December 31, 2025		(Restated) December 31, 2024	
Assets		Note	Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 187,898	5	\$ 403,869	11
1136	Financial assets at amortized cost - current	6(2),8	3,640	-	9,747	-
1150	Notes receivable, net	5,6(3)	5,103	-	3,148	-
1170	Accounts receivable, net	5,6(3),7	363,642	10	299,383	8
1200	Other receivables		474	-	1,440	-
1220	Current tax assets		3,454	-	146	-
130X	Inventories	5,6(4)	98,886	3	79,851	2
1400	Biological assets - current	6(5),7	8,855	-	11,429	1
1410	Prepayments		47,092	1	23,021	1
11XX	Total current assets		719,044	19	832,034	23
Non-current assets						
1600	Property, plant and equipment	6(6),8,10	2,765,458	72	2,486,329	68
1755	Right-of-use assets	6(7),7	92,572	3	46,135	1
1780	Intangible assets	6(8)	130,219	3	177,577	5
1830	Biological assets - non-current	6(5),7	91,891	2	119,402	3
1840	Deferred tax assets	6(23)	26,214	1	3,566	-
1920	Refundable deposits		5,273	-	5,597	-
1990	Other non-current assets - others		2,583	-	891	-
15XX	Total non-current assets		3,114,210	81	2,839,497	77
1XXX	Total assets		\$ 3,833,254	100	\$ 3,671,531	100

(Continued)

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

Liabilities and Equity		Note	December 31, 2025		(Restated) December 31, 2024	
			Amount	%	Amount	%
Current liabilities						
2100	Short-term loans	6(9),8	\$ 405,000	11	\$ -	-
2130	Contract liabilities - current	6(16)	614	-	3,166	-
2150	Notes payable		100	-	100	-
2170	Accounts payable		111,232	3	146,890	4
2180	Accounts payable - related parties	7	67,432	2	40,753	1
2200	Other payables	6(10),7	193,569	5	173,464	5
2230	Current tax liabilities		-	-	27,745	1
2250	Provisions - current		-	-	3,708	-
2280	Lease liabilities - current	7	20,876	-	15,441	-
2320	Current portion of long-term loans	6(11),8	336,261	9	49,753	1
21XX	Total current liabilities		1,135,084	30	461,020	12
Non-current liabilities						
2540	Long-term loans	6(11),8	853,252	22	698,977	19
2570	Deferred tax liabilities	6(23)	671	-	270	-
2580	Lease liabilities - non-current	7	72,832	2	31,087	1
25XX	Total non-current liabilities		926,755	24	730,334	20
2XXX	Total liabilities		2,061,839	54	1,191,354	32
Equity						
Equity attributable to owners of the parent						
	Share capital	6(13)				
3110	Common shares		683,450	18	683,450	19
	Capital surplus	6(14)				
3200	Capital surplus		467,110	12	585,286	16
	Retained earnings	6(15)				
3310	Legal reserve		64,096	1	54,616	2
3350	Unappropriated earnings		262,575	7	420,788	11
3500	Treasury shares	6(13)	(49,013)	(1)	(36,511)	(1)
31XX	Total equity attributable to owners of the parent		1,428,218	37	1,707,629	47
35XX	Predecessor interests under common control	6(26)	-	-	403,917	11
36XX	Non-controlling interests	4(3)	343,197	9	368,631	10
3XXX	Total equity		1,771,415	46	2,480,177	68
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant disaster loss	10				
3X2X	Total liabilities and equity		\$ 3,833,254	100	\$ 3,671,531	100

(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 Years Ended December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars,

Except for earnings (loss) per share, which is expressed in New Taiwan Dollars)

Item	Note	2025		(Restated) 2024	
		Amount	%	Amount	%
4000 Operating revenue	6(16),7	\$ 1,944,395	100	\$ 1,987,639	100
5000 Operating costs	6(4,21,22),7	(1,628,406)	(84)	(1,452,217)	(73)
5850 Gain arising from initial recognition of biological assets and agricultural produce		44,508	2	21,200	1
5900 Gross profit		360,497	18	556,622	28
Operating expenses	6(8,21,22),7				
6100 Sales and marketing expenses		(188,764)	(10)	(177,718)	(9)
6200 General and administrative expenses		(110,497)	(5)	(115,757)	(6)
6300 Research and development expenses		(33,519)	(2)	(28,439)	(1)
6450 Expected credit gain (loss)	12(2)	27	-	(54)	-
6000 Total operating expenses		(332,753)	(17)	(321,968)	(16)
6900 Operating income		27,744	1	234,654	12
Non-operating income and expenses					
7100 Interest income	6(17)	2,580	-	3,852	-
7010 Other income	6(18)	31,219	2	36,763	2
7020 Other gains and losses	6(19)	(116,286)	(6)	(29,159)	(1)
7050 Finance costs	6(6,20),7	(19,239)	(1)	(12,685)	(1)
7000 Total non-operating income and expenses		(101,726)	(5)	(1,229)	-
7900 (Loss) income before income tax		(73,982)	(4)	233,425	12
7950 Income tax benefit (expense)	6(23)	13,837	1	(47,552)	(3)
8200 Net (loss) income		<u>(\$ 60,145)</u>	<u>(3)</u>	<u>\$ 185,873</u>	<u>9</u>
8500 Total comprehensive (loss) income		<u>(\$ 60,145)</u>	<u>(3)</u>	<u>\$ 185,873</u>	<u>9</u>
Net (loss) income attributable to:					
8610 Owners of the parent		(\$ 80,812)	(4)	\$ 94,800	5
8615 Predecessor interests under common control		8,327	-	45,980	2
8620 Non-controlling interests		12,340	1	45,093	2
Total net (loss) income		<u>(\$ 60,145)</u>	<u>(3)</u>	<u>\$ 185,873</u>	<u>9</u>
Total comprehensive (loss) income attributable to:					
8710 Owners of the parent		(\$ 80,812)	(4)	\$ 94,800	5
8715 Predecessor interests under common control		8,327	-	45,980	2
8720 Non-controlling interests		12,340	1	45,093	2
Total comprehensive (loss) income		<u>(\$ 60,145)</u>	<u>(3)</u>	<u>\$ 185,873</u>	<u>9</u>
(Loss) earnings per share (NT\$)	6(24)				
9750 Earnings per share - basic		(\$ 1.08)		\$ 2.17	
9850 Earnings per share - diluted		(\$ 1.08)		\$ 2.16	

(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 Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	Note	Equity Attributable to Owners of the Parent					Predecessor Interests under Common Control	Non-Controlling Interests	Total Equity
		Common Shares	Capital Surplus	Legal Reserve	Unappropriated Earnings	Treasury Shares			
<u>For the year ended December 31, 2024 (Restated)</u>									
Balance as of January 1, 2024 (Restated)		\$ 607,500	\$ 230,350	\$ 47,408	\$ 401,541	\$ -	\$ 1,286,799	\$ 365,587	\$ 1,936,770
Net income for the period		-	-	-	94,800	-	94,800	45,980	185,873
Total comprehensive income for the period		-	-	-	94,800	-	94,800	45,980	185,873
Appropriation of 2023 earnings									
Legal reserve		-	-	7,208	(7,208)	-	-	-	-
Cash dividends	6(15)	-	-	-	(68,345)	-	(68,345)	-	(68,345)
Issuance of common shares for cash	6(13,14)	75,950	354,940	-	-	-	430,890	-	430,890
Cash dividends distributed by subsidiaries before organizational restructuring		-	-	-	-	-	(7,650)	(7,350)	(15,000)
Repurchase of treasury shares	6(13)	-	-	-	-	(36,511)	(36,511)	-	(36,511)
Changes in percentage of ownership interests in subsidiaries	6(14,25)	-	(4)	-	-	-	(4)	4	-
Changes in non-controlling interests		-	-	-	-	-	-	46,500	46,500
Balance as of December 31, 2024 (Restated)		\$ 683,450	\$ 585,286	\$ 54,616	\$ 420,788	(\$ 36,511)	\$ 1,707,629	\$ 403,917	\$ 2,480,177
<u>For the year ended December 31, 2025</u>									
Balance as of January 1, 2025 (Restated)		\$ 683,450	\$ 585,286	\$ 54,616	\$ 420,788	(\$ 36,511)	\$ 1,707,629	\$ 403,917	\$ 2,480,177
Net loss for the period		-	-	-	(80,812)	-	(80,812)	8,327	(60,145)
Total comprehensive loss for the period		-	-	-	(80,812)	-	(80,812)	8,327	(60,145)
Appropriation of 2024 earnings									
Legal reserve		-	-	9,480	(9,480)	-	-	-	-
Cash dividends	6(15)	-	-	-	(67,345)	-	(67,345)	-	(67,345)
Cash distribution from capital surplus	6(14)	-	(67,345)	-	-	-	(67,345)	-	(67,345)
Repurchase of treasury shares	6(13)	-	-	-	-	(12,502)	(12,502)	-	(12,502)
Difference between the acquisition/disposal price and carrying amount of subsidiary equity interests	6(14,25)	-	-	-	(576)	-	(576)	(1,024)	(1,600)
Cash dividends distributed by subsidiaries before organizational restructuring		-	-	-	-	-	(38,250)	(36,750)	(75,000)
Effect of organizational restructuring	6(14,26)	-	(50,831)	-	-	-	(50,831)	(373,994)	(424,825)
Balance as of December 31, 2025		\$ 683,450	\$ 467,110	\$ 64,096	\$ 262,575	(\$ 49,013)	\$ 1,428,218	\$ 343,197	\$ 1,771,415

(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 Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	Note	2025	(Restated) 2024
<u>Cash flows from operating activities</u>			
(Loss) income before income tax		(\$ 73,982)	\$ 233,425
Adjustments			
Non-cash income and expense items			
Depreciation	6(5,6,7,21)	245,918	215,376
Amortization	6(8,21)	5,128	2,003
Expected credit (gain) loss	12(2)	(27)	54
Interest expense	6(20)	19,239	12,685
Interest income	6(17)	(2,580)	(3,852)
Loss on disposal of property, plant and equipment	6(19)	1,156	2,602
Loss on disposal of biological assets	6(19)	60,670	15,671
Gain on lease modification	6(19)	-	(4)
Impairment loss on non-financial assets	6(19)	-	4,739
Disaster loss	6(19)	35,970	-
Reclassification of property, plant, and equipment to expenses	6(6)	902	295
Changes in operating assets and liabilities			
Net changes in operating assets			
Notes receivable		(1,955)	3,959
Accounts receivable		(64,232)	31,399
Other receivables		966	1,517
Inventories		(19,035)	(1,595)
Biological assets - current		(8,855)	(114,307)
Prepayments		(24,071)	(10,871)
Net changes in operating liabilities			
Contract liabilities - current		(2,552)	2,788
Accounts payable		(35,658)	26,839
Accounts payable - related parties		26,679	(31,546)
Other payables		12,844	37,660
Provisions - current		-	535
Cash generated from operations		176,525	429,372
Interest received		2,580	3,877
Interest paid		(18,728)	(12,737)
Income tax paid		(39,463)	(56,652)
Net cash generated by operating activities		120,914	363,860
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at amortized cost - current		(3,640)	(9,747)
Disposal of financial assets at amortized cost - current		9,747	-
Acquisition of biological assets - non-current		(138,581)	(42,501)
Disposal of biological assets - non-current		15,335	6,542
Acquisition of property, plant and equipment	6(27)	(439,757)	(453,117)
Disposal of property, plant and equipment		913	18
Acquisition of intangible assets	6(8)	(95)	(351)
Decrease in refundable deposits		324	504
Decrease in other financial assets - current		-	119,448
(Increase) decrease in other non-current assets - others		(1,692)	504
Net cash used in investing activities		(557,446)	(378,700)

(Continued)

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

	Note	2025	(Restated) 2024
<u>Cash flows from financing activities</u>			
Increase in short-term loans	6(28)	\$ 1,382,000	\$ 190,000
Decrease in short-term loans	6(28)	(977,000)	(376,000)
Proceeds from long-term loans	6(28)	512,000	303,120
Repayment of long-term loans	6(28)	(71,217)	(480,133)
Repayment of lease principal	6(28)	(18,930)	(15,404)
Cost of treasury shares repurchased	6(13)	(12,502)	(36,511)
Issuance of common shares for cash	6(13)	-	430,890
Changes in non-controlling interests	6(25)	(1,600)	46,500
Cash dividends distributed by subsidiaries before organizational restructuring		(75,000)	(15,000)
Cash paid for acquisition of subsidiary equity under organizational restructuring	6(26)	(382,500)	-
Distribution of cash dividends and cash distribution from capital surplus	6(14,15)	(134,690)	(68,345)
Net cash generated by (used in) financing activities		<u>220,561</u>	<u>(20,883)</u>
Net decrease in cash and cash equivalents		(215,971)	(35,723)
Cash and cash equivalents at beginning of period	6(1)	<u>403,869</u>	<u>439,592</u>
Cash and cash equivalents at end of period	6(1)	<u>\$ 187,898</u>	<u>\$ 403,869</u>

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

(Concluded)

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended December 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 42.43% 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 years ended December 31, 2025 and 2024 were approved and authorized for issue in the Board of Directors’ meeting on March 6, 2026.

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 IAS 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, 2026:

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
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
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
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
Annual Improvements to IFRS Accounting Standards - Volume 11	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 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	Yet to be determined
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note: The FSC announced in a press release dated September 25, 2025, that publicly issued companies will be required to adopt IFRS 18 beginning January 1, 2028. Furthermore, companies seeking early adoption may choose to do so, provided that the FSC has officially endorsed the Standard.

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 also introduces new disclosure requirements for management-defined performance measures and strengthens the principles of aggregation and disaggregation in the primary financial statements and notes.

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

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.

(1) Statement of compliance

The consolidated financial statements for the years ended December 31, 2025 and 2024 have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC Interpretations, and SIC Interpretations (collectively, the “IFRSs”) 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 IFRSs 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

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
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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 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
			2025.12.31	2024.12.31	
The Company	Tai Da Eggs Technology Co., Ltd.	Manufacturing and trading of processed egg products	68.39%	68.39%	
	JihShang Livestock Products Co., Ltd.	Distribution of processed products	-	100.00%	Note 3
	Mountain River Livestock Products Co., Ltd.	Distribution of processed products	-	100.00%	Note 3
	Dawushan Ise Foods Co., Ltd. (formerly ChinNungHsing Eggs Co., Ltd.)	Trading of egg products	60.00%	60.00%	Note 1
	Fu Che Frozen Food Co., Ltd.	Egg processing and frozen food processing and trading	51.21%	51.00%	Note 2

Note 1: 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%.

Note 2: On April 1, 2025, the Group acquired 51% equity interest in Fu Che Frozen Food Co., Ltd. from its parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd. This transaction was an organizational restructuring under common control. The consolidated financial statements for the comparative periods have been presented as if the combination had been in effect from the beginning of those periods. In addition, the Group purchased 0.21% equity interest from non-controlling shareholders, increasing its ownership from 51% to 51.21%.

Note 3: The filing of the dissolution and final tax settlement was completed on May 8, 2025, and the liquidation procedures were finalized on August 26, 2025.

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

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

E. Major restrictions: None.

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

As of December 31, 2025 and 2024, the Group's total non-controlling interests amounted to NT\$343,197 and NT\$368,631, 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			
		December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
Dawushan Ise Foods Co., Ltd.	Taiwan	\$ 92,844	40.00%	\$ 92,893	40.00%
Tai Da Eggs Technology Co., Ltd.	Taiwan	8,677	31.61%	11,798	31.61%
Fu Che Frozen Food Co., Ltd.	Taiwan	241,676	48.79%	263,940	49.00%

Summarized financial information of subsidiaries:

Balance sheets

	Dawushan Ise Foods Co., Ltd.	
	December 31, 2025	December 31, 2024
Current assets	\$ 24,786	\$ 81,662
Non-current assets	478,588	209,622
Current liabilities	(229,264)	(53)
Non-current liabilities	(42,000)	(59,000)
Total net assets	\$ 232,110	\$ 232,231
	Tai Da Eggs Technology Co., Ltd.	
	December 31, 2025	December 31, 2024
Current assets	\$ 49,220	\$ 63,410
Non-current assets	13,117	16,184
Current liabilities	(34,888)	(41,205)
Non-current liabilities	-	(1,069)
Total net assets	\$ 27,449	\$ 37,320
	Fu Che Frozen Food Co., Ltd.	
	December 31, 2025	December 31, 2024
Current assets	\$ 280,894	\$ 319,602
Non-current assets	903,682	846,820
Current liabilities	(329,587)	(223,696)
Non-current liabilities	(359,616)	(404,073)
Total net assets	\$ 495,373	\$ 538,653

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

	Dawushan Ise Foods Co., Ltd.	
	Years Ended December 31	
	2025	2024
Revenue	\$ -	\$ -
Net loss before income tax	(\$ 121)	(\$ 283)
Income tax expense	-	-
Net loss	(121)	(283)
Total comprehensive loss	(\$ 121)	(\$ 283)
Total comprehensive loss attributable to non-controlling interests	(\$ 49)	(\$ 118)
	Tai Da Eggs Technology Co., Ltd.	
	Years ended December 31	
	2025	2024
Revenue	\$ 80,654	\$ 124,817
Net (loss) income before income tax	(\$ 9,871)	\$ 3,273
Income tax expense	-	-
Net (loss) income	(9,871)	3,273
Total comprehensive (loss) income	(\$ 9,871)	\$ 3,273
Total comprehensive (loss) income attributable to non-controlling interests	(\$ 3,121)	\$ 1,035
	Fu Che Frozen Food Co., Ltd.	
	Years ended December 31	
	2025	2024
Revenue	\$ 868,473	\$ 792,702
Net income before income tax	\$ 40,239	\$ 113,195
Income tax expense	(8,519)	(23,039)
Net income	31,720	90,156
Total comprehensive income	\$ 31,720	\$ 90,156
Total comprehensive income attributable to non-controlling interests	\$ 15,510	\$ 44,176
Dividend paid to non-controlling interests	\$ 36,750	\$ 7,350
	Dawushan Ise Foods Co., Ltd.	
	Years ended December 31	
	2025	2024
Net cash used in operating activities	(\$ 17,851)	(\$ 5,045)
Net cash used in investing activities	(268,966)	(160,693)
Net cash generated by financing activities	212,000	191,500

(Continued)

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
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	Dawushan Ise Foods Co., Ltd.	
	Years ended December 31	
	2025	2024
Net (decrease) increase in cash and cash equivalents	(\$ 74,817)	\$ 25,762
Cash and cash equivalents at beginning of period	76,831	51,069
Cash and cash equivalents at end of period	\$ 2,014	\$ 76,831
	(Concluded)	
	Tai Da Eggs Technology Co., Ltd.	
	Years ended December 31	
	2025	2024
Net cash (used in) generated by operating activities	(\$ 14,432)	\$ 19,284
Net cash used in investing activities	(3,710)	(796)
Net cash used in financing activities	(1,139)	(1,069)
Net (decrease) increase in cash and cash equivalents	(19,281)	17,419
Cash and cash equivalents at beginning of period	27,755	10,336
Cash and cash equivalents at end of period	\$ 8,474	\$ 27,755
	Fu Che Frozen Food Co., Ltd.	
	Years ended December 31	
	2025	2024
Net cash generated by operating activities	\$ 37,671	\$ 138,596
Net cash used in investing activities	(87,338)	(149,143)
Net cash used in financing activities	(13,455)	(18,352)
Net decrease in cash and cash equivalents	(63,122)	(28,899)
Cash and cash equivalents at beginning of period	146,619	175,518
Cash and cash equivalents at end of period	\$ 83,497	\$ 146,619

(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\$).

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.

DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
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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 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.

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- (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 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 receivable that represents 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 receivable, 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
- A. 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 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

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and the estimated costs necessary to make the sale.

- B. Inventories of agricultural produce are measured at fair value less costs to sell.

(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 borrowing costs incurred during the construction period 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 50 years
Machinery and equipment	2 to 30 years
Leasehold improvements	10 years
Other 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 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.

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- C. Right-of-use assets are initially measured at cost, which comprises the amount of the initial measurement of the lease liability.

Subsequently, the assets are measured using the cost model and depreciated over the shorter of the lease term and 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 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.
- 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

- A. 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. Except for goodwill, 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 resulting from 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.
- B. Goodwill and intangible assets with indefinite useful lives are subject to periodic estimation of their recoverable amounts. When the recoverable amount is less than the carrying amount, an impairment loss is recognized. Impairment losses recognized for goodwill are not reversed in subsequent periods.
- C. For the purpose of impairment testing, goodwill is allocated to cash-generating units (CGUs). Such allocation is determined based on operating segments, with goodwill allocated to the CGUs or groups of CGUs that are expected to benefit from the business combination from which the goodwill arose.

(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 proceeds net of transaction costs and the redemption amount is

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recognized in profit or loss as interest expense over the term of the borrowings using the effective interest method.

(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.

(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 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 the Income Tax Act, 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

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and their carrying amounts on the consolidated balance sheet. Deferred 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.

- 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.

(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, processed egg products, prepared foods 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.

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- B. Revenue from the sale of fresh eggs, processed egg products, prepared foods and related 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 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) Government grants

Government grants are recognized at fair value when there is reasonable assurance that the Group will comply with the conditions attached to the grants and that the grants will be received. Government grants related to expenses are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes the related expenses. Government grants related to property, plant and equipment are recognized as non-current liabilities and are recognized in profit or loss on a straight-line basis over the estimated useful lives of the related assets.

