Stock Code:2596

REALY DEVELOPMENT & CONSTRUCTION CORP. AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024

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Representation Letter

The entities that are required to be included in the combined financial statements of Realy Development & Construction Corp. as of and for the year ended December 31, 2025 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements. " endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Realy Development & Construction Corp. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Realy Development & Construction Corp.
Chairman: Teng-Cheng, Hsu
Date: March 11, 2026

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Independent Auditors' Report

To the Board of Directors of Realy Development & Construction Corp.:

Opinion

We have audited the consolidated financial statements of Realy Development & Construction Corp. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Appropriateness of the period of real estate revenue recognition

   Please refer to note 4(l) and 6(q) of the consolidated financial statements for the accounting policy on revenue recognition and the details of revenue from contracts with customers and construction.

Description of key audit matter:

The Group is in the real estate development and construction industry. Real estate revenue is recognized when ownership of the real estate has been transferred, and the real estate has been handover to the customer. The management has estublished relevant control prosedures of real estate revenue recognition to ensure the accuracy of the period of real estate revenue recognition. Accordingly, we have determined the appropriateness of the period of real estate revenue recognition to be our key audit matter.

How the matter was addressed in our audit:

Our principal audit procedures to the above key audit matter included the followings:

- Assessing the consistency of management's policies and procedures for real estate revenue recognition across the reporting periods.
- Testing the effectiveness of controls on real estate revenue, including sampling and reviewing the real estate contracts and ownership transfer documents.
- Performing cut-off testing for real estate revenue transactions around the reporting date to ensure the accuracy of the period of real estate revenue recognition.

Other Matter

Realy Development & Construction Corp. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chen, Ya-Ling and Tang, Chia-Chien.

KPMG

Taipei, Taiwan (Republic of China)
March 11, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

REALY DEVELOPMENT & CONSTRUCTION CORP. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 162,507	3	342,746	6
1136	Current financial assets at amortised cost, net (note 6(b))	44,700	1	59,700	1
1140	Current contract assets (note 6(q))	-	-	18,089	-
1170	Notes and accounts receivable, net (note 6(c))	593,080	9	396,604	7
1220	Current tax assets	171	-	261	-
1320	Inventories (notes 6(d), 7, 8 and 9)	4,257,014	67	4,158,143	71
1476	Other current financial assets (notes 6(d), 7 and 8)	265,631	4	182,336	3
1479	Other current assets (note 6(e))	142,371	2	212,973	4
1480	Current assets recognised as incremental costs to obtain contract with customers (notes 6(i) and 7)	304,646	5	309,900	5
	Total current assets	5,770,120	91	5,680,752	97
	Non-current assets:				
1600	Property, plant and equipment (notes 6(g) and 8)	43,083	1	43,869	1
1760	Investment property, net (notes 6(h) and 8)	463,304	7	51,856	1
1840	Deferred tax assets (note 6(n))	2,034	-	21,341	-
1920	Guarantee deposits paid (notes 6(d) and 7)	38,949	1	24,645	1
1995	Other non-current assets	4,700	-	4,700	-
	Total non-current assets	552,070	9	146,411	3
	Total assets	$ 6,322,190	100	5,827,163	100

	Liabilities and Equity	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities:				
2100	Short-term borrowings (notes 6(j), 7 and 8)	$ 405,000	6	375,000	6
2111	Short-term notes and bills payable (notes 6(k), 7 and 8)	29,975	1	79,602	1
2130	Current contract liabilities (notes 6(d) and (q))	1,055,370	17	783,711	14
2150	Notes payable	23,791	-	62,308	1
2161	Notes payable to related parties (note 7)	4,450	-	41,261	1
2170	Accounts payable	375,439	6	213,522	4
2181	Accounts payable to related parties (note 7)	22,185	-	2,933	-
2219	Other payables (note 6(r))	55,425	1	48,075	1
2220	Other payables to related parties (note 7)	40,203	1	60,243	1
2230	Current tax liabilities	25,843	-	9,187	-
2252	Provision (note 6(l))	10,168	-	7,385	-
2322	Long-term borrowings, current portion (notes 6(j), 7 and 8)	1,491,960	24	1,741,260	30
2399	Other current liabilities	318,571	5	21,142	-
	Total current liabilities	3,858,380	61	3,445,629	59
	Total liabilities	3,858,380	61	3,445,629	59
	Equity attributable to owners of parent (note 6(o)):				
3110	Ordinary share	1,000,000	16	1,000,000	17
3200	Capital surplus	189,208	3	189,208	3
3300	Retained earnings	916,547	14	830,655	15
	Total equity attributable to owners of parent	2,105,755	33	2,019,863	35
36XX	Non-controlling interests (note 6(f))	358,055	6	361,671	6
	Total equity	2,463,810	39	2,381,534	41
	Total liabilities and equity	$ 6,322,190	100	5,827,163	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

REALY DEVELOPMENT & CONSTRUCTION CORP. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Share)

		2025		2024	
		Amount	**%**	**Amount**	**%**
4000	**Operating revenue (notes 6(q) and 7)**	$ 1,298,006	100	813,007	100
5000	**Operating costs (notes 6(l), 7 and 12)**	958,589	74	648,087	80
5900	**Gross profit from operations**	339,417	26	164,920	20
6000	**Operating expenses (notes 6(g), (i), (m), (r), 7 and 12):**				
6100	Selling expenses	52,542	4	28,321	3
6200	Administrative expenses	59,946	5	55,117	7
	Total operating expenses	112,488	9	83,438	10
6900	**Net operating income**	226,929	17	81,482	10
7000	**Non-operating income and expenses (notes 6(d), (h), (s) and 12):**				
7100	Interest income	4,447	-	3,994	-
7010	Other income	9,680	1	14,442	2
7020	Other gains and losses	(408)	-	(313)	-
7050	Finance costs	(5,873)	-	(2,890)	-
	Total non-operating income and expenses	7,846	1	15,233	2
7900	**Profit before tax**	234,775	18	96,715	12
7951	**Less: Income tax expenses (note 6(n))**	52,499	4	32,046	4
	Profit	182,276	14	64,669	8
8300	**Other comprehensive income**	-	-	-	-
8500	**Total comprehensive income**	**$ 182,276**	**14**	**64,669**	**8**
	Profit (loss), attributable to:				
8610	Owners of parent	$ 185,892	14	66,968	8
8620	Non-controlling interests	(3,616)	-	(2,299)	-
		$ 182,276	**14**	**64,669**	**8**
	Comprehensive income attributable to:				
8710	Owners of parent	$ 185,892	14	66,968	8
8720	Non-controlling interests	(3,616)	-	(2,299)	-
		$ 182,276	**14**	**64,669**	**8**
	Earnings per share (NTD) (note 6(p))				
9750	**Basic earnings per share**	**$ 1.86**		**0.67**	
9850	**Diluted earnings per share**	**$ 1.86**		**0.67**	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

