Ruentex Materials Co., Ltd.
Unconsolidated Financial Statements and Independent Auditors' Report
2025 and 2024

(Stock Code: 8463)

Company Address: 10F., No. 308, Sec. 2, Bade Rd.,
Taipei City
Telephone: (02)8161-9989

Ruentex Materials Co., Ltd.

Unconsolidated Financial Statements and Independent Auditors' Report 2025 and 2024

Table of Contents

Independent Auditors'Report

(2026)Cai-Shen-Bao-Zi No.25004353

To the Board of Directors of Ruentex Materials Co., Ltd.:

Audit Opinions

We have audited the unconsolidated balance sheets of Ruentex Materials Co., Ltd. as of December 31, 2025, and 2024; the unconsolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended; and the notes to the unconsolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of Ruentex Materials Co., Ltd. as of December 31, 2025 and 2024, and its unconsolidated financial performance and unconsolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Audit Opinions

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

Key Audit Matters

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

Key audit matters for the unconsolidated financial statements of Ruentex Materials Co., Ltd. for the year ended December 31, 2025 are as follows:

Assessment on Recognition of Construction Contract Income – Construction Completion Progress

Description of Key Audit Matters

Regarding the accounting policy on operating revenue recognition, please refer to Note 4(25) of the unconsolidated financial report. For the critical accounting estimates and assumptions, please refer to Note 5. For the operating revenue, please refer to Note 6(19).

Ruentex Materials Co., Ltd. and its subsidiaries'(investments accounted for using the equity method) construction contract revenue was calculated based on the percentage of completion method and according to the completion progress during the construction contract period. The construction progress was calculated based on the percentage of the cost incurred for each construction contract up to the end of the financial reporting period over the estimated total cost for such construction contract. The aforementioned estimated total cost was provided by Ruentex Materials Co., Ltd. and its subsidiaries based on the quantitative units of the owners' design and construction drawings, along with the fluctuations in current market prices at that time. This estimate was made to determine various construction costs to be invested, including subcontracting, material, and labor costs.

Since the estimated total construction cost affects the completion progress and the recognition of construction contract income, and since the items of total construction cost are complicated and often involve a high degree of estimation, resulting in significant uncertainty, consequently, we considered the assessment on the construction completion progress used in the recognition of construction contract income as one of the key matters in this year's audit.

Corresponding Audit Procedures

The procedures that we have conducted in response to the construction completion progress by Ruentex Materials Co., Ltd. and its subsidiaries (accounted in equity method investments) of the above key audit matter are summarized as follows:

1. Based on our understanding of the business operations and the nature of the industry of Ruentex Materials Co., Ltd. and its subsidiaries, we assessed the internal operating procedures used in the estimation of the total construction cost. This includes the procedures for determining each construction cost item (subcontracting costs, material costs, and labor costs) based on the quantitative units of the owners' design and construction drawings, as well as the consistency of the estimation method.
2. We assessed and tested the internal controls established by management over the recognition of construction contract income based on the construction completion progress,

including checking the supporting documents for additional and deducted works during the current period and for significant valuation works.

3. We conducted on-site observation and interviews at major construction sites still in progress at the end of the period to confirm that the progress of such projects was appropriate.
4. We obtained the details of construction profit or loss at the end of the period and performed relevant substantive procedures, including randomly checking the incurred cost of the current period against appropriate supporting documents, checking additional and deducted works against supporting documents, and recalculating the construction contract income recognized based on the construction completion progress to ensure that it had been properly recorded.

Responsibilities of the Management and Governing Bodies for Unconsolidated Financial Statements

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

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

Those charged with governance of Ruentex Materials Co., Ltd. (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Responsibilities of the Accountants for the Audit of Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatement may be caused by fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with the auditing standards in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We have also conducted the following tasks:

1. Identify and assess the risk of material misstatement of the unconsolidated financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidences in order to be used as the basis for the audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Ruentex Materials Co., Ltd.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Ruentex Materials Co., Ltd. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the related notes, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence for the financial information of individual entities of Ruentex Materials Co., Ltd. in order to express an opinion on the unconsolidated financial statements. We are responsible for the guidance, supervision and execution of the audit and for preparing the audit opinion on the unconsolidated financial statements.

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

We also provide those charged with governance with statements that the personnel of our firm subject to the independence requirements have complied with the relevant ethical requirements regarding independence, and we have also communicated with those charged with governance on all relationships and other matters, including relevant safeguards, that may reasonably be thought to bear on our independence.

From the matters communicated with those charged with governance, we determine those matters that were of the most significance in the audit of the unconsolidated financial statements of Ruentex Materials Co., Ltd. for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PwC Taiwan

Huang, Chin-Lien

Certified Public Accountant

Chang, Shu-Chiung

Financial Supervisory Commission
Approval Certificate No.: Jin-Guan-Zheng-Shen-Zi
No. 1100348083
Former Financial Supervisory Commission, Executive Yuan
Approval Certificate No.: Jin-Guan-Zheng-Shen-Zi
No. 0990042602
March 13, 2026

Ruentex Materials Co., Ltd.
Unconsolidated Balance Sheets
December 31, 2025 and 2024

Unit: NT$ thousands

	Assets	Notes	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current Assets					
1100	Cash and cash equivalents	6(1)	$ 192,010	2	$ 159,073	2
1140	Contract asset - current	6(19) and 7	19,598	-	23,530	-
1150	Net notes receivable	6(2)	196,334	3	252,803	3
1160	Notes receivable - related parties - net	6(2) and 7	8,579	-	5,485	-
1170	Net Accounts Receivable	6(2)	637,304	8	618,403	8
1180	Accounts receivable - related parties - net	6(2) and 7	23,052	-	35,328	1
1210	Other Receivables - related party	7	99	-	-	-
1220	Current tax assets		-	-	87	-
130X	Inventories	6(3)	831,431	10	751,973	9
1410	Prepayments		54,074	1	27,908	-
1470	Other Current Assets		881	-	856	-
11XX	**Total current assets**		1,963,362	24	1,875,446	23
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	6(4) and 7	400,274	5	528,970	6
1550	Investments accounted for using equity method	6(5)(13) and 8	1,996,393	24	1,857,611	23
1600	Property, plant, and equipment	6(6), 7 and 8	3,729,274	45	3,694,552	45
1755	Right-of-use assets	6(7)	16,526	-	26,215	-
1780	Intangible Assets	6(8)	52,623	-	164,765	2
1840	Deferred tax Assets	6(27)	55,494	1	29,533	-
1900	Other non-current Assets	6(1) and 8	100,175	1	115,426	1
15XX	**Total non-current assets**		6,350,759	76	6,417,072	77
1XXX	**Total Assets**		$ 8,314,121	100	$ 8,292,518	100

(Continued)

Ruentex Materials Co., Ltd.
Unconsolidated Balance Sheets
December 31, 2025 and 2024

Unit: NT$ thousands

	Liabilities and Equity	Notes	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities					
2100	Short-term borrowings	6(10) and 8	$ 1,700,000	21	$ 1,200,000	14
2110	Short-term notes and bills payable	6(11)	409,898	5	409,822	5
2130	Contract liabilities - current	6(19) and 7	42,844	1	39,729	-
2150	Notes payable		69,177	1	123,599	2
2160	Notes payable - related party	7	1,924	-	566	-
2170	Accounts Payable		273,208	3	295,242	4
2180	Accounts payable - related party	7	2,361	-	2,107	-
2200	Other payables	6(12)	195,259	2	220,254	3
2220	Other Payable - Related Party	7	13,130	-	368	-
2230	Income tax liabilities of current period		9,063	-	13,918	-
2280	Lease liabilities - current	6(7)	18,610	-	16,344	-
2399	Other current liabilities - other	6(15)	14,000	-	1,626	-
21XX	**Total Current Liabilities**		2,749,474	33	2,323,575	28
	Non-current liabilities					
2540	Long-term borrowings	6(13) and 8	3,060,000	37	3,430,000	42
2570	Deferred income tax liabilities	6(27)	37	-	38	-
2580	Lease liabilities - non-current	6(7)	6,357	-	12,781	-
2600	Other non-Current liabilities		23,194	-	22,563	-
25XX	**Total Non-Current Liabilities**		3,089,588	37	3,465,382	42
2XXX	**Total Liabilities**		5,839,062	70	5,788,957	70
	Equity					
	Capital	6(16)				
3110	Share capital		1,500,000	18	1,500,000	18
	Capital surplus	6(17)				
3200	Capital surplus		746,018	9	746,018	9
	Retained earnings	6(18)				
3310	Legal reserve		81,032	1	62,246	1
3320	Special reserve		48,663	1	55,895	1
3350	Undistributed earnings		289,402	3	188,065	2
	Other equities					
3400	Other equities		(190,056)	(2)	(48,663)	(1)
3XXX	**Total Equity**		2,475,059	30	2,503,561	30
	Significant Contingent Liabilities and Unrecognized Commitments	9				
	Significant subsequent events	11				
3X2X	**Total Liabilities and Equity**		$ 8,314,121	100	$ 8,292,518	100

The accompanying notes are an integral part of these unconsolidated financial statements, please refer to them all.

Chairman: Mo, Wei-Han Manager: Lin, Yi-Chieh Accounting Manager: Wu, Po-Chung

Ruentex Materials Co., Ltd.
Unconsolidated Statements of Comprehensive Income
For the Years Ended December 31, 2025 and 2024

Unit: NT$ thousands
(Except earnings per share, which is in NT$)

	Item	Notes	2025 Amount	2025 %	2024 Amount	2024 %
4000	Operating Revenue	6(19) and 7	$ 4,765,815	100	$ 4,673,931	100
5000	Operation cost	6(3)(8) (14)(20) (25) (26) and 7	(4,315,361)	(90)	(4,242,604)	(91)
5900	Gross profit		450,454	10	431,327	9
	Operating Expenses	6(8)(14) (26) (26) and 7				
6100	Distribution costs		(100,048)	(2)	(99,296)	(2)
6200	General & administrative expenses		(78,443)	(2)	(100,071)	(2)
6300	R&D expenses		(64,965)	(1)	(58,942)	(2)
6450	Expected credit impairment loss	12(2)	(246)	-	(3,391)	-
6000	Total Operating Expenses		(243,702)	(5)	(261,700)	(6)
6900	Operating Profit		206,752	5	169,627	3
	Non-operating Income and Expenses					
7100	Interest revenue	6(21)	2,305	-	2,117	-
7010	Other income	6(22)	21,078	-	19,315	-
7020	Other gains and losses	6(8)(9) 6(23)	(133,179)	(3)	(778)	-
7050	Financial Costs	6(7)(24)	(96,085)	(2)	(68,900)	(1)
7070	Share of profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method	6(5)	267,717	6	85,740	2
7000	Total non-operating income and expenses		61,836	1	37,494	1
7900	**Net profit before tax**		268,588	6	207,121	4
7950	Income tax benefit (expense)	6(27)	9,381	-	(19,588)	-
8200	**Net income of current period**		$ 277,969	6	$ 187,533	4
	Other comprehensive income (net)					
	Items not to be reclassified into profit or loss					
8316	Unrealized profit or loss on equity investments at fair value through other comprehensive income	6(4)	($ 128,696)	(3)	$ 56,967	1
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method – items not to be reclassified subsequently to profit or loss		(12,775)	-	6,452	-
8310	Total of items not to be reclassified into profit or loss		(141,471)	(3)	63,419	1
8500	**Total comprehensive income for this period**		$ 136,498	3	$ 250,952	5
	Earnings per share	6(28)				
9750	Basic earnings per share		$	1.85	$	1.25
9850	Diluted earnings per share		$	1.85	$	1.25

The accompanying notes are an integral part of these unconsolidated financial statements, please refer to them all.

Chairman: Mo, Wei-Han Manager: Lin, Yi-Chieh Accounting Manager: Wu, Po-Chung

Ruentex Materials Co., Ltd.
Unconsolidated Statements of Changes in Equity
For the Years Ended December 31, 2025 and 2024

Unit: NT$ thousands

	Notes	Share capital	Capital surplus			Retained earnings			Unrealized financial assets at fair value through other comprehensive income acquired Income (Loss)	Total Equity
			Issued at premium	Difference between the equity price and the book value of actual acquisition or disposition of subsidiaries	Changes in the ownership interests of subsidiaries as recognized	Legal reserve	Special reserve	Undistributed earnings		
2024										
Balance on January 1, 2024		$ 1,500,000	$ 621,657	$ 15,076	$ 40,391	$ 50,770	$ 50,317	$ 114,756	($ 111,752)	$ 2,281,215
Net income of current period		-	-	-	-	-	-	187,533	-	187,533
Other comprehensive income		-	-	-	-	-	-	330	63,089	63,419
Total comprehensive income for this period		-	-	-	-	-	-	187,863	63,089	250,952
Appropriation and distribution of the earnings for 2023:	6(18)									
Profit set aside as legal reserve		-	-	-	-	11,476	-	(11,476)	-	-
Provision of special reserves		-	-	-	-	-	5,578	(5,578)	-	-
Cash dividends		-	-	-	-	-	-	(97,500)	-	(97,500)
Changes in ownership interests in subsidiaries	6(5)	-	-	-	68,894	-	-	-	-	68,894
Balance on December 31, 2024		$ 1,500,000	$ 621,657	$ 15,076	$ 109,285	$ 62,246	$ 55,895	$ 188,065	($ 48,663)	$ 2,503,561
2025										
Balance on January 1, 2025		$ 1,500,000	$ 621,657	$ 15,076	$ 109,285	$ 62,246	$ 55,895	$ 188,065	($ 48,663)	$ 2,503,561
Net income of current period		-	-	-	-	-	-	277,969	-	277,969
Other comprehensive income		-	-	-	-	-	-	(78)	(141,393)	(141,471)
Total comprehensive income for this period		-	-	-	-	-	-	277,891	(141,393)	136,498
Appropriation and distribution of the earnings for 2024:	6(18)									
Profit set aside as legal reserve		-	-	-	-	18,786	-	(18,786)	-	-
Reversal of special reserve		-	-	-	-	-	(7,232)	7,232	-	-
Cash dividends		-	-	-	-	-	-	(165,000)	-	(165,000)
Balance on December 31, 2025		$ 1,500,000	$ 621,657	$ 15,076	$ 109,285	$ 81,032	$ 48,663	$ 289,402	($ 190,056)	$ 2,475,059

The accompanying notes are an integral part of these unconsolidated financial statements, please refer to them all.