(27) 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.

(28) Business combinations under common control (also referred to as organizational restructuring)

According to the Q&A issued by the Accounting Research and Development Foundation on October 26, 2018, "Accounting Treatment of Business Combinations under Common Control," as IFRS 3 Business Combinations does not provide explicit guidance for transactions under common control, the relevant interpretations issued in Taiwan shall apply. Under the book value method, the acquiring entity recognizes the assets and liabilities of the transferred entity at the carrying amounts recorded by the parent company. Any difference between the consideration paid and the carrying amount recognized is directly debited from or credited to capital surplus; if the credit balance of capital surplus is insufficient, the shortfall is adjusted against retained earnings. For the purpose of preparing consolidated financial statements for the comparative period, the combination is accounted for as if it had occurred at the beginning of the earliest period presented. When restating comparative financial statements, the portion of equity previously attributable to the parent company is presented as "predecessor interests under common control," and the share of profit or loss previously attributable to the parent company is presented as "profit (loss) attributable to predecessor interests under common control."

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5. Critical Accounting Judgments and Major Sources of Estimation 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 assumption uncertainty.

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

(2) Critical accounting estimates and assumptions

A. Estimated impairment of notes and accounts receivable

In assessing the impairment of notes and accounts receivable, the Group is required to apply judgment and estimates in measuring the credit risk of notes and accounts receivable in order to evaluate expected credit losses. Credit risk is affected by a number of factors, including the customer's financial condition, historical transaction records and current economic conditions, among other factors that may affect customers' credit quality. This assessment is based on reasonable expectations of expected credit losses as of the balance sheet date. However, actual results may differ from these estimates and may result in material adjustments.

As of December 31, 2025, the carrying amount of the Group's notes and accounts receivable was NT\$368,745.

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 spoilage, 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 December 31, 2025, the carrying amount of the Group's inventories was NT\$98,886.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand and petty cash	\$ 595	\$ 782
Checking and demand deposits	175,107	400,187
Time deposits	12,196	2,900
	<u>\$ 187,898</u>	<u>\$ 403,869</u>

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- 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 December 31, 2025 and 2024, the Group's cash and cash equivalents restricted for performance guarantee purposes, amounting to NT\$740 and NT\$5,847, respectively, were classified as financial assets at amortized cost - current.

(2) Financial assets at amortized cost

Item	December 31, 2025	December 31, 2024
Financial assets at amortized cost		
Current:		
Time deposits with original maturities over three months	\$ 2,900	\$ 3,900
Pledged time deposits	740	5,847
	<u>\$ 3,640</u>	<u>\$ 9,747</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 as of December 31, 2025 and 2024 amounted to NT\$3,640 and NT\$9,747, respectively.
- B. For information on the pledge of financial assets measured at amortized cost as collateral, please refer to Note 8.
- C. For credit risk information related to financial assets measured at amortized cost, please refer to Note 12(2). 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.

(3) Notes and accounts receivable

	December 31, 2025	December 31, 2024
Notes receivable	<u>\$ 5,103</u>	<u>\$ 3,148</u>
Accounts receivable	\$ 363,783	\$ 299,551
Less: Loss allowance	<u>(141)</u>	<u>(168)</u>
	<u>\$ 363,642</u>	<u>\$ 299,383</u>

- A. The aging analysis of notes and accounts receivable was as follows:

	December 31, 2025		December 31, 2024	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
Not past due	\$ 5,103	\$ 361,934	\$ 3,148	\$ 294,348
Past due:				
1 to 30 days	-	1,311	-	4,047
31 to 90 days	-	433	-	1,092
Over 91 days	-	105	-	64
	<u>\$ 5,103</u>	<u>\$ 363,783</u>	<u>\$ 3,148</u>	<u>\$ 299,551</u>

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

- B. As of December 31, 2025 and 2024, the balance of notes and accounts receivable was derived from customer contracts. The outstanding receivables from customer contracts as of January 1, 2024 amounted to NT\$338,070.
- C. Without considering any collateral held or other credit enhancements, the maximum exposure to credit risk of the Group's notes receivable as of December 31, 2025 and 2024 amounted to NT\$5,103 and NT\$3,148, respectively; and the maximum exposure to credit risk of accounts receivable was NT\$363,642 and NT\$299,383, 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

	December 31, 2025		
	Cost	Allowance for Inventory Valuation Losses	Carrying Amount
Raw materials	\$ 45,222	(\$ 2,580)	\$ 42,642
Work in progress	19,205	(178)	19,027
Finished goods	37,687	(470)	37,217
	<u>\$ 102,114</u>	<u>(\$ 3,228)</u>	<u>\$ 98,886</u>
	December 31, 2024		
	Cost	Allowance for Inventory Valuation Losses	Carrying Amount
Raw materials	\$ 32,446	(\$ 1,754)	\$ 30,692
Work in progress	17,018	(146)	16,872
Finished goods	32,683	(396)	32,287
	<u>\$ 82,147</u>	<u>(\$ 2,296)</u>	<u>\$ 79,851</u>
	December 31,		December 31,
	2025		2024
Inventories measured at fair value less costs to sell	<u>\$ 18,849</u>		<u>\$ 18,448</u>

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

	Years ended December 31	
	2025	2024
Cost of inventories sold	\$ 1,606,468	\$ 1,445,246
Sale of consumable biological assets	-	6,499
Inventory write-downs	932	1,144
Loss on physical inventory	1,812	463

(Continued)

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	Years ended December 31	
	2025	2024
Obsolescence	\$ 11,390	\$ 853
Idle capacity	8,824	-
Revenue from sale of scrap and waste materials	(1,020)	(1,988)
	<u>\$ 1,628,406</u>	<u>\$ 1,452,217</u>
		(Concluded)

(5) Biological assets

A. Details of biological assets

	December 31, 2025	December 31, 2024
<u>Biological assets - current</u>		
Consumable biological assets	<u>\$ 8,855</u>	<u>\$ 11,429</u>
<u>Biological assets - non-current</u>		
Bearer biological assets	\$ 178,747	\$ 182,856
Bearer biological assets - accumulated depreciation	(86,856)	(63,454)
	<u>\$ 91,891</u>	<u>\$ 119,402</u>

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

	Years Ended December 31	
	2025	2024
Balance as of January 1	\$ 130,831	\$ 88,369
Additions through purchases	9,037	25,781
Costs and expenses incurred	138,399	137,526
Decreases due to sale and write-offs	(76,005)	(22,213)
Depreciation	(101,516)	(92,133)
Transferred to inventories	-	(6,499)
Balance as of December 31	<u>\$ 100,746</u>	<u>\$ 130,831</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

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layer hens. For the years ended December 31, 2025 and 2024, the depreciation expenses of biological assets amounted to NT\$101,516 and NT\$92,133, respectively.

D. Estimated quantity of biological assets

	December 31, 2025	December 31, 2024
Livestock:		
Quantity of biological assets (Thousand heads)	985	1,001

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.

(6) Property, plant and equipment

2025							
	Land	Buildings and Structures	Machinery and Equipment	Leasehold Improvement	Other Equipment	Construction in Progress and Equipment Awaiting Inspection	Total
Balance as of January 1	\$ 470,880	\$ 887,090	\$ 981,592	\$ 18,103	\$ 80,913	\$ 833,800	\$ 3,272,378
Cost	-	(206,623)	(529,735)	(13,649)	(36,042)	-	(786,049)
Accumulated depreciation	\$ 470,880	\$ 680,467	\$ 451,857	\$ 4,454	\$ 44,871	\$ 833,800	\$ 2,486,329
Balance as of January 1	\$ 470,880	\$ 680,467	\$ 451,857	\$ 4,454	\$ 44,871	\$ 833,800	\$ 2,486,329
Additions	1,752	29,370	68,038	-	20,185	323,454	442,799
Disposals	-	-	(3)	-	-	(2,066)	(2,069)
Write-off due to fire damage	-	(23,979)	(11,964)	-	(27)	-	(35,970)
Reclassifications	49,312	390,123	170,700	-	16,037	(626,172)	-
Transferred to expenses	-	-	-	-	-	(902)	(902)
Depreciation	-	(37,939)	(72,456)	(1,743)	(12,591)	-	(124,729)
Balance as of December 31	\$ 521,944	\$ 1,038,042	\$ 606,172	\$ 2,711	\$ 68,475	\$ 528,114	\$ 2,765,458
Balance as of December 31	\$ 521,944	\$ 1,270,960	\$ 1,108,493	\$ 18,103	\$ 116,798	\$ 528,114	\$ 3,564,412
Cost	-	(232,918)	(502,321)	(15,392)	(48,323)	-	(798,954)
Accumulated depreciation	\$ 521,944	\$ 1,038,042	\$ 606,172	\$ 2,711	\$ 68,475	\$ 528,114	\$ 2,765,458
2024							
	Land	Buildings and Structures	Machinery and Equipment	Leasehold Improvement	Other Equipment	Construction in Progress and Equipment Awaiting Inspection	Total
Balance as of January 1	\$ 449,310	\$ 882,661	\$ 963,436	\$ 18,545	\$ 53,683	\$ 475,368	\$ 2,843,003
Cost	-	(177,034)	(479,658)	(12,203)	(29,002)	-	(697,897)
Accumulated depreciation	\$ 449,310	\$ 705,627	\$ 483,778	\$ 6,342	\$ 24,681	\$ 475,368	\$ 2,145,106
Balance as of January 1	\$ 449,310	\$ 705,627	\$ 483,778	\$ 6,342	\$ 24,681	\$ 475,368	\$ 2,145,106
Additions	36	4,429	8,413	-	3,438	435,428	451,744
Disposals	-	-	(2,602)	-	(18)	-	(2,620)
Reclassifications	21,534	-	30,681	-	24,486	(76,701)	-
Transferred to expenses	-	-	-	-	-	(295)	(295)
Depreciation	-	(29,589)	(68,413)	(1,888)	(7,716)	-	(107,606)
Balance as of December 31	\$ 470,880	\$ 680,467	\$ 451,857	\$ 4,454	\$ 44,871	\$ 833,800	\$ 2,486,329
Balance as of December 31	\$ 470,880	\$ 887,090	\$ 981,592	\$ 18,103	\$ 80,913	\$ 833,800	\$ 3,272,378
Cost	-	(206,623)	(529,735)	(13,649)	(36,042)	-	(786,049)
Accumulated depreciation	\$ 470,880	\$ 680,467	\$ 451,857	\$ 4,454	\$ 44,871	\$ 833,800	\$ 2,486,329

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- A. For the years ended December 31, 2025 and 2024, the amounts of borrowing costs capitalized to property, plant and equipment by the Group were NT\$6,025 and NT\$3,664, respectively. The capitalization interest rates ranged from 0.885% to 2.095% and from 0.885% to 2.095%, respectively.
- B. Major components of buildings and structures include the main buildings and various improvement projects, which are depreciated over 32 to 50 years.
- C. For information regarding property, plant and equipment pledged as collateral, please refer to Note 8.
- D. As of December 31, 2025 and 2024, a portion of the Group's land holdings, amounting to NT\$101,539 and NT\$51,205, 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.

(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 were as follows:

	December 31, 2025	December 31, 2024
	Carrying Amount	Carrying Amount
Livestock facilities and equipment	\$ 21,063	\$ 30,784
Land	7,036	9,382
Buildings	63,461	4,686
Transportation equipment	1,012	1,283
	<u>\$ 92,572</u>	<u>\$ 46,135</u>

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	Years ended December 31	
	2025	2024
	Depreciation	Depreciation
Livestock facilities and equipment	\$ 9,721	\$ 8,101
Land	2,346	2,346
Buildings	6,515	2,696
Transportation equipment	1,091	2,494
	<u>\$ 19,673</u>	<u>\$ 15,637</u>

D. Additions to right-of-use assets for the years ended December 31, 2025 and 2024 were NT\$66,110 and NT\$40,164, respectively.

E. The following amounts related to lease contracts were recognized in profit or loss:

	Years ended December 31	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,551	\$ 989
Expense for short-term leases	11,450	9,233
Expense for leases of low-value assets	200	118
Gain on lease modification	-	4

F. Total cash outflows for leases for the years ended December 31, 2025 and 2024 amounted to NT\$32,132 and NT\$25,744, respectively.

(8) Intangible assets

	2025				
	Licenses	Goodwill	Proprietary Technology	Computer Software	Total
Balance as of January 1					
Cost	\$ 23,810	\$ 150,703	\$ 8,571	\$ 5,737	\$ 188,821
Accumulated amortization and impairment	-	(4,739)	(2,857)	(3,648)	(11,244)
	<u>\$ 23,810</u>	<u>\$ 145,964</u>	<u>\$ 5,714</u>	<u>\$ 2,089</u>	<u>\$ 177,577</u>
Balance as of January 1	\$ 23,810	\$ 145,964	\$ 5,714	\$ 2,089	\$ 177,577
Additions - acquired separately	-	-	-	95	95
Decreases	(23,810)	(16,761)	(1,754)	-	(42,325)
Amortization	-	-	(3,960)	(1,168)	(5,128)
Balance as of December 31	<u>\$ -</u>	<u>\$ 129,203</u>	<u>\$ -</u>	<u>\$ 1,016</u>	<u>\$ 130,219</u>
Balance as of December 31					
Cost	\$ -	\$ 129,203	\$ -	\$ 5,832	\$ 135,035
Accumulated amortization and impairment	-	-	-	(4,816)	(4,816)
	<u>\$ -</u>	<u>\$ 129,203</u>	<u>\$ -</u>	<u>\$ 1,016</u>	<u>\$ 130,219</u>

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	2024				
	Licenses	Goodwill	Proprietary Technology	Computer Software	Total
Balance as of January 1					
Cost	\$ 23,810	\$ 150,703	\$ 8,571	\$ 5,386	\$ 188,470
Accumulated amortization and impairment	-	-	(2,000)	(2,502)	(4,502)
	<u>\$ 23,810</u>	<u>\$ 150,703</u>	<u>\$ 6,571</u>	<u>\$ 2,884</u>	<u>\$ 183,968</u>
Balance as of January 1	\$ 23,810	\$ 150,703	\$ 6,571	\$ 2,884	\$ 183,968
Additions - acquired separately	-	-	-	351	351
Amortization	-	-	(857)	(1,146)	(2,003)
Impairment	-	(4,739)	-	-	(4,739)
Balance as of December 31	<u>\$ 23,810</u>	<u>\$ 145,964</u>	<u>\$ 5,714</u>	<u>\$ 2,089</u>	<u>\$ 177,577</u>
Balance as of December 31					
Cost	\$ 23,810	\$ 150,703	\$ 8,571	\$ 5,737	\$ 188,821
Accumulated amortization and impairment	-	(4,739)	(2,857)	(3,648)	(11,244)
	<u>\$ 23,810</u>	<u>\$ 145,964</u>	<u>\$ 5,714</u>	<u>\$ 2,089</u>	<u>\$ 177,577</u>

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

	Years ended December 31	
	2025	2024
General and administrative expenses	<u>\$ 5,128</u>	<u>\$ 2,003</u>

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

(9) Short-term loans

Nature of Loans	December 31, 2025	Interest Rate Range	Collateral
Bank loans			
Secured loans	\$ 170,000	1.980%	Land, buildings and structures
Credit loans	<u>235,000</u>	1.880%~1.990%	None
	<u>\$ 405,000</u>		

As of December 31, 2024: None.

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

(10) Other payables

Item	December 31, 2025	December 31, 2024
Accrued payroll and bonuses	\$ 53,511	\$ 58,623
Sales discounts and allowances payable	15,666	11,462
Accrued freight expense	20,114	16,224
Accrued employee compensation and director remuneration	6,701	28,975

(Continued)

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Item	December 31, 2025	December 31, 2024
Accrued channel fees	\$ 3,628	\$ 2,988
Payable for equipment	3,375	333
Accrued unused vacation bonus	3,025	-
Interest payable	1,064	553
Others	86,485	54,306
	<u>\$ 193,569</u>	<u>\$ 173,464</u>

(Concluded)

(11) Long-term loans

Nature of Loans	Loan Term and Repayment Method	Interest Rate Range	Collateral	December 31, 2025
Long-term bank loans				
Secured loans	From November 30, 2011 to May 20, 2044; principal and interest repaid as scheduled	0.885%~2.095%	Land, buildings and structures, machinery and equipment, small and medium enterprise credit guarantee fund	\$ 910,933
Credit loans	From June 16, 2025 to June 15, 2032; principal and interest repaid as scheduled	2.00%	None	278,580
				<u>1,189,513</u>
Less: Current portion				(336,261)
				<u>\$ 853,252</u>
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 May 20, 2044; principal and interest repaid as scheduled	0.885%~2.095%	Land, buildings and structures, machinery and equipment, small and medium enterprise credit guarantee fund	\$ 748,730
Less: Current portion				(49,753)
				<u>\$ 698,977</u>

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

(12) Pension

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

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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 years ended December 31, 2025 and 2024, the pension costs recognized by the Group under this plan amounted to NT\$13,877 and NT\$11,314, respectively.

(13) Share capital

- A. As of December 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.

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

	Years Ended December 31	
	2025	2024
Balance as of January 1	67,600	60,750
Issuance of common shares for cash	-	7,595
Shares repurchased	(255)	(745)
Balance as of December 31	67,345	67,600

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:

Holding Entity	Purpose of Repurchase	December 31, 2025	
		Number of Shares	Carrying Amount
The Company	For transfer to employees	1,000,000	\$ 49,013
Holding Entity	Purpose of Repurchase	December 31, 2024	
		Number of Shares	Carrying Amount
The Company	For transfer to employees	745,000	\$ 36,511

- (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.

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- (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 safeguarding the Company's credit standing and shareholders' interests shall be cancelled through amendment registration within six months from the date of repurchase.

(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 the said 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				
	Share premium	Changes in percentage of ownership interests in subsidiaries	Employee stock options expired	Others	Total
Balance as of January 1	\$ 542,949	\$ 6	\$ 6	\$ 42,325	\$ 585,286
Cash distribution from capital surplus	(67,345)	-	-	-	(67,345)
Effect of organizational restructuring	(8,506)	-	-	(42,325)	(50,831)
Balance as of December 31	<u>\$ 467,098</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 467,110</u>
	2024				
	Share premium	Changes in percentage of ownership interests in subsidiaries	Employee stock options expired	Others	Total
Balance as of January 1	\$ 188,009	\$ 10	\$ 6	\$ 42,325	\$ 230,350
Issuance of common shares for cash	354,940	-	-	-	354,940
Changes in percentage of ownership interests in subsidiaries	-	(4)	-	-	(4)
Balance as of December 31	<u>\$ 542,949</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 42,325</u>	<u>\$ 585,286</u>

- B. On May 20, 2025, the shareholders' meeting approved a cash distribution of NT\$67,345 from capital surplus (NT\$1 per common share).

(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

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undistributed earnings. Where the aforementioned earnings are to be distributed in the form of cash, such distribution shall be resolved by the Board of Directors and reported to the shareholders' meeting pursuant to Paragraph 5, Article 240 of the Company Act.

- 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 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, which was reported in the shareholders' meeting on May 20, 2025.