REALY DEVELOPMENT & CONSTRUCTION CORP. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent							
			Retained earnings					
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Total retained earnings	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2024	$ 1,000,000	189,208	296,232	567,455	863,687	2,052,895	363,970	2,416,865
Appropriation and distribution of retained earnings:								
Legal reserve	-	-	8,232	(8,232)	-	-	-	-
Cash dividends	-	-	-	(100,000)	(100,000)	(100,000)	-	(100,000)
Total comprehensive income	-	-	-	66,968	66,968	66,968	(2,299)	64,669
Balance at December 31, 2024	1,000,000	189,208	304,464	526,191	830,655	2,019,863	361,671	2,381,534
Appropriation and distribution of retained earnings:								
Legal reserve	-	-	6,697	(6,697)	-	-	-	-
Cash dividends	-	-	-	(100,000)	(100,000)	(100,000)	-	(100,000)
Total comprehensive income	-	-	-	185,892	185,892	185,892	(3,616)	182,276
Balance at December 31, 2025	**$ 1,000,000**	**189,208**	**311,161**	**605,386**	**916,547**	**2,105,755**	**358,055**	**2,463,810**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

REALY DEVELOPMENT & CONSTRUCTION CORP. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from (used in) operating activities:		
Profit before tax	$ 234,775	96,715
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	934	1,291
Financial cost	5,873	2,890
Interest income	(4,447)	(3,994)
Total adjustments to reconcile profit (loss)	2,360	187
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in contract assets	18,089	(15,517)
Increase in notes and accounts receivable	(196,476)	(327,361)
Increase in inventories	(471,985)	(1,042,313)
(Increase) decrease in other financial assets	(159,078)	5,241
Decrease (increase) in guarantee deposits paid	61,470	(9,997)
Decrease (increase) in other current assets	70,602	(57,538)
Assets recognised as incremental costs to obtain contract with customers	5,254	(115,749)
Total changes in operating assets	(672,124)	(1,563,234)
Changes in operating liabilities:		
Increase in contract liabilities	271,659	324,744
Decrease in notes payable	(38,517)	(44,334)
(Decrease) increase in notes payable to related parties	(36,811)	37,438
Increase in accounts payable	161,917	96,746
Increase in accounts payable to related parties	19,252	2,933
Increase in other payables	7,480	5,204
Decrease in other payables to related parties	(20,040)	(26,843)
Increase in provision	2,783	505
Increase in other current liabilities	297,429	16,998
Total changes in operating liabilities	665,152	413,391
Total changes in operating assets and liabilities	(6,972)	(1,149,843)
Total adjustments	(4,612)	(1,149,656)
Cash inflow (outflow) generated from operations	230,163	(1,052,941)
Interest received	4,457	4,037
Interest paid	(44,112)	(33,843)
Income taxes paid	(16,447)	(16,718)
Net cash from (used in) operating activities	174,061	(1,099,465)
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortized cost	(300,000)	-
Proceeds from disposal of financial assets at amortised cost	315,000	127,400
Net cash flows from investing activities	15,000	127,400
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	541,000	550,000
Decrease in short-term borrowings	(511,000)	(325,000)
Increase in short-term notes and bills payable	180,000	280,000
Decrease in short-term notes and bills payable	(230,000)	(230,000)
Proceeds from long-term borrowings	188,700	1,019,260
Repayments of long-term borrowings	(438,000)	(134,400)
Cash dividends paid	(100,000)	(100,000)
Net cash flows from (used in) financing activities	(369,300)	1,059,860
Net (decrease) increase in cash and cash equivalents	(180,239)	87,795
Cash and cash equivalents at beginning of period	342,746	254,951
Cash and cash equivalents at end of period	**$ 162,507**	**342,746**

See accompanying notes to consolidated financial statements.

(1) Company history

Realy Development & Construction Corp. (the "Company").was incorporated on May 4, 2001 as a company limited by shares under the Company Act of the Republic of China ("R.O.C."). The principal activities of the Company and subsidiaries (together referred to as the "Group" and individually as "Group entities") are development, leasing and sale of residential houses, buildings and industrial plants, as well as development of special zones for specific industries, investment in public construction, and real estate agency.

(2) Approval date and procedures of the consolidated financial statements:

These consolidated financial statements were authorized for issue by the Board of Directors on March 11, 2026.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS21 "Lack of Exchangeability"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

(b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

(c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027 note:On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

(Continued)

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

(4) Summary of material accounting policies:

The material accounting policies presented in the consolidated financial statements are summarized below. The following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C.. (altogether referred to “ IFRS Accounting Standards” endorsed by the “FSC”).

(b) Basis of preparation

(i) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis.

(ii) Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The parent company only financial statements are presented in New Taiwan Dollar (NTD), which is the Company's functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

REALY DEVELOPMENT & CONSTRUCTION CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Basis of consolidation

(i) Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) List of subsidiaries in the consolidated financial statements

List of subsidiaries included in the consolidated financial statements:

			Percentage of ownership	
Name investor	**Name of investee**	**Principal activity**	**December 31, 2025**	**December 31, 2024**
The Company	YaoJen Construction Co., Ltd.	Civil and architectural engineering	100.00 %	100.00 %
The Company	Eastunion Development & Construction Co., Ltd.	Development of residential houses, buildings, and industrial plants	36.36 %	36.36 %

(Note) The Company is deemed to be a subsidiary as it owns more than half of the voting rights of the Board of Directors, and the control of the Company is subject to the Board of Directors.

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

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

(Continued)

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

For assets and liabilities related to the construction of a house for sale, and the normal business cycle exceeds 12 months, the business cycle is used as the criterion for dividing liquidity and illiquidity.

(e) Cash and cash equivalents

Cash comprises cash on hand and cash in bank. Cash equivalents are shortterm, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting shortterm cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(f) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a notes and accounts receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as amortized cost. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(Continued)

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, notes and accounts receivables, other financial assets and guarantee deposit paid).

The credit risk of bank deposits, amortized cost, other financial assets, and guarantee deposits paid (i.e., the risk of default over the expected life of financial instruments) has not significantly increased since initial recognition and is measured based on the 12-month expected credit loss amount.

Loss allowance for note and accounts receivables are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment as well as forward-looking information.

The Group holds time deposits for domestic financial institutions, and it is considered to be low credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 month after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

(Continued)

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is ‘credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Financial liabilities

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss.

2) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

(Continued)

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

3) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring, producing, or processing inventories to bring them to the location and condition that is available for use. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Interest expense, incurred by the amount paid for construction in progress before it is available for use or completed, is capitalized and recognized as cost of inventories.

(h) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

(i) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straightline basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1)	Buildings and structures	15～50 years
2)	Transportation equipment	5 years
3)	Other equipment	3～10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(j) Impairment of non financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets measured at fair value, less costs) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

There is no goodwill in the Group's accounts. An impairment of non financial assets an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(k) Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

A provision for warranties is recognized when the underlying products or services are sold, based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(l) Revenue recognition

(i) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below.