Chairman: Mo, Wei-Han Manager: Lin, Yi-Chieh Accounting Manager: Wu, Po-Chung

Ruentex Materials Co., Ltd.
Unconsolidated Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

Unit: NT$ thousands

	Notes	2025	2024
Cash flows from operating activities			
Profit before Income Tax current period		$ 268,588	$ 207,121
Adjustments			
Income and expenses			
Depreciation expense	6(6)(7)(25)	288,557	272,001
Depreciation and amortization expenses	6(8)(25)	1,017	6,269
Expected credit impairment loss	12(2)	246	3,391
Interest Cost	6(24)	96,085	68,900
Interest revenue	6(21)	(2,305)	(2,117)
Dividend income	6(22)	(18,001)	(18,001)
Share of gains of subsidiaries, associates and joint ventures accounted for using the equity method	6(5)	(267,717)	(85,740)
Loss on disposal of property, plant and equipment	6(23)	-	41
Gains on lease modifications	6(7)(23)	(5)	-
Impairment loss on intangible assets	6(8)(23)	112,410	-
Impairment loss on other financial assets	6(8)(23)	20,000	-
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Contract asset		3,932	(10,792)
Notes receivable		56,469	(84,316)
Bills receivable - related parties		(3,094)	(1,590)
Accounts receivable		(19,147)	(4,875)
Account Receivable - Related Party		12,276	1,935
Other Receivables - related party		(99)	-
Inventories		(79,458)	(19,155)
Prepayments		(26,166)	4,458
Other Current Assets		(23)	598
Net change in liabilities related to operating activities			
Contract liabilities - current		3,115	12,516
Notes payable		(54,422)	28,252
Notes payable - related party		1,358	(155)
Accounts Payable		(22,034)	80,840
Accounts payable - related party		254	49
Other payables		(3,601)	35,667
Other payables – related party		1,841	(19)
Provisions - current and non-current	6(15)	11,417	-
Other Current liabilities		957	243
Other non-Current liabilities		(972)	2,822
Cash flow in from operating		381,478	498,343
Interest received		2,303	2,114
Dividends received		134,161	60,751
Interest paid		(97,047)	(67,210)
Income tax paid		(21,436)	(14,207)
Income tax refunded		87	-
Cash inflow from operating activities		399,546	479,791

(Continued)

Ruentex Materials Co., Ltd.
Unconsolidated Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

Unit: NT$ thousands

	Notes	2025	2024
Cash flows from investing activities			
Acquisition of financial assets at fair value through other comprehensive income	6(4)	$ -	($ 885)
Increase in other financial assets		(44)	(42)
Real estate, plant and equipment acquired	6(29)	(319,603)	(269,639)
Acquisition of intangible assets	6(8)	(1,285)	(935)
Acquisition of investments accounted for using the equity method	6(5)	-	(1,564,348)
Increase in prepayments for equipment		(6,747)	(1,533)
Increase in prepaid construction payments	7(3)	-	(2,084)
Decrease (increase) in refundable deposits		(42)	49
Cash used in investing activities		(327,721)	(1,839,417)
Cash flows from financing activities			
Increase in short-term borrowings	6(30)	500,000	450,000
Increase in short-term bills payable	6(30)	-	140,000
Proceeds from long-term borrowings	6(30)	870,000	1,380,000
Repayments of long-term borrowings	6(30)	(1,240,000)	(450,000)
Increase in guarantee deposits	6(30)	1,603	898
Principal elements of lease payments	6(30)	(5,491)	(22,044)
Cash dividends paid	6(18)	(165,000)	(97,500)
Net cash generated from (used in) financing activities		(38,888)	1,401,354
Increase in cash and cash equivalents for the current period		32,937	41,728
Cash and cash equivalents, beginning of period		159,073	117,345
Cash and cash equivalents, end of period		$ 192,010	$ 159,073

The accompanying notes are an integral part of these unconsolidated financial statements, please refer to them all.

Chairman: Mo, Wei-Han   Manager: Lin, Yi-Chieh   Accounting Manager: Wu, Po-Chung

Ruentex Materials Co., Ltd.
Notes to Unconsolidated Financial Statements
2025 and 2024

Unit: NT$ thousands
(Except as Otherwise Indicated)

I. History and Organization

Ruentex Materials Co., Ltd. (hereinafter referred to as the "Company"), was incorporated in September 1992 under the laws of the Republic of China (ROC) and began operations in July 2009. It was formerly known as "Ruentex Cement Co., Ltd.". In December 2013, the Company changed its name to "Ruentex Materials Co., Ltd.". The main businesses of the Company are (1) The manufacture and distribution of semi-finished products and manufactured goods for cement, (2) The mining, manufacturing, and distribution of cement raw materials and mining and distribution of mineral ore, (3) Quarrying, (4) Building materials development, manufacture, and distribution, (5) Manufacture and sale of clay used for wall primer, powder coating material, tile adhesive, self-leveling cement, and dry-mixed cement mortar applications. Ruentex Engineering & Construction Co., Ltd. holds 39.15% equity of the Company. Ruentex Development Co., Ltd. is the ultimate parent company of the Company. The Company has been listed for trading on the Taipei Stock Exchange (TWSE) since July 13, 2015.

II. Date and Procedure for Approval of Financial Statements

The unconsolidated financial statements were authorized for issuance by the Company's Board of Directors on March 13, 2026.

III. Application of New Standards, Amendments and Interpretations

(I) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRSs") as endorsed and issued by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed and issued by FSC effective from 2025 are as follows:

New and revised standards, amendments to standards and interpretations	Effective date published by the International Accounting Standards Board
Amendments to IAS No. 21 "Lack of Convertibility"	January 1, 2025

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

(II) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRSs") as endorsed by FSC

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

New and revised standards, amendments to standards and interpretations	Effective date published by the International Accounting Standards Board
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
Amendment 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

Except for the following, the above standards and interpretations have no significant impact on the Company's financial condition and operating result based on the Company's assessment:

Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

It is updated that the fair values of equity instruments designated as at fair value through other comprehensive income through an irrevocable election should be disclosed on a per-category basis without a need to disclose the fair value per instrument. In addition, the amount of fair value gain or loss recognized in other comprehensive income during the reporting period should be disclosed and separately presented in the amount of fair value gain or loss related to the investments that were derecognized during the reporting period, the amount of fair value gain and loss related to the investments still held at the end of the reporting period; and cumulative gains and losses from investments derecognized during the reporting period and transferred to equity during the reporting period.

(III) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New and revised standards, amendments to standards and interpretations	Effective date published by the International Accounting Standards Board
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by the International Accounting Standards Board (IASB)
IFRS 18 "Presentation and Disclosure in of Financial Statements"	January 1, 2027 (Note)
IFRS 19 “Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Amendments to IAS 21, “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note: In its press release dated September 25, 2025, the FSC announced that public companies shall apply International Financial Reporting Standard 18 (hereinafter referred to as “IFRS 18”) starting from 2028. Furthermore, if an enterprise wishes to adopt IFRS 18 early, it may elect to apply the provisions of IFRS 18 in advance after the FSC endorses the standard.

Except for the following, the above standards and interpretations have no significant impact on the Company’s financial condition and operating result based on the Company’s assessment:

IFRS 18 "Presentation and Disclosure in of Financial Statements"

IFRS 18 "Presentation and Disclosure in of Financial Statements" replaces IAS 1, updates the structure of statements of comprehensive income, adds the disclosure of management performance measures, and improves the principles for aggregation and disaggregation used in the main financial statements and notes.

IV. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these unconsolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(I) Compliance statement

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

(II) Basis of preparation

1. Except for the following items, these unconsolidated financial statements have been prepared under the historical cost convention:
   Financial assets at fair value through other comprehensive income.
2. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC

Interpretations, as endorsed and issued into effect by the FSC (collectively referred to herein as the “IFRSs”), requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

(III) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The Company’s financial statements are presented in “New Taiwan dollars,” which is the Company’s functional currency.

Foreign currency transactions and balances

1. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
2. Monetary assets and liabilities denominated in foreign currencies at the period end are retranslated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon retranslation at the balance sheet date are recognized in profit or loss.
3. Non-monetary assets and liabilities denominated in foreign currencies, held at fair value through profit or loss, are retranslated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies and held at fair value through other comprehensive income are retranslated at the exchange rates prevailing at the balance sheet date. Their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
4. All foreign exchange gains and losses are presented in the statement of comprehensive income within “other gains and losses.”

(IV) Classification of current and non-current items

1. Assets that meet one of the following criteria are classified as current assets:
   (1) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle.
   (2) Liabilities held mainly for trading purposes.
   (3) Assets that are expected to be realized within 12 months after thereporting period.

(4) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than 12 months after the reporting period.

The Company classifies all assets that do not meet the above criteria as non-current assets.

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

(1) Liabilities that are expected to be settled within the normal operating cycle.

(2) Liabilities held mainly for trading purposes.

(3) Liabilities that are to be settled within 12 months after the reporting period.

(4) Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

The Company classifies all liabilities that do not meet the above criteria as non-current liabilities.

3. The operating cycles of construction contracts are usually longer than one year; therefore, assets and liabilities related to operations and long-term construction contracts are classified as current or non-current according to the length of their operating cycles.

(V) Cash equivalents

Cash equivalents refer to 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.

(VI) Financial Assets at fair value through other comprehensive income acquired

1. These are equity investments not held for trading for which an irrevocable election is made at initial recognition to present changes in fair value in other comprehensive income.

2. The Company applies trade date accounting to financial assets at fair value through other comprehensive income that are purchased or sold under regular way transactions.

3. The Company measures such financial assets at fair value plus transaction costs on initial recognition and subsequently measures them at fair value:

For equity instruments, changes in fair value are recognized in other comprehensive income. Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income shall not be reclassified subsequently to profit or loss, but shall be transferred to retained earnings. When the Company's right to receive dividends is established, it is probable that the economic benefits associated with the dividends will flow to the Company, and the amount of the dividends can be measured reliably, the Company recognizes dividend income in profit or loss.

(VII) Accounts and notes receivable

1. Accounts and notes receivable refer to the Company's unconditional right to consideration in exchange for goods transferred or services rendered in accordance with the contract terms.

2. Short-term accounts and notes receivable without bearing interest are measured at the original invoice amount, as the effect of discounting is immaterial.

(VIII) Impairment of financial assets

At each balance sheet date, for financial assets measured at amortized cost, the Company considers all reasonable and supportable information, including forward-looking information. For those 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 for which credit risk has increased significantly 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.

(IX) Derecognition of financial assets

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

(X) Lease transactions of lessor – operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(XI) Inventories

The perpetual inventory system is adopted. Inventories are measured at the lower of cost and net realizable value, and cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads allocated based on normal operating capacity, but excludes borrowing costs. In comparing cost and net realizable value item by item, 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.

(XII) Investments accounted for using the equity method – subsidiaries and associates

1. Subsidiaries are entities, including structured entities, controlled by the Company. The Company controls an entity when the Company is exposed, 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.
2. Unrealized gains and losses arising from transactions between the Company and its subsidiaries have been eliminated. The accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
3. The Company’s share of profit or loss of subsidiaries after acquisition is recognized in profit or loss for the current period, and its share of other comprehensive income of subsidiaries after acquisition is recognized in other comprehensive income. If the

Company's share of losses of a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses in proportion to its shareholding.

4. Changes in the Company's ownership interest in a subsidiary that do not result in loss of control, that is, transactions with non-controlling interests, are accounted for as equity transactions, namely, transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
5. Associates are all entities over which the Company has significant influence but not control. In general, the Company holds, directly or indirectly, 20% or more of the voting rights of such entities. Investments in associates are accounted for using the equity method and are initially recognized at cost.
6. The Company's share of profit or loss of associates after acquisition is recognized in profit or loss for the current period, and its share of other comprehensive income of subsidiaries after acquisition is recognized in other comprehensive income. If the Company's share of losses of any associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses unless the Company has incurred legal or constructive obligations or has made payments on behalf of the associate.
7. When an associate has changes in equity other than profit or loss and other comprehensive income, and such changes do not affect the Company's ownership percentage in the associate, the Company recognizes its share of such changes in "capital surplus" based on its ownership percentage.
8. Unrealized gains and losses arising from transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
9. If an associate issues new shares and the Company does not subscribe for or acquire the new shares in proportion to its ownership interest, resulting in a change in the Company's ownership percentage while the Company continues to have significant influence over the associate, the resulting change in the carrying amount of the investment is recognized as an adjustment to "capital surplus" and "investments accounted for using the equity method." If the Company's ownership percentage decreases, then, in addition to the above adjustment, the proportionate amount of gains or losses previously recognized in other comprehensive income in relation to that ownership interest shall be reclassified to profit or loss if such gains or losses would be reclassified to profit or loss on the disposal of the related assets or liabilities.

10. Upon disposal of an associate, if the Company loses significant influence over the associate, all amounts previously recognized in other comprehensive income in relation to the associate shall be accounted for on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. Accordingly, if a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss on the disposal of the related assets or liabilities, such gain or loss is reclassified from equity to profit or loss when the Company loses significant influence over the associate. If the Company continues to have significant influence over the associate, then the amount previously recognized in the other comprehensive income is transferred out proportionally according to the aforementioned method.
11. At each balance sheet date, for associates with indications of impairment, the Company performs an impairment test by treating the entire carrying amount of the investment, including goodwill, as a single asset and comparing its recoverable amount, being the higher of value in use and fair value less costs of disposal, with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of such impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.
12. In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit or loss and other comprehensive income for the current period in the unconsolidated financial statements shall be the same as the profit or loss and other comprehensive income attributable to owners of the parent presented in the financial statements prepared on a consolidated basis. Owners' equity in the unconsolidated financial statements shall be the same as the equity attributable to owners of the parent presented in the financial statements prepared on a consolidated basis.

(XIII) Property, plant, and equipment

1. Property, plant and equipment are recorded at acquisition cost, and the interest is capitalized over the acquisition and construction period.
2. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
3. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of real estate, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

4. The assets' residual values, useful lives, and depreciation methods are reviewed and adjusted, if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates, or if the patterns of consumption of the assets' future economic benefits have changed significantly, any change is accounted for as a change in estimate under IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors," from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	2 years–50 years
Machinery and equipment	2 years–25 years
Transportation equipment	2 years–5 years
Office equipment	3 years–5 years
Leased assets	3 years–5 years
Miscellaneous equipment	2 years–11 years

(XIV) Lessees' lease transactions – right-of-use assets/lease liabilities

1. The lease assets are recognized as the right-of-use assets and lease liabilities on the date availed to the Company. If the lease contracts are short-term lease or low-value underlying asset lease, the lease payments are recognized as expenses during the lease terms with the straight-line method.
2. From the starting date of lease, the lease liabilities are recognized at the current values of the unpaid lease payments discounted with the Company's incremental lending rate; the lease payments include the fixed payments deducting the receivable lease incentives. Subsequently, they are measured at the amortized costs based on the interest method, and recognized as the interest expenses during the lease terms. Shall the lease terms or lease payments change due to the non-contractual modifications, the lease liabilities will be measured again, and the remeasurements will be used to adjust the right-of-use assets.
3. The right-of-use assets are recognized as the costs on the starting date of leases. The costs include the original measured amount of the lease liabilities. Subsequently, they are measured at the costs; the depreciation expenses are recognized at the end of useful lives, or the expiry of the lease terms, whichever is earlier. Shall the lease liabilities be reassessed, the right-of-use assets will adjust any re-measurement of the lease liabilities.
4. For lease modifications that reduce the scope of a lease, the lessee will reduce the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognize the difference between the reduced carrying amount and the remeasurements of the lease liabilities in the profit or loss. For all other lease modifications, the remeasurements of the lease liabilities shall be adjusted against the right-of-use assets.

(XV) Intangible Assets

1. Mineral source

   Based on expected number of units the mineral resource should produce, depreciation is calculated using the unit of production method. If there is any change to the expected production units, the depreciation per unit is recalculated using the assets' carrying amount, and the depreciation recognized in the prior years is not restated.

2. Trademark, patent rights and service concession

   Trademarks, patent rights, and service concessions are stated as acquisition cost. They are assets with finite useful life and are amortized on a straight-line basis with their useful lives of 10 years.

3. Computer software

   Computer software is stated at acquisition cost and amortized on a straight-line basis with useful lives of 3–5 years.

4. Intangible assets generated internally – expenses of R&D

   (1) R&D expenses are recognized as the expenses of the current term when occur.

   (2) The R&D expenses disqualified from the following criteria are recognized as the expenses of the current term; the R&D expenses qualified with the following criteria are recognized as intangible assets:

   A. The technical feasibility of being intangible assets has been achieved, so that the intangible asset may be used or sold;

   B. Intention to complete the intangible assets for use or sale;

   C. Capability to use or sell the intangible assets;

   D. The likely perspective economic benefits of the concerned intangible assets may be proved;

   E. Sufficient technical, financial, and other resources to complete the developments are in place, to use or sell the intangible assets; and

   F. The expenses attributed to the intangible assets during the development may be measured reliably.

   (3) The intangible assets generated internally – the grouting materials for offshore wind power generation – are amortized on a straight-line basis over their estimated useful lives of 5 years after they have reached the state of use.

