

Tze Shin International Co., Ltd.
and its subsidiaries

Consolidated Financial Statements
and Auditor's Review Report
Q1 2026 and 2025

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Auditor's Review Report

Shareholders and the Board of Directors of Tze Shin International Co., Ltd.,

Introduction

The CPA reviewed the consolidated balance sheets of Tze Shin International Co., Ltd. and its subsidiaries as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows for the periods from For the three months ended March 31, 2026 and 2025, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies). The preparation of fairly presented consolidated financial based on the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Report" recognized and endorsed to effect by the Financial Supervisory Commission is the responsibility of the management, we are responsible for making conclusions for the consolidated financial statements in accordance with the review results.

Scope

We have performed the review according to the Review Standards No.2410 "Review of Financial Statements." Procedures executed during the review of the consolidated financial statements include inquiries (primarily inquiries with personnel responsible for financial and accounting affairs), analytical procedures, and other review procedures. The scope of review is significantly less than the scope of an audit; therefore, we may not be able to come to notice of material matters that may be identified via an audit. As such, we are unable to express our audit opinion.

Conclusion

Based on review results, the CPA has not found any evidence indicating that the aforementioned consolidated financial statements are not prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission, which would prevent them from fairly presenting the consolidated financial position of Tze Shin International Co., Ltd. and its subsidiaries as of March 31, 2026 and 2025, and their consolidated financial performance and consolidated cash flows for the periods from For the three months ended March 31, 2026 and 2025.

Deloitte & Touche
CPA Han-Ni Fang

CPA Chao-Yu Chen

Approval reference No. of Financial
Supervisory Commission
Jin-Guan-Zheng-Shen-Zi No.1090347472

Approval reference No. of Financial Supervisory
Commission
Jin-Guan-Zheng-Shen-Zi No.1110348898

May 12, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

Tze Shin International Co., Ltd. and subsidiaries
Consolidated Balance Sheet
March 31, 2026, December 31, 2025, and March 31, 2025

Unit: NT\$ thousand

Code	Assets	March 31, 2026		December 31, 2025		March 31, 2025	
		Amount	%	Amount	%	Amount	%
Current assets							
1100	Cash (Note 6)	\$ 534,450	14	\$ 450,345	11	\$ 799,408	19
1110	Financial assets at fair value through profit or loss - current (Notes 7, 29 and 31)	1,032,071	27	1,082,280	27	1,127,007	27
1120	Financial assets at fair value through other comprehensive income - current (Notes 8 and 31)	96,850	2	107,575	3	92,160	2
1136	Financial assets measured at amortized cost - current (Notes 9, 27 and 29)	23,350	1	23,350	1	23,350	1
1150	Net notes receivable (Notes 10 and 23)	10,403	-	11,769	-	8,322	-
1160	Notes receivable - related parties (Notes 10, 23 and 28)	23,305	1	19,870	-	30,182	1
1170	Net accounts receivable (Notes 10 and 23)	33,007	1	35,963	1	37,817	1
1180	Accounts receivable - related parties (Notes 10, 23 and 28)	22,235	-	23,553	1	26,010	1
1200	Net other receivables (Notes 10 and 28)	1,379	-	27,445	1	1,598	-
1310	Net inventories (Notes 11 and 29)	654,983	17	773,678	19	417,857	10
1410	Prepayments	20,301	-	19,831	-	19,745	-
1460	Non-current assets held for sale (Notes 17 and 29)	69,021	2	69,021	2	-	-
1476	Other financial assets - current (Notes 18 and 29)	3,006	-	33,146	1	54,111	1
1479	Other current assets	7,099	-	16,434	-	17,504	-
11XX	Total current assets	<u>2,531,460</u>	<u>65</u>	<u>2,694,260</u>	<u>67</u>	<u>2,655,071</u>	<u>63</u>
Non-current assets							
1517	Financial assets at fair value through other comprehensive income - non-current (Note 8)	4,982	-	4,892	-	232,400	5
1600	Property, plant and equipment (Notes 13 and 29)	148,614	4	150,946	4	216,581	5
1755	Right-of-use assets (Note 15)	541,073	14	522,365	13	495,039	12
1760	Investment property (Note 15)	30,026	1	30,026	1	30,026	1
1780	Intangible assets (Notes 16 and 29)	481,031	13	485,208	12	490,709	12
1840	Deferred tax assets (Notes 4 and 25)	114,785	3	118,431	3	81,852	2
1920	Refundable deposits (Notes 15 and 27)	2,517	-	2,512	-	1,429	-
1975	Net defined benefit assets (Notes 4 and 21)	5,079	-	5,079	-	5,718	-
1990	Other non-current assets (Note 28)	14,340	-	12,940	-	4,088	-
15XX	Total non-current assets	<u>1,342,447</u>	<u>35</u>	<u>1,332,399</u>	<u>33</u>	<u>1,557,842</u>	<u>37</u>
1XXX	Total Assets	<u>\$ 3,873,907</u>	<u>100</u>	<u>\$ 4,026,659</u>	<u>100</u>	<u>\$ 4,212,913</u>	<u>100</u>
Code	Financial liabilities and equity						
Current liabilities							
2100	Short-term borrowings (Notes 19 and 29)	\$ 60,000	2	\$ 60,000	1	\$ 80,000	2
2130	Contract liabilities - current (Note 23)	27,323	1	60,520	2	43,449	1
2150	Notes payable	12,946	-	14,458	-	15,356	1
2160	Notes payable - related party (Note 28)	14,955	-	14,069	-	14,170	-
2170	Accounts payable	22,241	1	34,126	1	51,620	1
2180	Accounts payable - related parties (Note 28)	5,263	-	5,770	-	4,449	-
2200	Other payables (Note 20)	250,604	6	106,028	3	435,456	10
2220	Other payables - related parties (Notes 21 and 28)	45	-	55	-	45	-
2230	Current income tax liabilities (Notes 4 and 25)	27,173	1	24,957	1	592	-
2280	Lease liabilities - current (Note 14)	26,851	1	26,035	1	20,908	1
2320	Long-term borrowings due within one year (Notes 19 and 29)	15,276	-	15,213	-	14,610	-
2399	Other current liabilities	14,668	-	18,663	-	14,378	-
21XX	Total current liabilities	<u>477,345</u>	<u>12</u>	<u>379,894</u>	<u>9</u>	<u>695,033</u>	<u>16</u>
Non-current liabilities							
2540	Long-term loans (Notes 19 and 29)	9,174	-	213,016	6	296,626	7
2580	Lease liabilities - non-current (Note 14)	523,170	14	519,126	13	479,012	12
2640	Net defined benefit liabilities - non-current (Notes 4 and 21)	4,034	-	3,997	-	3,880	-
2645	Guarantee deposits	507	-	507	-	307	-
2670	Other non-current liabilities - others	11,222	-	11,222	-	11,222	-
25XX	Total non-current liabilities	<u>548,107</u>	<u>14</u>	<u>747,868</u>	<u>19</u>	<u>791,047</u>	<u>19</u>
2XXX	Total liabilities	<u>1,025,452</u>	<u>26</u>	<u>1,127,762</u>	<u>28</u>	<u>1,486,080</u>	<u>35</u>
Equity attributed to owners of the Company							
3110	Ordinary shares	1,890,023	49	1,890,023	47	1,890,023	45
3220	Capital reserve	41,258	1	41,258	1	41,281	1
Retained earnings							
3310	Legal reserve	392,028	10	392,028	10	357,621	8
3350	Unappropriated earnings	371,987	10	417,156	10	78,054	2
3300	Total retained earnings	764,015	20	809,184	20	435,675	10
3400	Other equity	(36,312)	(1)	(25,653)	(1)	151,748	4
31XX	Total equity of the owner of the Company	2,658,984	69	2,714,812	67	2,518,727	60
36XX	Non-controlling interests	189,471	5	184,085	5	208,106	5
3XXX	Total Equity	<u>2,848,455</u>	<u>74</u>	<u>2,898,897</u>	<u>72</u>	<u>2,726,833</u>	<u>65</u>
Total Liabilities and Equity		<u>\$ 3,873,907</u>	<u>100</u>	<u>\$ 4,026,659</u>	<u>100</u>	<u>\$ 4,212,913</u>	<u>100</u>

The notes constitute a part of the financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Zong-Yu Wu

Tze Shin International Co., Ltd. and subsidiaries
Consolidated Statement of Comprehensive Income
For the three months ended March 31, 2026 and 2025

Unit: NT\$ thousand,
except earnings (loss) per share in NT\$

Code		For the three months ended March 31, 2026		For the three months ended March 31, 2025	
		Amount	%	Amount	%
4000	Net operating revenue (Notes 23 and 28)	\$ 353,426	100	\$ 168,002	100
5000	Operating costs (Notes 11, 24 and 28)	<u>259,720</u>	<u>73</u>	<u>114,261</u>	<u>68</u>
5950	Operating profit	<u>93,706</u>	<u>27</u>	<u>53,741</u>	<u>32</u>
	Operating expense				
6100	Selling expenses	9,211	3	-	-
6200	Administrative expenses (Notes 24, 28 and 32)	<u>49,267</u>	<u>14</u>	<u>45,698</u>	<u>27</u>
6000	Subtotal	<u>58,478</u>	<u>17</u>	<u>45,698</u>	<u>27</u>
6900	Net operating income	<u>35,228</u>	<u>10</u>	<u>8,043</u>	<u>5</u>
	Non-operating income and expenses (Note 24)				
7100	Interest income (Note 28)	834	-	754	1
7010	Other income	37,032	10	3,734	2
7020	Other gains and losses	(4,363)	(1)	(97,893)	(58)
7050	Finance costs	(<u>4,305</u>)	(<u>1</u>)	(<u>4,300</u>)	(<u>3</u>)
7000	Subtotal	<u>29,198</u>	<u>8</u>	(<u>97,705</u>)	(<u>58</u>)
7900	Net income (loss) before tax	64,426	18	(89,662)	(53)
7950	Income tax expense (Notes 4 and 25)	<u>5,952</u>	<u>1</u>	<u>2,979</u>	<u>2</u>
8000	Net income (loss)	<u>58,474</u>	<u>17</u>	(<u>92,641</u>)	(<u>55</u>)