1) Land development and sale of real estate

The Group develops and pre-sells residential properties during construction or before the construction begins. Revenue is recognized when control over the properties has been transferred to the customer. The properties have generally no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title of a property has been transferred to the customer, in which revenue is recognized at that point in time.

The revenue is measured at the transaction price agreed under the contract. For sale of readily available house, in most cases, the consideration is due when legal title of a property has been transferred. While deferred payment terms may be agreed in rare circumstances, the deferral never exceeds twelve months. The transaction price is therefore not adjusted for the effects of a significant financing component. For pre-selling properties, the consideration is usually received by installment during the period from contract inception until the transfer of properties to the customer. If the contract includes a significant financing component, the transaction price will be adjusted for the effects of the time value of money during the period, using the specific borrowing rate of the construction project. Receipt of a prepayment from a customer is recognized as contract liability. Interest expense and contract liability are recognized when adjusting the effects of the time value of money. Accumulated amount of contract liability is recognized as revenue when control over the property has been transferred to the customer.

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2) Construction contracts

The Group enters into contracts to build residential properties, commercial buildings and public constructions. Because its customer controls the asset as it is constructed, the Group recognizes revenue over time based on the construction costs incurred to date as a proportion of the total estimated costs of the contract. The consideration promised in the contract includes fixed and variable amounts. The customer pays the fixed amount based on a payment schedule. For some variable considerations (for example, a penalty payment calculated based on delay days) the Group recognizes revenue only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. If the Group has recognized revenue, but not issued a bill, then the entitlement to consideration is recognized as a contract asset. The contract asset is transferred to receivables when the entitlement to payment becomes unconditional.

If the Group cannot reasonably measure its progress towards complete satisfaction of the performance obligation of a construction contract, the Group shall recognize revenue only to the extent of the costs expected to be recovered.

A provision for onerous contracts is recognized when the Group expects the unavoidable costs of performing the obligations under a construction contract exceed the economic benefits expected to be received under the contract.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For residential properties, and public constructions, the Group offers a standard warranty to provide assurance that they comply with agreed upon specifications and has recognized warranty provisions for this obligation; please refer to note 6(l).

3) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

(ii) Costs of contracts with customers–incremental costs of obtaining a contract

The Group recognizes as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

(Continued)

(m) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date, and are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

(Continued)

1) The same taxable entity; or

2) Different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(o) Earnings per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as employee compensation.

(p) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these consolidated financial statements, management has made judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group’s risk management and climate-related commitments where appropriate. Revisions to estimates are recognised prospectively in the period of the change and future periods.

Information about judgments made in applying accounting policies that have significant effects on the amounts recognized in the consolidated financial statements is as follows:

Although the Group owns less than half of the shareholdings of Eastunion Development & Construction Co., Ltd., the Group holds more than one-half of its board seats. The level of participation of other shareholders in their previous meetings indicates that the management has determined that the Group controls the entity, and there is no indication that all other shareholders exercise their votes collectively. Therefore, Eastunion Development & Construction Co., Ltd. is considered to be a subsidiary of the Group. Please refer to note 6(f).

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Information about judgements made in applying accounting policies do not have significant effects on the amounts recognized in the financial statements.

There is no information about critical judgments in the financial statements.

Information about assumptions and estimation uncertainties that do not have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities within the next financial year, and economic uncertainties have not had a significant impact.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash and hand	$ 430	400
Demand and check deposits	127,077	312,346
Time deposits	35,000	30,000
Cash and cash equivalents in the consolidated statement of cash flow	**$ 162,507**	**342,746**

(b) Current financial assets at amortized cost

	December 31, 2025	December 31, 2024
Time deposits with original maturity of more than 3 months	**$ 44,700**	**59,700**
Range of interest rate (%)	**1.26%~1.28%**	**1.26%~1.28%**

The Group has assessed that these financial assets are held-to-maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost. Please refer to note 6(t).

As of December 31, 2025 and 2024, financial assets at amortized cost were not pledged.

(c) Notes and accounts receivable

		December 31, 2025	December 31, 2024
Notes receivable	$	17,549	1,235
Accounts receivable		575,531	395,369
	$	**593,080**	**396,604**

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all accounts receivable and notes receivable. To measure the expected credit losses, accounts receivable and notes receivable have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward looking information. The loss allowance provisions were determined as follows:

	December 31, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ **593,080**	-	-

	December 31, 2024		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ **396,604**	-	-

In 2025 and 2024, there was no recognition and reversal of expected credit losses.

In 2025 and 2024, the aforementioned financial assets have not been provided as collateral.

(d) Inventories

(i) The Group's inventories are detailed as follows:

		December 31, 2025	December 31, 2024
Buildings and land held for sale	$	901,434	449,484
Construction in progress		3,071,294	3,424,356
Building land		231,686	231,703
Prepayment for building land		52,600	52,600
	$	**4,257,014**	**4,158,143**

There were no losses on inventories reclassified from write-down of inventories to net realizable value in 2025 and 2024, and loss allowance for inventory write-down as of December 31, 2025 and 2024.

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(ii) Buildings and land held for sale

	December 31, 2025			
	Land held for sale	Buildings held for sale	Total	Advance for real estate receipts
ReaLy Linghang No.1	$ 262,621	638,813	901,434	245,715

	December 31, 2024			
	Land held for sale	Buildings held for sale	Total	Advance for real estate receipts
ReaLy Shunguang World	$ 240,594	208,890	449,484	107,312

(iii) Construction in progress

	December 31, 2025			
Project name	Construction in progress-land	Construction in progress-building	Total	Advance for real estate receipts
ReaLy Yongning No. 1	$ 212,659	1,624,855	1,837,514	675,528
ReaLy Jiukang	264,504	378,596	643,100	107,048
Taimei Science Park	253,115	235,948	489,063	11,056
Others	-	101,617	101,617	-
	$ 730,278	2,341,016	3,071,294	793,632

	December 31, 2024			
Project name	Construction in progress-land	Construction in progress-building	Total	Advance for real estate receipts
ReaLy Linghang No. 1	$ 460,961	714,138	1,175,099	95,266
ReaLy Yongning No.1	212,659	1,136,744	1,349,403	346,144
ReaLy Jiukang	264,504	227,956	492,460	107,048
Taimei Science Park	253,115	114,049	367,164	-
Others	-	40,230	40,230	-
	$ 1,191,239	2,233,117	3,424,356	548,458

(Continued)

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(iv) Building land

		December 31, 2025	December 31, 2024
Yongping Section Shilin	$	207,035	207,052
Others		24,651	24,651
	$	**231,686**	**231,703**

(v) Prepayment for building land

		December 31, 2025	December 31, 2024
Yucheng Section, Nangang	$	**52,600**	**52,600**

(vi) Guarantee deposits

Guarantee deposits for real estate development, such refundable deposits for construction in progress and projects that have yet to commence, have been recognized as current assets and non-current assets, respectively, as follows:

		December 31, 2025	December 31, 2024
Current:			
ReaLy Yongning No. 1	$	58,804	117,607
ReaLy Shunguang World		-	16,906
ReaLy Jiukang		2,096	2,096
	$	**60,900**	**136,609**
Non-current:			
Xin Feng Section, Xizhi	$	29,605	15,301
Yucheng Section, Nangang		8,437	8,437
Nanhai Section, Taipei		762	762
	$	**38,804**	**24,500**

(vii) Capitalization of interest was as follows:

		2025	2024
Capitalized amount	$	38,482	31,518
Average interest rate of capitalization		2.30%~2.34%	2.08%~2.33%

(viii) Collateral

The inventory of the Group had been pledged as collateral, please refer to note 8.

