

Kindom Development Co., Ltd.
Parent Company Only Financial
Statements and Independent Auditors'
Report

For the Years ended December 31, 2025 and 2024

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Independent Auditors' Report

To the Board of Directors of Kindom Development Co., Ltd.:

Opinion

We have reviewed the accompanying Statement of Financial Position of Kindom Development Co., Ltd. (the "Company") as of December 31, 2025 and 2024, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of Kindom Development Co., Ltd. as of December 31, 2025 and 2024, its financial performance and cash flows for the years then ended.

Basis for the opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant and the Auditing Standards in the Republic of China. Our responsibilities under these standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We comply with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China and are independent of Kindom Development Co., Ltd.. We have also fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that we have determined to be communicated on the audit report are as follows:

I. Revenue recognition

For the accounting policy of revenue recognition, please refer to parent company only financial statement Note 4(15) Revenue recognition; for details of revenue recognition, please refer to parent company only financial statement Note 6(21) Revenue from contracts with customers.

Description of Key Audit Matters:

Kindom Development Co., Ltd. is a real estate construction and development industry, and its real estate sales revenue is recognized when the ownership of the real estate is transferred and the actual delivery is completed. Because the construction industry sells buildings and land to a wide range of people, it is necessary to review the ownership transfer and delivery information before revenue recognition can be recognized. A lot of manual work are usually involved to determine the correct timing for the recognition of revenue from sales of buildings and land. Therefore, the recognition of revenue is one of the important assessment matters when we perform the audit of the Company's financial statements.

The corresponding audit procedures:

Our audit procedures for the key audit matters above include:

- Understand the control mechanism of the income from sales of property and cash collection process, and test the effectiveness of the design and implementation of the internal control system for income.
- Perform substantive tests and spot checks on sales contracts, real estate ownership transfer documents, and house delivery certificates, and check sales data against general ledger details.
- The sales transactions in the period before and after the financial reporting date are tested and the relevant documents are checked to assess whether the timing of revenue recognition is appropriate.

II. Valuation of inventories

For the accounting policy of the inventory valuation, please refer to the parent company only financial statement Note 4(7) Inventory; for the accounting estimates of the inventory valuation and the uncertainty assumed, please refer to the parent company only financial statement Note 6(5).

Description of Key Audit Matters:

Inventory of the Company is an important asset in the operation of the Company, and its amount accounts for 57% of the total assets. The valuation of inventory is processed in accordance with IAS No. 2. Improper evaluation of net realizable value may result in misstatement in the financial statements, therefore, the inventory valuation test is one of the important evaluation matters in the audit of the financial statements of the Company performed by the CPAs.

The corresponding audit procedures:

- Understand the internal operating procedures and accounting treatment of the subsequent measurement of inventories and the accounting treatment of the Company, and obtain the evaluation data of the net realizable value of the inventories on the financial reporting date, and examine the market price of the aforementioned data, and compares with the latest successful transactions, the contract prices of the Company's latest sales, or the actual real estate price registered with the Ministry of the Interior; or, obtains the investment return analysis statement for each case, and checks and calculates the net realizable value of the inventories to see if they are appropriate.

Responsibilities of the management level and the governing body for the parent company only financial statements

The responsibility of the management is to prepare the appropriate parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and to maintain the necessary internal control related to the preparation of the parent company only financial statements to ensure that the parent company only financial statements are free of significant misrepresentation.

In preparing the standalone financial statements, management is responsible for assessing Kindom Development Co., Ltd.'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 Company or to cease operations, or has no realistic alternative but to do so.

The governing body of the Company (including the Audit Committee) is responsible for supervising the financial reporting process.

Auditors' Responsibilities for Auditing the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance. However, the audit conducted in accordance with the R.O.C. Standards on Auditing cannot guarantee that material misstatements in the parent company only financial statements will be detected. Misstatements can arise from fraud or error. If the individual amounts or the total number of misstatements can be reasonably expected to affect the economic decisions made by the users of the parent company only financial statements, the misstatements are considered material.

We exercise professional judgment and professional skepticism during an audit in accordance with the R.O.C. Standard on Auditing. We also perform the following tasks:

1. Identify and assess the risks of material misstatement in the parent company only financial statements, whether due to fraud or error; design and execute appropriate countermeasures for the risks assessed; and obtain sufficient and appropriate audit evidence as the basis for the audit opinions. Because fraud may involve collusion, forgery, intentional omission, misrepresentation or violation of internal control, it is not detected that the risk of material misstatement resulting from fraud is higher than that resulting from error.
2. Obtain the necessary understanding of the internal control related to the audit in order to design appropriate audit procedures under the circumstances, but the purpose is not to express an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of the accounting policies adopted by the management, and the reasonableness of the accounting estimates and related disclosures made.
4. Conclude on the appropriateness of the management's adoption of the going concern basis of accounting, based on the audit evidence obtained, and whether a material uncertainty exists for events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we are of the opinion that there is a material uncertainty of such events or circumstances, we shall in the audit report remind the users of the parent company only financial statement to pay attention to the related disclosures in the parent company only financial statement, or modify our audit opinion when such disclosures are inappropriate. Our conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statement (including relevant notes), and whether the parent company only financial statement presents the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence for the financial information of the investee under equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the Company's 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 parent company only financial statement for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's 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.

KPMG Taiwan

Yi-Lian Han

Certified Public Accountant:

Chung-Che Cheng

Approval reference number
of the securities authority
March 13, 2026

Jin-Guan-Zheng-Shen-Zi No. 1090332798
Jin-Guan-Zheng-Shen-Zi No. 1000011652

Kindom Development Co., Ltd.
Statement of Financial Position
December 31, 2025 and 2024

Unit: NTD thousand

Assets		2025.12.31		2024.12.31		Liabilities and equity		2025.12.31		2024.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(1) and (24))	\$ 7,766,062	17	10,859,651	26	2100	Short-term borrowings (Notes (13) and (24))	\$ 16,059,892	35	11,369,294	27
1110	Financial assets at fair value through profit or loss - current (Note 6(2) and (24))	65,574	-	60,114	-	2130	Contract liabilities - current (Note 6(21))	185,908	-	633,991	2
1141	Contract assets - current (Note 6(21))	76,036	-	380,672	1	2150	Notes payable (Note 6(24))	10,514	-	19,429	-
1170	Notes and accounts receivable, net (Note 6(4), (21), (24), and 7)	1,381	-	615	-	2160	Notes payable - related parties (Note 6(24) and 7)	406,303	1	287,317	1
1320	Inventories (for the construction industry) (Note 6(5) and 8)	26,405,650	57	21,433,223	51	2170	Accounts payable (Note 6(24))	524,486	1	425,072	1
1410	Prepayments	38,722	-	46,991	-	2181	Accounts payable - Related parties (Note 6(24) and 7)	813,996	2	521,746	1
1476	Other financial assets - current (Note 6(12), (24), and 8)	610,055	1	649,885	2	2200	Other payables (Note 6(24))	176,984	-	276,267	1
1479	Other current assets - others	1,851	-	2,900	-	2230	Current income tax liabilities	193,437	-	633,711	2
1480	Incremental cost of obtaining contracts - current (Note 6(12))	5,381	-	6,076	-	2251	Provision for employee benefits - current (Note 6(17))	438	-	1,042	-
		<u>34,970,712</u>	<u>75</u>	<u>33,440,127</u>	<u>80</u>	2280	Lease liabilities - current (Note 6(15) and (24))	12,444	-	3,182	-
						2321	Corporate bonds maturing within one year or one operating cycle or with resale rights exercised (Note 6(14) and (24))	-	-	1,000,000	2
Non-current assets:						2399	Other current liabilities - Other	13,726	-	17,486	-
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6(3) and (24))	27,829	-	27,976	-			<u>18,398,128</u>	<u>39</u>	<u>15,188,537</u>	<u>37</u>
1550	Investment under equity method (Note 6(6) and 8)	8,001,278	17	7,567,794	18	Non-current liabilities:					
1600	Property, plant and equipment (Note 6(8) and 8)	1,323,833	3	271,150	1	2530	Corporate bonds payable (Note 6(14) and (24))	3,700,000	8	2,000,000	5
1755	Right-of-use assets (Note 6(9))	11,808	-	3,051	-	2640	Net defined benefit liabilities - non-current (Note 6(17))	-	-	1,430	-
1760	Investment property (Note 6(10), (16), and 8)	2,242,164	5	442,722	1	2645	Guarantee deposits received (Note 6(24))	51,212	-	1,742	-
1780	Intangible assets (Note 6(11))	540	-	836	-	2670	Other non-current liabilities - Other	29,174	-	29,089	-
1975	Net defined benefit assets - non-current (Note 6(17))	291	-	-	-			<u>3,780,386</u>	<u>8</u>	<u>2,032,261</u>	<u>5</u>
1995	Other non-current assets	16,241	-	4,272	-	Total liabilities		<u>22,178,514</u>	<u>47</u>	<u>17,220,798</u>	<u>42</u>
		<u>11,623,984</u>	<u>25</u>	<u>8,317,801</u>	<u>20</u>						
						Equity (Note 6(19)):					
						3100	Share capital	6,094,871	13	5,541,701	13
						3200	Capital reserve	1,530,269	3	1,493,812	3
						3300	Retained earnings	16,918,197	37	17,629,009	42
						3400	Other equity	(28,453)	-	(28,690)	-
						3500	Treasury stock	(98,702)	-	(98,702)	-
								<u>24,416,182</u>	<u>53</u>	<u>24,537,130</u>	<u>58</u>
						Total equity		<u>24,416,182</u>	<u>53</u>	<u>24,537,130</u>	<u>58</u>
Total assets		<u>\$ 46,594,696</u>	<u>100</u>	<u>41,757,928</u>	<u>100</u>	Total liabilities and equity		<u>\$ 46,594,696</u>	<u>100</u>	<u>41,757,928</u>	<u>100</u>

(Please refer to the attached Notes to the parent company only financial statements)

Chairman: Mike Ma

Manager: Sheng-An Chang

Accounting Supervisor: Che-Ming Liu

Kindom Development Co., Ltd.
Statement of Comprehensive Income
For the years ended December 31, 2025, and 2024

Unit: NTD thousand

		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (Note 6(16), (21) and 7)	\$ 3,869,881	100	15,959,122	100
5000	Operating cost (Note 6(5))	2,269,519	59	9,350,734	59
	Gross operating profit	1,600,362	41	6,608,388	41
5920	Less: Realized profit or loss from sales	85	-	85	-
	Gross operating profit	1,600,277	41	6,608,303	41
	Operating expenses (Note 6(22) and 7):				
6100	Sales promotion expenses	99,776	3	237,699	1
6200	Administrative expenses	366,739	9	478,744	3
		466,515	12	716,443	4
	Net operating profit	1,133,762	29	5,891,860	37
	Non-operating income and expenses:				
7100	Interest revenue (Note 6(23))	110,250	3	92,331	1
7010	Other income (Note 6(23))	2,850	-	1,635	-
7020	Other gains and losses (Note 6(23) and 7)	28,825	1	(79,108)	1
7050	Financial costs (Note 6(23))	(244,081)	(6)	(130,586)	(1)
7070	Share of profit or loss of subsidiaries, affiliates and joint ventures accounted for using equity method	799,598	20	710,198	4
		697,442	18	594,470	5
	Net income before tax from continuing operations	1,831,204	47	6,486,330	42
7950	Less: Income tax expenses (Note 6(18))	275,066	7	935,853	6
	Net income for the period	1,556,138	40	5,550,477	36
8300	Other comprehensive income:				
8310	Items not reclassified into profit or loss				
8311	Remeasurement of defined benefit plan	(119)	-	(1,561)	-
8316	Unrealized valuation gains or losses on investments in equity instruments measured at fair value through other comprehensive income	(147)	-	(133)	-
8330	Share of other comprehensive income of subsidiaries, affiliates and joint ventures accounted for using the equity method - items that are not reclassified into income	1,615	-	727	-
8360	Items that may be reclassified subsequently to profit or loss				
8380	Share of other comprehensive income of subsidiaries, affiliates and joint ventures accounted for using equity method- Items that may be reclassified to profit or loss	(65)	-	107	-
8300	Other comprehensive income for the period (net amount after tax)	1,284	-	(860)	-
	Total comprehensive income for the period	<u>\$ 1,557,422</u>	<u>40</u>	<u>5,549,617</u>	<u>36</u>
	Earnings per share (Note 6(20))				
9750	Basic earnings per share (NTD)	<u>\$ 2.61</u>		<u>9.32</u>	
9850	Diluted earnings per share (NTD)	<u>\$ 2.61</u>		<u>9.29</u>	

(Please refer to the attached Notes to the parent company only financial statements)

Chairman:
Mike Ma

Manager:
Sheng-An Chang

Accounting Supervisor:
Che-Ming Liu

Kindom Development Co., Ltd.
Statement of Changes in Equity
For the years ended December 31, 2025, and 2024

Unit: NTD thousand

	Share capital		Retained earnings				Other equity		Treasury stock	Total equity
	Common stock capital	Capital reserve	Legal reserve	Special reserves	Undistributed earnings	Total	Exchange differences on translation of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income		
Balance as of January 1, 2024	\$ 5,541,701	1,472,401	2,736,352	26,544	10,311,947	13,074,843	(29,496)	1,061	(98,702)	19,961,808
Net income for the period	-	-	-	-	5,550,477	5,550,477	-	-	-	5,550,477
Other comprehensive income in the current period	-	-	-	-	(605)	(605)	107	(362)	-	(860)
Total comprehensive income for the period	-	-	-	-	5,549,872	5,549,872	107	(362)	-	5,549,617
Appropriation and distribution of earnings:										
Provision for legal reserve	-	-	239,619	-	(239,619)	-	-	-	-	-
Provision of special reserve	-	-	-	1,891	(1,891)	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(995,706)	(995,706)	-	-	-	(995,706)
Dividend paid to subsidiaries to adjust capital reserve	-	21,043	-	-	-	-	-	-	-	21,043
Difference between the equity price and book value of the subsidiary's equity actually acquired or disposed of	-	12	-	-	-	-	-	-	-	12
Overdue dividends not received	-	356	-	-	-	-	-	-	-	356
Balance as of December 31, 2024	5,541,701	1,493,812	2,975,971	28,435	14,624,603	17,629,009	(29,389)	699	(98,702)	24,537,130
Net income for the period	-	-	-	-	1,556,138	1,556,138	-	-	-	1,556,138
Other comprehensive income in the current period	-	-	-	-	1,047	1,047	(65)	302	-	1,284
Total comprehensive income for the period	-	-	-	-	1,557,185	1,557,185	(65)	302	-	1,557,422
Appropriation and distribution of earnings:										
Provision for legal reserve	-	-	554,987	-	(554,987)	-	-	-	-	-
Provision of special reserve	-	-	-	255	(255)	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(1,714,827)	(1,714,827)	-	-	-	(1,714,827)
Common stock dividends	553,170	-	-	-	(553,170)	(553,170)	-	-	-	-
Dividend paid to subsidiaries to adjust capital reserve	-	36,242	-	-	-	-	-	-	-	36,242
Overtime but unclaimed dividends	-	215	-	-	-	-	-	-	-	215
Balance as of December 31, 2025	\$ 6,094,871	1,530,269	3,530,958	28,690	13,358,549	16,918,197	(29,454)	1,001	(98,702)	24,416,182

(Please refer to the attached Notes to the parent company only financial statements)

Chairman: Mike Ma

Manager: Sheng-An Chang

Accounting Supervisor: Che-Ming Liu

Kindom Development Co., Ltd.

