

Ruentex Industries Ltd.  
Parent Company Only Financial Statements and  
Independent Auditors' Report  
For the Years Ended 2025 and 2024  
(Stock Code: 2915)

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## Independent Auditors' Report

(115) Cai-Shen-Bao-Zi No. 25004525

To Ruentex Industries Ltd.:

### **Audit Opinion**

The parent company only balance sheets of Ruentex Industries Ltd. (hereinafter referred to as the “Company”) as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years from January 1 to December 31, 2025 and 2024, as well as the notes to the parent company only financial statements (including a summary of significant accounting policies), have been audited by us.

In our opinion, based on our audit results and the audit reports of other auditors (please refer to the Other Matters section), the aforementioned parent company only financial statements have been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and present fairly the parent company only financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and cash flows for the years from January 1 to December 31, 2025 and 2024.

### **Basis for Opinion**

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

## **Key Audit Matters**

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

The key audit matters of the Company's parent company only financial statements for the year ended 2025 are as follows:

### **Accuracy of the Calculation of Investment Balances Accounted for Using the Equity Method**

#### Explanation of Matter

As of December 31, 2025, the Company's investments accounted for using the equity method amounted to NT\$92,616,194 thousand, representing 79.62% of total assets. For the accounting policies on investments accounted for using the equity method, please refer to Note 4(15) to the parent company only financial statements; for details of the relevant accounts, please refer to Note 6(7).

As the investments accounted for using the equity method are located both domestically and overseas and involve multiple tiers and cross-shareholdings, the calculations are relatively complex. Given the material amounts involved and the significant audit effort required, we consider the accuracy of the calculation of investment balances accounted for using the equity method to be a key audit matter for the current year.

#### Audit Procedures Performed

The audit procedures we performed in respect of the above key audit matter are summarized as follows:

1. Assessed the internal controls established by management over investments accounted for using the equity method and the consistency of the related accounting

treatments.

2. Obtained the schedules of investment income or loss and equity accounts prepared by management, as well as the annual financial statements of investees audited and attested by certified public accountants, and recalculated the amounts of investment income or loss and equity accounts to confirm that they had been properly recorded in accordance with applicable regulations.

## **Fair Value Assessment of Investment Property**

### Explanation of Matter

The Company applies the fair value model for the subsequent measurement of its investment property. As the determination of fair value involves significant accounting estimates and judgments by management, we consider the fair value assessment of investment property to be a key audit matter for the current year.

For the accounting policies on investment property, please refer to Note 4(18) to the parent company only financial statements; for accounting estimates and uncertainties, please refer to Note 5; for details of the relevant accounts, please refer to Note 6(11); and for disclosures on fair value, please refer to Note 12(3).

### Audit Procedures Performed

The audit procedures we performed in respect of the above key audit matter are summarized as follows:

1. Assessed the professional competence and independence of the independent appraisers engaged by management. Discussed with management the scope of work and terms of engagement of the appraisers to confirm that there were no circumstances that could affect their independence or limit the scope of their work.
2. Assessed the judgments applied by the independent appraisers, including the appropriateness of valuation methods and key assumptions used.
3. Verified the accuracy and completeness of the data used by the independent appraisers in performing the valuations.

## **Other Matters – Reference to the Audit of Other Auditors**

Certain investees accounted for using the equity method included in the aforementioned parent company only financial statements were not audited by us but by other auditors. Accordingly, the amounts related to the financial statements of such investees included in our opinion on the aforementioned parent company only financial statements are based on the audit reports of other auditors. As of December 31, 2025 and 2024, investments accounted for using the equity method in the aforementioned companies amounted to NT\$3,352,601 thousand and NT\$3,673,650 thousand, representing 2.882% and 3.187% of total assets, respectively. For the years from January 1 to December 31, 2025 and 2024, the shares of profit or loss and other comprehensive income (loss) of subsidiaries, associates, and joint ventures recognized under the equity method in respect of the aforementioned companies amounted to NT\$(326,199) thousand and NT\$891,565 thousand, representing 9.820% and 9.935% of total comprehensive income, respectively.

## **Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements**

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

In performing an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism.

We also undertake the following procedures:

1. Identify and assess the risks of material misstatement in the parent company only financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain sufficient, appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude, based on the audit evidence obtained, on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the parent company only financial statements, including the notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit of the Company and for forming our audit opinion.

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

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

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

PwC Taiwan

Shu-chiung Chang

Certified Public Accountant

Ming-chuan Hsu

Former Financial Supervisory Commission, Executive  
Yuan's Approval Certificate No.: Jin-Guan-Zheng-Shen-Zi  
No. No. 0990042602

Financial Supervisory Commission's Approval Certificate  
No.: Jin-Guan-Zheng-Shen-Zi No. No. 1050029449

March 13, 2026

Ruentex Industries Ltd.  
Parent Company Only Balance Sheets  
December 31, 2025 and 2024

Unit: NT\$ thousands

Assets	Notes	December 31, 2025		December 31, 2024		
		Amount	%	Amount	%	
<b>Current Assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 690,522	1	\$ 326,458	-
1150	Net bills receivable	6(2)	6	-	2	-
1160	Bills receivable - related parties - net	6(2) and 7	670	-	49	-
1170	Net Accounts Receivable	6(2) and 12(2)	111,509	-	144,489	-
1180	Accounts receivable - related parties - net	Notes 6(2), 7 and 12 (2)	9,112	-	8,398	-
1200	Other receivables		11,421	-	6,754	-
1210	Other Receivables - related party	7	12,349	-	12,112	-
1220	Current tax assets		1,629	-	-	-
130X	Inventories	6(3) and 8	520,058	-	481,829	1
1410	Prepayments		47,908	-	126,909	-
1460	Non-current assets held for sale, net	6(13)	-	-	113,425	-
1470	Other Current Assets		489	-	418	-
11XX	<b>Total current assets</b>		<u>1,405,673</u>	<u>1</u>	<u>1,220,843</u>	<u>1</u>
<b>Non-current assets</b>						
1510	Financial assets at fair value through profit or loss - non-current	6(4)	2,223,388	2	3,373,354	3
1517	Financial assets at fair value through other comprehensive income - non-current	6(5), 7 and 8	7,825,111	7	6,956,332	6
1535	Amortized cost financial Assets - non-Current	6(6) and 8	293,300	-	317,800	-
1550	Investments accounted for using equity method	6(7), 7 and 8	92,616,194	80	91,979,224	80
1600	Property, plant, and equipment	6(8) and 8	888,378	1	904,396	1
1755	Right-of-use assets	6(9)	240,798	-	188,782	-
1760	Net value of investment properties	6(11) and 8	9,638,078	8	9,313,230	8
1780	Intangible Assets	6(12)	611	-	995	-
1840	Deferred tax Assets	VI (32)	1,114,149	1	915,211	1
1900	Other non-current Assets	6(2)(14) (19)	79,006	-	95,760	-
15XX	<b>Total non-current assets</b>		<u>114,919,013</u>	<u>99</u>	<u>114,045,084</u>	<u>99</u>
1XXX	<b>Total Assets</b>		<u>\$ 116,324,686</u>	<u>100</u>	<u>\$ 115,265,927</u>	<u>100</u>

