

**Kindom Development Co., Ltd. and
Subsidiaries**

**Consolidated Financial Statements and
Independent Auditors' Report**

For the Years ended December 31, 2025 and 2024

**Company address: 10F., No. 169, Sec. 3, Minguan E. Rd., Songshan District,
Taipei City**
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Statement of Declaration

The entities that are required to be included in the consolidated financial statements of the Company for 2025 (from January 1 to December 31, 2025) under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, “Consolidated Financial Statements” endorsed and issued into effect by the Financial Supervisory Commission. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, the Company and its subsidiaries will not prepare a separate set of combined financial statements.

We hereby declare

Company name: Kindom Development Co., Ltd.

Chairman: Mike Ma

Date: February 26, 2026

Independent Auditors' Report

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

Opinion

We have reviewed the accompanying Consolidated Statement of Financial Position of Kindom Development Co., Ltd. and subsidiaries (hereinafter referred to as “the Group”) as of December 31, 2025 and 2024, and the related Consolidated Statement of Comprehensive Income, of Consolidated Statement of Changes in Equity and of Consolidated 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, its consolidated financial performance and cash flows for the years then ended in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRICs) and SIC Interpretations (SICs) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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 Consolidated 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 the Group. 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 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that we have determined to be communicated on the audit report are as follows:

I. Revenue recognition for real estate sales

Regarding the accounting policy for the recognition of revenue, please refer to the consolidated financial statements Note 4(17); for the details of the revenue recognition, please refer to Note 6(23) Revenue from Contracts with Customers of the consolidated financial statements.

Description of Key Audit Matters:

The Group 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 Group'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. Construction contract

For the accounting policies of the construction contracts, please refer to the consolidated financial statements Note 4(17) for the recognition of revenue; for the accounting estimates and assumptions of the estimated total contract cost assessment of the construction contracts, please refer to Note 5(1) to the consolidated financial statements; For an explanation on revenue recognition, please refer to the revenue from contracts with customers in Note 6(23) of the consolidated financial statements.

Description of Key Audit Matters:

The estimated total cost of a construction contract requires a high level of judgment by the management. The Group uses the percentage of completion method to recognize the construction income and cost, and the degree of completion is based on the cost incurred as a percentage of the estimated total cost as of the financial reporting date. The measurement of the degree of completion may result in a significant difference between the timing of profit and loss recognition and the current financial statements.

The corresponding audit procedures:

Our audit procedures for the key audit matters above include:

- Understand the internal operating procedures for the estimated total cost evaluation, and randomly check the estimated total cost of major projects to ensure the consistency between the evaluation process and the internal operating procedures.
- For the projects with the estimated total cost of major additions and revisions in the current period, random check the estimated total cost approved by the project management department, including the supporting documents of the additional or subtracted projects in the current period and major projects with pricing.
- Obtain the details of the costs and expenses of the current period, and implement the relevant verification procedures, including checking the amount of costs of the current period incurred to the relevant document slips, to confirm that the input costs of the current period have been properly booked.

III. Valuation of inventories

For the accounting policy of inventory valuation, please refer to Note 4(8) Inventory of the consolidated financial statements; for the accounting estimates of inventory valuation and the uncertainty of assumptions, please refer to Note 5(2) of the consolidated financial statements; for the description of inventory items, please refer to the consolidated financial statements Note 6(5) Inventories.

Description of Key Audit Matters:

Inventory of the Group is an important asset in the operation of the Group, and its amount accounts for 42% 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 Group 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 Group, 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 Group'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.

Other matters

The parent company only financial statements of 2025 and 2024 have been prepared by Kindom Development Co., Ltd., for which we have issued an unqualified opinion.

Responsibilities of the management and the governing body for the consolidated financial statements

Management is responsible for the preparation and fair representation of the consolidated financial statements in accordance with IFRS, IAS, IFRICs and SICs endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the ability of the Group in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the Group or cease the operations without other viable alternatives.

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

Auditors' Responsibilities for Auditing the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. 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 consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error; design and execute appropriate countermeasures for the risks assessed; and obtain sufficient and appropriate audit evidences 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 Group.
3. Evaluate the appropriateness of the accounting policies adopted by the management, and the reasonableness of the accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, make a conclusion on the appropriateness of the management's adoption of the accounting basis for continuing operations, and whether there are significant uncertainties in the events or conditions that may cause significant doubts about the ability of Group to continue to operate. 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 consolidated financial statement to pay attention to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statement (including relevant notes), and whether the consolidated 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 entities within the Group to express an opinion on the consolidated financial statements. We are responsible for guiding, supervising, and performing the audit of the Group and forming an audit opinion for the Group.

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 2025 consolidated financial statements of the Group 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 : Jin-Guan-Zheng-Shen-Zi No. 1090332798
March 13, 2026 : Jin-Guan-Zheng-Shen-Zi No. 1000011652

Kindom Development Co., Ltd. and Subsidiaries
Consolidated 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(18) and (23))	\$ 22,872,606	100	28,677,524	100
5000	Operating cost (Note 6(5) and (19))	17,736,547	78	19,010,495	66
	Gross operating profit	<u>5,136,059</u>	22	<u>9,667,029</u>	34
	Operating expenses:				
6100	Sales and marketing expenses (Note 6(19))	99,747	-	237,699	1
6200	Administrative expenses (Note 6(19) and (24))	1,927,730	8	1,926,652	7
6450	Expected credit impairment loss (reversal gain) (Note 6(4))	1,489	-	(7,021)	-
		<u>2,028,966</u>	8	<u>2,157,330</u>	8
	Net operating profit	<u>3,107,093</u>	14	<u>7,509,699</u>	26
	Non-operating income and expenses:				
7100	Interest revenue (Note 6(25))	221,960	1	183,046	1
7010	Other income (Note 6(25))	8,582	-	5,134	-
7020	Other gains and losses (Note 6(25))	43,077	-	(18,310)	-
7050	Financial costs (Note 6(25))	(320,503)	(1)	(212,361)	(1)
7060	Share of profit or loss of affiliated companies and joint ventures under equity method (Note 6(6))	1,766	-	8,719	-
		<u>(45,118)</u>	-	<u>(33,772)</u>	-
	Net income before tax from continuing operations	3,061,975	14	7,475,927	26
7950	Less: Income tax expenses (Note 6(20))	719,624	3	1,292,009	5
	Net income for the period	<u>2,342,351</u>	11	<u>6,183,918</u>	21
8300	Other comprehensive income:				
8310	Items not reclassified into profit or loss				
8311	Remeasurement of defined benefit plan	3,292	-	1,236	-
8316	Unrealized valuation gains or losses on investments in equity instruments measured at fair value through other comprehensive income	1,167	-	(802)	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of financial statements of foreign operations	(77)	-	127	-
8300	Other comprehensive income for the period (net amount after tax)	<u>4,382</u>	-	<u>561</u>	-
	Total comprehensive income for the period	<u>\$ 2,346,733</u>	<u>11</u>	<u>6,184,479</u>	<u>21</u>
	Net profit for the period attributable to:				
8610	Owner of the parent company	\$ 1,556,138	8	5,550,477	19
8620	Non-controlling interests	786,213	3	633,441	2
		<u>\$ 2,342,351</u>	<u>11</u>	<u>6,183,918</u>	<u>21</u>
	Total comprehensive income attributable to:				
8710	Owner of the parent company	\$ 1,557,422	8	5,549,617	19
8720	Non-controlling interests	789,311	3	634,862	2
		<u>\$ 2,346,733</u>	<u>11</u>	<u>6,184,479</u>	<u>21</u>
9750	Basic earnings per share (NTD) (Note 6(22))	<u>\$ 2.61</u>		<u>9.32</u>	
9850	Diluted earnings per share (NTD) (Note 6(22))	<u>\$ 2.61</u>		<u>9.29</u>	

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman:
Mike Ma

Manager:
Sheng-An Chang

Accounting Supervisor:
Che-Ming Liu

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

Unit: NTD thousand

	Equity attributable to owners of the parent company						Other equity		Treasury stock	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
	Share capital	Retained earnings					Exchange differences on translation of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income				
	Common stock capital	Capital reserve	Legal reserve	Special reserves	Undistributed earnings	Total						
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	3,378,533	23,340,341
Net income for the period	-	-	-	-	5,550,477	5,550,477	-	-	-	5,550,477	633,441	6,183,918
Other comprehensive income in the current period	-	-	-	-	(605)	(605)	107	(362)	-	(860)	1,421	561
Total comprehensive income for the period	-	-	-	-	5,549,872	5,549,872	107	(362)	-	5,549,617	634,862	6,184,479
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)	-	(995,706)
Dividend paid to subsidiaries to adjust capital reserve	-	21,043	-	-	-	-	-	-	-	21,043	-	21,043
Difference between the equity price and book value of the subsidiary's equity actually acquired or disposed of	-	12	-	-	-	-	-	-	-	12	(12)	-
Overdue dividends not received	-	356	-	-	-	-	-	-	-	356	93	449
Increase/decrease in non-controlling equity	-	-	-	-	-	-	-	-	-	-	(350,696)	(350,696)
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	3,662,780	28,199,910
Net income for the period	-	-	-	-	1,556,138	1,556,138	-	-	-	1,556,138	786,213	2,342,351
Other comprehensive income in the current period	-	-	-	-	1,047	1,047	(65)	302	-	1,284	3,098	4,382
Total comprehensive income for the period	-	-	-	-	1,557,185	1,557,185	(65)	302	-	1,557,422	789,311	2,346,733
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)	-	(1,714,827)
Common stock dividends	553,170	-	-	-	(553,170)	(553,170)	-	-	-	-	-	-
Dividend paid to subsidiaries to adjust capital reserve	-	36,242	-	-	-	-	-	-	-	36,242	-	36,242
Overdue dividends not received	-	215	-	-	-	-	-	-	-	215	137	352
Increase/decrease in non-controlling equity	-	-	-	-	-	-	-	-	-	-	676,689	676,689
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	5,128,917	29,545,099

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Mike Ma

Manager: Sheng-An Chang

Accounting Supervisor: Che-Ming Liu

Kindom Development Co., Ltd. and Subsidiaries
Consolidated 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	\$ 3,061,975	7,475,927
Adjustments:		
Income and expenses		
Depreciation expense	446,156	442,965
Amortization expense	26,777	24,888
Expected credit impairment loss (reversal gain)	1,489	(7,021)
Net gains from financial assets and liabilities measured at fair value through profit or loss	(16,647)	(53,424)
Interest expense	320,503	212,361
Interest revenue	(221,960)	(183,046)
Dividend income	(8,582)	(5,134)
Share of income from affiliated companies and joint ventures accounted for using the equity method	(1,766)	(8,719)
Losses (gains) from the disposal of property, plant and equipment	(44)	314
Impairment loss	23,092	11,258
Profit from lease modification	(10,085)	-
Total income and expense	558,933	434,442
Changes in operating assets/liabilities:		
Net changes in assets related to operating activities:		
Decrease (increase) of contract assets	425,127	(592,031)
Increase in notes and accounts receivable	(904,518)	(370,361)
Decrease (increase) in inventory	(7,235,915)	3,886,856
Increase in prepayments	(136,952)	(265,678)
Increase of other current assets	(39,541)	(268)
Decrease of other financial assets - current	625,724	896,658
Decrease of incremental cost of obtaining a contract	695	27,219
Increase in net defined benefit assets - non-current	(4,090)	(3,102)
Increase of other non-current assets	(11,793)	(6,780)
Total net changes in assets related to operating activities	(7,281,263)	3,572,513
Net changes in liabilities related to operating activities:		
Increase (decrease) of contract liabilities	245,777	(100,161)
Increase (decrease) of notes payable	(58,754)	27,404
Increase (decrease) in accounts payable	538,348	(341,421)
Increase (decrease) in other payables	(23,208)	70,111
Employee benefit liabilities - current (decrease) increase	(5,018)	2,661
Debt reserve - current decrease	(17,498)	(7,473)
Decrease in other current liabilities	(1,104)	(143,483)
Increase in net defined benefit liabilities	1,862	2,597
Total net changes in liabilities related to operating activities	680,405	(489,765)
Total net changes in assets and liabilities related to operating activities	(6,600,858)	3,082,748
Total adjustment items	(6,041,925)	3,517,190
Cash inflow (outflow) from operations	(2,979,950)	10,993,117
Income tax paid	(1,064,463)	(1,135,365)
Net cash (outflow) inflow from operating activities	(4,044,413)	9,857,752

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

Unit: NTD thousand

	<u>2025</u>	<u>2024</u>
Cash flow from investing activities:		
Acquisition of property, plant and equipment	(148,146)	(71,389)
Disposal of property, plant and equipment	118	113
Acquisition of intangible assets	(14,124)	(18,794)
Cash inflow from mergers	101,304	-
Increase of other financial assets - non-current	(10,703)	(6,298)
Increase in prepayment for equipment	(6,687)	(3,197)
Interest received	223,565	182,898
Dividends received	8,582	5,134
Net cash inflow from investing activities	<u>153,909</u>	<u>88,467</u>
Cash flow from financing activities:		
Increase in short-term borrowings	10,541,182	8,732,538
Decrease in short-term borrowings	(5,850,584)	(12,444,422)
Increase in short-term bills payable	2,980,000	2,851,200
Decrease in short-term bills payable	(2,980,000)	(2,881,200)
Issuance of corporate bonds	1,700,000	1,000,000
Repayment of corporate bonds	(1,000,000)	(1,000,000)
Repayment of long-term borrowings	(204,640)	(204,640)
Increase in guarantee deposits received	46,650	14,769
Lease principal repayment	(227,552)	(200,165)
Distribution of cash dividends	(1,678,585)	(974,663)
Interest paid	(504,057)	(460,472)
Changes in non-controlling interests	(309,270)	(350,696)
Net cash inflows (outflows) from financing activities	<u>2,513,144</u>	<u>(5,917,751)</u>
Effect of exchange rate changes on cash and cash equivalents	(77)	127
Increase (decrease) in cash and cash equivalents for the current period	(1,377,437)	4,028,595
Opening balance of cash and cash equivalents	18,207,129	14,178,534
Closing balance of cash and cash equivalents	<u>\$ 16,829,692</u>	<u>18,207,129</u>

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman:
Mike Ma

Manager:
Sheng-An Chang

Accounting Supervisor:
Che-Ming Liu

Kindom Development Co., Ltd. and Subsidiaries
Notes to the consolidated 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, and has completed the address change registration with the competent authority according to law. The Company and its subsidiaries (hereinafter referred to as the “Group”) are mainly engaged in the construction of public housing, the rental or sale of commercial buildings, general construction, department stores, supermarkets, and international trading.