Statement of Cash Flows

For the years ended December 31, 2025, and 2024

Unit: NTD thousand

	2025	2024
Cash flow from operating activities:		
Net income before tax for the current period	\$ 1,831,204	6,486,330
Adjustments:		
Income and expenses		
Depreciation expense	22,256	20,028
Amortization expense	296	99
Net gains from financial assets and liabilities measured at fair value through profit or loss	(5,460)	(19,030)
Interest expense	244,081	130,586
Interest revenue	(110,250)	(92,331)
Dividend income	(2,850)	(1,635)
Share of profit of subsidiaries, affiliates and joint ventures accounted for using the equity method	(799,598)	(710,198)
Impairment loss	-	11,258
Profit from lease modification	(4)	-
Total income and expense	(651,529)	(661,223)
Changes in operating assets/liabilities:		
Net changes in assets related to operating activities:		
Decrease (increase) of contract assets	304,636	(152,718)
Decrease (increase) of notes and accounts receivable	(766)	2,987
Decrease (increase) in inventory	(7,620,484)	3,984,215
Decrease (increase) in prepayments	8,269	(17,227)
Decrease of other financial assets - current	39,824	311,536
Decrease of other current assets	1,049	3,815
Decrease of incremental cost of obtaining a contract	695	27,219
Decrease (increase) in net defined benefit assets - non-current	(291)	69
Increase of other non-current assets	(11,596)	(4,272)
Total net changes in assets related to operating activities	(7,278,664)	4,155,624
Net changes in liabilities related to operating activities:		
Decrease in contract liabilities	(448,083)	(468,839)
Decrease in notes payable	(8,915)	(19,871)
Increase (decrease) of notes payable - related parties	118,986	(5,976)
Increase in accounts payable	99,414	53,288
Increase (decrease) of accounts payable - related parties	292,250	(30,118)
Increase (decrease) in other payables	(113,321)	34,372
Decrease of employee benefit liabilities - current	(604)	(998)
Decrease in other current liabilities	(3,760)	(126,296)
Decrease in net defined benefit liability	(1,549)	(131)
Increase of other non-current liabilities	85	85
Total net changes in liabilities related to operating activities	(65,497)	(564,484)
Total net changes in assets and liabilities related to operating activities	(7,344,161)	3,591,140
Total adjustment items	(7,995,690)	2,929,917
Cash inflow (outflow) from operations	(6,164,486)	9,416,247
Income tax paid	(715,328)	(579,531)
Net cash (outflow) inflow from operating activities	(6,879,814)	8,836,716

Kindom Development Co., Ltd.
Statement of Cash Flows (Continued)
For the years ended December 31, 2025, and 2024

Unit: NTD thousand

	2025	2024
Cash flow from investing activities:		
Acquisition of property, plant and equipment	(24,946)	(4,668)
Acquisition of intangible assets	-	(227)
Increase in prepayment for equipment	(373)	-
Interest received	110,244	92,331
Dividends received	406,827	345,871
Net cash inflow from investing activities	491,752	433,307
Cash flow from financing activities:		
Increase in short-term borrowings	9,791,182	8,143,538
Decrease in short-term borrowings	(5,100,584)	(11,855,422)
Increase in short-term bills payable	2,900,000	2,676,200
Decrease in short-term bills payable	(2,900,000)	(2,706,200)
Issuance of corporate bonds	1,700,000	1,000,000
Repayment of corporate bonds	(1,000,000)	(1,000,000)
Increase in guarantee deposits received	49,470	-
Lease principal repayment	(1,778)	(3,278)
Distribution of cash dividends	(1,714,827)	(995,706)
Interest paid	(428,990)	(378,118)
Net cash inflows (outflows) from financing activities	3,294,473	(5,118,986)
Increase (decrease) in cash and cash equivalents for the current period	(3,093,589)	4,151,037
Opening balance of cash and cash equivalents	10,859,651	6,708,614
Closing balance of cash and cash equivalents	\$ 7,766,062	10,859,651

(Please refer to the attached Notes to the parent company only financial statements)

Chairman:
Mike Ma

Manager:
Sheng-An Chang

Accounting Supervisor:
Che-Ming Liu

Kindom Development Co., Ltd.
Notes to parent company only financial statements
For the Years ended December 31, 2025 and 2024
(Unless otherwise stated, all amounts are in NTD thousand)

I Company history

Kindom Development Co., Ltd. (hereinafter referred to as “the Company”) was established in November 1979 with the approval of the Ministry of Economic Affairs. Its registered address is 2F., No. 131, Section 3, Heping East Road, Daan District, Taipei City, Taiwan. The Company relocated to 10F., No. 169, Sec. 3, Minquan E. Rd., Songshan District, Taipei City with board approval on May 9, 2025. The Company's main business items are construction of public housing and commercial buildings for lease or sale.

II Date and procedure for approving the financial statements

This parent company only financial statement was approved by the Board of Directors on February 26, 2026.

III Application of new and revised standards and interpretations

- (I) The impact of the adoption of the new and revised standards and interpretations approved by the FSC

The Company began to apply the following newly amended IFRSs on January 1, 2025, and there was no significant impact on the parent company only financial statements.

- Amendments to IAS 21 “Lack of Exchangeability”
- Amendments to IFRS 9 and IFRS 7 “Amendments to Classification and Measurement of Financial Instruments” regarding the application guidance in Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

- (II) Impacts of not adopting the IFRS recognized by the FSC

The Company has assessed that the application of the following newly amended IFRSs effective on January 1, 2026 will not have a significant impact on the parent company only financial statements.

- Amendments to IFRS 17 “Insurance Contracts” and IFRS 17
- Amendments to IFRS 9 and IFRS 7 “Amendments to Classification and Measurement of Financial Instruments” regarding the application guidance in Section 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 “Contracts Involving Dependence on Renewable Electricity”

**Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)**

(III) New and revised standards and interpretations not yet approved by the FSC

The standards and interpretations that have been issued and amended by the IASB but have not yet been approved by the FSC may be relevant to the Company as follows:

New or amended standards	Major amendments	Effective date of IASB's announcement
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three types of income and expense, two income statement subtotals, and a single note on management's performance measurement. These three amendments and enhanced guidance on how information are divided into financial statements have laid the foundation for better and more consistent information provided to users, and will affect all companies.</p> <ul style="list-style-type: none"> • More structured income statement: Under existing standards, companies use different formats to present their operating results, making it difficult for investors to compare the financial performance of different companies. The new standard adopts a more structured income statement, introduces a newly defined subtotal of “operating income,” and stipulates that all income, expenses and losses are classified into three new different categories based on the company's main operating activities. • Management Performance Measurement (MPMs): The new standard introduces the definition of MPM, and requires companies to 	<p>January 1, 2027</p> <p>Note: The Financial Supervisory Commission (FSC) announced on September 25, 2025 that IFRS 18 will take effect starting from January 1, 2028, with early adoption permitted.</p>

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
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New or amended standards	Major amendments	Effective date of IASB's announcement
	<p>explain why each measurement could provide useful information, and how the indicators are calculated and adjusted with the amounts recognized in accordance with the IFRSs.</p> <ul style="list-style-type: none"> • Detailed information: The new standard includes guidance on how to strengthen the grouping of information in the financial statements. This includes guidance on whether the information should be included in the main financial statements or further broken down in notes. 	

The Company is currently evaluating the impact of the above standards and interpretations on the financial position and operating results of the Company. The relevant impact will be disclosed when the evaluation is completed.

The Company expects the following other new and amendments to standards that have not yet been approved to have no significant impact on the parent company only 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 “Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19
- Amendments to IAS 21: “Translation into a Hyperinflationary Presentation Currency”

IV Summary of significant accounting policies

The significant accounting policies adopted in the parent company only financial statements are summarized as follows. The following accounting policies have been applied throughout the presentation period of the parent company only financial statements.

(I) Declaration of compliance

The parent company only financial statements have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers.”

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
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(II) Basis of preparation

1. Measurement basis

Except for the following important items on the balance sheet, the parent company only financial statements have been prepared on the basis of historical cost:

- (1) Financial assets measured at fair value through profit or loss;
- (2) Financial assets measured at fair value through other comprehensive income; and
- (3) The net defined benefit liability (or asset) is measured in accordance with the fair value of the pension fund assets less the present value of the defined benefit obligation and the effect of the upper limit stated in Note 4(16).

2. Functional currency and presentation currency

The Company's functional currency is the currency of the primary economic environment where it operates. The parent company only financial statements are presented in the Company's functional currency, New Taiwan Dollar (NTD). All financial information expressed in NTD is in the unit of NTD thousand.

(III) Foreign currency

1. Foreign currency transactions

Transactions denominated in foreign currencies are translated into the functional currency in accordance with the exchange rates prevailing on the transaction date. At the end of each subsequent reporting period (hereinafter referred to as the reporting date), monetary items denominated in foreign currencies are translated into the functional currency in accordance with the exchange rates on that day. The non-monetary item denominated in foreign currency measured at fair value is translated into the functional currency in accordance with the exchange rate on the date the fair value is measured. The non-monetary item denominated in foreign currency measured at historical cost is translated in accordance with the exchange rate on the transaction date.

2. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into NTD in accordance with the exchange rate on the reporting date; the income and expense items are translated into NTD in accordance with the current average exchange rate. The exchange differences are recognized in other comprehensive income.

If there is no settlement plan for the monetary receivables or payables of foreign operating institutions and it is impossible for them to be settled in the foreseeable future, the exchange profit or loss generated will be regarded as a part of net investment in foreign operations and recognized in other comprehensive income.

(IV) Classification criteria for current and non-current assets and liabilities

The principal business activities of the Company include commissioning construction contractors, developing national housing projects, leasing or selling commercial buildings,

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

engaging in construction and civil engineering operations, and developing designated special-use zones. Given that its operating cycle exceeds one year, the related asset and liability accounts are classified as current or non-current based on one operating cycle. Regarding other accounts, assets that meet one of the following conditions are classified as current assets; assets other than current assets are classified as non-current assets:

1. The asset is expected to be realized, or intended to be sold or consumed in its normal business cycle;
2. The asset is held mainly for the purpose of trading;
3. The asset is expected to be realized within 12 months after the reporting period; or
4. The asset is cash or cash equivalents (as defined by IAS 7), unless the exchange of the asset or its use to settle a liability at least twelve months after the reporting period is restricted.

The Company's liabilities that meet one of the following conditions are classified as current liabilities, and all liabilities other than current liabilities are classified as non-current liabilities:

1. The liability is expected to be settled in the normal business cycle;
2. The liability is held mainly for the purpose of trading;
3. The liability will be settled within twelve months after the reporting period; or
4. At the end of the reporting period, the consolidated company does not have the right to defer the settlement of the liability for at least 12 months after the reporting period.

(V) Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalent is short-term investment with high liquidity that is readily convertible to known amounts of cash with insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of fulfilling short-term cash commitments rather than investment or other purposes are reported as cash equivalents.

(VI) Financial instruments

Accounts receivable and debt securities issued are recognized at time of generation. All other financial assets and financial liabilities are recognized when the Company becomes a party to the terms of a financial instrument contract. Financial assets that are not measured at fair value through profit or loss (except accounts receivable that do not contain significant financial components) or financial liabilities are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance. Accounts receivable that do not contain significant financial components are initially measured at transaction prices.

1. Financial assets

If the purchase or sale of financial assets is in line with customary transactions, the Company's accounting treatment of all financial assets classified in the same way adopts the

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
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trade date or settlement date for all purchases and sales.

At the time of initial recognition, financial assets are classified as: financial assets measured at amortized cost, equity instrument investment measured at fair value through other comprehensive income, or financial assets measured at fair value through gain or loss. The Company only reclassifies all affected financial assets from the first day of the next reporting period when the business model for managing financial assets is changed.

(1) Financial assets measured at amortized cost

Financial assets that meet the following conditions and are not designated to be measured at fair value through profit or loss are measured at amortized cost:

- The financial asset is held under the business model for the purpose of collecting contractual cash flow.
- The cash flow on a specific date in accordance with the contractual terms of the financial asset is solely for the payment of the principal and the interest on the outstanding principal amount.

Such assets are subsequently measured at the initial recognized amount plus or minus the accumulated amortization calculated by the effective interest method, and any amortized cost of the loss allowance is adjusted. Interest revenue, foreign currency exchange gains and losses, and impairment losses are recognized in profit or loss. Upon derecognition, the profit or loss is recognized in profit or loss.

(2) Financial assets measured at fair value through other comprehensive income

The Company may make an irrevocable choice at the time of initial recognition to present the subsequent fair value changes of the equity instrument investment not held for trading in other comprehensive income. The aforementioned selections are made on an instrument-by-instrument basis.

Investors in equity instruments are subsequently measured at fair value. Dividend income (unless obviously representing the recovery of part of the investment cost) is recognized in profit or loss. The remaining net profit or loss is recognized as other comprehensive income and is not reclassified to profit or loss.

Dividend income from equity investments is recognized on the date on which the Company is entitled to receive dividends (usually the ex-dividend date).

(3) Financial assets measured at fair value through profit or loss

Financial assets that are not measured at amortized cost or at fair value through other comprehensive income (for example, financial assets held for trading or managed at fair value with performance assessed) are measured at fair value through profit or loss, including derivative financial assets. At initial recognition, in order to eliminate or significantly reduce inappropriate accounting ratios, the Company may irrevocably

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

designate financial assets that meet the conditions of measurement at amortized cost or fair value through other comprehensive income to be measured at fair value through profit and loss.

Such assets are subsequently measured at fair value, and the net gain or loss (including any dividend and interest income) is recognized in profit or loss.

(4) Impairment of financial assets

For the Company's financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables, refundable deposits, other financial assets and so on) and expected credit losses of contract assets are recognized in loss allowance.

The following financial assets have loss allowance measured at the 12-month expected credit losses, and the rest are measured at the lifetime expected credit losses:

- Debt securities determined to have a low credit risk on the reporting date; and
- The credit risk of other debt securities and bank deposits (i.e. the risk of default during the expected duration of the financial instrument) has not increased significantly since the initial recognition.

The loss allowance for accounts receivable and contractual assets is measured at the expected credit losses throughout the duration.

In determining whether the credit risk has increased significantly since the initial recognition, the Company considers reasonable and provable information (which can be obtained without excessive cost or investment), including qualitative and quantitative information, and based on the Company's historical experience, credit assessment and analysis of forward-looking information.

The expected credit loss is the probability-weighted estimate of the credit loss during the expected duration of a financial instrument. Credit loss is measured at the present value of all cash shortfalls, which is the difference between the cash flow that the Company can collect in accordance with the contract and the cash flow that the Company expects to collect. Expected credit losses are discounted at the effective interest rate of financial assets.

The Company assesses whether credit impairment has occurred on each reporting date based on financial assets measured at amortized cost and debt securities measured at fair value through other comprehensive income. When one or more events that adversely affect the estimated future cash flow of a financial asset have occurred, the financial asset has credit impairment. Evidence of credit impairment of financial assets includes the observable data of the following matters:

- The major financial difficulties of the borrower or issuer;

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

- Breach of contract, such as delay or overdue for more than one year;
- Due to economic or contractual reasons related to the borrower's financial difficulty, the Company makes concessions to the borrower that would not have been considered;
- The borrower is likely to file for bankruptcy or undergo other financial restructuring;
or
- The active market for the financial asset disappears due to financial difficulties.

The loss allowance of financial assets measured at amortized cost is deducted from the book value of the assets. The loss allowance for debt instruments measured at fair value through other comprehensive income is adjusted and recognized in other comprehensive income (without reducing the carrying amount of the asset).

When the Company cannot reasonably expect all or part of the recovered financial assets, it will directly reduce the total book value of its financial assets. For corporate accounts, the Company analyzes the timing and amount of write-off on the basis of whether the recovery is reasonably expected. The Company expects that the written-off amount will not materially reverse. However, the written-off financial assets can still be enforced compulsorily to meet the Company's procedures for recovering overdue amounts.

(5) Derecognition of financial assets

The Company only has contractual rights to the cash flows from the asset terminated, or transferred the financial asset and almost all risks and rewards of the ownership of the asset have been transferred to other enterprises, or has neither transferred nor retained almost all the risks and rewards, and the Company does not retain the control over the financial asset, the financial asset is derecognized.

When the Company enters into a transaction to transfer a financial asset, if all or almost all of the risks and rewards of the transferred asset ownership are retained, it will continue to be recognized in the balance sheet.

2. Financial liabilities and equity instruments

(1) Classification of liabilities or equities

The Company's debt and equity instruments are classified as financial liabilities or equity based on the substance of the contractual agreements and the definitions of financial liabilities and equity instruments.

(2) Equity transactions

Equity instrument refers to any contract in which the Company has residual equity after deducting all liabilities from assets. The equity instruments issued by the Company are recognized at the acquisition price net of the direct issue cost.

(3) Treasury stock

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

When repurchasing the Company's recognized equity instrument, the consideration paid (including directly attributable costs) is recognized as a decrease in equity. The repurchased shares are classified as treasury stock. In the subsequent sale or reissue of the treasury stock, the amount received is recognized as an increase in equity, and the surplus or loss arising from the transaction is recognized as capital reserve or retained earnings (if the capital reserve is insufficient to offset).

(4) Financial liabilities

Financial liabilities are classified as amortized cost or measured at fair value through profit or loss. If a financial liability is held for trading, derivative or designated at the time of initial recognition, it is classified as measured at fair value through profit or loss. Financial liabilities at fair value through profit or loss are measured at fair value, and related net profits and losses, including any interest expenses, are recognized in profit or loss.

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

(5) Derecognition of financial liabilities

The Company derecognizes financial liabilities when contractual obligations are fulfilled, canceled, or expired. When the terms of a financial liability are amended and there is a significant difference in the cash flow of the liability after the amendment, the original financial liability is derecognized, and a new financial liability at the fair value based on the amended terms is recognized.

When derecognizing financial liabilities, the difference between the book value and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(6) Offsetting of financial assets and liabilities

Financial assets and financial liabilities can be offset against each other and reported in the balance sheet in net amount only when the Company has a legally enforceable right to offset against each other and there is an intention to settle in net amount, or the assets are realized and the liabilities are repaid at the same time.

(7) Financial guarantee contract

Financial guarantee contracts are contracts whereby the issuer must pay a specific amount to cover the loss of the holder when a specific debtor is unable to repay in accordance with the terms of the debt instrument.

Financial guarantee contracts issued by the Company that are not designated as

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
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measured at fair value through profit or loss are initially measured at their fair value less directly attributable transaction costs, and subsequently measured in accordance with the higher of the following: (a) The amount of loss allowance determined under IFRS No. 9; and (b) the initial recognized amount, where appropriate, less the amount of accumulated gains recognized in accordance with the following revenue principles.

(VII) Inventory

Inventories are measured at the lower of cost or net realizable value. The cost includes the necessary expenses for obtaining the loan in the place and state where it is available for use and the cost of capitalization of borrowings.

The net realizable value refers to the balance of the estimated selling price under normal operations less the estimated cost of completion and the estimated cost of sales. The net realizable value is determined as follows:

1. Construction site

The net realizable value is calculated with reference to the selling price by the management authority based on the prevailing market conditions less the cost to be invested until completion and selling expenses, or based on the most recent market value (developing analysis method or comparative method).

2. Construction in progress

The net realizable value is calculated based on the estimated selling price (the market condition at the time) less the cost to be invested until completion and sales expenses.