(Continued)

Ruentex Industries Ltd.  
Parent Company Only Balance Sheets  
December 31, 2025 and 2024

Unit: NT\$ thousands

Liabilities and Equity	Notes	December 31, 2025		December 31, 2024		
		Amount	%	Amount	%	
<b>Current liabilities</b>						
2100	Short-term borrowings	6(15) and 8	\$ 250,000	-	\$ 250,000	-
2130	Contract liabilities - current	6(24)	19,655	-	41,194	-
2150	Notes payable		60,673	-	91,742	-
2160	Notes payable - related party	7	436	-	431	-
2170	Accounts Payable		175,562	-	192,171	-
2180	Accounts payable - related party	7	4,496	-	9,905	-
2200	Other payables	6(16)	285,426	-	294,381	-
2220	Other Payable - Related Party	7	558	-	569	-
2230	Income tax liabilities of current period		-	-	165,795	-
2280	Lease liabilities - current	6(9)	36,444	-	48,786	-
2320	Long-term liabilities due within one year or one operating cycle	6(17) and 8	500,000	1	625,000	1
2399	Other current liabilities - other		7,477	-	8,935	-
21XX	<b>Total Current Liabilities</b>		<u>1,340,727</u>	<u>1</u>	<u>1,728,909</u>	<u>1</u>
<b>Non-current liabilities</b>						
2540	Long-term borrowings	6(17) and 8	9,395,000	8	8,595,000	8
2570	Deferred income tax liabilities	VI (32)	1,589,781	1	1,588,602	1
2580	Lease liabilities - non-current	6(9)	211,210	-	145,854	-
2600	Other non-Current liabilities	6(18)	820,038	1	860,057	1
25XX	<b>Total Non-Current Liabilities</b>		<u>12,016,029</u>	<u>10</u>	<u>11,189,513</u>	<u>10</u>
2XXX	<b>Total Liabilities</b>		<u>13,356,756</u>	<u>11</u>	<u>12,918,422</u>	<u>11</u>
<b>Equity</b>						
3110	Share capital	6(20)	11,043,188	9	11,043,188	10
3200	Capital surplus	6(21)	28,311,688	24	28,252,294	24
	Retained earnings	6(22)				
3310	Legal reserve		3,117,028	3	4,518,212	4
3320	Special reserve		92,491,527	80	65,674,032	57
3350	Undistributed earnings		9,594,589	8	28,177,108	24
3400	Other equities	6(23)	( 41,037,611)	( 35)	( 34,764,850)	( 30)
3500	Treasury stock	6(20)	( 552,479)	-	( 552,479)	-
3XXX	<b>Total Equity</b>		<u>102,967,930</u>	<u>89</u>	<u>102,347,505</u>	<u>89</u>
	Significant Contingent Liabilities and Unrecognized Commitments	9				
	Significant subsequent events	11				
3X2X	<b>Total Liabilities and Equity</b>		<u>\$ 116,324,686</u>	<u>100</u>	<u>\$ 115,265,927</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: Chang, Hsiu-Yen

Ruentex Industries Ltd.  
Parent Company Only Statements of Comprehensive Income  
January 1 to December 31, 2025 and 2024

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

Item	Notes	2025		2024	
		Amount	%	Amount	%
4000 Operating Revenue	6(24) and 7	\$ 2,062,402	100	\$ 2,522,093	100
5000 Operation cost	6(3)(25) (30) and 7	(1,373,806)	(67)	(1,715,014)	(68)
5900 Gross profit		688,596	33	807,079	32
Operating Expenses	6(30) (31)				
6100 Selling expenses		(576,560)	(28)	(577,924)	(23)
6200 General & administrative expenses		(250,502)	(12)	(264,365)	(10)
6450 Expected credit impairment gains (losses)	12(2)	39	-	(768)	-
6000 Total Operating Expenses		(827,023)	(40)	(843,057)	(33)
6900 Operating Loss		(138,427)	(7)	(35,978)	(1)
Non-operating Income and Expenses					
7100 Interest revenue	6(26) and 7	17,332	1	17,991	1
7010 Other income	6(27) and 7	851,705	41	206,431	8
7020 Other gains and losses	6(28)	503,754	25	946,038	38
7050 Financial Costs	6(29)	(198,233)	(10)	(164,489)	(7)
7070 Share of Profit or Loss of Subsidiaries, Associates, and Joint Ventures Accounted for Using the Equity Method	6(7)	8,660,642	420	12,890,255	511
7000 Total non-operating income and expenses		9,835,200	477	13,896,226	551
7900 <b>Net profit before tax</b>		9,696,773	470	13,860,248	550
7950 Income tax expense	VI (32)	(545)	-	(296,080)	(12)
8200 <b>Net income of current period</b>		\$ 9,696,228	470	\$ 13,564,168	538
<b>Other comprehensive income (net)</b>					
<b>Items not to be reclassified into profit or loss</b>					
8311 Remeasurements of Defined Benefit Plans	Note 6(19)	\$ 3,631	-	\$ 20,361	1
8316 Unrealized profit or loss on equity investments at fair value through other comprehensive income	6(5)	834,427	41	1,522,350	60
8330 Share of Other Comprehensive Income of Subsidiaries, Associates, and Joint Ventures Accounted for Using the Equity Method – Items Not to Be Reclassified to Profit or Loss	6(23)	(694,270)	(34)	824,811	33
8349 Income tax relating to non-reclassified items	VI (32)	27,980	2	(203,816)	(8)
8310 Total of items not to be reclassified into profit or loss		171,768	9	2,163,706	86
<b>Items may be reclassified subsequently to profit or loss</b>					
8380 Share of Other Comprehensive Income of Subsidiaries, Associates, and Joint Ventures Accounted for Using the Equity Method – Items That May Be Reclassified to Profit or Loss	6(23)	(6,554,738)	(318)	(6,817,019)	(270)
8399 Income tax related to items may be reclassified into profit or loss	VI (32)	85,034	4	63,304	2
8360 Total of items may be reclassified subsequently to profit or loss		(6,469,704)	(314)	(6,753,715)	(268)
8300 <b>Other comprehensive income (net)</b>		(\$ 6,297,936)	(305)	(\$ 4,590,009)	(182)
8500 <b>Total comprehensive income for this period</b>		\$ 3,398,292	165	\$ 8,974,159	356
Earnings per share	6(33)				
9750 Basic earnings per share		\$ 9.29		\$ 13.00	
9850 Diluted earnings per share		\$ 9.28		\$ 12.99	