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(ix) Others

The sale proceeds of pre-sold houses are entrusted to the banks and trust accounts for management. The funds in the trust accounts should be used exclusively for designated purposes and shall not be utilized except for disbursements based on the progress of construction (please see note 8). The details were as follows:

	December 31, 2025	December 31, 2024
Transaction price	$ 197,804	28,051

(e) Other current assets

	December 31, 2025	December 31, 2024
Overpaid sales tax	$ 110,003	118,261
Prepaid for construction	23,451	83,520
Temporary payments and payment on behalf of others	8,088	7,726
Others	829	3,466
	$ 142,371	212,973

(f) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows：

		Percentage of non-controlling interests	
Subsidiaries	Main operation place	December 31, 2025	December 31, 2024
Eastunion Development & Construction Co., Ltd.	Taiwan	63.64 %	63.64 %

The following information on the aforementioned subsidiaries has been prepared in accordance with the IFRSs endorsed by the FSC. Included in these information are the fair value adjustments made during the acquisition and relevant difference in accounting principles between the Group as at the acquisition date. Intragroup transactions were not eliminated in this information.

	December 31, 2025	December 31, 2024
Current assets	$ 668,753	654,099
Non-current assets	4,878	5,007
Current liabilities	(110,975)	(90,766)
Net assets	$ 562,656	568,340
Non-controlling interests	$ 358,055	361,671

(Continued)

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	2025	2024
Sales revenue	$ -	-
Net loss	$ (5,683)	(3,614)
Loss, attributable to non-controlling interests	$ (3,616)	(2,299)
Comprehensive loss, attributable to non-controlling interests	$ (3,616)	(2,299)

	2025	2024
Net cash flows from operating activities	$ (142,409)	(34,728)
Net cash flows from investing activities	15,000	127,400
Net cash flows from financing activities	-	50,000
Net (decrease) increase in cash and cash equivalents	$ (127,409)	142,672

(g) Property, plant and equipment

	Land	Buildings and structures	Transportation equipment	Other equipment	Total
Cost:					
December 31, 2025 (i.e., opening balance)	$ 26,157	34,356	5,590	3,171	69,274
December 31, 2024 (i.e., opening balance)	$ 26,157	34,356	5,590	3,171	69,274
Accumulated depreciation:					
January 1, 2025	$ -	16,942	5,590	2,873	25,405
Depreciation	-	584	-	202	786
December 31, 2025	$ -	17,526	5,590	3,075	26,191
January 1, 2024	$ -	16,362	5,280	2,620	24,262
Depreciation	-	580	310	253	1,143
December 31, 2024	$ -	16,942	5,590	2,873	25,405
Carrying amounts:					
December 31, 2025	$ 26,157	16,830	-	96	43,083
December 31, 2024	$ 26,157	17,414	-	298	43,869
January 1, 2024	$ 26,157	17,994	310	551	45,012

The Group has provided property, plant, and equipment as collateral, please refer to note 8.

(h) Investment property

	Owned property		
	Land	**Buildings and structures**	**Total**
Cost:			
January 1, 2025	$ 49,801	4,294	54,095
Reclassification (Note)	145,695	265,901	411,596
December 31, 2025	**$ 195,496**	**270,195**	**465,691**
December 31, 2024 (i.e., opening balance)	**$ 49,801**	**4,294**	**54,095**
Accumulated depreciation:			
January 1, 2025	$ -	2,239	2,239
Depreciation	-	148	148
December 31, 2025	**$ -**	**2,387**	**2,387**
January 1, 2024	$ -	2,091	2,091
Depreciation	-	148	148
December 31, 2024	**$ -**	**2,239**	**2,239**
Carrying amounts:			
December 31, 2025	**$ 195,496**	**267,808**	**463,304**
December 31, 2024	**$ 49,801**	**2,055**	**51,856**
January 1, 2024	**$ 49,801**	**2,203**	**52,004**
Fair value:			
December 31, 2025			**$ 676,978**
December 31, 2024			**$ 64,806**
January 1, 2024			**$ 62,635**

Note: Reclassification from inventories.

The fair values of investment properties are assessed by the Group's management based on information such as market transaction prices of similar properties within the vicinity of the relevant assets.

The Group has provided investment property as collateral, please refer to note 8.

(i) Current assets recognized as incremental costs to obtain contract with customers

	December 31, 2025	**December 31, 2024**
Current assets recognized as incremental costs to obtain contract with customers	**$ 304,646**	**309,900**

The Group expects that the incremental commission fees paid to intermediaries will be refunded, resulting in the Group to capitalize them as contract costs. Capitalized commission fees are amortized when related revenues are recognized. For the years ended December 31, 2025 and 2024, the Group recognized the selling expenses amounting to $42,386 and $21,672, respectively.

(Continued)

(j) Short-term and long-term borrowings

	December 31, 2025		
	Range of interest rate	Maturity year	Amount
Short-term unsecured borrowings	1.86%~2.88%	2025~2026	$ 278,000
Short -term secured borrowings	2.19%~2.69%	2025~2026	127,000
Long-term secured borrowings (classified as current)	2.10%~2.57%	2020~2029	1,491,960
Total			**$ 1,896,960**
Unused credit lines			**$ 4,003,040**

	December 31, 2024		
	Range of interest rate	Maturity year	Amount
Short-term unsecured borrowings	1.78%~2.88%	2025	$ 248,000
Short-term secured borrowings	2.09%~2.69%	2025	127,000
Long-term secured borrowings (classified as current)	2.10%~2.57%	2025~2029	1,741,260
Total			**$ 2,116,260**
Unused credit lines			**$ 3,327,740**

The Group has provided assets as collateral for bank loans, please refer to note 8. Additionally, some of the aforementioned loans are guaranteed by related parties, please refer to note 7.

(k) Short-term notes and bills payable

	December 31, 2025		
	Guarantee or acceptance institute	Range of interest rate	Amount
Commercial paper payable	Financial institution	2.54%	$ 30,000
Less: discount			(25)
Total			**$ 29,975**
Unused credit lines			**$ 20,000**

	December 31, 2024		
	Guarantee or acceptance institute	Range of interest rate	Amount
Commercial paper payable	Financial institution	2.54%~3.14%	$ 80,000
Less: discount			(398)
Total			**$ 79,602**
Unused credit lines			**$ 20,000**

The Group has provided assets as collateral for short-term notes payable, please refer to note 8. Additionally, the aforementioned short-term notes are guaranteed by related parties, please refer to note 7.