3. Buildings and land for sale

The net realizable value is the estimated selling price (current market conditions) less the cost and selling expenses incurred when selling the property.

(VIII) Investment in subsidiaries

In preparing the parent company only financial statements, the Company has adopted the equity method to evaluate the invested company it has control over. Under the equity method, the amortization amount attributed to the owners of the parent company is the same as the profit or loss and other comprehensive income for the period in the parent company only financial statements and the consolidated financial statements prepared on the consolidated basis. The equity attributable to the owners of the parent company in the financial statements is the same.

Changes in the Company's ownership interests in subsidiaries that do not result in a loss of control are treated as equity transactions with owners.

(IX) Joint agreement

A joint agreement is an agreement under joint control between two or more parties. Joint agreements include joint operations and joint ventures, and have the following characteristics:

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

(a) All parties to the agreement are bound by the contractual agreement; (b) At least two parties to the contractual agreement have joint control over the agreement. IFRS No. 11 “Joint Agreement” defines joint control as a contractual agreement to share the control of an agreement only in relation to relevant activities (i.e. activities that have a significant impact on the return of the agreement). It only exists when the unanimous consent of all parties sharing the control is obtained.

Joint venture

A joint venture is a joint agreement pursuant to which the parties with joint control of the agreement (i.e., the joint venturers) have rights to the net assets of the agreement, rather than rights to the assets and obligations to the liabilities. The joint venture shall recognize its equity in the joint venture as an investment and adopt the equity method in accordance with the provisions of IAS 28, unless the enterprise is exempted from the application of the equity method in accordance with the provisions of IAS 28.

A joint operation is a joint agreement pursuant to which the parties with joint control over the agreement (i.e. a joint operator) have rights to the assets and obligations to the liabilities related to the agreement. The joint operator should recognize and measure the assets and liabilities (and recognize the related income and expenses) related to its equity in the agreement in accordance with the relevant IFRSs applicable to specific assets, liabilities, income and expenses.

When assessing the classification of a joint agreement, the Company considered the structure of the joint agreement, the legal form of its isolation, the terms of the contractual agreement and other facts and circumstances. When the facts and circumstances change, the Company will re-evaluate whether the type of joint agreement participated in has changed.

(X) Investment property

Investment property refers to property that is held for earning rent or for asset appreciation or both, rather than for normal business sales, for production, for supply of goods or services, or for administrative purposes. Investment property is initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment. The depreciation method, useful life and residual value are treated in accordance with the provisions of the property, plant and equipment.

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

The rental income of investment property is recognized in the operating revenue using the straight-line method over the lease period. The lease incentives given to them are recognized as part of the lease income during the lease term.

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

(XI) Property, plant and equipment

1. Recognition and measurement

Property, plant and equipment are measured at cost (including capitalized borrowing costs) less accumulated depreciation and any accumulated impairment.

Property, plant and equipment that are significant in terms of their useful lives are treated as a separate item (a major component) when their useful lives are different.

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

2. Subsequent costs

Subsequent expenses may be capitalized only when their future economic benefits are likely to flow into the Company.

3. Depreciation

Depreciation is calculated at the cost of the asset less residual value and recognized in profit or loss using the straight-line method over the estimated useful life of each component.

Land is not depreciated.

The estimated useful lives for the current period and the comparative period are as follows:

(1) Buildings	3 - 50 years
(2) Transportation, office and other equipment	3 - 15 years
(3) Leasehold improvements	3 years

The Company reviews the depreciation method, useful years, and residual value on each reporting date, and makes appropriate adjustments if necessary.

4. Reclassification to investment property

When an owner-occupied property is changed in use to investment property, the property is reclassified to investment property at its carrying amount at the date of the change in use.

(XII) Lease

The Company assesses whether the contract is or contains a lease on the date of establishment of the contract. If the contract transfers control over the use of identified assets for a period of time in exchange for consideration, the contract is or contains a lease.

1. Lessee

The Company recognizes right-of-use assets and lease liabilities on the lease commencement date. Right-of-use assets are initially measured at cost, which includes the initial measurement of lease liabilities, adjusted for any lease payments paid on or before the lease commencement date, and added up the initial direct cost and the estimated cost of dismantling, removing the underlying asset and restoring the location or underlying asset,

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

while deducting any lease incentives received.

The subsequent right-of-use assets are depreciated using the straight-line method from the lease start date to the end of their useful lives or the expiration of the lease term, whichever is earlier. In addition, the Company regularly assesses whether the right-of-use assets are impaired and handles any impairment losses that have occurred. The right-of-use assets are adjusted if the lease liabilities are remeasured.

Lease liabilities are initially measured at the present value of the unpaid lease payments on the lease starting date. If the interest rate implicit in the lease is easy to determine, the discount rate is the interest rate. If it is not easy to determine, the Company's incremental borrowing rate is used. Generally, the Company adopts its incremental borrowing interest rate as the discount rate.

Lease payments included in the measurement of lease liabilities include:

- (1) Fixed payments, including substantive fixed payments;
- (2) For the variable lease payment depending on a certain index or rate, the index or the rate on the lease commencement date is used as the initial measurement;
- (3) The residual guarantee amount expected to be paid; and
- (4) the exercise price or penalty when it is reasonably certain to exercise the purchase option or lease termination option.

Subsequent interest on lease liabilities is accrued using the effective interest method, and the amount is re-measured when:

- (1) Changes in the index or rate used to determine lease payments result in changes in future lease payments;
- (2) There is a change in the residual guarantee amount expected to be paid;
- (3) There is a change in the evaluation of the underlying asset purchase option;
- (4) There is a change in the estimate of whether to exercise the extension or termination of the option, and thus the assessment on the lease period is changed;
- (5) Modifications to the subject, scope, or other terms and conditions of the lease.

When a lease liability is remeasured due to a change in the index or rate used to determine lease payments, changes in the residual guarantee amount, or an evaluation change in the purchase, extension, or termination of an option, the book value of the right-of-use asset shall be adjusted accordingly. When the book value of the right-of-use assets is reduced to zero, the remaining remeasured amount is recognized in profit or loss.

For a lease modification that reduces the scope of the lease, the book value of the right-of-use asset is reduced to reflect the partial or full termination of the lease, and the difference between the remeasured amount of the lease liability and the difference is recognized in profit or loss.

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
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The Company presents the right-of-use assets and lease liabilities that do not meet the definition of investment property as separate line items in the balance sheet.

For short-term leases such as office equipment and leases of underlying low-value assets, the Company chooses not to recognize right-of-use assets and lease liabilities, but to recognize relevant lease payments as expenses on a straight-line basis over the lease term.

2. Lessor

For transactions in which the Company is a lessor, the lease contract is classified based on whether it transfers almost all the risks and returns attached to the ownership of the underlying asset on the date of establishment of the lease. If so, it is classified as a financing lease; otherwise, it is classified as an operating lease. During the evaluation, the Company considers relevant specific indicators, including whether the lease period covers the main part of the economic life of the underlying assets.

If the Company is the sublessor, it shall manage the main lease and sublease transactions separately, and use the right-of-use assets generated from the main lease to assess the classification of the sublease transactions. If the main lease is a short-term lease and the recognition exemption is applicable, the sublease transaction of the main lease should be classified as an operating lease.

If the agreement includes lease and non-lease components, the Company uses IFRS 15 to allocate the consideration in the contract.

(XIII) Intangible assets

1. Recognition and measurement

The intangible assets with finite useful life that the Company acquires are measured at cost less accumulated amortization and accumulated impairment.

2. Subsequent expenses

Subsequent expenses are capitalized only when they increase the future economic benefits of the relevant specific assets. All other expenses are recognized as income upon occurrence, including the goodwill and brand developed internally.

3. Amortization

The amortization is calculated in accordance with the asset cost less the estimated residual value, and is recognized in profit or loss using the straight-line method over the estimated useful years from the intangible asset becoming available for use.

The estimated useful lives for the current period and the comparative period are as follows:

Computer software cost for 3–5 years

The Company reviews the amortization method, useful years and residual value of intangible assets on each reporting date, and makes appropriate adjustments if necessary.

(XIV) Impairment of non-financial assets

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
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The Company assesses whether there is any indication that the book value of non-financial assets (except inventories, contract assets and deferred income tax assets) may be impaired on each reporting date. If any sign exists, the recoverable amount of the asset shall be estimated.

For the purpose of impairment testing, the group of assets whose cash inflow is mostly independent of other individual assets or asset group is recognized as the smallest identifiable asset group.

If the recoverable amount of an individual asset or cash-generating unit is lower than the book value, it is recognized as impairment loss.

(XV) Revenue recognition

1. Revenue from customer contracts

Revenue is measured based on the expected consideration for the right to be obtained from the transfer of goods or services. The Company recognizes revenue when the control of the product or labor service is transferred to the customer and the performance obligation is met. The main revenue items of the Company are described as follows:

(1) Land development and sales of buildings and land

The Company develops and sells residential real estate, and often pre-sells the real estate during or before the construction period. The Company recognizes the income as income when the control of the property is transferred. Due to contractual restrictions, the real estate usually has no other use for the Company. The date of the actual handover of the real estate is the basis when the legal ownership of the real estate is transferred to the customer. However, if the Company has only completed one of the real estate properties before the reporting date but has actually completed the other one in the post-period, it shall be recognized as revenue.

Revenue is measured based on the contractual transaction price. In the case of sales of a house, in most cases, the consideration can be collected when the legal title of the real estate is transferred. In rare cases, the account payment can be deferred according to the contractual agreement, but the period of deferral does not exceed 12 months. Therefore, the transaction price is not adjusted to reflect the impact of major financial components. In the case of pre-sale of property, the payment is usually collected in installments from the signing of the contract to the transfer of the property to the customer. If the contract includes a significant financial component, the transaction price is adjusted according to the borrowing interest rate of the project during that period to reflect the impact of the time value of money. Advance receipts are recognized as contract liabilities; after adjusting the time value of money, interest expenses and contract liabilities are recognized. The accumulated contractual liabilities are transferred to revenue when the

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

property is transferred to the customer.

(2) Construction contract

The Company engages in the contracting business of residential real estate and public construction projects. As the assets are controlled by the customers at the time of construction, the income is gradually recognized over time based on the proportion of the construction costs incurred to date in the estimated total contract costs. The contract includes fixed and variable consideration. The customer makes a fixed amount of payment in accordance with the agreed schedule. Consideration for some changes (such as fines and price adjustments calculated based on the number of days past due) are estimated based on the expected value based on accumulated past experience, and the Company only recognizes it within the scope of the accumulated revenue level with no significant reversal income. If the amount of recognized revenue has not yet been paid, it is recognized as a contract asset; when the Company has an unconditional right to the consideration, the contract asset is transferred to accounts receivable.

If the degree of completion of the performance obligation under the construction contract cannot be reasonably measured, the contract revenue is recognized only within the range of the expected recoverable cost.

When the Company expects that the inevitable cost of fulfilling an obligation in a construction contract exceeds the economic benefits expected from the contract, the provision for the onerous contract is recognized.

If the situation changes, the estimates of revenue, cost and level of completion will be revised, and the resulting increase or decrease will be reflected in the profit or loss during the period in which the management is aware of the change and making revisions.

(3) Rental income

Rental income from investment property is recognized using the straight-line method over the lease term. The lease incentives are treated as part of the total lease revenue and recognized as a decrease in rental income over the lease term using the straight-line method. The income arising from the sublease of the property is recognized in the operating revenue.

(4) Financial components

The Company expects all customer contracts to be transferred to the customer within one year between the time of transfer of goods or services to the customer and the customer's payment for the goods or services, or the impact of financial components is not significant to individual contracts. Therefore, the Company does not adjust the time value of money of the transaction price.

2. Cost of contracts with customers- Incremental cost of obtaining a contract

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

If the Company expects to recover the incremental costs of obtaining contracts with customers, such costs are recognized as assets. The incremental cost of obtaining a contract is the cost that is incurred in obtaining a contract with a customer that would not be incurred if the contract had not been obtained. The costs of obtaining a contract that will be incurred whether or not the contract is won are recognized as expenses when they occur, unless the costs can be clearly collected from the customer whether the contract has been won or not.

(XVI) Employee benefits

1. Defined contribution plan

The obligation of the defined contribution plan is recognized as an expense within the service period provided by the employee.

2. Defined benefit plan

The Company's net obligation to the defined benefit plan is converted to the present value of the future benefit earned from the services provided by the employees in the current period or in the past, less the fair value of planned assets.

Defined benefit obligations are calculated annually by a qualified actuary using the projected unit benefit method. When the calculation result may be favorable to the Company, the assets recognized shall be up to the present value of any economic benefit that can be derived from the refund of the contribution from the plan or the reduction of the contribution from the plan in the future. The calculation of the present value of the economic benefits takes into account the minimum capital contribution required.

The remeasurement of the net defined benefit liability, including actuarial gains and losses, plan asset returns (excluding interest), and any change in the impact of asset ceilings (excluding interest) is immediately recognized in other comprehensive income and accumulated in retained earnings. The Company determines the net interest expense (revenue) of the net defined benefit liabilities (assets) using the net defined benefit liabilities (assets) and the discount rate at the beginning of the reporting period. The net interest expense and other expenses of the defined benefit plan are recognized in profit or loss.

When the plan is revised or curtailed, the changes in welfare related to the prior service cost or curtailment benefit or loss is recognized immediately in profit or loss. When the settlement occurs, the Company recognizes the settlement gain or loss of the defined benefit plan.

3. Short-term employee benefits

Short-term employee benefit obligations are recognized as expenses when the services are provided. If the Company has a current legal or presumed payment obligation due to the past services provided by employees, and the obligation can be estimated reliably, the amount is recognized as liabilities.

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
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(XVII) Income tax

Income tax includes current income tax and deferred income tax. Except for those related to business combination and recognized directly in equity or other comprehensive income, current income tax and deferred income tax shall be recognized in profit or loss.

The current income tax includes the expected income tax payable or tax refund receivable calculated based on the taxable income (loss) of the current year, and any adjustment to the income tax payable or tax refund receivable from prior years. The amount is the best estimate of the expected payment or receipt based on the statutory tax rate or tax rate substantially enacted on the reporting date.

Deferred income tax is measured and recognized on temporary differences between the carrying amount of assets and liabilities and their tax bases at the reporting date. Temporary differences arising from the following circumstances shall not be recognized as deferred income tax:

1. Assets or liabilities originally recognized in a transaction that is not a business merger, and at the time of the transaction (i) does not affect accounting profits and taxable income (loss) and (ii) does not generate equivalent taxable and deductible temporary difference;
2. Temporary differences arising from investments in subsidiaries, affiliates and joint ventures, of which the Company can control the timing of temporary difference reversal and is very likely not to be reversed in the foreseeable future; and
3. The taxable temporary difference arising from the initial recognition of goodwill.

Unused tax losses and unused income tax credits carried forward and deductible temporary differences are recognized as deferred income tax assets within the range of future taxable income that is likely to be available for use. The Company shall reevaluate it at each reporting date, and adjust the relevant income tax benefits to the extent that it is not very likely to be realized; or to reverse the amount of reduction in the range where it is very likely that there will be sufficient taxable income.

Deferred income tax is measured at the tax rate at which the temporary difference is expected to be reversed, and based on the statutory tax rate or substantive tax rate at the reporting date.

The Company will offset the deferred income tax assets and deferred income tax liabilities when the following conditions are met at the same time:

1. Has the legally enforceable right to offset current income tax assets and current income tax liabilities; and
2. Deferred income tax assets and deferred income tax liabilities are related to one of the following taxable entities levied by the same taxation authority:
 - (1) the same taxpayer; or

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

- (2) different taxable entities, but each entity intends to settle the current income tax liabilities and assets on a net basis, or realize assets and settlement of liabilities at the same time in each future period when significant amounts of deferred income tax assets are expected to be recovered and the deferred income tax liabilities are expected to be settled.

(XVIII) Mergers

The Company accounts for all business combinations using the acquisition method. Goodwill is measured as the fair value of the consideration transferred at the acquisition date, including the amount of any non-controlling interests in the acquiree, less the net amount of the identifiable assets acquired and liabilities assumed (generally at fair value). If the balance after the deduction is negative, the Company reassesses whether all assets acquired and all liabilities assumed have been correctly identified before recognizing the bargain purchase gain in profit or loss.

Except for those related to the issuance of debt or equity instruments, transaction costs related to a business combination shall be recognized immediately as an expense of the Company when incurred.

For non-controlling interests in the acquiree that represent present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, the Company measures them, on a transaction-by-transaction basis, either at fair value at the acquisition date or at the proportionate share of the recognized amounts of the acquiree's identifiable net assets attributable to those ownership interests. Other non-controlling interests are measured at their fair value as of the acquisition date or on another basis as prescribed by the International Financial Reporting Standards endorsed by the Financial Supervisory Commission.

If the initial accounting for a business combination is not completed by the reporting date in which the combination occurs, the Company recognizes provisional amounts for the items for which the accounting is incomplete. During the measurement period, these provisional amounts are retrospectively adjusted, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The measurement period shall not exceed one year from the acquisition date.

(XIX) Earnings per share (EPS)

The Company presents the basic and diluted earnings per share attributable to the Company's common stock shareholders. The basic earnings per share of the Company is calculated by dividing the profit or loss attributable to the Company's common stock shareholders by the weighted average number of the outstanding common stock shares during the period. Diluted earnings per share is calculated by having the profit and loss attributable to the Company's common stock shareholders and the weighted average number of common

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

stock shares outstanding adjusted for the effects of all potential diluted common stock shares, respectively.