(XVI) Impairment of non-financial assets

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

(XVII) Loans

Refer to long-term, short-term borrowings from banks and other long-term, short-term loans. During the initial recognition, the Company measures according to the fair value with deduction of transaction cost. Subsequently, for any difference between the amount after the deduction of transaction cost and the redemption value, the effective interest method is adopted to recognize the interest expense in the profit or loss according to amortized procedure during the circulation period.

(XVIII) Accounts and notes payable

1. Debt arising from purchase of raw materials, goods or services and notes payable arising from ordinary course of business or non-business related matters.

2. For short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

(XIX) Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the contract's obligations are discharged, canceled, or expired.

(XX) Provisions

The carbon fee levied under Taiwan's Climate Change Response Act and its regulations does not fall within the scope of IFRIC 21 Levies, but is instead recognized and measured in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. If the estimated annual emissions are likely to exceed the threshold for carbon fee imposition, a related liability should be accrued in the interim financial statements based on the proportion of emissions incurred to date relative to the estimated total annual emissions.

(XXI) Employee benefits

1. 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 expenses when the related services are rendered.

2. Pensions

   Defined contribution plan

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

3. Termination benefits

   Termination benefits are benefits provided in exchange for the termination of an employee's employment before the normal retirement date or as a result of an employee's decision to accept an offer of benefits in exchange for the termination of employment. The Company recognizes termination benefit expenses at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. Benefits that are not expected to be settled wholly within 12 months after the balance sheet date are discounted.

4. Employees' compensation

   Employees' compensation is recognized as an expense and a liability when the Company has a legal or constructive obligation and the amount can be reasonably estimated. If the subsequently resolved actual distribution amount differs from the accrued amount, the difference is accounted for as a change in accounting estimate. If employees' compensation is distributed in the form of shares, the number of shares is calculated based on the closing price on the day preceding the date of the Board of Directors' resolution.

(XXII) <u>Income tax</u>

1. Income tax expense comprises current and deferred income tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the tax is recognized in other comprehensive income or directly in equity.
2. Current income tax is calculated using the tax rates enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in income tax returns with respect to applicable tax laws and regulations and, where appropriate, recognizes provisions based on the amounts expected to be paid to the tax authorities. The additional income tax imposed on undistributed earnings under the Income Tax Act is recognized, in the year following the year in which the earnings are generated, after the shareholders' meeting approves the earnings distribution proposal, based on the actual distribution of earnings.
3. Deferred income tax is recognized using the balance sheet liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. Deferred income tax liabilities arising from the initial recognition of goodwill are not recognized. Deferred income tax arising from the initial recognition of an asset or liability in a transaction other than a business combination is not recognized if, at the time of the transaction, it affects neither accounting profit nor taxable profit or tax loss. Deferred income tax on temporary differences arising from investments in subsidiaries is not recognized if the Company is able to control the timing

of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred income tax is measured using the tax rates, and tax laws, enacted or substantively enacted at the balance sheet date and expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

4. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

5. Current income tax assets and current income tax liabilities are offset only when there is a legally enforceable right to offset the recognized amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously. Deferred income tax assets and deferred income tax liabilities are offset only when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and the deferred income tax assets and liabilities are levied by the same taxation authority on the same taxable entity, or on different taxable entities that intend either to settle on a net basis or to realize the asset and settle the liability simultaneously.

6. Tax incentives arising from research and development expenditures are accounted for using the income tax credit method.

(XXIII) Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(XXIV) Dividends distribution

Dividends distributed to the Company's shareholders are recognized in the financial statements when such dividends are approved by the shareholders in a shareholders' meeting. Cash dividends are recognized as liabilities.

(XXV) Revenue recognition

1. Sales of goods

   (1) The Company manufactures and sells cement and building materials related products. Revenue from the sale of goods is recognized when control of the products has been transferred to the customer – that is, when the products are delivered to the customer and the Company has no unfulfilled performance obligations that could affect the customer's acceptance of the products. Delivery occurs when the products have been transported to the specified location, the risks of obsolescence and loss have been transferred to the customer, and the customer has accepted the products in

accordance with the sales contract, or there is objective evidence that all acceptance criteria have been satisfied.

(2) Accounts receivable are recognized when the products are delivered to the customer because, from that point in time, the Company has an unconditional right to the consideration under the contract, and only the passage of time is required before payment is due from the customer.

(3) Financial component

The period between the transfer of the promised goods or services to the customer and payment by the customer under the contracts entered into between the Company and its customers does not exceed one year. Accordingly, the Company does not adjust the transaction price to reflect the time value of money.

(4) The Company operates a customer loyalty program for its distribution customers. At the end of each year, reward points are granted to distribution customers based on the transaction amount for that year in accordance with the contracts. Distribution customers are entitled to redeem the reward points for a fixed percentage discount on future product purchases. The reward points provide customers with a material right that they would not receive without entering into the original transaction. Accordingly, the reward points granted to customers constitute a separate performance obligation. The transaction price is allocated to the products and the reward points based on their relative stand-alone selling prices. The stand-alone selling price of the reward points is estimated based on the discount available to the customer and the likelihood of redemption based on past experience. The stand-alone selling price of the products is estimated based on the contract price. The transaction price allocated to the reward points is recognized as a contract liability until the customer redeems the points, or when the points expire, at which time it is recognized as revenue.

2. Construction contract revenue, service contract revenue and repair revenue

(1) For construction contracts and repairs, the Company’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced. Accordingly, revenue is recognized over time as the performance obligation is satisfied over time. Repair revenue is recognized in full upon completion because the amount is not significant and the contract period is shorter than three months. If the contract period exceeds three months, it is still treated as construction contract revenue and recognized over the contract period based on the stage of completion using the percentage of completion method. Since labor service does not create assets for the Company for other purposes, and the Company has an enforceable right to the proceeds from performance completed so far, it is a type of revenue recognized as the performance obligation is gradually satisfied over time.

(2) The Company recognizes revenue from construction contracts, service contracts and repairs over the contract period using the percentage of completion method based on the stage of completion of the contract, and contract costs are recognized as expenses in the period in which they are incurred. The stage of completion is determined by reference to the percentage of contract costs incurred to date as of the end of the reporting period relative to the estimated total contract costs for each contract. When total contract costs are likely to exceed total contract revenue, the expected loss is recognized as an expense immediately. When the outcome of a construction contract cannot be measured reliably but the Company expects to recover the contract costs incurred in satisfying the performance obligation, revenue is recognized only to the extent of contract costs incurred until the outcome of the performance obligation can be measured reliably.

(3) Estimates of revenue, costs and stage of completion are revised as circumstances change. Any resulting increases or decreases in estimated revenue or costs are reflected in profit or loss in the period in which the circumstances giving rise to the revision become known to management.

(4) Contract terms relating to performance bonuses, penalties and claims that may cause changes in the total contract price are accounted for as variable consideration. Variable consideration is estimated using the method that better predicts the amount of consideration to which the Group will be entitled, and is recognized only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

(5) The Company's construction contracts, service contracts and repair contracts include terms under which part of the contract consideration is payable only after project acceptance by the customer. Such retention receivables provide protection to the customer against the other party's failure to adequately perform some or all of its obligations under the contract, and therefore do not give rise to a significant financing component.

(6) The gross amount due from customers for contract work, representing costs incurred plus recognized profits less recognized losses in excess of progress billings, is recognized as a contract asset. If progress billings exceed costs incurred plus recognized profits less recognized losses on contracts in progress, the excess is recognized as a contract liability.

(XXVI) Government grants

Government grants are recognized at fair value when there is reasonable assurance that the Group will comply with the conditions attaching to the grants and that the grants will be received. Where the nature of a government grant is to compensate the Company for expenses incurred, it is recognized in profit or loss on a systematic basis over the periods in which the related expenses are recognized and is presented as a deduction from "manufacturing expenses" and "operating expenses."

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

The preparation of these unconsolidated financial statements requires management to make critical judgments in applying the Company's accounting policies and make critical estimates and assumptions concerning future events. Estimates and assumptions may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The critical accounting judgments, estimates and key sources of assumption uncertainty are addressed as follows:

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

None.

(II) Critical accounting estimates and assumptions

Revenue recognition
Construction contract revenue should be recognized by reference to the stage of completion in the contract period using the percentage of completion method. Contract costs are recognized in the incurred period. The stage of completion is determined by reference to the contract costs incurred to date and the proportion that contract costs incurred for work performed to date compared to the estimated total contract costs. Since the estimation of construction total cost can affect the recognition of construction completion progress and the construction contract income, and since the construction total cost items are complicated and often involve a high degree of estimation, such that it can cause major uncertainty.

VI. Details of Significant Accounts

(I) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand and revolving funds	$ 230	$ 230
Checking deposits	19,767	38,459
Demand deposits	61,934	84,577
Cash equivalents – Bonds under repurchase agreements	110,079	35,807
	$ 192,010	$ 159,073

1. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

2. The Company's restricted time deposits as of December 31, 2025 and 2024, due to guarantees for the performance of contracts were NT$91,942 and NT$91,898, respectively. They were classified as other financial assets – non-current (recognized in "other non-current assets"). Please refer to Note 8.

(II) Notes and accounts receivable

	December 31, 2025	December 31, 2024
Notes receivable	$ 196,334	$ 252,803
Notes Receivable – related party	8,579	5,485
	$ 204,913	$ 258,288

	December 31, 2025	December 31, 2024
Accounts receivable	$ 648,085	$ 628,938
Less: Allowance for loss	(10,781)	(10,535)
Subtotal	637,304	618,403
Accounts receivable - related party	23,052	35,328
	$ 660,356	$ 653,731

1. The Company issues the invoice and bill of lading when taking the customer's order, debts accounts receivable and credits advance sales receipt (the "contract liability-current" account). When it receives notes issued by the customer, the amount is then transferred to notes receivable from accounts receivable. Based on demand quantity, the customer pick up the cement in batches, and the actual sales amount is then transferred from advance sales receipt to revenue. To prevent inflated assets and liabilities, the notes and accounts receivable and advance sales receipts related to undelivered cement are offset by each other and presented in net values. As of December 31, 2025 and 2024, the amounts were NT$123,774, and NT$92,525.

2. The aging analysis of notes receivable (including related parties) and accounts receivable (including related parties) is as follows:

	December 31, 2025		December 31, 2024	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not overdue	$ 657,274	$ 204,913	$ 652,291	$ 258,288
Overdue				
Within 30 days	2,759	-	2,698	-
31--60 days	2,528	-	770	-
61--90 days	1,248	-	1,970	-
91 days and more	7,328	-	6,537	-
	$ 671,137	$ 204,913	$ 664,266	$ 258,288

The aging analysis was based on past due date.

3. The balances of notes and accounts receivable as of December 31, 2025 and 2024, were all generated from contracts with customers. The balances of contractual notes receivable and accounts receivable are NT$172,382 and NT$654,182, respectively for January 1, 2024.

4. The Company's maximum exposure to credit risk, before consideration of associated collateral held and other credit enhancements, was NT$204,913 and NT$258,288 for notes receivable as of December 31, 2025 and 2024, respectively; and NT$660,356 and NT$653,731 for accounts receivable as of December 31, 2025 and 2024, respectively.

5. For credit risk information related to accounts receivable and notes receivable, please refer to Note 12(2).

(III) Inventories

	December 31, 2025		
	Cost	Allowance for valuation losses	Carrying amount
Materials and supplies	$ 545,231	($ 2,700)	$ 542,531
Work in process	153,212	-	153,212
Finished goods	134,395	(269)	134,126
Merchandise inventory	1,562	-	1,562
	$ 834,400	($ 2,969)	$ 831,431

	December 31, 2024		
	Cost	Allowance for valuation losses	Carrying amount
Materials and supplies	$ 505,512	($ 2,478)	$ 503,034
Work in process	138,575	-	138,575
Finished goods	110,119	(154)	109,965
Merchandise inventory	399	-	399
	$ 754,605	($ 2,632)	$ 751,973

The expenses of inventories recognized for the current period are as follows:

	2025	2024
Cost of inventories sold	$ 4,268,600	$ 4,176,416
Loss on market value decline of inventory	337	14
Unallocated manufacturing costs	-	5,129
Revenue from sales of scraps	(3,885)	(5,071)
	$ 4,265,052	$ 4,176,488

(IV) Financial assets at fair value through other comprehensive income acquired - non-Current

Item	December 31, 2025	December 31, 2024
Non-current items:		
Equity Instrument		
Shares of TWSE listed companies	$ 555,517	$ 555,517
Shares of the TPEx listed companies	25,753	25,753
	581,270	581,270
Adjustments for valuation		
Shares of TWSE listed companies	(158,784)	(34,220)
Shares of the TPEx listed companies	(22,212)	(18,080)
	(180,996)	(52,300)
Total	$ 400,274	$ 528,970

1. The Company elected to classify investments in shares of TWSE listed companies held for stable dividend income as financial assets at fair value through other comprehensive income. The fair values of such investments amounted to NT$396,733 and NT$521,297 as of December 31, 2025 and 2024, respectively.
2. The Company elected to classify the strategic investments in privately offered shares of TWSE listed companies as financial assets at fair value through other comprehensive income, amounting to NT$3,541and NT$7,673, as of December 31, 2025 and 2024, respectively.
3. OBI Pharma, Inc., a TPEx listed company, increased its capital in cash in November 2024, and the Company subscribed for 13,828 shares in an amount of NT$885.
4. OBI Pharma, Inc., a TPEx listed company, resolved at its first special shareholders' meeting on October 20, 2025 to carry out a capital reduction to offset accumulated losses in the amount of $1,315,797, representing a capital reduction ratio of 50%. The capital reduction record date was November 24, 2025, and the record date for the issuance of replacement shares was February 2, 2026.
5. Detail of the financial assets at fair value through other comprehensive income recognized under the profit (loss) and comprehensive income is as follows:

Equity instruments at fair value through other comprehensive income	2025	2024
Changes in fair value recognized as other comprehensive income	($ 128,696)	$ 56,967
Dividend income recognized in profit and loss	$ 18,001	$ 18,001

6. The maximum exposure to credit risk for the Company's financial assets at fair value through other comprehensive income, before consideration of associated collateral held and other credit enhancements, was NT$400,274 and NT$528,970 as of December 31, 2025 and 2024, respectively.
7. For information on the price risk of financial assets at fair value through other comprehensive income, please refer to Note 12(2).

(V) Investments accounted for using equity method

1. Statement of investments accounted for using the equity method is as follows:

	December 31, 2025	December 31, 2024
Subsidiaries:		
Ruentex Interior Design Inc. (Ruentex Interior Design)	$ 288,848	$ 280,647
Associates:		
Teh Hsin Enterprise Co., Ltd. (Teh Hsin)	1,707,545	1,576,964
Total	$ 1,996,393	$ 1,857,611

2. The share of profit or loss of subsidiaries and associates recognized under the equity method for 2025 and 2024 is as follows:

	2025	2024
Subsidiaries:		
Ruentex Interior Design	$ 92,226	$ 73,124
Associates:		
Teh Hsin	175,491	12,616
Total	$ 267,717	$ 85,740

3. Subsidiaries
   (1) To cooperate with the public underwriting before the initial listing on the Taipei Exchange by Ruentex Interior Design, a subsidiary of the Company, the Board of Directors approved by resolution, on March 26, 2024, a cash capital increase of 1,500 thousand shares, with a face value of NT$10 per share, all of which are ordinary shares. May 17, 2024, was the record date for the capital increase, and the registration of the change was completed on June 19, 2024. The Company did not subscribe for the shares in proportion to its shareholding; accordingly, its shareholding ratio decreased to 31.66%, and capital surplus – changes in ownership interests in subsidiaries in the

amount of $68,894 was recognized. For related information, please refer to Note 6(30) to the Company's consolidated financial statements for the year ended December 31, 2025.

(2) For information on the Company's subsidiaries, please refer to Note 4(3) to the Company's consolidated financial statements for the year ended December 31, 2025.