The accompanying notes are an integral part of these parent company only financial statements.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG, Hsiu-Yen

Ruentex Industries Ltd.  
Parent Company Only Statements of Changes in Equity  
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousands

	Notes	Share capital	Capital surplus	Retained earnings			Other equities	Treasury stock	Total Equity
				Legal reserve	Special reserve	Undistributed earnings			
<u>2024</u>									
Balance on January 1, 2024		\$ 11,043,188	\$ 28,171,512	\$ 3,780,852	\$ 76,379,565	\$ 7,373,600	(\$ 30,142,877 )	(\$ 552,479 )	\$ 96,053,361
Net income of current period	6(22)	-	-	-	-	13,564,168	-	-	13,564,168
Other comprehensive income	VI (22) (23)	-	-	-	-	37,813	( 4,627,822 )	-	( 4,590,009 )
Total comprehensive income for this period		-	-	-	-	13,601,981	( 4,627,822 )	-	8,974,159
Appropriation and distribution of the earnings for 2023:	6(22)								
Legal reserve		-	-	737,360	-	( 737,360 )	-	-	-
Special reserve		-	-	-	( 10,705,533 )	10,705,533	-	-	-
Cash dividends		-	-	-	-	( 2,760,797 )	-	-	( 2,760,797 )
Cash dividends received by subsidiaries from the parent company	6(21)	-	50,316	-	-	-	-	-	50,316
Overdue dividends not collected by shareholders	6(21)	-	11,057	-	-	-	-	-	11,057
Changes in associates & joint ventures accounted for using equity method	6(21)(22)(23)	-	19,145	-	-	( 5,849 )	5,849	-	19,145
Amount not recognized in proportion to the shareholding	6(21)	-	264	-	-	-	-	-	264
Balance on December 31, 2024		\$ 11,043,188	\$ 28,252,294	\$ 4,518,212	\$ 65,674,032	\$ 28,177,108	(\$ 34,764,850 )	(\$ 552,479 )	\$ 102,347,505
<u>2025</u>									
Balance on January 1, 2025		\$ 11,043,188	\$ 28,252,294	\$ 4,518,212	\$ 65,674,032	\$ 28,177,108	(\$ 34,764,850 )	(\$ 552,479 )	\$ 102,347,505
Net income of current period	6(22)	-	-	-	-	9,696,228	-	-	9,696,228
Other comprehensive income	VI (22) (23)	-	-	-	-	( 21,667 )	( 6,276,269 )	-	( 6,297,936 )
Total comprehensive income for this period		-	-	-	-	9,674,561	( 6,276,269 )	-	3,398,292
Appropriation and distribution of the earnings for 2025:	6(22)								
Legal reserve		-	-	1,359,613	-	( 1,359,613 )	-	-	-
Special reserve		-	-	-	26,817,495	( 26,817,495 )	-	-	-
Cash dividends		-	-	( 2,760,797 )	-	-	-	-	( 2,760,797 )
Cash dividends received by subsidiaries from the parent company	6(21)	-	50,316	-	-	-	-	-	50,316
Overdue dividends not collected by shareholders	6(21)	-	10,193	-	-	-	-	-	10,193
Changes in associates & joint ventures accounted for using equity method	6(21)(22)(23)	-	( 1,115 )	-	-	( 79,972 )	3,508	-	( 77,579 )
Balance on December 31, 2025		\$ 11,043,188	\$ 28,311,688	\$ 3,117,028	\$ 92,491,527	\$ 9,594,589	(\$ 41,037,611 )	(\$ 552,479 )	\$ 102,967,930

The accompanying notes are an integral part of these parent company only financial statements.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: Chang, Hsiu-Yen

Ruentex Industries Ltd.  
Parent Company Only Statements of Cash Flows  
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousands

	Notes	2025	2024
<u>Cash flows from operating activities</u>			
Profit before Income Tax current period		\$ 9,696,773	\$ 13,860,248
Adjustments			
Income and expenses			
Depreciation expense	6(30)	97,680	94,986
Amortization	6(30)	1,927	1,687
Expected Credit (Reversal of) Impairment Loss	6(30)	( 39 )	768
Losses (gains) on financial assets at fair value through profit or loss	6(28)	749,473	( 312,338 )
Interest Cost	6(29)	198,233	164,489
Dividend income	6(27)	( 705,047 )	( 138,262 )
Interest revenue	6(26)	( 17,332 )	( 17,991 )
Share of Profit or Loss of Associates and Subsidiaries Accounted for Using the Equity Method	6(7)	( 8,660,642 )	( 12,890,255 )
Loss (gain) on disposal of property, plant and equipment	6(28)	755	( 2,348 )
Gain on disposal of non-current assets held for sale	6(28)	( 940,684 )	-
Gain on fair value change of investment property	6(28)	( 324,848 )	( 563,267 )
Gains on lease modifications	6(28)	( 3 )	-
Gain from the price recovery of inventory declines Reclassified as compensation income	6(3)(30)	( 21,001 )	( 25,098 )
Loss (gain) on foreign currency exchange	6(27)	( 73,600 )	-
Loss (gain) on foreign currency exchange		4,814	( 217,152 )
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		400,493	( 30,938 )
Notes receivable	(	4 )	285
Notes Receivable – related party	(	621 )	791
Accounts receivable	(	32,624 )	( 19,520 )
Accounts receivable - related party	(	714 )	( 1,262 )
Other receivables	(	6,018 )	372
Other receivables - related Party	(	237 )	284
Inventories	(	51,116 )	( 86,856 )
Prepayments	(	14,032 )	( 109,850 )
Other Current Assets	(	71 )	( 118 )
Net Defined Benefit Asset	(	3,517 )	( 3,123 )
Net change in liabilities related to operating activities			
Contract liabilities	(	21,539 )	6,390
Notes payable	(	31,069 )	( 5,177 )
Notes Payable – related Party	(	5 )	54
Accounts Payable	(	16,609 )	( 2,837 )
Accounts Payable – related Party	(	5,409 )	347
Other payables	(	162 )	33,669
Other Payable - Related Party	(	11 )	( 972 )
Other Current liabilities	(	1,458 )	482
Other non-Current liabilities	(	460 )	-
Cash inflow (outflow) from operations		388,766	( 262,512 )
Interest received		17,375	29,784
Interest paid	(	196,808 )	( 165,768 )
Income tax paid	(	227,951 )	( 3,567 )
Income tax refunded		-	79
Cash outflow from operating activities		( 18,618 )	( 401,984 )

(Continued)

Ruentex Industries Ltd.  
Parent Company Only Statements of Cash Flows  
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousands

	Notes	2025	2024
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at fair value through other comprehensive income	6(5)	( \$ 34,853 )	( \$ 626,022 )
Distribution of dividends at investment cost through financial assets at fair value through other comprehensive income	6(5)	501	5,661
Disposal of financial assets at amortized cost		24,500	4,337,060
Acquisition of Investments Accounted for Using the Equity Method	6(7)	( 103,500 )	( 115,000 )
Real estate, plant and equipment acquired	6(34)	( 22,273 )	( 22,253 )
Disposal of real estate properties, plants and equipment	6(34)	1,381	6,685
Acquisition of intangible assets	6(34)	( 1,543 )	( 1,820 )
Proceeds from disposal of non-current assets held for sale	6(13)	1,054,109	-
Increase in refundable deposits (listed in “other non-current assets”)		( 48 )	( 670 )
Decrease in refundable deposits (listed in “other non-current assets”)		24,919	-
Increase in prepayments for business facilities (recognized in “other non-current assets”)		( 1,471 )	( 5,727 )
Dividends received		1,555,874	1,234,744
Net cash inflow from investing activities		<u>2,497,596</u>	<u>4,812,658</u>
<u>Cash flows from financing activities</u>			
Decrease in short-term borrowings	6(35)	-	( 100,000 )
Proceeds from long-term borrowings	6(35)	25,795,000	27,240,000
Repayments of long-term borrowings	6(35)	( 25,120,000 )	( 32,665,000 )
Increase in guarantee deposits received (listed in “other non-current liabilities”)	6(35)	81,671	130,918
Decrease in guarantee deposits received (listed in “other non-current liabilities”)	6(35)	( 47,630 )	( 59,750 )
Principal elements of lease payments	Notes 6(9) and (35)	( 58,739 )	( 59,635 )
Cash dividends paid	6(22)	( 2,760,797 )	( 2,760,797 )
Cash used in financing activities		<u>( 2,110,495 )</u>	<u>( 8,274,264 )</u>
Net effect of changes in foreign currency exchange rates on cash and cash equivalent		( 4,419 )	83,064
Net increase (decrease) in cash and cash equivalents		364,064	( 3,780,526 )
Cash and cash equivalents at the beginning of the period		326,458	4,106,984
Cash and cash equivalents, end of period		<u>\$ 690,522</u>	<u>\$ 326,458</u>

The accompanying notes are an integral part of these parent company only financial statements.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG, Hsiu-Yen

Ruentex Industries Ltd.  
Notes to the Parent Company Only Financial Statements  
For the Years Ended 2025 and 2024

Unit: NT\$ thousands  
(Except as Otherwise Indicated)

I. History and Organization

For Ruentex Industries Ltd. (hereinafter referred to as the “Company”), it was originally merged from Huaxin Textile Co., Ltd. and Ruentex Textile Dyeing & Finishing Industry Co., Ltd. to Huaxin Ruentex Co., Ltd. on January 14, 1976, and was renamed Ruentex Textile Co., Ltd. on May 14, 1990, and later renamed Ruentex Industries Ltd. on July 25, 2002. The Company’s stock was approved by the competent authority and was listed on the Taiwan Stock Exchange in July 1977. The main business items of the Company are the textile business, including manufacturing, processing, dyeing and finishing, printing, and marketing of woven fabrics, garments, knitted fabrics, and woven fabric items, and the construction business, including commissioning of construction companies to build public housing projects and office buildings as well as leasing and sales of property. In 1997, it engaged in the operation and management of shopping malls and markets and import for its hypermarket business.

II. Date and Procedure for Approval of Financial Statements

The parent company only financial statements were authorized for issuance by the Company’s board of directors on March 13, 2026.

III. Application of New Standards, Amendments and Interpretations

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

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

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

The above standards and interpretations have no significant impact on the Company’s financial position and financial performance based on the Company’s assessment.

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

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

<u>New and revised standards, amendments to standards and interpretations</u>	<u>Effective date published by the International Accounting Standards Board</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures” – Contracts Referencing Nature-Dependent Electricity	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 - “Initial Application of IFRS 17 and IFRS 9—Comparative Information”	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

Except for the following, the above standards and interpretations have no significant impact on the Company’s financial position and financial performance based on the Company’s assessment.

1. Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
  - (1) They are to clarify the dates of recognition and derecognition of certain financial assets and liabilities, add that when a financial liability (or part of a financial liability) is settled in cash using an electronic payment system, if and only if an enterprise initiates a payment instruction that results in the following, the enterprise is allowed to have its financial liabilities discharged before the settlement date:
    - A. The enterprise does not have the ability to withdraw, stop, or cancel the payment instruction;
    - B. The enterprise has no actual ability to obtain cash for settlement due to the payment instruction;
    - C. The settlement risk related to the electronic payment system is not significant.
  - (2) It is updated that the fair values of equity instruments designated as at fair value through other comprehensive income through an irrevocable election should be disclosed on a per-category basis without a need to disclose the fair value per instrument. In addition, the amount of fair value gain or loss recognized in other comprehensive income during

the reporting period should be disclosed and separately presented in the amount of fair value gain or loss related to the investments that were derecognized during the reporting period, the amount of fair value gain and loss related to the investments still held at the end of the reporting period; and cumulative gains and losses from investments derecognized during the reporting period and transferred to equity during the reporting period.

2. Amendment to IFRS 17 “Insurance Contracts” and its effect to investments accounted for using the equity method.

(1) IFRS 17 “Insurance Contracts”

IFRS 17 “Insurance Contracts” replace IFRS 4, and establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts issued. The standard applies to the insurance contracts, including reinsurance contracts, issued by an entity, reinsurance contracts it holds, and investment contracts with discretionary participation features it issues, provided the entity also issues insurance contracts. Separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts. At the original recognition, an entity shall divide a portfolio of insurance contracts issued to three groups: a group of contracts that are onerous at initial recognition, a group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently, and a group of the remaining contracts in the portfolio. IFRS 17 requires present value measurement model, and remeasurement to such estimates at each reporting period. The measurement is based on the cash flow, risk-adjustment, and the element representing the unearned profit (contractual service margins) after discounting and probability-weighting the contracts. An entity may apply a simplified measurement approach (the premium allocation approach) to some insurance contracts. Recognizes the profit from a group of insurance contracts over the period the entity provides insurance coverage, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognizes the loss immediately. An entity shall recognize and report the insurance revenue, insurance service expenses, and insurance finance income or expenses separately, and disclose the amount, judgement, and risk related information from the insurance contracts.

(2) Amendment to IFRS 17 “Insurance Contracts”

The amendments include deferred effective dates, expected recovery of insurance acquisition cash flows, contractual service margin attributable to investment services, reinsurance contracts held - recovery of losses and other amendments that do not change the fundamental principles of the standard.