(XX) Segment Information

The Company has disclosed the department information in the consolidated financial statements; therefore, the department information was not disclosed in the parent company only financial statements.

V Major accounting judgments, estimates, and major sources of uncertainty for assumptions

In preparing these parent company only financial statements, management is required to make judgments and estimates about the future (including climate-related risks and opportunities), which affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from estimates.

Management continuously reviews estimates and underlying assumptions, which are consistent with the Company's risk management and climate-related commitments. Changes in estimates are recognized prospectively in the period of change and in future periods affected.

When adopting accounting policies, the management is required to make judgments, estimates and assumptions that are based on historical experience and other factors that are not readily apparent from other sources. Actual results may differ from estimates.

The management will continue to review the estimates and basic assumptions. If a revision of an estimate only affects the current period, it is recognized in the period in which the revision is made; if a revision of an accounting estimate affects the current period and future periods, it is recognized in the period of the revision and future periods.

Main sources of estimation and assumption uncertainty:

Valuation of inventories

Since inventories need to be measured at the lower of cost or net realizable value, the Company evaluates the amount of inventory on the reporting date because the market selling price is lower than the cost, and offsets the cost of inventories to the net realizable value. The inventory valuation is mainly based on the selling price in the market at the time. Please refer to Note 6(5) for inventory valuation and estimation.

VI Description of important accounting items

(I) Cash and cash equivalents

	2025.12.31	2024.12.31
Cash and petty cash	\$ 255	313
Bank deposits		
Check deposits	1,340,163	1,295,385
Demand deposits	2,976,185	2,362,311
Time deposit	3,150,000	4,550,000

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Cash equivalents	299,459	2,651,642
Cash and cash equivalents listed in the Statement of Cash Flows	\$ 7,766,062	10,859,651

The cash equivalents referred to above are short-term notes, the maturity intervals are January 2026 and January–February 2025, and the interest rate intervals are 1.44% and 1.42% - 1.43%, respectively.

Please refer to Note 6(24) for the disclosure of the interest rate risk and sensitivity analysis of the Company's financial assets and liabilities.

(II) Financial assets measured at fair value through profit or loss

	2025.12.31	2024.12.31
Financial assets mandatorily measured at fair value through profit or loss:		
Stocks of TWSE/TPEX-listed	\$ 65,574	60,114

1. Please refer to Note 6(23) for the amount remeasured at fair value and recognized in profit or loss.
2. As the non-derivative financial assets listed above are mandatory for measurement at fair value through profit or loss, the Company recognized NTD 2,829 thousand and NTD 1,585 thousand in dividend income in 2025 and 2024.
3. The Company's financial assets had not been provided as collateral guarantees as of December 31, 2025 and 2024.

(III) Financial assets measured at fair value through other comprehensive income

	2025.12.31	2024.12.31
Equity instruments measured at fair value through other comprehensive income:		
Stock of TWSE/TPEX-listed company - Fubon Financial Preferred Shares C (FBFHCPCS)	\$ 626	624
Stock of domestic emerging (listed) companies - Clientron Corp.	215	365
Stock of non-TWSE/TPEX-listed company - Everterminal Co., Ltd.	1,712	1,711
Stock of non-TWSE/TPEX-listed company - Preferred stock of Ta Shee Resort Co., Ltd.	25,276	25,276
Total	\$ 27,829	27,976

1. The Company's investments in these equity instruments are long-term strategic investments and are not held for trading purposes, and therefore have been designated to be measured at fair value through other comprehensive income.

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

2. The Company designated the investment in equity instrument listed as being measured at fair value through other comprehensive income, and the dividend income recognized in 2025 and 2024 was NT\$21 thousand and NT\$50 thousand respectively.
3. The Company did not dispose of strategic investment in 2025 and 2024, and did not transfer any accumulated gain or loss in equity during the period.
4. Please refer to Note 6(24) for credit risk (including impairment of debt instrument investment) and market risk information.
5. The above financial assets have not been provided as collateral guarantees.

(IV) Notes and accounts receivable

	2025.12.31	2024.12.31
Notes receivable	\$ -	615
Accounts receivable	1,381	-
	\$ 1,381	615

The Company uses simplified method to estimate expected credit losses for all accounts receivable, that is, using expected credit losses throughout the duration. For this measurement, such accounts receivable are the common credit risk characteristics of the ability to pay all amounts due in the contract terms and are grouped and included in the forward-looking information. The expected credit losses of the Company's accounts receivable in Taiwan are analyzed as follows:

	2025.12.31		
	Carrying amount of notes and accounts receivable	Weighted average rate of expected credit losses	Allowance for expected credit losses during the duration
Not past due	\$ 1,381	-	-
	2024.12.31		
	Carrying amount of notes and accounts receivable	Weighted average rate of expected credit losses	Allowance for expected credit losses during the duration
Not past due	\$ 615	-	-

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

There was no bad debt provision and write-down reversal in 2025 and 2024.

(V) Inventory

	2025.12.31	2024.12.31
Prepayments for building and land	\$ 56,296	38,131
Construction site	2,476,653	2,080,126
Building and land under construction	9,628,226	13,783,198
Buildings and land for sale	14,244,475	5,531,768
Total	\$ 26,405,650	21,433,223

1. In 2024, the amount of net realizable value recognized as inventory valuation losses due to the written-off of inventories was NTD 83,754 thousand, which was reported as cost of sales.
2. The inventory cost of the sales cost and expense recognized in 2025 and 2024 are NTD 2,249,827 thousand and NTD 9,262,369 thousand, respectively.
3. The Company's building under construction in 2025 and 2024 was calculated at the capitalization interest rate of 2.502% and 2.386%, respectively. For the amount of capitalization of the interest, please refer to Note 6(23).
4. The Company entrusted the legal parking spaces for sale to others for an amount of NTD 11,649 thousand on December 31, 2025, and December 31, 2024, respectively.
5. During 2025, the Company, considering changes in the intended use of certain assets, reclassified properties held for sale that meet the definitions of property, plant and equipment and investment property to property, plant and equipment and investment property. Please refer to Notes 6(8) and (10) for details.
6. The Company leases out some of its vacant properties and parking spaces. However, as it does not intend to realize long-term gains or generate rental income, this asset is not recognized as investment property and remains classified as Inventories - buildings and land held for sale.
7. Please refer to Note 8 for the Company's inventories provided as collaterals as of December 31, 2025 and 2024.

(VI) Investment under equity method

The Company's investment under equity method on the reporting date is as follows:

	2025.12.31	2024.12.31
Subsidiary	\$ 8,001,278	6,539,369
Joint venture	-	1,028,425
	\$ 8,001,278	7,567,794

1. Subsidiary

Please refer to the 2025 consolidated financial statements.

2. Joint ventures

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

The Company, Clevo Co. and Hua Tai Investment Corporation jointly participated in the urban renewal project for public buildings on the E1E2 street corner in the dedicated area of the Taipei Main Station. In accordance with the joint venture agreement, the three parties jointly established Tua Tiann Co., Ltd., and the proportion of shareholding was 51%, 24.5%, and 24.5%, respectively, and the investment amount was NTD 1,020,000 thousand, NTD 490,000 thousand, and NTD 490,000 thousand, respectively.

The joint venture company and the Taipei City Housing and Urban Renewal Center signed the “Taipei Main Station Dedicated Area E1E2 Street Plan Public Office Urban Renewal Project” contract in September 2022. According to the contract, the joint venture company needs to transfer the ownership of the commercial facilities of the project through the signing of the “Lease Contract for Shopping Malls in High Development Zones” and the “Lease Contract in Low Development Zones” with the Taiwan Railways Administration within 1 month after the ownership transfer and within 3 months from the completion of the restoration and reuse of the open space in the designated area. The leaseback period is 20 years.

The following table summarizes the financial information of the Tua Tiann Co., Ltd., and the fair value adjustments at the time of acquisition and accounting policy differences. The purpose of this presentation is to adjust the aggregated financial information to the book value of the Company's equity in Tua Tiann Co., Ltd.

	2024.12.31	
Percentage of ownership interests	51%	
Current assets	\$ 2,016,747	
Non-current assets	69	
Current liabilities	(297)	
Non-current liabilities	-	
Net assets	\$ 2,016,519	
Cash and cash equivalents	\$ 26,783	
	2024.12.31	
The Company's share of net assets	\$ 1,028,425	
Book value of joint venture equity	\$ 1,028,425	
	January to July	
	2025	2024
Operating revenue	\$ -	-
Net income from continuing operations for the period	\$ 8,960	14,798
Total comprehensive income	\$ 8,960	14,798
Operating expenses	\$ 75	194

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Interest revenue	\$ 11,283	18,697
Interest expense	\$ 1	2
Income tax expense	\$ 2,247	3,703
The Company's share of total comprehensive income	\$ 4,570	7,547

3. Guarantee

Please refer to Note 8 for the Company's investment under the equity method provided as collateral as of December 31, 2025 and 2024.

(VII) Acquired subsidiary

1. Acquired subsidiary

In accordance with IFRS 10, the Company conducted a comprehensive assessment in August 2025 and determined that it had control over Tua Tiann Co., Ltd.. Tua Tiann Co., Ltd. was included in the consolidated entity from the date control was obtained. Tua Tiann Co., Ltd. is primarily engaged in the construction of public housing and commercial buildings for rental or sale.

2. Net identifiable assets acquired

The fair value of the identifiable assets acquired and liabilities assumed of Tua Tiann Co., Ltd. on August 8, 2025 (the acquisition date) is as follows:

Item	Amount
Cash and cash equivalents	\$ 101,304
Inventory	652,044
Prepayments	12,872
Other financial assets— current	1,327,060
Other current assets	2
Right-of-use assets	29
Long-term borrowings	(80,000)
Current income tax liabilities	(1,119)
Lease liabilities - current	(30)
Fair value of identifiable net assets	\$ 2,012,162

The above fair value measurement of the assets and liabilities acquired by the Company is preliminary and the amounts are still subject to final appraisal.

The Company will continue to review the above matters during the measurement period. If any new information is obtained within one year of the acquisition date that identifies an adjustment to the above provisional amount or any additional liability reserve existing at the acquisition date related to facts and circumstances existing at the acquisition

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

date, the accounting for the acquisition will be revised.

(VIII) Property, plant and equipment

The changes in the cost, depreciation and impairment loss of the Company's property, plant and equipment as of 2025 and 2024 are as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Leasehold improvements</u>	<u>Other equipment (including transportation and other equipment)</u>	<u>Total</u>
Cost or					
recognized cost:					
Balance as of \$	138,488	301,215	3,924	16,429	460,056
January 1, 2025					
Addition	-	23,175	-	9,936	33,111
Transfer from	920,288	361,883	-	-	1,282,171
inventory					
Transfer to	(138,488)	(301,215)	(1,117)	-	(440,820)
investment					
property					
Disposal and	-	-	-	(27)	(27)
scrap					
Balance as of \$	<u>920,288</u>	<u>385,058</u>	<u>2,807</u>	<u>26,338</u>	<u>1,334,491</u>
December 31,					
2025					
Balance as of \$	138,488	301,215	1,117	14,568	455,388
January 1, 2024					
Addition	-	-	2,807	1,861	4,668
Balance as of \$	<u>138,488</u>	<u>301,215</u>	<u>3,924</u>	<u>16,429</u>	<u>460,056</u>
December 31,					
2024					
Depreciation and					
impairment loss:					
Balance as of \$	-	181,765	1,429	5,712	188,906
January 1, 2025					
Depreciation	-	6,493	935	1,952	9,380
in the current					
year					
Transfer to	-	(186,484)	(1,117)	-	(187,601)
investment					
property					
Disposal and	-	-	-	(27)	(27)
scrap					
Balance as of \$	<u>-</u>	<u>1,774</u>	<u>1,247</u>	<u>7,637</u>	<u>10,658</u>

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

	<u>Land</u>	<u>Buildings</u>	<u>Leasehold improvements</u>	<u>Other equipment (including transportation and other equipment)</u>	<u>Total</u>
December 31, 2025					
Balance as of \$	-	171,080	1,117	4,141	176,338
January 1, 2024					
Depreciation in the current year	<u>-</u>	<u>10,685</u>	<u>312</u>	<u>1,571</u>	<u>12,568</u>
Balance as of \$	<u>-</u>	<u>181,765</u>	<u>1,429</u>	<u>5,712</u>	<u>188,906</u>
December 31, 2024					
Carrying amount:					
December 31, 2025	<u>\$ 920,288</u>	<u>383,284</u>	<u>1,560</u>	<u>18,701</u>	<u>1,323,833</u>
January 1, 2024	<u>\$ 138,488</u>	<u>130,135</u>	<u>-</u>	<u>10,427</u>	<u>279,050</u>
December 31, 2024	<u>\$ 138,488</u>	<u>119,450</u>	<u>2,495</u>	<u>10,717</u>	<u>271,150</u>

In 2025, the Company reclassified the building located at No. 169, Section 3, Minquan East Road, Taipei City, from inventory to property, plant, and equipment for use as its operational headquarters.

The Company leased its self-use building located at No. 131, Sec. 3, Pingdong E. Rd., Taipei City to third parties in 2025, and reclassify the property's cost and accumulated depreciation as investment property upon a change in its intended use. Please refer to Note 6(10).

Please refer to Note 8 for the details of the financing guarantee provided on December 31, 2025 and 2024.

(IX) Right-of-use assets

The details of changes in the cost and depreciation of the Company's rented buildings and transportation equipment are as follows:

	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Total</u>
Cost of right-of-use assets:			
Balance as of January 1, 2025	\$ 1,974	5,033	7,007
Addition	9,494	1,733	11,227
Transferred out - lease expiry	-	(1,643)	(1,643)

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Transferred out - early termination	-	(1,643)	(1,643)
Balance as of December 31, 2025	\$ 11,468	3,480	14,948
Balance as of January 1, 2024	\$ 1,974	8,256	10,230
Transferred out - lease expiry	-	(3,223)	(3,223)
Balance as of December 31, 2024	\$ 1,974	5,033	7,007
Depreciation and impairment loss of right-of-use assets:			
Balance as of January 1, 2025	\$ 470	3,486	3,956
Appropriation of depreciation	876	1,411	2,287
Transferred out - lease expiry	-	(1,643)	(1,643)
Transferred out - early termination	-	(1,460)	(1,460)
Balance as of December 31, 2025	\$ 1,346	1,794	3,140
Balance as of January 1, 2024	\$ 94	3,818	3,912
Appropriation of depreciation	376	2,891	3,267
Transferred out - lease expiry	-	(3,223)	(3,223)
Balance as of December 31, 2024	\$ 470	3,486	3,956
Book value:			
December 31, 2025	\$ 10,122	1,686	11,808
January 1, 2024	\$ 1,880	4,438	6,318
December 31, 2024	\$ 1,504	1,547	3,051

(X) Investment property

	<u>Land and improvements</u>	<u>Buildings</u>	<u>Total</u>
Cost or recognized cost:			
Balance as of January 1, 2025	\$ 282,087	213,814	495,901
Transfer from inventory	1,106,718	450,094	1,556,812
Transfer from property, plant and equipment	138,488	302,332	440,820
Balance as of December 31, 2025	\$ 1,527,293	966,240	2,493,533
Balance as of January 1, 2024	\$ 282,087	213,814	495,901
Balance as of December 31, 2024	\$ 282,087	213,814	495,901
Depreciation and impairment loss:			
Balance as of January 1, 2025	\$ 6,995	46,184	53,179
Depreciation in the current year	-	10,589	10,589
Transfer from property, plant and equipment	-	187,601	187,601

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

	<u>Land and improvements</u>	<u>Buildings</u>	<u>Total</u>
equipment			
Balance as of December 31, 2025	\$ 6,995	244,374	251,369
Balance as of January 1, 2024	\$ -	37,728	37,728
Depreciation in the current year	-	4,193	4,193
Impairment loss in the current year	6,995	4,263	11,258
Balance as of December 31, 2024	<u>\$ 6,995</u>	<u>46,184</u>	<u>53,179</u>
Carrying amount:			
December 31, 2025	<u>\$ 1,520,298</u>	<u>721,866</u>	<u>2,242,164</u>
January 1, 2024	<u>\$ 282,087</u>	<u>176,086</u>	<u>458,173</u>
December 31, 2024	<u>\$ 275,092</u>	<u>167,630</u>	<u>442,722</u>
Fair value:			
December 31, 2025			<u>\$ 2,772,170</u>
December 31, 2024			<u>\$ 442,722</u>

Investment property is commercial property leased to a third party. Please refer to Note 6(16) for relevant information.

The Company, considering a change in the use of certain buildings at No. 169, Section 3, Minquan East Road, Taipei City, reclassified them from inventories to investment property. Please refer to Note 6(5) for details.

The Group considered reclassifying the land and building located at No. 169, Section 3, Minquan East Road, Taipei City, due to a change in intended use, transferring its owner-occupied property, plant and equipment to investment property. Please see Note 6(8) for details.

The fair value of investment property is based on the valuation of independent appraisers (with relevant recognized professional qualifications and recent experience in the location and type of investment property valued) or the self-assessment of the Company (see based on the transaction price or actual registered transaction information). The input value used in the fair value valuation technique belongs to Class III.

The fair value is valued using the market value income approach and the comparative approach. If there is no current price in an active market, the valuation considers the estimated aggregate cash flows expected to be received from the lease of the property, and discounts it at a rate of return that reflects the specific risks inherent to the net cash flow to determine the value of the property. The yields adopted in 2025 and 2024 were 1.735%–2.74% and 2.74%, respectively.