(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:

Year ended December 31, 2025									
	Dawushan BU			Tai Da BU		Fu Che BU		Others	Total
	Fresh Eggs	Processed Egg Products	Others	Processed Egg Products	Processed Egg Products	Prepared Foods	Others	Processed Egg Products	
Segment revenue	\$1,004,760	\$ 141,197	\$ 844	\$ 80,654	\$ 556,204	\$ 269,336	\$ 42,933	(\$ 7)	\$ 2,095,921
Inter-segment revenue	(121,494)	(30)	-	(29,829)	(173)	-	-	-	(151,526)
Revenue from external customer contracts	<u>\$ 883,266</u>	<u>\$ 141,167</u>	<u>\$ 844</u>	<u>\$ 50,825</u>	<u>\$ 556,031</u>	<u>\$ 269,336</u>	<u>\$ 42,933</u>	<u>(\$ 7)</u>	<u>\$ 1,944,395</u>
Timing of revenue recognition									
Revenue recognized at a point in time	<u>\$ 883,266</u>	<u>\$ 141,167</u>	<u>\$ 844</u>	<u>\$ 50,825</u>	<u>\$ 556,031</u>	<u>\$ 269,336</u>	<u>\$ 42,933</u>	<u>(\$ 7)</u>	<u>\$ 1,944,395</u>
Year ended December 31, 2024									
	Dawushan BU			Tai Da BU		Fu Che BU		Others	Total
	Fresh Eggs	Processed Egg Products	Others	Processed Egg Products	Processed Egg Products	Prepared Foods	Others	Processed Egg Products	
Segment revenue	\$1,058,259	\$ 119,661	\$ 7,287	\$ 124,817	\$ 505,181	\$ 244,146	\$ 43,375	\$ 1,463	\$ 2,104,189
Inter-segment revenue	(85,517)	(1,278)	-	(26,411)	(3,344)	-	-	-	(116,550)
Revenue from external customer contracts	<u>\$ 972,742</u>	<u>\$ 118,383</u>	<u>\$ 7,287</u>	<u>\$ 98,406</u>	<u>\$ 501,837</u>	<u>\$ 244,146</u>	<u>\$ 43,375</u>	<u>\$ 1,463</u>	<u>\$ 1,987,639</u>
Timing of revenue recognition									
Revenue recognized at a point in time	<u>\$ 972,742</u>	<u>\$ 118,383</u>	<u>\$ 7,287</u>	<u>\$ 98,406</u>	<u>\$ 501,837</u>	<u>\$ 244,146</u>	<u>\$ 43,375</u>	<u>\$ 1,463</u>	<u>\$ 1,987,639</u>

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B. Contract liabilities

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

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities	\$ 614	\$ 3,166	\$ 378

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

	Years ended December 31	
	2025	2024
Revenue from sale of goods	\$ 3,091	\$ 325

(17) Interest income

	Years ended December 31	
	2025	2024
Interest on bank deposits	\$ 1,940	\$ 3,743
Other interest income	640	109
	\$ 2,580	\$ 3,852

(18) Other income

	Years ended December 31	
	2025	2024
Rental income	\$ 249	\$ 389
Income from selling electricity	17,090	18,552
Government grants	9,468	15,600
Others	4,412	2,222
	\$ 31,219	\$ 36,763

(19) Other gains and losses

	Years ended December 31	
	2025	2024
Loss on disposal of biological assets	(\$ 60,670)	(\$ 15,671)
Loss on disposal of property, plant and equipment	(1,156)	(2,602)
Gain on lease modification	-	4
Impairment loss on intangible assets	-	(4,739)
Depreciation and maintenance expenses of power generation equipment	(8,981)	(7,110)
Foreign exchange gain, net	274	1,125

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	Years ended December 31	
	2025	2024
Disaster loss		
- Property, plant and equipment	(\$ 35,970)	\$ -
- Compensation loss	(500)	-
Compensation loss	(8,840)	-
Others	(443)	(166)
	<u>(\$ 116,286)</u>	<u>(\$ 29,159)</u>

(Concluded)

(20) Finance costs

	Years ended December 31	
	2025	2024
Interest expenses		
Bank loans	\$ 23,713	\$ 15,360
Lease liabilities	1,551	989
	<u>25,264</u>	<u>16,349</u>
Less: Amount capitalized for qualifying assets	(6,025)	(3,664)
	<u>\$ 19,239</u>	<u>\$ 12,685</u>

(21) Additional information on the nature of expenses

	Years ended December 31	
	2025	2024
Employee benefits expense	\$ 397,428	\$ 372,642
Depreciation of property, plant and equipment	124,729	107,606
Depreciation of right-of-use assets	19,673	15,637
Depreciation of biological assets	101,516	92,133
Amortization expense	5,128	2,003

(22) Employee benefits expense

	Years ended December 31	
	2025	2024
Payroll	\$ 321,177	\$ 285,371
Labor and health insurance	36,567	29,044
Pension	13,877	11,314
Remuneration to directors	3,851	12,918
Other personnel expenses	21,956	33,995
	<u>\$ 397,428</u>	<u>\$ 372,642</u>

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- A. In accordance with the Company's Articles of Incorporation, in the event that the Company reports a profit for a fiscal year (profit being defined as pre-tax income before deducting compensation to employees and remuneration to directors), remuneration to directors and compensation to employees shall be appropriated by the following percentages: 1) Remuneration to directors: shall not exceed 4% of profit and 2) Compensation to employees: shall be between 4% and 10% of profit, provided that no less than 2% of profit shall be allocated to compensation to non-executive employees. However, if the Company has accumulated losses, an amount sufficient to cover such losses shall be reserved first, and the allocation of compensation to employees and remuneration to directors shall then be made according to the percentages stated above.
- B. For the years ended December 31, 2025 and 2024, the Company accrued compensation to employees of NT\$0 and NT\$5,130, respectively, and remuneration to directors of NT\$0 and NT\$3,847, respectively. These amounts were recognized under payroll expenses.

As the Company incurred a loss before tax for the year ended December 31, 2025, no compensation to employees or remuneration to directors was accrued. On March 6, 2026, the Board of Directors resolved not to distribute any compensation to employees or remuneration to directors, which is consistent with the 2025 financial statements.

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.

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:

	Years ended December 31	
	2025	2024
Current income tax:		
Income tax for the current period	\$ 8,174	\$ 46,404
Under-provision of income tax in prior years	236	72
Tax levied on undistributed earnings	-	421
Total current income tax	8,410	46,897
Deferred income tax:		
Origination and reversal of temporary differences	(22,247)	655
Income tax (benefit) expense	(\$ 13,837)	\$ 47,552

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B. Reconciliation of income tax (benefit) expense and accounting profit

	Years ended December 31	
	2025	2024
Income tax calculated at the statutory tax rate on profit (loss) before tax (Note)	(\$ 14,617)	\$ 46,710
Effect of adjustments in accordance with tax regulations	(1,085)	969
Unrecognized deferred tax assets for tax losses	1,629	-
Under-provision of income tax in prior years	236	72
Tax levied on undistributed earnings	-	421
Changes in the realizability assessment of deferred tax assets	-	(620)
Income tax (benefit) expense	<u>(\$ 13,837)</u>	<u>\$ 47,552</u>

Note: The applicable tax rate is calculated based on the statutory tax rates of the relevant jurisdictions.

C. The amounts of deferred tax assets and liabilities arising from temporary differences and tax losses were as follows:

	Year Ended December 31, 2025		
	January 1	Recognized in Profit or Loss	December 31
Deferred tax assts:			
- Temporary differences:			
Unused vacation bonus	\$ 680	(\$ 150)	\$ 530
Loss on investments accounted for using the equity method	2,221	1,359	3,580
Unrealized impairment loss	151	(151)	-
Estimated insurance claim income	-	7,194	7,194
Unrealized loss	-	1,768	1,768
Others	514	222	736
Tax losses	-	12,406	12,406
Subtotal	<u>\$ 3,566</u>	<u>\$ 22,648</u>	<u>\$ 26,214</u>
Deferred tax liabilities:			
Valuation gain on agricultural produce included in inventories	(270)	(389)	(659)
Unrealized foreign exchange gain	-	(12)	(12)
Subtotal	<u>(\$ 270)</u>	<u>(\$ 401)</u>	<u>(\$ 671)</u>
Total	<u>\$ 3,296</u>	<u>\$ 22,247</u>	<u>\$ 25,543</u>

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	Year Ended December 31, 2024		
	January 1	Recognized in Profit or Loss	December 31
Deferred tax assts:			
- Temporary differences:			
Unused vacation bonus	\$ 583	\$ 97	\$ 680
Loss on investments accounted for using the equity method	2,635	(414)	2,221
Unrealized impairment loss	602	(451)	151
Others	436	78	514
Subtotal	\$ 4,256	(\$ 690)	\$ 3,566
Deferred tax liabilities:			
Valuation gain on agricultural produce included in inventories	(292)	22	(270)
Unrealized foreign exchange gain	(13)	13	-
Subtotal	(\$ 305)	\$ 35	(\$ 270)
Total	\$ 3,951	(\$ 655)	\$ 3,296

- D. The expiry dates of the Group's unused tax losses and the related amounts of unrecognized deferred tax assets were as follows:

December 31, 2025				
Year of Occurrence	Filing / Assessed Amount	Unused Amount	Unrecognized Deferred Tax Assets	Expiry Year
The Company:				
2025	Estimated filing	\$ 62,033	\$ -	2035
Subsidiaries:				
2017	Assessed	6,990	6,990	2027
2018	Assessed	15,788	15,788	2028
2019	Assessed	5,549	5,549	2029
2020	Assessed	1,723	1,723	2030
2021	Assessed	1,528	1,528	2031
2022	Assessed	12,720	12,720	2032
2023	Assessed	34	34	2033
2024	Filed	234	234	2034
2025	Estimated filing	8,145	8,145	2035

December 31, 2024				
Year of Occurrence	Filing / Assessed Amount	Unused Amount	Unrecognized Deferred Tax Assets	Expiry Year
The Company:				
	None			
Subsidiaries:				
2017	Assessed	\$ 6,990	\$ 6,990	2027
2018	Assessed	15,788	15,788	2028

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December 31, 2024					
Year of Occurrence	Filing / Assessed Amount	Unused Amount	Unrecognized Deferred Tax Assets		Expiry Year
2019	Assessed	\$ 5,549	\$	5,549	2029
2020	Assessed	1,723		1,723	2030
2021	Assessed	1,528		1,528	2031
2022	Assessed	12,720		12,720	2032
2023	Filed	34		34	2033
2024	Estimated filing	234		234	2034

(Concluded)

- E. Deductible temporary differences for which deferred tax assets have not been recognized

	December 31, 2025	December 31, 2024
Deductible temporary differences	\$ 438	\$ 343

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

(24) (Loss) earnings per share

Year ended December 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	(\$ 72,485)	67,355	(\$ 1.08)
Year ended December 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	\$ 140,780	64,914	\$ 2.17
<u>Diluted earnings per share</u>			
Net income attributable to common shareholders	\$ 140,780	64,914	
Effects of dilutive potential common shares			
Employee compensation	-	135	
Net income attributable to common shareholders and effect of potential common shares	\$ 140,780	65,049	\$ 2.16

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(25) Transactions with non-controlling interests

- A. Subsidiary's cash capital increase not subscribed to in proportion to the Group's ownership

Dawushan Ise Foods Co., Ltd. conducted a cash capital increase in August 2024, during which the Group did not subscribe in proportion to its ownership, resulting in an increase of 6.5% in shareholding. This transaction increased non-controlling interests by NT\$46,504 and decreased equity attributable to owners of the parent by NT\$4. The effect of changes in Dawushan Ise Foods Co., Ltd.'s equity on the equity attributable to owners of the parent for 2024 was as follows:

	2024
Cash	\$ 46,500
Increase in carrying amount of non-controlling interests	(46,504)
Capital surplus - recognition of changes in ownership interests in subsidiaries	(\$ 4)

- B. Acquisition of additional equity interests in a subsidiary

On April 1, 2025, the Group acquired an additional 0.21% of the issued shares of Fu Che Frozen Food Co., Ltd. for cash consideration of NT\$1,600. The carrying amount of the non-controlling interests at the acquisition date was NT\$1,024. This transaction resulted in a decrease in non-controlling interests of \$1,024 and a decrease in equity attributable to owners of the parent of NT\$576. The effect of the changes in the Group's ownership interest in the subsidiary on equity attributable to owners of the parent for the year ended December 31, 2025 was summarized as follows:

	2025
Carrying amount of non-controlling interests acquired	\$ 1,024
Consideration paid to non-controlling interests	(1,600)
Retained earnings	(\$ 576)

(26) Business combinations under common control (also referred to as organizational restructuring)

- A. On March 24, 2025, the Board of Directors resolved that the Company would acquire 51% of the equity interests in Fu Che Frozen Food Co., Ltd. held by the parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd., for NT\$382,500. The acquisition was completed on April 1, 2025, after which Fu Che Frozen Food Co., Ltd. was included in the Company's consolidated financial statements.
- B. As this transaction constitutes an organizational restructuring, it is accounted for as a combination from the beginning of the period and is measured using the book value method. The difference between the acquisition cost and the net assets of Fu Che Frozen Food Co., Ltd., amounting to NT\$8,506, was offset against capital surplus - share premium.

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- C. As the combination was accounted for as if it had been in effect from the beginning, the balance of “predecessor interests under common control” attributable to Fu Che Frozen Food Co., Ltd., amounting to NT\$373,994, was derecognized upon completion of the above transaction.

(27) Supplementary information on cash flows

Investing activities with partial cash payments only:

	Years ended December 31	
	2025	2024
Acquisition of property, plant and equipment	\$ 442,799	\$ 451,744
Add: Beginning balance of payable for equipment	333	1,706
Less: Ending balance of payable for equipment	(3,375)	(333)
Cash paid for acquisition of property, plant and equipment	\$ 439,757	\$ 453,117

(28) Changes in liabilities arising from financing activities

	January 1, 2025	Changes from Financing Cash Flows	Non-cash Movements	December 31, 2025
Short-term loans	\$ -	\$ 405,000	\$ -	\$ 405,000
Long-term loans	748,730	440,783	-	1,189,513
Lease liabilities	46,528	(18,930)	66,110	93,708
Total liabilities from financing activities	\$ 795,258	\$ 826,853	\$ 66,110	\$ 1,688,221

	January 1, 2024	Changes from Financing Cash Flows	Non-cash Movements	December 31, 2024
Short-term loans	\$ 186,000	(\$ 186,000)	\$ -	\$ -
Long-term loans	925,743	(177,013)	-	748,730
Lease liabilities	22,019	(15,404)	39,913	46,528
Total liabilities from financing activities	\$ 1,133,762	(\$ 378,417)	\$ 39,913	\$ 795,258

7. Related Party Transactions

(1) Parent company and the ultimate controlling party

The Company is controlled by Kuo Hsing Poultry & Livestock Feeds Co., Ltd., a company incorporated in the Republic of China, which directly and indirectly holds 42.43% of the Company’s shares. The remaining 57.57% is held by public shareholders. The Company’s ultimate parent and controlling party is Kuo Hsing Poultry & Livestock Feeds Co., Ltd.

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(2) Names and relationships of related parties

Name	Relationship
Kuo Hsing Poultry & Livestock Feeds Co., Ltd. (Kuo Hsing)	Parent company
Feng-Chun Lin	Chairman of the Company
Ever Light Oil Industrial Co., Ltd.	The entity has the same Chairman as the Company
Hsing Chin Food Co., Ltd.	Sister company
Kuo Hsing Frozen Meat Co., Ltd.	Sister company
Kuo Nong Egg Products Marketing Co., Ltd. (Kuo Nong)	Sister company

(3) Material transactions with related parties

A. Operating revenue

	Years ended December 31	
	2025	2024
Sale of goods:		
Kuo Nong	\$ 3,628	\$ -
Kuo Hsing	2,883	4,651
Others	326	292
	<u>\$ 6,837</u>	<u>\$ 4,943</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

	Years ended December 31	
	2025	2024
Purchase of goods		
Kuo Hsing	\$ 307,628	\$ 296,527
Feng-Chun Lin	-	16,051
Others	3,387	2,733
	<u>\$ 311,015</u>	<u>\$ 315,311</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

	December 31, 2025	December 31, 2024
Accounts receivable:		
Kuo Nong	\$ 1,427	\$ -
Kuo Hsing	-	1,656
	<u>\$ 1,427</u>	<u>\$ 1,656</u>

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

D. Payables to related parties

	December 31, 2025	December 31, 2024
Accounts payable:		
Kuo Hsing	\$ 66,327	\$ 39,670
Others	1,105	1,083
	<u>\$ 67,432</u>	<u>\$ 40,753</u>
Other payables:		
Kuo Hsing	\$ 253	\$ 405
	<u>\$ 67,685</u>	<u>\$ 41,158</u>

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

(a) Acquisition of biological assets:

		Years ended December 31	
		2025	2024
	Financial Statement Account	Acquisition Cost	Acquisition Cost
Feng-Chun Lin	Bearer biological assets	\$ -	\$ 4,061

(b) Business combinations under common control (also referred to as organizational restructuring)

On March 24, 2025, the Board of Directors resolved that the Company would acquire 51% of the equity interests in Fu Che Frozen Food Co., Ltd. held by Kuo Hsing for NT\$382,500. Please refer to Note 6(26) for details.

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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

	Years ended December 31	
	2025	2024
Kuo Hsing	\$ -	\$ 38,885

(c) Lease liabilities

i. Ending balance

	December 31, 2025	December 31, 2024
Kuo Hsing	\$ 21,462	\$ 31,047

ii. Interest expense

	Years ended December 31	
	2025	2024
Kuo Hsing	\$ 552	\$ 610

G. Operating expenses

	Years ended December 31	
	2025	2024
Kuo Hsing	\$ 2,091	\$ 7,919
Feng-Chun Lin	-	26
Others	123	294
	\$ 2,214	\$ 8,239

These were mainly outsourcing fees and miscellaneous expenses.

(4) Compensation to key management

	Years ended December 31	
	2025	2024
Short-term employee benefits	\$ 21,247	\$ 20,923
Post-employment benefits	468	442
	\$ 21,715	\$ 21,365

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8. Pledged Assets

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

Asset Item	Carrying Amount		Purpose
	December 31, 2025	December 31, 2024	
Financial assets at amortized cost - current	\$ 740	\$ 5,847	Performance bond
Land	423,548	430,066	Short and long-term loans
Buildings and structures	803,628	578,295	Short and long-term loans
Machinery and equipment	280,411	217,529	Long-term loans
	<u>\$1,508,327</u>	<u>\$1,231,737</u>	

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

(1) Contingent event

None.

(2) Commitments

- A. As of December 31, 2025 and 2024, the guarantee notes provided to banks by the Group for loans amounted to NT\$251,000 and NT\$91,000, respectively.
- B. As of December 31, 2025 and 2024, the unused letters of credit amounted to JPY140,000 thousand and JPY280,000 thousand, respectively.
- C. Capital expenditure commitments

	December 31, 2025	December 31, 2024
Property, plant and equipment	<u>\$ 347,093</u>	<u>\$ 374,614</u>

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\$36,470. Details were as follows:

Item	Amount	Description
Property, plant and equipment	\$ 35,970	Carrying amount of Layer Farm Phase 1, poultry houses 2, 3, and 4 at the Pingtung facility
Compensation for losses	500	Compensation paid for damage to nearby agricultural crops
	<u>\$ 36,470</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

None.

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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

	December 31, 2025	December 31, 2024
<u>Financial assets</u>		
Financial assets at amortized cost		
Cash and cash equivalents	\$ 187,898	\$ 403,869
Financial assets at amortized cost	3,640	9,747
Notes receivable	5,103	3,148
Accounts receivable	363,642	299,383
Other receivables	474	1,440
Refundable deposits	5,273	5,597
	<u>\$ 566,030</u>	<u>\$ 723,184</u>
<u>Financial liabilities</u>		
Financial liabilities at amortized cost		
Short-term loans	\$ 405,000	\$ -
Notes payable	100	100
Accounts payable (including related parties)	178,664	187,643
Other payables	193,569	173,464
Long-term loans (including current portion)	1,189,513	748,730
	<u>\$ 1,966,846</u>	<u>\$ 1,109,937</u>
Lease liabilities	<u>\$ 93,708</u>	<u>\$ 46,528</u>

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.

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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 was as follows:

December 31, 2025			
Foreign Currency (In Thousands)	Exchange Rate	Book Value (NT\$)	
(Foreign currency: Functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
JPY:NTD	\$ 1,006	0.20	\$ 202
USD:NTD	147	31.43	4,566
EUR:NTD	27	36.90	978

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

- iii. For the years ended December 31, 2025 and 2024, the total foreign exchange gains, including both realized and unrealized, arising from significant foreign exchange fluctuations on monetary items amounted to NT\$274 and NT\$1,125, respectively.

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- iv. The Group's foreign currency risk arising from significant exchange rate fluctuations is analyzed as follows:

Years ended December 31, 2025				
Sensitivity Analysis				
	Changes	Impact on Profit or Loss	Impact on Other Comprehensive Income	
(Foreign currency: Functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
JPY:NTD	1%	\$ 2	\$	-
USD:NTD	1%	46		-
EUR:NTD	1%	10		-
Years ended December 31, 2024				
Sensitivity Analysis				
	Changes	Impact on Profit or Loss	Impact on Other Comprehensive Income	
(Foreign currency: Functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
JPY:NTD	1%	\$ 17	\$	-

Price risk

The Group is not exposed to any commodity price risk.

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 years ended December 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 NT\$15,945 and NT\$7,487, respectively, for the years ended December 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.

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Cash and cash equivalents and financial assets at amortized cost

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 and financial assets at amortized cost.

Notes and accounts receivable

- 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 and delivery terms and 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.
- v. The expected loss rates for notes and accounts receivable from customers as of December 31, 2025 and 2024 were as follows:

December 31, 2025	Not Past Due	1 to 30 Days	31 to 90 Days	Over 91 Days	Total
<u>Notes receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$ 5,103	\$ -	\$ -	\$ -	\$ 5,103
Loss allowance	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Accounts receivable</u>					
Expected loss rate	0%	2%~3%	2%~10%	10%~100%	
Gross carrying amount	\$361,934	\$ 1,311	\$ 433	\$ 105	\$363,783
Loss allowance	\$ -	\$ 26	\$ 14	\$ 101	\$ 141
December 31, 2024	Not Past Due	1 to 30 Days	31 to 90 Days	Over 91 Days	Total
<u>Notes receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$ 3,148	\$ -	\$ -	\$ -	\$ 3,148
Loss allowance	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

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December 31, 2024	Not Past Due	1 to 30 Days	31 to 90 Days	Over 91 Days	Total
<u>Accounts receivable</u>					
Expected loss rate	0%	2%~3%	2%~10%	10%~100%	
Gross carrying amount	\$294,348	\$ 4,047	\$ 1,092	\$ 64	\$299,551
Loss allowance	\$ -	\$ 111	\$ 25	\$ 32	\$ 168

(Concluded)

- vi. Movements in the loss allowance for notes and accounts receivable under the simplified approach were as follows:

	2025		2024	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
As of January 1	\$ -	\$ 168	\$ -	\$ 124
(Reversal of)				
impairment loss	-	(27)	-	54
Write-offs	-	-	-	(10)
As of December 31	\$ -	\$ 141	\$ -	\$ 168

(c) Liquidity risk

- 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.
- The Group's Finance Department invests surplus funds in interest-bearing demand deposits, checking deposits and time deposits, selecting instruments with appropriate maturities or sufficient liquidity to meet the aforementioned forecasts and maintain an adequate liquidity buffer. As of December 31, 2025 and 2024, the Group held money market instruments of NT\$190,203 and NT\$406,987, respectively, which are expected to readily generate cash flows for managing liquidity risk.
- Bank loans represent a significant source of liquidity for the Group. The Group's unused short-term and long-term bank borrowing facilities were as follows:

	December 31, 2025	December 31, 2024
Unsecured bank borrowing facilities		
Unused facilities	\$ 377,600	\$ 390,000
Secured bank borrowing facilities		
Unused facilities	471,223	415,223
	<u>\$ 848,823</u>	<u>\$ 805,223</u>

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- iv. 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.