(3) Amendments to IFRS 17 - “Initial Application of IFRS 17 and IFRS 9—Comparative Information”

The amendment to IFRS 17 allows an entity to apply a classification overlay in the comparative periods presented on initial application of IFRS 17. The application allows an entity to align the classification of financial assets, including financial assets that are held in respect of an activity that is unconnected with contracts within the scope of IFRS 17, in the comparative period with the way the entity expects those assets to be classified on initial application of IFRS 9, on an instrument-by-instrument basis. An entity that has already applied IFRS 9 or is applying both IFRS 9 and IFRS 17 for the first time may choose to apply a classification overlay.

(4) Transition Date

The transition date refers to the beginning of the annual reporting period immediately preceding the date of initial application. In accordance with the standards, IFRS 17 shall be applied retrospectively using the full retrospective approach at the transition date. However, if full retrospective application is impracticable, the modified retrospective approach or the fair value approach shall be applied:

A. Modified retrospective approach: applied when it is possible to achieve an outcome that is as close as possible to full retrospective application without undue cost or effort.

B. Fair value approach: the contractual service margin is determined as the difference between the fair value of a group of insurance contracts at the transition date, calculated in accordance with IFRS 13, and the fulfillment cash flows measured at that date.

Due to the inability of Nan Shan Life Insurance Co., Ltd. (hereinafter referred to as “Nan Shan Life”) to obtain all necessary historical data for existing products for contracts issued prior to and including 2023, the fair value approach is applied for the transition of the aforementioned groups.

In accordance with the effective date and transition provisions of IFRS 17, Nan Shan Life will retrospectively restate its comparative financial statements for 2025 in accordance with IFRS 17. Nan Shan Life will re-designate financial assets under IFRS 9 on the date of initial application of IFRS 17. However, it will not restate financial assets for comparative periods, nor will it apply the classification overlay approach to adjust financial assets for comparative periods.

The Company’s investment accounted for using the equity method – Ruen Chen (the parent company of Nan Shan Life) – is expected to result in increases and decreases in equity of approximately NT\$31.9 billion and NT\$28.2 billion as of January 1, 2025 and January 1, 2026, respectively, after restatement. These adjustments primarily arise from the net effect of changes in the measurement approach, including the fact that insurance liabilities under IFRS 4 did not reflect the impact of current discount rates, as well as significant changes in the measurement of fulfillment cash flows under IFRS 17. After adjusting the above amounts and related impacts based on the Company’s shareholding percentage, the Company will reflect these changes in its investments

accounted for using the equity method, retained earnings, and other equity accounts. Accordingly, the restated equity as of January 1, 2025 and January 1, 2026 is expected to increase by approximately NT\$9.3 billion and decrease by approximately NT\$8.5 billion, respectively. The preparation of IFRS 17 comparative information for 2025 is progressing as scheduled.

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

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

<u>New and revised standards, amendments to standards and interpretations</u>	<u>Effective date published by the International Accounting Standards Board</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 by the International Accounting Standards Board (IASB)
IFRS 18 "Presentation and Disclosure in of Financial Statements"	January 1, 2027 (Note)
IFRS 19 “Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates” – Lack of Exchangeability	January 1, 2027

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

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

IFRS 18 "Presentation and Disclosure in of Financial Statements"

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

IV. Summary of Significant Accounting Policies

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

(I) Compliance statement

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

(II) Basis of preparation

1. Except the following material items, these parent company only financial statements have been prepared under the historical cost convention:
  - (1) Financial assets (including derivative instruments) at fair value through profit or loss.
  - (2) Financial assets at fair value through other comprehensive income.
  - (3) Investment property subsequently measured at fair value
  - (4) Defined benefit assets liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
2. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations, as endorsed by the FSC (collectively referred to herein as the “IFRSs”), requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements, are disclosed in Note 5.

(III) Foreign currency translation

Items included in the Company’s financial statements are measured using the currency of the primary economic environment in which the Company operates (the functional currency). These parent company only financial statements are presented in New Taiwan dollars, which is the Company’s functional currency.

1. Foreign Currency Transactions and Balances
  - (1) Foreign currency transactions are translated into the functional currency using the spot exchange rate at the transaction date or measurement date. Exchange differences arising from the translation of such transactions are recognized in profit or loss for the period.
  - (2) Monetary assets and liabilities denominated in foreign currencies are translated at the closing exchange rate at the balance sheet date. Exchange differences arising from such translations are recognized in profit or loss for the period.
  - (3) Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value through profit or loss are translated at the closing exchange rate at the balance sheet date, with exchange differences recognized in profit or loss; those measured at fair value through other comprehensive income are translated at the closing exchange rate at the balance sheet date, with exchange differences

recognized in other comprehensive income; those not measured at fair value are translated at historical exchange rates at the date of the initial transaction.

- (4) All exchange gains and losses are presented under “Other gains and losses” in the statement of profit or loss.

## 2. Translation of Foreign Operations

- (1) The results and financial position of all entities and associates whose functional currency differs from the presentation currency are translated into the presentation currency as follows:

- A. Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of that balance sheet;
- B. Income and expenses presented in each statement of comprehensive income are translated at the average exchange rate for the period; and
- C. All resulting exchange differences are recognized in other comprehensive income.

- (2) When a foreign operation that is an associate is partially disposed of or sold, exchange differences previously recognized in other comprehensive income are reclassified to profit or loss in proportion to the disposal as part of the gain or loss on disposal. However, when the Company retains an interest in the former associate or jointly controlled entity but loses significant influence over the foreign operation, the entire interest in the foreign operation is deemed to have been disposed of.

- (3) When a foreign operation that is a subsidiary is partially disposed of or sold, the cumulative exchange differences recognized in other comprehensive income are reattributed to the non-controlling interests in proportion to their ownership interests. However, when the Company retains an interest in the former subsidiary but loses control over the foreign operation, the entire interest in the foreign operation is deemed to have been disposed of.

## (IV) Classification of Assets and Liabilities as Current and Non-current

1. Assets that meet any of the following conditions are classified as current assets:

- (1) Expected to be realized, or intended for sale or consumption, in the normal operating cycle.
- (2) Held primarily for trading purposes.
- (3) Expected to be realized within twelve months after the reporting period.
- (4) Cash or cash equivalents, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All assets not meeting the above criteria are classified as non-current.

2. Liabilities that meet any of the following conditions are classified as current liabilities:

- (1) Expected to be settled in the normal operating cycle.
- (2) Held primarily for trading purposes.
- (3) Due to be settled within twelve months after the reporting period.
- (4) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All liabilities not meeting the above criteria are classified as non-current.

3. As the operating cycle of property development and construction contracts is generally longer than one year, assets and liabilities related to construction and long-term contracts are classified as current or non-current based on the operating cycle.

(V) Cash Equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to insignificant risk of changes in value. Time deposits that meet the above definition and are held to meet short-term cash commitments for operational purposes are classified as cash equivalents.