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Code		For the three months ended March 31, 2026		For the three months ended March 31, 2025	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Not to be reclassified to profit or loss in subsequent periods:				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(\$ 10,635)	(3)	(\$ 42,457)	(25)
8500	Total comprehensive income (loss) for the year	<u>\$ 47,839</u>	<u>14</u>	<u>(\$ 135,098)</u>	<u>(80)</u>
	Net profit (loss) attributed to				
8610	Owner of the Company	\$ 53,112	15	(\$ 96,189)	(57)
8620	Non-controlling interests	<u>5,362</u>	<u>2</u>	<u>3,548</u>	<u>2</u>
8600		<u>\$ 58,474</u>	<u>17</u>	<u>(\$ 92,641)</u>	<u>(55)</u>
	Comprehensive income attributable to				
8710	Owner of the Company	\$ 42,453	12	(\$ 138,664)	(82)
8720	Non-controlling interests	<u>5,386</u>	<u>2</u>	<u>3,566</u>	<u>2</u>
8700		<u>\$ 47,839</u>	<u>14</u>	<u>(\$ 135,098)</u>	<u>(80)</u>
	Earnings (loss) per share (Note 26)				
9710	Basic	<u>\$ 0.28</u>		<u>(\$ 0.51)</u>	
9810	Diluted	<u>\$ 0.28</u>		<u>(\$ 0.51)</u>	

The notes constitute a part of the financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Zong-Yu Wu

Tze Shin International Co., Ltd. and subsidiaries
Consolidated Statement of Changes in Equity
For the three months ended March 31, 2026 and 2025

Unit: NT\$ thousand

Code		Equity attributed to owners of the Company (Notes 8 and 22)					Other equity Unrealized profit and loss on the financial assets measured at fair value through other comprehensive income	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
		Retained earnings								
		Share capital	Capital reserve	Legal reserve	Unappropriated earnings	Total				
A1	Balance as of January 1, 2025	\$ 1,890,023	\$ 40,980	\$ 357,621	\$ 493,808	\$ 851,429	\$ 184,782	\$ 2,967,214	\$ 205,642	\$ 3,172,856
B5	Appropriations and distributions of 2024 earnings Cash dividends for shareholders of the Company	-	-	-	(309,964)	(309,964)	-	(309,964)	-	(309,964)
C17	Dividends not received by shareholders over time are transferred to capital reserves	-	(11)	-	-	-	-	(11)	-	(11)
D1	Net income (loss) for the three months ended March 31, 2025	-	-	-	(96,189)	(96,189)	-	(96,189)	3,548	(92,641)
D3	Other comprehensive income after tax for the three months ended March 31, 2025	-	-	-	-	-	(42,475)	(42,475)	18	(42,457)
D5	Total comprehensive income after tax for the three months ended March 31, 2025	-	-	-	(96,189)	(96,189)	(42,475)	(138,664)	3,566	(135,098)
M5	Difference between the price and book value of the subsidiary's equity acquired or disposed	-	312	-	-	-	(160)	152	(152)	-
M7	Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	(950)	(950)
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	(9,601)	(9,601)	9,601	-	-	-
Z1	Balance on March 31, 2025	<u>\$ 1,890,023</u>	<u>\$ 41,281</u>	<u>\$ 357,621</u>	<u>\$ 78,054</u>	<u>\$ 435,675</u>	<u>\$ 151,748</u>	<u>\$ 2,518,727</u>	<u>\$ 208,106</u>	<u>\$ 2,726,833</u>
A1	Balance at January 1, 2026	\$ 1,890,023	\$ 41,258	\$ 392,028	\$ 417,156	\$ 809,184	(\$ 25,653)	\$ 2,714,812	\$ 184,085	\$ 2,898,897
B5	Appropriation and distribution of 2025 earnings Cash dividends for shareholders of the Company	-	-	-	(98,281)	(98,281)	-	(98,281)	-	(98,281)
D1	Net income from for the three months ended March 31, 2026	-	-	-	53,112	53,112	-	53,112	5,362	58,474
D3	Other comprehensive income, net of tax, from for the three months ended March 31, 2026	-	-	-	-	-	(10,659)	(10,659)	24	(10,635)
D5	Total comprehensive income from for the three months ended March 31, 2026	-	-	-	53,112	53,112	(10,659)	42,453	5,386	47,839
Z1	Balance at March 31, 2026	<u>\$ 1,890,023</u>	<u>\$ 41,258</u>	<u>\$ 392,028</u>	<u>\$ 371,987</u>	<u>\$ 764,015</u>	<u>(\$ 36,312)</u>	<u>\$ 2,658,984</u>	<u>\$ 189,471</u>	<u>\$ 2,848,455</u>

The notes constitute a part of the financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Zong-Yu Wu

Tze Shin International Co., Ltd. and subsidiaries
Consolidated Statement of Cash Flows
For the three months ended March 31, 2026 and 2025

Unit: NT\$ thousand

Code		For the three months ended March 31, 2026	For the three months ended March 31, 2025
	Cash flows from operating activities		
A00010	Net income (loss) before tax	\$ 64,426	(\$ 89,662)
	Adjustments to reconcile profit (loss):		
A20100	Depreciation	11,972	10,694
A20200	Amortization expenses	6,579	6,252
A20400	Net loss on financial assets at fair value through profit or loss	4,715	98,514
A20900	Finance costs	4,305	4,300
A21200	Interest income	(834)	(754)
A21300	Dividend income	(300)	(1,084)
A22500	Gains from the disposal and scrap of property, plant, and equipment	(367)	(625)
A22800	Loss of disposal of intangible assets	14	4
A23700	Inventory scrapping loss	-	84
A23800	Gains on inventory devaluation and obsolescence recovery	-	(35)
A29900	Other items	202	183
	Net change in operating assets and liabilities		
A31130	Notes receivable	1,366	25,562
A31140	Notes receivable - related parties	(3,435)	1,159
A31150	Accounts receivables	2,956	1,577
A31160	Accounts receivable - related parties	1,318	9,277
A31180	Other receivables	1,273	(608)
A31200	Inventories	118,695	(19,980)
A31230	Prepayments	(672)	(1,320)
A31240	Other current assets	9,335	(16,073)
A32125	Contract liabilities	(33,197)	12,310
A32130	Notes payable	(1,512)	(5,253)
A32140	Notes payable - related parties	886	1,461
A32150	Accounts payable	(11,885)	1,020
A32160	Accounts payable - related parties	(507)	(574)
A32180	Other payables	1,639	(13,883)
A32190	Other payables - related parties	(10)	(10)
A32230	Other current liabilities	(3,995)	(1,604)
A32240	Net defined benefit assets and liabilities	37	96
A33000	Cash flow generated from operating activities	173,004	21,028

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Code		For the three months ended March 31, 2026	For the three months ended March 31, 2025
A33300	Interest paid	(\$ 2,253)	(\$ 2,717)
A33500	Income tax paid	(90)	(86)
AAAA	Net cash flow generated from operating activities	<u>170,661</u>	<u>18,225</u>
	Cash flows from investing activities		
B00010	Acquisition of financial assets measured at fair value through other comprehensive income	-	(5,293)
B00020	Disposal of financial assets measured at fair value through other comprehensive income	-	11,728
B00100	Acquisition of financial assets at fair value through profit or loss	(589,365)	(431,380)
B00200	Disposal of financial assets at fair value through profit or loss	705,095	238,813
B02700	Acquisition of property, plant and equipment	(1,910)	(773)
B02800	Disposal of property, plant and equipment prices	380	665
B03700	Increase in refundable deposits	(5)	(46)
B04500	Acquisition of intangible assets	(2,416)	(1,177)
B06500	Increase in their financial assets	-	(47,018)
B06600	Decrease in other financial assets	30,140	3,042
B06700	Increase of other non-current assets	(1,400)	(914)
B07500	Interest received	925	937
B07600	Dividends received	<u>-</u>	<u>499</u>
BBBB	Net cash inflows (outflows) from investing activities	<u>141,444</u>	(<u>230,917</u>)
	Cash flows from financing activities		
C01600	Increase in long-term loans	-	282,177
C01700	Decrease in long-term loans	(203,779)	(291,313)
C04020	Lease liability principal repayments	(24,221)	(21,579)
C05400	Acquisition of equity in subsidiaries	<u>-</u>	(<u>950</u>)
CCCC	Net cash used in financing activities	(<u>228,000</u>)	(<u>31,665</u>)
EEEE	Net cash increase (decrease)	84,105	(244,357)
E00100	Cash balance at the beginning of the period	<u>450,345</u>	<u>1,043,765</u>
E00200	Cash balance at the end of the period	<u>\$ 534,450</u>	<u>\$ 799,408</u>

The notes constitute a part of the financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Zong-Yu Wu

Tze Shin International Co., Ltd. and subsidiaries

Notes to Consolidated Financial Statements

For the three months ended March 31, 2026 and 2025

(Amounts in thousands of New Taiwan Dollars, unless otherwise stated)

I. Corporate history

Tze Shin International Co., Ltd. (hereinafter referred to as "the Company") was established in 1973. Its main business includes (I) long-distance container transshipment; (II) shipside transportation operations; (III) container haulage; (IV) truck freight: transportation of chemicals, gasoline and diesel tanks and bulk goods; (V) lease of containers, racks, and equipment; and (VI) entrust of construction companies to build commercial, industrial buildings, and public housing for sale and leasing.

The Company's stock has been listed on the Taiwan Stock Exchange since October 1993.

The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional currency.

II. Date and Procedures for the Approval of the Financial Statements

The Board of Directors approved these consolidated financial statements on May 12, 2026.

III. Application of New and Revised International Financial Reporting Standards

- (I) The International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC) and Notes (SIC) (hereinafter referred to as "IFRSs") endorsed and issued by the Financial Supervisory Commission ("FSC") applied for the first time.
- (II) IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) but not yet endorsed and issued into effect by the FSC

<u>New/amended/revised standards and interpretations</u>	<u>Effective date published by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Non-Publicly Accountable Subsidiaries: Disclosures" (including amendments in 2025)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note 1: Unless otherwise specified, the aforesaid new/amended/revised standards or interpretations are effective for the annual reporting periods beginning on or after the respective dates.

Note 2: The Financial Supervisory Commission announced on September 25, 2025 that Taiwanese enterprises should adopt IFRS 18 from January 1, 2028. Enterprises may also elect to adopt IFRS 18 early upon the FSC's approval.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Expression of Financial Statements". The main changes include:

- The consolidated company shall assess whether it engages in specified main business activities involving investing in specific types of assets and providing financing to customers, in order to classify income and expense items in the statement of profit or loss into operating, investing, financing, income taxes, and discontinued operations categories.
- The income statement shall be reported as operating income, pre-tax income before financing, and the sum and total of profit and loss.
- Provide guidance on the consolidation and division of rules: The merged company must identify the assets, liabilities, equity, income, expenses and cash flows generated from individual transactions or other matters, and classify and consolidate them based on the common characteristics, so as to result in the presentation in the primary financial statements of line items and disclosure in the notes of items that have at least one similar characteristic. Items that are dissimilar from other items should be disaggregated. The consolidated company shall label these items as "other" only when it cannot identify a more informative label.
- Increasing the disclosure of the performance measurement defined by management: When the merged company has open communication outside the financial statements, and when management's view of the merged company's overall financial performance on a certain aspect is communicated with the users of the financial statements, it shall be disclosed in a separate note to the financial statements on performance measurements defined by management, including descriptions of the measurements, how to calculate them, reconciliations between them and any subtotals or totals specified in IFRS, and the impact of relevant adjustments on income tax and non-controlling interests, etc.