4. Associates

(1) The basic information of the Company's significant associates is as follows:

Company name	Principal Place of Business	Shareholding percentage		Nature of relationship	Measurement method
		December 31, 2025	December 31, 2024		
TEH HSIN	Taiwan	35%	35%	Diversification	Equity method

(2) The summarized financial information of the associates that are material to the Company are as follows:

Balance Sheets

	Teh Hsin	Teh Hsin
	December 31, 2025	December 31, 2024
Current Assets	$ 1,613,034	$ 1,319,000
Non-current assets	959,320	652,051
Current liabilities	(447,495)	(218,577)
Non-current liabilities	(2,864)	(3,561)
Total net assets	$ 2,121,995	$ 1,748,913
Portion of the net assets of associates (Note)	$ 742,714	$ 612,133

Note: The difference from the carrying amount is primarily attributable to the fair value difference of non-current assets.

Statements of Comprehensive Income

	Teh Hsin	Teh Hsin
	2025	2024
Income	$ 1,957,460	$ 1,310,534
Net income of current period	501,386	280,694
Other comprehensive income (net of tax)	-	-
Total comprehensive income for this period	$ 501,386	$ 280,694
Dividends received from associates	$ 44,910	$ -

(3) On September 20, 2024, the Board of Directors of the Company resolved to acquire equity interest in TEH HSIN. A share purchase agreement was entered into with a non-related party on September 26, 2024, for the purchase of 14,969,837 shares at NT$104.5 per share, totaling NT$1,564,348. The acquired shares represent a 35% equity interest. The share transfer registration was completed on November 15, 2024.

(4) The Company holds a 35% equity interest in Teh Hsin and is its single largest shareholder. However, based on the past shareholders' meeting attendance records, it is evident that other shareholders actively participate in TEH HSIN's decision-making processes. Among the nine seats on TEH HSIN's Board of Directors, the Company holds only three. This indicates that the Company does not have the practical ability to direct the relevant activities of TEH HSIN. Accordingly, the Company has determined that it does not have control over TEH HSIN, but instead has significant influence.

(5) For information regarding the pledged shares of investments accounted for under the equity method, please refer to Notes 6(12) and 8.

(6) The investments accounted for using the equity method in Teh Hsin for 2025 and 2024 were valued based on financial statements audited by the independent auditor.

(VI) Property, plant, and equipment

	2025									
	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leased assets	Lease improvements	Miscellaneous equipment	Unfinished construction and equipment pending for inspection	Total
January 1										
Cost	$ 1,535,961	$ 1,500,468	$ 2,350,658	$ 10,584	$ 7,433	$ 704	$ 889	$ 84,821	$ 51,967	$ 5,543,485
Accumulated depreciation	-	(585,920)	(1,155,573)	(10,026)	(3,796)	(704)	(396)	(26,367)	-	(1,782,782)
Accumulated impairment	-	(10,331)	(55,441)	-	-	-	-	(379)	-	(66,151)
	$ 1,535,961	$ 904,217	$ 1,139,644	$ 558	$ 3,637	$ -	$ 493	$ 58,075	$ 51,967	$ 3,694,552
January 1	$ 1,535,961	$ 904,217	$ 1,139,644	$ 558	$ 3,637	$ -	$ 493	$ 58,075	$ 51,967	$ 3,694,552
Addition	-	2,611	61,514	-	1,301	-	-	7,972	236,770	310,168
Transfer for current period (Note)	-	55,804	148,961	-	-	-	-	5,137	(207,818)	2,084
Costs of disposal	-	-	(398)	-	-	-	-	-	-	(398)
Disposal of accumulated depreciation	-	-	398	-	-	-	-	-	-	398
Depreciation expense	-	(35,745)	(228,459)	(383)	(1,220)	-	(187)	(11,536)	-	(277,530)
December 31	$ 1,535,961	$ 926,887	$ 1,121,660	$ 175	$ 3,718	$ -	$ 306	$ 59,648	$ 80,919	$ 3,729,274
December 31										
Cost	$ 1,535,961	$ 1,558,883	$ 2,560,735	$ 10,584	$ 8,734	$ 704	$ 889	$ 97,930	$ 80,919	$ 5,855,339
Accumulated depreciation	-	(621,665)	(1,383,634)	(10,409)	(5,016)	(704)	(583)	(37,903)	-	(2,059,914)
Accumulated impairment	-	(10,331)	(55,441)	-	-	-	-	(379)	-	(66,151)
	$ 1,535,961	$ 926,887	$ 1,121,660	$ 175	$ 3,718	$ -	$ 306	$ 59,648	$ 80,919	$ 3,729,274

Note: The balance of the transfer amount is the transfer from prepayments for construction.

	2024									
	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leased assets	Lease improvements	Miscellaneous equipment	Unfinished construction and equipment pending for inspection	Total
January 1										
Cost	$ 1,535,961	$ 1,477,660	$ 2,071,138	$ 10,584	$ 6,680	$ 704	$ 889	$ 66,997	$ 209,720	$ 5,380,333
Accumulated depreciation	-	(544,090)	(1,057,135)	(9,608)	(3,214)	(704)	(209)	(35,151)	-	(1,650,111)
Accumulated impairment	-	(10,331)	(55,441)	-	-	-	-	(379)	-	(66,151)
	$ 1,535,961	$ 923,239	$ 958,562	$ 976	$ 3,466	$ -	$ 680	$ 31,467	$ 209,720	$ 3,664,071
January 1	$ 1,535,961	$ 923,239	$ 958,562	$ 976	$ 3,466	$ -	$ 680	$ 31,467	$ 209,720	$ 3,664,071
Addition	-	5,359	62,353	-	1,344	-	-	17,787	194,415	281,258
Transfer for current period (Note)	-	17,748	318,498	-	-	-	-	18,298	(352,168)	2,376
Costs of disposal	-	(299)	(101,331)	-	(591)	-	-	(18,261)	-	(120,482)
Disposal of accumulated depreciation	-	258	101,331	-	591	-	-	18,261	-	120,441
Depreciation expense	-	(42,088)	(199,769)	(418)	(1,173)	-	(187)	(9,477)	-	(253,112)
December 31	$ 1,535,961	$ 904,217	$ 1,139,644	$ 558	$ 3,637	$ -	$ 493	$ 58,075	$ 51,967	$ 3,694,552
December 31										
Cost	$ 1,535,961	$ 1,500,468	$ 2,350,658	$ 10,584	$ 7,433	$ 704	$ 889	$ 84,821	$ 51,967	$ 5,543,485
Accumulated depreciation	-	(585,920)	(1,155,573)	(10,026)	(3,796)	(704)	(396)	(26,367)	-	(1,782,782)
Accumulated impairment	-	(10,331)	(55,441)	-	-	-	-	(379)	-	(66,151)
	$ 1,535,961	$ 904,217	$ 1,139,644	$ 558	$ 3,637	$ -	$ 493	$ 58,075	$ 51,967	$ 3,694,552

Note: The balance of the transfer amount is the transfer from prepayments for business facilities.

1. Details of the property, plant and equipment pledged to others as collateral are provided in Note 8.
2. Due to legal restrictions, part of the Company's land is held in the name of another person, and a mortgage has been created in favor of the Company. Please refer to Note 7 for details.

(VII) Lease transactions - lessees

1. The underlying assets leased by the Company are the offices, land for mining use, parking spaces and company vehicles, and the term of lease is between 2020 and 2030. The lease contracts are negotiated individually, with different terms and conditions. The leased assets are neither to be used as collaterals for loans, nor the rights to be transferred to others in the form of business transfer or merger, among other forms.
2. The lease period for the employee dormitories, warehouse and exhibition center leased by the Company is less than 12 months.
3. Information on the carrying amount of the right-of-use assets and the recognized depreciation expenses is as follows:

	2025			
	Land	Buildings	Transportation equipment	Total
January 1				
Cost	$ 22,165	$ 25,301	$ 752	$ 48,218
Accumulated depreciation	(3,335)	(18,292)	(376)	(22,003)
	$ 18,830	$ 7,009	$ 376	$ 26,215
January 1	$ 18,830	$ 7,009	$ 376	$ 26,215
Addition-Newly added lease contracts	658	-	972	1,630
Cost of derecognition	(662)	-	-	(662)
Accumulated depreciation on the de-booking date	662	-	-	662
Lease contract modifications - costs	-	-	(752)	(752)
Lease contract modifications - accumulated depreciation	-	-	460	460
Depreciation expense	(5,505)	(5,222)	(300)	(11,027)
December 31	$ 13,983	$ 1,787	$ 756	$ 16,526
December 31				
Cost	$ 22,161	$ 25,301	$ 972	$ 48,434
Accumulated depreciation	(8,178)	(23,514)	(216)	(31,908)
	$ 13,983	$ 1,787	$ 756	$ 16,526

	2024			
	Land	Buildings	Transportation equipment	Total
January 1				
Cost	$ 7,265	$ 25,244	$ 752	$ 33,261
Accumulated depreciation	(6,306)	(13,569)	(125)	(20,000)
	$ 959	$ 11,675	$ 627	$ 13,261
January 1	$ 959	$ 11,675	$ 627	$ 13,261
Addition-Newly added lease contracts	21,454	543	-	21,997
Cost of derecognition	(16,400)	(486)	-	(16,886)
Accumulated depreciation on the de-booking date	16,400	486	-	16,886
Revaluation of lease liabilities	9,846	-	-	9,846
Depreciation expense	(13,429)	(5,209)	(251)	(18,889)
December 31	$ 18,830	$ 7,009	$ 376	$ 26,215
December 31				
Cost	$ 22,165	$ 25,301	$ 752	$ 48,218
Accumulated depreciation	(3,335)	(18,292)	(376)	(22,003)
	$ 18,830	$ 7,009	$ 376	$ 26,215

4. Lease liabilities related to lease contracts are as the following:

	December 31, 2025	December 31, 2024
Total amount of lease liabilities	$ 24,967	$ 29,125
Less: Due within one year (listed as lease liabilities - current)	(18,610)	(16,344)
	$ 6,357	$ 12,781

5. Information of income items related to lease contracts are as the following:

	2025	2024
Items affects the income of the current period		
Interest expenses of lease liabilities	$ 314	$ 258
Expenses of short-term lease contracts	$ 2,334	$ 2,296
Gains on lease modifications	($ 5)	$ -

6. The total cash outflow for the lease of the Company for the years ended on December 31, 2025 and 2024, was NT$8,139 and NT$24,598, respectively.
7. Yilan Luodong Business Area No. 70, 71, 73--75, 80, 82--85, and Nan’ao Business Area No. 27 and 28 were leased by the Company for mineral field use. As said leases expired

on June 18, 2020. The Company applied to the competent authorities for the renewal of the leases of the ancillary facilities of the mining land, and the process was completed in January 2023. In addition, according to the letter from the Yilan Branch of the Forestry and Conservation Administration, Ministry of Agriculture, in March 2024, the rent of the mining land was calculated based on the approved market value of forest land and included in the ecological damage compensation. The Company re-assessed the said lease liability and recognized right-of-use assets of NT$9,846 and lease liabilities of NT$9,846. The above lease expires on June 18, 2024. The Company has applied to the competent authority for a lease extension through June 18, 2028, and has recognized a right-of-use asset of NT$21,454 and a lease liability of NT$21,454 accordingly.

(VIII) Intangible Assets

	2025			
	Mineral source	Trademark, patent rights and service concession	Others	Total
January 1				
Cost	$ 234,798	$ 30,000	$ 112,039	$ 376,837
Accumulated amortization	(60,416)	(30,000)	(48,444)	(138,860)
Accumulated impairment	(61,972)	-	(11,240)	(73,212)
	$ 112,410	$ -	$ 52,355	$ 164,765
January 1	$ 112,410	$ -	$ 52,355	$ 164,765
Addition	-	-	1,285	1,285
Amortization	-	-	(1,017)	(1,017)
Impairment loss	(112,410)	-	-	(112,410)
December 31	$ -	$ -	$ 52,623	$ 52,623
December 31				
Cost	$ 234,798	$ 30,000	$ 113,324	$ 378,122
Accumulated amortization	(60,416)	(30,000)	(49,461)	(139,877)
Accumulated impairment	(174,382)	-	(11,240)	(185,622)
	$ -	$ -	$ 52,623	$ 52,623

	2024			
	Mineral source	Trademark, patent rights and service concession	Others	Total
January 1				
Cost	$ 234,798	$ 30,000	$ 111,104	$ 375,902
Accumulated amortization	(60,416)	(30,000)	(42,175)	(132,591)
Accumulated impairment	(61,972)	-	(11,240)	(73,212)
	$ 112,410	$ -	$ 57,689	$ 170,099
January 1	$ 112,410	$ -	$ 57,689	$ 170,099
Addition	-	-	935	935
Amortization	-	-	(6,269)	(6,269)
December 31	$ 112,410	$ -	$ 52,355	$ 164,765
December 31				
Cost	$ 234,798	$ 30,000	$ 112,039	$ 376,837
Accumulated amortization	(60,416)	(30,000)	(48,444)	(138,860)
Accumulated impairment	(61,972)	-	(11,240)	(73,212)
	$ 112,410	$ -	$ 52,355	$ 164,765

Details of amortization of intangible assets are as follows:

	2025	2024
Operation cost	$ 788	$ 6,080
Operating Expenses	229	189
	$ 1,017	$ 6,269

The Company owns the mine operation rights at Yilan Lankan Mine (Tai-Ji-Cai-Zi No. 5569 Mine Operation Right) and Hualien Huahsin Mine (Tai-Ji-Cai-Zi No. 5345 Marble Mine Operation Right) which will expire on June 18, 2032 and July 1, 2025, respectively. At present, the limestone quarrying in the original mining area has nearly been exhausted and an application has been made to the Bureau of Mines, Ministry of Economic Affairs, in accordance with Article 43 of the Mining Act for an extension of the mining area within the original mine operation rights (Expansion).

1. On September 15, 2020, the above-mentioned application for the Yilan Lankan Mine Expansion received the Administrative Disposition Jin Shou Wu Zi No. 10920107100 from the Ministry of Economic Affairs, which stated, “Because the public land authority (i.e. the Luodong District Office of the Forestry Bureau of the Council of Agriculture, Executive Yuan) has indicated that the approval of mineral land is denied because it does

not meet the requirements of No. 13 of the Regulations for Conservation Forest Managements; therefore, the application is rejected in accordance with Article 43 of the Mining Act." The Company filed a petition in accordance with the law on October 6, 2020 due to dissatisfaction with the administrative sanction imposed by the authority; however, the petition was rejected by the Executive Yuan, referencing Yuan-Tai-Su-Zi No. 1100178798 dated July 8, 2021. The material changes from the adverse impact on the Company's assets due to administrative authorities' fact determination and application of laws had led to signs of impairment of the Company's assets in accordance with the IAS 36. The property, plants, and equipment of NT$66,151 and intangible assets of NT$73,212 related to the Yilan Lankan Mine, totaling NT$139,363, were recognized in impairment losses in June 2021.

However, to ensure the equity and efficiency of the Company's assets, if the mining land for the legally held mineral resources can be expanded and mining can continue, it will make a reasonable contribution to the Company's future profits. The Yilan Lankan Stone Mine expansion case was filed with the High Administrative Court on September 9, 2021. However, the administrative lawsuit was dismissed on February 29, 2024 by the Taipei High Administrative Court in 2021 Su-Zi No. 1062, and the Company filed an appeal with the Supreme Administrative Court in March 2024. However, the appeal was dismissed on December 18, 2025 by the Supreme Administrative Court in 2024 Shang-Zi No. 240. As the Company has already recognized an impairment loss, the result of this judgment has no material impact on the Company's financial position or operations. The Company will continue to review the relevant laws and regulations and assess the feasibility of filing a separate application.

2. The mining right for the Hualien Huahsin Mine expired on July 1, 2025. An application for an extension of the mining right was filed in June 2024 and is currently under review. As for the expansion application, the proposed mining and transportation method involved passing through another entity's road. However, because consent to pass through the adjacent mines was not obtained, the Company took the initiative to withdraw the application and will file a new application after re-planning. As of March 13, 2026, the relevant planning is still in progress, and the application procedure has not yet been completed.