December 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 liabilities:</u>					
Short-term loans	\$ 366,161	\$ 40,068	\$ -	\$ -	\$ -
Notes payable	100	-	-	-	-
Accounts payable (including related parties)	178,664	-	-	-	-
Other payables	190,544	3,025	-	-	-
Lease liabilities	11,484	11,236	21,127	25,773	30,663
Long-term loans (including current portion)	61,571	293,573	134,098	415,322	376,476
<u>Derivative financial liabilities:</u> 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 liabilities:</u>					
Notes payable	\$ 100	\$ -	\$ -	\$ -	\$ -
Accounts payable (including related parties)	187,643	-	-	-	-
Other payables	167,052	6,412	-	-	-
Lease liabilities	8,540	7,766	14,509	17,417	-
Long-term loans (including current portion)	27,496	27,380	128,265	244,040	361,779
<u>Derivative financial liabilities:</u> None.					

(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 December 31, 2025 and 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, refundable deposits, short-term loans, notes payable, accounts payable, other payables, lease liabilities, and long-term loans, approximate their fair values.

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13. Additional Disclosures

(1) Information on significant transactions

- A. Financing provided to others: None.
- B. Endorsement/guarantee provided: Table 1.
- 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: Table 2.
- 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 3.

(2) Information on investees

The names, locations, and other relevant information of investee companies (excluding investees located in mainland China): Table 4.

(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.

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. Fu Che BU: Primarily engages in the processing and manufacturing of egg and frozen food products.
- D. 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 was as follows:

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Year Ended December 31, 2025						
	Dawushan BU	Tai Da BU	Fu Che BU	Others	Adjustment and Elimination	Total
External revenue	\$ 1,025,277	\$ 50,825	\$ 868,300	(\$ 7)	\$ -	\$ 1,944,395
Inter-segment revenue	121,524	29,829	173	-	(151,526)	-
Segment revenue	<u>\$ 1,146,801</u>	<u>\$ 80,654</u>	<u>\$ 868,473</u>	<u>(\$ 7)</u>	<u>(\$ 151,526)</u>	<u>\$ 1,944,395</u>
Segment income (loss)	\$ 3,119	(\$ 9,938)	\$ 34,120	(\$ 269)	\$ 712	\$ 27,744
Interest income	1,524	99	823	134	-	2,580
Other income	20,134	-	11,778	-	(693)	31,219
Other gains and losses	(116,330)	(1)	212	(148)	(19)	(116,286)
Finance costs	(12,514)	(30)	(6,695)	-	-	(19,239)
Share of profit or loss of associates and joint ventures accounted for using the equity method	9,226	-	-	-	(9,226)	-
Loss before income tax	(94,841)	(9,870)	40,238	(283)	(9,226)	(73,982)
Income tax benefit (expense)	22,356	-	(8,519)	-	-	13,837
Net loss	<u>(\$ 72,485)</u>	<u>(\$ 9,870)</u>	<u>\$ 31,719</u>	<u>(\$ 283)</u>	<u>(\$ 9,226)</u>	<u>(\$ 60,145)</u>
Segment assets	<u>\$ 1,471,018</u>	<u>\$ 13,086</u>	<u>\$ 898,381</u>	<u>\$ 476,561</u>	<u>\$ 129,203</u>	<u>\$ 2,988,249</u>
Corporate assets						845,005
Total assets						<u>\$ 3,833,254</u>
Depreciation and amortization	\$ 205,043	\$ 6,777	\$ 39,226	\$ -	\$ -	\$ 251,046
Capital expenditures	\$ 78,612	\$ 3,800	\$ 93,449	\$ 266,938	\$ -	\$ 442,799
Segment liabilities	<u>\$ 1,133,286</u>	<u>\$ 34,888</u>	<u>\$ 689,203</u>	<u>\$ 271,265</u>	<u>(\$ 66,803)</u>	<u>\$ 2,061,839</u>

Year Ended December 31, 2024						
	Dawushan BU	Tai Da BU	Fu Che BU	Others	Adjustment and Elimination	Total
External revenue	\$ 1,098,412	\$ 98,406	\$ 789,358	\$ 1,463	\$ -	\$ 1,987,639
Inter-segment revenue	86,795	26,411	3,344	-	(116,550)	-
Segment revenue	<u>\$ 1,185,207</u>	<u>\$ 124,817</u>	<u>\$ 792,702</u>	<u>\$ 1,463</u>	<u>(\$ 116,550)</u>	<u>\$ 1,987,639</u>
Segment income (loss)	\$ 130,942	\$ 3,271	\$ 100,398	(\$ 471)	\$ 514	\$ 234,654
Interest income	2,215	81	1,237	319	-	3,852
Other income	22,438	133	14,706	-	(514)	36,763
Other gains and losses	(29,153)	(161)	199	(44)	-	(29,159)
Finance costs	(9,289)	(52)	(3,344)	-	-	(12,685)
Share of profit or loss of associates and joint ventures accounted for using the equity method	48,088	-	-	-	(48,088)	-
Income before income tax	165,241	3,272	113,196	(196)	(48,088)	233,425
Income tax expense	(24,461)	-	(23,039)	(52)	-	(47,552)
Net income	<u>140,780</u>	<u>3,272</u>	<u>\$ 90,157</u>	<u>(\$ 248)</u>	<u>(\$ 48,088)</u>	<u>\$ 185,873</u>
Segment assets	<u>\$ 1,513,513</u>	<u>\$ 16,064</u>	<u>\$ 841,639</u>	<u>\$ 209,622</u>	<u>\$ 129,203</u>	<u>\$ 2,710,041</u>
Corporate assets						961,490
Total assets						<u>\$ 3,671,531</u>
Depreciation and amortization	\$ 191,914	\$ 6,841	\$ 18,624	\$ -	\$ -	\$ 217,379
Capital expenditures	\$ 132,149	\$ 582	\$ 158,320	\$ 160,693	\$ -	\$ 451,744
Segment liabilities	<u>\$ 515,180</u>	<u>\$ 42,274</u>	<u>\$ 627,768</u>	<u>\$ 59,062</u>	<u>(\$ 52,930)</u>	<u>\$ 1,191,354</u>

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(3) Reconciliation of segment income 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.

(4) Information about products and services

Please refer to Note 6(16).

(5) Geographical information

The Group has not established operating entities overseas.

(6) Information about major customers

Information about the Group's major customers for the years ended December 31, 2025 and 2024 was as follows:

	Years Ended December 31	
	2025	2024
	Revenue	Revenue
Customer A	\$ 434,153	\$ 398,671
Customer B	238,152	183,002
Customer C	193,521	166,084
Customer D	184,998	189,862
Customer E	115,007	89,744

Table 1

**Dawushan Farm Technology Co., Ltd.
Endorsement/Guarantee Provided
For the Year Ended December 31, 2025**

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

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Relationship (Note 2)	Limit on Endorsement/ Guarantee Given to Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 4)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 5)	Actual Amount Drawn (Note 6)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent to Subsidiaries (Note 7)	Endorsement/ Guarantee Given by Subsidiaries to Parent (Note 7)	Endorsement/ Guarantee Given to Companies in Mainland China (Note 7)	Note
		Name													
0	Dawushan Farm Technology Co., Ltd.	Fu Che Frozen Food Co., Ltd.		2	\$ 699,826	\$ 150,000	\$ 150,000	\$ 95,000	-	10.50%	\$ 699,826	Y	N	N	

Note 1: Companies are coded as follows:

(1) Dawushan Farm Technology Co., Ltd. (the Company) is coded "0."

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

Note 2: The relationships between endorser/guarantor and endorsee/guarantee are categorized into the following seven types. Please specify the type.

(1) A company that has business relationships with the Company.

(2) A company in which the Company directly or indirectly holds over 50% of the voting rights.

(3) A company that directly or indirectly holds over 50% of the Company's voting rights.

(4) Endorsements/guarantees between companies in which the Company directly or indirectly holds over 90% of the voting rights.

(5) Mutual endorsements/guarantees between companies in the same industry or between joint builders which are provided in accordance with contractual terms for construction projects.

(6) Endorsements/guarantees provided by each shareholder for their jointly invested company in proportion to their shareholding percentages.

(7) Joint and several security between companies in the same industry for performance guarantees of pre-construction homes under the Consumer Protection Act.

Note 3: Pursuant to the Company's Procedures for Endorsements and Guarantees, the aggregate amount of guarantees and endorsements provided shall not exceed 49% of the Company's net worth. Furthermore, the amount of guarantees and endorsements provided to any single entity shall also not exceed 49% of the net worth. The aforementioned net worth shall be based on the latest financial statements audited or reviewed by independent auditors.

Note 4: The maximum endorsement/guarantee balance for the current period.

Note 5: This refers to amounts approved by the Board of Directors. However, where the authority has been delegated by the Board to the Chairman in accordance with Subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, this would be the amounts approved by the Chairman.

Note 6: Please enter the actual amount drawn of the endorsee/guarantee within the approved limit of endorsement and guarantee.

Note 7: Fill in "Y" for endorsements/guarantees provided by listed parent companies to subsidiaries and vice versa, and for ones provided to companies in mainland China.

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

Table 2

Dawushan Farm Technology Co., Ltd.
Related Party Transactions With Purchase or Sales Amount of at Least NT\$100 Million or 20 Percent of the Paid-in Capital
For the Year Ended December 31, 2025

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

Company Name	Related Party	Relationship	Transaction Details			Abnormal Transaction		Notes/Accounts Receivable or Payable			Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Dawushan Farm Technology Co., Ltd.	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	Parent company	Purchases	\$ 307,628	44.59%	1 to 2 months	-	-	(\$ 66,327)	(53.94)	

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

Table 3

**Dawushan Farm Technology Co., Ltd.
Intercompany Relationships and Significant Intercompany Transactions
For the Year Ended December 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	Sales revenue	\$ 44,110	Collections in 1 to 2 months after shipment, Note 5	2%
0	Dawushan Farm Technology Co., Ltd.	Tai Da Eggs Technology Co., Ltd.	1	Accounts receivable	26,356	Collections in 1 to 2 months after shipment	1%
0	Dawushan Farm Technology Co., Ltd.	Fu Che Frozen Food Co., Ltd.	1	Sales revenue	77,414	Collections in 1 to 2 months after shipment	4%
0	Dawushan Farm Technology Co., Ltd.	Fu Che Frozen Food Co., Ltd.	1	Accounts receivable	18,843	Collections in 1 to 2 months after shipment	0%
1	Tai Da Eggs Technology Co., Ltd.	Dawushan Farm Technology Co., Ltd.	2	Processing revenue	29,829	Collections in 1 to 2 months after shipment, Note 5	2%
1	Tai Da Eggs Technology Co., Ltd.	Dawushan Farm Technology Co., Ltd.	2	Accounts receivable	21,323	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.

Note 5: Tai Da Eggs Technology Co., Ltd. purchases raw materials from Dawushan Farm Technology Co., Ltd., processes them, and sells the finished goods back to Dawushan Farm Technology Co., Ltd. These transactions are accounted for as processing arrangements, with no purchases or sales recognized.

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

Table 4

Dawushan Farm Technology Co., Ltd.
The Names, Locations, and Other Relevant Information of Investee Companies (Excluding Investees Located in Mainland China)
For the Year Ended December 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 December 31, 2025		Carrying Amount	Net Income (Loss) of Investee	Share of Profit/Loss	Note
				December 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	3,761,200	68.39	\$ 18,772	(\$ 9,871)	(\$ 6,750)	
Dawushan Farm Technology Co., Ltd.	JihShang Livestock Products Co., Ltd.	Taiwan	Distribution of processed products	-	1,000	-	-	-	(161)	(161)	Note
Dawushan Farm Technology Co., Ltd.	Mountain River Livestock Products Co., Ltd.	Taiwan	Distribution of processed products	-	1,000	-	-	-	-	-	Note
Dawushan Farm Technology Co., Ltd.	Dawushan Ise Foods Co., Ltd.	Taiwan	Trading of egg products	139,500	139,500	13,950,000	60.00	139,266	(121)	(73)	
Dawushan Farm Technology Co., Ltd.	Fu Che Frozen Food Co., Ltd.	Taiwan	Manufacturing and trading of processed egg products and frozen food	373,994	-	15,364,000	51.21	382,436	31,720	16,210	

Note: The filing of the dissolution and final tax settlement was completed on May 8, 2025, and the liquidation procedures were finalized on August 26, 2025.

Appendix B

Parent Company Only Financial Statements for the Year Ended December 31, 2025 and Independent Auditors' Report

DAWUSHAN FARM TECHNOLOGY CO., LTD.

Parent Company Only Financial Statements for the Years Ended December 31, 2025 and 2024 and Independent Auditors' Report (Stock Code: 6952)

Address: No. 68-30, Pingshan Rd., Wanlong Village, Xinpi Township, Pingtung County
Telephone: 886-8-787-1888

Notice to Readers

The English parent company only financial statements are not reviewed nor audited by independent auditors. They have been translated into English from the original Chinese version which has been audited 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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DAWUSHAN FARM TECHNOLOGY CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)
(In Thousands of New Taiwan Dollars, Unless Otherwise Specified)

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Independent Auditors' Report

The Board of Directors and Shareholders

Dawushan Farm Technology Co., Ltd.

Audit opinion

We have audited the parent company only balance sheets of Dawushan Farm Technology Co., Ltd. (hereinafter referred to as the "Company") as of December 31, 2025, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to parent company only financial statements (including a summary on significant accounting policies).

In our opinion, the aforementioned parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025, and its parent company only financial performance and cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for audit opinion

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

Emphasis of matter - Fire loss

As disclosed in Note 10 to the parent company only financial statements, a portion of the Company's production facilities was damaged by fire on March 12, 2025. As a result, the Company recognized a disaster loss of NT\$36,470 thousand for the damage to its plant and equipment. The Company is currently in the process of filing an insurance claim, and no insurance compensation has been recognized as of the reporting date. Our audit conclusion is not modified in respect of this matter.

Emphasis of matter - Organizational restructuring

As disclosed in Note 6(25) to the parent company only financial statements, on April 1, 2025, the Company acquired 51% equity interest in Fu Che Frozen Food Co., Ltd. from its parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd. This transaction was an organizational restructuring under common control. The parent company only financial statements for the comparative periods have been presented as if the investment had been held from the beginning of those periods. In preparing the parent company only financial statements for the year ended December 31, 2025, the Company restated the comparative parent company only financial statements on a retrospective basis. Our audit conclusion is not modified in respect of this matter.

Key audit matters

Key audit matters are ones that were of most significance in our audit of the parent company only financial statements of the Company for the year ended December 31, 2025 based on our professional judgment. These matters have been covered during the audit of the overall parent company only financial statements and in forming the audit opinion. We will not express a separate opinion on these matters.

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

Key audit matters of the parent company only financial statements of the Company for the year ended December 31, 2025 are stated as follows:

Existence and occurrence of revenue recognition for fresh egg products

Description of the matter

For the accounting policies related to revenue recognition, please refer to Note 4(23) to the parent company only financial statements. For the accounting items of operating revenue, please refer to Note 6(16).

Operating revenue is one of the primary indicators used to assess management's performance and is also a matter of significant interest to users of the financial statements. As revenue from the sale of fresh egg products represents the largest proportion of the Company's total operating revenue, we identified the existence and occurrence of revenue recognition for fresh egg products as one of the key audit matters in the current year's audit.

Audit procedures performed

The primary audit procedures we performed in response to the above key audit matter include:

5. To understand, evaluate, and test the effectiveness of the design and implementation of internal controls over the recognition of sales revenue.
6. To obtain detailed listings of sales transactions and perform substantive testing by examining supporting documents, including customer orders, shipping documents, and sales invoices.
7. To perform external confirmations of accounts receivable.
8. To review significant sales returns and allowances occurring subsequent to year-end and examine the related supporting documentation.

Business combination under common control (organizational restructuring)

Description of the matter

For the accounting policies related to business combinations under common control (organizational restructuring), please refer to Note 4(25) to the parent company only financial statements. For the accounting items related to business combinations, please refer to Note 6(25).

On April 1, 2025, the Company acquired 51% equity interest in Fu Che Frozen Food Co., Ltd. from its parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd. This transaction was an organizational restructuring under common control. As this represented a significant transaction during the reporting period, we identified the organizational restructuring as one of the key audit matters in the current year's audit.

Audit procedures performed

The primary audit procedures we performed in response to the above key audit matter include:

5. To interview management in order to understand the purpose of the organizational restructuring and the basis for determining the consideration.
6. To review the minutes of Board meetings and the share transfer agreement, and inspect supporting documentation for the payment of the consideration.
7. To assess the competence and objectivity of the independent experts engaged by management and review the fairness opinion issued by those experts.

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

8. To review the accounting treatment of the transaction and evaluate the adequacy of its presentation and disclosures in the financial statements.

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

Other matter - scope of audit

The parent company only financial statements of the Company for the year ended December 31, 2024 prior to restatement were audited by other auditors, who issued an unqualified opinion on February 18, 2025. As disclosed in Note 6(25) to the parent company only financial statements, the Company restated its parent company only financial statements for the year ended December 31, 2024 as a result of an organizational restructuring. We performed the necessary audit procedures on the 2024 financial statements of Fu Che Frozen Food Co., Ltd. and on the adjustment entries made in connection with the restatement of the parent company only financial statements. In our opinion, the aforementioned financial statements of Fu Che Frozen Food Co., Ltd. for the year ended December 31, 2024 and the related adjustment entries are fairly stated and have been appropriately accounted for.

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

The responsibilities of management are to prepare the parent company only financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and maintain necessary internal controls associated with the preparation in order to ensure the financial statements are free from material misstatement arising from fraud or error.

In preparing the parent company only financial statements, management is also responsible for assessing the ability of the Company in continuing as a going concern, disclosing associated matters and adopting the going concern basis of accounting unless the management intends to liquidate the Company or cease its operations, or has no realistic alternative but to do so.

Those charged with governance of the Company (including the Audit Committee) are responsible for supervising the financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance on whether the parent company only financial statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If those amounts of misstatements, either individually or in the aggregate, could reasonably be expected to influence the economic decisions of financial statements users, they are considered material.

We have exercised professional judgment and professional skepticism when carrying out auditing work according to the Standards on Auditing of the Republic of China. We also perform the following tasks:

7. Identify and assess the risks of material misstatement arising from fraud or error within the parent company only financial statements; design and execute appropriate counter-measures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error.
8. Understand internal controls relevant to the audit in order to design appropriate audit procedures under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

9. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by management.

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

10. Based on the audit evidence obtained, we conclude on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists for events or conditions that may cast significant doubts on the Company's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the parent company only financial statements to pay attention to relevant disclosures in the notes to those statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may result in the Company ceasing to continue as a going concern.
11. Evaluate the overall presentation, structure and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements adequately represent the underlying transactions and events.
12. Obtain sufficient and appropriate audit evidence concerning the financial information of entities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit and the preparation of an audit opinion on the parent company only financial statements.