In addition, the following amendments have been made to IAS 7 "Statements of Cash Flows":

- The consolidated company shall use operating profit or loss as the starting point for reconciliation when preparing cash flows from operating activities using the indirect method.
- The consolidated company shall classify interest and dividends received as investing activities, and interest and dividends paid as financing activities. If the consolidated company determines it engages in specified main business activities, it must consider the classifications of dividend income, interest income, and interest expense reported in the statement of profit or loss to determine the classification of dividends received, interest received, and interest paid in the statement of cash flows. However, each of these cash flows can only be classified into a single activity category in the statement of cash flows.

Except for the aforementioned impacts, as of the approval date of these consolidated financial statements, the consolidated company continues to assess the impacts of the amendments to these standards and interpretations on its financial position and financial performance. The consolidated company will disclose the relevant impacts upon completion of the assessment.

IV. Summary of Significant Accounting Policies

(I) Compliance Statement

The consolidated financial statements have been prepared in accordance with the IAS 34 “Interim Financial Report” endorsed and issued into effect by the FSC. The consolidated statements do not include all IFRSs disclosure information stated for the financial statements of the entire year.

(II) Basis of preparation

Except for the financial instruments measured at fair value and the net defined benefit liabilities recognized at the present value of the defined benefit obligation less the fair value of plan assets, the consolidated financial statements have been prepared on the historical cost basis.

The fair value measurement is divided into Level 1 to Level 3 according to the observability and significance of the relevant input value:

1. Level 1 input: refers to the quotation (unadjusted) of the same asset or liability in an active market on the measurement date.
2. Level 2 input: in addition to the quoted price in Level 1, the direct (i.e., price) or indirect (i.e., inference from price) observable input of the asset or liability.
3. Level 3 inputs: The unobservable inputs for the asset or liability.

(III) Basis of consolidation

The consolidated financial statements contain the financial statements of the Company and the entities controlled by the Company (subsidiaries). The operating profit and loss of the subsidiaries acquired or disposed of in the current period has been included in the consolidated statement of comprehensive income from the date of acquisition or until the date of disposal. The Company has adjusted the financial statements of its subsidiaries to align their accounting policies with those of the consolidated company. All intra-group transactions, balances, income, and expenses are eliminated in full in the consolidated financial statements. The total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests, even if the non-controlling interests become a deficit.

Please refer to Note 12 and Table 2 for details of subsidiaries, shareholding ratio and business items.

(IV) Other material accounting policies

Please refer to the summary of significant accounting policies in the 2025 consolidated financial statements, except for the following explanations.

1. Defined benefits and post-employment benefits

The pension costs for the interim period adopt the pension cost rate determined based on the actuary at the end of the preceding year and is calculated based on the period from the beginning of the year to the end of the current period and adjusted in accordance with material plan modifications, settlements, or other significant one-off matters.

2. Income tax expenses

Income tax expense represents the sum of current income tax and deferred income tax. Income tax for the interim period is evaluated based on the year and calculated for the interim gains before tax by adopting the tax rate that is expected to be applicable to the annual total earnings.

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

The major sources of significant accounting judgments, estimates, and assumption uncertainties applied in these consolidated financial statements are identical to those in the 2025 consolidated financial statements.

When the consolidated company develops significant accounting estimates, it takes into account the possible impact of inflation, market interest rate fluctuations on cash flow estimates, growth rates, discount rates, and profitability. Management will continue to review the estimates and basic assumptions.

VI. Cash

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand and working capital	\$ 1,660	\$ 1,915	\$ 1,375
Checks and demand deposits at banks	<u>532,790</u>	<u>448,430</u>	<u>798,033</u>
	<u>\$ 534,450</u>	<u>\$ 450,345</u>	<u>\$ 799,408</u>

VII. Financial instruments at fair value through profit or loss

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets - current</u>			
Non-derivative financial assets mandatorily measured at fair value through profit or loss			
– TWSE/TPEX-listed stocks	\$ 1,032,071	\$ 1,082,280	\$ 1,095,422
– Fund beneficiary certificate	<u>-</u>	<u>-</u>	<u>31,585</u>
	<u>\$ 1,032,071</u>	<u>\$ 1,082,280</u>	<u>\$ 1,127,007</u>

Please refer to Note 29 for information on financial assets at fair value through profit or loss - current pledge.

VIII. Financial assets at fair value through other comprehensive income

Investment in equity instruments

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Liquidity</u>			
Domestic investment			
TWSE/TPEX-listed stocks	\$ 96,850	\$ 107,575	\$ 92,160
<u>Non-current</u>			
Domestic investment			
Unlisted (non-OTC Listed) stock	\$ -	\$ -	\$ 227,671
Foreign investment			
Unlisted (non-OTC Listed) stock	4,982	4,892	4,729
	<u>\$ 4,982</u>	<u>\$ 4,892</u>	<u>\$ 232,400</u>

The Consolidated Company invests in the ordinary shares of the above-mentioned domestic and foreign listed (TWSE) and unlisted (OTC Listed) companies based on medium and long-term strategic purposes and expects to make profits through long-term investments. The management of the Consolidated Company believes that if the short-term fair value fluctuations of these investments are included in profit or loss, it is inconsistent with the aforementioned long-term investment plan, so they choose to designate these investments as measured at fair value through other comprehensive income.

For the three months ended March 31, 2025, the merged company adjusted its investment position to diversify risks and sold some ordinary shares of China Petrochemical Development Corporation and Megaful Co., Ltd. at fair values of NT\$11,728 thousand, and other related interests - unrealized interests in financial assets measured at fair value through other comprehensive gains and losses of NT\$9,601 thousand were transferred to retained earnings.

Please refer to Note 29 for information on financial assets measured at fair value through other combined profits or losses - current pledge.

IX. Financial assets at amortized cost

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Liquidity</u>			
Domestic investment			
Time deposits with an original maturity date of more than 3 months	\$ 23,350	\$ 23,350	\$ 23,350

Please refer to Note 29 for information on pledged financial assets measured at amortized cost.

X. Notes receivable, accounts receivable and other receivables

	March 31, 2026	December 31, 2025	March 31, 2025
	<u> </u>	<u> </u>	<u> </u>
Measured at amortized cost			
Gross carrying amount			
Notes receivable	\$ 10,403	\$ 11,769	\$ 8,322
Notes receivable - related parties	\$ 23,305	\$ 19,870	\$ 30,182
Accounts receivables	\$ 33,007	\$ 35,963	\$ 37,817
Accounts receivable - related parties	\$ 22,235	\$ 23,553	\$ 26,010
Other receivables	\$ 1,379	\$ 27,445	\$ 1,598

The Consolidated Company's 2025 other receivables - share settlement amounted to NT\$25,002 thousand, has been fully received in January 2026.

The Consolidated Company terminated its cooperation with the landlord on the joint construction project of Shijian Section, Wenshan District, Taipei City (Shijian Project) in August 2024. According to the joint construction contract, due to the landowner's failure to integrate the land as expected, both parties agreed to terminate the contract. The land owner paid a fine of NT\$80,000 thousand (recorded as other income) and NT\$24,620 thousand (recorded as notes receivable) to the Company as compensation in September 2024. The compensation was paid in full in March 2025.

The merged company's average credit period to customers is 60 to 90 days, and no interest is accrued on accounts receivable. When determining the recoverability of accounts receivable, the merged company considers the time from the original credit date to when the accounts receivable is presented in the balance sheet Changes in credit quality during the current period.

The merged company adopts the allowance for loss of notes receivable, accounts receivable, and other receivables recognized based on the expected credit losses throughout the duration. The expected credit losses throughout the duration are calculated using the provision matrix, which takes into account the customer's past default record and current financial position, as well as the industrial economic situation. The provision matrix does not further distinguish between customer segments because the consolidated company's historical credit loss experience indicates no significant differences in loss patterns among different customer segments. The consolidated company sets expected credit loss rates solely based on the number of days past due for notes receivable, accounts receivable, and other receivables.

The consolidated company directly writes off related accounts receivable if evidence indicates that the counterparty is facing severe financial difficulties and the consolidated

company cannot reasonably expect to recover the amount, such as when the counterparty is undergoing liquidation. However, the consolidated company will continue pursuit activities, and it recognizes any amounts recovered from the pursuit as profit or loss.

The consolidated company measures the loss allowance for notes receivable, accounts receivable, and other receivables using the provision matrix as follows:

March 31, 2026

	<u>Not overdue</u>	<u>Past due by 1 to 60 days</u>	<u>Past due by 61 to 90 days</u>	<u>Past due by 91 to 180 days</u>	<u>Overdue for more than 180 days</u>	<u>Total</u>
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	\$ 90,329	\$ -	\$ -	\$ -	\$ -	\$ 90,329
Loss allowance (lifetime expected credit losses)	-	-	-	-	-	-
Cost after amortization	<u>\$ 90,329</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,329</u>

December 31, 2025

	<u>Not overdue</u>	<u>Past due by 1 to 60 days</u>	<u>Past due by 61 to 90 days</u>	<u>Past due by 91 to 180 days</u>	<u>Overdue for more than 180 days</u>	<u>Total</u>
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	\$ 118,600	\$ -	\$ -	\$ -	\$ -	\$ 118,600
Loss allowance (lifetime expected credit losses)	-	-	-	-	-	-
Cost after amortization	<u>\$ 118,600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,600</u>

March 31, 2025

	<u>Not overdue</u>	<u>Past due by 1 to 60 days</u>	<u>Past due by 61 to 90 days</u>	<u>Past due by 91 to 180 days</u>	<u>Overdue for more than 180 days</u>	<u>Total</u>
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	\$ 103,929	\$ -	\$ -	\$ -	\$ -	\$ 103,929
Loss allowance (lifetime expected credit losses)	-	-	-	-	-	-
Cost after amortization	<u>\$ 103,929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,929</u>

XI. Inventories - net

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Buildings and land for sale	\$ 154,819	\$ 306,982	\$ -
Property under development	303,118	301,540	251,627
Property to be developed	191,284	159,361	159,361
Others	5,762	5,795	6,869
	<u>\$ 654,983</u>	<u>\$ 773,678</u>	<u>\$ 417,857</u>

Buildings and land for sale

<u>Project name</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Tze Shin Yun Li project	<u>\$ 154,819</u>	<u>\$ 306,982</u>	<u>\$ -</u>

Property under development

<u>Project name</u>	<u>Estimated completion year</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Datong Section, Zhunan Township	2028	<u>\$ 303,118</u>	<u>\$ 301,540</u>	<u>\$ 251,627</u>

Property to be developed

<u>Project name</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Wanli District	<u>\$ 191,284</u>	<u>\$ 159,361</u>	<u>\$ 159,361</u>

The consolidated company acquired a total of 240,912 square meters of land located in the Kanjiao Section and Daping Section of Wanli District, New Taipei City, through a donation from a non-related party. The Company completed the transfer of ownership in March 2026 and recognized other income of NT\$31,923 thousand based on fair value. Please refer to Note 24(1).