   Due to factors such as the legal environment, environmental protection and industrial policies, and the high degree of uncertainty in the review and approval process, significant adverse changes have affected the Company's assets. In accordance with IAS 36, these circumstances constitute indicators of impairment of the Company's assets. After evaluation, the Company recognized an impairment loss in December 2025 on the intangible assets related to the aforementioned Hualien Huaxin Stone Mine mining area in the amount of $112,410 and on refundable deposits (presented under other non-current assets) in the amount of $20,000, for a total of $132,410. The aforementioned impairment loss was attributable to the Cement Business Division. The Company will continue to proceed with the aforementioned mining right extension and expansion applications to safeguard its asset interests and ensure the effective use of its assets.

(IX) Impairment of non-financial assets

1. The impairment loss recognized by the Company for the year ended December 31, 2025 amounted to NT$112,410, details of which are as follows:

	2025 Recognized in profit or loss for the current period
Impairment loss – intangible assets	
Mineral source	$ 112,410

2. Details of the aforementioned impairment loss disclosed by segment are as follows:

	2025 Recognized in profit or loss for the current period
Cement Business Department	$ 112,410

3. For the description of the aforementioned impairment loss recognized, please refer to Note 6(8).

(X) Short-term borrowings

	December 31, 2025	December 31, 2024
Credit bank loan	$ 1,700,000	$ 1,200,000
Interest rate collars	1.905%~1.95%	1.90%~1.95%

In addition to the collateral provided for the short-term borrowings as described in Note 8, the Company also issued the guarantee notes of the amount as follows:

	December 31, 2025	December 31, 2024
Guarantee notes	$ 2,200,000	$ 1,500,000

(XI) Short-term notes and bills payable

	December 31, 2025	December 31, 2024
Commercial papers payable	$ 410,000	$ 410,000
Less: Unamortized discount	(102)	(178)
	$ 409,898	$ 409,822
Interest rate collars	1.57%~1.82%	1.62%~1.82%

The guaranteed bills for the short-term notes and bills quota issued by the Company are as follows:

	December 31, 2025	December 31, 2024
Guarantee notes	$ 750,000	$ 800,000

(XII) Other payables

	December 31, 2025	December 31, 2024
Salary and wages payable	$ 109,712	$ 105,877
Electricity bill payable	34,648	38,683
Commodity tax payable	14,132	16,353
Payables for equipment	4,328	24,684
Other Payable	32,439	34,657
	$ 195,259	$ 220,254

(XIII) Long-term borrowings

Nature of loan	Loan period and borrowing method	Interest rate collars	Guarantee	December 31, 2025
Long-term bank loan				
Secured loan	From November 1, 2024, to November 1, 2027, monthly payment of interest, re-payment on maturity.	1.865% ~2.00%	Note	$ 2,760,000
Credit Loan	From December 17, 2025, to June 17, 2027, monthly payment of interest, re-payment on maturity.	1.95%	Note	300,000
				$ 3,060,000

Nature of loan	Loan period and borrowing method	Interest rate collars	Guarantee	December 31, 2024
Long-term bank loan				
Secured loan	From September 1, 2024 to November 1, 2027, monthly payment of interest, re-payment on maturity.	1.865% ~1.90%	Note	$ 2,480,000
Credit Loan	From January 23, 2024 to October 31, 2026, monthly payment of interest, re-payment on maturity.	1.95% ~2.096%	Note	950,000
				$ 3,430,000

Note: In addition to the collateral provided for the long-term borrowings as described in Note 8, the Company also issued the guarantee notes of the amount as follows:

	December 31, 2025	December 31, 2024
Guarantee notes	$ 3,080,000	$ 2,880,000

The Company entered into a credit facility agreement with E.SUN Bank in November 2024 to support the Company's working capital and investment needs. Facility 1 is a medium-term loan with a credit period from November 2024 to October 2026. Facility 2 is a short-term loan with a credit period from November 2024 to October 2025. Facility 1 and Facility 2 share a combined credit limit of NT$400,000. Facility 3 is a medium-term loan with a credit period from November 2024 to November 2027 and a credit limit of NT$780,000. The collateral for this facility is the Company's equity method investment in shares, and the share pledge must be completed within three months after the initial drawdown. The share pledge was completed in January 2025. As of December 31, 2025, borrowings under the medium-term loan facilities amounted to NT$780,000. The main covenants are as follows:

During the term of the credit facility, the following financial ratios must be maintained and reviewed semi-annually. If the requirements are not met, the interest rate shall be increased by 25 basis points:

a. The current ratio shall not be less than 60%.

b. The debt ratio shall not exceed 400%.

The above financial ratios are calculated based on the consolidated financial statements audited or reviewed by the certified public accountant.

(XIV) Pensions

1. (1) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, which applies to all employed foreign mid-level technical personnel. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes an amount equal to 2% of the employees' monthly salaries and wages each month to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. In addition, the Company assesses the balance in the aforementioned labor pension reserve account by December 31 of each year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, the Company will make contributions by next March to employees expected to qualify for retirement next year to cover the deficit.

(2) For the years ended December 31, 2025 and 2024, the pension costs recognized by the Company under the aforementioned pension plan were NT$48 and NT$15, respectively.

2. (1) The Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(2) For the years ended December 31, 2025 and 2024, the pension costs recognized by the Company under the aforementioned pension plan were NT$12,613 and NT$11,997, respectively.

(XV) Provisions

	2025
	Carbon fee
January 1	$ -
Provisions recognized for the current period	11,417
December 31	$ 11,417

An analysis of provisions is as follows:

	December 31, 2025
current	$ 11,417

The Company has received approval from the competent authority for its voluntary emissions reduction plan and to be designated as a high carbon leakage risk industry. It is also highly likely to meet the 2025 targets and is expected to submit the 2025 progress report on its voluntary emissions reduction plan by the end of April 2026. Accordingly, the carbon fee liability provision is calculated based on the preferential carbon fee rate applicable to entities with approved reduction plans, and adjusted using the emission adjustment coefficient for high carbon leakage risk industries, in accordance with regulations.

(XVI) Capital

1. The number of shares outstanding as of December 31, 2025 and 2024 was 150,000 thousand shares, with no change during the years ended December 31, 2025 and 2024.
2. As of December 31, 2025, the Company's authorized capital was NT$2,000,000, and the paid-in capital was NT$1,500,000 with a par value of NT$10 per share; all shares are issued as ordinary shares. All proceeds from shares issued have been collected.

(XVII) Capital surplus

1. Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on the issuance of common stock and donations can be used to cover accumulated deficits or to issue new stock or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.
2. Regarding capital surplus – changes in the ownership interests of subsidiaries as recognized, please refer to Note 6(5)3.

(XVIII) Retained earnings

1. Under the Articles of Incorporation of the Company, the earnings, if any, shall be distributed after close of the year as follows:
   (1) First pay income tax.
   (2) Make up loss accumulated in previous year, if any.
   (3) Amortize 10% as legal reserve unless the accumulated legal reserve is up to the total paid-in capital of the Company.

(4) Amortize or rotate special reserve as required by law or the competent authority.

(5) For the balance after deduction of the sums under the preceding Paragraphs (1)-(4), the Board of Directors shall propose the allocation to be duly allocated after being submitted and resolved in the shareholders' meeting.

2. The Company's dividend payout policy is based on the Company Act and the Company's Articles of Incorporation, which allow the Company to consider the financial, business, operational and capital budgeting factors, while taking into account shareholders' interests, balanced dividends, and the Company's long-term financial planning. A distribution plan by the Board shall be submitted to the shareholders' meeting. However, keeping within the available surplus for distribution, the dividends to shareholders shall be no less than 50 percent of the balance amount derived from taking the after-tax profit of the current year less the profit set aside as legal reserve and special reserve, the cash dividend ratio shall not be less than 30 percent of the total dividend distribution for the year.
3. Except for covering accumulated deficit or issuing new stocks or cash to shareholder in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
4. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
5. The Company's earning distribution plan for the year ended December 31, 2024 approved by the shareholders' meeting on May 16, 2025 is as follows:

	2024	
	Amount	Dividend per share (NTD)
Legal reserve	$ 18,786	
Special reserve	(7,232)	
Cash dividends	165,000	$ 1.10
Total	$ 176,554	

6. The Company's earning distribution plan for the year ended December 31, 2023 approved by the shareholders' meeting on May 24, 2024 is as follows:

	2023	
	Amount	Dividend per share (NTD)
Legal reserve	$ 11,476	
Profit reversed as special reserve	5,578	
Cash dividends	97,500	$ 0.65
Total	$ 114,554	

7. The Company's earning distribution plan for the year ended December 31, 2025 approved by the Board of Directors' meeting on March 13, 2026 is as follows:

	2025	
	Amount	Dividend per share (NTD)
Legal reserve	$ 27,789	
Special reserve	141,393	
Cash dividends	120,000	$ 0.80
Total	$ 289,182	

(XIX) Operating Revenue

	2025	2024
Revenue from contracts with customers:		
Revenue from sales of goods	$ 4,601,977	$ 4,482,647
Revenue from construction contracts	70,988	90,018
Other revenue from contracts	92,850	101,266
	$ 4,765,815	$ 4,673,931

1. Detail of customer contract income

The Company's revenue is mainly from the transfer of products and services over time or at a point of time, and it can be divided based on product lines as follows:

2025	Cement business	Building materials business	Engineering and construction business	Total
Departmental revenue	$ 1,958,190	$ 2,736,637	$ 70,988	$ 4,765,815
Timing of revenue recognition				
Revenue recognized at a point in time	$ 1,865,340	$ 2,736,637	$ -	$ 4,601,977
Revenue recognized over time	92,850	-	70,988	163,838
	$ 1,958,190	$ 2,736,637	$ 70,988	$ 4,765,815

2024	Cement business	Building materials business	Engineering and construction business	Total
Departmental revenue	$ 2,184,861	$ 2,399,052	$ 90,018	$ 4,673,931
Timing of revenue recognition				
Revenue recognized at a point in time	$ 2,083,595	$ 2,399,052	$ -	$ 4,482,647
Revenue recognized over time	101,266	-	90,018	191,284
	$ 2,184,861	$ 2,399,052	$ 90,018	$ 4,673,931

2. As of December 31, 2025 and 2024 for the signed construction contracts, the aggregated amounts of the transaction amount allocated to the unsatisfied contract performance, and the estimated recognition years are as the following:

Year	Year of the estimated recognized revenues	Amounts of the signed contracts
2025	2026–2029	$ 222,524
2024	2025–2026	$ 100,771

3. Contract assets and contract liabilities

The Company's recognition of contract assets and contract liabilities related to contracts with customers is as follows:

	December 31, 2025		December 31, 2024		January 1, 2024	
Contract asset:						
Contract asset - Retainable receivable (including related parties)	$	4,091	$	4,096	$	1,777
Contract asset - Construction contract (including related parties)		15,507		19,434		10,961
Total	$	19,598	$	23,530	$	12,738

	December 31, 2025		December 31, 2024		January 1, 2024	
Contract liability:						
Contract liability - Sales contract for goods	$	31,408	$	32,533	$	23,527
Contract liabilities - Construction contract (including related parties)		11,436		7,196		3,686
Total	$	42,844	$	39,729	$	27,213

4. The contract assets/contract liabilities recognized in the aforementioned construction contracts on December 31, 2025, December 31, 2024 and January 31, 2024 are as follows:

	December 31, 2025		December 31, 2024		January 1, 2024	
Total costs incurred plus profits recognized	$	94,060	$	82,848	$	41,497
Less: Amount requested for progress of works	(	89,989)	(	70,610)	(	34,222)
Status of net assets and liabilities of contracts	$	4,071	$	12,238	$	7,275

5. For information on the credit risk of related contract assets, please refer to Note 12(2).

(XX) Operation cost

	2025		2024	
Cost of sales of goods	$	4,265,052	$	4,176,488
Cost of construction contract		45,785		59,882
Other costs from contracts		4,524		6,234
	$	4,315,361	$	4,242,604

(XXI) Interest revenue

	2025	2024
Interest on cash in banks	$ 2,305	$ 2,117

(XXII) Other income

	2025	2024
Dividend income	$ 18,001	$ 18,001
Rent income	1,124	1,116
Other income	1,953	198
	$ 21,078	$ 19,315

(XXIII) Other gains and losses

	2025	2024
Gain (loss) on foreign currency valuation	($ 5)	$ 88
Loss on disposal of property, plant and equipment	-	(41)
Impairment loss on intangible assets	(112,410)	-
Impairment loss on other financial assets	(20,000)	-
Gains on lease modifications	5	-
Others	(769)	(825)
	($ 133,179)	($ 778)

For details of the aforementioned impairment loss, please refer to Note 6(8).

(XXIV) Financial Costs

	2025	2024
Interest expense:		
Bank loan	$ 95,771	$ 68,642
Lease liabilities	314	258
	$ 96,085	$ 68,900

(XXV) Additional information of expenses by nature

	2025	2024
Changes in products, finished goods, and works-in-process, and raw materials and supplies consumed	$ 2,447,880	$ 2,519,516
Contract work	104,692	116,602
Employee benefit expense	413,579	392,752
Depreciation expenses for property, plant and equipment	277,530	253,112
Depreciation expenses for right-of-use assets	11,027	18,889
Depreciation and amortization expenses of intangible assets	1,017	6,269
Other expense	1,303,338	1,197,164
Operating costs and expenses	$ 4,559,063	$ 4,504,304

(XXVI) Employee benefit expense

	2025	2024
Wages and salaries	$ 337,838	$ 323,749
Labor and Health Insurance costs	33,665	28,014
Pension expense	12,661	12,012
Directors' Remuneration	3,096	2,916
Other employment fees	26,319	26,061
	$ 413,579	$ 392,752

1. According to the Articles of Incorporation, the Company shall appropriate at least 1% of the remainder of the profit for the year as profit sharing remuneration for employees after deducting the accumulated losses from the profit for the current year. None will be distributed for director remuneration. The shareholders meeting on May 16, 2025 has approved the amendment of the Articles of Incorporation, of which, the total amount of the remuneration allocated to junior staff must not be lower than 50% of the total remuneration for employees.
2. (1) The estimated amounts of employees' compensation for the years ended December 31, 2025 and 2024 were NT$2,713 and NT$2,092, respectively. The aforementioned amounts were recognized as salary expenses.
   (2) Employees' compensation was estimated and accrued based on 1% of distributable profit of the current year for the year ended December 31, 2025. The employees' compensation resolved by the Board of Directors on March 13, 2026 was NT$2,713, which will be distributed in the form of cash.

(3) As resolved by the Board of Directors on March 12, 2025, the remuneration to employees for 2024 is consistent with the remuneration to employees of NT$2,092 recognized in the 2024 financial statements. Employees' compensation for 2024 was paid in cash and was fully distributed in February 2026.