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(l) Provisions

	Warranty provision
January 1, 2025	$ 7,385
Provisions made during the year	5,766
Provisions used during the year	(2,983)
December 31, 2025	**$ 10,168**
January 1, 2024	$ 6,880
Provisions made during the year	2,983
Provision reversed during the year	(2,478)
December 31, 2024	**$ 7,385**

In 2025 and 2024, the Group's warranty provision mainly related to construction contracts and was estimated based on historical warranty data for various types of contraction projects.

(m) Employee benefits

The Group allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Group allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Bureau of the Labor Insurance for the years ended December 31, 2025 and 2024 amounted to $2,162 and $2,191, respectively.

(n) Imcome tax

(i) Income tax expenses

The components of income tax expenses for the years ended December 31, 2025 and 2024 were as follows:

	2025	2024
Current tax expense		
Current period	$ 33,139	15,370
Adjustment for prior periods	53	1,648
	33,192	17,018
Deferred tax expense		
Change in unrecognized deductible temporary differences	19,307	15,028
Income tax expenses	**$ 52,499**	**32,046**

In 2025 and 2024, there were no income tax directly recognized in equity and other comprehensive income.

The reconciliations of tax expenses and profit before tax for the years ended December 31, 2025 and 2024 were as follows:

	2025	2024
Profit before tax	$ 234,775	96,715
Income tax expense at domestic statutory tax rate	$ 46,955	19,342
Adjustments pursuant to tax laws	2,779	10,722
Tax-exempt income	418	14
Land value increment tax	916	1,035
Recognition of previously unrecognized tax losses	1,130	723
Change in unrecognized temporary differences	(67)	(1,735)
Adjustment for prior periods	53	1,648
Additional tax on undistributed earnings	315	297
Total	$ 52,499	32,046

(ii) Deferred tax asset and liability

1) Deferred tax asset and recognized

Changes in the amount of deferred tax assets for 2025 and 2024 were as follows:

	Provisions	Loss carryforward	Total
January 1, 2025	$ 1,477	19,864	21,341
Recognized in profit or loss	557	(19,864)	(19,307)
December 31, 2025	**$ 2,034**	**-**	**2,034**
January 1, 2024	$ 1,376	34,993	36,369
Recognized in profit or loss	101	(15,129)	(15,028)
December 31, 2024	**$ 1,477**	**19,864**	**21,341**

2) Deferred tax assets unrecognized

	December 31, 2025	December 31, 2024
Tax losses	$ 23,072	17,427

The R.O.C. Income Tax Act allows net losses to offset taxable income over a period of ten years fro local tax reporting purpose.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

(Continued)

As of December 31, 2025, the information of the Group's unused tax losses for which no deferred tax assets were recognized are as follows:

Year of loss	Unused tax loss		Expiry date
2021	$	5,011	2031
2022		5,185	2032
2023		3,618	2033
2024	$	3,608	2034
2025		5,650	2035
	$	**23,072**	

3) Deferred tax liability unrecognized

As of December 31, 2025 and 2024, there was no material deferred tax liability that has not been recognized.

(iii) Income tax return assessment

1) The Company's income tax returns for all years through 2023 had been assessed by the tax authorities.

2) Domestic subsidiaries' income tax return assessment:

Assessed year	Company
2023	YouZen Construction Co., Ltd.
2023	Eastunion Development & Construction Co., Ltd.

(o) Capital and other equity

(i) Ordinary shares

As of December 31, 2025 and 2024, the total value of authorized ordinary shares was 1,500,000, with a par value of NT$10 per share. The Company has issued 100,000 thousand ordinary shares, all of which have been paid up.

(ii) Capital surplus

The balances of capital surplus as of December 31, 2025 and 2024 were as follows:

		December 31, 2025	December 31, 2024
Additional paid-in capital	$	185,283	185,283
Expired employee stock warrants		28	28
Changes in ownership interests in subsidiaries		3,897	3,897
	$	**189,208**	**189,208**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(iii) Ratained earnings

The Company's articles of incorporation stipulate that if there are annual profits, 10% of which shall be appropriated as legal reserve after offsetting accumulated deficits. In addition, a special reserve shall be set aside or reversed pursuant to applicable laws and regulations. The remaining balance, together with unappropriated earnings, if any, shall be distributed according to a distribution plan proposed by the Board of Directors and approved in a shareholders' meeting. Dividends may be distributed in the form of stock or cash.

The Company's surplus is paid in the form of cash dividends and equity dividends, of which the cash dividend is not less than 10% of the total surplus distribution, taking into account the Company's business growth, capital needs, and financial structure.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Earnings distribution

Earnings distribution for 2024 and 2023, was decided by the resolution adopted, at the general meeting of shareholders held on June 25, 2025 and June 26, 2024, respectively. The relevant dividend distributions to shareholders were as follows:

	2024	2023
Appropriation of legal reserve	$ 6,697	8,232
Dividends distributed to ordinary shareholders:		
Cash	$ 100,000	100,000

(p) Earnings per share

(i) Basic earnings per share

	2025	2024
Profit attributable to ordinary shareholders of the Company	$ 185,892	66,968
Weighted-average number of ordinary shares (thousand shares)	100,000	100,000
Basic earnings per share (NTD)	$ 1.86	0.67

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(ii) Diluted earnings per share

	2025	2024
Profit attributable to ordinary shareholders of the Company (diluted)	$ **185,892**	**66,968**
Weighted-average number of ordinary shares (basic) (thousand shares)	100,000	100,000
Effect on dilutive potential ordinary shares (thousand)	67	23
Weighted-average number of ordinary shares (diluted) (thousand shares)	**100,067**	**100,023**
Diluted earnings per share (NTD)	$ **1.86**	**0.67**

(q) Revenue from contracts with customers

(i) Disaggregation of revenue

	2025	2024
Primary geographical markets:		
Taiwan	$ **1,298,006**	**813,007**
Major products/services lines:		
Sales of real estate	$ 942,141	457,751
Rental income	23	217
Construction contract	355,842	355,039
Total	$ **1,298,006**	**813,007**
Timing of revenue recognition:		
Products and services transferred at a point in time	$ 942,141	457,751
Revenue transferred at over time	23	217
Construction transferred over time	355,842	355,039
	$ **1,298,006**	**813,007**

(ii) Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Contract assets-construction (unbilled revenue)	$ -	18,089	2,572
Less: Allowance for impairment	-	-	-
	$ **-**	**18,089**	**2,572**

(Continued)

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	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities-sales of real of estate receipts	$ 1,039,347	655,770	441,190
Contract liabilities-advance receipts	5,792	-	-
Contract liabilities-construction	10,231	127,941	17,777
	$ 1,055,370	**783,711**	**458,967**

For details on notes and accounts receivable and allowance for impairment, please refer to note 6(c).