An independent appraiser from a non-related party evaluated this fair value, conducting the evaluation by referencing market evidence of real estate transaction prices.

In order to ensure the smooth construction and delivery of the Consolidated Company's construction projects, the following trust registration will be conducted for the land under development:

<u>Construction name</u>	<u>Contractor</u>	<u>Contract period</u>
Tze Shin Yun Li project	Pau Guo Construction Management Co., Ltd.	From August 2024 until the completion of this project and the finalization of the first ownership registration.

In March and April 2025, the Company entered into agreements with landowners to acquire a total of 1,330.8 square meters of land located in Datong Section, Zhunan Township, Miaoli County, for a total contract price of NT\$292,550 thousand (recorded as property to be developed). All considerations were fully paid with the completion of transfer in May 2025.

As of March 31, 2026, December 31, 2025, and March 31, 2025, inventories expected to be recovered after more than 12 months amounted to NT\$494,402 thousand, NT\$460,901 thousand, and NT\$410,988 thousand, respectively.

Cost of goods sold related to inventories for the periods from for the three months ended March 31, 2026, and 2025 were NT\$168,435 thousand and NT\$17,660 thousand, respectively.

Cost of goods sold for the periods from for the three months ended March 31, 2026, and 2025 included inventory scrap losses of NT\$0 thousand and NT\$84 thousand, respectively, and gains from the reversal of inventory obsolescence of NT\$0 thousand and NT\$35 thousand, respectively.

Please refer to Note 29 for the amount of buildings under construction and land pledged for borrowings.

XII. Subsidiary

(I) Subsidiaries included in the consolidated financial statements

The entities preparing the consolidated financial statements are as follows:

Name of the investors	Name of subsidiaries	Main Business Activity	Percentage of shareholding			Explanation
			March 31, 2026	December 31, 2025	March 31, 2025	
The company	Miramar Hospitality Co., Ltd. (Miramar Hospitality)	Development and management of tourist hotels	73.03%	73.03%	73.03%	1.、2.
	Miramar Resort Co., Ltd. (Miramar Resort)	Management of hotels and water recreation activities	66.18%	66.18%	66.18%	3.
	Hsin Hai Transportation & Terminal Co., Ltd. (Hsin Hai Transportation)	Operation and investment of automobile container and related businesses	47.47%	47.47%	47.47%	4.
Miramar Hospitality Co., Ltd.	Miramar Resort Co., Ltd.	Management of hotels and water recreation activities	13.33%	13.33%	13.33%	3.

Remarks:

- For the three months ended March 31, 2025, the Company acquired 95 thousand shares of Miramar Hospitality Co., Ltd. for the price of NT\$950 thousand, resulting in an increase of shareholding to 73.03%, and the difference between the price and book value of the subsidiary's equity acquired or disposed was recognized for NT\$312 thousand.
- It is a subsidiary with material non-controlling equity, and there is no material change in the current period.
- The Company directly and indirectly holds 79.51% of the shares of Miramar Resort Co., Ltd., so it has the ability to control, so it is included in the consolidated financial statements as an entity.
- As the legal representative of our company occupies more than half of the director seats in Hsin Hai Transportation, we have control over the company and therefore include it as a subsidiary in our consolidated financial statements.
- As of March 31, 2026, the financial statements of Hsin Hai Transportation Co., Ltd. and Miramar Hotel Co., Ltd., which are significant subsidiaries, were reviewed by auditors. The auditors did not review the financial statements of the remaining non-significant subsidiaries.

(II) Subsidiaries with significant non-controlling equity

Name of subsidiaries	Principal place of business	Percentage of shareholding and voting rights held by non-controlling interests		
		March 31, 2026	December 31, 2025	March 31, 2025
Miramar Hospitality Co., Ltd.	Taipei City	26.97%	26.97%	26.97%

XIII. Property, plant and equipment

	March 31, 2026	December 31, 2025	March 31, 2025
Land	\$ 96,263	\$ 96,263	\$ 156,144
Buildings	-	-	9,374
Transportation equipment	20,717	23,470	32,897
Office equipment	17,015	17,772	5,654
Restaurant and hotel equipment	<u>14,619</u>	<u>13,441</u>	<u>12,512</u>
	<u>\$ 148,614</u>	<u>\$ 150,946</u>	<u>\$ 216,581</u>

The consolidated company's property, plant and equipment did not incur any significant additions, disposals, or impairments during the periods from for the three months ended March 31, 2026 and 2025, aside from the recognition of depreciation expense. The Company provides depreciation expense on a straight-line basis over the following estimated useful lives:

Buildings	3 to 55 years
Transportation equipment	2 to 8 years
Office equipment	3 to 9 years
Restaurant and hotel equipment	1 to 10 years

For the amount of property, plant and equipment pledged by the consolidated company as collateral for borrowings, please refer to Note 29.

XIV. Lease agreement

(I) Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Book value of right-of-use assets			
Land	\$ 494,190	\$ 473,959	\$ 491,995
Building	45,512	46,942	1,300
Office equipment	<u>1,371</u>	<u>1,464</u>	<u>1,744</u>
	<u>\$ 541,073</u>	<u>\$ 522,365</u>	<u>\$ 495,039</u>

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Increase in right-of-use assets		
Land	\$ -	\$ 18,050
Building	<u>-</u>	<u>89</u>
	<u>\$ -</u>	<u>\$ 18,139</u>

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(Cont'd)

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Depreciation expense of right-of-use assets		
Land	\$ 6,220	\$ 6,041
Building	1,430	68
Office equipment	<u>93</u>	<u>94</u>
	<u>\$ 7,743</u>	<u>\$ 6,203</u>

The consolidated company's right-of-use assets did not incur any significant subleases or impairments during the periods from for the three months ended March 31, 2026 and 2025, aside from the aforementioned additions and recognition of depreciation expense.

(II) Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Book value of lease liabilities			
Liquidity	<u>\$ 26,851</u>	<u>\$ 26,035</u>	<u>\$ 20,908</u>
Non-current	<u>\$ 523,170</u>	<u>\$ 519,126</u>	<u>\$ 479,012</u>

The range of the discount rate for lease liabilities is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Land	1.76%~2.63%	1.76%~2.63%	1.76%~2.63%
Building	1.70%~2.63%	1.70%~2.63%	1.70%
Office equipment	2.63%	2.63%	2.63%

(III) Significant lease activities and terms and conditions

The consolidated company leases certain land and buildings for use as offices, with lease terms ranging from 1 to 50 years. The consolidated company does not hold bargain purchase options for the leased land and buildings upon the termination of the lease periods.

The Consolidated Company leases equipment with a lease term of 5 years. At the end of the lease term, the Consolidated Company has no preferential right to acquire the lease agreement.

On March 11, 2004, Miramar Hospitality Co., Ltd. leased 3,810 square meters of land from the Tourism Bureau, Ministry of Transportation and Communications. The rental was calculated and charged at 5% per annum based on the land price announced for the current period as stated in the contract according to the "Operation Directions for Establishment of Superficies on National Non-public Use Land." The aforementioned rent shall be adjusted when the land price adjustment is announced. However, if the difference between the land

price increase announced in the future and the land price increase estimated in the financial plan of the investment implementation plan is too large, one may refer to the newly added Paragraph 3 of Article 2 of "Regulations for Favorable Rentals Regarding Public Land Lease and Superficies in Infrastructure Projects" dated May 7, 2020, which stipulates that "During the construction and operation of public construction, if the reported land price of the required land for the year and the land price estimated in the original financial plan increase by more than 50%, the sponsoring authority may reduce the payable rent at its discretion." A separate version was drafted in consultation with the State-owned Property Bureau, Ministry of Finance. The duration of the surface right is 50 years from the date of development and operation.

(IV) Other lease information

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Expenses relating to short-term leases	\$ <u>409</u>	\$ <u>334</u>
Lease expenses of low-value assets	\$ <u>101</u>	\$ <u>208</u>
Total cash (outflow) of leases	(\$ <u>24,731</u>)	(\$ <u>22,121</u>)

XV. Investment property

	March 31, 2026	December 31, 2025	March 31, 2025
Land			
Keelung Nuan-Nuan Yuanyuan Section	\$ <u>30,026</u>	\$ <u>30,026</u>	\$ <u>30,026</u>

The fair value of the Consolidated Company's investment property as of December 31, 2025 was NT\$46,721 thousand. An independent appraiser from a non-related party evaluated this fair value, conducting the evaluation by referencing market evidence of real estate transaction prices. The consolidated management assessed that there were no significant changes in the fair value as of March 31, 2026, compared to December 31, 2025.

The fair value of the consolidated company's investment property as of March 31, 2025, was NT\$43,439 thousand. This fair value was not evaluated by an independent appraiser. The consolidated company determined its fair value by referencing market evidence of similar real estate transaction prices and calculating it after considering the upward adjustment in the announced current land value.

XXVI. Intangible Assets

	March 31, 2026	December 31, 2025	March 31, 2025
Operating concession	\$ 478,887	\$ 482,958	\$ 490,497
Computer software	<u>2,144</u>	<u>2,250</u>	<u>212</u>
	\$ <u>481,031</u>	\$ <u>485,208</u>	\$ <u>490,709</u>

The consolidated company's intangible assets did not incur any significant additions, disposals, or impairments during the periods from for the three months ended March 31, 2026, and 2025, aside from the recognition of amortization expense. Amortization expenses are accrued on a straight-line basis over the following useful years:

Computer software	3 to 5 years
Operating concession	2 to 48 years

The cost and accumulated amortization of the aforementioned operating concession of NT\$478,887 thousand as of March 31, 2026, were NT\$976,545 thousand and NT\$497,658 thousand, respectively. The cost includes NT\$27,000 thousand in royalties paid by Miramar Hotel Co., Ltd. upon signing the "Contract for the Development and Operation of the Taipei City Budget Hotel Project for the Promotion of Private Participation in Infrastructure Projects" with the Tourism Administration, Ministry of Transportation and Communications, NT\$2,390 thousand in planning fees, and NT\$947,155 thousand in building construction costs.