(4) Information about employees' compensation of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(XXVII) Income tax

1. Income tax expense (benefit)

Components of income tax expense (benefit):

	2025	2024
Current income tax:		
Income tax occurred in the current period	$ 19,925	$ 20,068
Underestimate (Overestimate) of income tax for prior years	(3,344)	214
Total income tax for current period	16,581	20,282
Deferred income tax:		
Origination and reversal of temporary differences	(25,962)	(694)
Total deferred income tax	(25,962)	(694)
Income tax expense (benefit)	($ 9,381)	$ 19,588

2. Reconciliation between income tax expense (benefit) and accounting profit

	2025	2024
Income tax calculated based on profit before tax and the statutory tax rate	$ 53,718	$ 41,424
Expenses to be excluded as stipulated in the tax law	218	46
Income exempt from tax as stipulated in the tax law	(57,144)	(20,748)
Income tax effect of investment tax credits	-	(1,348)
Changes in assessment of realizability of deferred income tax assets	(2,829)	-
Underestimate (Overestimate) of income tax for prior years	(3,344)	214
Income tax expense (benefit)	($ 9,381)	$ 19,588

3. The amounts of deferred income tax assets or liabilities as a result of temporary differences are as follows:

	2025		
	January 1	Recognized in profit and loss	December 31
Deferred income tax assets:			
- Temporary differences:			
Allowance for inventory valuation losses	$ 526	$ 67	$ 593
Unrealized sales discount	4,740	(184)	4,556
Unrealized impairment loss	24,267	25,683	49,950
Allowance for doubtful accounts in excess of tax limit	-	395	395
Subtotal	29,533	25,961	55,494
Deferred income tax liabilities:			
- Temporary differences:			
Unrealized foreign exchange gain	(38)	1	(37)
Subtotal	(38)	1	(37)
Total	$ 29,495	$ 25,962	$ 55,457

	2024		
	January 1	Recognized in profit and loss	December 31
Deferred income tax assets:			
- Temporary differences:			
Allowance for inventory valuation losses	$ 523	$ 3	$ 526
Unrealized sales discount	3,105	1,635	4,740
Unrealized impairment loss	25,193	(926)	24,267
Subtotal	28,821	712	29,533
Deferred income tax liabilities:			
- Temporary differences:			
Unrealized foreign exchange gain	(20)	(18)	(38)
Subtotal	(20)	(18)	(38)
Total	$ 28,801	$ 694	$ 29,495

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

(XXVIII) Earnings per share

	2025		
	After-tax amount	Number of shares outstanding (thousand shares) at the end of the period	Earnings per share (NTD)
Basic earnings per share			
Net income attributable to common shareholders	$ 277,969	150,000	$ 1.85
Diluted earnings per share			
Net income attributable to common shareholders	277,969	150,000	
Impact of potential diluted common shares			
Remuneration to employee	-	118	
Effects of the net income attributable to ordinary shareholders plus potential common stocks	$ 277,969	150,118	$ 1.85

	2024		
	After-tax amount	Number of shares outstanding (thousand shares) at the end of the period	Earnings per share (NTD)
Basic earnings per share			
Net income attributable to common shareholders	$ 187,533	150,000	$ 1.25
Diluted earnings per share			
Net income attributable to common shareholders	$ 187,533	150,000	
Impact of potential diluted common shares			
Remuneration to employee	-	92	
Effects of the net income attributable to ordinary shareholders plus potential common stocks	$ 187,533	150,092	$ 1.25

(XXIX) Cash flow supplementary information

1. Investing activities not affecting cash flow:

	2025	2024
Prepayments for construction funds and business facilities reclassified to real estate, plants, and equipment	$ 2,084	$ 2,376

2. Investing activities paid partially by cash:

	2025	2024
Acquisition of property, plant and equipment	$ 310,168	$ 281,258
Add: Payables for equipment at the beginning of the period	24,684	13,065
Less: Payables for equipment at the end of the period	(4,328)	(24,684)
Less: Other payables – related parties at the end of the period	(10,921)	-
Cash payments for current period	$ 319,603	$ 269,639

(XXX) Changes of liabilities from financing activities

	2025					
	Short-term borrowings	Short-term bills payable	Lease liabilities - current and non-current	Long-term borrowings	Non-current liabilities (guarantee deposits received)	Total liabilities from financing activities
January 1	$ 1,200,000	$ 409,822	$ 29,125	$ 3,430,000	$ 8,439	$ 5,077,386
Changes of the financing cash flows	500,000	-	(5,491)	(370,000)	1,603	126,112
Addition-Newly added lease contracts	-	-	1,630	-	-	1,630
Lease contract modifications	-	-	(297)	-	-	(297)
Other non-cash changes	-	76	-	-	-	76
December 31	$ 1,700,000	$ 409,898	$ 24,967	$ 3,060,000	$ 10,042	$ 5,204,907

	2024					
	Short-term borrowings	Short-term bills payable	Lease liabilities - current and non-current	Long-term borrowings	Non-current liabilities (guarantee deposits received)	Total liabilities from financing activities
January 1	$ 750,000	$ 269,936	$ 19,326	$ 2,500,000	$ 7,541	$ 3,546,803
Changes of the financing cash flows	450,000	140,000	(22,044)	930,000	898	1,498,854
Addition-Newly added lease contracts	-	-	21,997	-	-	21,997
Revaluation of lease liabilities	-	-	9,846	-	-	9,846
Other non-cash changes	-	(114)	-	-	-	(114)
December 31	$ 1,200,000	$ 409,822	$ 29,125	$ 3,430,000	$ 8,439	$ 5,077,386

VII. Transaction with Related Parties

(I) Parent Company and the ultimate controller

The Company is controlled by Ruentex Engineering & Construction Co., Ltd. which holds 39.15% of the Company's shares. The ultimate parent company of the Company is the Ruentex Development Co., Ltd.

(II) Names of related parties and relationship

Name of the related party	Relationship with the Company
Ruentex Development Co., Ltd.	Ultimate parent company of the Company
Ruentex Engineering & Construction Co., Ltd. (Ruentex Engineering)	Direct parent company (The parent company of the Company)
Ruentex Interior Design Inc.	Subsidiary of the Company
Ruentex Property Management and Maintenance Co., Ltd.	Fellow subsidiary (A subsidiary of the ultimate parent company of the Company)
Ruentex Bai-Yi Development co., Ltd.	Fellow subsidiary (A subsidiary of the ultimate parent company of the Company)
Ruentex Construction & Development Co., Ltd.	Fellow subsidiary (A subsidiary of the ultimate parent company of the Company)
Ruentex Innovative Development Co., Ltd.	Fellow subsidiary (A subsidiary of the ultimate parent company of the Company)
Ruen Yang Construction Co., Ltd. (Ruen Yang Construction)	Fellow subsidiary (A subsidiary of the direct parent company of the Company)
Ruentex Industries Ltd.	Other related party (investee accounted for using the equity method by the ultimate parent company of the Company)
Nan Shan Life Insurance Co., Ltd.	Other related party (investee accounted for using the equity method by the ultimate parent company of the Company)
Nan Shan General Insurance Co., Ltd.	Other related party (subsidiary of investee accounted for using the equity method by the ultimate parent company of the Company)
OBI Pharma, Inc.	Other related party (the Company's substantial related party)
Ruentex Construction & Engineering Co., Ltd.	Other related party (the management personnel of the Company's parent company is the representative of the juridical person director of the Company)
Shu-Tien Urology and Ophthalmology Clinic	Other related party (a juridical person director of an affiliate of the ultimate parent company of the Company)
Huei Hong Investment Co., Ltd.	Other related party (the Company's juridical person director)
Sunny Friend Environmental Technology Co., Ltd.	Other related party (investee accounted for using the equity method by the ultimate parent company of the Company)
Teh Hsin Enterprise Co., Ltd. (Teh Hsin) (Note 1)	Associate (investee accounted for using the equity method by the Company)
Samuel Yen-Liang Yin	Other related party (the relative within the first degree of kinship of the representative of the juridical corporate director of the Company)
Mo, Wei-Han	Chairman of the Company

Name of the related party	Relationship with the Company
Lin, Yi-Chieh (Note 2)	President of the Company
Chen, Hsueh-Hsien (Note 2)	Former president of the Company
Lee Chih-Hung	Chairman of the Company's direct parent company

Note 1: The Company acquired 35% of the shares of Teh Hsin on November 15, 2024. Teh Hsin is an associate of the Company, and transactions with Teh Hsin have been disclosed starting from that date. For related information, please refer to Note 6(5).

Note 2: Hsueh-Hsien Chen resigned from the position of President on March 12, 2025. The Company appointed Yi-Chieh Lin as the new President pursuant to a resolution of the Board of Directors.

(III) Significant related party transactions and balances

1. Operating Revenue

	2025	2024
Sales of goods:		
The ultimate parent company	$ 3,631	$ 31,366
The direct parent company	161,513	129,305
Subsidiaries	8,310	9,191
Fellow subsidiary	185	255
Other related parties	6,794	12,006
Associates	449	55
Contract of construction:		
The ultimate parent company	20,297	25,371
The direct parent company	19,059	34,990
Subsidiaries	331	549
Fellow subsidiary	441	5,744
Other related parties	4,127	5,656
	$ 225,137	$ 254,488

There is no significant difference in the transaction prices and payment terms for goods sold and the non-related parties. The contract price for the construction contract is determined through negotiation between both parties and is collected within the payment period stipulated in the contract.

2. Receivables from related parties

	December 31, 2025	December 31, 2024
Notes receivable:		
The direct parent company	$ 8,358	$ 2,413
Subsidiaries	164	2,093
Other related parties	-	979
Associates	57	-
	$ 8,579	$ 5,485
Accounts receivable:		
The ultimate parent company	$ 89	$ 6,889
The direct parent company	22,297	19,171
Subsidiaries	180	646
Fellow subsidiary	-	7,060
Other related parties	423	1,505
Associates	63	57
	$ 23,052	$ 35,328
Other receivables (note):		
Associates	$ 99	$ -

Note: This is mainly due to remuneration to directors.

3. Contract assets - retainable receivables

	December 31, 2025	December 31, 2024
The direct parent company	$ 1,444	$ 2,247
Subsidiaries	-	57
Other related parties	364	-
	$ 1,808	$ 2,304

4. Incomplete work of construction contracting and advance construction receipts

	December 31, 2025		December 31, 2024	
	Total contract amount (tax excluded)	Amount requested for progress of works	Total contract amount (tax excluded)	Amount requested for progress of works
The ultimate parent company	$ 53,328	$ 48,452	$ 58,720	$ 22,885
The direct parent company	44,127	25,526	65,250	30,772
Fellow subsidiary	-	-	6,623	6,468
Other related parties	6,015	3,456	3,660	-
	$ 103,470	$ 77,434	$ 134,253	$ 60,125

5. Balance of accounts payable from related parties

	December 31, 2025	December 31, 2024
Notes payable:		
The direct parent company	$ 1,924	$ 566
Accounts payable:		
The direct parent company	$ 2,361	$ 2,107
Other payables (Note):		
The direct parent company	$ 7,113	$ 4
Fellow subsidiary	6,017	200
Other related parties	-	164
	$ 13,130	$ 368

Note: Mainly due to construction costs and utility bills.

6. Property transactions

(1) Acquisition of intangible assets

Please refer to Note 6(4)3.

(2) Acquisition of property, plant and equipment

A. To proceed with the construction of the "Technical Warehouse Expansion Project of Dongshan Plant, Yilan," the Company signed a construction contract with Ruen Yang Construction on March 13, 2024, after the Board of Directors approved the project. The Company is expected to undertake the construction of the new project, and the inspection and acceptance of the project's completion are scheduled to be completed in March 2025. The final total contract price and the amount paid is NT$2,084.

B. To carry out the "Pingtung Ligang Plant Parking Lot New Construction Project," the Company, after approval by the Board of Directors on August 13, 2025, signed construction contracts with Ruentex Engineering & Construction Co., Ltd. and Ruen Yang Construction Co., Ltd. The total contract prices for commissioning Ruentex Engineering & Construction Co., Ltd. and Ruen Yang Construction Co., Ltd. to undertake the new construction project were NT$30,843 and NT$19,248, respectively. As of December 31, 2025, construction costs of NT$35,946 had been incurred, of which NT$10,921 remained unpaid. The use permit is expected to be obtained in August 2026.

7. Lease transactions - Lessee/rent expenses

Rent expenses of short-term lease contracts

	2025	2024
Fellow subsidiary	$ 2,057	$ 2,057

The Company leases properties for use as a showroom, with rent paid monthly.

8. The Company and the direct parent company signed and entered into an agreement in January 2023 on contract processing. The monthly payment is NT$1,200. If the monthly production surpasses 3,800 tonnes, an additional payment of NT$80 per kiloton shall be made (for production at less than one kiloton, it will be calculated based on one kiloton). Processing expenses recognized for the years ended December 31, 2025 and 2024 were both NT$14,400.
9. The Company and the direct parent company signed and entered into an agreement in August 2022 on contract processing. The monthly payment is NT$632. If the monthly production surpasses 2,000 tonnes, an additional payment of NT$80 per kiloton shall be made (for production at less than one kiloton, it will be calculated based on one kiloton). Processing expenses recognized for the years ended December 31, 2025 and 2024 were both NT$7,584.
10. Status of endorsements and guarantees provided by related parties to the Company

	December 31, 2025	December 31, 2024
The direct parent company	$ 88,368	$ 88,368
Key management personnel	$ 8,030,000	$ 7,180,000

11. Related party who owns the land based on a trust deed

A portion of the Company's land is agricultural land. Due to legal restrictions, the Group is not entitled to the property rights of the aforementioned land. Therefore, the property rights of the agricultural land obtained in 2009, 2010, 2015, and 2020 were registered to the chief management and pledged as collateral to the Company. As of December 31, 2025, the carrying value of agricultural and animal husbandry land was NT$84,306 under "Property, plant and equipment."

(IV) Key management compensation information

	2025	2024
Wages and salaries and short-term employee benefits	$ 25,469	$ 30,657
Post-employment benefits	480	560
Total	$ 25,949	$ 31,217

VIII. Pledged Assets

The Company's assets pledged as collateral are as follows:

	Carrying amount		
Asset items	December 31, 2025	December 31, 2024	For guarantee purpose
Investments accounted for using equity method	$ 1,707,545	$ -	Long-term borrowings and guarantee quota
Property, plant, and equipment	1,516,307	1,518,993	Long-term borrowings and guarantee quota
Other financial assets - non-current (listed as "other non-current assets")	91,942	91,898	Performance bond
	$ 3,315,794	$ 1,610,891	

IX. Significant Contingent Liabilities and Unrecognized Commitments

(I) Contingencies

Please refer to Note 6(8).

(II) Commitments

Except those described in Note 6(7), (13) and 7, other significant commitments are as follows:

1. As of December 31, 2025 and 2024, the contract amount of subcontracting construction agreements entered into by the Company for contracted projects amounted to NT$40,879 and NT$43,637, respectively. Payments made in accordance with the contracts amounted to NT$31,124 and NT$25,117, respectively, and the remaining balances will be paid progressively in line with the construction progress.
2. As of December 31, 2025, the amounts of letters of credit issued by the Company but not yet used are USD246 thousand, respectively.

X. Significant Disaster Loss

None.

XI. Significant subsequent events

Except those described in Note 6(4), (18) and (26), there is no other significant subsequent events.

XII. Others

(I) Capital management

The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may change the amount of dividends paid to shareholders, return share capital to shareholders, issue new shares, or sell assets to achieve the most suitable capital structure. The Company uses the debt-to-capital ratio to monitor its capital, and such ratio is calculated by dividing the net debt by the total capital. The net liabilities is equal to total borrowings (including "current and non-current borrowings" on the financial statements) deducting cash and cash equivalents. Total capital is the "equity" stated on the balance sheet plus net liabilities.

The strategy in 2025 of the Company maintained the same strategy of 2024. The Company's debt ratios as of December 31, 2025 and 2024, were as follows:

	December 31, 2025	December 31, 2024
Total borrowings	$ 5,170,000	$ 5,040,000
Less: Cash and cash equivalents	(192,010)	(159,073)
Net debt	4,977,990	4,880,927
Total equity	2,475,059	2,503,561
Total capital	$ 7,453,049	$ 7,384,488
Debt-to-total-capital ratio	66.79%	66.10%

(II) Financial instruments

1. Type of financial instruments

	December 31, 2025	December 31, 2024
Financial assets		
Financial assets at amortzed cost		
Cash and cash equivalents	$ 192,010	$ 159,073
Notes receivable (including related parties)	204,913	258,288
Accounts receivable (including related parties)	660,356	653,731
Refundable deposits (listed as other non-current assets)	1,486	21,444
Other financial assets (listed as other current assets)	91,942	91,898
Financial Assets at fair value through other comprehensive income acquired		
Equity instrument investments by the option to designate	400,274	528,970
	$ 1,550,981	$ 1,713,404
Financial liabilities		
Financial liabilities are carried at amortized cost		
Short-term borrowings	$ 1,700,000	$ 1,200,000
Short-term notes and bills payable	409,898	409,822
Notes payable (including related parties)	71,101	124,165
Accounts payable (including related parties)	275,569	297,349
Other payables (including related parties)	208,389	220,622
Long-term borrowings	3,060,000	3,430,000
Guarantee deposits received (listed as other non-current liabilities)	10,042	8,439
	$ 5,734,999	$ 5,690,397
Lease liabilities - current and non-current	$ 24,967	$ 29,125

2. Risk management policies

(1) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk, and price risk), credit risk, and liquidity risk.