II Date and procedure for approving the financial statements

This consolidated 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 Group began to apply the following newly amended IFRSs on January 1, 2025, and there was no significant impact on the consolidated 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 Group has assessed that the application of the following newly amended IFRSs effective from January 1, 2026 will not cause significant impact on the consolidated 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 consolidated financial statements (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 Group 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 explain why each measurement 	<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 consolidated financial statements (Continued)

could provide useful information, and how the indicators are calculated and adjusted with the amounts recognized in accordance with the IFRSs.

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

The Group expects the following other new and amendments to standards that have not yet been approved to have no significant impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”
- IFRS 19 “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

Significant accounting policies adopted in the consolidated financial statements are summarized as follows. The following accounting policies have been applied throughout the presentation period of the consolidated financial statements.

(I) Declaration of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards and Interpretations and Interpretations Announcements (hereinafter collectively referred to as “IFRSs”) endorsed and issued into effect by the FSC.

(II) Basis of preparation

1. Measurement basis

Notes to the consolidated financial statements (Continued)

Except for the following items on the balance sheet, the consolidated 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(19).

2. Functional currency and presentation currency

Each entity of the Group uses the currency of the primary economic environment as its functional currency. The consolidated financial statements are presented in the Company's functional currency, NTD. All financial information expressed in NTD is in the unit of NTD thousand.

(III) Basis for consolidation

1. Principles of preparation of consolidated financial statements

The main body of the consolidated financial statements includes the Company and the entities controlled by the Company (i.e. subsidiaries). When the Company is exposed to the variable remuneration from participating in an invested entity or is entitled to such variable remuneration, and has the ability to affect the returns through its power over the invested entity, the Company controls the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date of acquisition of control over the subsidiaries until the date of loss of control. Group transactions, balances and any unrealized gains or losses on transactions have been eliminated when preparing the consolidated financial statements. The total comprehensive income of the subsidiaries is attributed to the owners of the Company and the non-controlling interests, even if the non-controlling interests become a deficit balance.

The financial statements of the subsidiaries have been appropriately adjusted to make their accounting policies consistent with the accounting policies used by the Group.

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control over the subsidiaries are treated as equity transactions with owners. The difference between the adjustment to the non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

2. Subsidiaries included in the consolidated financial statements

Name of investment company	Name of subsidiary	Nature of business	Percentage of equity held		Description
			2025.12.31	2024.12.31	
The Company	Kedge Construction Co., Ltd. (Kedge Construction)	Comprehensive Construction Activities, etc.	34.18%	34.18%	The Company has acquired more than half of the company's board seats
"	Global Mall Co., Ltd. (Global Mall)	Supermarkets, department stores, international	84.02%	84.02%	Subsidiaries with voting shares held by the

Notes to the consolidated financial statements (Continued)

Name of investment company	Name of subsidiary	Nature of business	Percentage of equity held		Description
			2025.12.31	2024.12.31	
		trading, wholesale and retail of medical equipment, and more.			Company exceeding 50% of the total number of issued shares
"	Tua Tiann Co., Ltd. (Tua Tiann)(Note 1)	Construction of public housing and commercial buildings or for lease or sale	51.00%	51.00%	Subsidiaries with voting shares held by the Company exceeding 50% of the total number of issued shares
Kedge Construction	Jiechun Investment Co., Ltd. (Jiechun Investment)	General investment	99.98%	99.98%	Subsidiaries with voting shares held by Kedge Construction exceeding 50% of the total number of issued shares
"	Guanqing Electromechanical Co., Ltd. (Guanqing Electromechanical) (Note)	Electrical Appliance Installation and Fire Safety Equipment Installation Engineering	99.97%	99.97%	Subsidiaries with voting shares held by Kedge Construction exceeding 50% of the total number of issued shares
Jointly held by Guanqing Electromechanical and Jiequn Investment	Dingtian Construction Co., Ltd. (Dingtian Construction)	Comprehensive Construction Activities, etc.	100.00%	100.00%	Subsidiaries with voting shares held by the Group exceeding 50% of the total number of issued shares
Global Mall	KGM Co., Ltd. (KGM)	Investing and operating the overall planning of shopping malls in mainland China, supporting engineering consulting, shopping mall leasing planning and consulting.	100.00%	100.00%	Subsidiaries with voting shares held by the Global Mall exceeding 50% of the total number of issued shares
"	Guan Hua Co., Ltd. (Global Mall Nangang Store) (Guan Hua)	Department stores, supermarkets, non-store retailing, and more.	100.00%	100.00%	Subsidiaries with voting shares held by the Global Mall exceeding 50% of the total number of issued shares
"	Guan Cheng Co., Ltd. (Global Mall Banqiao Store)	Department stores, supermarkets, non-store retailing, and more.	100.00%	100.00%	Subsidiaries with voting shares held by the Global Mall exceeding 50% of the total number of issued shares
Guan Cheng Co., Ltd. (Global Mall Banqiao Store)	Guan You Co., Ltd. (Global Mall Zuoying Store)	Department stores, supermarkets, non-store retailing, and more.	100.00%	100.00%	Subsidiaries with more than 50% of the issued shares with voting rights held by Guan Cheng.

Note: Kedge Construction had acquired 1,000 shares of Guanqing Electromechanical as a gift in January 2024 from a non-related party.

Note 1: Originally a joint venture of the Group, an evaluation conducted in August 2025 determined that the Group has gained control of the joint venture, it is then included in the consolidated financial statements.

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

(IV) Foreign currency

Notes to the consolidated financial statements (Continued)

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.

When the disposal of a foreign operation results in a loss of control, loss of joint control, or significant influence, the accumulated exchange difference related to the foreign operation is entirely reclassified as profit or loss. When the partial disposal includes subsidiaries of foreign operations, the relevant accumulated exchange differences are re-attributable to non-controlling interests on a pro rata basis. When the partial disposal includes investments in affiliates or joint ventures of foreign operations, the relevant accumulated exchange differences are reclassified to profit or loss on a pro rata basis.

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.

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

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

Notes to the consolidated financial statements (Continued)

3. The asset is 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 Group'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 Group does not have the right to defer the settlement of the liability for at least 12 months after the reporting period.

(VI) 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.

(VII) 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 Group becomes a financial instrument contractual party. 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 Group's accounting treatment of all financial assets classified in the same way adopts the 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 Group 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

Notes to the consolidated financial statements (Continued)

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 Group 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 Group 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 Group may irrevocably 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 Group'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:

Notes to the consolidated financial statements (Continued)

- 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 Group considers reasonable and provable information (which can be obtained without excessive cost or investment), including qualitative and quantitative information, and based on the Group'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 Group can collect in accordance with the contract and the cash flow that the Group expects to collect. Expected credit losses are discounted at the effective interest rate of financial assets.

The Group 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;
- 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 Group 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 Group 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 Group analyzes the timing and amount of write-off on the basis of whether the

Notes to the consolidated financial statements (Continued)

recovery is reasonably expected. The Group expects that the written-off amount will not materially reverse. However, the written-off financial assets can still be enforced compulsorily to meet the Group's procedures for recovering overdue amounts.

(5) Derecognition of financial assets

The Group 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 Group does not retain the control over the financial asset, the financial asset is derecognized.

When the Group 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 Group'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 Group has residual equity after deducting all liabilities from assets. The equity instruments issued by the Group are recognized at the acquisition price net of the direct issue cost.

(3) Treasury stock

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

Notes to the consolidated financial statements (Continued)

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 Group 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 Group 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 Group that are not designated as 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.

(VIII) Inventory

Construction industry

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

Notes to the consolidated financial statements (Continued)

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.

Trading

Inventories are measured at the lower of cost or net realizable value. The cost includes other costs incurred to make it available for use in the place and state for use, and is calculated in accordance with the weighted average method.

The net realizable value refers to the balance of the estimated selling price under normal operations less the estimated cost of making the inventory available for sale and the estimated cost of completing the sale.

(IX) Investment in associates

Affiliates are those over which the Group has significant influence, but not control, or joint control.

The Group's interests in the affiliated companies are accounted for using the equity method. Under the equity method, investment is initially recognized at cost. Investment cost includes transaction cost. The book value of an investment in an affiliate includes the goodwill identified at the time of the initial investment, less any accumulated impairment loss.

The consolidated financial statements include the profit and loss and other comprehensive income of the affiliated companies recognized by the Group in proportion to the equity ratio from the date of significant influence to the date of loss of significant influence after the adjustment, so as to be consistent with the Company's accounting policies. When changes in equity other than profit and loss and other comprehensive income occur to an affiliated enterprise that do not affect the Group's shareholding ratio, the Group's share of the equity changes in the affiliated enterprise shall be recognized as capital in accordance with the shareholding ratio reserve.

The unrealized gains and losses arising from the transactions between the Group and the affiliated companies are recognized in the financial statements of the companies only within the scope of the non-related investor's equity in the affiliated companies.

When the Group's share of losses in the affiliates equals or exceeds its equity in the affiliates, the Group stops recognizing its losses, and only after a legal obligation, constructive obligation or payment on behalf of the investee is made, additional loss and related liabilities are recognized.

Notes to the consolidated financial statements (Continued)

(X) 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: (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 Group 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 Group will re-evaluate whether the type of joint agreement participated in has changed.

(XI) 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

Notes to the consolidated financial statements (Continued)

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.

(XII) 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 Group.

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 - 55 years
(2) Transportation, office and other equipment	1 - 30 years
(3) Leasehold improvements	2 - 20 years

The Group 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.

(XIII) Lease

The Group 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 Group 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

Notes to the consolidated financial statements (Continued)

dismantling, removing the underlying asset and restoring the location or underlying asset, 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 Group 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 Group's incremental borrowing rate is used. Generally, the Group 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 consolidated financial statements (Continued)

The Group 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 Group 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 Group 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 Group considers relevant specific indicators, including whether the lease period covers the main part of the economic life of the underlying assets.

If the Group 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 Group uses IFRS 15 to allocate the consideration in the contract.

(XIV) Intangible assets

1. Recognition and measurement

Other intangible assets with finite useful life that the Group 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

Other than goodwill, 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:

(1) Patents and trademarks	10 years
(2) Concession rights	16 years
(3) Computer software	2 - 5 years

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

Notes to the consolidated financial statements (Continued)

(XV) Impairment of non-financial assets

The Group 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.

The recoverable amount is the fair value of an individual asset or cash-generating unit less the cost of disposal and its value in use, whichever is higher. In assessing value in use, the estimated future cash flows are converted to the present value using a pre-tax discount rate that reflects the current market's assessment of the time value of money and the specific risks of the asset or cash-generating unit.

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

(XVI) Provision for liabilities

The provisions shall be recognized when the Group has a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably. The provision is discounted at the pre-tax discount rate that reflects the current market's assessment of the specific risk of the time value of money and liabilities; the amortization of the discount is recognized as interest expense.

The warranty provision is recognized upon completion of a project. The warranty provision is measured according to the historical warranty information and all possible outcomes weighted by the relevant probability.

(XVII) 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 Group 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 Group are described as follows:

(1) Land development and sales of buildings and land

The Group develops and sells residential real estate, and often pre-sells the real estate during or before the construction period. The Group 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 Group. 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 Group has only completed one of the real estate properties before the

Notes to the consolidated financial statements (Continued)

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 property is transferred to the customer.