Matters communicated between us and the governance bodies include the planned scope and timing of the audit, and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provide governance bodies with a declaration that we have complied with the Norm regarding independence, and to communicate with them all relationships and other matters that may possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with governance bodies, we determine the key audit matters within the audit of the Company's parent company only financial statements for the year ended December 31, 2025. We have clearly indicated such matters in the independent auditors' report, unless legal regulations prohibit the public disclosure of specific items, or in extremely rare cases, where we decided not to communicate over specific items in the independent auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

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

PricewaterhouseCoopers Taiwan

March 6, 2026

DAWUSHAN FARM TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

			December 31, 2025		(Restated) December 31, 2024	
Assets		Note	Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 93,913	4	\$ 149,757	6
1150	Notes receivable, net	6(2)	3,235	-	714	-
1170	Accounts receivable, net	6(2)	226,819	9	170,800	7
1180	Accounts receivable - related parties, net	6(2),7	46,626	2	36,755	1
1200	Other receivables	7	389	-	1,471	-
1220	Current tax assets		142	-	-	-
130X	Inventories	6(3)	33,247	1	31,186	1
1400	Biological assets - current	6(5),7	8,855	-	11,429	-
1410	Prepayments		18,183	1	15,109	1
11XX	Total current assets		431,409	17	417,221	16
Non-current assets						
1550	Investments accounted for using the equity method	6(4),7	540,474	21	571,937	22
1600	Property, plant and equipment	6(6),8	1,389,711	54	1,433,802	55
1755	Right-of-use assets	6(7),7	80,291	3	31,337	1
1780	Intangible assets	6(8)	1,016	-	48,374	2
1830	Biological assets - non-current	6(5),7	91,891	4	119,402	4
1840	Deferred tax assets	6(23)	25,958	1	3,435	-
1920	Refundable deposits		754	-	1,218	-
15XX	Total non-current assets		2,130,095	83	2,209,505	84
1XXX	Total assets		\$ 2,561,504	100	\$ 2,626,726	100

(Continued)

DAWUSHAN FARM TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS-(Continued)
December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

Liabilities and Equity		Note	December 31, 2025		(Restated) December 31, 2024	
			Amount	%	Amount	%
Current liabilities						
2100	Short-term loans	6(9),8	\$ 310,000	12	\$ -	-
2130	Contract liabilities - current	6(16)	359	-	2,662	-
2150	Notes payable		100	-	100	-
2170	Accounts payable		35,317	1	63,659	3
2180	Accounts payable - related parties	7	87,650	3	55,717	2
2200	Other payables	6(10),7	95,046	4	83,238	3
2230	Current tax liabilities		-	-	9,116	-
2250	Provisions - current		-	-	3,400	-
2280	Lease liabilities - current	7	15,366	1	9,915	1
2320	Current portion of long-term loans	6(11),8	64,309	3	21,181	1
21XX	Total current liabilities		<u>608,147</u>	<u>24</u>	<u>248,988</u>	<u>10</u>
Non-current liabilities						
2540	Long-term loans	6(11),8	458,572	18	244,345	9
2570	Deferred tax liabilities	6(23)	659	-	270	-
2580	Lease liabilities - non-current	7	65,908	2	21,577	1
25XX	Total non-current liabilities		<u>525,139</u>	<u>20</u>	<u>266,192</u>	<u>10</u>
2XXX	Total liabilities		<u>1,133,286</u>	<u>44</u>	<u>515,180</u>	<u>20</u>
Equity						
Share capital						
3110	Common shares	6(13)	683,450	27	683,450	26
	Capital surplus	6(14)				
3200	Capital surplus		467,110	18	585,286	22
	Retained earnings	6(15)				
3310	Legal reserve		64,096	3	54,616	2
3350	Unappropriated earnings		262,575	10	420,788	16
3500	Treasury shares	6(13)	(49,013)	(2)	(36,511)	(1)
35XX	Predecessor interests under common control		<u>-</u>	<u>-</u>	<u>403,917</u>	<u>15</u>
3XXX	Total equity		<u>1,428,218</u>	<u>56</u>	<u>2,111,546</u>	<u>80</u>
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant disaster loss	10				
3X2X	Total liabilities and equity		<u>\$ 2,561,504</u>	<u>100</u>	<u>\$ 2,626,726</u>	<u>100</u>

(The accompanying notes are an integral part of the parent company only financial statements.)

(Concluded)

DAWUSHAN FARM TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars,
Except for earnings (loss) per share, which is expressed in New Taiwan Dollars)

Item	Note	2025		(Restated) 2024	
		Amount	%	Amount	%
4000 Operating revenue	6(16),7	\$ 1,146,801	100	\$ 1,185,207	100
5000 Operating costs	6(3,21,22),7	(989,347)	(87)	(884,277)	(75)
5850 Gain arising from initial recognition of biological assets and agricultural produce		44,508	4	21,200	2
5900 Gross profit		201,962	17	322,130	27
5910 Unrealized gain on sales		(464)	-	-	-
5920 Realized gain on sales		-	-	2,002	-
5950 Gross profit, net		201,498	17	324,132	27
Operating expenses	6(8,21,22),7				
6100 Sales and marketing expenses		(114,848)	(10)	(115,754)	(10)
6200 General and administrative expenses		(73,361)	(6)	(67,064)	(5)
6300 Research and development expenses		(10,188)	(1)	(10,253)	(1)
6450 Expected credit gain (loss)	12(2)	18	-	(119)	-
6000 Total operating expenses		(198,379)	(17)	(193,190)	(16)
6900 Operating income		3,119	-	130,942	11
Non-operating income and expenses					
7100 Interest income	6(17)	1,524	-	2,215	-
7010 Other income	6(18)	20,134	2	22,438	2
7020 Other gains and losses	6(19)	(116,330)	(10)	(29,153)	(2)
7050 Finance costs	6(6,20),7	(12,514)	(1)	(9,289)	(1)
7070 Share of profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method	6(4)	9,226	1	48,088	4
7000 Total non-operating income and expenses		(97,960)	(8)	34,299	3
7900 (Loss) income before income tax		(94,841)	(8)	165,241	14
7950 Income tax benefit (expense)	6(23)	22,356	2	(24,461)	(2)
8200 Net (loss) income		<u>(\$ 72,485)</u>	<u>(6)</u>	<u>\$ 140,780</u>	<u>12</u>
8500 Total comprehensive (loss) income		<u>(\$ 72,485)</u>	<u>(6)</u>	<u>\$ 140,780</u>	<u>12</u>
 (Loss) earnings per share (NT\$)					
9750 Earnings per share - basic	6(24)	(\$ 1.08)		\$ 2.17	
9850 Earnings per share - diluted		(\$ 1.08)		\$ 2.16	

(The accompanying notes are an integral part of the parent company only financial statements.)

DAWUSHAN FARM TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

		Retained Earnings					Predecessor Interests under Common Control	Total Equity
	Note	Common Shares	Capital Surplus	Legal Reserve	Unappropriated Earnings	Treasury Shares		
<u>For the year ended December 31, 2024 (Restated)</u>								
Balance as of January 1, 2024 (Restated)		\$ 607,500	\$ 230,350	\$ 47,408	\$ 401,541	\$ -	\$ 365,587	\$1,652,386
Net income for the period		-	-	-	94,800	-	45,980	140,780
Total comprehensive income for the period		-	-	-	94,800	-	45,980	140,780
Appropriation of 2023 earnings								
Legal reserve		-	-	7,208	(7,208)	-	-	-
Cash dividends	6(15)	-	-	-	(68,345)	-	-	(68,345)
Issuance of common shares for cash	6(13,14)	75,950	354,940	-	-	-	-	430,890
Cash dividends distributed by subsidiaries before organizational restructuring	6(4)	-	-	-	-	-	(7,650)	(7,650)
Repurchase of treasury shares	6(13)	-	-	-	-	(36,511)	-	(36,511)
Changes in percentage of ownership interests in subsidiaries	6(4,14)	-	(4)	-	-	-	-	(4)
Balance as of December 31, 2024 (Restated)		<u>\$ 683,450</u>	<u>\$ 585,286</u>	<u>\$ 54,616</u>	<u>\$ 420,788</u>	<u>(\$ 36,511)</u>	<u>\$ 403,917</u>	<u>\$2,111,546</u>
<u>For the year ended December 31, 2025</u>								
Balance as of January 1, 2025 (Restated)		\$ 683,450	\$ 585,286	\$ 54,616	\$ 420,788	(\$ 36,511)	\$ 403,917	\$2,111,546
Net loss for the period		-	-	-	(80,812)	-	8,327	(72,485)
Total comprehensive loss for the period		-	-	-	(80,812)	-	8,327	(72,485)
Appropriation of 2024 earnings								
Legal reserve		-	-	9,480	(9,480)	-	-	-
Cash dividends	6(15)	-	-	-	(67,345)	-	-	(67,345)
Cash distribution from capital surplus	6(14)	-	(67,345)	-	-	-	-	(67,345)
Repurchase of treasury shares	6(13)	-	-	-	-	(12,502)	-	(12,502)
Difference between the acquisition/disposal price and carrying amount of subsidiary equity interests	6(4,14)	-	-	-	(576)	-	-	(576)
Cash dividends distributed by subsidiaries before organizational restructuring	6(4)	-	-	-	-	-	(38,250)	(38,250)
Effect of organizational restructuring	6(14,25)	-	(50,831)	-	-	-	(373,994)	(424,825)
Balance as of December 31, 2025		<u>\$ 683,450</u>	<u>\$ 467,110</u>	<u>\$ 64,096</u>	<u>\$ 262,575</u>	<u>(\$ 49,013)</u>	<u>\$ -</u>	<u>\$1,428,218</u>

(The accompanying notes are an integral part of the parent company only financial statements.)

DAWUSHAN FARM TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	Note	2025	(Restated) 2024
<u>Cash flows from operating activities</u>			
(Loss) income before income tax		(\$ 94,841)	\$ 165,241
Adjustments			
Non-cash income and expense items			
Depreciation	6(5,6,7,21)	199,915	189,911
Amortization	6(8,21)	5,128	2,003
Expected credit (gain) loss	12(2)	(18)	119
Interest expense	6(20)	12,514	9,289
Interest income	6(17)	(1,524)	(2,215)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method	6(4)	(9,226)	(48,088)
Loss on disposal of property, plant and equipment	6(19)	1,138	2,602
Loss on disposal of biological assets	6(19)	60,670	15,671
Disaster loss	6(19)	35,970	-
Impairment loss on non-financial assets	6(19)	-	4,739
Unrealized gain on sales	6(4)	464	-
Realized gain on sales	6(4)	-	(2,002)
Changes in operating assets and liabilities			
Net changes in operating assets			
Notes receivable		(2,521)	3,225
Accounts receivable		(56,001)	50,974
Accounts receivable - related parties		(9,871)	-
Other receivables		1,082	1,451
Inventories		(2,061)	(11,014)
Biological assets - current		(8,855)	(114,307)
Prepayments		(3,074)	(5,843)
Net changes in operating liabilities			
Contract liabilities - current		(2,303)	2,538
Accounts payable		(28,342)	29,454
Accounts payable - related parties		31,933	(43,204)
Other payables		5,043	11,717
Provisions - current		-	485
Cash generated from operations		135,220	262,746
Interest received		1,524	2,254
Income tax paid		(9,036)	(43,127)
Interest paid		(12,191)	(9,633)
Net cash generated by operating activities		115,517	212,240
<u>Cash flows from investing activities</u>			
Acquisition of investments accounted for using the equity method	6(4,25)	(384,100)	(86,000)
Return of shares upon liquidation of investments accounted for using the equity method	6(4)	2,999	-
Acquisition of biological assets - non-current		(138,581)	(42,501)
Disposal of biological assets - non-current		15,335	6,542
Acquisition of property, plant and equipment	6(26)	(75,570)	(133,399)
Disposal of property, plant and equipment		931	-
Acquisition of intangible assets	6(8)	(95)	(351)
Decrease in refundable deposits		464	1,180
Decrease in other financial assets - current		-	100,428
Net cash used in investing activities		(578,617)	(154,101)

(Continued)

DAWUSHAN FARM TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS-(Continued)
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	Note	2025	(Restated) 2024
<u>Cash flows from financing activities</u>			
Increase in short-term loans	6(27)	\$ 837,000	\$ 10,000
Decrease in short-term loans	6(27)	(527,000)	(76,000)
Proceeds from long-term loans	6(27)	300,000	-
Repayment of long-term loans	6(27)	(42,645)	(357,464)
Repayment of lease principal	6(27)	(12,907)	(9,532)
Cost of treasury shares repurchased	6(13)	(12,502)	(36,511)
Issuance of common shares for cash	6(13)	-	430,890
Distribution of cash dividends and cash distribution from capital surplus	6(14,15)	(134,690)	(68,345)
Net cash generated by (used in) financing activities		<u>407,256</u>	<u>(106,962)</u>
Net decrease in cash and cash equivalents		(55,844)	(48,823)
Cash and cash equivalents at beginning of period	6(1)	<u>149,757</u>	<u>198,580</u>
Cash and cash equivalents at end of period	6(1)	<u>\$ 93,913</u>	<u>\$ 149,757</u>

(The accompanying notes are an integral part of the parent company only financial statements.)

(Concluded)

DAWUSHAN FARM TECHNOLOGY CO., LTD.
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars, Unless Otherwise Specified)

15. History and Organization

- (5) 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.
- (6) The Company’s shares were listed on the Taiwan Stock Exchange on June 13, 2024, under the stock code 6952.
- (7) Kuo Hsing Poultry & Livestock Feeds Co., Ltd. directly and indirectly holds 42.43% of the Company’s shares and is the ultimate parent company of the Company.

16. Date and Procedures of Authorization of Financial Statements

The parent company only financial statements for the years ended December 31, 2025 and 2024 were approved and authorized for issue in the Board of Directors’ meeting on March 6, 2026.

17. Newly Issued or Revised Standards and Interpretations

- (4) 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 IAS 21 “Lack of Exchangeability”	January 1, 2025

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

- (5) 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, 2026:

DAWUSHAN FARM TECHNOLOGY CO., LTD.
NOTES TO PARENT COMPANY ONLY 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
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
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
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

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

(6) 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 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	Yet to be determined
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note: The FSC announced in a press release dated September 25, 2025, that publicly issued companies will be required to adopt IFRS 18 beginning January 1, 2028. Furthermore, companies seeking early adoption may choose to do so, provided that the FSC has officially endorsed the Standard.

Except as described below, the Company 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 also introduces new disclosure requirements for management-defined performance measures and strengthens the principles of aggregation and disaggregation in the primary financial statements and notes.

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

18. Summary of Significant Accounting Policies

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

(29) Statement of compliance

The parent company only financial statements for the years ended December 31, 2025 and 2024 have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(30) Basis of preparation

- C. Except for agricultural produce which is measured at fair value less estimated costs to sell, the parent company only financial statements have been prepared on a historical cost basis.
- D. The preparation of financial statements in conformity with the IFRS, IAS, 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 Company’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 parent company only financial statements.

(31) Foreign currency translation

The financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e., the functional currency). The parent company only financial statements are presented in the Company’s functional currency, New Taiwan dollars (NT\$).

Foreign currency transactions and balances

- E. 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.
- F. 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.
- G. 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.
- H. All exchange gains and losses are presented under “other gains and losses” in the statement of profit or loss.

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

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

C. An asset is classified as current under one of the following criteria:

- (e) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- (f) It is held primarily for the purpose of trading;
- (g) It is expected to be realized within twelve months after the reporting period; or
- (h) The asset is classified as cash or a cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Assets that are not classified as current are classified as non-current.

D. A liability is classified as current under one of the following criteria:

- (e) It is expected to be settled in the normal operating cycle;
- (f) It is held primarily for the purpose of trading;
- (g) It is due to be settled within twelve months after the reporting period; or
- (h) The Company 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.

(33) Accounts and notes receivable

C. Refers to notes and accounts receivable that represents an unconditional right to receive consideration in exchange for the transfer of goods or services in accordance with contractual terms.

D. For short-term, non-interest-bearing notes and accounts receivable, as the effect of discounting is immaterial, the Company measures them at the original invoice amount.

(34) Impairment of financial assets

At each balance sheet date, the Company 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.

(35) Derecognition of financial assets

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

(36) 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.

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

(37) Inventories

- C. 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 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.
- D. Inventories of agricultural produce are measured at fair value less costs to sell.

(38) Investments accounted for using the equity method - subsidiaries

- A. A subsidiary is an entity controlled by the Company. The Company controls an entity when it has exposure or rights to variable returns from its involvement in an entity and has the ability to use its power over an entity to affect such returns.
- B. Unrealized gains or losses arising from transactions between the Company and the subsidiary have been eliminated in preparing the financial statements. The accounting policies of the subsidiary have been adjusted, where necessary, to conform with the policies adopted by the Company.
- C. After the acquisition, the Company recognizes its share of profit or loss and other comprehensive income of the subsidiary in profit or loss and other comprehensive income, respectively. If the Company's share of loss of the subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses by its shareholding percentage.
- D. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control (transactions with non-controlling interests) are accounted for as equity transactions, i.e., transactions with owners. Any difference between the adjustment to non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity.
- E. In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the profit or loss and other comprehensive income for the period presented in the parent company only financial statements shall be the same as the amounts attributable to owners of the parent in the consolidated financial statements. The equity presented in the parent company only financial statements shall be the same as the equity attributable to owners of the parent in the consolidated financial statements.

(39) Biological assets

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

(40) Property, plant and equipment

- E. Property, plant and equipment are stated at cost with borrowing costs incurred during the construction period capitalized.

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

- F. 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 Company 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.
- G. 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.
- H. At the end of each financial year, the Company 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
Other equipment	2 to 22 years

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

- E. At the commencement date, the Company 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.
- F. Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Lease payments include fixed payments less any lease incentives receivable.

Subsequently, lease liabilities are measured at amortized cost using the 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.
- G. Right-of-use assets are initially measured at cost, which comprises the amount of the initial measurement of the lease liability.

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

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

(42) Intangible assets

- C. 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 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.
- D. Computer software is recognized at acquisition cost and amortized on a straight-line basis over its estimated useful life of 5 years.

(43) Impairment of non-financial assets

- D. At each balance sheet date, the Company 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 resulting from 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.
- E. Goodwill and intangible assets with indefinite useful lives are subject to periodic estimation of their recoverable amounts. When the recoverable amount is less than the carrying amount, an impairment loss is recognized. Impairment losses recognized for goodwill are not reversed in subsequent periods.
- F. For the purpose of impairment testing, goodwill is allocated to cash-generating units (CGUs). Such allocation is determined based on operating segments, with goodwill allocated to the CGUs or groups of CGUs that are expected to benefit from the business combination from which the goodwill arose.

(44) Loans

Loans refer to short-term and long-term borrowings from banks. At initial recognition, the Company measures these borrowings at fair value, net of transaction costs. Subsequently, any difference between the proceeds 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.

(45) Notes and accounts payable

- C. 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.
- D. For short-term, non-interest-bearing notes and accounts payable, as the effect of discounting is immaterial, the Company measures them at the original invoice amount.

(46) Derecognition of financial liabilities

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

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

(47) Employee benefits

D. 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.

E. 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.

F. Employee compensation and remuneration to directors

Employee compensation and remuneration to directors are recognized as expenses and liabilities when the Company 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.

(48) Income tax

E. 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.

F. The Company calculates current income tax based on the tax rates that have been enacted or substantively enacted at the balance sheet date. Management regularly evaluates the status of income tax filings in accordance with applicable tax regulations and recognizes 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 the Income Tax Act, 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.

G. 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 parent company only balance sheet. Deferred 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 Company 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.

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

- H. 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 Company reassesses both unrecognized and recognized deferred tax assets at each balance sheet date.

(49) Share capital

- C. 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.
- D. 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.

(50) 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.

(51) Revenue recognition

- D. The Company recognizes revenue from the sale of fresh eggs, processed 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 Company 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.
- E. Revenue from the sale of fresh eggs, processed egg products and related 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 Company 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 Company does not adjust the transaction price for the time value of money.

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

(52) Government grants

Government grants are recognized at fair value when there is reasonable assurance that the Company will comply with the conditions attached to the grants and that the grants will be received. Government grants related to expenses are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes the related expenses. Government grants related to property, plant and equipment are recognized as non-current liabilities and are recognized in profit or loss on a straight-line basis over the estimated useful lives of the related assets.

(53) Business combinations under common control (also referred to as organizational restructuring)

According to the Q&A issued by the Accounting Research and Development Foundation on October 26, 2018, "Accounting Treatment of Business Combinations under Common Control," as IFRS 3 Business Combinations does not provide explicit guidance for transactions under common control, the relevant interpretations issued in Taiwan shall apply. Under the book value method, the acquiring entity recognizes the assets and liabilities of the transferred entity at the carrying amounts recorded by the parent company. Any difference between the consideration paid and the carrying amount recognized is directly debited from or credited to capital surplus; if the credit balance of capital surplus is insufficient, the shortfall is adjusted against retained earnings.

For the purpose of preparing financial statements for the comparative period, the combination is accounted for as if it had occurred at the beginning of the earliest period presented. When restating comparative financial statements, the portion of equity previously attributable to the parent company is presented as "predecessor interests under common control," and the share of profit or loss previously attributable to the parent company is presented as "profit (loss) attributable to predecessor interests under common control."

19. Critical Accounting Judgments and Major Sources of Estimation Uncertainty

In preparing the parent company only 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 assumption uncertainty.

- (3) Significant judgments in applying accounting policies: None.
- (4) Critical accounting estimates and assumptions

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C. Estimated impairment of notes and accounts receivable

In assessing the impairment of notes and accounts receivable, the Company is required to apply judgment and estimates in measuring the credit risk of notes and accounts receivable in order to evaluate expected credit losses. Credit risk is affected by a number of factors, including the customer's financial condition, historical transaction records and current economic conditions, among other factors that may affect customers' credit quality. This assessment is based on reasonable expectations of expected credit losses as of the balance sheet date. However, actual results may differ from these estimates and may result in material adjustments.

As of December 31, 2025, the carrying amount of the Company's notes and accounts receivable was NT\$276,680.

D. Inventory valuation

As inventories are measured at the lower of cost and net realizable value, the Company 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 Company assesses the amount of inventories that may be subject to normal spoilage, 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 December 31, 2025, the carrying amount of the Company's inventories was NT\$33,247.

20. Details of Significant Accounts

(29) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand and petty cash	\$ 531	\$ 738
Checking and demand deposits	93,382	149,019
	<u>\$ 93,913</u>	<u>\$ 149,757</u>

C. The Company 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.

D. The Company has not pledged any cash and cash equivalents as collateral.

(30) Notes and accounts receivable

	December 31, 2025	December 31, 2024
Notes receivable	\$ 3,235	\$ 714
Accounts receivable	\$ 226,930	\$ 170,929
Accounts receivable - related parties	46,626	36,755
Less: Loss allowance	(111)	(129)
	<u>\$ 273,445</u>	<u>\$ 207,555</u>

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F. The aging analysis of notes and accounts receivable was as follows:

	December 31, 2025		December 31, 2024	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
Not past due	\$ 3,235	\$ 273,252	\$ 714	\$ 204,472
Past due:				
1 to 30 days	-	33	-	3,055
31 to 90 days	-	166	-	93
Over 91 days	-	105	-	64
	<u>\$ 3,235</u>	<u>\$ 273,556</u>	<u>\$ 714</u>	<u>\$ 207,684</u>

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

- G. As of December 31, 2025 and 2024, the balance of notes and accounts receivable was derived from customer contracts. The outstanding receivables from customer contracts as of January 1, 2024 amounted to NT\$262,607.
- H. Without considering any collateral held or other credit enhancements, the maximum exposure to credit risk of the Company's notes receivable as of December 31, 2025 and 2024 amounted to NT\$3,235 and NT\$714, respectively; and the maximum exposure to credit risk of accounts receivable was NT\$273,445 and NT\$207,555, respectively.
- I. The Company has not pledged any notes or accounts receivable as collateral.
- J. For credit risk information related to notes receivable and accounts receivable, please refer to Note 12(2).