(VI) Financial assets at fair value through profit or loss

1. Refers to financial assets that are not measured at amortized cost or at fair value through other comprehensive income.
2. The Company accounts for regular-way purchases and sales of financial assets at FVTPL using trade date accounting.
3. At initial recognition, such financial assets are measured at fair value, with transaction costs recognized in profit or loss. Subsequently, they are measured at fair value, with gains or losses recognized in profit or loss.
4. Dividend income is recognized in profit or loss when the Company's right to receive payment is established, it is probable that the economic benefits will flow to the Company, and the amount can be measured reliably.

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

1. Refers to investments in equity instruments that are not held for trading and for which the Company has made an irrevocable election at initial recognition to present changes in fair value in other comprehensive income.
2. The Company accounts for regular-way purchases and sales of such financial assets using trade date accounting.
3. At initial recognition, these financial assets are measured at fair value plus transaction costs and are subsequently measured at fair value:

Changes in fair value of equity instruments are recognized in other comprehensive income. Upon derecognition, the cumulative gains or losses previously recognized in other

comprehensive income are not reclassified to profit or loss but are transferred to retained earnings. Dividend income is recognized in profit or loss when the Company's right to receive payment is established, it is probable that the economic benefits will flow to the Company, and the amount can be measured reliably.

(VIII) Financial assets at amortised cost

1. Refers to financial assets that meet both of the following conditions:
  - (1) Held within a business model whose objective is to collect contractual cash flows.
  - (2) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
2. The Company accounts for regular-way purchases and sales of such financial assets using trade date accounting.
3. At initial recognition, these financial assets are measured at fair value plus transaction costs. Subsequently, they are measured at amortized cost using the effective interest method, with interest income recognized over the relevant period, impairment losses recognized, and gains or losses recognized in profit or loss upon derecognition.
4. Time deposits that do not qualify as cash equivalents are measured at the investment amount, as the effect of discounting is immaterial due to their short maturities.

(IX) Accounts and Notes Receivable

1. Refers to amounts due from customers and notes receivable for which the Company has an unconditional right to receive consideration in exchange for goods or services transferred.
2. For short-term, non-interest-bearing receivables and notes, the effect of discounting is immaterial; accordingly, they are measured at the original invoice amount.

(X) Impairment of Financial Assets

At each balance sheet date, for financial assets measured at amortized cost, the Company assesses all reasonable and supportable information (including forward-looking information). For those where credit risk has not increased significantly since initial recognition, a loss allowance is measured at an amount equal to 12-month expected credit losses. For those where credit risk has increased significantly since initial recognition, a loss allowance is measured at an amount equal to the lifetime expected credit losses. For accounts receivable or contract assets that do not contain a significant financing component, a loss allowance is measured at lifetime expected credit losses.

(XI) Derecognition of financial assets

The Company derecognizes a financial asset when any of the following conditions is met:

1. The contractual rights to receive cash flows from the financial asset expire.

2. The Company transfers the contractual rights to receive the cash flows and has transferred substantially all the risks and rewards of ownership of the financial asset.
3. The Company transfers the contractual rights to receive the cash flows and has not retained control of the financial asset.

(XII) Leases – Lessor Accounting (Operating Leases)

Lease income from operating leases, net of any lease incentives granted to the lessee, is recognized on a straight-line basis over the lease term in profit or loss.

(XIII) Inventories

1. Construction segment inventories

Inventories are initially recorded at cost. Borrowing costs incurred during the construction period (construction in progress) are capitalized. At period-end, inventories are measured at the lower of cost and net realizable value. The comparison between cost and net realizable value is performed on an item-by-item basis. Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs to completion and the estimated costs necessary to make the sale.

2. Textile and retail segment inventories

Inventories are initially recorded at cost and subsequently measured at the lower of cost and net realizable value, with cost determined using the weighted average method. The cost of finished goods and work in progress includes raw materials, direct labor, other direct costs, and manufacturing overheads related to production, but excludes borrowing costs. The comparison between cost and net realizable value is performed on an item-by-item basis. Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs to completion and the estimated costs necessary to make the sale.

(XIV) Non-current Assets (or Disposal Groups) Held for Sale

Non-current assets (or disposal groups) are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than through continuing use, and the sale is highly probable. Such assets are measured at the lower of their carrying amount and fair value less costs to sell.

(XV) Investments Accounted for Using the Equity Method – Subsidiaries, Associates, and Joint Ventures

1. Subsidiaries are entities (including structured entities) over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

2. Unrealized gains and losses arising from transactions between the Company and its subsidiaries have been eliminated. The accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with those adopted by the Company.
3. The Company recognizes its share of post-acquisition profit or loss of subsidiaries in profit or loss for the period, and its share of post-acquisition other comprehensive income in other comprehensive income. If the Company's share of losses of a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses in proportion to its ownership interest.
4. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control (transactions with non-controlling interests) are accounted for as equity transactions, i.e. as transactions with owners. The difference between the adjustment to non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity.
5. When the Company loses control of a subsidiary, any retained investment in the former subsidiary is remeasured at fair value and recognized as the fair value on initial recognition of a financial asset or as the cost on initial recognition of an investment in an associate or joint venture. The difference between the fair value and the carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. Accordingly, if gains or losses previously recognized in other comprehensive income would be reclassified to profit or loss upon disposal of the related assets or liabilities, such gains or losses are reclassified from equity to profit or loss when control of the subsidiary is lost.
6. Associates are entities over which the Company has significant influence but not control, generally evidenced by holding, directly or indirectly, 20% or more of the voting rights. Investments in associates are accounted for using the equity method and are initially recognized at cost.
7. The Company recognizes its share of post-acquisition profit or loss of associates in profit or loss for the period, and its share of post-acquisition other comprehensive income in other comprehensive income.

With respect to the share of other comprehensive income recognized under the equity method – reclassification adjustments under the overlay approach – financial assets may be designated for application of the overlay approach if, and only if, the following conditions are met:

- (1) The financial asset is measured at fair value through profit or loss under IFRS 9, but would not have been measured at fair value through profit or loss in its entirety if IAS 39 "Financial Instruments: Recognition and Measurement" had been applied;

and

- (2) The financial asset is not held for activities that are not connected with contracts within the scope of IFRS 4.

An investee accounted for using the equity method may, but is not required to, apply the overlay approach to designated financial assets. Under the overlay approach, an amount is reclassified between profit or loss and other comprehensive income such that profit or loss at the end of the reporting period reflects the amount that would have been reported if IAS 39 had been applied to the designated financial assets. Accordingly, the reclassification amount is the difference between:

- (1) The amount reported in profit or loss under IFRS 9; and
- (2) The amount that would have been reported in profit or loss if IAS 39 had been applied.

If the Company's share of losses of an associate equals or exceeds its interest in the associate (including any other unsecured receivables), the Company does not recognize further losses unless it has incurred legal or constructive obligations or has made payments on behalf of the associate.