(2) Customer loyalty program

The Group provides a customer loyalty program to retail customers, and the points earned by the customers for purchasing products entitle the customers to purchase products from the Group at a discount or exchange for gifts in the future. The Group believes that such credits provide important rights that the customer cannot obtain if the contract has not been signed, and therefore the commitment to provide credits to the customer is a performance obligation. The Group allocates the transaction price to the product and the points based on the relative individual selling price. The management estimates the individual selling price of each point based on the past experience, the discount given when the points are redeemed and the possibility of exchange; the individual selling price of each point is estimated based on the retail price of the product price. The Group recognizes contract liabilities on the above basis when selling products, and re-recognizes the credits to revenue when the credits are exchanged or expired.

(3) Consulting and management services

The Group provides business consulting and management services, and the related income is recognized during the financial reporting period of the provision of labor services. Fixed price contracts are based on the percentage of services actually provided as a percentage of total services as of the reporting date, which is determined by the percentage of services performed as a percentage of total services to be performed.

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 revision.

Notes to the consolidated financial statements (Continued)

Under a fixed price contract, the customer makes a fixed amount of payment according to the agreed time schedule. When the service provided exceeds the payment, the contract asset is recognized; if the payment exceeds the service provided, the contract liability is recognized.

(4) Construction contract

The Group 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 Group only recognizes it within the scope of the accumulated revenue level with probable 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 Group 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.

The Group provides standard warranty for residential real estate and public constructions in line with the agreed specifications, and has recognized the warranty reserve for the obligation. Please refer to Note 6(17).

(5) Net income from counters (commission income)

Revenues generated when the Group acts as an agent instead of a principal; revenue from counters is recognized based on the net commission received.

(6) 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

Notes to the consolidated financial statements (Continued)

operating revenue.

(7) Financial components

The Group 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 Group does not adjust the time value of money of the transaction price.

2. Cost of contracts with customers

(1) Incremental cost of obtaining a contract

If the Group 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.

(2) Cost of fulfilling contract

If the cost of performing a contract with customers is not within the scope of other standards (IAS 2 “Inventory”, IAS 16 “Property, Plant and Equipment” or IAS 38 “Intangible Assets”) “), the Group will only pay the cost if it is directly related to a contract or identifiable expected contract, will generate or strengthen resources that will be used to meet (or continue to meet) the performance obligation in the future, and is expected to be recoverable. Such costs are recognized as assets.

General and administrative costs; costs of raw materials, labor or other resources wasted to fulfill the contract but not reflected in the contract price; costs associated with fulfilled (or partially fulfilled) performance obligations; and the costs related to the obligations or fulfilled (or partially fulfilled) performance obligations are recognized as expenses when incurred.

(XVIII) 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.

Notes to the consolidated financial statements (Continued)

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 Group 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 Group 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
 - (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.

(XIX) 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 Group's net obligation to the defined benefit plan is converted to the present value

Notes to the consolidated financial statements (Continued)

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 any 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 Group, 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 Group 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 Group 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 Group 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.

(XX) Mergers

The Group 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 Group 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 Group 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

Notes to the consolidated financial statements (Continued)

liquidation, the Group 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 Group 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.

(XXI) Earnings per share (EPS)

The Group presents the basic and diluted earnings per share attributable to the Company's common stock shareholders. The basic earnings per share of the Group 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 stock shares outstanding adjusted for the effects of all potential diluted common stock shares, respectively.

(XXII) Segment Information

The operating segment is a component of the Group and is engaged in business activities that may earn revenue and incur expenses (including revenue and expenses related to transactions between other components of the Group). The operating results of all operating segments are regularly reviewed by the chief operating decision maker of the Group to make decisions on the allocation of resources to each segment and to evaluate its performance. Each operating segment has its own financial information.

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

In preparing these consolidated 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 Group's risk management and climate-related commitments. Changes in estimates are recognized prospectively in the period of change and in future periods affected.

Main sources of estimation and assumption uncertainty:

(I) Construction contract

Notes to the consolidated financial statements (Continued)

The Group's recognition of income and cost of construction contract construction profit and loss is based on the degree of completion of the contract activities. It measures the degree of completion based on the completion of the performance obligation stated in the contract. Since the estimated total cost and contract items are based on the evaluation and judgment of the management based on the nature, expected contract amount, construction duration, engineering implementation and construction methods of different projects, they may affect the calculation of the percentage of completion and project profit and loss.

(II) Valuation of inventories

Since inventories need to be measured at the lower of cost or net realizable value, the Group assesses the amount of inventory on the reporting date as there is no market sales value, and offsets the cost of inventories to the net realizable value. The inventory valuation is mainly based on the prevailing market conditions, so there may be significant changes in the industry due to the political and economic reforms in the industry and the real estate tax system. 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	\$ 11,563	13,979
Bank deposits		
Check deposits	2,635,474	2,305,040
Demand deposits	6,750,021	5,013,170
Time deposit	6,351,176	7,844,259
Cash equivalents	1,081,458	3,030,681
	\$ 16,829,692	18,207,129

The maturity intervals of the above cash equivalents are January to February 2026 and January to February 2023, respectively, and the interest rate intervals are 1.15% to 1.45% and 1.42% to 1.43%, respectively.

For the interest rate risk and sensitivity analysis disclosure of the Group's financial assets and liabilities, please refer to Note 6(27).

(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	\$ 188,055	171,408

1. Please refer to Note 6(25) 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

Notes to the consolidated financial statements (Continued)

value through profit or loss, the Group recognized NTD 8,028 thousand and NTD 4,550 thousand in dividend income in 2025 and 2024, respectively.

3. The Group'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 (FBFHCPSC)	\$ 1,729	1,723
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 - Global Views Commonwealth Publishing Group	7,106	5,796
Stock of non-TWSE/TPEX-listed company - Taiwan Calcom International Computer Graphic Co., Ltd.	-	-
Stock of non-TWSE/TPEX-listed company - Preferred stock of Ta Shee Resort Co., Ltd.	25,276	25,276
Total	\$ 36,038	34,871

1. The investments in these equity instruments held by the Group 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.
2. As the Group designated the investment in equity instrument listed above as measured at fair value through other comprehensive gain or loss, the dividend income recognized were NTD 554 thousand and NTD 584 thousand respectively.
3. The Group did not dispose of strategic investment, and the accumulated gain or loss during that period was not transferred within the equity.
4. Please refer to Note 6(27) 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	2,448,819	1,523,668
Less: Loss allowance	(2,062)	(573)
	\$ 2,446,757	1,523,710

Notes to the consolidated financial statements (Continued)

The Group uses simplified method to estimate expected credit losses for all notes and accounts receivable, that is, using expected credit losses throughout the duration. For this measurement, such notes and 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 loss of the Group's notes and accounts receivable is 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	\$ 2,446,757	-	-
Overdue for more than 90 days	2,062	100%	2,062
	\$ 2,448,819		2,062
	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	\$ 1,523,710	-	-
Overdue for more than 90 days	573	100%	573
	\$ 1,524,283		573

The changes in the allowance for notes and accounts receivable of the Group are as follows:

	2025	2024
Opening balance	\$ 573	8,175
Recognized impairment loss	1,489	530
Reversal of impairment loss	-	(7,551)
The irrecoverable amount written off in the current year	-	(581)
Closing balance	\$ 2,062	573

The Group's accounts receivable were not provided as collateral on December 31, 2025 and 2024.

(V) Inventory

Notes to the consolidated financial statements (Continued)

	2025.12.31	2024.12.31
Inventories - Trading	\$ 9,710	8,832
Inventories - Construction		
Prepayments for building and land	56,296	38,131
Construction site	2,476,653	2,080,126
Building and land under construction	10,374,239	14,082,169
Buildings and land for sale	14,035,170	5,477,446
Subtotal	26,942,358	21,677,872
Total	\$ 26,952,068	21,686,704

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 2,191,275 thousand and NTD 9,138,676 thousand, respectively.
3. The Group's building under construction in 2025 and 2024 was calculated at the capitalization interest rate of 2.052% and 2.386%, respectively. For the amount of capitalization of the interest, please refer to Note 6(25).
4. The Group 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. The Group leases out some of its vacant properties and parking spaces. However, as it does not intend to realize long-term capital gains or generate rental income, this asset is not recognized as investment property and remains classified as Inventories - buildings and land held for sale.
6. Please refer to Note 8 for the Group's inventories provided as collaterals as of December 31, 2025 and 2024.

(VI) Investment under equity method

The Group obtained control of Tua Tiann Co., Ltd. in August 2025, making it a subsidiary of the Group and including it in the consolidated financial statements. Please refer to note 6(7).

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

	2025.12.31	2024.12.31
Affiliated enterprise	\$ 114,728	117,532
Joint venture	-	1,028,425
	\$ 114,728	1,145,957

1. Affiliated enterprise

The information on affiliates that are significant to the Group is as follows:

Name of affiliated enterprise	The nature of the relationship with the Company	Principal place of business/ country of incorporation	Proportion of ownership interests and voting rights	
			2025.12.31	2024.12.31
Hon Hui Zhu	Department stores,	Taiwan	20%	20%

Notes to the consolidated financial statements (Continued)

Gao Co., Ltd. supermarkets, non-store retailing, and more.

The summarized financial information of the affiliates that are material to the Group are as follows. The financial information has been adjusted with the amounts included in the IFRS financial statements of each affiliate to reflect the fair value adjustment and adjustment for accounting policy difference due to the acquisition of the affiliates:

Summary financial information of Hon Hui Zhu Gao Co., Ltd.:

	2025.12.31	2024.12.31
Current assets	\$ 39,731	155,467
Non-current assets	2,154,876	2,001,993
Current liabilities	(10,390)	(3,780)
Non-current liabilities	(1,707,706)	(1,653,512)
Net assets	\$ 476,511	500,168
Net assets attributable to the Group	\$ 95,302	100,034
	2025	2024
Operating revenue	\$ -	-
Net income from continuing operations for the period	\$ (23,657)	(977)
Total comprehensive income	\$ (23,657)	(977)
Total comprehensive income attributable to the Group	\$ (4,732)	(195)

The Group's affiliated companies under equity method are individually insignificant, and their summarized financial information is as follows. The financial information is the amount included in the consolidated financial statements of the Group:

	2025.12.31	2024.12.31
Summarized book value of equity in affiliated companies that are not significant at the end of the period	\$ 19,426	17,498
	2025	2024
Shares attributable to the Group:		
Net income from continuing operations for the period	\$ 1,928	1,367
Total comprehensive income	\$ 1,928	1,367

2. Joint venture

The Group, 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 as of

Notes to the consolidated financial statements (Continued)

2025 was 51%, 24.5%, and 24.5%, respectively, and the investment amount was NTD 1,020,000 thousand, NTD 490,000 thousand, and NTD 1,020,000 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 Group'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	
The Group'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
Interest revenue	\$ 11,283	18,697
Interest expense	\$ 1	2
Income tax expense	\$ 2,247	3,703
The Group's share of total comprehensive income	\$ 4,570	7,547

3. Guarantee

As of December 31, 2025 and 2024, the Group's investments under the equity method

Notes to the consolidated financial statements (Continued)

were not provided as collateral.

(VII) Acquired subsidiary

1. Acquired subsidiary

In accordance with IFRS 10, the Group 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 Group is preliminary and the amounts are still subject to final appraisal.

The Group 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 date, the accounting for the acquisition will be revised.