(2) Risk management work is executed by the Company's Financial Department according to the policies approved by the Board of Directors. Through close cooperation with the various operating units of the Company, the Company's Financial Department is responsible for the identification, evaluation, and hedging of financial risks. The board of directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

3. Significant financial risks and degrees of financial risks

(1) Market risk

Foreign exchange risk

A. The Company's risk management's objective is to manage currency exchange risk, interest risk, credit risk, and liquidity risk regarding operating activities. To reduce relevant financial risks, the Company is devoted to identifying, evaluating, and circumventing market uncertainties to mitigate the potential negative impacts on the company's financial performance due to market movements.

B. The Company's businesses involve some non-functional currency operations. The information on assets and liabilities denominated in foreign currencies whose values would be affected by exchange rate fluctuations is as follow:

	December 31, 2025				
				Sensitivity analysis	
(Foreign currency: Functional currency)	Foreign currency amount (thousands)	Exchange rate measurement at the end of the period	Carrying amount (NT$)	Range of variation	Effects on profit and loss
Financial assets - Monetary items					
USD:NTD	$ 13	31.43	$ 409	1%	$ 4
Financial liabilities - Monetary items					
USD:NTD	51	31.43	1,603	1%	16
EUR:NTD	13	36.90	480	1%	5

	December 31, 2024				
				Sensitivity analysis	
(Foreign currency: Functional currency)	Foreign currency amount (thousands)	Exchange rate measurement at the end of the period	Carrying amount (NT$)	Range of variation	Effects on profit and loss
Financial assets - Monetary items					
USD:NTD	$ 17	32.79	$ 557	1%	$ 6
Financial liabilities - Monetary items					
USD:NTD	52	32.79	1,705	1%	17
EUR:NTD	2	34.14	68	1%	1
JPY:NTD	409	0.2099	86	1%	1

C. Foreign exchange risk has a significant impact on the Company. All foreign exchange gains or losses (including realized and unrealized) on monetary items recognized were losses of NT$5 and gains of NT$88 for the years ended December 31, 2025 and 2024, respectively.

Price risk

A. The Company's equity instruments exposed to price risk were the financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

B. The Company mainly invests in domestic or foreign equity instruments. The prices of equity instruments is affected by the uncertainty of the future value of investment subject matters. If the prices of these equity instruments had increased/decreased by 1% with all other variables held constant, other comprehensive income due to classification to gains or losses of equity investments at fair value through other comprehensive income for the years ended December 31, 2025 and 2024, would have increased/decreased by NT$4,003 and NT$5,290, respectively.

Cash flow and fair value interest rate risk

A. The Company's interest rate risk arises from short- and long-term borrowings with floating interest rates that expose the Company to cash flow interest rate risk. For the years ended December 31, 2025 and 2024, the Company's borrowings issued at variable rates were mostly denominated in the New Taiwan Dollar.

B. The borrowing of the Company was measured at amortized cost, and re-pricing was performed according to the annual interest rate specified in the contract. Therefore, the Company is exposed to the risk of future market interest rate changes.

C. If interest rates on borrowings had been 0.1% higher or lower with all other variables held constant, profit after income tax for the years ended December 31, 2025 and 2024, would have decreased/increased by NT$3,808 and NT$3,704, respectively, due to change of interest expenses of borrowings at the variable interest rate.

(2) Credit risk

A. Credit risk refers to the risk of financial loss to the Company arising from default by clients or transaction counterparties of financial instruments on the contract obligations. Such risk is mainly due to the counterparties' inability to repay the contract assets and accounts receivable according to the payment terms, and it is classified as contract cash flow at amortized cost.

B. The Company established management of credit risk from the Company's perspective. According to the internally specified credit extension policy, before each operating entity and each new customer establish the terms for payment and goods delivery, it is necessary to perform management and credit risk analysis. The internal risk control considers the financial position, past experience and other factors in order to assess the credit quality of customers. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilization of credit limits is regularly monitored.

C. The Company adopts IFRS 9 to provide preliminary assumption, and when the payment specified according to the contract term has exceeded 90 days, breach of contract is deemed to have occurred.

D. The Company uses IFRS 9 to provide the following assumptions, to determine if the credit risks of the financial instrument significantly increased since the initial recognition.

When contractual payments are overdue by more than 30 days in accordance with the agreed payment terms, the credit risk of the financial asset is considered to have increased significantly since initial recognition.

E. The Company classifies the accounts payable of customers according to the characteristics of customer type, and adopts the simplified method to use the loss rate method as the basis for estimating the expected credit loss.

F. After the collection procedures, the amount of financial assets that cannot be reasonably estimated will be written-off. However, the Company will continue to pursue the legal right of recourse to protect its claims.

G. The Company utilized the forecasting capabilities of the Taiwan Institute of Economic Research report to adjust historical and current information in order to assess the likelihood of default and estimate impairment provisions for accounts receivable (including related parties) and contract assets (including related parties). As of December 31, 2025 and 2024, the loss rate methodology is as follows:

	Group I	Group 2	Total
December 31, 2025			
Expected loss	0.01~0.03%	0.82~100%	
Total carrying amount	$ 359,797	$ 330,938	$ 690,735
Allowance for losses	$ 96	$ 10,685	$ 10,781
	Group I	Group 2	Total
December 31, 2024			
Expected loss	0.01~0.03%	0.63~100%	
Total carrying amount	$ 378,756	$ 309,040	$ 687,796
Allowance for losses	$ 97	$ 10,438	$ 10,535

Group 1: Sales counterparty established for 10 years and more, or accounts receivables arising from transactions with related parties and contracts for public construction or to debtors who have high probability of performing the payment financially.

Group 2: Sales counterparty established for less than 10 years, or those who have general payment performance ability.

H. The accounts receivable allowance loss change table under the simplified approach of the Company is as follows:

	2025	2024
	Accounts receivable	Accounts receivable
January 1	$ 10,535	$ 7,144
Provision of impairment loss	246	3,391
December 31	$ 10,781	$ 10,535

(3) Liquidity risk

A. Cash flow forecasting is performed by each of the operating entities of the Group and aggregated by the Finance Department. The Department also monitors the projections for the Group's need for funds to ensure that there is sufficient funding to support operating requirements.

B. For the remaining cash held by each of the operating entities, when it exceeds the management needs of operating capital, it then invests the remaining capital in a saving deposit with interest, time deposit, or equivalent cash - repurchase agreements, etc. The instruments selected have appropriate maturity date or sufficient liquidity in order to cope with the aforementioned forecasts and to provide sufficient movement level.

C. Details of the loan credit not yet drawn down by the Company are as follows:

	December 31, 2025	December 31, 2024
Due within one year	$ 890,000	$ 965,350
Due longer than one year	1,291,331	700,000
	$ 2,181,331	$ 1,665,350

D. The table below analyzes the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date for non-derivative financial liabilities. Derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the expected maturity date. The amounts disclosed in the following table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:

December 31, 2025	3 months and below	Within 3 months to 1 year	More than 1 year
Short-term borrowings	$ 1,700,000	$ -	$ -
Short-term notes and bills payable (Note)	410,000	-	-
Notes payable (including related parties)	68,695	2,406	-
Accounts payable (including related parties)	270,109	1,729	3,731
Other payables (including related parties)	207,241	1,088	60
Lease liabilities - current (Note)	12,447	6,391	-
Long-term borrowings (Note)	14,594	43,783	3,100,787
Lease liabilities - non-current (Note)	-	-	6,368
Guarantee deposits received (listed as other non-current liabilities)	-	-	10,042

Note: The amount includes the expected interest to be paid in the future.

Non-derivative financial liabilities:

December 31, 2024	3 months and below	Within 3 months to 1 year	More than 1 year
Short-term borrowings	$ 1,200,000	$ -	$ -
Short-term notes and bills payable (Note)	410,000	-	-
Notes payable (including related parties)	123,451	714	-
Accounts payable (including related parties)	294,673	1,031	1,645
Other payables (including related parties)	179,177	30,559	10,886
Lease liabilities - current (Note)	6,915	9,774	-
Long-term borrowings (Note)	16,364	49,091	3,489,962
Lease liabilities - non-current (Note)	-	-	12,985
Guarantee deposits received (listed as other non-current liabilities)	-	-	8,439

Note: The amount includes the expected interest to be paid in the future.

(III) Fair value information

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

   Level 1: Quoted prices (unadjusted) in active markets for identical Assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in listed stocks is included.

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

   Level 3: Unobservable inputs for the asset or liability.

2. Financial instruments other than those measured at fair value

   The carrying amount of the Company's cash and cash equivalents and the financial instruments measured at amortized cost, including notes receivable (including related parties), accounts receivable (including related parties), other receivables (including related parties), other financial assets, guarantee deposits paid, short-term borrowings, short-term notes payable, notes payable (including related parties), accounts payable (including related parties), other payables (including related parties), other long-term borrowings, and guarantee deposits received are approximate to their fair values.

3. The related information of financial and non-financial instruments measured at fair value by level on the basis of the natures, characteristic and risk, and fair value of the assets is as follows:

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial Assets at fair value through other comprehensive income acquired				
Equity securities	$ 400,274	$ -	$ -	$ 400,274

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial Assets at fair value through other comprehensive income acquired				
Equity securities	$ 528,970	$ -	$ -	$ 528,970

4. The Company's financial instruments are traded in active markets; their fair value is measured based on the market quotation at the end of the balance sheet date. The market is deemed to be an active market when the quotation can be obtained instantly and regularly from the stock exchange, dealer, broker, industry, rating agencies, and regulatory body, and that the quotation represents the actual and regular market transactions conducted under the basis of a normal transaction. The market price of the financial assets held by the Company is the closing market price. These instruments belong to Level 1. Level 1 instruments are mainly equity instruments. Their classification is financial assets at fair value through other comprehensive income.
5. There was no transfer between the Level 1 and the Level 2 fair values for the years ended December 31, 2025 and 2024.

XIII. Separately Disclosed Items

(I) Information on significant transactions (including related information on subsidiaries)

1. Loans to others: None.
2. Endorsement/guarantee provided for others: None.
3. Holding of marketable securities at the end of the period (not including subsidiaries and associates): Please refer to Table 1.
4. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: Please refer to Table 2.
5. Accounts receivable from related parties of at least NT$100 million or 20% of the paid-in capital: None.
6. Business relationships between the parent company and its subsidiaries, and significant intercompany transactions: transactions amounting to NT$10 million or more are disclosed. In addition, disclosures are presented based on asset and revenue classifications.

   For the year ended December 31, 2025, there were no business relationships or significant intercompany transactions between the parent company and its subsidiaries amounting to NT$10 million or more.

(II) Information on Investees

Names, locations, and other information of investees: Please refer to Table 3.

(III) Information on Investments in China

None.

XIV. Information on Departments

Not applicable.

Ruentex Materials Co., Ltd.

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

December 31, 2025

Attached Table 1

Unit: NT$1000; Earnings per Share: NT$ in Thousands (Except as Otherwise Indicated)

Company holding the securities	Type and name of the securities (Note 1)	Relationship with the securities issuer (Note 2)	Account recognized	End of the period				Remark (Note 4)
				Shares	Carrying amount (Note 3)	Shareholding percentage	Fair value	
Ruentex Materials Co., Ltd.	Shares of Ruentex Industries Ltd.	The investee accounted for under the equity method by the Company's ultimate parent company.	Financial assets at fair value through other comprehensive income - non-current	7,200,236	$ 396,733	0.65	$ 396,733	
	Shares of OBI Pharma, Inc.	Substantive related party of the Company	Financial assets at fair value through other comprehensive income - non-current	131,165	3,541	0.05	3,541	Note 6
Ruentex Interior Design Inc.	Shares of Ruentex Industries Ltd.	The investee accounted for under the equity method by the Company's ultimate parent company.	Financial assets at fair value through other comprehensive income - non-current	2,598,464	143,175	0.24	143,175	

Note 1: Securities indicated in the Table refer to shares, bonds, beneficiary certificates and securities derived from the items mentioned above within the scope of IFRS No.9.
Note 2: Not required to be filled in for the issuers of securities that are not related parties.
Note 3: For items measured at fair value, the carrying amount column shall reflect the amount after fair value adjustments. For items not measured at fair value, the carrying amount column shall reflect the original acquisition cost or amortized cost, net of accumulated impairment.
Note 4: The securities listed that are limited to their use due to the provision of security, pledge loans or others in accordance with the contract shall indicate the number of shares provided for guarantee or pledge, the amount of guarantee or pledge and the limits on the use in the in the column of "Remarks".
Note 5: The securities listed in this schedule are determined by the Company based on the principle of materiality.
Note 6: For the capital reduction to offset losses of OBI Pharma, Inc., please refer to Note 6(4).

Ruentex Materials Co., Ltd.

Total purchase from or sale to related parties amounting to at least NT$100 million or 20% of the paid-in capital

January 1 to December 31, 2025

Attached Table 2

Unit: NT$1000; Earnings per Share: NT$ in Thousands (Except as Otherwise Indicated)

			Transaction conditions				Difference between the terms and conditions of transaction and the general type of transaction and the reason for any such difference (Note 1)		Notes receivable/payable and accounts receivable/payable		
The company making the purchase (sale) of goods	Name of counterparty	Relationship	Purchase (sale) of goods	Amount	As a percentage of total purchases (sales) of goods (Note 4)	Credit period	Unit price	Credit period	Balance	As a percentage of notes receivable/payable and accounts receivable/payable (Note 4)	Remarks (Note 2)
Ruentex Materials Co., Ltd.	Ruentex Engineering & Construction Co., Ltd.	Direct parent company of the Company	Revenue from project solicitation and sales	($ 180,572)	3.79	The amount shall be collected in accordance with the term of the construction/sales contract	Negotiated price	The amount shall be collected in accordance with the term of the construction/sales contract	$ 30,655	3.54	
Ruentex Interior Design Inc.	Ruentex Development Co., Ltd.	Ultimate parent company of the Company	Project solicitation, Service revenue, Sales revenue	(408,296)	16.57	The amount shall be collected in accordance with the term of the construction/services/sales contract	Negotiated price	The amount shall be collected in accordance with the term of the construction/services/sales contract	22,134	4.49	
Ruentex Interior Design Inc.	Ruentex Engineering & Construction Co., Ltd.	Direct parent company of the Company	Contract of construction	490,280	25.80	Amount paid according to the prescribed period of the construction contract	Negotiated price	Amount paid according to the prescribed period of the construction contract	(159,566)	15.55	

Note 1: If the terms and conditions of transaction with the related parties are different from the general terms and conditions of transaction, the difference and the reason for any such difference shall be specified in the column of unit price and the credit period.

Note 2: In the case of prepayments in advance (or advance receipts), the reasons, the terms and conditions of the contract, the amount and the difference between the general type of transactions shall be specified in the column of Remarks.

Note 3: Paid-in capital refers to the paid-in capital of the parent. In the case of an issuer whose shares have no par value or have a par value other than NT$10, the monetary amount of the transaction of 20% of the paid-in capital shall be calculated at 10% of equity attributable to the owners of the parent as stated in the Balance Sheet.

Note 4: Calculate from the perspective of the entity of the company making the purchase (sale) of goods.

Ruentex Materials Co., Ltd.