Please refer to Note 29 for the amount of intangible assets pledged for borrowings.

XVII. Non-current assets held for sale

	March 31, 2026	December 31, 2025	March 31, 2025
Land held for sale	\$ 59,881	\$ 59,881	\$ -
Buildings held for sale	<u>9,140</u>	<u>9,140</u>	<u>-</u>
	<u>\$ 69,021</u>	<u>\$ 69,021</u>	<u>\$ -</u>

The Company resolved at the Annual Shareholders' Meeting in June 2025 to approve the sale of an office located in the Zhongshan District of Taipei City. The land area is 30.3831 ping, and the building area is 371.18 ping. The Company is actively negotiating with potential buyers for this case. The Company recognized no impairment loss when classifying the real estate as a non-current asset held for sale, and there was no impairment as of March 31, 2026.

Please refer to Note 29 for the amount of non-current assets held for sale pledged as collateral for borrowings.

XVIII. Other financial assets

	March 31, 2026	December 31, 2025	March 31, 2025
Other financial assets - current	<u>\$ 3,006</u>	<u>\$ 33,146</u>	<u>\$ 54,111</u>

The bank deposit trust account and the reserve account are restricted assets. For information on the related pledge, please refer to Note 29.

XIX. Borrowings

(I) Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings			
Bank mortgage	\$ <u>60,000</u>	\$ <u>60,000</u>	\$ <u>80,000</u>
Bank Borrowing Interest Rates	2.250%	2.250%	2.250%

Please refer to Note 29 for information regarding pledges related to secured borrowings.

(II) Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Secured borrowings</u> (Note 29)			
Bank mortgage	\$ 19,033	\$ 221,562	\$ 301,236
<u>Unsecured borrowings</u>			
Borrowings against credit lines	<u>5,417</u>	<u>6,667</u>	<u>10,000</u>
	24,450	228,229	311,236
Less: Portion of long-term borrowings due within one year	(<u>15,276</u>)	(<u>15,213</u>)	(<u>14,610</u>)
	<u>\$ 9,174</u>	<u>\$ 213,016</u>	<u>\$ 296,626</u>
Maturity date of mortgage repayment	2027.4.29~ 2029.8.1	2027.4.29~ 2029.8.1	2027.9.30~ 2029.8.1
Repayment maturity date of unsecured borrowings	2027.4.29	2027.4.29	2027.4.29
Secured borrowing interest rate	2.220% ~ 2.450%	2.220% ~ 2.450%	2.220% ~ 3.500%
Unsecured borrowing interest rate	2.720%	2.720%	2.220%

Please refer to Note 29 for information regarding pledges related to mortgage borrowings.

XX. Other payables

	March 31, 2026	December 31, 2025	March 31, 2025
Payroll payable	\$ 18,332	\$ 29,749	\$ 21,438
Premium payable	35,851	25,965	33,676
Remuneration payable to directors	2,710	1,820	5,649
Remuneration payable to employees	3,600	2,570	7,259
Stock settlement payable	55,699	10,465	36,753
Dividends payable	98,281	-	309,964
Others	<u>36,131</u>	<u>35,459</u>	<u>20,717</u>
	<u>\$ 250,604</u>	<u>\$ 106,028</u>	<u>\$ 435,456</u>

XXI. Post-employment benefit plan

The Company calculated the pension expenses related to defined benefit plans recognized for the periods from for the three months ended March 31, 2026, and 2025, based on the pension cost rates determined by actuarial valuations as of December 31, 2025, and 2024. The amounts were NT\$72 thousand and NT\$136 thousand, respectively.

XXII. Equity

(I) Share capital

Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares (thousand)	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Authorized capital	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>
Number of shares issued and fully paid (thousand shares)	<u>189,002</u>	<u>189,002</u>	<u>189,002</u>
Issued capital stock	<u>\$ 1,890,023</u>	<u>\$ 1,890,023</u>	<u>\$ 1,890,023</u>

The ordinary shares issued with a par value of NT\$10 per share are entitled to one voting right and the right to receive dividends.

(II) Capital reserve

	March 31, 2026	December 31, 2025	March 31, 2025
<u>May be used to offset deficits, distribute cash, or capitalize to capital stock(1)</u>			
Treasury shares transaction	\$ 20,348	\$ 20,348	\$ 20,348
Difference between the price and book value of the subsidiary's equity acquired or disposed actually	20,344	20,344	20,344
<u>May only be used to offset a deficit</u>			
Recognition of changes in ownership interests of subsidiaries (2)	18	18	18
Unclaimed dividends after expiry date	<u>548</u>	<u>548</u>	<u>571</u>
	<u>\$ 41,258</u>	<u>\$ 41,258</u>	<u>\$ 41,281</u>

- Such capital surplus may be used to offset a deficit, and may be distributed as cash or applied to share capital when the Company has no deficits, provided that the capital surplus shall not exceed a certain percentage of the Company's paid-in share capital each year.

2. This type of capital surplus is the effect of equity transactions recognized due to changes in the company's equity when the Company does not actually acquire or dispose of the equity of the subsidiary or the adjustment to the capital surplus of the company adopting the equity method to recognize.

(III) Retained earnings and dividend policy

In order to meet the needs of diversified business development, sound financial structure, and protection of investors' rights and interests, the Company's dividend policy is based on the Company's future capital needs and long-term financial planning. In principle, the cash dividends distributed for retained earnings shall not be less than 20% of the distributable earnings, and the percentage of dividends distributed shall not be less than 50% of the total dividends distributed in the current year. According to the earnings appropriation policy of the Company, any earnings at the end of the year are subject to taxes and taxes, and after offsetting the accumulated losses, and then 10% of the earnings are set aside as legal reserve, and the remainder is appropriated or reversed as special reserves. If there is any remaining balance, together with the accumulated undistributed earnings, the Board of Directors shall draft a motion for earnings distribution and propose to the shareholders' meeting for resolution of distribution of dividends to shareholders. However, when earnings are paid in the form of cash, the Board of Directors is authorized to do so with the approval of a majority of directors attending the meeting and at least two-thirds of the directors are present voting to approve the resolution, and the matter shall be reported to the shareholders' meeting. Please refer to Note 24(6) for the policy on the remuneration of employees and directors as stipulated in the Company's Articles of Incorporation.

The legal reserve shall be appropriated until the balance reaches the Company's paid-in capital. Legal reserves may be used to offset losses. If the Company has no deficit, the portion exceeding 25% of the paid-in capital by the legal reserve may be appropriated into capital or distributed in cash.

The Company held an Annual Shareholders' Meeting on June 20, 2025, and resolved to approve the 2024 earnings distribution proposal as follows:

	2024
Legal reserve	\$ <u>34,407</u>
Cash dividends	\$ <u>309,964</u>
Cash dividend per share (NT\$)	\$ 1.64

The Company's Board of Directors proposed the 2025 earnings distribution plan on March 11, 2026, as follows:

	2025
Legal reserve	\$ <u>26,772</u>
Special surplus reserve	\$ <u>25,653</u>
Cash dividends	\$ <u>98,281</u>
Cash dividend per share (NT\$)	\$ 0.52

The Board of Directors resolved to distribute the aforementioned cash dividends on March 11, 2026, and distributed the cash dividends on April 29, 2026. The remaining earnings distribution items for 2025 are pending resolution at the Annual Shareholders' Meeting scheduled for June 4, 2026.

XXIII. Revenue

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Revenue from contracts with customers		
Transportation revenue	\$ 71,346	\$ 76,034
Hospitality revenue	90,409	88,973
Construction Revenue	188,672	-
Rental income	<u>2,999</u>	<u>2,995</u>
	<u>\$ 353,426</u>	<u>\$ 168,002</u>

Contract balance

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Total notes and accounts receivable (Notes 10 and 28)	<u>\$ 88,950</u>	<u>\$ 91,155</u>	<u>\$ 102,331</u>	<u>\$ 139,906</u>
Contract liabilities - current				
Real estate sales	<u>\$ 27,323</u>	<u>\$ 60,520</u>	<u>\$ 43,449</u>	<u>\$ 31,139</u>

For the breakdown of revenue from contracts with customers, please refer to Note 32.

XXIV. Net Income (Loss)

(I) Other income

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Rental income	\$ 2,199	\$ 2,115
Dividend income	300	1,084
Donated Land Revenue	31,923	-
Others	<u>2,610</u>	<u>535</u>
	<u>\$ 37,032</u>	<u>\$ 3,734</u>

(II) Other gains and losses

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Net loss on financial assets at fair value through profit or loss	(\$ 4,715)	(\$ 98,514)
Net gains from the disposal and scrap of property, plant, and equipment	367	625
Others	(<u>15</u>)	(<u>4</u>)
	<u>(\$ 4,363)</u>	<u>(\$ 97,893)</u>

(III) Finance costs

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Interest on lease liabilities	\$ 2,630	\$ 2,314
Interest on bank borrowings	<u>1,675</u>	<u>1,986</u>
	<u>\$ 4,305</u>	<u>\$ 4,300</u>

Information on capitalization of interest is as follows:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Amount of capitalized interest	\$ -	\$ 595
Interest rate of capitalized interest	-	3.250%~3.500%

(IV) Depreciation and amortization

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Depreciation expenses by function		
Operating cost	\$ 5,894	\$ 6,626
Operating expense	<u>6,078</u>	<u>4,068</u>
	<u>\$ 11,972</u>	<u>\$ 10,694</u>
Amortization expenses are summarized by function		
Operating cost	\$ 6,193	\$ 5,987
Operating expense	<u>386</u>	<u>265</u>
	<u>\$ 6,579</u>	<u>\$ 6,252</u>

(V) Employee benefits expense

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Post-employment benefits		
Defined contribution plan	\$ 1,531	\$ 1,464
Defined benefit plan	72	136
Other employee benefits	<u>39,361</u>	<u>37,819</u>
Total	<u>\$ 40,964</u>	<u>\$ 39,419</u>
Summary by function		
Operating cost	\$ 24,701	\$ 23,661
Operating expense	<u>16,263</u>	<u>15,758</u>
	<u>\$ 40,964</u>	<u>\$ 39,419</u>

(VI) Employees' compensation and remuneration of directors

The Shareholders' Meeting resolved to approve the amendment to the Company's Articles of Incorporation on June 20, 2025. The amendment stipulates that the Company shall appropriate 1% to 5% and no more than 3% of the current year's income before tax, prior to the distribution of Employee Remuneration and Director Remuneration, as Employee Remuneration (including base-level employee remuneration) and Director Remuneration, respectively. The net loss before tax for the three months ended March 31, 2025, is the unappropriated remuneration to employees and directors. The estimated Employee Remuneration and Director Remuneration for the period from for the three months ended March 31, 2026, are as follows:

Estimation ratio

	For the three months ended March 31, 2026
Employee remuneration	1.50%
Remuneration to directors	1.25%

Amount

	For the three months ended March 31, 2026
Employee remuneration	<u>\$ 2,053</u>
Remuneration to directors	<u>\$ 1,710</u>

The Board of Directors of the Company resolved on March 11, 2026, and March 11, 2025, to distribute Employee Remuneration and Director Remuneration for 2025 and 2024 as follows:

Amount

	2025	2024
	Cash	Cash
Employee remuneration	\$ 1,208	\$ 6,441
Remuneration to directors	1,007	4,830

If there is a change in the amount after the annual consolidated financial statements were authorized for issue, the difference is treated as a change in accounting estimate and adjusted and accounted for in the following year.