(VIII) Subsidiaries with significant non-controlling interests

The non-controlling interests of the subsidiaries that are significant to the Group are as follows:

Name of subsidiary	Principal place of business/ country of incorporation	Proportion of ownership interests and voting rights in non-controlling interests	
		2025.12.31	2024.12.31
Kedge Construction and its subsidiaries	Taiwan	65.82%	65.82%

Notes to the consolidated financial statements (Continued)

The summarized financial information of the above subsidiaries is as follows. The financial information has been prepared in accordance with the IFRSs recognized by the FSC and has reflected the fair value adjustment made by the Group on the acquisition date and the adjustment made for the difference in accounting policy. The financial information is the amount of the Group's transactions before writing off:

Summarized financial information of the Kedge Construction and its subsidiaries:

	2025.12.31	2024.12.31
Current assets	\$ 14,234,292	12,177,260
Non-current assets	945,046	901,738
Current liabilities	(8,807,137)	(7,542,999)
Non-current liabilities	(338,839)	(195,471)
Net assets	\$ 6,033,362	5,340,528
Book value of non-controlling equity at the end of period	\$ 3,164,422	2,715,130
	2025	2024
Operating revenue	\$ 21,494,724	14,234,149
Net income for the period	\$ 1,242,843	874,374
Other comprehensive income	(156,182)	143,002
Total comprehensive income	\$ 1,086,661	1,017,376
Net income for the period attributable to non-controlling interests	\$ 705,364	554,554
Total comprehensive income attributable to non-controlling interests	\$ 708,474	555,955
Cash flow from operating activities	\$ 2,014,581	(111,810)
Cash flow from investing activities	(41,606)	(19,858)
Cash flow from financing activities	(417,484)	(496,454)
Increase in cash and cash equivalents	\$ 1,555,491	(628,122)
Dividends paid to non-controlling interests	\$ 259,336	317,814

(IX) Property, plant and equipment

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

	Land	Buildings	Leasehold improvements	Other equipment (including transportation, office, machinery, other equipment and leased assets)	Construction in progress	Total
Cost or recognized cost:						
Balance as of January 1, 2025	\$ 3,607,479	4,381,011	827,640	422,923	-	9,239,053

Notes to the consolidated financial statements (Continued)

	<u>Land</u>	<u>Buildings</u>	<u>Leasehold improvements</u>	<u>Other equipment (including transportation, office, machinery, other equipment and leased assets)</u>	<u>Construction in progress</u>	<u>Total</u>
Addition	-	81,853	9,708	82,206	3,052	176,819
Transfer from right-of-use assets	-	-	-	849	-	849
Transfer from inventory	2,027,006	786,515	-	-	-	2,813,521
Transfer from prepayments for equipment	-	-	-	150	-	150
Transfer to investment property	(281,707)	(340,763)	(1,117)	-	-	(623,587)
Decoration engineering adjustment	-	(8,955)	(10,664)	(399)	-	(20,018)
Disposal and scrap	-	(12,876)	(397,303)	(54,931)	-	(465,110)
Balance as of December 31, 2025	<u>\$ 5,352,778</u>	<u>4,886,785</u>	<u>428,264</u>	<u>450,798</u>	<u>3,052</u>	<u>11,121,677</u>
Balance as of January 1, 2024	\$ 3,607,479	4,381,650	1,015,457	432,839	560	9,437,985
Addition	-	12,804	10,053	25,196	-	48,053
Transfer in (out)	-	560	-	-	(560)	-
Reclassification	-	-	-	1,124	-	1,124
Disposal and scrap	-	(928)	(189,182)	(36,236)	-	(226,346)
Decoration engineering adjustment	-	(13,075)	(8,688)	-	-	(21,763)
Balance as of December 31, 2024	<u>\$ 3,607,479</u>	<u>4,381,011</u>	<u>827,640</u>	<u>422,923</u>	<u>-</u>	<u>9,239,053</u>
Depreciation and impairment loss:						
Balance as of January 1, 2025	\$ 14,000	2,182,412	697,671	316,320	-	3,210,403
Depreciation in the current year	-	121,315	21,222	51,206	-	193,743
Transfer from right-of-use assets	-	-	-	425	-	425
Transfer to investment property	(14,000)	(212,956)	(1,117)	-	-	(228,073)
Disposal and scrap	-	(12,876)	(397,303)	(54,857)	-	(465,036)

Notes to the consolidated financial statements (Continued)

	<u>Land</u>	<u>Buildings</u>	<u>Leasehold improvements</u>	<u>Other equipment (including transportation, office, machinery, other equipment and leased assets)</u>	<u>Construction in progress</u>	<u>Total</u>
Impairment loss	-	-	18,853	4,239	-	23,092
Balance as of December 31, 2025	<u>\$ -</u>	<u>2,077,895</u>	<u>339,326</u>	<u>317,333</u>	<u>-</u>	<u>2,734,554</u>
Balance as of January 1, 2024	\$ 14,000	2,068,287	846,555	295,299	-	3,224,141
Depreciation in the current year	-	114,737	40,298	57,146	-	212,181
Disposal and scrap	-	(612)	(189,182)	(36,125)	-	(225,919)
Balance as of December 31, 2024	<u>\$ 14,000</u>	<u>2,182,412</u>	<u>697,671</u>	<u>316,320</u>	<u>-</u>	<u>3,210,403</u>
Book value:						
December 31, 2025	<u>\$ 5,352,778</u>	<u>2,808,890</u>	<u>88,938</u>	<u>133,465</u>	<u>3,052</u>	<u>8,387,123</u>
January 1, 2024	<u>\$ 3,593,479</u>	<u>2,313,363</u>	<u>168,902</u>	<u>137,540</u>	<u>560</u>	<u>6,213,844</u>
December 31, 2024	<u>\$ 3,593,479</u>	<u>2,198,599</u>	<u>129,969</u>	<u>106,603</u>	<u>-</u>	<u>6,028,650</u>

In 2025, the Group 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 Group 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(11).

The Group conducted an impairment assessment of property, plant, and equipment on December 31, 2025, using value in use as the recoverable amount of the assets. The Company assessed that the value in use of its property, plant and equipment has declined, and accordingly recognized an impairment loss of NT\$23,092 thousand, which is presented under "Other gains and losses." Please refer to Note 6(25) for details.

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

(X) Right-of-use assets

The details of changes in the cost and depreciation of the land, buildings and transportation equipment leased by the Group are as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Total</u>
Cost of right-of-use assets:				
Balance as of January	\$ 13,637	3,979,789	18,260	4,011,686

Notes to the consolidated financial statements (Continued)

	<u>Land</u>	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Total</u>
1, 2025				
Addition	15,746	20,516	3,943	40,205
Transferred out - lease expiry	(12,820)	(2,155)	(4,152)	(19,127)
Transfer out - early termination	-	-	(1,643)	(1,643)
Transfer to property, plant and equipment	-	-	(849)	(849)
Lease revaluation	-	(118,108)	-	(118,108)
Balance as of December 31, 2025	<u>\$ 16,563</u>	<u>3,880,042</u>	<u>15,559</u>	<u>3,912,164</u>
Balance as of January 1, 2024	\$ 17,965	3,845,158	20,233	3,883,356
Addition	1,416	133,983	5,512	140,911
Transferred out - lease expiry	(5,744)	(58,388)	(7,485)	(71,617)
Lease revaluation	-	59,036	-	59,036
Balance as of December 31, 2024	<u>\$ 13,637</u>	<u>3,979,789</u>	<u>18,260</u>	<u>4,011,686</u>
Depreciation and impairment loss of right- of-use assets:				
Balance as of January 1, 2025	\$ 9,120	1,114,992	9,064	1,133,176
Current depreciation	11,146	226,603	6,005	243,754
Transferred out - lease expiry	(12,820)	(2,155)	(4,152)	(19,127)
Transfer out - early termination	-	-	(1,460)	(1,460)
Transfer to property, plant and equipment	-	-	(425)	(425)
Balance as of December 31, 2025	<u>\$ 7,446</u>	<u>1,339,440</u>	<u>9,032</u>	<u>1,355,918</u>
Balance as of January 1, 2024	\$ 6,979	962,701	8,522	978,202
Current depreciation	7,885	210,679	8,027	226,591
Transferred out - lease expiry	(5,744)	(58,388)	(7,485)	(71,617)
Balance as of December 31, 2024	<u>\$ 9,120</u>	<u>1,114,992</u>	<u>9,064</u>	<u>1,133,176</u>
Book value:				
December 31, 2025	<u>\$ 9,117</u>	<u>2,540,602</u>	<u>6,527</u>	<u>2,556,246</u>
January 1, 2024	<u>\$ 10,986</u>	<u>2,882,457</u>	<u>11,711</u>	<u>2,905,154</u>

Notes to the consolidated financial statements (Continued)

	Land	Buildings	Transportation equipment	Total
December 31, 2024	\$ 4,517	2,864,797	9,196	2,878,510

(XI) Investment property

The Group's investment property is detailed as follows:

	Land and improvements	Buildings	Total
Cost or recognized cost:			
Balance as of January 1, 2025	\$ 282,087	213,814	495,901
Transfer from property, plant and equipment	281,707	341,880	623,587
Balance as of December 31, 2025	\$ 563,794	555,694	1,119,488
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	-	8,659	8,659
Transfer from property, plant and equipment	14,000	214,073	228,073
Balance as of December 31, 2025	\$ 20,995	268,916	289,911
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	\$ 6,995	46,184	53,179
Carrying amount:			
December 31, 2025	\$ 542,799	286,778	829,577
January 1, 2024	\$ 282,087	176,086	458,173
December 31, 2024	\$ 275,092	167,630	442,722
Fair value:			
December 31, 2025			\$ 1,544,189
December 31, 2024			\$ 442,722

Investment property is commercial property leased to a third party. Please refer to Note 6(18) for relevant information.

The Group considered reclassifying the land and building located at No. 131, Section 3, Heping 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(9) for details.

The fair value of investment property is based on the valuation of independent appraisers

Notes to the consolidated financial statements (Continued)

(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 and 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 range of yields adopted in 2025 and 2024 were 1.735%–2.74% and 2.74%, respectively.

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

(XII) Intangible assets

The cost and amortization of the intangible assets of the Group in 2025 and 2024 are as follows:

	Concession rights	Trademarks and Patents	Computer software and others	Total
Cost:				
Balance as of January 1, 2025	\$ 50,000	500	130,238	180,738
Acquired separately	-	-	14,124	14,124
Reclassified from prepayments	-	-	1,931	1,931
Disposal	-	-	(3,720)	(3,720)
Lease expiry	<u>(25,000)</u>	<u>(500)</u>	<u>-</u>	<u>(25,500)</u>
Balance as of December 31, 2025	<u>\$ 25,000</u>	<u>-</u>	<u>142,573</u>	<u>167,573</u>
Balance as of January 1, 2024	\$ 54,199	500	105,402	160,101
Acquired separately	-	-	18,794	18,794
Reclassified from prepayments	-	-	11,463	11,463
Disposal	<u>(4,199)</u>	<u>-</u>	<u>(5,421)</u>	<u>(9,620)</u>
Balance as of December 31, 2024	<u>\$ 50,000</u>	<u>500</u>	<u>130,238</u>	<u>180,738</u>
Amortization and impairment loss:				

Notes to the consolidated financial statements (Continued)

	Concession rights	Trademarks and Patents	Computer software and others	Total
Balance as of January 1, 2025	\$ 39,316	500	82,434	122,250
Current amortization	1,960	-	24,817	26,777
Disposal	-	-	(3,720)	(3,720)
Lease expiry	<u>(25,000)</u>	<u>(500)</u>	<u>-</u>	<u>(25,500)</u>
Balance as of December 31, 2025	<u>\$ 16,276</u>	<u>-</u>	<u>103,531</u>	<u>119,807</u>
Balance as of January 1, 2024	\$ 40,096	500	66,386	106,982
Current amortization	3,419	-	21,469	24,888
Disposal	<u>(4,199)</u>	<u>-</u>	<u>(5,421)</u>	<u>(9,620)</u>
Balance as of December 31, 2024	<u>\$ 39,316</u>	<u>500</u>	<u>82,434</u>	<u>122,250</u>
Book value:				
December 31, 2025	<u>\$ 8,724</u>	<u>-</u>	<u>39,042</u>	<u>47,766</u>
January 1, 2024	<u>\$ 14,103</u>	<u>-</u>	<u>39,016</u>	<u>53,119</u>
December 31, 2024	<u>\$ 10,684</u>	<u>-</u>	<u>47,804</u>	<u>58,488</u>

1. For the amortization expenses of intangible assets in 2025 and 2024, as stated in the consolidated statements of comprehensive income, please refer to Note 12.
2. The Group's assets had not been provided as collateral guarantees as of December 31, 2025 and 2024.

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

	2025.12.31	2024.12.31
Other financial assets - current	\$ 2,320,876	1,614,365
Incremental cost of obtaining a contract	<u>5,381</u>	<u>6,076</u>
	<u>\$ 2,326,257</u>	<u>1,620,441</u>

1. Other financial assets - current

Restricted assets (borrowings, reserve accounts of corporate bonds, and trust payments), construction deposits, certificates of deposit not meeting the definition of cash equivalents, and bank accounts are used as collateral, refer to Note 8 for the details.

2. Incremental cost of obtaining a contract - current

The Group 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

Notes to the consolidated financial statements (Continued)

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, respectively.

(XIV) Long-term and short-term loans/Long-term loans due within one year or one operating cycle

The details, conditions and terms of the long-term and short-term loans of the Group are as follows:

2025.12.31				
	Type of currency	Interest rate range	Year to maturity	Amount
Secured bank loan	NT\$	2.17%~2.975%	2026~2031	\$ 13,044,426
Unsecured bank borrowings	NT\$	1.87%~2.955%	2026~2028	3,924,386
Total				\$ 16,968,812
Liquidity				\$ 16,364,532
Non-current				604,280
Total				\$ 16,968,812
2024.12.31				
	Type of currency	Interest rate range	Year to maturity	Amount
Secured bank loan	NT\$	2.17%~2.705%	2025~2028	\$ 9,107,972
Unsecured bank borrowings	NT\$	1.77%~2.955%	2025~2028	3,294,882
Total				\$ 12,402,854
Liquidity				\$ 11,673,934
Non-current				728,920
Total				\$ 12,402,854

1. Issuance and repayment of loans

The new amounts in 2025 and 2024 were NTD 10,621,182 thousand and NTD 8,732,538 thousand, respectively; the amount repaid was NTD 6,055,224 thousand and NTD 12,649,062 thousand, respectively.