The name of the invested company, the location and other relevant information (excluding the invested companies in China)

January 1 to December 31, 2025

Attached Table 3

Unit: NT$1000; Earnings per Share: NT$ in Thousands (Except as Otherwise Indicated)

Name of the investing company	Name of the investee company (Notes 1 and 2)	Location	Main business items	Original investment amount		Holding at the end of period			Profit or loss of the investee for the period (Note 2(2))	Investment gains and losses recognized in the current period (Note 2(3))	Remark
				End of the current period	End of last year	Shares	Percentage	Carrying amount			
Ruentex Materials Co., Ltd.	Ruentex Interior Design Inc.	Taiwan	Interior design	$ 126,721	$ 126,721	4,750,000	31.66	$ 288,848	$ 291,240	$ 92,226	Subsidiaries
Ruentex Materials Co., Ltd.	Teh Hsin Enterprise Co., Ltd.	Taiwan	Building Materials	1,564,348	1,564,348	14,969,837	35.00	1,707,545	501,386	175,491	Associates

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

Note 2: Those who do not fall under the circumstances described in Note 1 shall be filled in according to the following rules:

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

(2) In the column “Current profit or loss on investee,” the amount of current profit or loss on each investee shall be entered.

(3) In the column “Investment gains and losses recognized in the current period,” only the amount of profit or loss on each subsidiary recognized by the (public) Company as direct investment and on each investee accounted for using the equity method shall be entered, and the rest is not required to be entered. When filling in the “Recognized amount of current profit or loss on each subsidiary directly invested,” it shall be confirmed that the amount of the current profit or loss on each subsidiary has included the investment gains and losses that shall be recognized in accordance with the regulations for its investment.

Ruentex Materials Co., Ltd.
Statement of cash and cash equivalents
December 31, 2025

Statement 1 Unit: NT$ thousands

Item	Summary	Amount
Petty cash and cash on hand		$ 230
Bank deposits		
- Checking deposits		19,767
- Demand deposits	Including USD 13,311.18, exchange rate 31.43 Euro 7.52, exchange rate 36.90	61,934
Cash equivalents - Bonds under repurchase agreements	Maturity before January 5, 2026, interest rate 0.77%	110,079
		$ 192,010

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of notes receivable
December 31, 2025

Statement 2 | Unit: NT$ thousands

Customer Name	Summary	Amount	Remark
Customer A		$ 50,294	
Customer B		13,098	
Other sporadic customers		132,942	The balance of each sporadic customer has not exceeded 5% or more of the account title
		$ 196,334	

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of accounts receivable
December 31, 2025

Statement 3 | Unit: NT$ thousands

Customer Name	Summary	Amount	Remark
Customer C		$ 108,551	
Customer A		49,025	
Customer D		37,072	
Other sporadic customers		453,437	The balance of each sporadic customer has not exceeded 5% or more of the account title
		648,085	
Less: Allowance for loss		(10,781)	
		$ 637,304	

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of inventories
December 31, 2025

Statement 4 Unit: NT$ thousands

Item	Summary	Amount: Cost	Amount: Net realizable value	Remark
Materials and supplies		$ 545,231	$ 556,795	Based on net realizable value for valuation
Work in process		153,212	164,731	
Finished goods		134,395	152,856	
Merchandise inventory		1,562	1,628	
		834,400	$ 876,010	
Less: Allowance for loss on market value decline of inventory		(2,969)		
Net amount		$ 831,431		

(The following space is left blank)

Ruentex Materials Co., Ltd.

Statement of changes in financial assets at fair value through other comprehensive income – non-current

January 1 to December 31, 2025

Statement 5

Unit: NT$ thousands

	Beginning of period		Increase in the current period		Decrease in the current period					End of the period		Provided as a guarantee or hedge	Remark
Name	Shares	Fair value	Shares	Amount	Shares	Disposal proceeds	Costs of disposal	Disposal gain (loss)	Change in adjustment for unrealized valuation gains and losses on financial instruments	Shares	Fair value		
Ruentex Industries Ltd.	7,200,236	$ 521,297	-	$ -	-	$ -	$ -	$ -	($ 124,564)	7,200,236	$ 396,733	None	
OBI Pharma, Inc.	131,165	7,673	-	-	-	-	-	-	(4,132)	131,165	3,541	None	Note 1
		$ 528,970		$ -		$ -	$ -	$ -	($ 128,696)		$ 400,274		

Note 1: For the capital reduction to offset losses of OBI Pharma, Inc., please refer to Note 6(4).

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of changes in investments accounted for using equity method
January 1 to December 31, 2025

Statement 6 Unit: NT$ thousands

Name	Balance at the beginning of the period		Increase in the current period		Decrease in the current period		Balance at the end of the period			Market price or net equity value		Provided as a guarantee or hedge	Remark
	Shares	Amount	Shares	Amount (Notes 1 and 2)	Shares	Amount (Note 3)	Shares	Shareholding percentage	Amount	Unit price (NT$)	Total amount		
Ruentex Interior Design Inc.	4,750,000	$ 280,647	-	$ 92,226	-	($ 84,025)	4,750,000	31.66%	$ 288,848	$ 228.00	$ 1,083,000	None	
Teh Hsin Enterprise Co., Ltd.	14,969,837	1,576,964	-	175,491	-	(44,910)	14,969,837	35.00%	1,707,545	49.62	742,714	Note 4	
Total		$ 1,857,611		$ 267,717		($ 128,935)			$ 1,996,393				

Note 1: Share of profit or loss of subsidiaries accounted for using the equity method.
Note 2: Share of profit or loss of associates accounted for using the equity method.
Note 3: Including cash dividends received in the current period, changes in fair value recognized in other comprehensive income, actuarial losses on defined benefit plans, and other changes.
Note 4: For information regarding the pledged shares of investments accounted for under the equity method, please refer to Note 6(12).

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of short-term borrowings
December 31, 2025

Statement 7 Unit: NT$ thousands

Types of borrowing	Balance at the end of the period	Contract duration	Interest rate collars	Loan limit	Mortgage or guarantee	Remark
Credit Loan						
First Commercial Bank	$ 400,000	2025.07.28–2026.07.28	1.905%	$ 600,000	Guarantee notes $600,000	
Bank of Taiwan	400,000	2025.03.22–2026.03.22	1.92%	400,000	Guarantee notes $400,000	
Land Bank of Taiwan	200,000	2025.02.21–2026.02.21	1.91%	200,000	Guarantee notes $200,000	
Far Eastern International Bank	100,000	2025.09.27–2026.09.27	1.92%	300,000	Guarantee notes $300,000	
Taishin International Bank	400,000	2025.04.30–2026.04.30	1.945%	400,000	Guarantee notes $400,000	
Taiwan Cooperative Bank	200,000	2025.10.08–2026.09.26	1.95%	300,000	Guarantee notes $300,000	
	$ 1,700,000					

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of short-term notes and bills payable
December 31, 2025

Statement 8 | Unit: NT$ thousands

Item	Guarantee or acceptance institutions	Contract duration	Interest rate collars	Amount: Issue amount	Amount: Unamortized discount on short-term notes and bills payable	Amount: Carrying amount	Remark: Mortgage or guarantee
Commercial papers payable	Mega Bills Finance	2025.09.10–2026.09.09	1.76%	$ 200,000	($ 67)	$ 199,933	Guarantee notes $200,000
Commercial papers payable	Dah Chung Bills Finance	2025.06.17–2026.06.16	1.66%	100,000	(5)	99,995	Guarantee notes $100,000
Commercial papers payable	Ta Ching Bills Finance	2025.06.18–2026.06.17	1.57%	40,000	(12)	39,988	Guarantee notes $100,000
Commercial papers payable	Grand Bills Finance	2025.12.02–2026.12.01	1.82%	70,000	(18)	69,982	Guarantee notes $150,000
				$ 410,000	($ 102)	$ 409,898	

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of long-term borrowings
December 31, 2025

Statement 9

Unit: NT$ thousands

Creditor	Summary	Amount borrowed	Contract duration	Interest rate	Mortgage or guarantee	Remark
Chang Hwa Bank	Secured loan	$ 1,980,000	2025.09.01–2027.08.31	1.865%	Secured loan using property, plant, and equipment	One-off payment upon maturity
Bank SinoPac	Secured loan	780,000	2024.11.01–2027.11.01	2.00%	Guarantee notes $780,000 and stock (Note)	One-off payment upon maturity
Hua Nan Commercial Bank	Credit Loan	300,000	2025.12.17–2027.06.17	1.95%	Guarantee notes $300,000	One-off payment upon maturity
Total		$ 3,060,000				

Note: For information regarding the pledged shares of investments accounted for under the equity method, please refer to Note 6(12).

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of operating revenues
January 1 to December 31, 2025

Statement 10 Unit: NT$ thousands

Item	Quantity	Amount	Remark
Sales revenue			
Cement	656 thousand tons	$ 1,867,160	
RT.MIX building materials	705 thousand tons	2,765,569	
Ground granulated blast furnace slag	3 thousand tons	5,774	
Total sales revenue		4,638,503	
Sales return		(3,197)	
Sales discount		(33,329)	
Net sales revenue		4,601,977	
Construction contract revenue		70,988	
Other revenue from contracts		92,850	
Net operating revenue		$ 4,765,815	

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of operating costs
January 1 to December 31, 2025

Statement 11 | Unit: NT$ thousands

Item	Amount	Remark
Operation cost		
Cost of sales for externally purchased products		
Beginning inventory	$ 399	
Add: Purchases for current period	16,001	
Less: Ending inventory	(1,562)	
Total cost of purchases and sales	14,838	
Manufacturing business costs		
Direct materials and supplies		
Beginning inventory	505,512	
Add: Materials purchased in the current period	2,729,040	
Less: Ending inventory	(545,231)	
Less: Transferred to production overheads	(217,366)	
Materials and supplies consumption	2,471,955	
Direct labor (Note)	152,373	
Production overheads	1,166,173	
Manufacturing cost	3,790,501	
Add: Beginning inventory of work-in-process	138,575	
Less: Ending inventory of work-in-process	(153,212)	
Finished goods cost	3,775,864	
Add: Beginning inventory of finished goods	110,119	
Less: Ending inventory of finished goods	(134,395)	
Add: Taxes, transportation, etc. costs	502,174	
Less: Revenue from sales of scraps	(3,885)	
Subtotal of production cost	4,249,877	
Loss on market value decline of inventory	337	
Total production cost	4,250,214	
Total cost of sales	4,265,052	
Construction cost	45,785	
Other costs from contracts	4,524	
Total operating cost	$ 4,315,361	

Note: Including wages and salaries of NT$90,033.

Ruentex Materials Co., Ltd.
Statement of production overheads
January 1 to December 31, 2025

Statement 12 Unit: NT$ thousands

Item	Summary	Amount	Remark
Utilities expense		$ 373,790	
Depreciation expense		276,576	
Packaging expense		243,641	
Wages and salaries		106,318	
Repair and maintenance expenses		135,483	
Other overheads (Note)		30,365	
		$ 1,166,173	

Note: Including amortization expense of NT$788.

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of selling expenses
January 1 to December 31, 2025

Statement 13 | Unit: NT$ thousands

Item	Summary	Amount	Remark
Wages and salaries		$ 62,349	
Depreciation expense		4,092	
Other overheads (Note)		33,607	
		$ 100,048	

Note: Including amortization expense of NT$55.

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of administrative expenses
January 1 to December 31, 2025

Statement 14 Unit: NT$ thousands

Item	Summary	Amount	Remark
Wages and salaries		$ 42,122	
Depreciation expense		3,715	
Other overheads (Note)		32,606	
		$ 78,443	

Note: Including amortization expense of NT$174.

(The following space is left blank)

Ruentex Materials Co., Ltd.
Statement of R&D expenses
January 1 to December 31, 2025

Statement 15 Unit: NT$ thousands

Item	Summary	Amount	Remark
Wages and salaries		$ 37,016	
Depreciation expense		4,174	
Repair and maintenance expenses		4,812	
Other expense		18,963	
		$ 64,965	

(The following space is left blank)

Ruentex Materials Co., Ltd.
Summarized statement of employee benefits, depreciation, depletion and amortization expenses by function for the current period (continued)
January 1 to December 31, 2025

Statement 16 Unit: NT$ thousands

By function / By nature	2025			2024		
	Operation costs	Operating expenses	Total	Operation costs	Operating expenses	Total
Employee benefit expense						
Wages and salaries	$ 196,351	$ 141,487	$ 337,838	$ 189,548	$ 134,201	$ 323,749
Labor and Health Insurance costs	21,822	11,843	33,665	17,945	10,069	28,014
Pension expense	7,473	5,188	12,661	7,104	4,908	12,012
Directors' Remuneration	-	3,096	3,096	-	2,916	2,916
Other employee benefit expense	16,108	10,211	26,319	15,277	10,784	26,061
Depreciation expenses (including depreciation expenses for right-of-use assets)	276,576	11,981	288,557	259,612	12,389	272,001
Amortization	788	229	1,017	6,080	189	6,269

Notes:

1. The number of employees for the current year and the previous year was 393 and 377, respectively, of which the number of directors not concurrently serving as employees was 8 in both years.
2. For a company whose shares are listed on the Taiwan Stock Exchange or traded on the Taipei Exchange, the following information shall also be disclosed:

   (1) The average employee welfare expense for the current year was NT$1,066 thousand ([total employee welfare expenses for the current year - total directors' remuneration] / [number of employees for the current year - number of directors not concurrently serving as employees]).
   The average employee welfare expense for the previous year was NT$1,056 thousand ([total employee welfare expenses for the previous year - total directors' remuneration] / [number of employees for the previous year - number of directors not concurrently serving as employees]).
   The average employee salary expense for the current year was NT$878 thousand (total salary expense for the current year / [number of employees for the

Statement 16 Unit: NT$ thousands

current year - number of directors not concurrently serving as employees]).

The average employee salary expense for the previous year was NT$877 thousand (total salary expense for the previous year / [number of employees for the previous year - number of directors not concurrently serving as employees]).

(2) The change in average employee salary expense was 0.11% ([average employee salary expense for the current year - average employee salary expense for the previous year] / average employee salary expense for the previous year).

Company salary policy

A. Director salary and remuneration policy:
The policy is primarily based on the provisions relating to directors' remuneration set forth in the Company's Articles of Incorporation. Directors' remuneration is authorized by the Board of Directors, taking into account each director's level of participation in the Company's operations and contribution to the Company, with reference to industry standards. Recommendations are first proposed by the Remuneration Committee and then submitted to the Board of Directors for discussion.

B. Managerial officer salary and remuneration policy:
The compensation of the Company's managerial officers shall be determined with reference to the general market level for comparable positions in the same industry, and with consideration of the individual's performance evaluation results, time devoted, responsibilities assumed, achievement of personal objectives, performance in other positions, compensation granted by the Company in recent years to persons in equivalent positions, as well as the reasonableness of the correlation between the individual's performance and the Company's operating results and future risks. This assessment is based on the achievement of the Company's short-term and long-term business objectives and its financial condition. Recommendations are first proposed by the Remuneration Committee and then submitted to the Board of Directors for discussion.

C. Employee salary and compensation policy:
The employee salary approval is based on the Company's "Salary Management Regulations" and the related bonus and subsidy regulations established by the Company. These form the basis for providing employee remuneration and benefits in compliance with labor laws, mainly consisting of basic salary (including base salary and meal subsidy), position allowance, professional subsidy, performance rewards, individual performance annual salary adjustments, end-of-year bonuses, and so on. In addition, pursuant to the relevant provisions of the Company's Articles of Incorporation, when the Company has annual profits, it shall appropriate no less than 1% thereof as employees' compensation. Of the total employees' compensation distributed, the portion distributed to grassroots employees shall not be less than 50% of the total employees' compensation. However, if the Company still has accumulated losses, an amount shall first be reserved to cover such losses, so that operating performance is appropriately reflected in employee compensation.