There were no differences between the actual distributed amounts of Employee Remuneration and Director Remuneration for 2025 and 2024, and the amounts recognized in the 2025 and 2024 consolidated financial statements.

Information on employees' compensation and remuneration of directors resolved by the Company's board of directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

XXV. Income tax

(I) Income tax recognized in profit or loss

The main components of income tax expenses are as follows:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Current income tax		
Generated during the period	\$ 2,306	\$ 215
Deferred income tax		
Generated during the period	<u>3,646</u>	<u>2,764</u>
Income tax expenses recognized in profit or loss	<u>\$ 5,952</u>	<u>\$ 2,979</u>

(II) Authorization of income tax

The tax collection authorities have assessed the profit-seeking enterprise income tax returns of the Company and its subsidiaries up to the year 2024.

XXVI. Earnings (Loss) Per Share

	For the three months ended March 31, 2026	Unit: NT\$ per share For the three months ended March 31, 2025
Basic earnings (loss) per share	\$ <u>0.28</u>	(\$ <u>0.51</u>)
Diluted earnings (loss) per share	\$ <u>0.28</u>	(\$ <u>0.51</u>)

The net income (loss) and weighted average number of common shares used to calculate earnings (loss) per share are as follows:

Net profit for the period

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Net profit (loss) attributable to owners of the Company	<u>\$ 53,112</u>	<u>(\$ 96,189)</u>

Number of Shares

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Weighted average number of ordinary shares used in the computation of basic earnings per share	189,002	189,002
Effect of potential dilutive ordinary shares:		
Employee remuneration	<u>208</u>	<u>-</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>189,210</u>	<u>189,002</u>

If the Company may choose to distribute the compensation to employees in shares or cash, for the calculation of diluted earnings per share, it is assumed that the compensation to employees will be distributed in shares, and the ordinary shares may be included in the weighted average number of shares outstanding when there is a dilution effect to calculate the diluted earnings per share. In the calculation of diluted earnings per share before the number of shares to be distributed to employees is resolved in the following year, the dilutive effect of these potentially dilutive ordinary shares will also be considered.

XXVII. Financial instruments

(I) Information on fair value - financial instruments not measured at fair value

The merged company's management believes that the book values of financial assets and financial liabilities not measured at fair value are close to their fair values, or their fair values cannot be measured reliably.

(II) Information on fair value - financial instruments measured at fair value on a recurring basis

1. Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value through profit or loss</u>				
TWSE/TPEx-listed stocks	<u>\$ 1,032,071</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,032,071</u>

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	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets measured at fair value through other comprehensive income</u>				
Investment in equity instruments				
- Domestic listed (OTC Listed) stock	\$ 96,850	\$ -	\$ -	\$ 96,850
- Foreign unlisted stocks	-	<u>4,982</u>	-	<u>4,982</u>
	<u>\$ 96,850</u>	<u>\$ 4,982</u>	<u>\$ -</u>	<u>\$ 101,832</u>

December 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets measured at fair value through profit or loss</u>				
TWSE/TPEx-listed stocks	<u>\$ 1,082,280</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,082,280</u>
<u>Financial assets measured at fair value through other comprehensive income</u>				
Investment in equity instruments				
- Domestic listed (OTC Listed) stock	\$ 107,575	\$ -	\$ -	\$ 107,575
- Foreign unlisted stocks	-	<u>4,892</u>	-	<u>4,892</u>
	<u>\$ 107,575</u>	<u>\$ 4,892</u>	<u>\$ -</u>	<u>\$ 112,467</u>

March 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets measured at fair value through profit or loss</u>				
TWSE/TPEx-listed stocks	\$ 1,095,422	\$ -	\$ -	\$ 1,095,422
Fund beneficiary certificate	<u>31,585</u>	-	-	<u>31,585</u>
	<u>\$ 1,127,007</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,127,007</u>
<u>Financial assets measured at fair value through other comprehensive income</u>				
Investment in equity instruments				
- Domestic listed (OTC Listed) stock	\$ 92,160	\$ -	\$ -	\$ 92,160
- Domestic unlisted stocks	-	227,671	-	227,671
- Foreign unlisted stocks	-	<u>4,729</u>	-	<u>4,729</u>
	<u>\$ 92,160</u>	<u>\$ 232,400</u>	<u>\$ -</u>	<u>\$ 324,560</u>

There were no transfers between Level 1 and Level 2 fair value measurements during the periods from for the three months ended March 31, 2026, and 2025.

2. Valuation techniques and inputs for Level 2 fair value measurement

<u>Type of financial instrument</u>	<u>Valuation techniques and inputs</u>
Domestic and foreign unlisted (OTC Listed) stocks	Market method: For companies in the same industry and with similar operating and financial conditions, the transaction price of their stocks in an active market, and the corresponding value multiplier, and consider the liquidity risk to calculate the liquidity discount to convert the value of the target. Asset method: Fair value is derived from inputs that are directly (i.e., prices) or indirectly (i.e., derived from prices) observable, which is belonging to the assets or liabilities.

(III) Types of Financial Instruments

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Financial assets</u>			
Measured at fair value through profit or loss			
Mandatory measurement at fair value through profit or loss	\$ 1,032,071	\$ 1,082,280	\$ 1,127,007
Financial assets at amortized cost (Note 1)	653,652	627,953	982,227
Financial assets measured at fair value through other comprehensive income			
Investment in equity instruments	101,832	112,467	324,560
<u>Financial liabilities</u>			
Measured at amortized cost (Note 2)	391,011	463,242	912,839

Note 1: The balance includes cash, financial assets measured at amortized cost, net notes receivable, notes receivable from related parties, net accounts receivable, accounts receivable from related parties, net other receivables, other receivables from related parties, other financial assets - current, other financial assets - non-current, and deposits - non-current, and other financial assets measured at amortized cost.

Note 2: The balance includes short-term borrowings, notes payable, notes payable - related parties, accounts payable, accounts payable - related parties, other payables, other payables - related parties, long-term borrowings (including the portion due within one year), guarantee deposits - current (accounted for as other current liabilities, guarantee deposits - non-current and other financial liabilities measured at amortized costs.

(IV) Financial Risk Management Objectives and Policies

The consolidated company's main financial instruments include cash, investment in equity instruments, accounts receivable, accounts payable, and borrowings. The consolidated company's financial strategy is mainly based on the principle of conservatism and stability. The goal of financial risk management is to manage the interest rate risk, credit risk and liquidity risk related to operating activities. In order to mitigate related financial risks, the consolidated company has established a complete approval authority to stipulate a financial policy with clear powers and responsibilities and supervise the implementation process to reduce the potential adverse impact of market changes on the consolidated company's financial performance.

The important financial activities of the consolidated company are reviewed by the board of directors in accordance with relevant regulations and internal control systems. During the execution of the financial plan, the consolidated company must strictly abide by the relevant financial operating procedures for sorting out financial risk management and division of powers and responsibilities.

1. Market risk

The primary financial risks to which the consolidated company is exposed due to its operating activities are interest rate risk (refer to (1) below) and other price risks (refer to (2) below).

There have been no changes to the consolidated company's exposure to financial instrument market risks or its management and measurement methods for such exposures.

(1) Interest rate risk

Interest rate risk arises because entities within the consolidated company borrow funds at both fixed and floating interest rates simultaneously. The consolidated company manages interest rate risk by maintaining an appropriate mix of fixed and floating rate borrowings. The consolidated company regularly evaluates hedging activities to ensure they align with interest rate views and established risk appetites, guaranteeing the adoption of the most cost-effective hedging strategies.

The carrying amounts of the consolidated company's financial assets and financial liabilities subject to interest rate exposure at the balance sheet date are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
- Financial liabilities	\$ 550,021	\$ 545,161	\$ 499,920
Cash flow interest rate risk			
- Financial assets	558,706	503,674	830,223
- Financial liabilities	84,450	288,229	391,236

Sensitivity analysis

The sensitivity analysis below is based on the interest rate risk exposure of the non-derivative instruments at the balance sheet date. Assets and liabilities with floating interest rates are analyzed on the assumption that the amount of assets and liabilities outstanding on the balance sheet date is outstanding throughout the reporting period. The rate of change used when the interest rate is reported to key management within the Group is 100 basis points for an increase or decrease in interest rate, which also represents management's assessment of the scope of reasonable and possible changes in interest rates.

If interest rates increased/decreased by 100 basis points, with all other variables held constant, the consolidated company's net loss before tax for the periods from for the three months ended March 31, 2026, and 2025, would increase/decrease by NT\$1,186 thousand and NT\$1,097 thousand, respectively. This is primarily due to the consolidated company's net position in variable-rate deposits and variable-rate borrowings.

(2) Other pricing risks

The merged company is exposed to equity price risk due to the merged company's holding of domestic and foreign stocks, beneficiary certificates of funds and equity securities. The merged company does not trade these investments actively, but assigns relevant personnel to monitor the price risk and assess when it is necessary to increase the risk-averse positions.

Sensitivity analysis

The sensitivity analysis below was conducted based on the equity price risk exposure on the balance sheet date.

If equity prices rose/fell by 1%, the profit or loss before/after tax for the period from for the three months ended March 31, 2026, would increase/decrease by NT\$10,321 thousand due to the rise/fall in the fair value of financial assets at fair value through profit or loss. The other comprehensive income before/after tax for the period from for the three months ended March 31, 2026, would increase/decrease by NT\$1,018 thousand due to the rise/fall in the fair value of financial assets at fair value through other comprehensive income.