As of January 1, 2025 and 2024, the beginning balance of contract liabilities that were accounted for as 2025 and 2024, revenue amounts to $125,384 and $81,101, respectively.

The major change in the balance of contract liabilities–sales of real estate and advance receipts are the difference between the time frame in the performance obligation to be satisfied and the payment to be received. There were no other significant changes for the years ended December 31, 2025 and 2024.

The major change in the balance of contract assets– construction and contract liabilities-construction are the difference between the measure changes in results of the completion of the Group and the payment to be received.

(r) Employee compensation and directors' remuneration

On June 25, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 1% shall be allocated as employee remuneration (including a minimum of 10% to those base-level employees) and a maximum of 2% as remunerations for directors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, may include employees of the subsidiaries who meet certain specific requirements. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, could include employees of the subsidiaries who met certain specific requirements.

The Company estimated it's employee compensation and directors' remuneration as follow:

	2025	2024
Employee compensation	$ 2,448	848
Director's remuneration	2,448	848
	$ 4,896	**1,696**

The abovementioned remuneration were calculated by using the Company's pretax net profit for the period before deducting the amounts of the remuneration to employees and directors, multiplied by the distribution of ratio of the remuneration to employees' and directors' based on the Company's articles of incorporation, and expensed under operating expenses. If there would be any changes after the reporting date, the changes shall be accounted for as changes in accounting estimates and recognized as profit or loss in the following year.

There was no difference between the actual distributed amounts as determined by the Board of Directors and those recognized in the Company's financial statements of the years ended December 31, 2024 and 2023. The related information can be found on Market Observation Post System website.

(s) Non-operating income and expnese

(i) Interest income

	2025	2024
Bank deposit	$ 4,447	3,994

(ii) Other income

	2025	2024
Project management fee	$ 7,780	12,621
Others	1,900	1,821
	$ 9,680	14,442

(iii) Other gains and losses

	2025	2024
Others	$ (408)	(313)

(iv) Finance costs

	2025	2024
Interest expense	$ (5,873)	(2,890)

(t) Financial instruments

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

2) Credit risk in respect of receivables and financial assets measured at amortized cost

For credit risk exposure in respect of accounts receivable, related statements, and recognition of impairment losses, please refer to note 6(c). Recognition of impairment losses for contract assets, please refer to note 6(q). Financial assets at amortized cost are considered to have low credit risk, and thus, the loss allowances for the period have been measured at 12-month ECLs.

3) Concentration of credit riks

If the Group's financial instrument transactions concentrate within few counterparties, or if financial instrument transactions do not concentrate within few counterparties but most of the counterparties engage in similar business activities and have similar economic characteristics, which affects its ability to meet contractual obligations under economic or other circumstances, then the credit risk is concentrated. Since most of the Group's trade receivables are due from unrelated transaction counterparties, concentration of credit risk is limited.

(ii) Liquidity riks

The following table shows the contractual maturities of financial liabilities, including estimated interest payments.

	Contractual cash flowss	within 1 year	1~2 years	2~5 years	Over 5 years
December 31, 2025					
Non-derivative financial liabilities					
Short-term borrowings	$ 409,289	409,289	-	-	-
Short-term notes and bills payables	30,000	30,000	-	-	-
Long-term borrowings maturing within the period of operating cycle	1,571,741	408,538	426,077	737,126	-
Notes and accounts payable (including related parties)	425,865	425,865	-	-	-
Other payables (including related parties)	95,628	95,628	-	-	-
	$ 2,532,523	**1,369,320**	**426,077**	**737,126**	**-**
December 31, 2024					
Non-derivative financial liabilities					
Short-term borrowings	$ 379,072	379,072	-	-	-
Short-term notes and bills payables	80,000	80,000	-	-	-
Long-term borrowings maturing within the period of operating cycle	1,835,657	497,821	379,196	958,640	-
Notes and accounts payable (including related parties)	320,024	320,024	-	-	-
Other payables (including related parties)	108,318	108,318	-	-	-
	$ 2,723,071	**1,385,235**	**379,196**	**958,640**	**-**

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(Continued)

(iii) Interest Rate Risk

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure to interest rate on the derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate had increased or decreased by 1% basis points, with another variable factors remaining constant, the Group's profit before tax would have decreased or increased by \$18,970 and \$21,163 for the years ended December 31, 2025 and 2024, respectively. This is mainly due to the Group's borrowing at variable rates.

(iv) Information of fair value－ valuation techniques for financial instruments measured at fair value.

The carrying amounts and fair values of the Group's financial assets and financial liabilities are reasonably close to their fair values, and disclosure of such fair values is not required.

(u) Financial risk management

(i) Overview

The Group has exposures to the following risks from its financial instruments:

1) Credit risk

2) Liquidity risk

3) Market risk

The following likewise discusses the Group's exposure information, objectives, policies and processes for measuring and managing the above mentioned risks.

(ii) Structure of risk management

The Board of Directors is responsible for overseeing the Group's risk management framework. The chairman, responsible for developing and monitoring the Group's risk management policies, reports the implementation thereof to the Board of Directors regularly.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of Directors is assisted in its oversight role by internal auditor. Internal auditor undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

(iii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables and cash in banks.

(iv) Liquidity risk

Liquidity risk is the risk that the Group may fail to meet its obligations upon the expiry of its financial commitments. The Group responds to liquidity risk of capital by ensuring that sufficient liquidity is available at any time to repay its liabilities when they are due, without incurring unacceptable losses or risking damage to the Group's reputation. As of December 31, 2025 and 2024, the Group had unused credit lines (including long-term and short-term loans, and short-term notes and bills payable) of $4,519,040 and $3,347,740, respectively.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, will affect the Group's income or the value of its holdings of financial instruments.

The Group's policy for the management of interest rate risk is to ensure that it is not exposed to excessive risk and that interest rates are generally fixed in the event of material interest rate changes. The Group did not have any fixed-rate liabilities included in profit or loss according to changes in fair values and has not used derivative financial instruments to offset its liabilities. Therefore, changes in interest rates on settlement dates will not have material effects on its profit or loss.

(v) Capital management

The Board of Director's policy is to maintain a strong capital base, so as to maintain the confidence of investors, creditors and market, and to sustain future operation. The Group uses the debt-to-equity ratio to manage capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings and non-controlling interests.

(Continued)

As of 2025, the Group's capital management strategy is consistent with the prior year as of 2024.

The Group's debt-to-equity ratio at the end of the reporting period as of December 31, 2025, were as follows:

		December 31, 2025	December 31, 2024
Total liabilities	$	3,858,380	3,445,629
Less: cash and cash equivalents		(162,507)	(342,746)
Net debt	**$**	**3,695,873**	**3,102,883**
Total Equity	**$**	**2,463,810**	**2,381,534**
Debt-to-equity ratio		**150.01%**	**130.29%**

The increase in the debt-to-equity ratio was mainly attributable to the progress of construction projects during 2025, leading to an increase in prepayments for real estate and advances from customers.