Please refer to Note 8 for the Company's investment property provided as collateral as of December 31, 2025 and 2024.

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

(XI) Intangible assets

The cost, amortization, and impairment loss of the Company's intangible assets for 2025 and 2024 are as follows:

	Cost of computer software
Cost:	
Balance as of January 1, 2025	\$ 12,078
Balance as of December 31, 2025	<u>\$ 12,078</u>
Balance as of January 1, 2024	\$ 11,277
Addition	227
Transferred in	<u>574</u>
Balance as of December 31, 2024	<u>\$ 12,078</u>
Amortization and impairment loss:	
Balance as of January 1, 2025	\$ 11,242
Current amortization	<u>296</u>
Balance as of December 31, 2025	<u>\$ 11,538</u>
Balance as of January 1, 2024	\$ 11,143
Current amortization	<u>99</u>
Balance as of December 31, 2024	<u>\$ 11,242</u>
Book value:	
Balance as of December 31, 2025	<u>\$ 540</u>
January 1, 2024	<u>\$ 134</u>
Balance as of December 31, 2024	<u>\$ 836</u>

Amortization expense

The amortization expenses of intangible assets 2025 and 2024 are reported in the following items in the statement of comprehensive income:

	2025	2024
Operating expenses	<u>\$ 296</u>	<u>99</u>

(XII) Other financial assets - current and incremental cost of obtaining a contract

	2025.12.31	2024.12.31
Other financial assets - current	\$ 610,055	649,885
Incremental cost of obtaining a contract	<u>5,381</u>	<u>6,076</u>
	<u>\$ 615,436</u>	<u>655,961</u>

1. Other financial assets

Mainly includes restricted assets (repayment accounts and trust proceeds) and construction deposits deposited. Please refer to Note 8 for the details of their use as collateral.

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

2. Incremental cost of obtaining a contract - current

The Company expects to recover the commission paid to the agency for the acquisition of real estate sales contracts or the bonuses from the internal sales department's own sales and construction projects, so it is recognized as an asset. They shall be amortized when the revenue from sales of buildings and land are recognized. The sales and marketing expenses of NTD 12,520 thousand and NTD 50,578 thousand were recognized in 2025 and 2024, respectively.

(XIII) Short-term borrowings

The details of the Company's short-term loans are as follows:

	<u>2025.12.31</u>	<u>2024.12.31</u>
Unsecured bank borrowings	\$ 3,744,386	3,194,882
Secured bank loan	<u>12,315,506</u>	<u>8,174,412</u>
Total	<u>\$ 16,059,892</u>	<u>11,369,294</u>
Interest rate range	<u>1.87%~2.975%</u>	<u>1.77%~2.955%</u>

Please refer to Note 8 for the Company's assets pledged as collateral for bank loans.

(XIV) Corporate bonds payable/Corporate bonds due within one year or one business cycle or with resale rights exercised

The Company's bonds payable details are as follows:

	<u>2025.12.31</u>	<u>2024.12.31</u>
Secured common corporate bonds - current	\$ -	1,000,000
Secured common corporate bonds - non-current	<u>3,700,000</u>	<u>2,000,000</u>
Total	<u>\$ 3,700,000</u>	<u>3,000,000</u>

1. The Company issued secured ordinary bonds on October 3, 2025, October 30, 2025, and December 11, 2024, in the amounts of NT\$1,000,000 thousand, NT\$700,000 thousand, and NT\$1,000,000 thousand, respectively, with coupon rates of 1.96%, 1.96%, and 2.06%, respectively. The term of each issuance is five years.

2. Please refer to Note 8 for the description of the collateral provided for the aforementioned secured ordinary corporate bonds.

(XV) Lease liabilities

The book value of lease liabilities of the Company is as follows:

	<u>2025.12.31</u>	<u>2024.12.31</u>
Current	<u>\$ 12,444</u>	<u>3,182</u>

Please refer to Note 6(24) Financial Instruments for maturity analysis.

The amount of lease recognized in profit or loss is as follows:

	<u>2025</u>	<u>2024</u>
Interest expense of lease liabilities	<u>\$ 97</u>	<u>99</u>

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Expenses of short-term and low-value leases	<u>\$ 18,602</u>	<u>24,461</u>
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The amounts recognized in the statement of cash flows are as follows:

	<u>2025</u>	<u>2024</u>
Total cash outflow for leases	<u>\$ 20,477</u>	<u>27,838</u>

1. Lease of buildings and structures

The Group leases the sunken plaza at Kaohsiung Station from Taiwan Railways Corporation, Ltd. for a term of three years (including a two-month preparation period), and pays rent on a monthly basis after the preparation period ends.

2. Other leases

The lease term of the Company's transportation equipment is 3 years.

In addition, the Company contracted outdoor fixed-point advertising and reception centers. These leases are short-term and low-value leases that the Company chose to apply the recognition exemption rules and did not recognize its related right-of-use assets and lease liabilities.

(XVI) Operating lease

Lessor's lease

The Company leases out its investment properties. Since it has not transferred almost all the risks and rewards of the ownership of the underlying assets, the lease contracts are classified as operating leases. Please refer to Note 6(10) Investment properties.

The maturity analysis of lease payments is shown in the following table based on the total undiscounted lease payments to be received after the reporting date:

	<u>2025.12.31</u>	<u>2024.12.31</u>
Less than 1 year	\$ 95,879	9,726
1 to 2 years	107,150	9,726
2-3 years	108,496	9,726
3-4 years	77,312	9,726
4-5 years	52,716	9,726
Over 5 years	<u>6,000</u>	<u>11,590</u>
Total undiscounted lease payments	<u>\$ 447,553</u>	<u>60,220</u>

The rent income generated from the investment property was NTD 19,405 thousand and NTD 9,726 thousand in 2025 and 2024, respectively; and no significant maintenance and repair expenses have been incurred.

(XVII) Employee benefits

1. Defined benefit plan

The adjustment of the present value of the Company's defined benefit obligation and the fair value of the plan assets is as follows:

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

	2025.12.31	2024.12.31
Present value of defined benefit obligation	\$ 4,612	4,522
Fair value of plan assets	(4,903)	(3,092)
Net defined benefit obligation (assets) and liabilities	\$ (291)	1,430

The employee benefit liabilities of the Company are as follows:

	2025.12.31	2024.12.31
Short-term paid leave of absence	\$ 438	1,042

The Company's defined benefit plan is appropriated to the labor pension reserve account at the Bank of Taiwan. The retirement payment of each employee under the Labor Standards Act is calculated based on the bases earned for the years of service and the average salary six months prior to retirement.

(1) Composition of plan assets

The pension fund appropriated by the Company in accordance with the Labor Standards Act is under the overall management of the Bureau of Labor Funds, Ministry of Labor. In accordance with the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund," the minimum income distributed each year in the final accounts for the use of the fund shall not be lower than the income calculated based on the local bank's two-year time deposit interest rate.

The Company's labor pension fund account at the Bank of Taiwan is with a balance of NTD 4,903 thousand as of the reporting date. Information on the utilization of assets of the Labor Pension Fund, including fund yield rate and fund asset allocation, is disclosed on the website of the Bureau of Labor Funds, Ministry of Labor.

(2) Changes in the present value of definite benefit obligations

Changes in the present value of the Company's defined benefit obligations as of 2025 and 2024 are as follows:

	2025	2024
Defined benefit obligation as of January 1	\$ 4,522	4,617
Current service cost and interest	68	58
Remeasurement of net defined benefit liabilities (assets)		
- Actuarial gains and (losses) due to changes in financial assumptions	75	(84)
- Experience adjustment	380	2,055
Benefits paid by the plan	(433)	(2,124)
Defined benefit obligation as of December 31	\$ 4,612	4,522

(3) Changes in the fair value of plan assets

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Changes in the fair value of the Company's defined benefit plan assets in 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Fair value of the plan assets on January 1	\$ 3,092	4,686
Interest revenue	47	59
Remeasurement of net defined benefit liabilities (assets)		
- Return on plan assets (excluding interest for the current period)	336	410
Amount appropriated to the plan	1,861	61
Benefits paid by the plan	(433)	(2,124)
Fair value of the plan assets on December 31	<u>\$ 4,903</u>	<u>3,092</u>

(4) In 2025 and 2024, the Company had no ceiling effect on the defined benefit plan assets.

(5) Expenses recognized in profit or loss

The Company's expenses recognized in profit or loss in 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Interest cost of defined benefit obligation	\$ 68	58
Net interest of net defined benefit liabilities (assets)	(47)	(59)
	<u>\$ 21</u>	<u>(1)</u>

(6) Remeasurement of net defined benefit liabilities (assets) recognized as other comprehensive income

The remeasurement of net defined benefit liabilities (assets) recognized by the Company as other comprehensive income is as follows:

	<u>2025</u>	<u>2024</u>
Accumulated balance on January 1	\$ (11,993)	(10,432)
Recognized in current period	(119)	(1,561)
Accumulated balance on December 31	<u>\$ (12,112)</u>	<u>(11,993)</u>

(7) Actuarial assumptions

The significant assumptions used by the Company to determine the present value of the defined benefit at the end of the financial reporting date are as follows:

	<u>2025.12.31</u>	<u>2024.12.31</u>
Discount rate	1.25%	1.50%
Future salary increase	1.75%	1.75%

The Company expects to pay NTD 62 thousand to the defined benefit plan within one year after the 2025 reporting date.

The weighted average duration of the defined benefit plan is 8.5 years.

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

(8) Sensitivity analysis

The impact of changes in the main actuarial assumptions to be adopted on December 31, 2025 and 2024 and the impact on the present value of defined benefit obligations is as follows:

	Effect on defined benefit obligations	
	Increase	Decrease
December 31, 2025		
Discount rate (changed by 0.25%)	(75)	76
Future salary increase (1% change)	312	(294)
December 31, 2024		
Discount rate (changed by 0.25%)	(82)	84
Future salary increase (1% change)	347	(323)

The above sensitivity analysis analyzes the impact of changes in a single assumption with other assumptions remaining unchanged. In practice, many changes in assumptions may be linked. The sensitivity analysis is consistent with the method used to calculate the net defined benefit liability in the Statement of Financial Position.

The methods and assumptions used in the preparation of the sensitivity analysis of the current period are the same as those used in the previous period.

2. Defined contribution plan

The Company's defined contribution plan complies with the Labor Pension Act. An amount equivalent to 6% of the employee's monthly wage is appropriated to the individual labor pension account with the Bureau of Labor Insurance. Under this plan, after appropriating a fixed amount to the Bureau of Labor Insurance, the Company has no legal or constructive obligation to make additional payments.

The Company's pension expense under the defined contribution plan was NTD 5,356 thousand and NTD 5,185 thousand in 2025 and 2024, respectively, which had been appropriated to the Bureau of Labor Insurance.

(XVIII) Income tax

1. Income tax expense

The details of the Group's expenses for the years 2025 and 2024 are as follows:

	2025	2024
Current income tax expense		
Occurred in the current period	\$ 102,537	698,739
Imposition on undistributed earnings	136,332	57,815
Adjustment of the current income tax of the previous period	(18,517)	-

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Land Value Increment Tax	54,714	179,299
Income tax expense	\$ 275,066	935,853

In 2025 and 2024, the Company had no income tax expense recognized directly in equity and recognized in other comprehensive income.

The relationship between the Company's income tax expenses and net income before tax for 2025 and 2024 is adjusted as follows:

	2025	2024
Net income before tax	\$ 1,831,204	6,486,330
Income tax calculated in accordance with the domestic tax rate in the place where the Company is located	\$ 366,241	1,297,266
Tax-exempted income from land	(62,133)	(367,251)
Timing differences between financial accounting and tax reporting for the recognition of revenue and costs.	(35,325)	37,324
Tax differences on deferred interest expenses	(613)	(49,236)
Domestic investment gains under equity method	(159,920)	(142,040)
Valuation loss (profit) of financial assets at fair value through profit or loss	(1,092)	(3,806)
Tax differences on deferred sales and marketing expenses	1,265	(13,180)
Total land price increase	(7,216)	(65,054)
Previous underestimation (overestimation)	(18,517)	-
Land Value Increment Tax	54,714	179,299
Imposition on undistributed earnings	136,332	57,815
Other	1,330	4,716
	\$ 275,066	935,853

2. The income tax returns of the Company's profit-seeking business have been audited and approved by the tax authorities up to 2023.

(XIX) Capital and other equity

The Company's authorized capital amounted to NTD 6,500,000 thousand on December 31, 2025 and 2024, respectively, with 650,000 thousand shares issued at NTD 10 par value. The above-mentioned authorized capital stock is of common stock, and the issued common shares are 609,487 thousand and 554,170 thousand, respectively. All payments on the issued shares have been collected.

1. Issuance of common shares

On May 27, 2025, the general shareholders' meeting resolved to increase capital by NTD 553,170 thousand from earnings at NTD 10 per share, or 55,317 thousand shares.

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Approved by the FSC, Executive Yuan on July 3, 2025, with August 11, 2025 as the ex-rights record date. The relevant statutory procedures have been completed.

2. Capital reserve

The balance of the Company's capital reserves is as follows:

	2025.12.31	2024.12.31
Issued stock premium	\$ 827,906	827,906
Premium of corporate bond conversion	236,408	236,408
Treasury stock trading	402,982	366,740
Gain on disposal of assets	34,912	34,912
Others	28,061	27,846
	\$ 1,530,269	1,493,812

Pursuant to the Company Act, capital reserves shall be first used to make up for losses before issuing new shares or cash based on realized capital reserve according to the original shareholding ratio. The realized capital reserve mentioned in the preceding paragraph includes the premium of shares issued in excess of the par value and the income from gifts received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the total amount of capital reserve for capitalization each year shall not exceed 10% of the paid-in capital.

3. Retained earnings

In accordance with the Company's Articles of Incorporation, if there is a profit after the final account, tax should be first paid followed by setting aside an amount for the accumulated loss, and then 10% of the profit should be appropriated as legal reserve, and the legal provision and reversal of special reserve. If there is any surplus, the board of directors shall draft a proposal for the distribution of shareholders' dividends and submit it to the shareholders' meeting for resolution, but if this earnings distribution is made in cash, in accordance with Article 240, paragraph 5 of the Company Act, the board is to seek approval from the shareholders meeting to authorize the board of directors to handle the matter and to report to the shareholders' meeting. The approval is considered obtained with the consent of more than half of the attending directors at the meeting attended by more than two-thirds of the board of directors.

(1) Legal reserve

When the Company has no losses, the shareholders' meeting may resolve to issue new shares or cash from the legal reserve, provided that such reserve exceeds 25% of the paid-in capital.

(2) Special reserves

According to the regulations of the FSC, when the Company distributes the

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

distributable earnings, the difference between the net amount debited to other shareholders' equity and the balance of the special reserve is added to the items other than the current net profit after tax. This amount is added to the current undistributed earnings and the prior undistributed earnings that are set aside as special reserve; the amount of reduction of other shareholders' equity accumulated in the previous period is set aside from the undistributed earnings of the prior period as special reserve and shall not be distributed. If the amount debited to other shareholders' equity is reversed afterwards, the reversed amount may be distributed as earnings. As of December 31, 2025, the special reserve balance amounted to NTD 28,690 thousand.

(3) Earnings Distribution

The Company's Board of Directors on March 7, 2025 and March 12, 2024 resolved the amount of cash dividends for the 2024 and 2023 earnings appropriation proposal and on May 27, 2025, the shareholders meeting resolved the 2024 earnings appropriation. The amount of dividends distributed to the shareholders is as follows:

	2024		2023	
	Stock dividend rate (NTD)	Amount	Stock dividend rate (NTD)	Amount
Dividends distributed to common stock shareholders:				
Cash	\$ 3.10	1,714,827	1.80	995,706
Stocks	1.00	<u>553,170</u>	-	<u>-</u>
Total		<u>\$ 2,267,997</u>		<u>995,706</u>

4. Treasury stock

The shares of the Company held by the Company's subsidiaries as of December 31, 2025 and 2024 are as follows:

<u>Name of subsidiary</u>	2025.12.31			2024.12.31		
	Number of shares	Book value	Market price	Number of shares	Book value	Market price
Kedge Construction	605	\$ 1,222	20,419	550	1,222	27,995
Jiequn Investment Co., Ltd.	10,316	55,384	348,149	9,373	55,384	477,090
Guanqing Electromechanical	1,944	14,590	65,626	1,768	14,590	89,976
	<u>12,865</u>	<u>\$ 71,196</u>	<u>434,194</u>	<u>11,691</u>	<u>71,196</u>	<u>595,061</u>

Note: In addition, the amount of deductions attributable to non-controlling equity totaled

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

NTD 137,036 thousand.