(31) Inventories

	December 31, 2025		
	Cost	Allowance for Inventory Valuation Losses	Carrying Amount
Raw materials	\$ 13,030	(\$ 1,540)	\$ 11,490
Work in progress	451	-	451
Finished goods	21,651	(345)	21,306
	<u>\$ 35,132</u>	<u>(\$ 1,885)</u>	<u>\$ 33,247</u>
	December 31, 2024		
	Cost	Allowance for Inventory Valuation Losses	Carrying Amount
Raw materials	\$ 12,143	(\$ 1,301)	\$ 10,842
Work in progress	267	-	267
Finished goods	20,382	(305)	20,077
	<u>\$ 32,792</u>	<u>(\$ 1,606)</u>	<u>\$ 31,186</u>

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	December 31, 2025	December 31, 2024
Inventories measured at fair value less costs to sell	\$ 18,849	\$ 18,448

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

	Years ended December 31	
	2025	2024
Cost of inventories sold	\$ 975,698	\$ 878,555
Sale of consumable biological assets	-	6,499
Inventory write-downs	279	904
Loss on physical inventory	260	158
Obsolescence	5,306	443
Idle capacity	8,824	-
Revenue from sale of scrap and waste materials	(1,020)	(2,282)
	<u>\$ 989,347</u>	<u>\$ 884,277</u>

(32) Investments accounted for using the equity method

	Years ended December 31	
	2025	2024
Balance as of January 1	\$ 571,937	\$ 443,501
Additions to investments accounted for using the equity method	1,600	86,000
Return of shares upon liquidation of investments accounted for using the equity method	(2,999)	-
Share of profit or loss of investments accounted for using the equity method	9,226	48,088
Distribution of earnings of investments accounted for using the equity method before organizational restructuring	(38,250)	(7,650)
Changes in capital surplus	(576)	(4)
Unrealized gain on sales from downstream transactions	(464)	-
Realized gain on sales from downstream transactions	-	2,002
Balance as of December 31	<u>\$ 540,474</u>	<u>\$ 571,937</u>

	December 31, 2025	December 31, 2024
Subsidiaries		
Tai Da Eggs Technology Co., Ltd.	\$ 18,772	\$ 25,521
JihShang Livestock Products Co., Ltd. (Note)	-	2,189
Mountain River Livestock Products Co., Ltd. (Note)	-	971

(Continued)

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	December 31, 2025	December 31, 2024
Dawushan Ise Foods Co., Ltd.	\$ 139,266	\$ 139,339
Fu Che Frozen Food Co., Ltd.	382,436	403,917
	<u>\$ 540,474</u>	<u>\$ 571,937</u>
	-	(Concluded)

Note: Please refer to Note 6(4)B for details.

- A. For information on subsidiaries of the Company, please refer to Note 4(3) to the consolidated financial statements for the year ended December 31, 2025.
- B. The filing of the dissolution and final tax settlement was completed on May 8, 2025, and the liquidation procedures were finalized on August 26, 2025.
- C. On April 1, 2025, the Company acquired 51% equity interest in Fu Che Frozen Food Co., Ltd. from its parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd. This transaction was an organizational restructuring under common control. Please refer to Note 6(25) for details.

(33) Biological assets

F. Details of biological assets

	December 31, 2025	December 31, 2024
<u>Biological assets - current</u>		
Consumable biological assets	<u>\$ 8,855</u>	<u>\$ 11,429</u>
<u>Biological assets - non-current</u>		
Bearer biological assets	\$ 178,747	\$ 182,856
Bearer biological assets - accumulated depreciation	<u>(86,856)</u>	<u>(63,454)</u>
	<u>\$ 91,891</u>	<u>\$ 119,402</u>

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.

G. Reconciliation of the carrying amount of biological assets

	Years Ended December 31	
	2025	2024
Balance as of January 1	\$ 130,831	\$ 88,369
Additions through purchases	9,037	25,781
Costs and expenses incurred	138,399	137,526
Decreases due to sale and write-offs	(76,005)	(22,213)
Depreciation	(101,516)	(92,133)
Transferred to inventories	-	(6,499)
Balance as of December 31	<u>\$ 100,746</u>	<u>\$ 130,831</u>

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- H. Biological assets of the Company 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 years ended December 31, 2025 and 2024, the depreciation expenses of biological assets amounted to NT\$101,516 and NT\$92,133, respectively.

- I. Estimated quantity of biological assets

	December 31, 2025	December 31, 2024
Livestock:		
Quantity of biological assets (Thousand heads)	985	1,001

- J. Financial risk management strategies

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

(34) Property, plant and equipment

	2025				
				Construction in Progress and Equipment Awaiting Inspection	Total
	Land	Buildings and Structures	Machinery and Equipment	Other Equipment	
Balance as of January 1					
Cost	\$ 246,090	\$ 853,289	\$ 856,177	\$ 39,219	\$ 91,932
Accumulated depreciation	-	(195,434)	(438,818)	(18,653)	-
	<u>\$ 246,090</u>	<u>\$ 657,855</u>	<u>\$ 417,359</u>	<u>\$ 20,566</u>	<u>\$ 91,932</u>
Balance as of January 1	\$ 246,090	\$ 657,855	\$ 417,359	\$ 20,566	\$ 91,932
Additions	1,023	3,598	21,132	5,062	47,797
Disposals	-	-	(3)	-	(2,066)
Write-off due to fire damage	-	(23,979)	(11,964)	(27)	-
Reclassifications	49,312	39,248	-	688	(89,248)
Transferred to expenses	-	-	-	-	-
Depreciation	-	(29,050)	(51,744)	(3,870)	-
Balance as of December 31	<u>\$ 296,425</u>	<u>\$ 647,672</u>	<u>\$ 374,780</u>	<u>\$ 22,419</u>	<u>\$ 48,415</u>
Balance as of December 31					
Cost	\$ 296,425	\$ 860,512	\$ 765,472	\$ 44,910	\$ 48,415
Accumulated depreciation	-	(212,840)	(390,692)	(22,491)	-
	<u>\$ 296,425</u>	<u>\$ 647,672</u>	<u>\$ 374,780</u>	<u>\$ 22,419</u>	<u>\$ 48,415</u>

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	2024				
	Land	Buildings and Structures	Machinery and Equipment	Other Equipment	Construction in Progress and Equipment Awaiting Inspection
Balance as of January 1					Total
Cost	\$ 224,521	\$ 848,860	\$ 846,870	\$ 29,334	\$ 25,437
Accumulated depreciation	-	(167,264)	(400,241)	(15,151)	-
	<u>\$ 224,521</u>	<u>\$ 681,596</u>	<u>\$ 446,629</u>	<u>\$ 14,183</u>	<u>\$ 25,437</u>
					<u>\$1,392,366</u>
Balance as of January 1	\$ 224,521	\$ 681,596	\$ 446,629	\$ 14,183	\$ 25,437
Additions	35	4,429	7,665	2,899	117,121
Disposals	-	-	(2,602)	-	-
Reclassifications	21,534	-	22,070	7,022	(50,626)
Depreciation	-	(28,170)	(56,403)	(3,538)	-
Balance as of December 31	<u>\$ 246,090</u>	<u>\$ 657,855</u>	<u>\$ 417,359</u>	<u>\$ 20,566</u>	<u>\$ 91,932</u>
					<u>\$1,433,802</u>
Balance as of December 31					
Cost	\$ 246,090	\$ 853,289	\$ 856,177	\$ 39,219	\$ 91,932
Accumulated depreciation	-	(195,434)	(438,818)	(18,653)	-
	<u>\$ 246,090</u>	<u>\$ 657,855</u>	<u>\$ 417,359</u>	<u>\$ 20,566</u>	<u>\$ 91,932</u>
					<u>\$1,433,802</u>

- F. For the years ended December 31, 2025 and 2024, the amounts of borrowing costs capitalized to property, plant and equipment by the Company were NT\$2,349 and NT\$703, respectively. The capitalization interest rates ranged from 1.88% to 2.095% and from 2.05% to 2.095%, respectively.
- G. Major components of buildings and structures include the main buildings and various improvement projects, which are depreciated over 32 to 35 years.
- H. For information regarding property, plant and equipment pledged as collateral, please refer to Note 8.
- I. As of December 31, 2025 and 2024, a portion of the Company's land holdings, amounting to NT\$101,539 and NT\$51,205, 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 Company has completed mortgage registrations in its favor as a safeguard.
- J. 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.

(35) Lease transactions - Lessee

- G. The Company'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.
- H. The lease terms for the Company's Taipei office, warehouse, and executive vehicles do not exceed 12 months.

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- I. The carrying amounts of right-of-use assets and the related depreciation expenses were as follows:

	December 31, 2025	December 31, 2024
	Carrying Amount	Carrying Amount
Livestock facilities and equipment	\$ 21,063	\$ 30,784
Buildings	59,055	-
Transportation equipment	173	553
	<u>\$ 80,291</u>	<u>\$ 31,337</u>

	Years ended December 31 2025	2024
	Depreciation	Depreciation
Livestock facilities and equipment	\$ 9,721	\$ 8,101
Buildings	3,634	120
Transportation equipment	380	1,446
	<u>\$ 13,735</u>	<u>\$ 9,667</u>

- J. Additions to right-of-use assets for the years ended December 31, 2025 and 2024 were NT\$62,689 and NT\$38,885, respectively.

- K. The following amounts related to lease contracts were recognized in profit or loss:

	Years ended December 31 2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,281	\$ 633
Expense for short-term leases	8,996	2,902
Expense for leases of low-value assets	10	-

- L. Total cash outflows for leases for the years ended December 31, 2025 and 2024 amounted to NT\$23,194 and NT\$13,067, respectively.

(36) Intangible assets

	2025			
	Licenses	Goodwill	Proprietary Technology	Computer Software
Balance as of January 1				
Cost	\$ 23,810	\$ 21,500	\$ 8,571	\$ 5,737
Accumulated amortization and impairment	-	(4,739)	(2,857)	(3,648)
	<u>\$ 23,810</u>	<u>\$ 16,761</u>	<u>\$ 5,714</u>	<u>\$ 2,089</u>
Balance as of January 1	\$ 23,810	\$ 16,761	\$ 5,714	\$ 2,089
Additions - acquired separately	-	-	-	95

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	2025				
	Licenses	Goodwill	Proprietary Technology	Computer Software	Total
Decreases	(\$ 23,810)	(\$ 16,761)	(\$ 1,754)	\$ -	(\$ 42,325)
Amortization	-	-	(3,960)	(1,168)	(5,128)
Balance as of December 31	\$ -	\$ -	\$ -	\$ 1,016	\$ 1,016
Balance as of December 31					
Cost	\$ -	\$ -	\$ -	\$ 5,832	\$ 5,832
Accumulated amortization and impairment	-	-	-	(4,816)	(4,816)
	\$ -	\$ -	\$ -	\$ 1,016	\$ 1,016
					(Concluded)
	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)
	\$ 23,810	\$ 21,500	\$ 6,571	\$ 2,884	\$ 54,765
Balance as of January 1	\$ 23,810	\$ 21,500	\$ 6,571	\$ 2,884	\$ 54,765
Additions - acquired separately	-	-	-	351	351
Amortization	-	-	(857)	(1,146)	(2,003)
Impairment	-	(4,739)	-	-	(4,739)
Balance as of December 31	\$ 23,810	\$ 16,761	\$ 5,714	\$ 2,089	\$ 48,374
Balance as of December 31					
Cost	\$ 23,810	\$ 21,500	\$ 8,571	\$ 5,737	\$ 59,618
Accumulated amortization and impairment	-	(4,739)	(2,857)	(3,648)	(11,244)
	\$ 23,810	\$ 16,761	\$ 5,714	\$ 2,089	\$ 48,374

C. The details of amortization of intangible assets were as follows:

	Years ended December 31	
	2025	2024
General and administrative expenses	\$ 5,128	\$ 2,003

D. The Company's intangible assets were not pledged.

(37) Short-term loans

Nature of Loans	December 31, 2025	Interest Rate Range	Collateral
Bank loans			
Secured loans	\$ 170,000	1.98%	Land, buildings and structures
Credit loans	140,000	1.88%~1.99%	None
	<u>\$ 310,000</u>		

As of December 31, 2024: None.

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

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(38) Other payables

Item	December 31, 2025	December 31, 2024
Accrued payroll and bonuses	\$ 24,685	\$ 27,905
Sales discounts and allowances payable	15,666	11,462
Accrued freight expense	12,782	10,670
Accrued channel fees	3,562	2,988
Payable for equipment	3,375	333
Accrued unused vacation bonus	2,650	-
Interest payable	572	249
Accrued employee compensation and director remuneration	136	8,977
Others	31,618	20,654
	<u>\$ 95,046</u>	<u>\$ 83,238</u>

(39) Long-term loans

Nature of Loans	Loan Term and Repayment Method	Interest Rate Range	Collateral	December 31, 2025
Long-term bank loans				
Secured loans	From November 30, 2011 to June 17, 2040; principal and interest repaid as scheduled	2.050%~2.095%	Land, buildings and structures, machinery and equipment	\$ 244,301
Credit loans	From June 16, 2025 to June 15, 2032; principal and interest repaid as scheduled	2.00%	None	278,580
				<u>522,881</u>
Less: Current portion				<u>(64,309)</u>
				<u>\$ 458,572</u>
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	2.05%~2.095%	Land, buildings, structures, machinery and equipment	\$ 265,526
Less: Current portion				<u>(21,181)</u>
				<u>\$ 244,345</u>

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

(40) Pension

The Company has 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 contributes 6% of the employees' monthly wages to their individual pension accounts with the Bureau

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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 years ended December 31, 2025 and 2024, the pension costs recognized by the Company under this plan amounted to NT\$6,156 and NT\$5,093, respectively.

(41) Share capital

- C. As of December 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.

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

	Years Ended December 31	
	2025	2024
Balance as of January 1	67,600	60,750
Issuance of common shares for cash	-	7,595
Shares repurchased	(255)	(745)
Balance as of December 31	67,345	67,600

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.

D. Treasury shares

- (e) Purpose and quantity of repurchased shares:

Holding Entity	Purpose of Repurchase	December 31, 2025	
		Number of Shares	Carrying Amount
The Company	For transfer to employees	1,000,000	\$ 49,013
Holding Entity	Purpose of Repurchase	December 31, 2024	
		Number of Shares	Carrying Amount
The Company	For transfer to employees	745,000	\$ 36,511

- (f) 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.

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- (g) 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.
- (h) 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 safeguarding the Company's credit standing and shareholders' interests shall be cancelled through amendment registration within six months from the date of repurchase.

(42) Capital surplus

- C. 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 the said 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					
	Share premium	Changes in percentage of ownership interests in subsidiaries	Employee stock options expired	Others	Total
Balance as of January 1	\$ 542,949	\$ 6	\$ 6	\$ 42,325	\$ 585,286
Cash distribution from capital surplus	(67,345)	-	-	-	(67,345)
Effect of organizational restructuring	(8,506)	-	-	(42,325)	(50,831)
Balance as of December 31	<u>\$ 467,098</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 467,110</u>
2024					
	Share premium	Changes in percentage of ownership interests in subsidiaries	Employee stock options expired	Others	Total
Balance as of January 1	\$ 188,009	\$ 10	\$ 6	\$ 42,325	\$ 230,350
Issuance of common shares for cash	354,940	-	-	-	354,940
Changes in percentage of ownership interests in subsidiaries	-	(4)	-	-	(4)
Balance as of December 31	<u>\$ 542,949</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 42,325</u>	<u>\$ 585,286</u>

- D. On May 20, 2025, the shareholders' meeting approved a cash distribution of NT\$67,345 from capital surplus (NT\$1 per common share).

(43) Retained earnings

- G. 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

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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 to be distributed in the form of cash, such distribution shall be resolved by the Board of Directors and reported to the shareholders' meeting pursuant to Paragraph 5, Article 240 of the Company Act.

- H. 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 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.
- I. 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.
- J. 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.
- K. 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.
- L. 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, which was reported in the shareholders' meeting on May 20, 2025.

(44) Operating revenue

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

	2025			
	Fresh Eggs	Processed Egg Products	Others	Total
Revenue from external customer contracts	\$1,004,760	\$141,197	\$ 844	\$1,146,801
Timing of revenue recognition				
Revenue recognized at a point in time	\$1,004,760	\$141,197	\$ 844	\$1,146,801

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	2024			
	Fresh Eggs	Processed Egg Products	Others	Total
Revenue from external customer contracts	\$1,058,259	\$119,661	\$ 7,287	\$1,185,207
Timing of revenue recognition				
Revenue recognized at a point in time	\$1,058,259	\$119,661	\$ 7,287	\$1,185,207

D. Contract liabilities

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

	December 31, 2025	December 31, 2024
Contract liabilities	\$ 359	\$ 2,662

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

	Years ended December 31	
	2025	2024
Revenue from sale of goods	\$ 2,662	\$ 124

(45) Interest income

	Years ended December 31	
	2025	2024
Interest on bank deposits	\$ 922	\$ 2,130
Other interest income	602	85
	\$ 1,524	\$ 2,215

(46) Other income

	Years ended December 31	
	2025	2024
Rental income	\$ 242	\$ 412
Income from selling electricity	15,853	17,290
Government grants	1,428	3,851
Others	2,611	885
	\$ 20,134	\$ 22,438

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(47) Other gains and losses

	Years ended December 31	
	2025	2024
Loss on disposal of biological assets	(\$ 60,670)	(\$ 15,671)
Loss on disposal of property, plant and equipment	(1,138)	(2,602)
Impairment loss on intangible assets	-	(4,739)
Depreciation and maintenance expenses of power generation equipment	(8,981)	(7,110)
Foreign exchange (loss) gain, net	(19)	982
Disaster loss		
- Property, plant and equipment	(35,970)	-
- Compensation loss	(500)	-
Compensation loss	(8,840)	-
Others	(212)	(13)
	<u>(\$ 116,330)</u>	<u>(\$ 29,153)</u>

(48) Finance costs

	Years ended December 31	
	2025	2024
Interest expenses		
Bank loans	\$ 13,582	\$ 9,359
Lease liabilities	1,281	633
	14,863	9,992
Less: Amount capitalized for qualifying assets	(2,349)	(703)
	<u>\$ 12,514</u>	<u>\$ 9,289</u>

(49) Additional information on the nature of expenses

	Years ended December 31	
	2025	2024
Employee benefits expense	\$ 169,194	\$ 171,090
Depreciation of property, plant and equipment	84,664	88,111
Depreciation of right-of-use assets	13,735	9,667
Depreciation of biological assets	101,516	92,133
Amortization expense	5,128	2,003

(50) Employee benefits expense

	Years ended December 31	
	2025	2024
Payroll	\$ 140,128	\$ 141,790

(Continued)

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	Years ended December 31	
	2025	2024
Labor and health insurance	\$ 15,642	\$ 13,072
Pension	6,156	5,093
Remuneration to directors	1,966	6,252
Other personnel expenses	5,302	4,883
	<u>\$ 169,194</u>	<u>\$ 171,090</u>

(Concluded)

- C. In accordance with the Company's Articles of Incorporation, in the event that the Company reports a profit for a fiscal year (profit being defined as pre-tax income before deducting compensation to employees and remuneration to directors), remuneration to directors and compensation to employees shall be appropriated by the following percentages: 1) Remuneration to directors: shall not exceed 4% of profit and 2) Compensation to employees: shall be between 4% and 10% of profit, provided that no less than 2% of profit shall be allocated to compensation to non-executive employees. However, if the Company has accumulated losses, an amount sufficient to cover such losses shall be reserved first, and the allocation of compensation to employees and remuneration to directors shall then be made according to the percentages stated above.
- D. For the years ended December 31, 2025 and 2024, the Company accrued compensation to employees of NT\$0 and NT\$5,130, respectively, and remuneration to directors of NT\$0 and NT\$3,847, respectively. These amounts were recognized under payroll expenses.

As the Company incurred a loss before tax for the year ended December 31, 2025, no compensation to employees or remuneration to directors was accrued. On March 6, 2026, the Board of Directors resolved not to distribute any compensation to employees or remuneration to directors, which is consistent with the 2025 financial statements.

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.