If the equity price increased/decreased by 1%, the profit or loss before/after tax would have increased/decreased by NT\$11,270 thousand for the three months ended March 31, 2025 due to the increase/decrease in the fair value of financial assets measured at fair value through profit or loss. Other comprehensive income before/after tax for the three months ended March 31, 2025 would have increased/decreased by NT\$3,246 thousand due to the

increase/decrease in the fair value of financial assets at fair value through other comprehensive income.

2. Credit risk

Credit risk refers to the risk of financial loss to the consolidated company resulting from a counterparty's default on its contractual obligations. As of the balance sheet date, the maximum credit risk exposure that could cause financial loss to the consolidated company due to a counterparty's failure to fulfill its obligations primarily arises from the carrying amount of financial assets recognized in the consolidated balance sheets.

To mitigate credit risk, the consolidated company's management has assigned a dedicated team responsible for determining credit limits, approving credit, and conducting other monitoring procedures to ensure that appropriate actions are taken to recover overdue receivables. In addition, the consolidated company reviews the recoverable amount of receivables on a case-by-case basis at the balance sheet date to ensure that adequate impairment losses are recognized for unrecoverable receivables. Accordingly, the consolidated company's management believes that the credit risk of the consolidated company has significantly decreased.

Those subject to accounts receivable cover many customers of different industries and sectors. The consolidated company continuously evaluates the financial conditions of customers with accounts receivable.

In addition, the credit risk is minor because the counterparties of the liquid capital transaction are financial institutions and companies with a good credit rating.

3. Liquidity risk

The consolidated company manages and maintains sufficient cash positions to support group operations and mitigate the impact of cash flow fluctuations. The consolidated company's management monitors the utilization of bank financing facilities and ensures compliance with the terms of borrowing agreements.

Bank borrowings represent a significant source of liquidity for the consolidated company. For the undrawn financing facilities of the consolidated company as of March 31, 2026, December 31, 2025, and March 31, 2025, please refer to the explanation of financing facilities in (2) below.

(1) Liquidity and interest rate risk table of non-derivative financial liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities was compiled based on the undiscounted cash flows of financial liabilities (including principal and estimated interest) on the earliest date at which the consolidated company may be required to repay. Therefore, the bank borrowings that the consolidated company can be required to repay immediately are in the earliest period in the table below, regardless of the probability of the

bank exercising the right; the maturity analysis of other non-derivative financial liabilities is compiled according to the agreed repayment date.

For the interest cash flow paid with floating interest rates, the undiscounted interest amount is inferred based on the yield curve on the balance sheet date.

March 31, 2026

	Pay on demand or less than 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
Non-interest-bearing liabilities	\$ 224,411	\$ 38,599	\$ 10,632	\$ 4,114	\$ -
Lease liabilities	855	4,382	31,958	125,566	560,823
Floating interest rate instruments	<u>61,346</u>	<u>2,622</u>	<u>11,762</u>	<u>9,273</u>	<u>-</u>
	<u>\$ 286,612</u>	<u>\$ 45,603</u>	<u>\$ 54,352</u>	<u>\$ 138,953</u>	<u>\$ 560,823</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liabilities	<u>\$ 37,195</u>	<u>\$ 125,566</u>	<u>\$ 128,266</u>	<u>\$ 108,139</u>	<u>\$ 108,139</u>	<u>\$ 216,279</u>

December 31, 2025

	Pay on demand or less than 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
Non-interest-bearing liabilities	\$ 56,752	\$ 47,734	\$ 30,470	\$ 3,064	\$ -
Lease liabilities	22,037	3,272	19,244	179,266	607,952
Floating interest rate instruments	<u>61,747</u>	<u>3,427</u>	<u>15,383</u>	<u>225,587</u>	<u>-</u>
	<u>\$ 140,536</u>	<u>\$ 54,433</u>	<u>\$ 65,097</u>	<u>\$ 407,917</u>	<u>\$ 607,952</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liabilities	<u>\$ 44,553</u>	<u>\$ 179,266</u>	<u>\$ 131,279</u>	<u>\$ 130,055</u>	<u>\$ 123,223</u>	<u>\$ 223,395</u>

March 31, 2025

	Pay on demand or less than 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
Non-interest-bearing liabilities	\$ 107,216	\$ 52,816	\$ 322,343	\$ 4,095	\$ -
Lease liabilities	1,069	4,857	33,112	165,136	590,690
Floating interest rate instruments	<u>80,949</u>	<u>2,642</u>	<u>11,850</u>	<u>25,261</u>	<u>-</u>
	<u>\$ 189,234</u>	<u>\$ 60,315</u>	<u>\$ 367,305</u>	<u>\$ 194,492</u>	<u>\$ 590,690</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liabilities	<u>\$ 39,038</u>	<u>\$ 165,136</u>	<u>\$ 109,297</u>	<u>\$ 131,027</u>	<u>\$ 124,284</u>	<u>\$ 226,082</u>

The bank borrowings for which the consolidated company could be required to make immediate repayment are included in the maturity analysis table above within the period of less than one month. As of March 31, 2026, December 31, 2025, and March 31, 2025, the undiscounted principal balances of these bank borrowings were NT\$61,263 thousand, NT\$61,258 thousand, and NT\$80,826 thousand, respectively.

The amount of floating rate instruments for the above non-derivative financial assets and liabilities will change due to the difference between the floating rate and the estimated rate on the balance sheet date.

(2) Financing limit

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank facilities (reviewed every year)			
- Amount used	\$ 5,417	\$ 6,667	\$ 10,000
- Unutilized amount	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
	<u>\$ 85,417</u>	<u>\$ 86,667</u>	<u>\$ 90,000</u>
Guaranteed bank facilities			
- Amount used	\$ 79,033	\$ 281,562	\$ 381,236
- Unutilized amount	<u>488,000</u>	<u>488,000</u>	<u>352,123</u>
	<u>\$ 567,033</u>	<u>\$ 769,562</u>	<u>\$ 733,359</u>

XXVIII. Related-party transactions

The transactions between the consolidated company and other related parties are disclosed as follows.

(I) Names of related parties and their relationships

<u>Name of the related parties</u>	<u>Relationship with the consolidated company</u>
Durban Development Co., Ltd. (Durban Development)	Substantive related party
T&W Transportation Services (T&W Transportation)	Substantive related party
Mayer Steel Pipe Corporation (Mayer Steel Pipe)	Substantive related party
Mayer Inn Corporation (Mayer Inn)	Substantive related party
Athena Information Systems International Co., Ltd. (Athena Information Systems International)	Substantive related party
Durban Dive Corporation (Durban Dive)	Substantive related party
Yu-hung Investment Co., Ltd. (Yu-hung Investment)	Substantive related party
Ying Shun Construction Co., Ltd. (Ying Shun Construction)	Substantive related party
Hsiang-Hua Li	Substantive related party
Yi-Wei Chen	Substantive related party
TienPin Development Co., Ltd. (TienPin Development)	Associates

(II) Operating revenue

<u>Accounting item</u>	<u>Type/Name of related parties</u>	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Transportation revenue	Substantive related party		
	T&W Transportation Services	\$ 31,598	\$ 37,726
Hospitality revenue	Substantive related party		
	Athena Information Systems International Co., Ltd.	-	323
	Others	17	134
		<u>17</u>	<u>457</u>
	Associates		
	TienPin Development Co., Ltd.	11	26
		<u>11</u>	<u>26</u>
		<u>\$ 31,626</u>	<u>\$ 38,209</u>

There were no significant differences in the pricing of sales transactions between the consolidated company and its related parties compared to those with non-related parties.

(III) Operating cost

<u>Accounting item</u>	<u>Type/Name of related parties</u>	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Transportation cost	Substantive related party		
	T&W Transportation Services	\$ 13,734	\$ 13,071
Dining and travel expenses	Substantive related party		
	Athena Information Systems International Co., Ltd.	88	107
		<u>88</u>	<u>107</u>
		<u>\$ 13,822</u>	<u>\$ 13,178</u>

There was no significant difference in the price of sales between the consolidated company and the related party, and the non-related party.

(IV) Operating expense

<u>Accounting item</u>	<u>Type/Name of related parties</u>	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Dining and travel expenses	Substantive related party		
	Athena Information Systems International Co., Ltd.	\$ 182	\$ 134
Transportation expenses	Substantive related party		
	T&W Transportation Services	51	30
		<u>51</u>	<u>30</u>
		<u>\$ 233</u>	<u>\$ 164</u>

(V) Rental agreement

Operating leases

The merged company leases the right to use transportation equipment and buildings to the substantially related party, T&W Transportation Services, by operating leases with a lease period of 1 year. The rental incomes recognized for the periods from for the three months ended March 31, 2026, and 2025, were NT\$280 thousand and NT\$266 thousand, respectively.

The consolidated company leases the right-of-use of buildings to the substantive related party, Tianpin Development, under an operating lease with a term of one year. The rental incomes recognized for the periods from for the three months ended March 31, 2026, and 2025, were NT\$6 thousand in both periods.

In the lease contract with the related party, the rent is negotiated based on the agreed price and the payment is collected by the agreed method. The price and payment terms are equivalent to those of the non-related party.

(VI) Other gains

<u>Type/Name of related parties</u>	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Substantive related party		
T&W Transportation Services	<u>\$ 95</u>	<u>\$ 109</u>

(VII) Receivables from related parties (excluding loans to related parties)

<u>Accounting item</u>	<u>Type/Name of related parties</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Notes receivable - related parties	Substantive related party T&W Transportation Services	<u>\$ 23,305</u>	<u>\$ 19,870</u>	<u>\$ 30,182</u>
Accounts receivable - related parties	Substantive related party T&W Transportation Services Others	<u>\$ 22,223</u>	<u>\$ 23,512</u>	<u>\$ 25,967</u>
		<u>-</u>	<u>41</u>	<u>36</u>
		<u>22,223</u>	<u>23,553</u>	<u>26,003</u>
	Associates			
	TienPin Development Co., Ltd.	<u>12</u>	<u>-</u>	<u>7</u>
		<u>\$ 22,235</u>	<u>\$ 23,553</u>	<u>\$ 26,010</u>

No guarantee is collected for accounts receivable from related parties.