(w) Investing and financing activities not affecting cash flow

During 2025 and 2024, the Group had no investing and financing activities in respect which did not affect the cash flow.

(7) Related-party transactions

(a) Names and relationship with the Company

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Group
Teng-Cheng Hsu	Chairman and general manager of the Company (Chairman of Reyea Realty Investment & Advisor Corp. (Reyea Realty Company))
Chih-Wei Hsu	The first immediate family of the chairman and general manager of the Company
Reyea Realty Investment & Advisor Corp. (Reyea Realty Company)	Corporate director of the Company
Grand Sights Investment & Advisory (Grand Sights Company)	Corporate director of the Company
Shen Cheng Constructiopn Co., LTD.	Corporate director of the Group
Dehua Marketing Co., Ltd. (Dehua Marketing Company)	Other relatied parties of the Company
Guo-Hao Shen Architects	The entity's chairman is the corporate director's authorized representative of the Company

(b) Significant transactions with related parties

(i) Conduction and repaint works

The projects contracted to Shen Cheng conduction company by the company were as follows:

	2025			
Project name	**Contract amount**	**Progress payment for the period**	**Accumulated progress payment**	**Uncharged amount**
Taimei Science Park	$ 533,548	118,667	170,622	362,926

	2024			
Project name	**Contract amount**	**Progress payment for the period**	**Accumulated progress payment**	**Uncharged amount**
Taimei Science Park	$ 533,548	51,955	51,955	481,593

The Company contracted out a construction project to its related parties for the works, whose transaction price could not be compared due to the nature of the contract, additionally, the payment terms were based on the progress of the works.

The payables for the aforementioned construction projects were as follows:

	December 31, 2025	**December 31, 2024**
Notes payable	$ 4,450	30,612
Accounts payable	$ 17,800	-

(ii) Construction expenses

The Group commissioned Guo-Hao Shen Architects to carry out architectural design in 2025 and 2024, and the consideration amounted to $15,705 and $5,752, respectively. The outstanding balance at the end of the period was as follows:

	December 31, 2025	**December 31, 2024**
Accounts payable	$ 4,385	2,933

(iii) Sales commissions

In 2025 and 2024, the Group commissioned Dehua Marketing Co., Ltd. to sell the Group's products, and the commissions incurred amounted to $40,454 and $136,956, respectively. The outstanding balances at the end of the periods were as follows:

	December 31, 2025	**December 31, 2024**
Notes payable	$ -	10,649
Other payable	$ 37,546	57,586

(Continued)

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(iv) Rental expense

In 2025 and 2024, the Group's rental expenses, incurred due to the office leased from Chi-Wei Hsu, amounted to $600, and all related payments were paid. As of December 31, 2025 and 2024, guarantee deposits paid amounted to $100.

(v) Rental income

The Group entered into office lease contracts with Reyea Realty Company and Grand Sights Company, and both of the contracts run for a period of one year ended in December 2025. In 2025 and 2024, the Group's rental incomes from Reyea Realty Company and Grand Sights Company were $12, which is recorded under operating revenue, and both of the related payments were received.

(vi) Payables arising from receipts under custody

The payment received by the Group for ReaLy Chongshan No. 1 Construction Project shall be paid to Grand Sights Company in proportion to capital contribution. The outstanding balances at the end of the periods were as follows:

	December 31, 2025	December 31, 2024
Other payable	$ 2,657	2,657

(vii) Others

The performance bond, paid by the Group to Grand Sights Company for a co-development project at ReaLy Yongning No.1, was as follows:

	December 31, 2025	December 31, 2024
Guarantee deposits paid	$ 9,300	18,601

(viii) Guarantees

As of December 31, 2025 and 2024, Teng-Cheng Hsu provided joint guaranteed for the lines of credit of the company's borrowings (including long-term and short-term borrowings and the short-term notes and bills payable) of $6,416,000 and $5,514,000, respectably.

(c) Key management personnel compensation

	2025	2024
Short-term employee benefits	$ 10,372	8,567

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(8) Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Object	December 31, 2025	December 31, 2024
Inventories	Guarantees for lines of credit for long-term and short-term borrowings	$ 1,185,641	1,383,999
Property, plant and equipment	Guarantees for lines of credit for short-term borrowings and short-term notes and bills payable	41,713	42,188
Investment property	Guarantees for lines of credit for short-term borrowings	185,838	40,292
Other current financial assets	Trust accounts for pre-sale house	197,804	28,051
		$ 1,610,996	**1,494,530**

(9) Commitments and contingencies:

(a) Promissory notes issued by the Group for lines of credit:

	December 31, 2025	December 31, 2024
Guarantee notes receivable	**$ 6,154,426**	**5,167,426**

(b) The land purchase contracts entered into by the Group and the installments paid according to the contracts were detailed as follows:

	December 31, 2025	December 31, 2024
Total value of purchase contract	**$ 213,670**	**213,670**
Amount paid	**$ 52,600**	**52,600**

(c) The joint investments construction projects put out to contracts and the payment were as follows:

	December 31, 2025	December 31, 2024
Total value of purchase contract	**$ 4,182,999**	**5,085,665**
Amount paid	**$ 2,922,945**	**2,859,295**

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(d) The real estate sale contracts entered into by the company with the client and the installments payment according to the according to the contracts were detailed as follows:

	December 31, 2025	December 31, 2024
Total value of signed contracts	$ 6,101,893	6,073,873
Amount received	$ 1,039,347	655,770

(e) The total contract price of the construction contracted by the Group and the price denominated in accordance with the contract were as follows:

	December 31, 2025	December 31, 2024
Total value of signed contracts	$ 1,140,599	1,109,499
Amount received	$ 1,128,116	871,900

(f) As of December 31, 2025, the information on the Group's joint investment projects was as follows:

Type of co-development	Project name and section	Performance bond for co-development
Self-built project using land owned by the Company & joint construction and allocation of housing units	ReaLy Yongning No.1	$ 58,804
Self-built project using land owned by the Company & joint construction and allocation of housing units	Nanhai Section, Taipei City	8,437
Joint investment & joint construction and allocation of housing units	Yucheng Section, Nangang	762
Joint investment & joint construction and allocation of housing units	ReaLy Jiukang	2,096
Joint construction and allocation of housing units	Xin Feng Section, Xizhi	29,605
		$ 99,704
Self-built on land owned by the Company	Yongping Section, Shilin	
Joint investment	Taimei Scince Park	
Joint investment	ReaLy Linghang No. 1	

(Continued)

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(g) As of December 31, 2025, the information on the Group's joint investment projects were as follows:

Subject matter	Contribution ratio
Yucheng Section, Nangang	The Group: 80% Kuan Yeung Arch Co., Ltd.: 20%
ReaLy Jiukang, Taipei	The Group: 72.75% Kuan Yeung Arch Co., Ltd.: 27.25%
Taimei Science Park	The Group: 50% Fu Jia Co.,Ltd: 30% Dacin Co.,Ltd: 20%
Realy Linghang No.1	The Group :50% Jinghe Consturction Co., Ltd.: 50%

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

(12) Other:

A summary of employee benefits, depreciation, depletion, and amortization, by function, was as follows:

	For the year ended December 31					
By function	2025			2024		
By item	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	20,914	32,443	53,357	25,096	30,567	55,663
Labor and health insurance	-	4,347	4,347	-	4,590	4,590
Pension	-	2,162	2,162	-	2,191	2,191
Others	840	2,214	3,054	1,003	2,083	3,086
Depreciation	-	786	786	-	1,143	1,143
Depletion	-	-	-	-	-	-
Amortization	-	-	-	-	-	-

Note: For the years ended December 31, 2025 and 2024, depreciation of investments property included in other losses amounted to $148.

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(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group in 2025:

(i) Loans to other parties: None

(ii) Guarantees and endorsements for other parties: None

(iii) Securities held as of December 31, 2025 (excluding investment in subsidiaries, associates and joint ventures): None

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of $300 million or 20% of the capital stock:

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Payment terms	Percentage of total notes/accounts receivable (payable)	
The Company	YaoJen Construction Co., Ltd.	Subsidiary	Purchase	750,010	86.69 %	45 days	there is no significant difference with general customers	there is no significant difference with general customers	(162,763)	(94.57)%	Note
Eastunion Development & Construction Co., Ltd.	Shen Cheng Construction Co., LTD.	Corporate director of the Company	Purchase	118,667	97.35 %	30 days	there is no significant difference with general customers	there is no significant difference with general customers	(22,250)	(99.29)%	

Note: The amount has been eliminated in the consolidated financial statements.

(v) Receivables from related parties with amounts exceeding the lower of $100 million or 20% of the capital stock: None

(vi) Business relationships and significant intercompany transactions:

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	YouZen Construction Co., Ltd.	The Company	2	Revenue	932,492	Payment is collected according to progress of construction	70.11 %
1	〃	〃	2	Accounts receivable	162,763	〃	2.58 %

Note 1: The numbering is as follows:

1. “0” represents the parent company

2. “1” represents YaoJen Construction Co., Ltd.

Note 2: Relation between related parties are as follows:

1. Parent company and its subsidiaries

2. Subsidiaries and its parent company

Note 3: This table discloses the information on business relationship and significant intercompany transactions, including only sales and accounts receivable. The corresponding purchases and accounts payable are not detailed herein

Note 4: The amount has been eliminated in the consolidated financial statements.

(b) Information on investees:

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2025			Highest percentage of ownership		Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2025	December 31, 2024	Shares (thousands)	Percentage of ownership	Carrying value	Shares (thousands)	Percentage of ownership			
ReaLy Development & Construction Corp.	YaoJen Construction Co., Ltd.	No. 69, Section 5, Civic Blvd., Taipei City	Civil and architecture engineering	90,000	90,000	5,000	100.00 %	3,494	5,000	100 %	39,368	24,917	Note 1 and Note 2
ReaLy Development & Construction Corp.	Eastunion Development & Construction Co., Ltd.	No. 69, Section 5, Civic Blvd., Taipei City	Development of residential houses, buildings, and industrial plants	120,000	120,000	16,560	36.36 %	204,602	16,560	36.36 %	(5,683)	(2,067)	Note 2

Note 1: The amounts are gains of $39,368 on equity-accounted investments plus (less) the balance of unrealized gains arising from upstream transactions of $120,864 at the beginning of the period and $(135,315) at the end of the period, respectively.

Note 2: The amount has been eliminated in the consolidated financial statements.

(c) Information on investment in mainland China: None

REALY DEVELOPMENT & CONSTRUCTION CORP
Notes to the Consolidated Financial Statements

(14) Segment information:

(a) General information

The Group had the following three reportable segments, all of which were the Group's strategic business units. To provide different products and services, those strategic business units are managed separately as they require different technology and marketing strategies. The Group's chief operating decision maker reviews the internal management report of each operating unit quarterly. The operation of reportable segments is summarized as follows:

(i) Sales segments: engaging in leasing, sale, and development of housing.

(ii) Construction segment: civil and architecture engineering.

(b) Information about reportable segments and their measurement and reconciliations

No tax expenses (benefits) have been allocated to the reportable segment. In addition, The reportable amount is similar to that in the report used by the chief operating decision maker.

Accounting policies for the operating segments correspond to those stated in note 4. Reportable segment profits or losses, measured based on operating profits or losses before taxation, is used to evaluate performance. The Group treated intersegment sales and transfers as third-party transactions. They are measured at market price.

	2025				
	First sales segment	**Second sales segment**	**Construction segment**	**Reconciliation and elimiation**	**Total**
Revenue from external customers	$ 942,164	-	355,842	-	1,298,006
Intersegment revenues	583	-	932,492	(933,075)	-
Interest revenue	2,512	1,700	235	-	4,447
Total revenue	**$ 945,259**	**1,700**	**1,288,569**	**(933,075)**	**1,302,453**
Interest expenses	**$ 2,510**	**1,241**	**2,122**	**-**	**5,873**
Depreciation and amortization	**$ 640**	**74**	**128**	**(56)**	**786**
Reportable segment profit or loss	**$ 228,155**	**(5,683)**	**49,604**	**(37,301)**	**234,775**

	2024				
	First sales segment	**Second sales segment**	**Construction segment**	**Reconciliation and elimiation**	**Total**
Revenue from external customers	$ 457,968	-	355,039	-	813,007
Intersegment revenues	583	-	1,252,098	(1,252,681)	-
Interest revenue	855	2,930	209	-	3,994
Total revenue	**$ 459,406**	**2,930**	**1,607,346**	**(1,252,681)**	**817,001**
Interest expenses	**$ 855**	**528**	**1,507**	**-**	**2,890**
Depreciation and amortization	**$ 950**	**136**	**116**	**(59)**	**1,143**
Reportable segment profit or loss	**$ 83,132**	**(3,614)**	**78,455**	**(61,258)**	**96,715**

(i) In 2025 and 2024, total reportable segment revenue, which shall be eliminated in reportable segment profits (losses), amounted to $933,075 and $1,252,681, respectively.

(ii) In 2025 and 2024, inter-segment profits (losses), which shall be eliminated in reportable segment profits (losses), amounted to $37,301 and $61,258, respectively.

(c) General corporate information

(i) Product and service information: This information has been disclosed in “ (b) Operating segment information and reconciliation”.

(ii) Geographic information: the Group did not have any foreign operating segment.

(d) Major customer information

		2025
Customer A	$	308,283

		2024
Customer A	$	325,878
Customer B		200,170