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

(51) Income tax

- G. Components of income tax (benefit) expense:

	Years ended December 31	
	2025	2024
Current income tax:		
Income tax for the current period	\$ -	\$ 23,666

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	Years ended December 31	
	2025	2024
(Over) under-provision of income tax in prior years	(\$ 222)	\$ 67
Total current income tax	(222)	23,733
Deferred income tax:		
Origination and reversal of temporary differences	(22,134)	728
Income tax (benefit) expense	(\$ 22,356)	\$ 24,461

(Concluded)

H. Reconciliation of income tax (benefit) expense and accounting profit

	Years ended December 31	
	2025	2024
Income tax calculated at the statutory tax rate on profit (loss) before tax	(\$ 20,633)	\$ 23,852
Effect of adjustments in accordance with tax regulations	(1,501)	542
(Over) under-provision of income tax in prior years	(222)	67
Income tax (benefit) expense	(\$ 22,356)	\$ 24,461

I. The amounts of deferred tax assets and liabilities arising from temporary differences and tax losses were as follows:

	Year Ended December 31, 2025		
	January 1	Recognized in Profit or Loss	December 31
Deferred tax assts:			
- Temporary differences:			
Unused vacation bonus	\$ 680	(\$ 150)	\$ 530
Loss on investments accounted for using the equity method	2,221	1,359	3,580
Unrealized impairment loss	151	(151)	-
Estimated insurance claim income	-	7,194	7,194
Unrealized loss	-	1,768	1,768
Others	383	97	480
Tax losses	-	12,406	12,406
Subtotal	\$ 3,435	\$ 22,523	\$ 25,958
Deferred tax liabilities:			
Valuation gain on agricultural produce included in inventories	(270)	(389)	(659)
Total	\$ 3,165	\$ 22,134	\$ 25,299

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	Year Ended December 31, 2024		
	January 1	Recognized in Profit or Loss	December 31
Deferred tax assts:			
- Temporary differences:			
Unused vacation bonus	\$ 583	\$ 97	\$ 680
Loss on investments accounted for using the equity method	2,635	(414)	2,221
Unrealized impairment loss	602	(451)	151
Others	365	18	383
Subtotal	\$ 4,185	(\$ 750)	\$ 3,435
Deferred tax liabilities:			
Valuation gain on agricultural produce included in inventories	(292)	22	(270)
Total	\$ 3,893	(\$ 728)	\$ 3,165

- J. The expiry dates of the Company's unused tax losses and the related amounts of unrecognized deferred tax assets were as follows:

December 31, 2025				
Year of Occurrence	Filing / Assessed Amount	Unused Amount	Unrecognized Deferred Tax Assets	Expiry Year
2025	Estimated filing	\$ 62,033	\$ -	2035

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

(52) (Loss) earnings per share

	Year ended December 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	(\$ 72,485)	67,355	(\$ 1.08)
	Year ended December 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	\$ 140,780	64,914	\$ 2.17

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	Year ended December 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	\$ 140,780	64,914	
Effects of dilutive potential common shares			
Employee compensation	-	135	
Net income attributable to common shareholders and effect of potential common shares	\$ 140,780	65,049	\$ 2.16

(Concluded)

(53) Business combinations under common control (also referred to as organizational restructuring)

- D. On March 24, 2025, the Board of Directors resolved that the Company would acquire 51% of the equity interests in Fu Che Frozen Food Co., Ltd. held by the parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd., for NT\$382,500. The acquisition was completed on April 1, 2025, after which Fu Che Frozen Food Co., Ltd. was included in the Company's consolidated financial statements.
- E. As this transaction constitutes an organizational restructuring, it is accounted for as a combination from the beginning of the period and is measured using the book value method. The difference between the acquisition cost and the net assets of Fu Che Frozen Food Co., Ltd., amounting to NT\$8,506, was offset against capital surplus - share premium.
- F. As the combination was accounted for as if it had been in effect from the beginning, the balance of "predecessor interests under common control" attributable to Fu Che Frozen Food Co., Ltd., amounting to NT\$373,994, was derecognized upon completion of the above transaction.

(54) Supplementary information on cash flows

Investing activities with partial cash payments only:

	Years ended December 31	
	2025	2024
Acquisition of property, plant and equipment	\$ 78,612	\$ 132,149
Add: Beginning balance of payable for equipment	333	1,583
Less: Ending balance of payable for equipment	(3,375)	(333)
Cash paid for acquisition of property, plant and equipment	\$ 75,570	\$ 133,399

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(55) Changes in liabilities arising from financing activities

	January 1, 2025	Changes from Financing Cash Flows	Non-cash Movements	December 31, 2025
Short-term loans	\$ -	\$ 310,000	\$ -	\$ 310,000
Long-term loans	265,526	257,355	-	522,881
Lease liabilities	31,492	(12,907)	62,689	81,274
Total liabilities from financing activities	<u>\$ 297,018</u>	<u>\$ 554,448</u>	<u>\$ 62,689</u>	<u>\$ 914,155</u>
	January 1, 2024	Changes from Financing Cash Flows	Non-cash Movements	December 31, 2024
Short-term loans	\$ 66,000	(\$ 66,000)	\$ -	\$ -
Long-term loans	622,990	(357,464)	-	265,526
Lease liabilities	2,139	(9,532)	38,885	31,492
Total liabilities from financing activities	<u>\$ 691,129</u>	<u>(\$ 432,996)</u>	<u>\$ 38,885</u>	<u>\$ 297,018</u>

21. Related Party Transactions

(5) Parent company and the ultimate controlling party

The Company is controlled by Kuo Hsing Poultry & Livestock Feeds Co., Ltd., a company incorporated in the Republic of China, which directly and indirectly holds 42.43% of the Company's shares. The remaining 57.57% is held by public shareholders. The Company's ultimate parent and controlling party is Kuo Hsing Poultry & Livestock Feeds Co., Ltd.

(6) Names and relationships of related parties

Name	Relationship
Kuo Hsing Poultry & Livestock Feeds Co., Ltd. (Kuo Hsing)	Parent company
Feng-Chun Lin	Chairman of the Company
Tai Da Eggs Technology Co., Ltd. (Tai Da Eggs)	Subsidiary of the Company
Dawushan Ise Foods Co., Ltd. (Dawushan Ise Foods)	Subsidiary of the Company
Fu Che Frozen Food Co., Ltd. (Fu Che Frozen Food)	Subsidiary of the Company
JihShang Livestock Products Co., Ltd. (JihShang Livestock)	Subsidiary of the Company (Note)
Mountain River Livestock Products Co., Ltd. (Mountain River Livestock)	Subsidiary of the Company (Note)
Kuo Nong Egg Products Marketing Co., Ltd. (Kuo Nong)	Sister company

Note: The filing of the dissolution and final tax settlement was completed on May 8, 2025, and the liquidation procedures were finalized on August 26, 2025.

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(7) Material transactions with related parties

H. Operating revenue

	Years ended December 31	
	2025	2024
Sale of goods:		
Fu Che Frozen Food	\$ 77,414	\$ 20,563
Tai Da Eggs	44,110	64,954
Kuo Nong	3,628	-
JihShang Livestock	-	1,278
	<u>\$ 125,152</u>	<u>\$ 86,795</u>

(c) The Company'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.

(d) Tai Da Eggs purchases raw materials from the Company, processes them, and sells the finished goods back to the Company. These transactions are accounted for as processing arrangements, with no purchases or sales recognized.

I. Purchases

	Years ended December 31	
	2025	2024
Purchase of goods		
Kuo Hsing	\$ 307,628	\$ 296,527
Feng-Chun Lin	-	16,051
Fu Che Frozen Food	173	-
	<u>\$ 307,801</u>	<u>\$ 312,578</u>
Processing cost		
Tai Da Eggs	<u>\$ 29,829</u>	<u>\$ 26,411</u>

The Company'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.

J. Receivables from related parties

	December 31, 2025	December 31, 2024
Accounts receivable:		
Tai Da Eggs	\$ 26,356	\$ 32,704
Fu Che Frozen Food	18,843	4,051
Kuo Nong	1,427	-
	<u>\$ 46,626</u>	<u>\$ 36,755</u>

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	December 31, 2025	December 31, 2024
Other receivables:		
Tai Da Eggs	\$ 80	\$ 120
Fu Che Frozen Food	20	-
JihShang Livestock	-	9
	<u>\$ 100</u>	<u>\$ 129</u>
		(Concluded)

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

K. Payables to related parties

	December 31, 2025	December 31, 2024
Accounts payable:		
Kuo Hsing	\$ 66,327	\$ 39,670
Tai Da Eggs	21,323	16,041
JihShang Livestock	-	6
	<u>\$ 87,650</u>	<u>\$ 55,717</u>
Other payables:		
Kuo Hsing	\$ 253	\$ 405
Fu Che Frozen Food	181	-
	<u>\$ 434</u>	<u>\$ 405</u>

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.

L. Property transaction

(a) Acquisition of biological assets:

		Years ended December 31	
		2025	2024
	Financial Statement Account	Acquisition Cost	Acquisition Cost
Feng-Chun Lin	Bearer biological assets	\$ -	\$ 4,061

(b) In August 2024, Dawushan Ise Foods carried out a cash capital increase. The Company subscribed for 8,600 thousand shares for NT\$86,000, which was not in proportion to its existing shareholding. As a result, the Company's ownership interest increased from 53.50% to 60.00%.

(c) Business combinations under common control (also referred to as organizational restructuring)

On March 24, 2025, the Board of Directors resolved that the Company would

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acquire 51% of the equity interests in Fu Che Frozen Food held by Kuo Hsing for NT\$382,500. Please refer to Note 6(25) for details.

M. Lease transactions - Lessee

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

(e) Acquisition of right-of-use assets

	Years ended December 31	
	2025	2024
Kuo Hsing	\$ -	\$ 38,885

(f) Lease liabilities

iii. Ending balance

	December 31, 2025	December 31, 2024
Kuo Hsing	\$ 21,462	\$ 31,047

iv. Interest expense

	Years ended December 31	
	2025	2024
Kuo Hsing	\$ 552	\$ 610

N. Other income

	Years ended December 31	
	2025	2024
Tai Da Eggs	\$ 457	\$ 457
JihShang Livestock	3	46
Mountain River Livestock	-	11
Fu Che Frozen Food	19	-
	\$ 479	\$ 514

These were mainly rental income and income from manpower support.

O. Operating expenses

	Years ended December 31	
	2025	2024
Kuo Hsing	\$ 2,091	\$ 7,919
Fu Che Frozen Food	235	3,561
Feng-Chun Lin	-	26
	\$ 2,326	\$ 11,506

These were mainly outsourcing fees and miscellaneous expenses.

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P. Endorsement/Guarantee provided to related parties

	December 31, 2025		December 31, 2024	
	Outstanding Endorsements/ Guarantees	Actual Amount Drawn	Outstanding Endorsements/ Guarantees	Actual Amount Drawn
Fu Che Frozen Food	\$ 150,000	\$ 95,000	\$ -	\$ -

(8) Compensation to key management

	Years ended December 31	
	2025	2024
Short-term employee benefits	\$ 21,007	\$ 20,683
Post-employment benefits	468	442
	<u>\$ 21,475</u>	<u>\$ 21,125</u>

22. Pledged Assets

Details of assets pledged as collateral by the Company were as follows:

Asset Item	Carrying Amount		Purpose
	December 31, 2025	December 31, 2024	
Land	\$ 208,111	\$ 208,111	Short and long-term loans
Buildings and structures	484,323	573,825	Short and long-term loans
Machinery and equipment	159,711	211,803	Long-term loans
	<u>\$ 852,145</u>	<u>\$ 993,739</u>	

23. Significant Contingent Liabilities and Unrecognized Contract Commitments

(3) Contingent event

None.

(4) Commitments

D. As of December 31, 2025 and 2024, the guarantee notes provided to banks by the Company for loans amounted to NT\$251,000 and NT\$91,000, respectively.

E. Capital expenditure commitments

	December 31, 2025	December 31, 2024
Property, plant and equipment	<u>\$ 130,188</u>	<u>\$ 1,337</u>

24. 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\$36,470. Details were as follows:

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Item	Amount	Description
Property, plant and equipment	\$ 35,970	Carrying amount of Layer Farm Phase 1, poultry houses 2, 3, and 4 at the Pingtung facility
Compensation for losses	500	Compensation paid for damage to nearby agricultural crops
	<u>\$ 36,470</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.

25. Significant Subsequent Events

None.

26. Others

(4) Capital management

The objective of the Company's capital management is to ensure the Company'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 Company'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.

(5) Financial instruments

D. Types of financial instruments

	December 31, 2025	December 31, 2024
<u>Financial assets</u>		
Financial assets at amortized cost		
Cash and cash equivalents	\$ 93,913	\$ 149,757
Notes receivable	3,235	714
Accounts receivable	273,445	207,555
Other receivables	389	1,471
Refundable deposits	754	1,218
	<u>\$ 371,736</u>	<u>\$ 360,715</u>
<u>Financial liabilities</u>		
Financial liabilities at amortized cost		
Short-term loans	\$ 310,000	\$ -
Notes payable	100	100
Accounts payable (including related parties)	122,967	119,376

(Continued)

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	December 31, 2025	December 31, 2024
Other payables	\$ 95,046	\$ 83,238
Long-term loans (including current portion)	522,881	265,526
	<u>\$ 1,050,994</u>	<u>\$ 468,240</u>
Lease liabilities	<u>\$ 81,274</u>	<u>\$ 31,492</u>

(Concluded)

E. Risk management policies

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

F. Nature and extent of significant financial risks

(d) Market risk

Exchange rate risk

- v. The Company's management has established policies requiring the Company to manage exchange rate risks relative to its functional currency. The Company is required to hedge its overall foreign exchange exposure through its Finance Department.
- vi. As the Company 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 was as follows:

	December 31, 2025		
	Foreign Currency (In Thousands)	Exchange Rate	Book Value (NT\$)
(Foreign currency: Functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
JPY:NTD	\$ 1,005	0.20	\$ 202

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NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS-(Continued)
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December 31, 2024			
	Foreign Currency (In Thousands)	Exchange Rate	Book Value (NT\$)
(Foreign currency: Functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
JPY:NTD	\$ 7,615	0.21	\$ 1,598

vii. For the years ended December 31, 2025 and 2024, the total foreign exchange (losses) gains, including both realized and unrealized, arising from significant foreign exchange fluctuations on monetary items amounted to (NT\$19) and NT\$982, respectively.

viii. The Company's foreign currency risk arising from significant exchange rate fluctuations is analyzed as follows:

Years ended December 31, 2025			
Sensitivity Analysis			
	Changes	Impact on Profit or Loss	Impact on Other Comprehensive Income
(Foreign currency: Functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
JPY:NTD	1%	\$ 2	\$ -

Years ended December 31, 2024			
Sensitivity Analysis			
	Changes	Impact on Profit or Loss	Impact on Other Comprehensive Income
(Foreign currency: Functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
JPY:NTD	1%	\$ 16	\$ -

Price risk

The Company is not exposed to any commodity price risk.

Cash flow and fair value interest rate risk

iii. The Company's interest rate risk primarily arises from short-term and long-term loans issued at variable interest rates, which expose the Company to cash flow interest rate risk. For the years ended December 31, 2025 and 2024, the Company's borrowings at variable interest rates were mainly denominated in New Taiwan dollars.

iv. 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

DAWUSHAN FARM TECHNOLOGY CO., LTD.
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS-(Continued)
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tax by NT\$8,329 and NT\$2,655, respectively, for the years ended December 31, 2025 and 2024. This change is mainly attributable to fluctuations in interest expenses arising from loans at variable interest rates.

(e) Credit risk

Credit risk refers to the risk of financial loss to the Company 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 Company 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

The Company'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.

Notes and accounts receivable

- vii. In accordance with the Company's internally defined credit policy, management and credit risk assessments are required for each new customer before setting payment and delivery terms and conditions. Internal risk control evaluates the customer's credit quality by taking into account their financial condition, past experience, and other relevant factors.
- viii. The Company 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.
- ix. The Company 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.
- x. After pursuing collection efforts, the Company writes off the portion of financial assets that are no longer reasonably expected to be recoverable. However, the Company will continue to take legal action to preserve its rights.
- xi. The expected loss rates for notes and accounts receivable from customers as of December 31, 2025 and 2024 were as follows:

December 31, 2025	Not Past Due	1 to 30 Days	31 to 90 Days	Over 91 Days	Total
<u>Notes receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$ 3,235	\$ -	\$ -	\$ -	\$ 3,235
Loss allowance	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

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

December 31, 2025	Not Past Due	1 to 30 Days	31 to 90 Days	Over 91 Days	Total
<u>Accounts receivable</u>					
Expected loss rate	0%	2%~3%	2%~10%	10%~100%	
Gross carrying amount	\$273,252	\$ 33	\$ 166	\$ 105	\$273,556
Loss allowance	\$ -	\$ 1	\$ 9	\$ 101	\$ 111
(Concluded)					
December 31, 2024	Not Past Due	1 to 30 Days	31 to 90 Days	Over 91 Days	Total
<u>Notes receivable</u>					
Expected loss rate	0%	3%	5%	50%~100%	
Gross carrying amount	\$ 714	\$ -	\$ -	\$ -	\$ 714
Loss allowance	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Accounts receivable</u>					
Expected loss rate	0%	2%~3%	2%~10%	10%~100%	
Gross carrying amount	\$204,472	\$ 3,055	\$ 93	\$ 64	\$207,684
Loss allowance	\$ -	\$ 92	\$ 5	\$ 32	\$ 129

- xii. Movements in the loss allowance for notes and accounts receivable under the simplified approach were as follows:

	2025		2024	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
As of January 1	\$ -	\$ 129	\$ -	\$ 20
(Reversal of)				
impairment loss	-	(18)	-	119
Write-offs	-	-	-	(10)
As of December 31	\$ -	\$ 111	\$ -	\$ 129

(f) Liquidity risk

- v. The objective of the Company'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.
- vi. The Company's Finance Department invests surplus funds in interest-bearing demand deposits and checking deposits, selecting instruments with appropriate maturities or sufficient liquidity to meet the aforementioned forecasts and maintain an adequate liquidity buffer. As of December 31, 2025 and 2024, the Company held money market instruments of NT\$93,382 and NT\$149,019, respectively, which are expected to readily generate cash flows for managing liquidity risk.
- vii. Bank loans represent a significant source of liquidity for the Company. The Company's unused short-term and long-term bank borrowing facilities were as follows:

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	December 31, 2025	December 31, 2024
Unsecured bank borrowing facilities		
Unused facilities	\$ 110,000	\$ 210,000
Secured bank borrowing facilities		
Unused facilities	325,223	101,223
	<u>\$ 435,223</u>	<u>\$ 311,223</u>

viii. The following table presents an analysis of the Company'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.

December 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 liabilities:</u>					
Short-term loans	\$ 271,007	\$ 40,068	\$ -	\$ -	\$ -
Notes payable	100	-	-	-	-
Accounts payable (including related parties)	122,967	-	-	-	-
Other payables	92,396	2,650	-	-	-
Lease liabilities	8,521	8,394	16,938	22,886	30,663
Long-term loans (including current portion)	37,324	37,072	73,370	209,314	215,472
<u>Derivative financial liabilities:</u> 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 liabilities:</u>					
Notes payable	\$ 100	\$ -	\$ -	\$ -	\$ -
Accounts payable (including related parties)	119,376	-	-	-	-
Other payables	76,826	6,412	-	-	-
Lease liabilities	5,307	5,221	10,316	11,827	-
Long-term loans (including current portion)	10,580	10,601	21,392	65,807	157,146
<u>Derivative financial liabilities:</u> None.					

(6) Fair value information

C. 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.

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Level 3: Unobservable inputs for the asset or liability.

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

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

27. Additional Disclosures

(4) Information on significant transactions

- G. Financing provided to others: None.
- H. Endorsement/guarantee provided: Table 1.
- I. Material marketable securities held at the end of period (excluding investments in subsidiaries, associates and joint ventures): None.
- J. Related party transactions with purchase or sales amount of at least NT\$100 million or 20 percent of the paid-in capital: Table 2.
- K. Receivables from related parties of at least NT\$100 million or 20 percent of the paid-in capital: None.
- L. Intercompany relationships and significant intercompany transactions: Table 3.

(5) Information on investees

The names, locations, and other relevant information of investee companies (excluding investees located in mainland China): Table 4.

(6) Information on investments in mainland China

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

28. Segment Information

Not applicable.

Table 1

**Dawushan Farm Technology Co., Ltd.
Endorsement/Guarantee Provided
For the Year Ended December 31, 2025**

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

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given to Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 4)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 5)	Actual Amount Drawn (Note 6)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent to Subsidiaries (Note 7)	Endorsement/ Guarantee Given by Subsidiaries to Parent (Note 7)	Endorsement/ Guarantee Given to Companies in Mainland China (Note 7)	Note
		Name	Relationship (Note 2)											
0	Dawushan Farm Technology Co., Ltd.	Fu Che Frozen Food Co., Ltd.	2	\$ 699,826	\$ 150,000	\$ 150,000	\$ 95,000	-	10.50%	\$ 699,826	Y	N	N	

Note 1: Companies are coded as follows:

- (1) Dawushan Farm Technology Co., Ltd. (the Company) is coded "0."
- (2) The investees are coded from "1" in the order presented in the table above.

Note 2: The relationships between endorser/guarantor and endorsee/guarantee are categorized into the following seven types. Please specify the type.

- (1) A company that has business relationships with the Company.
- (2) A company in which the Company directly or indirectly holds over 50% of the voting rights.
- (3) A company that directly or indirectly holds over 50% of the Company's voting rights.
- (4) Endorsements/guarantees between companies in which the Company directly or indirectly holds over 90% of the voting rights.
- (5) Mutual endorsements/guarantees between companies in the same industry or between joint builders which are provided in accordance with contractual terms for construction projects.
- (6) Endorsements/guarantees provided by each shareholder for their jointly invested company in proportion to their shareholding percentages.
- (7) Joint and several security between companies in the same industry for performance guarantees of pre-construction homes under the Consumer Protection Act.