5. Other equity (net amount after tax)

	Exchange differences on translation of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Total
Balance as of January 1, 2025	\$ (29,389)	699	(28,690)
Exchange differences arising from the translation of net assets of foreign operations	(65)	-	(65)
Share of unrealized profit or loss of financial assets at fair value through other comprehensive income	-	302	302
Balance as of December 31, 2025	<u>\$ (29,454)</u>	<u>1,001</u>	<u>(28,453)</u>

	Exchange differences on translation of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Total
Balance as of January 1, 2024	\$ (29,496)	1,061	(28,435)
Exchange differences arising from the translation of net assets of foreign operations	107	-	107
Share of unrealized profit or loss of financial assets at fair value through other comprehensive income	-	(362)	(362)
Balance as of December 31, 2024	<u>\$ (29,389)</u>	<u>699</u>	<u>(28,690)</u>

(XX) Earnings per share (EPS)

Calculations of the Company's 2025 and 2024 basic earnings per share and diluted earnings per share are as follows:

1. Basic earnings per share

(1) Net profit attributable to the Company's common stock shareholders

	<u>2025</u>	<u>2024</u>
	<u>Continuing operations</u>	<u>Continuing operations</u>
Net profit attributable to the Company's common stock shareholders	<u>\$ 1,556,138</u>	<u>5,550,477</u>

(2) Weighted average outstanding common stock

	<u>2025</u>	<u>2024</u>
Common shares issued as of January 1	554,170	554,170
Effect of treasury stock	(13,865)	(13,865)
Capitalization of retained earnings	<u>55,317</u>	<u>55,317</u>

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Weighted average outstanding common stock as of December 31	<u>595,622</u>	<u>595,622</u>
Basic earnings per share	<u>\$ 2.61</u>	<u>9.32</u>
2. Diluted earnings per share		
(1) Net income attributable to the Company's common stock shareholders (diluted)		
	<u>2025</u>	<u>2024</u>
	<u>Continuing operations</u>	<u>Continuing operations</u>
Net income attributable to common stock shareholders of the Company (diluted)	<u>\$ 1,556,138</u>	<u>5,550,477</u>
(2) Weighted average number of common shares outstanding (diluted)		
	<u>2025</u>	<u>2024</u>
Weighted average outstanding common stock as of December 31 (basic)	595,622	595,622
Effect of employee stock compensation	943	2,092
Weighted average number of common stock outstanding (diluted) on December 31	<u>596,565</u>	<u>597,714</u>
Diluted earnings per share	<u>\$ 2.61</u>	<u>9.29</u>
(XXI) Revenue from customer contracts		
1. Details of revenue		
Revenues for 2025 and 2024 are as follows:		
	<u>2025</u>	<u>2024</u>
Revenue recognized from customer contracts	\$ 3,837,532	15,941,850
Rental income	32,349	17,272
	<u>\$ 3,869,881</u>	<u>15,959,122</u>
2. Breakdown of revenue recognized from customer contracts		
	<u>2025</u>	<u>2024</u>
Key regional markets:		
Taiwan	<u>\$ 3,869,881</u>	<u>15,959,122</u>
Main product/service lines:		
Sale of merchandise (sale of premises)	\$ 3,667,888	15,601,961
Construction contract revenue	168,044	337,889
Revenue from service provision	1,600	2,000
Other income	32,349	17,272
	<u>\$ 3,869,881</u>	<u>15,959,122</u>

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Timing of revenue recognition:

Commodities transferred at a certain point in time	\$	3,667,888	15,601,961
Construction transferred over time		168,044	337,889
Income gradually transferred over time		33,949	19,272
Total		<u>\$ 3,869,881</u>	<u>15,959,122</u>

3. Contract balance

	<u>2025.12.31</u>	<u>2024.12.31</u>	<u>2024.1.1</u>
Notes and accounts receivable	\$ 1,381	615	3,602
Less: Loss allowance	-	-	-
Total	<u>\$ 1,381</u>	<u>615</u>	<u>3,602</u>
Contract assets - construction projects	\$ 76,036	380,672	227,954
Less: Loss allowance	-	-	-
Total	<u>\$ 76,036</u>	<u>380,672</u>	<u>227,954</u>
Contract liabilities - sales of buildings and land	\$ 157,225	633,991	1,102,830
Contract liabilities – rental income	28,683	-	-
Total	<u>\$ 185,908</u>	<u>633,991</u>	<u>1,102,830</u>

Please refer to Note 6(4) for the disclosure of accounts receivable and its impairment.

The opening balance of contract liabilities on January 1, 2025 and 2024 was recognized as income in the amounts of NTD 633,991 thousand and NTD 1,102,830 thousand in 2025 and 2024.

Changes in contract assets and contract liabilities are mainly due to the difference between the time when the Company transfers goods or services to customers to meet performance obligations and the time when the customer makes payment. There were no other significant changes in 2025 and 2024.

As of December 31, 2025, for the Company's pre-sale of buildings and land projects, the amount of the advances and the interest paid in trust was NTD 28,655 thousand, which had been paid into the trust accounts of each bank, booked in the “Other financial assets - current” account. Relevant trust accounts are as follows:

<u>Project Code</u>	<u>2025.12.31</u>
109B	<u>\$ 28,655</u>

(XXII) Remuneration to employees and directors

On May 27, 2025, the shareholders’ meeting resolved to amend the Articles of Incorporation. According to the amended Articles, if the Company makes a profit in a given year, not less than 0.5% shall be allocated as employee remuneration (of which entry-level

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

employee remuneration shall be not less than 15%) and not more than 2% as directors' remuneration. However, if the Company still has accumulated losses, an amount shall be reserved in advance to offset the losses.

Before the amendments, the Company's Articles of Incorporation, if there is profit in the year, no less than 0.5% of the profit shall be appropriated as employee's remuneration and no more than 2% as director's remuneration. However, if the Company still has accumulated losses, an amount shall be reserved in advance to offset the losses.

The Company's 2025 and 2024 employee remuneration is estimated to be NTD 21,709 thousand and NTD 95,473 thousand, respectively, and that directors' remuneration is NTD 21,709 thousand and NTD 95,473 thousand, respectively. The estimate is based on the net income before tax of each period deducting the remuneration of employees and directors, and multiplied by the distribution percentage of the remuneration of employees and directors as stipulated in the Articles of Incorporation of the Company, and is reported as operating expenses for the period. If there is a discrepancy between the actual distributed amount and the estimated figure in the following year, it shall be treated as a change in accounting estimates and recognized as profit or loss of the following year. If the board of directors decides to pay employees' remuneration in shares, the number of shares will be calculated based on the closing price of the common stock on the day before the resolution of the board meeting. Please visit the MOPS for relevant information. The amount of remuneration distributed to employees and directors as resolved by the above-mentioned board meeting is no different from the estimated amount in the Company's 2025 and 2024 parent company only financial statements.

(XXIII) Non-operating income and expenses

1. Interest revenue

The interest income of the Company for 2025 and 2024 is as follows:

	2025	2024
Bank deposits (including interest of short-term commercial papers)	\$ 110,229	87,940
Discounted construction deposits paid off (including deposits)	6	3
Other	15	4,388
	\$ 110,250	92,331

2. Other income

The Company's other income as of 2025 and 2024 is as follows:

	2025	2024
Dividend income	\$ 2,850	1,635

3. Other gains and losses

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

The Company's other gains and losses as of 2025 and 2024 are as follows:

	2025	2024
Financial assets income measured at fair value through \$ profit or loss	5,460	19,030
Impairment loss	-	(11,258)
Other income	45,743	58,992
Other expenses	(22,378)	(145,872)
	\$ 28,825	(79,108)

4. Financial costs

Financial costs of the Company in 2025 and 2024 are as follows:

	2025	2024
Interest expense		
Bank borrowings and deposit interest	\$ 360,771	322,320
Corporate bond interest and service charge	74,139	56,440
Interest on lease liabilities	97	99
Less: capitalized interest	(190,926)	(248,273)
	\$ 244,081	130,586

(XXIV) Financial instruments

1. Credit risk

(1) Credit risk exposure

The book value of financial assets represents the maximum credit risk exposure amount.

(2) Concentration of credit risk

The Company is engaged in the development and sale of real estate. Its customer base is mainly consumers. The Company does not significantly concentrate its transactions with a single customer and the sales regions are dispersed. Therefore, there is no significant concentration of credit risk in accounts receivable.

2. Liquidity risk

The contractual maturities of financial liabilities are shown in the following table, including estimated interest but excluding the effect of the agreement on the net amount.

	Carrying amount	Contractual cash flow	Within one year	1-3 years	3-5 years	Over 5 years
December 31, 2025						
Non-derivative financial liabilities						
Secured bank loan	\$ 12,315,506	13,213,736	1,423,093	10,666,884	929,503	194,256
Unsecured bank borrowings	3,744,386	3,939,265	3,409,806	529,459	-	-
Notes, accounts and other payables (including related parties)	1,932,283	1,932,283	1,932,283	-	-	-

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

	Carrying amount	Contractua l cash flow	Within one year	1-3 years	3-5 years	Over 5 years
Ordinary corporate bonds	3,700,000	3,989,621	71,420	1,139,052	2,779,149	-
Lease liabilities	12,444	12,915	4,422	8,493	-	-
Guarantee deposits received	51,212	51,212	-	9,292	41,920	-
	\$ 21,755,831	23,139,032	6,841,024	12,353,180	3,750,572	194,256
December 31, 2024						
Non-derivative financial liabilities						
Secured bank loan	\$ 8,174,412	8,840,293	1,554,944	6,525,999	759,350	-
Unsecured bank borrowings	3,194,882	3,384,031	2,434,234	681,395	268,402	-
Notes, accounts and other payables (including related parties)	1,529,831	1,529,831	1,529,831	-	-	-
Ordinary corporate bonds (including those due within one year)	3,000,000	3,172,743	1,004,603	76,200	2,091,940	-
Lease liabilities	3,182	3,272	1,912	940	420	-
Guarantee deposits received	1,742	1,742	-	1,742	-	-
	\$ 15,904,049	16,931,912	6,525,524	7,286,276	3,120,112	-

The Company does not expect the timing of the cash flows to be matured significantly earlier or the actual amounts will be significantly different.

3. Interest rate analysis

The interest rate exposure of the Company's financial assets and financial liabilities is described in the liquidity risk management of this note.

The following sensitivity analysis is based on the interest rate risk exposure of the derivative and non-derivative instruments on the reporting date. The analysis of liabilities with floating interest rates is based on the assumption that the amount of liabilities outstanding on the reporting date has been outstanding throughout the year. The rate of change used by the Company to report interest rates to key management personnel is an increase or decrease of 1%, which also represents management's assessment of the reasonably possible range of interest rates.

If the interest rate on the reporting date increases or decreases by 1%, and all other variables remain unchanged, the Company's 2025 and 2024 net income before tax would decrease or increase by NTD 160,599 thousand and NTD 113,693 thousand, respectively. The pre-tax profit after interest capitalization would decrease or increase by NTD 90,112 thousand and NTD 39,188 thousand, mainly due to the Company's borrowings at variable interest rates.

4. Other pricing risks

If the price of equity securities changes on the reporting date (the two analysis are based on the same basis, and assuming other variables unchanged), the impact on the comprehensive income is as follows:

	2025		2024	
	Other	Profit or loss	Other	Profit or loss
Securities price on the				

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

	2024.12.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 60,114	60,114	-	-	60,114
Financial assets measured at fair value through other comprehensive income - non-current	\$ 27,976	989	25,276	1,711	27,976
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 10,859,651	-	-	-	-
Notes and accounts receivable	615	-	-	-	-
Other financial assets- Liquidity	649,885	-	-	-	-
Total	\$ 11,598,241	61,103	25,276	1,711	88,090
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 11,369,294	-	-	-	-
Notes, accounts and other payables (including related parties)	1,529,831	-	-	-	-
Corporate bonds payable (including portion due within one year)	3,000,000	-	-	-	-
Lease liabilities	3,182	-	-	-	-
Guarantee deposits received	1,742	-	-	-	-
Total	\$ 15,904,049	-	-	-	-

(2) Valuation technique for the fair value of financial instruments measured at fair value

(2.1) Non-derivative financial instruments

If there is a quoted market price for the financial instrument, the quoted price on the active market is used as the fair value. The market price announced by the major exchanges and the TPEX for central government bonds that are judged to be popular are the basis for the fair value of TWSE/TPEX-listed equity instruments and debt instruments with open quotations on the active market.

If open quotations of financial instruments can be obtained in a timely manner from exchanges, brokers, underwriters, industrial associations, pricing service institutions or competent authorities, and the prices represent actual and frequently occurring fair market transactions, then the financial instruments have open quotations in the active market. If the above conditions are not met, the market is deemed inactive. Generally speaking, a large spread of the bid-ask spread, a significant increase in the spread of the bid-ask price, or a low trading volume are indicators of an inactive market.

If the financial instruments held by the Company belong to an active market, the fair value is listed as follows by category and attribute:

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

- The fair values of stocks and corporate bonds of TWSE/TPEX listed companies are financial assets and financial liabilities that have standard terms and conditions and are traded in the active market. The fair value is determined by reference to market quotations.

If the financial instruments held by the Company are in the non-active market, the fair value is listed as follows by category and attribute:

- Equity instruments without public quotations: The fair value is estimated using the market comparable company method, and the main assumption is the investees' estimated earnings before tax, depreciation and amortization, and the earnings multiplier derived from the market quotations of comparable Stocks of TWSE/TPEX-listed as basis of measurement. The estimate has adjusted the effect of the discount due to the lack of market liquidity of the equity securities.

(3) Details of changes in level 3

	Measured at fair value through other comprehensive income
	Equity instruments without public quotations
January 1, 2025	\$ 1,711
Total profit or loss	
Recognized in other comprehensive income	1
December 31, 2025	\$ 1,712
January 1, 2024	\$ 1,744
Total profit or loss	
Recognized in other comprehensive income	(33)
December 31, 2024	\$ 1,711

The above total profit or loss is reported in the “unrealized valuation gain (loss) of financial assets measured at fair value through other comprehensive gain or loss”. The assets still held on December 31, 2025 and 2024 are as follows:

	2025	2024
Total profit or loss		
Recognized in other comprehensive income (reported in “Unrealized valuation gain or loss on financial assets measured at fair value through other comprehensive income”)	\$ 1	(33)

(XXV) Financial risk management

1. Overview

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

The Company is exposed to the following risks due to the use of financial instruments:

- (1) Credit risk
- (2) Liquidity risk
- (3) Market risk

The Company's risk exposure information and the objectives, policies and procedures of the Company's risk measurement and management are disclosed in this note. Please refer to the notes to the parent company only financial statements for further quantitative disclosure.

2. Risk management framework

(1) Risk management policies:

In the course of business operations, enterprises often encounter many uncertainties that may threaten business operations. In order to detect and control risks at an early stage, and reduce the losses caused by risks, sound risk management policies are required. The Company's Board of Directors formulates overall risk management policies in accordance with the operating strategies, operating environment and department plans, which mainly include environmental aspects, internal and external operating procedures, and strategic decision-making. In addition, the board of directors should also submit risk management reports on various risk management decisions, tasks, supervision, and subsequent implementation, so that when the management can refer to past experience and come up with better solutions when faced with similar issues.

(2) Organizational structure for risk management:

Each level or department in the Company is responsible for the risks. Once any abnormal situation is found, it should be reported to the Audit Office or senior management immediately, and a solution should be sought for as soon as possible. The decision-maker should also take action in the shortest time possible.

The organizational structure of risk management is as follows:

Name of the organization	Scope of responsibility
Board of Directors	Formulate a risk management policy Ensure the effective operation of a risk management mechanism and allocate resources
Senior management	Implement risk management measures resolved by the board Coordinate inter-departmental risk management matters
Audit Department	Audit daily risk management operations Supervising risk management activities and reporting implementation status to the Board of Directors and Audit Committee

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Other departments	Aggregate the results of risk management activities Perform daily risk management operations Determine the type of risk and formulate a plan to cope depending on the changes in the environment
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3. Credit risk

Credit risk is the risk of financial loss incurred by the Company due to the failure of customers or financial instrument trading counterparts to fulfill contractual obligations, which mainly comes from the Company's accounts receivable from customers and securities investments.

(1) Accounts receivable and other receivables

The Company's credit risk exposure is mainly affected by the conditions of each individual customer. However, the management also considers the statistical data of the Company's customer base, including the default risk of the industry and country of the customer, as these factors may affect credit risk. The Company's 2025 and 2024 revenues were all derived from sales to domestic customers; the receivables from real estate development and sales are mostly conducted with individuals who made payments in the form of remittance, cash and checks, and bank mortgage financing. Thus, the credit risk is low.

The Company has the allowance account setup to reflect the estimated losses incurred on accounts receivable and other receivables and investments. The main components of the allowance account include specific loss components related to individual significant exposures, and loss components for the incurred but unidentified losses of similar asset groups. The portfolio loss allowance account is determined based on the historical payment statistics for similar financial assets.

(2) Investment

The credit risk of bank deposits, fixed income investments and other financial instruments is measured and monitored by the Company's Finance Department. As the counterparties of the Company are banks with good credit standing and financial institutions, corporations and government agencies with investment grade and above, and there is no major concern about performance, there is no significant credit risk.

(3) Guarantee

It is the Company's policy to provide financial guarantees to subsidiaries and joint partners in which the Company holds more than 50% of the shares. As of December 31, 2025 and 2024, the Company had not provided the endorsement/guarantee referred to above.

4. Liquidity risk

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Liquidity risk is the risk that the Company may not be able to deliver cash or other financial assets to settle financial liabilities and fail to fulfill related obligations. The Company manages liquidity by monitoring the Company's capital demand through cash flow forecast and maintaining sufficient undrawn commitment limit at all times to ensure that under normal and stressed circumstances, the Company has sufficient liquidity to meet its liabilities as they fall due, without incurring unacceptable losses or risk of damage to the Company's reputation.

5. Market risk

Market risk refers to the risk that changes in market prices, such as exchange rates, interest rates, and equity instrument prices will affect the Company's revenue or the value of financial instruments. The objective of market risk management is to control market risk exposure within the tolerable range and to optimize investment returns.