2. Collateral for bank borrowings

For the Group's assets pledged as collateral for bank loans, please refer to Note 8.

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

The Group's bonds payable details are as follows:

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

1. The Group issued secured ordinary bonds on October 3, 2025, October 30, 2025, and

Notes to the consolidated financial statements (Continued)

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.

(XVI) Lease liabilities

The carrying amount of the Group's lease liabilities is as follows:

	2025.12.31	2024.12.31
Current	<u>\$ 238,631</u>	<u>217,033</u>
Non-current	<u>\$ 2,588,339</u>	<u>2,925,660</u>

Please refer to Note 6(26) Financial Instruments for maturity analysis.

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

	2025	2024
Interest expense of lease liabilities	<u>\$ 54,211</u>	<u>55,094</u>
Expenses of short-term and low-price leases	<u>\$ 61,205</u>	<u>50,507</u>

The amounts recognized in the statement of cash flows are as follows:

	2025	2024
Variable lease payments not included in the measurement of lease liabilities	<u>\$ 117,958</u>	<u>123,741</u>
Total cash outflow for leases	<u>\$ 460,926</u>	<u>429,507</u>

1. Lease of buildings and structures

- (1) The Group leased the land of Pingtung Gongyuan Section from the Pingtung Management Office, Irrigation Agency, Ministry of Agriculture. The lease term was originally 20 years. The rent was calculated and paid at a certain percentage of the declared land value in accordance with the contract. In the second half of 2011, the lease term was extended for ten years and a royalty of NTD 16,000 thousand was paid. The Group may sign a contract with the lessor two years before the lease contract expires, and the priority is given to the lessee according to the renewal terms negotiated by both parties.
- (2) The Group leased the Nangang Station Shopping Mall from State-owned Taiwan Railway Corporation, Ltd., for a lease term of 16 years (including a construction period of one year), lease payment's royalty has to be paid in a fixed amount each year, and the operating royalty has to be paid according to a certain percentage of turnover.
- (3) The Group signed a lease contract for the shopping mall and parking lot of the co-construction building of MRT Airport Chang Gung Hospital (A8) Station with Asia Pacific Development Corporation. The lease term is 20 years from the commencement of operation, and the shopping mall part is calculated at a minimum of basic rent and the

Notes to the consolidated financial statements (Continued)

commission from operating, whichever is higher is used for calculation.

- (4) The Group signed the following lease contracts “Taoyuan International Airport MRT Linkou Station Shopping Mall” and the “Taiwan Taoyuan International Airport MRT A19 Station Shopping Mall Lease Project” with the High-speed Railway Engineering Bureau and the Ministry of Transportation's Railway Bureau, respectively. For lease contracts, the lease period is 20 years from the day after the signing of the contract, and the royalty payment is the higher of the bidding operating royalty or the actual operating royalty. The actual business royalty is calculated based on a certain percentage of the turnover and non-operating income; the land rent and building rent are also required to be paid.
- (5) The Group leased the Banqiao Station Shopping Mall from State-owned Taiwan Railway Corporation, Ltd. for office space and storefronts. The lease term is 16 years. The rent is paid with the fixed royalty, which is unchanged from the first to the fourth year. The amount was increased by 3% of the previous year rent starting from the fifth year. In addition to the fixed royalty, there was still an operating royalty to be paid based on a certain percentage of turnover. In May 2024, both parties completed the renewal agreement and extended the lease term for six years. In addition to fixed rent payments, a royalty also needed to be paid at a certain percentage of the revenue, and rents should be paid at a certain percentage of the announced land value and area rented.
- (6) The Group signed the “New Zuoying Station Building” operation investment contract with State-owned Taiwan Railway Corporation, Ltd. The company will provide the commercial space on the east and west sides of the shopping mall from the underground 1F to the above ground 4F of the New Zuoying Station Building, and the Group is entrusted for renovation (for one year) and operation (for twelve years). After expiration, the operation rights will belong to the company. In addition to a fixed royalty every year, rent payments include operating royalty based on a certain percentage of turnover. In June 2024, both parties completed the renewal agreement and extended the lease term for five years. In addition to fixed rent payments, a royalty also needed to be paid at a certain percentage of the revenue, and rents should be paid at a certain percentage of the announced land value and area rented.
- (7) The Group leases the sunken plaza at Kaohsiung Station from Taiwan Railways Corporation, Ltd. for a term of three years and two months (including a two-month preparation period), and pays rent on a monthly basis after the preparation period ends.

2. Other leases

The Group leases transportation equipment for a lease term of one to four years.

In addition, the Group leases office equipment, outdoor advertising, and reception centers. These leases are short-term and low-value leases that the Group chooses to be

Notes to the consolidated financial statements (Continued)

exempted from recognition but do not recognize its related right-of-use assets and lease liabilities.

(XVII) Provision for liabilities

	Warranty
Balance as of January 1, 2025	\$ 174,197
Liability reserve increased in the current period	3,726
Liability reserve used in the current period	(21,224)
Balance as of December 31, 2025	\$ 156,699
Balance as of January 1, 2024	\$ 181,670
Liability reserve increased in the current period	14,244
Liability reserve used in the current period	(21,717)
Balance as of December 31, 2024	\$ 174,197

The Group's warranty provision in 2025 and 2024 is mainly related to the contracting of projects. The warranty provision is estimated based on the historical warranty data of various projects. The Group expects the liabilities to be incurred in more than one year after the inspection and acceptance of the project.

(XVIII) Operating lease - lessor's lease

The Group leases out its investment properties. Since it has not transferred almost all the risks and rewards attached to the ownership of the underlying assets, the lease contracts are classified as operating leases. Please refer to Note 6(11) 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:

	2025.12.31	2024.12.31
Less than 1 year	\$ 54,909	9,726
1 to 2 years	54,909	9,726
2-3 years	54,910	9,726
3-4 years	9,726	9,726
4-5 years	5,590	9,726
Over 5 years	6,000	11,590
Total undiscounted lease payments	\$ 186,044	60,220

The rent income generated from the investment property was NTD 21,392 thousand and NTD 9,726 thousand in 2025 and 2024, respectively; and no significant maintenance and repair expenses have been incurred.

(XIX) Employee benefits

1. Defined benefit plan

The present value of the Group's defined benefit obligation and the fair value of the

Notes to the consolidated financial statements (Continued)

plan assets are adjusted as follows:

	2025.12.31	2024.12.31
Present value of defined benefit obligation	\$ 8,636	13,161
Fair value of plan assets	(22,913)	(21,918)
Net defined benefit obligation (assets) and liabilities	\$ (14,277)	(8,757)

The Group's employee benefit liabilities are detailed as follows:

	2025.12.31	2024.12.31
Short-term paid leave of absence	\$ 14,697	19,715

The Group'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 Group 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 Group's labor pension fund account at the Bank of Taiwan was with a balance of NTD 22,913 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 Group's defined benefit obligations as of 2025 and 2024 are as follows:

	2025	2024
Defined benefit obligation as of January 1	\$ 13,161	18,199
Current service cost and interest	197	228
Remeasurement of net defined benefit liabilities (assets)		
- Actuarial gains and losses due to changes in financial assumptions	149	(262)
- Experience adjustment	(1,670)	1,292
Benefits paid by the plan	(3,201)	(6,296)
Defined benefit obligation as of December 31	\$ 8,636	13,161

(3) Changes in the fair value of plan assets

Changes in the fair value of the Group's defined benefit plan assets in 2025 and 2024

Notes to the consolidated financial statements (Continued)

are as follows:

	2025	2024
Fair value of the plan assets on January 1	\$ 21,918	25,215
Interest revenue	332	319
Remeasurement of net defined benefit liabilities (assets)		
- Return on plan assets (excluding interest for the current period)	1,771	2,266
Amount appropriated to the plan	2,093	414
Benefits paid by the plan	(3,201)	(6,296)
Fair value of the plan assets on December 31	\$ 22,913	21,918

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

(5) Expenses recognized in profit or loss

The details of expense reported by the Group in 2025 and 2024 are as follows:

	2025	2024
Current service cost	\$ 68	58
Net interest of net defined benefit liabilities (assets)	(203)	(149)
	\$ (135)	(91)
Operating cost	\$ (156)	(90)
Administrative expenses	21	(1)
	\$ (135)	(91)

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

The remeasurement of the net defined benefit liabilities (assets) cumulatively recognized as other comprehensive income by the Group in 2025 and 2024 is as follows:

	2025	2024
Accumulated balance on January 1	\$ (3,440)	(4,676)
Recognized in current period	3,292	1,236
Accumulated balance on December 31	\$ (148)	(3,440)

(7) Actuarial assumptions

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

	2025.12.31	2024.12.31
Discount rate	1.25%	1.50%
Future salary increase	1.75%~2.00%	1.75%~2.00%

Notes to the consolidated financial statements (Continued)

The Group expects to have an amount of NT\$62 thousand appropriated for the payment of the defined benefit plan within one year after the 2025 reporting date.

The weighted average duration of the defined benefit plan is 7.9 years to 8.5 years.

(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 by 0.25%	Decrease by 0.25%
December 31, 2025		
Discount rate (changed by 0.25%)	(149)	151
Future salary increase (1% change)	625	(581)
December 31, 2024		
Discount rate (changed by 0.25%)	(256)	262
Future salary increase (1% change)	1,089	(998)

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 Group'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 Group has no legal or constructive obligation to make additional payments.

The Group's pension expense under the defined contribution plan was NTD 48,966 thousand and NTD 43,848 thousand in 2025 and 2024, respectively, which had been appropriated to the Bureau of Labor Insurance.

(XX) 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	\$ 522,690	1,026,861

Notes to the consolidated financial statements (Continued)

Imposition on undistributed earnings	161,074	87,103
Adjustment of the current income tax of the previous period	(19,642)	(4,556)
Land Value Increment Tax	54,714	179,299
	718,836	1,288,707
Deferred income tax expense		
Occurrence and reversal of temporary difference	788	3,302
Income tax expenses of continuing operations	\$ 719,624	1,292,009

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

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

	2025	2024
Net income before tax	\$ 3,061,975	7,475,927
Income tax calculated in accordance with the domestic tax rate in the place where the Company is located	\$ 612,395	1,495,185
Non-deductible expenses	21	19
Tax-exempted income	(70,430)	(372,066)
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)
Tax differences on deferred sales and marketing expenses	1,265	(13,180)
Domestic investment gains under equity method	(353)	(1,744)
Gain on valuation of financial assets at fair value through profit or loss.	(3,329)	(10,685)
Changes in unrecognized temporary differences	13	(1,574)
Current taxation loss of unrecognized deferred income tax assets	-	926
Tax losses not recognized in prior periods	(5,612)	-
Previous underestimation (overestimation)	(19,642)	(4,556)
Land Value Increment Tax	54,714	179,299
Total land price increase	(7,216)	(65,054)
Imposition on undistributed earnings	161,074	87,103
Other	32,662	10,248
	\$ 719,624	1,292,009

2. Deferred income tax assets and liabilities

(1) Unrecognized deferred income tax assets

The items that have not been recognized by the Group as deferred income tax assets are as follows:

	2025.12.31	2024.12.31
Deductible temporary difference	\$ 855	849
Tax losses	31,141	37,961

Notes to the consolidated financial statements (Continued)

\$ 31,996 38,810

According to the Income Tax Act, the losses for the past ten years as assessed by the tax authorities may be deducted from the net profits of the current year before levying the income tax. Such items are not recognized as deferred income tax assets because the Group is not likely to have sufficient taxable income in the future for the use of temporary differences.

As of December 31, 2025, the taxation losses recognized by the Group and those yet to be recognized as deferred income tax assets were deducted by the following deadlines:

Years of loss	Losses not yet deducted	Last year for deduction
Authorized deficit in 2016	\$ 29,999	2026
Authorized deficit in 2017	20,447	2027
Authorized loss in 2018	17,364	2028
Authorized loss in 2019	16,776	2029
Authorized deficit for 2020	15,141	2030
Authorized deficit for 2021	23,988	2031
Authorized deficit for 2022	19,283	2032
Authorized deficit for 2023	8,075	2033
2024 loss declaration	4,632	2034
	\$ 155,705	

(2) Recognized deferred income tax assets and liabilities

2025 and 2024 movements in deferred income tax assets are as follows:

Deferred income tax assets:

	Defined benefit plan	Provision for liabilities	Other	Total
January 1, 2025	\$ 1,001	34,840	16,717	52,558
Credit (debit) income statement	105	(3,500)	2,180	(1,215)
December 31, 2025	\$ 1,106	31,340	18,897	51,343
January 1, 2024	\$ 458	36,329	18,610	55,397
Credit (debit) income statement	543	(1,489)	(1,893)	(2,839)
December 31, 2024	\$ 1,001	34,840	16,717	52,558

Deferred income tax liabilities:

	Unrealized exchange gain
Balance as of January 1, 2025	\$ 1,288
Credit to the income statement	(427)
Balance as of December 31, 2025	\$ 861

Notes to the consolidated financial statements (Continued)

	Unrealized exchange gain
Balance as of January 1, 2024	\$ 825
Credit to the income statement	463
Balance as of December 31, 2024	<u>\$ 1,288</u>

3. Except for Guan Hua Co., Ltd. (Global Mall Nangang Store), which has been assessed up to 2022, the Group's income tax returns have all been assessed by the tax authorities up to 2023.