(VIII) Payables to related parties (excluding loans from related parties)

<u>Accounting item</u>	<u>Type/Name of related parties</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Notes payable - related parties	Substantive related party T&W Transportation Services	<u>\$ 14,955</u>	<u>\$ 14,067</u>	<u>\$ 14,170</u>
Accounts payable - related parties	Substantive related party T&W Transportation Services	<u>\$ 5,263</u>	<u>\$ 5,770</u>	<u>\$ 4,449</u>
Other payables - related parties	Substantive related party Athena Information Systems International Co., Ltd.	<u>\$ 45</u>	<u>\$ 55</u>	<u>\$ 45</u>

The balance of outstanding accounts payable to related parties is not provided as collateral and will be settled in cash.

(IX) Prepayments

Type/Name of related parties	March 31, 2026	December 31, 2025	March 31, 2025
Substantive related party			
Athena Information Systems International Co., Ltd.	<u>\$ 141</u>	<u>\$ 300</u>	<u>\$ 136</u>

(X) Equity Transactions

For the three months ended March 31, 2025, the Company acquired the equity of Miramar Hospitality Co., Ltd. from a related party for an amount of NT\$500 thousand.

(XI) Compensation of key management personnel

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Short-term employee benefits	\$ 4,846	\$ 4,858
Post-employment benefits	<u>165</u>	<u>154</u>
	<u>\$ 5,011</u>	<u>\$ 5,012</u>

The remuneration of directors and other key management personnel is determined by the Remuneration Committee based on individual performance and market trends.

XXIX. Pledged Assets

The following assets have been provided to financial institutions and the State-owned Property Bureau, Ministry of Finance as collateral for short-term bank loan facilities, long-term bank loan facilities, commercial paper issuance, leased land, pre-sale housing trust, and gift certificate trust:

	March 31, 2026	December 31, 2025	March 31, 2025
Operating concession (stated as intangible assets)	\$ 478,887	\$ 482,958	\$ 490,497
Financial assets measured at fair value through profit or loss - current	225,400	218,960	252,080
Non-current assets held for sale	69,021	69,021	-
Property, plant and equipment	41,127	41,127	110,380
Inventories	-	306,982	251,283
Bank deposits (booked in other financial assets - current)	3,006	33,146	54,111
Pledged certificate of deposit (recognized as financial assets measured at amortized cost - current)	<u>3,050</u>	<u>3,050</u>	<u>3,050</u>
	<u>\$ 820,491</u>	<u>\$ 1,155,244</u>	<u>\$ 1,161,401</u>

XXX. Material contingent liabilities and unrecognized contractual commitments

Significant contract

Operating concession contract

On March 11, 2004, the Company's subsidiary Miramar Hospitality Co., Ltd. signed the "Development and Operation Contract for the Promotion of Private Participation in the Construction of Taipei City Affordable Hotels" with the Tourism Bureau, Ministry of Transportation and Communications. The operating period was from April 12, 2004 to April 12, 2054. The operating concession amounted to NT\$27,000 thousand (included in the intangible assets), which had been paid at the time of signing the contract. According to the contract, the Company's average room price shall not exceed the agreed price. The Company shall not increase the room rate within 3 years after the formal signing of the contract, and may adjust the price index according to the commodity price index after the fourth year, but the adjustment range is subject to the consent of the Tourism Bureau. to be processed. The operating royalty is calculated at 8% of the annual operating revenue. The operating royalties for the periods from for the three months ended March 31, 2026, and 2025, were NT\$7,112 thousand and NT\$7,003 thousand, respectively (included under operating expenses).

XXXI. Additional Disclosures

- (I) Significant transactions:
 - 1. Loans to others: None.
 - 2. Endorsements/guarantees provided for others: None.
 - 3. Major marketable securities held at the end of the period (excluding investments in subsidiaries and associates): Table 1.
 - 4. Total purchases from and sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
 - 5. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
- (II) Information regarding reinvestment enterprises: Table 2.
- (III) Information on investments in Mainland China: None.

XXXII. Segment information

The information provided to the major operational decision-makers for the purpose of allocating resources and evaluating the segment's performance, with emphasis on each type of product or service delivered or provided. The reportable segments of the consolidated company are as follows:

(I) Segment revenue and operating results

The revenues and operating results of the consolidated company's continuing operations, analyzed by reportable segment, are as follows:

	Segment revenue		Segment profit	
	For the three months ended March 31, 2026	For the three months ended March 31, 2025	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Transportation segment	\$ 71,346	\$ 76,034	\$ 1,514	(\$ 334)
Hotel segment	90,409	88,973	17,438	15,624
Other segments	2,999	2,995	(2,717)	(1,842)
Construction segment	<u>188,672</u>	<u>-</u>	<u>18,993</u>	(<u>5,405</u>)
Net worth of continuing operations	<u>\$ 353,426</u>	<u>\$ 168,002</u>	35,228	8,043
Interest income			834	754
Other income			37,032	3,734
Other gains and losses			(4,363)	(97,893)
Finance costs			(<u>4,305</u>)	(<u>4,300</u>)
Net income (loss) before tax			<u>\$ 64,426</u>	(<u>\$ 89,662</u>)

The segment revenue reported above is generated from transactions with external customers. There were no inter-segment sales during the periods from for the three months ended March 31, 2026, and 2025.

Segment profit or loss represents the profit earned by each segment, excluding the allocable share of loss of associates accounted for using the equity method, interest income, other income, other gains and losses, finance costs, and income tax expense. This measurement amount is provided to the chief operating decision-maker to allocate resources to the segments and assess their performance.

(II) Total assets of segments

The measurement amounts of the consolidated company's assets are not provided to the operating decision-maker; therefore, the segment asset measurement amounts are zero.

Tze Shin International Co., Ltd. and subsidiaries
Significant marketable securities held at the end of the period
March 31, 2026

Table 1

Unit: NT\$ thousand

Names of companies held	Types and names of securities	Relationship with the securities issuer	Presentation account	End of period				Remarks
				Number of shares or units (thousand)	Carrying amount	Shareholding ratio (%)	Market price/net equity value (Note 1)	
The Company	Ordinary shares							
	Mayer Steel Pipe Corporation	Chairman	Financial assets measured at fair value through profit or loss - current	20,400	\$ 499,800	7.64	\$ 499,800	Note 2
	Hon Hai Precision Industry Co., Ltd.	—	Financial assets measured at fair value through profit or loss - current	750	140,625	0.01	140,625	
	Taiwan Semiconductor Manufacturing Co., Ltd.	—	Financial assets measured at fair value through profit or loss - current	65	114,400	-	114,400	
	Tatung Company	—	Financial assets measured at fair value through profit or loss - current	3,000	93,600	0.14	93,600	
	Wistron Corporation	—	Financial assets measured at fair value through profit or loss - current	450	55,125	0.01	55,125	
	Chung-Hsin Electric and Machinery Manufacturing Corp.	—	Financial assets measured at fair value through profit or loss - current	360	51,480	0.07	51,480	
	Yageo Corporation	—	Financial assets measured at fair value through profit or loss - current	140	34,090	0.01	34,090	
	Lite-On Technology Corporation	—	Financial assets measured at fair value through profit or loss - current	120	16,860	0.01	16,860	
	MiTAC Holdings Corporation	—	Financial assets measured at fair value through profit or loss - current	220	16,236	0.02	16,236	
	ASE Technology Holding Co., Ltd.	—	Financial assets measured at fair value through profit or loss - current	30	9,855	-	9,855	
	IBF Financial Holdings Co., Ltd.	—	Financial assets measured at fair values through other comprehensive income - current	6,500	96,850	0.18	96,850	Note 2
	Elements Innovation Co., Ltd.	—	Financial assets measured at fair value through profit or loss - current- Non-current	4,088	-	5.37	-	
	Du Centre Co., Ltd.	Chairman	Financial assets measured at fair value through other comprehensive income - Non-current	1,438	-	4.79	-	
	Chi Min Corporation (Originally: Le Sheng Technology Co., Ltd.)	—	Financial assets measured at fair value through other comprehensive income - Non-current	5	-	-	-	
	Taiwan Youli Co., Ltd.	—	Financial assets measured at fair value through other comprehensive income - Non-current	33	-	0.05	-	
	CPC Corporation, Taiwan	—	Financial assets measured at fair value through other comprehensive income - Non-current	5,460	-	9.47	-	
II E-Commerce Network Co., Ltd.	—	Financial assets measured at fair value through other comprehensive income - Non-current	200	-	0.35	-		
Rosa Foods Co., Ltd.	—	Financial assets measured at fair value through other comprehensive income - Non-current	1,837	-	2.09	-		
Miramar Hospitality Co., Ltd.	Stock							
	Meilixin Development Co., Ltd.	—	Financial assets measured at fair value through other comprehensive income - Non-current	1,900	4,982	10.00	4,982	

Note 1: Marketable securities in this table refer to ordinary shares and fund beneficiary certificates that fall within the scope of IFRS 9 "Financial Instruments."

Note 2: Among them, Mayer Steel Pipe Corporation pledged 9,200 thousand shares as the collateral for short-term bank borrowings.

Tze Shin International Co., Ltd. and subsidiaries
The name and location of the investee company and other relevant information
For the three months ended March 31, 2026

Table 2

Unit: NT\$ thousand

Name of the investors	Name of the investees	Location	Main business and products	Original / investment amount		Held at the end of the period			Gains of investees for the current period (Loss)	Investment gains (losses) recognized in the current period	Remarks
				March 31, 2026	December 31, 2025	Shares (Thousands)	Percentage (%)	Carrying amount			
The Company	Miramar Hospitality Co., Ltd.	Taipei City	Tourist Hotel	\$ 288,352	\$ 288,352	27,177	73.03	\$ 329,952	\$ 14,608	\$ 10,668	Subsidiary
	Hsin Hai Transportation & Terminal Co., Ltd.	New Taipei City	Automobile container transportation and related business operations and investments	23,504	23,504	1,424	47.47	61,090	2,628	1,281	Subsidiary
	Miramar Resort Co., Ltd.	Taipei City	Management of hotels and water recreation activities	431,702	431,702	40,070	66.18	7,636	(115)	(115)	Subsidiary (Note 2)
Miramar Hospitality Co., Ltd.	Miramar Resort Co., Ltd.	Taipei City	Management of hotels and water recreation activities	71,400	71,400	3,540	13.33	-	(115)	-	Subsidiary (Note 3)

Note 1: Investment gains or losses from investees, investments accounted for under the equity method and equity in investees are written off.

Note 2: The number of shares held by the Company in Miramar Resort Village Co., Ltd. includes 17,570 thousand common shares and 22,500 thousand preferred shares. The Company recognized an investment loss of NT\$115 thousand based on the proportion of preferred shares held.

Note 3: When the share of loss in an associate of Miramar Hospitality Co., Ltd., as stated in IAS, equals to or exceeds its interest in the associate, it immediately discontinues the recognition of further losses.