Note 3: Pursuant to the Company's Procedures for Endorsements and Guarantees, the aggregate amount of guarantees and endorsements provided shall not exceed 49% of the Company's net worth. Furthermore, the amount of guarantees and endorsements provided to any single entity shall also not exceed 49% of the net worth. The aforementioned net worth shall be based on the latest financial statements audited or reviewed by independent auditors.

Note 4: The maximum endorsement/guarantee balance for the current period.

Note 5: This refers to amounts approved by the Board of Directors. However, where the authority has been delegated by the Board to the Chairman in accordance with Subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, this would be the amounts approved by the Chairman.

Note 6: Please enter the actual amount drawn of the endorsee/guarantee within the approved limit of endorsement and guarantee.

Note 7: Fill in "Y" for endorsements/guarantees provided by listed parent companies to subsidiaries and vice versa, and for ones provided to companies in mainland China.

Table 2

Dawushan Farm Technology Co., Ltd.
Related Party Transactions With Purchase or Sales Amount of at Least NT\$100 Million or 20 Percent of the Paid-in Capital
For the Year Ended December 31, 2025

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

Company Name	Related Party	Relationship	Transaction Details			Abnormal Transaction		Notes/Accounts Receivable or Payable		Note	
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance		% to Total
Dawushan Farm Technology Co., Ltd.	Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	Parent company	Purchases	\$ 307,628	44.59%	1 to 2 months	-	-	(\$ 66,327)	(53.94)	

Table 3

Dawushan Farm Technology Co., Ltd.
Intercompany Relationships and Significant Intercompany Transactions
For the Year Ended December 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	Sales revenue	\$ 44,110	Collections in 1 to 2 months after shipment, Note 5	2%
0	Dawushan Farm Technology Co., Ltd.	Tai Da Eggs Technology Co., Ltd.	1	Accounts receivable	26,356	Collections in 1 to 2 months after shipment	1%
0	Dawushan Farm Technology Co., Ltd.	Fu Che Frozen Food Co., Ltd.	1	Sales revenue	77,414	Collections in 1 to 2 months after shipment	4%
0	Dawushan Farm Technology Co., Ltd.	Fu Che Frozen Food Co., Ltd.	1	Accounts receivable	18,843	Collections in 1 to 2 months after shipment	0%
1	Tai Da Eggs Technology Co., Ltd.	Dawushan Farm Technology Co., Ltd.	2	Processing revenue	29,829	Collections in 1 to 2 months after shipment, Note 5	2%
1	Tai Da Eggs Technology Co., Ltd.	Dawushan Farm Technology Co., Ltd.	2	Accounts receivable	21,323	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.

Note 5: Tai Da Eggs Technology Co., Ltd. purchases raw materials from Dawushan Farm Technology Co., Ltd., processes them, and sells the finished goods back to Dawushan Farm Technology Co., Ltd. These transactions are accounted for as processing arrangements, with no purchases or sales recognized.

Table 4

Dawushan Farm Technology Co., Ltd.
The Names, Locations, and Other Relevant Information of Investee Companies (Excluding Investees Located in Mainland China)
For the Year Ended December 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 December 31, 2025		Ownership Percentage	Carrying Amount	Net Income (Loss) of Investee	Share of Profit/Loss	Note
				December 31, 2025	December 31, 2024	Shares						
Dawushan Farm Technology Co., Ltd.	Tai Da Eggs Technology Co., Ltd.	Taiwan	Manufacturing and trading of processed egg products	\$ 37,380	\$ 37,380	3,761,200		68.39	\$ 18,772	(\$ 9,871)	(\$ 6,750)	
Dawushan Farm Technology Co., Ltd.	JihShang Livestock Products Co., Ltd.	Taiwan	Distribution of processed products	-	1,000	-		-	-	(161)	(161)	Note
Dawushan Farm Technology Co., Ltd.	Mountain River Livestock Products Co., Ltd.	Taiwan	Distribution of processed products	-	1,000	-		-	-	-	-	Note
Dawushan Farm Technology Co., Ltd.	Dawushan Ise Foods Co., Ltd.	Taiwan	Trading of egg products	139,500	139,500	13,950,000		60.00	139,266	(121)	(73)	
Dawushan Farm Technology Co., Ltd.	Fu Che Frozen Food Co., Ltd.	Taiwan	Manufacturing and trading of processed egg products and frozen food	373,994	-	15,364,000		51.21	382,436	31,720	16,210	

Note: The filing of the dissolution and final tax settlement was completed on May 8, 2025, and the liquidation procedures were finalized on August 26, 2025.

Statement 1

Dawushan Farm Technology Co., Ltd.
Statement of Cash and Cash Equivalents
December 31, 2025

In Thousands of New Taiwan Dollars

Item	Description	Amount
Cash on hand and petty cash		\$ 531
Bank deposits	Checking deposits	232
	Demand deposits - NT dollars	92,948
	Demand deposits - foreign currencies (JPY1,005 thousand; JPY/NTD = 0.20)	202
		<u>\$ 93,913</u>

Statement 2

Dawushan Farm Technology Co., Ltd.

Statement of Accounts Receivable

December 31, 2025

In Thousands of New Taiwan Dollars

Counterparty	Description	Amount	Note
Unrelated parties:			
Company A	Sales revenue	\$ 97,420	
Company B	Sales revenue	20,847	
Company C	Sales revenue	17,767	
Others (Items with balances less than 5% of this account)	Sales revenue	90,896	
		<u>226,930</u>	
Less: Loss allowance		(111)	
		<u>\$ 226,819</u>	
Related parties:			
Tai Da Eggs Technology Co., Ltd.	Sales revenue	\$ 26,356	
Fu Che Frozen Food Co., Ltd.	Sales revenue	18,843	
Kuo Nong Egg Products Marketing Co., Ltd.	Sales revenue	1,427	
		<u>\$ 46,626</u>	

Statement 3

Dawushan Farm Technology Co., Ltd.
Statement of Changes in Investments Accounted for Using the Equity Method
For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Name	Beginning Balance (Restated)		Increase		Decrease		Ending Balance			Market Value or Net Equity Value		Collateral/ Pledge	Note
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Ownership	Amount	Unit	Total		
	(In Thousands)		(In Thousands)		(In Thousands)		(In Thousands)	Percentage		Price			
Tai Da Eggs Technology Co., Ltd.	3,761	\$ 25,521	-	\$ -	-	(\$ 6,749)	3,761	68.39%	\$ 18,772	4.99	\$ 18,772	None	Note 1
JihShang Livestock Products Co., Ltd.	100	2,189	-	-	(100)	(2,189)	-	-	-	-	-	None	Notes 1&2
Mountain River Livestock Products Co., Ltd.	100	971	-	-	(100)	(971)	-	-	-	-	-	None	Notes 1&2
Dawushan Ise Foods Co., Ltd.	13,950	139,339	-	-	-	(73)	13,950	60.00%	139,266	9.98	139,266	None	Note 1
Fu Che Frozen Food Co., Ltd.	15,300	403,917	64	17,809	-	(39,290)	15,364	51.21%	382,436	23.74	382,436	None	Notes 1&3
		<u>\$571,937</u>		<u>\$17,809</u>		<u>(\$49,272)</u>			<u>\$ 540,474</u>		<u>\$ 540,474</u>		

Note 1: Calculated based on the investee's audited financial statements for the same period.

Note 2: The filing of the dissolution and final tax settlement was completed on May 8, 2025, and the liquidation procedures were finalized on August 26, 2025.

Note 3: On April 1, 2025, the Company acquired 51% equity interest in Fu Che Frozen Food Co., Ltd. from its parent company, Kuo Hsing Poultry & Livestock Feeds Co., Ltd. This transaction was an organizational restructuring under common control. Please refer to Note 6(25) for details.

Note 4: The increase was mainly attributable to the acquisition of investments accounted for using the equity method of NT\$1,600 and the recognition of gain on investments accounted for using the equity method of NT\$16,209. The decrease was mainly attributable to the recognition of loss on investments accounted for using the equity method of NT\$6,983, return of capital from liquidation of investments accounted for using the equity method of NT\$2,999, distribution of earnings from investments accounted for using the equity method of NT\$38,250, reduction in capital surplus due to subscription not in proportion to the existing shareholding of NT\$576, and unrealized gain on sales of NT\$464.

Statement 4

Dawushan Farm Technology Co., Ltd.
Statement of Changes in Property, Plant and Equipment
For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Beginning Balance	Increase	Decrease	Transfer	Ending Balance	Collateral/ Pledge	Note
Land	\$ 246,090	\$ 1,023	\$ -	\$ 49,312	\$ 296,425	Y	
Buildings and structures	853,289	3,598	(35,623)	39,248	860,512	Y	
Machinery and equipment	856,177	21,132	(111,837)	-	765,472	Y	
Other equipment	39,219	5,062	(59)	688	44,910	N	
Construction in progress and equipment awaiting inspection	91,932	47,797	(2,066)	(89,248)	48,415	N	
	<u>\$ 2,086,707</u>	<u>\$ 78,612</u>	<u>(\$ 149,585)</u>	<u>\$ -</u>	<u>\$ 2,015,734</u>		

Statement 5

Dawushan Farm Technology Co., Ltd.

Statement of Changes in Accumulated Depreciation of Property, Plant and Equipment

For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Beginning Balance	Increase	Decrease	Ending Balance	Note
Buildings and structures	\$ 195,434	\$ 29,050	(\$ 11,644)	\$ 212,840	
Machinery and equipment	438,818	51,744	(99,870)	390,692	
Other equipment	18,653	3,870	(32)	22,491	
	<u>\$ 652,905</u>	<u>\$ 84,664</u>	<u>(\$111,546)</u>	<u>\$ 626,023</u>	

Note: For depreciation methods and useful lives, please refer to Note 4(12).

Statement 6

Dawushan Farm Technology Co., Ltd.
Statement of Changes in Cost of Right-of-use Assets
For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Beginning Balance	Increase	Decrease	Ending Balance	Note
Livestock facilities and equipment	\$ 38,885	\$ -	\$ -	\$ 38,885	
Buildings	-	62,689	-	62,689	
Transportation equipment	1,474	-	(585)	889	
	<u>\$ 40,359</u>	<u>\$ 62,689</u>	<u>(\$ 585)</u>	<u>\$ 102,463</u>	

Statement 7

Dawushan Farm Technology Co., Ltd.

Statement of Changes in Accumulated Depreciation of Right-of-use Assets

For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Beginning Balance	Increase	Decrease	Ending Balance	Note
Livestock facilities and equipment	\$ 8,101	\$ 9,721	\$ -	\$ 17,822	
Buildings	-	3,634	-	3,634	
Transportation equipment	921	380	(585)	716	
	<u>\$ 9,022</u>	<u>\$ 13,735</u>	<u>(\$ 585)</u>	<u>\$ 22,172</u>	

Statement 8

Dawushan Farm Technology Co., Ltd.
Statement of Short-term Loans
December 31, 2025

In Thousands of New Taiwan Dollars

Type of Loan	Description	Ending Balance	Contract Period	Interest Rate	Credit Facility	Collateral or Guarantee	Note
Secured loan	First Commercial Bank	\$ 60,000	2025/07/10~2026/01/10	1.98%	\$ 60,000	Land, buildings and structures	
Credit loan	First Commercial Bank	40,000	2025/07/10~2026/07/10	1.99%	140,000	None	
Secured loan	Mega International Commercial Bank	60,000	2025/07/30~2026/01/26	1.98%	150,000	Land, buildings and structures	Note
Secured loan	Mega International Commercial Bank	50,000	2025/08/06~2026/02/02	1.98%	150,000	Land, buildings and structures	Note
Credit loan	Yuanta Commercial Bank	100,000	2025/11/13~2026/02/11	1.88%	150,000	None	
		<u>\$ 310,000</u>					

Note: Represents shared credit facilities.

Statement 9

Dawushan Farm Technology Co., Ltd.

Statement of Accounts Payable

December 31, 2025

In Thousands of New Taiwan Dollars

Counterparty	Description	Amount	Note
Unrelated parties:			
Company A	Purchases	\$ 5,262	
Company B	Purchases	4,744	
Company C	Purchases	3,837	
Company D	Purchases	2,790	
Company E	Purchases	2,416	
Others (Items with balances less than 5% of this account)	Purchases	16,268	
		<u>\$ 35,317</u>	
Related parties:			
Kuo Hsing Poultry & Livestock Feeds Co., Ltd.	Purchases	\$ 66,327	
Tai Da Eggs Technology Co., Ltd.	Purchases	21,323	
		<u>\$ 87,650</u>	

Statement 10

Dawushan Farm Technology Co., Ltd.
Statement of Long-term Loans
December 31, 2025

In Thousands of New Taiwan Dollars

Lender	Description	Loan Amount	Contract Period	Interest Rate	Collateral or Guarantee	Note
Taiwan Cooperative Bank	Secured loan	\$ 15,961	2011/11/30~2029/11/30	2.050%	Land, buildings and structures	
Mega International Commercial Bank	Secured loan	35,687	2021/05/20~2036/05/20	2.050%	Land, buildings and structures	
Chang Hwa Commercial Bank	Secured loan	74,206	2022/06/17~2040/06/17	2.075%	Buildings and structures	
First Commercial Bank	Secured loan	118,447	2022/10/07~2037/10/07	2.095%	Land, machinery and equipment	
CTBC Bank	Credit loan	278,580	2025/06/16~2032/06/15	2.00%	None	
		522,881				
Current portion		(64,309)				
		<u>\$ 458,572</u>				

Statement 11

Dawushan Farm Technology Co., Ltd.

Statement of Lease Liabilities

December 31, 2025

In Thousands of New Taiwan Dollars

Item	Description	Lease Term	Discount Rate	Ending Balance	Note
Livestock facilities and equipment	Mainly for operating use	2024.03.31~2028.02.29	2.070%	\$ 21,462	
Buildings	Mainly for operating use	2025.04.01~2035.03.31	2.048%	59,661	
Transportation equipment	Mainly for operating use	2023.06.30~2026.07.30	1.950%	151	
				81,274	
		Less: Current portion		(15,366)	
				<u>\$ 65,908</u>	

Statement 12

Dawushan Farm Technology Co., Ltd.

Statement of Operating Revenue

For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Quantity	Amount	Note
Revenue from egg products	21,791 thousand catties (Taiwan)	\$ 1,026,775	
Others	Items with balances less than 10% of this account are shown in aggregate	153,946	
		1,180,721	
Less: Sales returns		(493)	
Sales discounts and allowance		(33,427)	
		<u>\$ 1,146,801</u>	

Statement 13

Dawushan Farm Technology Co., Ltd.

Statement of Operating Costs

For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Amount
Raw materials, beginning balance	\$ 12,143
Add: Purchases of raw materials	432,371
Gain on physical inventory	106
Less: Transferred to expenses	(6)
Raw materials sold	(70)
Raw materials scrapped	(127)
Less: Raw materials, ending balance	(13,030)
Raw materials consumed	431,387
Direct labor	58,936
Less: Idle capacity	(4,654)
Manufacturing overhead	337,894
Less: Idle capacity	(4,170)
Manufacturing costs	819,393
Work in progress, beginning balance	267
Add: Purchases during the period	184,157
Less: Transferred to expenses	(123)
Work in progress sold	(38,850)
Transferred to biological assets	(138,399)
Work in progress, ending balance	(451)
Cost of finished goods	825,994
Finished goods, beginning balance	20,382
Add: Purchases during the period	73,365
Loss on physical inventory	(366)
Less: Finished goods scrapped	(3,593)
Transferred to expenses	(1,792)
Finished goods, ending balance	(21,651)
Cost of goods sold	892,339
Other operating costs - raw materials sold	70
Other operating costs - work in progress sold	38,850
Loss on physical inventory	260
Proceeds from sale of scraps and waste	(1,020)
Loss on inventory write-down	279
Loss on inventory scrapped	3,720
Loss on biological assets scrapped	1,586
Loss on changes in fair value of biological assets and agricultural produce	44,508
Idle capacity	8,824
Others	(69)
Total operating costs	<u>\$ 989,347</u>

Statement 14

Dawushan Farm Technology Co., Ltd.
Statement of Manufacturing Overheads
For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Description	Amount	Note
Depreciation		\$ 185,683	
Payroll expense		45,206	
Repair and maintenance expense		21,801	
Environmental protection and cleaning expenses		20,686	
Utilities (water, electricity and gas)		17,951	
Others (Items with balances less than 5% of this account)		46,567	
		<u>\$ 337,894</u>	

Statement 15

Dawushan Farm Technology Co., Ltd.
Statement of Sales and Marketing Expenses
For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Description	Amount	Note
Freight expense		\$ 64,799	
Channel expenses		16,938	
Advertising expense		10,459	
Payroll expense		9,666	
Others (Items with balances less than 5% of this account)		12,986	
		<u>\$ 114,848</u>	

Statement 16

Dawushan Farm Technology Co., Ltd.
Statement of General and Administrative Expenses
For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Description	Amount	Note
Payroll expense		\$ 29,457	
Depreciation		5,327	
Amortization		5,129	
Service fees		4,479	
Others (Items with balances less than 5% of this account)		28,969	
		<u>\$ 73,361</u>	

Statement 17

Dawushan Farm Technology Co., Ltd.
Statement of Research and Development Expenses
For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Item	Description	Amount	Note
Payroll expense		\$ 7,471	
Insurance		679	
Inspection fees		753	
Others (Items with balances less than 5% of this account)		1,285	
		<u>\$ 10,188</u>	

Dawushan Farm Technology Co., Ltd.
Statement of Employee Benefits, Depreciation, Depletion and Amortization by Function
For the Year Ended December 31, 2025

In Thousands of New Taiwan Dollars

Function Nature	Years Ended December 31							
	2025				2024			
	Operating costs	Operating expenses	Non-operating expenses	Total	Operating costs	Operating expenses	Non-operating expenses	Total
Employee benefits expense								
Payroll	95,501	44,627	-	140,128	98,466	43,324	-	141,790
Labor and health insurance	11,150	4,492	-	15,642	9,000	4,072	-	13,072
Pension	4,205	1,951	-	6,156	3,450	1,643	-	5,093
Remuneration to directors	-	1,966	-	1,966	-	6,252	-	6,252
Other employee benefits	1,622	3,680	-	5,302	1,641	3,242	-	4,883
Depreciation	185,683	6,105	8,127	199,915	179,887	2,914	7,110	189,911
Amortization	-	5,218	-	5,218	-	2,003	-	2,003

Note:

- For the years ended December 31, 2025 and 2024, the Company had 229 and 199 employees, and 4 and 6 non-employee directors, respectively.
- The average employee benefits expense in 2025 equaled NT\$743 thousand, which was calculated as follows: (Sum of employee benefits expense - Sum of remuneration to directors in 2025)/(Number of employees - Number of non-employee directors in 2025).
The average employee benefits expense in 2024 equaled NT\$854 thousand, which was calculated as follows: (Sum of employee benefits expense - Sum of remuneration to directors in 2024)/(Number of employees - Number of non-employee directors in 2024).
 - The average employee payroll expense in 2025 equaled NT\$623 thousand, which was calculated as follows: Sum of employee payroll expense in 2025/(Number of employees - Number of non-employee directors in 2025).
The average employee payroll expense in 2024 equaled NT\$735 thousand, which was calculated as follows: Sum of employee payroll expense in 2024/(Number of employees - Number of non-employee directors in 2024).
 - The change in average employee payroll expense equaled (15)% in 2025, which was calculated as follows: (Average employee payroll expense in 2025 - average employee payroll expense in 2024)/Average employee payroll expense in 2024.

- (d) The Company has established the Audit Committee to replace supervisors. Thus, remuneration to supervisors was not recognized.
- (e) Compensation policy
 - i. Remuneration to directors

The Company determines director remuneration in accordance with its Articles of Incorporation and the Rules for Managing Remuneration of Directors and the Management. The distribution is subject to approval by the Board of Directors. However, independent directors receive a fixed monthly compensation and do not participate in the distribution of director remuneration. If directors concurrently serve as employees (such as President, Vice President, other executives or general staff), their employee compensation is determined based on the Company's relevant policies and regulations.
 - ii. Remuneration of the President and Vice President

The compensation and ranks of the President and Vice President are determined based on their education, professional experience, language proficiency, and years of service. Additional considerations include prevailing social economic income levels and internal salary equity. Remuneration is determined in accordance with the Company's remuneration policies and standards, subject to the Chairman's approval, review by the Compensation Committee, and final approval by the Board of Directors.
 - iii. Fixed and variable compensation of employees

Employee compensation, both fixed and variable, includes base salary, year-end bonuses, performance bonuses, employee remuneration, and various benefits. Salaries are determined based on employees' education, experience, years of service, and annual performance evaluations. The Company regularly establishes annual performance targets and conducts assessments of goal attainment, which serve as the basis for year-end bonuses, promotions, salary adjustments, and performance improvement measures.



大武山牧場

DAWUSHAN EGG FARM

堅持用最高規格守護每一顆蛋
讓每天早晨的開始，都有完美的蛋「挺」完美的一天

大武山牧場科技股份有限公司
DAWUSHAN FARM TECHNOLOGY CO.,LTD



董事長 林鳳春
Chairman FENG CHUN LIN