(XXI) 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. 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
	<u>\$ 1,530,269</u>	<u>1,493,812</u>

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

Notes to the consolidated financial statements (Continued)

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 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	553,170	-	-
Total		\$ 2,267,997		995,706

4. Treasury stock

Notes to the consolidated financial statements (Continued)

As of December 31, 2025 and 2024, the Group's holdings of the Company's own shares were as follows:

Name of subsidiary	2025.12.31			Unit: Thousand shares 2024.12.31		
	Number of shares	Book value (Note)	Market price	Number of shares	Book value (Note)	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
	12,865	\$ 71,196	434,194	11,691	\$ 71,196	595,061

Note: In addition, the amount of deductions attributable to non-controlling equity totaled 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	Non-controlling interests	Total
Balance as of January 1, 2025	\$ (29,389)	699	(5,817)	(34,507)
Exchange differences arising from the translation of net assets of foreign operations	(65)	-	(12)	(77)
Unrealized gains or losses on financial assets at fair value through other comprehensive income	-	302	865	1,167
Balance as of December 31, 2025	<u>\$ (29,454)</u>	<u>1,001</u>	<u>(4,964)</u>	<u>(33,417)</u>
Balance as of January 1, 2024	\$ (29,496)	1,061	(5,397)	(33,832)
Exchange differences arising from the translation of net assets of foreign operations	107	-	20	127
Unrealized gains or losses on financial assets at fair value through other comprehensive income	-	(362)	(440)	(802)
Balance as of December 31, 2024	<u>\$ (29,389)</u>	<u>699</u>	<u>(5,817)</u>	<u>(34,507)</u>

Notes to the consolidated financial statements (Continued)

(XXII) Earnings per share (EPS)

Calculations of the Group'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

	2025	2024
Net profit attributable to the Company's common stock shareholders	\$ 1,556,138	5,550,477

(2) Weighted average outstanding common stock

	2025	2024
Common shares issued as of January 1	554,170	554,170
Effect of treasury stock	(13,865)	(13,865)
Capitalization of retained earnings	55,317	55,317
Weighted average outstanding common stock as of December 31	595,622	595,622
Basic earnings per share	\$ 2.61	9.32

2. Diluted earnings per share

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

	2025	2024
Net income attributable to common stock shareholders of the Company (diluted)	\$ 1,556,138	5,550,477

(2) Weighted average number of common shares outstanding (diluted)

	2025	2024
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	596,565	597,714
Diluted earnings per share	\$ 2.61	9.29

(XXIII) Revenue from customer contracts

1. Breakdown of revenue

	2025		
	Building department	Construction Department	Department of Department Stores
	Total		
Key regional markets:			
Taiwan	\$ 3,860,573	17,156,917	1,855,116
	22,872,606		

Notes to the consolidated financial statements (Continued)

	2025			
	Building department	Construction Department	Department of Department Stores	Total
Main product/service lines:				
Revenue from sales of real estate	\$ 3,667,888	-	-	3,667,888
Construction contract revenue	168,044	17,151,084	-	17,319,128
Net income from counters	-	-	1,538,835	1,538,835
Revenue from service provision	1,600	-	31,772	33,372
Rental income	23,041	5,833	166,607	195,481
Other income	-	-	117,902	117,902
	<u>\$ 3,860,573</u>	<u>17,156,917</u>	<u>1,855,116</u>	<u>22,872,606</u>
Timing of revenue recognition:				
Commodities transferred at a certain point in time	\$ 3,667,888	-	1,668,974	5,336,862
Income gradually transferred over time	24,641	5,833	186,142	216,616
Construction transferred over time	168,044	17,151,084	-	17,319,128
	<u>\$ 3,860,573</u>	<u>17,156,917</u>	<u>1,855,116</u>	<u>22,872,606</u>

	2024			
	Building department	Construction Department	Department of Department Stores	Total
Key regional markets:				
Taiwan	<u>\$ 15,952,355</u>	<u>10,955,110</u>	<u>1,770,059</u>	<u>28,677,524</u>
Main product/service lines:				
Revenue from	\$ 15,601,961	-	-	15,601,961

Notes to the consolidated financial statements (Continued)

	2024			
	Building department	Construction Department	Department of Department Stores	Total
sales of real estate				
Construction	337,889	10,955,110	-	11,292,999
contract revenue				
Net income from	-	-	1,470,994	1,470,994
counters				
Revenue from	2,000	-	31,225	33,225
service				
provision				
Rental income	10,505	-	158,346	168,851
Other income	-	-	109,494	109,494
	<u>\$ 15,952,355</u>	<u>10,955,110</u>	<u>1,770,059</u>	<u>28,677,524</u>
Timing of revenue recognition:				
Commodities	\$ 15,601,961	-	1,592,415	17,194,376
transferred at a certain point in time				
Income gradually	12,505	-	177,644	190,149
transferred over time				
Construction	337,889	10,955,110	-	11,292,999
transferred over time				
	<u>\$ 15,952,355</u>	<u>10,955,110</u>	<u>1,770,059</u>	<u>28,677,524</u>

2. Contract balance

	2025.12.31	2024.12.31	2024.1.1
Notes and accounts receivable	\$ 2,448,819	1,524,283	1,132,740
Less: Loss allowance	(2,062)	(573)	(8,175)
Total	<u>\$ 2,446,757</u>	<u>1,523,710</u>	<u>1,124,565</u>
Contract assets - construction projects	\$ 3,163,713	3,588,840	2,996,809
Less: Loss allowance	-	-	-

Notes to the consolidated financial statements (Continued)

Total	\$ 3,163,713	3,588,840	2,996,809
	2025.12.31	2024.12.31	2024.1.1
Contract liabilities - construction projects	\$ 3,096,668	2,388,808	2,036,374
Contract liabilities - sales of buildings and land	157,225	633,991	1,102,830
Contract liabilities – rental income	9,167	-	-
Contract liabilities - gym	13,164	13,439	12,491
Contract liabilities - bonus points	18,772	20,692	17,681
Contract liabilities - gift vouchers	100,271	92,560	80,275
Total	\$ 3,395,267	3,149,490	3,249,651

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

The opening balance of contract liabilities on January 1, 2025 and 2024 was recognized as income in the amounts of NTD 700,611 thousand and NTD 1,160,976 thousand in 2025 and 2024.

Changes in contract assets and contract liabilities are mainly due to the difference between the time when the Group transfers goods or services to customers to meet the performance obligation 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 Group'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:

Project Code	2025.12.31
109B	\$ 28,655

(XXIV) 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 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.

Notes to the consolidated financial statements (Continued)

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. The relevant information can be accessed on the Market Observation Post System. The amount of remuneration to employees and directors distributed as resolved by the above-mentioned board meeting has no discrepancy with the amount estimated in the Company's 2025 and 2024 consolidated financial statement.

(XXV) Non-operating income and expenses

1. Interest revenue

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

	2025	2024
Bank deposits (including interest of short-term commercial papers)	\$ 221,585	178,258
Loans and receivables	334	381
Construction deposits paid (including deposits)	26	14
Other interest income	15	4,393
	\$ 221,960	183,046

2. Other income

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

	2025	2024
Dividend income	\$ 8,582	5,134

3. Other gains and losses

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

	2025	2024
Foreign exchange gain (loss)	\$ (2,138)	2,520
Financial assets income measured at fair value through profit or loss	16,647	53,424
Gains (losses) from the disposal of property, plant and equipment	44	(314)

Notes to the consolidated financial statements (Continued)

Impairment loss	(23,092)	(11,258)
Rental income	1,366	1,298
Profit from lease modification	10,085	-
Other income	63,743	85,836
Other expenses	(23,578)	(149,816)
	\$ 43,077	(18,310)

4. Financial costs

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

	2025	2024
Interest expense		
Bank borrowings	\$ 382,163	347,984
Interests paid in lieu of cash	-	79
Corporate bond interest and service charge	74,139	56,440
Interest on lease liabilities	53,582	54,740
Other	1,545	1,391
Less: capitalized interest	(190,926)	(248,273)
	\$ 320,503	212,361

(XXVI) 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 customers of the Group are concentrated in public construction projects and consumers. The accounts receivable of the department store department of the Group are mainly from credit card transactions which are the receivables from financial institutions. The accounts receivable of the construction department are the constructions receivable and the housings and lands receivable of the building department; receivables from financial institutions are paid directly to the Group, and the counterparties of housings and lands receivable are mostly individuals whose payments are conducted in the forms of remittance, cash collection, and bank mortgage financing. The related credit risk is considered low, thus, the Company takes effective control of the credit risk.

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.

Notes to the consolidated financial statements (Continued)

	Carrying amount	Contractual cash flow	Within one year	1-3 years	3-5 years	Over 5 years
December 31, 2025						
Non-derivative financial liabilities						
Long-term and short-term borrowings (including current portion)	\$ 16,968,812	18,083,753	5,154,258	11,805,736	929,503	194,256
Ordinary corporate bonds (within one year)	3,700,000	3,989,621	71,420	1,139,052	2,779,149	-
Notes, accounts and other payables	7,575,596	7,575,596	5,619,341	1,956,255	-	-
Guarantee deposits received	156,690	156,690	-	131,602	25,088	-
Lease liabilities (including those due within one year)	2,826,970	3,197,995	278,520	567,508	463,333	1,888,634
	\$ 31,228,068	33,003,655	11,123,539	15,600,153	4,197,073	2,082,890
December 31, 2024						
Non-derivative financial liabilities						
Long-term and short-term borrowings (including current portion)	\$ 12,402,854	13,292,146	4,312,864	7,951,530	1,027,752	-
Ordinary corporate bonds (within one year)	3,000,000	3,172,743	1,004,603	76,200	2,091,940	-
Notes, accounts and other payables	7,083,517	7,083,517	5,176,680	1,906,837	-	-
Guarantee deposits received	110,040	110,040	-	110,040	-	-
Lease liabilities (including those due within one year)	3,142,693	3,581,147	269,668	542,979	541,418	2,227,082
	\$ 25,739,104	27,239,593	10,763,815	10,587,586	3,661,110	2,227,082

The Group does not expect the maturity of the cash flows will be significantly earlier or the actual amount will be significantly different.

3. Interest rate analysis

The interest rate exposure of the Group'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 in the Group's internal reporting of interest rates to key management 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 increases or decreases by 1%, with all other variables unchanged, the Group's 2025 and 2024 net income before tax would decrease or increase by NTD 169,688 thousand and NTD 124,029 thousand, respectively. The translated net profit would decrease or increase by NTD 106,340 thousand and NTD 57,179 thousand, mainly due to the Group's borrowings with floating 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:

Notes to the consolidated financial statements (Continued)

<u>Securities price on the reporting date</u>	2025		2024	
	Other comprehensive income after tax	Profit or loss after tax	Other comprehensive income after tax	Profit or loss after tax
Up 10%	<u>\$ 3,604</u>	<u>18,806</u>	<u>3,487</u>	<u>17,141</u>
Down 10%	<u>\$ (3,604)</u>	<u>(18,806)</u>	<u>(3,487)</u>	<u>(17,141)</u>

5. Fair value information

(1) Types and fair values of financial instruments

Financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income of the Group are measured at fair value on a repetitive basis. The carrying amount and fair value of various financial assets and financial liabilities (including fair value hierarchy information, but the carrying amount of financial instruments not measured at fair value is a reasonable approximation of the fair value and lease liabilities, there is no need to disclose the fair value information as required) are as listed below:

	2025.12.31				
	<u>Carrying amount</u>	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 188,055	188,055	-	-	188,055
Financial assets measured at fair value through other comprehensive income	\$ 36,038	1,944	25,276	8,818	36,038
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 16,829,692	-	-	-	-
Notes and accounts receivable	2,446,757	-	-	-	-
Other financial assets- Liquidity	2,320,876	-	-	-	-
Other financial assets- Non-current	80,040	-	-	-	-
Subtotal	<u>21,677,365</u>	-	-	-	-
Total	<u>\$ 21,901,458</u>	<u>189,999</u>	<u>25,276</u>	<u>8,818</u>	<u>224,093</u>
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings (within one year)	\$ 16,968,812	-	-	-	-
Notes, accounts and other payables	7,575,596	-	-	-	-

Notes to the consolidated financial statements (Continued)