8. When an associate has changes in equity other than profit or loss or other comprehensive income, and such changes do not affect the Company's ownership interest, the Company recognizes its share of such changes in "capital surplus" in proportion to its ownership interest.
9. Unrealized gains and losses arising from transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates; however, unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The accounting policies of associates have been adjusted where necessary to ensure consistency with those adopted by the Company.
10. When an associate issues new shares and the Company does not subscribe for or acquire them proportionately, resulting in a change in the Company's ownership interest while retaining significant influence, the increase or decrease in the Company's share of equity is recognized as an adjustment to "capital surplus" and "investments accounted for using the equity method." If the ownership interest is reduced, in addition to the above adjustment, any previously recognized gains or losses in other comprehensive income related to the ownership interest that would be reclassified to profit or loss upon disposal of the related assets or liabilities are reclassified to profit or loss in proportion to the reduction.
11. When the Company loses significant influence over an associate, any retained investment in the former associate is remeasured at fair value, and the difference between the fair value and the carrying amount is recognized in profit or loss.

12. Upon disposal of an associate, if the Company loses significant influence over the associate, all amounts previously recognized in other comprehensive income in relation to that associate are accounted for on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. Accordingly, such amounts are reclassified from equity to profit or loss when significant influence is lost. If the Company retains significant influence, only a proportionate amount of the amounts previously recognized in other comprehensive income is reclassified.
13. Upon disposal of an associate, if the Company loses significant influence, any capital surplus related to the associate is reclassified to profit or loss; if significant influence is retained, such amounts are reclassified in proportion to the disposal.
14. In accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” the profit or loss for the period and other comprehensive income in the parent company only financial statements shall be consistent with the amounts attributable to owners of the parent in the consolidated financial statements, and equity in the parent company only financial statements shall be consistent with equity attributable to owners of the parent in the consolidated financial statements.

(XVI) Property, plant, and equipment

1. Property, plant and equipment are initially recorded at cost.
2. Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of replaced parts is derecognized. All other repairs and maintenance are recognized in profit or loss as incurred.
3. Subsequent measurement of property, plant and equipment is based on the cost model. Except for land, which is not depreciated, depreciation is calculated using the straight-line method over the estimated useful lives. Significant components of property, plant and equipment are depreciated separately.
4. The Company reviews the residual values, useful lives, and depreciation methods of assets at each financial year-end. If expectations differ from previous estimates, or if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the changes are accounted for as changes in accounting estimates in accordance with IAS 8 \*Accounting Policies, Changes in Accounting Estimates and Errors\*, effective from the date of the change. The useful lives of assets are as follows:

Buildings and structures	7 to 50 years
Machinery and equipment	3 to 10 years
Transportation equipment	5 years
Leased assets	3 to 7 years
Leasehold Improvements	1.5 to 7 years
Other equipment	2 to 10 years

(XVII) Leases – Lessee Accounting (Right-of-use Assets / Lease Liabilities)

1. At the commencement date, the Company recognizes a right-of-use asset and a lease liability. For short-term leases or leases of low-value assets, lease payments are recognized as expenses on a straight-line basis over the lease term.
2. At the commencement date, lease liabilities are recognized at the present value of the lease payments that are not yet paid, discounted using the Company’s incremental borrowing rate. Lease payments include fixed payments, less any lease incentives receivable, and variable lease payments that depend on an index or rate. Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease term. When lease terms or lease payments change for reasons other than contract modifications, the lease liability is remeasured, with a corresponding adjustment to the right-of-use asset.
3. Right-of-use assets are initially measured at cost, which comprises the initial measurement of the lease liability and any lease payments made at or before the commencement date. Subsequently, right-of-use assets are measured using the cost model and depreciated over the shorter of the useful life of the asset or the lease term. When lease liabilities are remeasured, the right-of-use assets are adjusted accordingly.
4. For lease modifications that decrease the scope of the lease, the lessee reduces the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognizes any difference between the remeasurement of the lease liability and the reduction in the right-of-use asset in profit or loss.

(XVIII) Investment Real Estate

Investment property is initially recognized at cost and subsequently measured using the fair value model. Gains or losses arising from changes in fair value are recognized in profit or loss in the period in which they arise.

(XIX) Intangible Assets

Computer software is recognized at cost and amortized on a straight-line basis over its estimated useful life of 1 to 10 years.

(XX) Impairment of Non-financial Assets

At each balance sheet date, the Company assesses assets for any indication of impairment and estimates their recoverable amount where such indication exists. When the recoverable amount of an asset is less than its carrying amount, an impairment loss is recognized. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Except for goodwill, an impairment loss recognized in prior years is reversed when the circumstances or reasons for recognizing the impairment loss no longer exist or have diminished. However, the increased carrying amount of the asset due to reversal of an impairment loss shall not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized for the asset.

(XXI) Borrowings

Borrowings refer to long-term and short-term loans from banks and other long-term and short-term borrowings. Borrowings are initially recognized at fair value, net of transaction costs incurred. Subsequently, any difference between the proceeds, net of transaction costs, and the redemption value is recognized as interest expense in profit or loss over the period of the borrowings using the effective interest method.

(XXII) Accounts and Notes Payable

1. Accounts and notes payable represent obligations arising from the purchase of raw materials, merchandise, or services on credit, as well as notes payable arising from operating and non-operating activities.
2. Short-term, non-interest-bearing accounts and notes payable are measured at the original invoice amount, as the effect of discounting is immaterial.

(XXIII) Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when the obligation specified in the contract is discharged, canceled, or expires.

(XXIV) Employee benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount expected to be paid and are recognized as expenses when the related services are rendered.

2. Pensions

- (1) Defined contribution plans

For defined contribution plans, contributions are recognized as pension cost for the period on an accrual basis. Prepaid contributions are recognized as assets to the extent that a cash refund or a reduction in future payments is available.

- (2) Defined benefit plans

- A. The net obligation under defined benefit plans is calculated as the present value of the future benefits earned by employees for services rendered in the current or prior periods, less the fair value of plan assets as of the balance sheet date. The net defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The discount rate is determined by reference to the market yield at the balance sheet date on government bonds that have maturities approximating the terms of the defined benefit obligation and are denominated in the same currency.
- B. Remeasurements arising from defined benefit plans are recognized in other comprehensive income in the period in which they arise and presented in retained earnings.
- C. Past service cost is recognized immediately in profit or loss.

3. Termination benefits

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

4. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities when the Company has a legal or constructive obligation and the amount can be reasonably estimated. If the subsequently resolved actual amounts differ from the estimated amounts, the differences are accounted for as changes in accounting estimates. Where employees' compensation is distributed in the form of shares, the number of shares is calculated based on the fair value as determined using valuation techniques in accordance with IFRS 2 "Share-based Payment."