(1) Interest rate risk

The Company maintains an appropriate combination of fixed and floating interest rates and regularly evaluates them to ensure that the most cost-effective strategy is adopted.

(2) Other market price risks

Equity price risk is the risk arising from the Company's available-for-sale equity instruments held to partially fill the unappropriated position of the defined benefit retirement obligation. The Company's management allocates the proportion of stocks and bonds in the investment portfolio based on the market index. All major investments in the portfolio are managed individually.

(XXVI) Capital management

The objectives of the Company's capital management are to ensure the ability to continue as a going concern, to continuously provide returns to shareholders and the interests of other stakeholders, and to maintain the optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or sell assets to pay off liabilities.

Similar to the industry peers, the Company manages capital based on the debt to equity ratio. The said ratio is net debt divided by total capital. Net liabilities are the total liabilities shown in the balance sheet less cash and cash equivalents. Total capital is all of the components of equity (i.e. capital stock, capital reserve, retained earnings and other equity) plus net liabilities.

The Company's capital management strategy in 2025 is consistent with that in 2024, which is to maintain the debt capital ratio between 21% and 42% to ensure financing at a

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

reasonable cost. The debt capital ratios as of December 31, 2025 and 2024 are as follows:

	2025.12.31	2024.12.31
Total liabilities	\$ 22,178,514	17,220,798
Less: Cash and cash equivalent	(7,766,062)	(10,859,651)
Net liabilities	14,412,452	6,361,147
Total equity	24,416,182	24,537,130
Adjusted capital	\$ 38,828,634	30,898,277
Debt capital ratio	37%	21%

(XXVII) Investment and financing activities of non-cash transactions

The non-cash transaction investing activities and financing activities of the Company in 2025 and 2024 are as follows:

1. Regarding right-of-use assets acquired through leasing, please refer to Note 6(9) for details.
2. The property, plant and equipment acquired are as follows:

	2025	2024
Purchase of property, plant and equipment	\$ 33,111	4,668
Add: Payables for equipment, beginning	-	-
Less: Payables for equipment, ending	(8,165)	-
	\$ 24,946	4,668

VII Transactions with related parties

(I) Names of related parties and their relationships

The transaction related parties and subsidiaries of the Company during the period covered by the parent company only financial statements are as follows:

Name of related party	Relationship with the Company
Kedge Construction Co., Ltd. (Kedge Construction)	Subsidiary of the Company
Global Mall Co., Ltd. (Global Mall)	Subsidiary of the Company
Guan Cheng Co., Ltd. (Global Mall Banqiao Store) (Guan Cheng)	Subsidiary of the Company
Jiechun Investment Co., Ltd. (Jiechun Investment)	Subsidiary of the Company
Dingtian Construction Co., Ltd. (Dingtian Construction)	Subsidiary of the Company
Guanqing Electromechanical Co., Ltd. (Guanqing Electromechanical)	Subsidiary of the Company
KGM International Investment Co., Ltd. (KGM)	Subsidiary of the Company
Guan Hua Co., Ltd. (Global Mall Nangang Store) (Guan Hua)	Subsidiary of the Company
Guan You Co., Ltd. (Global Mall Zuoying Store) (Guan You)	Subsidiary of the Company

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

<u>Name of related party</u>	<u>Relationship with the Company</u>
Tua Tiann Co., Ltd. (Tua Tiann)	The Company's joint venture (Note)
Kindom Yu San Education Foundation (Yushan Foundation)	Its Chairman is a relative of second degree of kinship to the Chairman of the Company

Note: Became a subsidiary of the Company in August 2025.

(II) Major transactions with related parties

1. Procurement

The amount of the Company's purchases to related parties is as follows:

<u>2025</u>	<u>Total contract price (before tax)</u>	<u>Purchases (valued in the current period)</u>	<u>Cumulative denominated amount</u>
Subsidiary - Kedge Construction	\$ 22,320,836	4,483,801	9,193,668
Subsidiary - Dingtian Construction	181,477	51,740	181,477
Total	\$ 22,502,313	4,535,541	9,375,145
<u>2024</u>			
Subsidiary - Kedge Construction	\$ 16,318,771	3,155,716	7,463,591
Subsidiary - Dingtian Construction	176,305	61,084	129,737
Total	\$ 16,495,076	3,216,800	7,593,328

The Company contracts the price of the project to the related party in accordance with the regulations on the contracting of construction projects of the affiliated enterprise, the price is based on the project budget plus reasonable management fees and profits, and the price is submitted to the supervisor for approval after comparing and negotiating the procedure.

The Company's payment terms to the related parties are 50% sight, 50% 60-day promissory note or 100% sight, 100% payable 90-day promissory note.

2. Receivables from related parties

The Company's receivable accounts-related parties are stated as follows:

<u>Presentation item</u>	<u>Category of related party</u>	<u>2025.12.31</u>	<u>2024.12.31</u>
Accounts receivable	Subsidiary - Global Mall	<u>\$ 20</u>	<u>-</u>

3. Payables to related parties and contract liabilities

The Company's payable accounts-related parties are stated as follows:

<u>Presentation item</u>	<u>Category of related party</u>	<u>2025.12.31</u>	<u>2024.12.31</u>
Notes payable - related party	Subsidiary - Kedge Construction	\$ 402,559	281,031
Notes payable - related party	Subsidiary - Dingtian Construction	3,744	6,286
Accounts payable -	Subsidiary - Kedge	798,158	513,531

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

<u>Presentation item</u>	<u>Category of related party</u>	<u>2025.12.31</u>	<u>2024.12.31</u>
related parties	Construction		
Accounts payable - related parties	Subsidiary - Dingtian Construction	15,838	8,120
Accounts payable - related parties	Subsidiary - Global Mall	-	95
Contract liabilities	Subsidiary - Global Mall	19,516	-
		<u>\$ 1,239,815</u>	<u>809,063</u>

4. Endorsements/guarantees

Endorsements and guarantees provided by related parties to the Company are as follows:

<u>Name of related party</u>	<u>2025.12.31</u>	<u>2024.12.31</u>
Subsidiary	<u>\$ 28,384</u>	<u>28,384</u>

5. Leases

(1) Lease of housing and land from related parties

The Company leases office buildings and parking spaces from its subsidiaries, with lease terms of one year. Rental expenses for 2025 and 2024 amounted to NT\$1,680 thousand and NT\$3,360 thousand, respectively. Due to the Company's relocation to a new site, the lease contracts were terminated early.

(2) Rental of land to related parties

The Company leases part of its office building space to its subsidiaries and other related parties, with lease terms of one year and three years, respectively. Rental income for 2025 and 2024 amounted to NT\$3,611 thousand and NT\$6,897 thousand, respectively. In addition, due to the relocation of the subsidiary Kedge Construction, the lease contract was terminated early.

The Company leases office buildings to its subsidiaries Kedge Construction and Global Mall under five-year lease agreements, with rental terms determined by reference to prevailing office rental rates in nearby areas. Rental income for 2025 amounted to NT\$3,846 thousand. In addition, the Company collected deposits and management fees of NT\$16,832 thousand and NT\$1,897 thousand, respectively, in accordance with the contracts; the deposits are recognized under guarantee deposits received.

6. Other

(1) The Company signed an agreement on the use of the superficies in Pingtung City with Global Mall in the second half of 2011 for a total of 30 years. The subsidiary has undertaken the superficies contract signed between the Company and the Pingtung City Government.

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

- (2) The Company donated NTD 6,250 thousand and NTD 6,000 thousand to the Yu Shan Foundation in 2025 and 2024, respectively, for the promotion of the Foundation's affairs.
- (3) During 2025 and 2024, the Company purchased gift vouchers from its subsidiary Global Mall in the amounts of NT\$11,781 thousand and NT\$12,938 thousand, respectively.
- (4) The earnings of the joint venture distributed in 2025 and 2024 were NTD 6,792 thousand and NTD 6,307 thousand, respectively.
- (5) The provision of consulting services between the Company and the related parties is as follows:

	2025		2024	
	Total contract price	Other revenue recognized in the period	Total contract price	Other revenue recognized in the period
Provided by the Company to subsidiaries	\$ 10,020	9,542	9,630	9,172

	2025		2024	
	Total contract price	Expenses recognized in the period	Total contract price	Expenses recognized in the period
Provided by subsidiaries to the Company	\$ 420	400	292	279

(III) Transactions by key management personnel

Remuneration to key management personnel includes:

	2025	2024
Short-term employee benefits	\$ 23,157	55,375
Post-employment benefits	48	48
	\$ 23,205	55,423

VIII Pledged assets

The book value of the Company's assets pledged as collateral is as follows:

Asset name	Subject matter of pledge guarantee	2025.12.31	2024.12.31
Buildings and land for sale	Bank borrowings	\$ 13,577,384	4,247,760
Construction site	"	1,751,650	703,681
Building and land under construction	"	9,033,923	13,404,158
Investment property and property, plant and equipment, net	"	3,522,561	700,660

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Other financial assets- Liquidity	Bank borrowings, pre-payment trust, performance bonds and corporate bonds payable	450,339	491,208
Long-term equity investment under the equity method	Bank borrowings and performance guarantees	3,579,775	3,476,322
		\$ 31,915,632	23,023,789

IX Significant contingent liabilities and unrecognized contractual commitments

(I) Significant unrecognized contractual commitments:

1. The total amount of the outsourced construction contracts signed by the Company is as follows:

	2025.12.31	2024.12.31
Total value of commissioned construction contracts	\$ -	1,000,804
Amount received	\$ -	452,089

2. The price of the pre-sale and sale of houses contract signed between the Company and the customer is as follows:

	2025.12.31	2024.12.31
Price of signed sales contract	\$ 1,590,444	1,805,916
Amount received according to the contract	\$ 157,225	633,991

3. The total amounts of letters of guarantee issued and guarantee notes provided by the Company in connection with joint construction and allocation of housing units and joint development projects are as follows:

	2025.12.31	2024.12.31
	\$ 2,565,462	1,728,217

4. The unrecognized contractual commitments of the Company due to the payment of royalties for the purchase of construction lands and conversion of rights are as follows:

	2025.12.31	2024.12.31
Acquisition of inventory (construction industry)	\$ 28,148	4,136,912

5. In 2025 and 2024, the Board of Directors approved the proposal to donate to the “Kindom Yu San Education Foundation”, and promised to donate in 2025 and 2024, NTD 4,000 thousand and NTD 9,000 thousand, respectively, for the promotion of business affairs of the Foundation.

6. The Company signed the “Taipower Northern Storage and Transportation Center Nangang Former Site (AR-1-2) Specific Business District (10)” with Taiwan Power Co., Ltd. (hereinafter referred to as Taipower) in November 2021. According to the contract for the urban renewal project, the Company is required to lease back all the commercial facilities

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

(including parking spaces) that Taiwan Power Company participated in the conversion of rights, for a leaseback period of 10 years, with a maximum of 10 years of renewal, and the land lease contract is signed one year prior to the acquisition of the use permit.

7. The subsidiary of the Company (Tua Tiann Co., Ltd.) signed the “Taipei Station E1E2 Government Urban Renewal Project” contract with the Taipei City Housing and Urban Renewal Center in September 2022. The Company shall be jointly and severally liable for damages and performance of the contract.
8. The Company signed an agreement with the National Housing and Urban Renewal Center for the “Taipei City Investor Project for the Public Call for Contributors” in December 2022. It is a contract for providing capital and assisting in the implementation of the urban renewal business. According to the contract, the Company needs to lease back the commercial facilities attached to the administrative office building. The leaseback period is 20 years.

X Losses from major disasters: None.

XI Material events after the reporting period

To enhance the efficiency of resource integration within the Company while balancing financial returns with long-term strategic planning, the Group’s Board of Directors passed a resolution on January 26, 2026, to acquire the remaining outstanding shares from the minority shareholders of its subsidiary, Global Mall. In addition, on February 26, 2026, the Board of Directors resolved to acquire 54,095 thousand shares of its subsidiary, Global Mall, for a total consideration of NT\$1,374,016 thousand. Following this acquisition, the Company’s shareholding in Global Mall increased to 98.22%.

XII Others

Employee benefits, depreciation, depletion and amortization expenses by function are summarized as follows:

By function	2025			2024		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense						
Salary expenses	-	139,226	139,226	-	227,038	227,038
Labor and national health insurance expenses	-	11,792	11,792	-	10,633	10,633
Pension expense	-	5,377	5,377	-	5,184	5,184
Remuneration to directors	-	29,179	29,179	-	102,102	102,102

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

By function By nature	2025			2024		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Other employee benefit expenses	-	13,099	13,099	-	12,289	12,289
Depreciation expense	10,798	11,458	22,256	4,611	15,417	20,028
Amortization expense	-	296	296	-	99	99

Additional information on the number of employees and employee benefit expenses in 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Number of employees	<u>112</u>	<u>109</u>
Number of Directors who are not also employees	<u>7</u>	<u>7</u>
Average employee benefit expense	<u>\$ 1,614</u>	<u>2,501</u>
Average employee salaries and wages	<u>\$ 1,326</u>	<u>2,226</u>
Average employee salary expense adjustment	<u>(40.43)%</u>	<u>31.48%</u>
Remuneration to supervisors	<u>\$ -</u>	<u>-</u>

The Company's remuneration policy (including directors, managers and employees) information is as follows:

- (I) Directors (including independent directors and other directors):
1. The Board of Directors is authorized to determine the remuneration of directors according to the degree of participation in and contribution of directors to the Company's operations, and with reference to the general standards of the industry. Independent directors receive monthly remuneration and do not participate in the annual distribution of directors' remuneration.
 2. If there is profit in the year, the Company shall set aside no more than 2% as remuneration to directors. However, if the Company has accumulated losses, the Company shall first reserve an amount to offset the losses.
- (II) The Company's employees (including managers and general employees):
1. Fixed salary (principal salary and various fixed allowances)
 2. Bonuses (e.g. development bonus, sales bonus, etc.)
 3. Employee remuneration: According to the Company's Articles of Incorporation, if there is profit, no less than 0.5% should be set aside as employee remuneration. However, if the Company still has accumulated losses, the Company should first reserve an amount to offset the accumulated losses.
 4. Others (remuneration items provided according to projects or special reasons, such as deputy supervisor allowance, transportation allowance, etc.)

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

XIII Disclosures in Notes

(I) Information on significant transactions

According to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Company shall further disclose the information of significant transactions in 2025 as follows:

1. Loaning of funds to others: None.
2. Endorsements/guarantees made for others:

Unit: NTD thousand

Serial number	Endorsing/guaranteeing company name	Counterparty of endorsements/guarantees		Endorsement and guarantee limit for a single enterprise	Current maximum endorsement/guarantee balance	Ending balance of endorsements/guarantees	The actual amount drawn down	Endorsement/guarantee amount secured by property	Ratio of accumulated endorsement/guarantee amount to net worth as stated in the latest financial statement	Maximum endorsements/guarantees	Endorsements/guarantees made by the parent company to subsidiaries	Endorsement/guarantee provided by the subsidiary to the parent company	Endorsement/guarantee provided to entities in Mainland China
		Company name	Relationship (Note 1)										
1	Kedge Construction	Kindom Development	Parent and Subsidiary	\$ 12,066,284	14,192	14,192	14,192	-	0.24%	12,066,284	N	Y	N
2	Dingtian Construction	Kindom Development	Parent and Subsidiary	64,057	14,192	14,192	14,192	-	22.16%	64,057	N	Y	N
2	"	Kedge Construction	Parent and Subsidiary	9,608,574	1,376,500	1,376,500	1,376,500	-	2,148.87%	19,217,148	N	Y	N
3	Global Mall	Guan You Co., Ltd. (Global Mall Zuoying Store)	2	7,325,741	180,000	180,000	-	-	2.95%	12,209,568	Y	N	N
3	"	Guan Hua Co., Ltd. (Global Mall Nangang Store)	2	7,325,741	110,000	110,000	20,000	-	1.80%	12,209,568	Y	N	N
3	"	Guan Cheng Co., Ltd. (Global Mall Banqiao Store)	2	7,325,741	143,100	81,550	61,550	-	1.34%	12,209,568	Y	N	N

Note 1: Relationship between the endorsing guarantor and the endorsee:

- (1) Companies with business transactions.
- (2) A company in which the Company directly or indirectly holds more than 50% of the voting shares.
- (3) A company in which the Company holds, directly or indirectly, more than 50% of the voting shares of the Company.
- (4) Among companies in which the Company directly or indirectly holds more than 90% of the voting shares.
- (5) Companies in the same industry or co-builders that require mutual guarantees in accordance with contractual provisions based on the needs of contracting projects.
- (6) Companies that are endorsed and guaranteed by all contributing shareholders in accordance with their shareholding ratios for joint investment.
- (7) The peers in the same trade are engaged in joint guarantees for the performance of the pre-sale house sales contract in accordance with the regulations of the Consumer Protection Act.

Note 2: Kindom was required to provide joint guarantors at the request of the Taipei City Government.

Therefore, Kedge Construction was approved by the Board of Directors as the joint guarantor of the Company on March 21, 2002 and March 25, 2010.

Note 3: Regarding the endorsement and guarantee measures of Kedge Construction, the total amount of external endorsement and guarantee shall not exceed 200% of the net worth of the company in its latest financial statement, and the amount of endorsement and guarantee to a single company shall not exceed 200% of the net worth of the company in its latest financial statement. However, the total guarantee for construction projects shall not exceed 10 times the net worth of the company in its latest

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

financial statement. The total amount of construction project guarantee for a single enterprise shall not exceed 5 times the net worth of the company in its latest financial statement.