	2025.12.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Corporate bonds payable (within one year)	3,700,000	-	-	-	-
Lease liabilities (within one year)	2,826,970	-	-	-	-
Guarantee deposits received	156,690	-	-	-	-
Total	\$ 31,228,068	-	-	-	-
	2024.12.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 171,408	171,408	-	-	171,408
Financial assets measured at fair value through other comprehensive income	\$ 34,871	2,088	25,276	7,507	34,871
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 18,207,129	-	-	-	-
Notes and accounts receivable	1,523,710	-	-	-	-
Other financial assets- Liquidity	1,614,365	-	-	-	-
Other financial assets- Non-current	69,337	-	-	-	-
Subtotal	21,414,541	-	-	-	-
Total	\$ 21,620,820	173,496	25,276	7,507	206,279
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings (within one year)	\$ 12,402,854	-	-	-	-
Notes, accounts and other payables	7,083,517	-	-	-	-
Corporate bonds payable (within one year)	3,000,000	-	-	-	-
Lease liabilities (within one year)	3,142,693	-	-	-	-
Guarantee deposits received	110,040	-	-	-	-
Total	\$ 25,739,104	-	-	-	-

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

If there is a quoted market price for the financial instrument, the quoted price on the

Notes to the consolidated financial statements (Continued)

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 Group belong to an active market, the fair value is listed as follows by category and attribute:

- 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 Group 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	\$ 7,507
Total profit or loss	
Recognized in other comprehensive income	1,311
December 31, 2025	\$ 8,818
January 1, 2024	\$ 8,172
Total profit or loss	
Recognized in other comprehensive income	(665)
December 31, 2024	\$ 7,507

Notes to the consolidated financial statements (Continued)

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”)	1,311	(665)

(XXVII) Financial risk management

1. Overview

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

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

The Group's risk exposure information and the objectives, policies and procedures of the Group's risk measurement and management are disclosed in the notes. 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 Group'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 Group 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:

Notes to the consolidated financial statements (Continued)

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
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

3. Credit risk

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

(1) Accounts receivable and other receivables

The Group's credit risk exposure is mainly affected by the conditions of each individual customer. However, the management also considers the statistical data of the Group's customer base, including the default risk of the industry and country of the customer, as these factors may affect credit risk. The Group's revenue in 2025 and 2024 were both derived from sales to domestic customers. The accounts receivable of the department store department of the Group are mainly from credit card transactions which are the receivables from financial institutions. The accounts receivable of the construction department are the constructions receivable and the housings and lands receivable of the building department; receivables from financial institutions are paid directly to the Group, counterparties are requested to provide collaterals or guarantees for the construction receivable when necessary, and the counterparties of housings and lands receivable are mostly individuals whose payments are conducted in the forms of remittance, cash collection, and bank mortgage financing. Thus, the related credit risk is considered low.

The Group 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

Notes to the consolidated financial statements (Continued)

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 Group's Finance Department. As the counterparties of the Group 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

The Group's policy requires that it can provide financial guarantees to its joint partners and business dealing companies. As of December 31, 2025 and 2024, the Group had not provided the endorsement/guarantee referred to above.

4. Liquidity risk

Liquidity risk is the risk that the Group may not be able to deliver cash or other financial assets to settle financial liabilities and fail to fulfill related obligations. The Group manages liquidity by ensuring that, under normal and stressed circumstances, the Group has sufficient liquidity to meet its liabilities as they fall due, without incurring unacceptable losses or risk of damage to the Group'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 Group'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 Group 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 Group's available-for-sale equity instruments held to partially fill the unappropriated position of the defined benefit retirement obligation. The Group'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.

(XXVIII) Capital management

The objectives of the Group'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 Group may adjust the dividend

Notes to the consolidated financial statements (Continued)

payment to shareholders, return capital to shareholders, issue new shares or sell assets to pay off liabilities.

Similar to the industry peers, the Group 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 components of equity (i.e. capital stock, capital reserve, retained earnings, other equity and non-controlling interests) plus net liabilities.

The Group's capital management strategy in 2025 is consistent with that in 2024, which is to maintain the debt capital ratio between 20% and 50% to ensure financing at a reasonable cost. The debt capital ratios as of December 31, 2025 and 2024 are as follows:

	2025.12.31	2024.12.31
Total liabilities	\$ 35,296,633	29,931,716
Less: Cash and cash equivalent	(16,829,692)	(18,207,129)
Net liabilities	18,466,941	11,724,587
Total equity	29,545,099	28,199,910
Adjusted capital	\$ 48,012,040	39,924,497
Debt capital ratio	38.46%	29.37%

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

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

1. Right-of-use assets were obtained through leasing arrangements. Please refer to Note 6(10) for details.
2. The property, plant and equipment acquired are as follows:

	2025	2024
Purchase of property, plant and equipment	\$ 176,819	48,053
Add: Payables for equipment, beginning	11,383	34,719
Less: Payables for equipment, ending	(40,056)	(11,383)
	\$ 148,146	71,389

VII Transactions with related parties

(I) Names of related parties and their relationships

The transaction related parties of the Group during the period of the consolidated financial statements are as follows:

Name of related party	Relationship with the Group
Kindom Yu San Education Foundation	Its Chairman is a relative of second degree of kinship to the Chairman of the Company
Tua Tiann Co., Ltd.	Joint venture of the Group (Note)

Notes to the consolidated financial statements (Continued)

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

(II) Transactions with related parties

1. The Group donated NTD 14,500 thousand and NTD 14,000 thousand to other related parties in 2025 and 2024, respectively, for the promotion of affairs of the Foundation.
2. The Group leased parts of its office building to other related parties and the joint venture with lease terms of one and three years, respectively. The rental incomes in 2025 and 2024 were NTD 99 thousand and NTD 129 thousand, respectively.
3. The earnings of the joint venture distributed to the Group in 2025 and 2024 were NTD 6,792 thousand and NTD 6,307 thousand, respectively.

(III) Transactions by key management personnel

Remuneration to key management personnel includes:

	2025	2024
Short-term employee benefits	\$ 142,818	158,671
Post-employment benefits	1,269	1,545
	\$ 144,087	160,216

VIII Pledged assets

The book value of the assets pledged and pledged by the Group as collateral for restricted assets is as follows:

Asset name	Subject matter of pledge guarantee	2025.12.31	2024.12.31
Buildings and land for sale	Bank borrowings	\$ 13,399,540	4,208,763
Construction site	"	1,751,650	703,681
Building and land under construction	"	9,074,259	13,703,128
Investment property and property, plant and equipment, net	Bank borrowings and corporate bonds payable	8,812,868	6,109,317
Other financial assets- Liquidity	Bank borrowings, pre-payment trust, performance bonds, and corporate bonds payable and restricted assets	2,121,057	1,420,991
Other financial assets - non-current	Performance bond and trust	54,776	54,734
		\$ 35,214,150	26,200,614

Note: The Group provided 223,414 thousand shares of subsidiaries on December 31, 2025 and 2024, in total, as collateral for bank loans.

IX Significant contingent liabilities and unrecognized contractual commitments

(I) Significant unrecognized contractual commitments:

1. The total amount of major construction contracts undertaken by the Group is as follows:

Notes to the consolidated financial statements (Continued)

	2025.12.31	2024.12.31
Total contract amount	<u>\$ 69,614,935</u>	<u>61,868,986</u>
Amount received	<u>\$ 43,398,382</u>	<u>26,158,044</u>
2. The contractual price of the pre-sale of new houses and sale of existing houses signed between the Group and the customers are as follows:		
	2025.12.31	2024.12.31
Price of signed sales contract	<u>\$ 1,590,444</u>	<u>1,805,916</u>
Amount received according to the contract	<u>\$ 157,225</u>	<u>633,991</u>
3. For information on lease contracts entered into by the Group in connection with the operation of shopping malls as of December 31, 2025 and 2024, please refer to Note 6(16). In addition, the total amounts of guarantees issued and promissory notes are as follows:		
	2025.12.31	2024.12.31
Guaranteed notes	<u>\$ 232,550</u>	<u>294,100</u>
4. The total amount of letters of guarantee and guarantee notes issued by the Group in connection with joint construction and allocation of housing units, joint development projects, and contracted construction projects is as follows:		
	2025.12.31	2024.12.31
	<u>\$ 8,127,203</u>	<u>6,796,504</u>
5. The unrecognized contractual commitments of the Group due to the payment of royalties for the purchase of construction land and conversion of rights are as follows:		
	2025.12.31	2024.12.31
Acquisition of inventory (construction industry)	<u>\$ 28,148</u>	<u>4,136,912</u>
6. The Group's contractual commitments for the acquisition of equipment or construction projects that have not yet been recognized are as follows:		
	2025.12.31	2024.12.31
Acquisition of property, plant and equipment	<u>\$ 11,200</u>	<u>-</u>
7. 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 9,000 thousand and NTD 21,000 thousand, respectively, for the promotion of business affairs of the Foundation.		
8. The Group 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 Group is required to lease back all the commercial facilities (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		

Notes to the consolidated financial statements (Continued)

land lease contract is signed one year prior to the acquisition of the use permit.

9. As indicated in Note 6(6), the subsidiary of the Group (Tua Tiann Co., Ltd.) signed the “Taipei Station Special Zone for E1E2 Street Government Urban Renewal Project” contract with the Taipei City Housing and Urban Renewal Center in September 2022. The Group shall be jointly and severally liable for damages and performance of the contract.
10. The Group 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 Group needs to leaseback 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 Group 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 Group’s shareholding in Global Mall increased to 98.22%.

XII Others

- (I) Employee benefits, depreciation, depletion and amortization expenses by function are summarized as follows:

By function By nature	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	765,997	690,527	1,456,524	568,337	827,097	1,395,434
Labor and national health insurance expenses	71,988	58,299	130,287	53,141	53,978	107,119
Pension expense	23,924	25,308	49,232	19,291	25,762	45,053
Other employee benefit expenses	24,902	55,763	80,665	15,990	44,900	60,890
Depreciation expense	36,732	409,424	446,156	27,395	415,570	442,965
Amortization expense	4,115	22,662	26,777	2,762	22,126	24,888

Notes to the consolidated financial statements (Continued)

XIII Disclosures in notes

(I) Information on significant transactions

According to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Group 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	Amount of endorsements and guarantees 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 Corp.	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 Corp.	Parent and Subsidiary	64,057	14,192	14,192	14,192	-	22.16%	64,057	N	Y	N
2	"	Kedge Construction	"	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 consolidated financial statements (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.

Note 6: The above transactions have been eliminated when the consolidated financial statements were prepared.

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				Highest shareholding or contribution during the period	Remarks
				Number of shares	Carrying amount	Shareholding ratio	Fair value (Note)		
Kindom Development Corp.	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	0.20%	
"	Stock - Gongxin	-	"	29	215	0.05 %	215	0.05%	
"	Stock - Fubon Financial Preferred Shares C (FBFHCPCSC)	-	"	12	626	- %	626	- %	
"	Stock - Preferred stock of Ta Shee Resort Co., Ltd.	-	"	-	25,276	- %	25,276	- %	
Jiequn Investment Co., Ltd.	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 (FBFHCPCSC)	-	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 %	-	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 (FBFHCPCSC)	-	Financial assets measured at fair value through other comprehensive income - non-	10	519	- %	519	- %	

Notes to the consolidated financial statements (Continued)

Companies in possession	Type and name of marketable securities	Relationship with the securities issuer	Presentation account	End of period				Highest shareholding or contribution during the period	Remarks
				Number of shares	Carrying amount	Shareholding ratio	Fair value (Note)		
			current						
"	Stock - Global Views Commonwealth Publishing Group	-	"	177	7,106	0.59%	7,106	0.59%	

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:

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 1)	Percentage in total purchase (sales)	Credit period	Unit price	Credit period	Balance	Percentage of total notes and accounts receivable (payable)	
Kindom Development Corp.	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%	Note 2
Kedge Construction	Kindom Development Corp.	An investment in Kedge Construction under the equity method	Contract engineering projects	(4,483,801)	(19.22)%	The monthly payment collection according to the contract is generally slightly longer.	"	"	1,200,717	20.44%	"

Note 1: Refers to the denominated amount in the current period.

Note 2: The above transactions have been eliminated when the consolidated financial statements were prepared.

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 Development Corp.	An investment in Kedge Construction under the equity method	1,200,717	4.32	-	-	263,796	-

Note: The above transactions have been eliminated when the consolidated financial statements were prepared.

6. Business relationships and important transactions between the parent company and its subsidiaries:

Notes to the consolidated financial statements (Continued)

Serial number	Trader's name	Trading counterpart	Relationship with the counterpart	Transactions with each other			
				Title	Amount	Trading terms and conditions	As a percentage of consolidated total operating revenue or total assets
0	The Company	Kedge Construction	1	Construction cost	4,306,399	50% at sight, 50% over 60 days	18.83%
0	The Company	Kedge Construction	1	Property, plant and equipment held for sale	234,640	50% at sight, 50% over 60 days	0.36%
0	The Company	Kedge Construction	1	Building and land under construction	206,446	50% at sight, 50% over 60 days	0.32%
0	The Company	Kedge Construction	1	Notes and accounts payable- Related party	1,200,717	50% at sight, 50% over 60 days	1.85%
0	The Company	Kedge Construction	1	Operating revenue	8,370	Monthly income	0.04%
0	The Company	Kedge Construction	1	Non-operating revenue	4,771	100% at sight	0.02%
0	The Company	Kedge Construction	1	Operating expenses and non-operating expenses	2,253	Monthly payment, 100% at sight	0.01%
0	The Company	Kedge Construction	1	Guarantee deposits received	10,653	Pursuant to the terms of the contract	0.02%
0	The Company	Dingtian Construction	1	Construction cost	28,928	50% at sight, 50% over 60 days	0.13%
0	The Company	Dingtian Construction	1	Notes and accounts payable- Related party	19,582	50% at sight, 50% over 60 days	0.03%
0	The Company	Dingtian Construction	1	Operating revenue	98	Monthly income	0.00%
0	The Company	Guanqing Electromechanical	1	Operating revenue	98	Monthly income	0.00%
0	The Company	Global Mall	1	Operating revenue	712	Annual income	0.00%
0	The Company	Global Mall	1	Contract liabilities	19,516	Annual income	0.03%
0	The Company	Global Mall	1	Non-operating revenue	4,771	100% at sight	0.02%
0	The Company	Global Mall	1	Non-operating expenses	9	100% at sight	0.00%
0	The Company	Global Mall	1	Guarantee deposits received	6,179	Pursuant to the terms of the contract	0.01%
0	The Company	Tua Tiann	1	Operating revenue	30	Annual income	0.00%
1	Kedge Construction	The Company	2	Operating revenue	4,306,399	50% at sight, 50% over 60 days	18.83%
1	Kedge Construction	The Company	2	Operating cost	441,086	50% at sight, 50% over 60 days	1.93%
1	Kedge Construction	The Company	2	Notes and accounts receivable- Related party and contract assets	1,200,717	50% at sight, 50% over 60 days	1.85%
1	Kedge Construction	The Company	2	Lease liabilities	3,702	Monthly payment	0.01%
1	Kedge Construction	The Company	2	Operating revenue	2,080	Monthly income, 100% at sight	0.01%
1	Kedge Construction	The Company	2	Non-operating revenue	46	100% at sight	0.00%
1	Kedge Construction	The Company	2	Operating expenses	9,439	Monthly payment, 100% at sight	0.04%
1	Kedge Construction	The Company	2	Refundable deposits	10,653	Pursuant to the terms of the contract	0.02%
1	Kedge Construction	Global Mall	3	Operating revenue	400	100% at sight	0.00%

Notes to the consolidated financial statements (Continued)

Serial number	Trader's name	Trading counterpart	Relationship with the counterpart	Transactions with each other			
				Title	Amount	Trading terms and conditions	As a percentage of consolidated total operating revenue or total assets
2	Dingtian Construction	The Company	2	Operating revenue	28,928	50% at sight, 50% over 60 days	0.13%
2	Dingtian Construction	The Company	2	Notes and accounts receivable- Related party and contract assets	19,582	50% at sight, 50% over 60 days	0.03%
2	Dingtian Construction	The Company	2	Lease liabilities	98	Monthly payment	0.00%
3	Guanqing Electromechanical	The Company	2	Lease liabilities	98	Monthly payment	0.00%
4	Tua Tiann	The Company	2	Lease liabilities	30	Annual payment	0.00%
5	Global Mall	The Company	2	Operating expenses	5,339	Yearly payment, 100% at sight	0.02%
5	Global Mall	The Company	2	Non-operating revenue	9	100% at sight	0.00%
5	Global Mall	The Company	2	Lease liabilities	18,229	Annual payment	0.03%
5	Global Mall	The Company	2	Prepaid expenses	1,431	Annual payment	0.00%
5	Global Mall	The Company	2	Refundable deposits	6,179	Pursuant to the terms of the contract	0.01%
5	Global Mall	Kedge Construction	3	Operating expenses	400	100% at sight	0.00%
5	Global Mall	Guan Cheng Co., Ltd. (Global Mall Banqiao Store)	3	Accounts receivable- Related party	62,201	Annual payment, O/A 30 days	0.10%
5	Global Mall	Guan Cheng Co., Ltd. (Global Mall Banqiao Store)	3	Operating revenue	58,483	Annually	0.26%
5	Global Mall	Guan Hua Co., Ltd. (Global Mall Nangang Store)	3	Accounts receivable- Related party	20,522	Annual payment, O/A 30 days	0.03%
5	Global Mall	Guan Hua Co., Ltd. (Global Mall Nangang Store)	3	Operating revenue	19,941	Annually	0.09%
5	Global Mall	Guan You Co., Ltd. (Global Mall Zuoying Store)	3	Accounts receivable- Related party	5,589	Annual payment, O/A 30 days	0.01%
5	Global Mall	Guan You Co., Ltd. (Global Mall Zuoying Store)	3	Operating revenue	5,213	Annually	0.02%
6	Guan Cheng Co., Ltd. (Global Mall Banqiao Store)	Global Mall	3	Accounts payable and other payables-related parties	62,201	Annual payment, O/A 30 days	0.10%
6	Guan Cheng Co., Ltd. (Global Mall Banqiao Store)	Global Mall	3	Operating expenses	58,483	Paid once a year	0.26%
7	Guan Hua Co., Ltd. (Global Mall Nangang Store)	Global Mall	3	Other payables- Related party	20,522	Annual payment, O/A 30 days	0.03%
7	Guan Hua Co., Ltd. (Global Mall Nangang Store)	Global Mall	3	Operating expenses	19,941	Paid once a year	0.09%
8	Guan You Co., Ltd. (Global Mall Zuoying Store)	Global Mall	3	Other payables- Related party	5,589	Annual payment, O/A 30 days	0.01%
8	Guan You Co., Ltd. (Global Mall Zuoying Store)	Global Mall	3	Operating expenses	5,213	Paid once a year	0.02%

Note 1. The method of filling in the serial number is as follows:

- 1.0 for the parent company.
2. Subsidiaries are numbered sequentially starting from 1 according to the company type.

Notes to the consolidated financial statements (Continued)

Note 2: Relationships with counterparties are indicated as follows:

1. Parent company to subsidiaries
2. Subsidiary to parent company.
3. Subsidiary to subsidiary

Note 3: The above transactions have been eliminated when the consolidated financial statements were prepared.

(II) Information on investees:

The Group's reinvestment 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			Highest shareholding or contribution during the 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 Corp.	Kedge Construction	Taiwan	Comprehensive Construction Activities, etc.	374,353	374,353	44,619	34.18%	1,812,350	34.18%	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	84.02%	488,158	415,869	"
"	Tua Tiann	Taiwan	Commercial Real Estate Development	1,020,000	1,020,000	102,000	51.00%	1,029,126	51.00%	14,695	7,493	"
Kedge Construction	Jiequn Investment Co., Ltd.	Taiwan	General investment	163,935	163,935	16,396	99.98%	613,818	99.98%	40,002	39,993	Sub-subsidiary
"	Guanqing Electromechanical	Taiwan	Electrical Appliance Installation and Fire Safety Equipment Installation Engineering	81,326	81,326	7,748	99.97%	322,294	99.97%	28,480	28,473	"
Jiequn Investment Co., Ltd.	Dingtian Construction	Taiwan	Comprehensive Construction Activities, etc.	16,500	16,500	-	30.00%	19,217	30.00%	6,142	1,843	Third-Tier Subsidiary
Guanqing Electromechanical	Dingtian Construction	Taiwan	Comprehensive Construction Activities, etc.	11,105	11,105	-	70.00%	44,840	70.00%	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	46.67%	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	100.00%	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	100.00%	29,564	29,564	"
"	KGM	Hong Kong	Investing and operating the overall planning of shopping malls in mainland China, supporting engineering consulting,	9,339 (HKD390 thousand)	9,339 (HKD390 thousand)	- (Limited company)	100.00%	1,645	100.00%	(35)	(35)	"

Notes to the consolidated financial statements (Continued)

			shopping mall leasing planning and consulting.									
#	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	20.00%	(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	100.00%	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 (CNY 227,649) (Note 1)	USD 38,738	14,649,709 (Note 2)

Note 1: Including the investment amount of the dissolved Kindom Global Business Management (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 × 60%.

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

XIV Segment information

(I) General information

The Group's reportable segments are divided into three categories: Building, Construction, and Department Stores. Since each business group has different market attributes and marketing strategies, the descriptions are as follows:

Building sector: The rental or sale business of commissioning construction companies to build public housing and commercial buildings.

Construction Department: Integrate the overall work of the construction and management of maintenance works.

Department Stores: Department stores, supermarkets, and import/export of international trade.

- ### (II) Information on the profit and loss, assets and liabilities of the reportable segment and their measurement basis and adjustment

The Group uses the departmental profit or loss before tax (excluding non-recurring profit

Notes to the consolidated financial statements (Continued)

and loss and exchange profit and loss) of the internal management report reviewed by the chief operating decision-maker as the basis for management resource allocation and performance evaluation. Since income tax, non-recurring gains and losses, and exchange gains and losses are managed on a group basis, the Group has not allocated income tax expenses (profits), non-recurring gains and losses, and exchange gains and losses to the reporting segments. In addition, not all profit or loss of the reportable segments include significant non-cash items other than depreciation and amortization. The reported amount is consistent with the amount used in the report by the operational decision makers.

The accounting policies of each operating segment are the same as those described in Note 4 “Summary of Significant Accounting Policies”, except that the pension expense of each operating segment is recognized and measured on the basis of cash paid into the pension plan.

The Group treats sales and transfers between departments as transactions with a third party. Measured at the current market price.

Information and adjustments of the operating segments of the Group are as follows:

	2025				
	Building department	Construction department	Department of department stores	Adjustment and elimination	Total
Revenue:					
Revenue from external customers	\$ 3,860,573	17,156,917	1,855,116	-	22,872,606
Inter-segment revenue	9,308	4,337,807	28	(4,347,143)	-
Interest revenue	118,409	76,096	27,510	(55)	221,960
Total revenue	<u>\$ 3,988,290</u>	<u>21,570,820</u>	<u>1,882,654</u>	<u>(4,347,198)</u>	<u>23,094,566</u>
Interest expense	\$ 244,924	3,795	73,617	(1,833)	320,503
Depreciation and amortization	22,581	61,606	413,866	(25,120)	472,933
Share of profit or loss of affiliated companies and joint ventures using the equity method	799,598	1,928	(4,732)	(795,028)	1,766
Reportable segment income	<u>\$ 1,838,373</u>	<u>1,561,895</u>	<u>612,230</u>	<u>(950,523)</u>	<u>3,061,975</u>
Assets:					
Investment under equity method	\$ 8,001,278	19,426	95,302	(8,001,278)	114,728
Capital expenditure on non-current assets	33,111	55,652	102,180	-	190,943
Assets of reportable	<u>\$ 48,692,702</u>	<u>15,179,338</u>	<u>11,558,812</u>	<u>(10,589,120)</u>	<u>64,841,732</u>

Notes to the consolidated financial statements (Continued)

segments					
Liabilities of reportable segments	\$ 22,258,624	9,145,976	5,454,027	(1,561,994)	35,296,633
			2024		
			Department of department stores	Adjustment and elimination	Total
	Building department	Construction department	department stores	Adjustment and elimination	Total
Revenue:					
Revenue from external customers	\$ 15,952,355	10,955,110	1,770,059	-	28,677,524
Inter-segment revenue	6,767	3,279,039	-	(3,285,806)	-
Interest revenue	92,331	63,341	27,374	-	183,046
Total revenue	\$ 16,051,453	14,297,490	1,797,433	(3,285,806)	28,860,570
Interest expense	\$ 130,586	3,448	78,393	(66)	212,361
Depreciation and amortization	20,127	47,153	407,823	(7,250)	467,853
Share of profit or loss of affiliated companies and joint ventures using the equity method	710,198	1,367	(195)	(702,651)	8,719
Reportable segment income	\$ 6,486,330	1,103,489	620,504	(734,396)	7,475,927
Assets:					
Investment under equity method	\$ 7,567,794	17,498	100,034	(6,539,369)	1,145,957
Capital expenditure on non-current assets	4,895	17,111	44,841	-	66,847
Assets of reportable segments	\$ 41,757,928	13,078,998	11,783,367	(8,488,667)	58,131,626
Liabilities of reportable segments	\$ 17,220,798	7,738,470	5,854,244	(881,796)	29,931,716

The major adjustment items of the above-mentioned reportable department are as follows:

The total of reportable segment revenue for 2025 and 2024 netted off inter-segment revenue of NTD 4,347,143 thousand and NTD 3,285,806 thousand, respectively.

(III) Information by product and labor

Please refer to Note 6(23) for the Group's product and service information.

(IV) Information by region

The Group has no export transactions, and thus distinguishing information is not

Notes to the consolidated financial statements (Continued)

disclosed.

(V) Information on major customers

The Group is engaged in the development and sales of real estate, comprehensive construction and operation of department stores. Its main customers are mostly the vast consumer groups and public construction projects, so there is no specific target.