Note 4: The amount of endorsement and guarantee provided by Dingtian Company: The total amount of external endorsement and guarantee shall not exceed 100% of the net worth of the company in its latest financial statement, and the amount of endorsement and guarantee to a single enterprise shall not exceed 100% of the net worth of the company in its latest financial statement. However, the total guarantee for construction projects shall not exceed 300 times the net worth of the company in its latest financial statement. The total amount of construction project guarantee for a single enterprise shall not exceed 150 times the net worth of the company in its latest financial statement.

Note 5: The endorsements and guarantees procedures of the Global Company specifies that the total amount of endorsements/guarantees made is limited to 200% of the net worth of the company in its latest financial statement, and the amount of endorsements/guarantees for a single company shall not exceed 120% of the net worth of the company in its latest financial statement.

3. Major marketable securities held at the end of the period (excluding investment in subsidiaries, affiliates and joint ventures):

Unit: NTD Thousand/Thousand shares

Companies in possession	Type and name of marketable securities	Relationship with the securities issuer	Presentation account	End of period				Remarks
				Number of shares	Carrying amount	Shareholding ratio	Fair value (Note)	
Kindom Company	Stock - Fubon Financial	-	Financial assets at fair value through profit or loss - current	682	65,574	- %	65,574	
"	Stocks - Everterminal Co., Ltd.	-	Financial assets measured at fair value through other comprehensive income - non-current	99	1,712	0.20 %	1,712	
"	Stock - Gongxin	-	"	29	215	0.05 %	215	
"	Stock - Fubon Financial Preferred Shares C (FBFHCPSC)	-	"	12	626	- %	626	
"	Stock - Preferred stock of Ta Shee Resort Co., Ltd.	-	"	-	25,276	- %	25,276	
Jiechun Company	Stock - Fubon Financial	-	Financial assets at fair value through profit or loss - current	637	61,191	- %	61,191	
"	Stock - Sinopac Holdings	-	"	243	6,940	- %	6,940	
"	Stock - Fubon Financial Preferred Shares C (FBFHCPSC)	-	Financial assets measured at fair value through other comprehensive income - non-current	11	584	- %	584	
"	Stock - Taiwan Calcom International Computer Graphic Co., Ltd.	-	"	405	-	0.78 %	-	
Guanqing Electromechanical	Stock - Fubon Financial	-	Financial assets at fair value through profit or loss - current	566	54,350	- %	54,350	
"	Stock - Fubon Financial Preferred Shares C (FBFHCPSC)	-	Financial assets measured at fair value through other comprehensive income - non-current	10	519	- %	519	
"	Stock - Global Views Commonwealth Publishing Group	-	"	177	7,106	0.59 %	7,106	

Note: If there is no market price, the book value on the balance sheet date is used as the market price.

4. The purchase or sale with related parties for an amount over NTD 100 million or 20% of the paid-in capital:

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Unit: NTD thousand

Purchasing (selling) company	Name of counterparty	Relationship	Transaction status				Circumstances and reasons for the difference between the transaction conditions and general transactions		Notes/ Accounts Receivable (Payable)		Remarks
			Purchase (sale) goods	Amount (Note)	Percentage in total purchase (sales)	Credit period	Unit price	Credit period	Balance	Percentage of total notes and accounts receivable (payable)	
Kindom Company	Kedge Construction	Investee company under the equity method valuation	Contract engineering projects	4,483,801	45.30%	50% at sight, 50% in 60 days or 100% at sight and 100% in 90 days	Equivalent	Slightly longer than general	(1,200,717)	68.40%	
Kedge Construction	Kindom Company	An investment in Kedge Construction under the equity method	Contract engineering projects	(4,483,801)	(19.22)%	Collect installments according to the contract or slightly longer than general	"	"	1,200,717	20.44%	

Note: Refers to the denominated amount in the current period.

5. Accounts receivable from related parties amounting to at least NTD 100 million or 20% of the paid-in capital:

Unit: NTD thousand

Company with receivables listed	Counterparty of the transaction	Relationship	Balance of receivables from related parties	Turnover rate	Overdue receivables from related parties		Subsequent recovery amount of receivables from related parties	Amount of loss allowance
					Amount	Treatment method		
Kedge Construction	Kindom Company	An investment in Kedge Construction under the equity method	1,200,717	4.32	-	-	263,796	-

(II) Information on investees:

Information on the Company's investee companies in 2025 is as follows:

Unit: NTD Thousand/Thousand shares

Name of investment company	Name of investee	Location of the Company	Main business items	Initial investment amount		Held at end of period			Investee profit or loss for the period	Investment gains and losses recognized in the current period	Remarks
				End of current period	End of last year	Number of shares	Ratio	Carrying amount			
Kindom Development	Kedge Construction	Taiwan	Comprehensive Construction Activities, etc.	374,353	374,353	44,619	34.18%	1,812,350	1,242,827	376,236	Subsidiary
"	Global Mall	Taiwan	Supermarkets, department stores, international trading, wholesale and retail of medical equipment, and more.	3,209,395	3,209,395	320,105	84.02%	5,159,802	488,158	415,869	"
"	Tua Tiann	Taiwan	Commercial Real Estate Development	1,020,000	1,020,000	102,000	51.00%	1,029,126	14,695	7,493	"
Kedge Construction	Jiequn Investment Co., Ltd.	Taiwan	General investment	163,935	163,935	16,396	99.98%	613,818	40,002	39,993	Sub-subsidiary
"	Guanqing Electromechanical	Taiwan	Electrical Appliance Installation and Fire Safety	81,326	81,326	7,748	99.97%	322,294	28,480	28,473	"

Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)

Name of investment company	Name of investee	Location of the Company	Main business items	Initial investment amount		Held at end of period			Investee profit or loss for the period	Investment gains and losses recognized in the current period	Remarks
				End of current period	End of last year	Number of shares	Ratio	Carrying amount			
			Equipment Installation Engineering								
Jiequn Investment	Dingtian Construction	Taiwan	Comprehensive Construction Activities, etc.	16,500	16,500	-	30.00%	19,217	6,142	1,843	Third-Tier Subsidiary
Guanqing Electromechanical	Dingtian Construction	Taiwan	Comprehensive Construction Activities, etc.	11,105	11,105	-	70.00%	44,840	6,142	4,299	"
Dingtian Construction	Readycom Information Services Co., Ltd.	Taiwan	IT software service and management consulting	15,000	15,000	1,400	46.67%	19,426	4,131	1,928	Investment under the equity method
Global Mall	Guan Cheng Co., Ltd. (Global Mall Banqiao Store)	Taiwan	Department stores, supermarkets, non-store retailing, and more.	280,886	280,886	20,000	100.00%	460,382	195,258	195,258	Sub-subsidiary
"	Guan Hua Co., Ltd. (Global Mall Nangang Store)	Taiwan	Department stores, supermarkets, non-store retailing, and more.	140,000	140,000	14,000	100.00%	174,486	29,564	29,564	"
"	KGM	Hong Kong	Investing and operating the overall planning of shopping malls in mainland China, supporting engineering consulting, shopping mall leasing planning and consulting.	9,339 (HKD390 thousand)	9,339 (HKD390 thousand)	- (Limited company)	100.00%	1,645	(35)	(35)	"
"	Hon Hui Zhu Gao Co., Ltd.	Taiwan	Department stores, supermarkets, non-store retailing, and more.	100,000	100,000	10,000	20.00%	95,302	(23,657)	(4,732)	Investment under the equity method
Guan Cheng Co., Ltd. (Global Mall Banqiao Store)	Guan You Co., Ltd. (Global Mall Zuoying Store)	Taiwan	Department stores, supermarkets, non-store retailing, and more.	230,006	230,006	13,500	100.00%	124,325	28,030	28,030	Third-Tier Subsidiary

(III) Investment information in Mainland China:

1. Name and principal business activities of investees in Mainland China: None.
2. Limits on investment in Mainland China:

Unit: USD thousand/CNY thousand/NTD thousand

Accumulated amount of remittance from Taiwan to Mainland China at the end of the period	Amount of investment approved by the Investment Commission, Ministry of Economic Affairs	The limit on investment in Mainland China stipulated by the Investment Commission of the Ministry of Economic Affairs
1,076,350 CNY227,649 (Note 1)	USD 38,738	14,649,709 (Note 2)

Note 1: Including the investment amount of the dissolved Kindom Global Business Management

**Notes to the parent company only financial statements of Kindom Development Co., Ltd.
(Continued)**

(Tianjin) Co., Ltd. which was deregistered on April 19, 2021. The remaining share capital, NTD 44,054 thousand (HKD 12,400 thousand), was remitted to Global Shopping through KGM in December of the same year.

Note 2: Limited to the ultimate parent company net worth \times 60%.

3. Significant transactions with investee companies in Mainland China: None.

XIV Segment Information

Please refer to the 2025 consolidated financial statements.

Kindom Development Co., Ltd.
Statement of Cash and Cash Equivalents

Balance as of December 31, 2025

Unit: NTD thousand

Please refer to Note 6(1) for relevant information.

**Statement of Other Financial Assets -
Current**

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Bank deposits	Pricing trust account and repayment account	\$ 450,339	
Refundable deposits	Performance bond, etc.	<u>159,716</u>	
		<u>\$ 610,055</u>	

Kindom Development Co., Ltd.

Statement of Inventories

Balance as of December 31, 2025

Unit: NTD thousand

<u>Item</u>	<u>Summary</u>	<u>Amount</u>
Prepayment for land	Other	\$ 56,296
Construction site	870C	11,656
	970D	520,883
	980M	12,412
	103A	166,522
	111C	290,080
	Other	1,563,857
	Less: Allowance for devaluation losses	<u>(88,757)</u>
	Subtotal	<u>2,476,653</u>
Building and land under construction	108C	976,681
	109B	2,937,197
	110B	1,216,359
	110C	836,772
	110D	1,555,809
	111B	989,963
	111C	178,573
	113A	694,511
	113B	177,347
	Other	<u>65,014</u>
	Subtotal	<u>9,628,226</u>
Buildings and land for sale	980K	812,135
	980L	1,713,796
	980M	1,453,394
	106A	30,499
	106B	35,734
	108A	489,941
	108B	7,763,206
	109A	1,945,770
	Other	12,365
	Less: Allowance for devaluation losses	<u>(12,365)</u>
Subtotal	<u>14,244,475</u>	
Total		<u>\$ 26,405,650</u>

Kindom Development Co., Ltd.
Statement of Changes in Investment Using
Equity Method

For the years ended December 31, 2025

Unit: NTD thousand

Title	Opening balance		Increase in the period (Note 1)		Decrease in the period (Note 2)		Closing balance			Market price or equity net value		Status of guarantees provided or assets pledged as collateral
	Number of shares (thousand shares)	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Shareholding ratio	Amount	Unit price	Total price	
Kedge Construction Co., Ltd.	42,093	\$ 1,532,885	2,526	414,164	-	134,699	44,619	34.18%	1,812,350	86.60	3,864,010	None
Global Mall Co., Ltd.	320,105	5,006,484	-	415,869	-	262,551	320,105	84.02%	5,159,802	16.02	5,129,059	Yes
Tua Tiann Co., Ltd.	102,000	1,028,425	-	7,493	-	6,792	102,000	51.00%	1,029,126	10.09	1,029,127	None
		<u>\$ 7,567,794</u>		<u>837,526</u>		<u>404,042</u>			<u>8,001,278</u>		<u>10,022,196</u>	

Note 1: The increase in the current period is due to the sum of the newly acquired 2,526 thousand shares from the dividends of the subsidiaries, cash dividends paid to the subsidiaries to adjust the capital reserve at NTD 36,242 thousand, investment gains of NTD 799,598 thousand under the equity method, and capital reserve for the investment in subsidiaries under equity method at NTD 71 thousand, and other comprehensive income of the subsidiaries under the equity method at NTD 1,615 thousand.

Note 2: The decrease in current period is due to the total amount of cash dividends distributed NTD 403,977 thousand and other comprehensive income of subsidiaries recognized under equity method of NTD 65 thousand.

Kindom Development Co., Ltd.
Statement of short-term borrowings

Balance as of December 31, 2025

Unit: NTD thousand

<u>Explanation</u>	<u>Type of loan</u>	<u>Closing balance</u>	<u>Duration of contract</u>	<u>Interest rate</u>	<u>Pledge or guarantee</u>
Financial institutions	Credit loans	\$ 408,929	2023.6.15~2027.6.15	Note 1	Other financial assets
"	"	685,457	2019.8.28~2026.8.28	"	Other financial assets
"	"	2,000,000	2023.1.13~2028.1.13	"	
"	"	425,000	2024.3.27~2026.6.26	"	-
"	"	200,000	2025.12.17~2026.1.16	"	-
"	"	<u>25,000</u>	2025.12.19~2026.6.17	"	-
	Subtotal	<u>3,744,386</u>			
Financial institutions	Collateralized loan	4,919,363	2022.1.24~2027.1.24	Note 2	Properties held for sale, property, plant and equipment, and investment property
"	"	855,201	2024.3.15~2030.1.2	"	Building and land under construction
"	"	222,840	2024.7.22~2028.6.30	"	Building and land under construction
"	"	53,185	2029.7.24~2026.7.26	"	Buildings and land for sale
"	"	549,860	2022.6.10~2030.4.18	"	Construction land, properties under development, and investment property
"	"	487,818	2024.6.11~2027.6.11	"	Buildings and land for sale
"	"	1,444,533	2022.1.26~2030.7.1	"	Buildings under construction and held for sale
"	"	150,000	2025.12.29~2026.2.11	"	Long-term equity investment
"	"	2,574,206	2023.11.13~2027.11.13	"	Buildings under construction and held for sale
"	"	463,500	2024.8.21~2027.8.21	"	Building and land under construction
"	"	395,000	2025.12.17~2026.1.16	"	Long-term equity investment
"	"	<u>200,000</u>	2025.12.19~2031.12.19	"	Construction site
	Subtotal	<u>12,315,506</u>			
		<u>\$ 16,059,892</u>			

Note 1: 1.87% to 2.955%.

Note 2: 2.325% to 2.975%.

Kindom Development Co., Ltd.

Statement of Contract Liabilities

Balance as of December 31, 2025

Unit: NTD thousand

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Collections on building and land	980M	\$ 49,023	
	106A	2,958	
	106B	61,116	
	108A	7,762	
	109A	8,682	
	109B	<u>27,684</u>	
	Subtotal	<u>157,225</u>	
Unearned rent revenue	108B	28,595	
	Other	<u>88</u>	
	Subtotal	<u>28,683</u>	
		<u>\$ 185,908</u>	

Kindom Development Co., Ltd.
Statement of Corporate Bonds Payable
Balance as of December 31, 2025

Unit: NTD thousand

Bond name	Trustee	Date of issue	Interest payment date	Interest rate	Total issuance amount	Amount already repaid	Closing balance	Due within one year	Book value	Method of repayment	Guarantee status
Ordinary corporate bonds 2023-1	Financial institutions	2023.10	Annual payment	1.75%	\$ 1,000,000	-	1,000,000	-	1,000,000	Lump-sum repayment of principal at maturity	Bank guarantee
Ordinary corporate bonds 2024-1	"	2024.12	"	2.06%	1,000,000	-	1,000,000	-	1,000,000	"	Bank guarantee
Ordinary corporate bonds 2025-1	"	2025.10	"	1.96%	1,000,000	-	1,000,000	-	1,000,000	"	Bank guarantee
Ordinary corporate bonds 2025-2	"	2025.10	"	1.96%	<u>700,000</u>	<u>-</u>	<u>700,000</u>	<u>-</u>	<u>700,000</u>	"	Bank guarantee
Total					<u>\$ 3,700,000</u>	<u>-</u>	<u>3,700,000</u>	<u>-</u>	<u>3,700,000</u>		

Kindom Development Co., Ltd.

Statement of Operating Revenue

For the years ended December 31, 2025

Unit: NTD thousand

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Land income		\$ 2,195,930	
Housing income		1,472,311	
Less: Sales returns and discounts		<u>(353)</u>	
Subtotal		<u>3,667,888</u>	
Rental income	Investment property	32,349	
Construction contract revenue		168,044	
Other operating revenue	Service revenue	<u>1,600</u>	
Total		<u><u>\$ 3,869,881</u></u>	

Statement of Operating Cost

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Land cost		\$ 1,048,637	
Cost of building		<u>1,048,258</u>	
Subtotal		<u>2,096,895</u>	
Lease cost	Depreciation of investment property	19,692	
Construction contract cost		<u>152,932</u>	
Total		<u><u>\$ 2,269,519</u></u>	

Kindom Development Co., Ltd.

Statement of sales and marketing expenses

For the years ended December 31, 2025

Unit: NTD thousand

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Salary expenses	Salary and bonus	\$ 10,231	
Rent expenses		10,876	
Tax payment		104	
Advertising and commission expenses		64,632	
Miscellaneous expenses		<u>13,933</u>	
		<u>\$ 99,776</u>	

Statement of administrative expenses

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Salaries and pension expenses		\$ 163,551	
Rent expenses		7,805	
Insurance premium		12,698	
Entertainment expenses		6,274	
Labor service expense		27,148	
Tax payment		50,903	
Depreciation		11,458	
Employee benefits		2,437	
Donation		32,823	
Other expenses		<u>51,642</u>	
		<u>\$ 366,739</u>	