(XXV) Employee Share-based Payments

Equity-settled share-based payment arrangements are measured at the fair value of the equity instruments granted at the grant date, and the value of the employee services received is recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments shall reflect the impact of market vesting conditions and non-vesting conditions. The recognized compensation cost is adjusted based on the number of awards expected to satisfy the service conditions and non-market vesting conditions, so that the amount ultimately recognized is based on the number of vested awards at the vesting date.

(XXVI) Income tax

1. Income tax expense comprises current and deferred income tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the related income tax is recognized in other comprehensive income or directly in equity, respectively.
2. Current income tax is calculated in accordance with the tax rates enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in income tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate based on amounts expected to be paid to the tax authorities. Income tax on undistributed earnings levied in accordance with the Income Tax Act is recognized as income tax expense in the year following the year in which the earnings are generated, after the shareholders' meeting has resolved the appropriation of earnings, based on the actual distribution of such earnings.
3. Deferred income tax is recognized using the balance sheet liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. Deferred tax liabilities arising from the initial recognition of goodwill are not recognized. Deferred income tax arising from the initial recognition of an asset or liability in a transaction other than a business combination is not recognized if, at the time of the transaction, it affects neither accounting profit nor taxable profit (tax loss) and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is not recognized for temporary differences arising from investments in subsidiaries and associates where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and that are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
4. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized, and are reassessed at each balance sheet date for both recognized and unrecognized deferred income tax assets.
5. Current income tax assets and liabilities are offset only when there is a legally enforceable right to offset the recognized amounts and an intention either to settle on a

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

6. Unused income tax credits carried forward arising from investment tax credits, equity investments, and similar items are recognized as deferred income tax assets to the extent that it is probable that future taxable profit will be available against which the unused income tax credits can be utilized.

(XXVII) Capital

1. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or share options are shown in equity as a deduction from the proceeds, net of tax.
2. When the Company repurchases its issued shares, the consideration paid, including any directly attributable incremental costs, is recognized as a deduction from equity, net of tax. When such repurchased shares are subsequently reissued, the difference between the consideration received, net of any directly attributable incremental costs and tax effects, and the carrying amount is recognized as an adjustment to equity.

(XXVIII) Dividend Distribution

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

(XXIX) Income

Revenue from Sale of Goods

1. The Company manufactures and sells textile-related products and retail merchandise. Revenue from the sale of goods is recognized when control of the products is transferred to the customer, i.e. when the products are delivered to the customer and there are no remaining performance obligations that could affect the customer's acceptance of the products. Delivery is deemed to have occurred when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and the customer has accepted the products in accordance with the sales contract, or when there is objective evidence that all acceptance criteria have been satisfied.
2. For certain retail transactions, revenue is recognized upon sale of goods. In accordance with IFRS 15 "Revenue from Contracts with Customers," the Company's role in such

transactions does not expose it to significant risks and rewards associated with the sale of goods or rendering of services and meets the definition of an agent. Accordingly, revenue from such transactions is recognized on a net basis.

3. Accounts receivable are recognized when goods are delivered to customers, as from that point the Company has an unconditional right to consideration, with only the passage of time required before payment is due.

4. Financing components

For contracts with customers where the period between the transfer of promised goods or services and customer payment does not exceed one year, the Company does not adjust the transaction price to reflect the time value of money.

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

In preparing these parent company only financial statements, management has exercised its judgment in determining the accounting policies to be adopted and has made accounting estimates and assumptions based on reasonable expectations of future events as of the balance sheet date. Significant accounting estimates and assumptions may differ from actual results. Such estimates and assumptions are continually evaluated and adjusted based on historical experience and other relevant factors. These estimates and assumptions carry a risk of causing material adjustments to the carrying amounts of assets and liabilities in the next financial year. Please refer to the following for significant accounting judgments, estimates, and uncertainties:

##### (I) Critical judgments in applying accounting policies

None.

##### (II) Significant accounting estimates and assumptions

1. Fair value measurement of investment property

As investment property is subsequently measured at fair value, and primarily consists of land and buildings, the Company engages external experts to determine the fair value at the balance sheet date using professional judgment and estimates. The Company adjusts the carrying amount to fair value based on appraisal reports issued by such experts. As the valuation of investment property is primarily based on expert reports, changes in factors such as product demand, real estate market conditions, and the experts' judgments and estimates may affect the measurement of fair value. For further details, please refer to Note 12(3).

2. Fair value measurement of financial assets without active markets

The fair value of financial assets without active markets held by the Company is primarily estimated based on factors such as the investee's profit projections, industry conditions, capital market conditions, and other economic indicators. Any changes in judgments and

estimates may affect the measurement of fair value. For further details on the fair value of financial instruments, please refer to Note 12(3).

## VI. Details of Significant Accounts

### (I) Cash and cash equivalents

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash on hand and revolving funds	\$ 3,595	\$ 4,081
Checking deposits	87,857	29,482
Demand deposits	255,755	127,954
Cash equivalents - Bonds under repurchase agreements	<u>343,315</u>	<u>164,941</u>
	<u>\$ 690,522</u>	<u>\$ 326,458</u>

1. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
2. The Company did not pledge cash and cash equivalents to others as collateral.

### (II) Notes and accounts receivable

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Notes receivable	\$ 6	\$ 2
Notes Receivable – related party	<u>670</u>	<u>49</u>
	<u>\$ 676</u>	<u>\$ 51</u>
Accounts receivable	\$ 112,347	\$ 145,366
Less: Allowance for loss	<u>( 838)</u>	<u>( 877)</u>
	111,509	144,489
Accounts receivable - related party	<u>9,112</u>	<u>8,398</u>
	<u>\$ 120,621</u>	<u>\$ 152,887</u>
Overdue receivable	\$ 4,088	\$ 4,088
Less: Allowance for loss	<u>( 4,088)</u>	<u>( 4,088)</u>
Overdue receivable, net (listed as "other non-current assets")	<u>\$ -</u>	<u>\$ -</u>

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

	<u>December 31, 2025</u>			<u>December 31, 2024</u>		
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Overdue receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Overdue receivable</u>
Not overdue	\$ 676	\$ 105,800	\$ -	\$ 51	\$ 136,732	\$ -
Overdue						
1--365 days	-	14,012	-	-	16,739	-
91--365 days	-	1,620	-	-	293	-
Over 365 days	-	27	4,088	-	-	4,088
	<u>\$ 676</u>	<u>\$ 121,459</u>	<u>\$ 4,088</u>	<u>\$ 51</u>	<u>\$ 153,764</u>	<u>\$ 4,088</u>

The aging analysis was based on past due date.

2. As of December 31, 2025 and 2024, the balances of notes receivable and accounts receivable were all generated from contracts with customers. In addition, the balance of receivables from customer contracts as of January 1, 2024 was NT\$132,302.
3. The Company's maximum exposure to credit risk, before consideration of associated collateral held and other credit enhancements, was NT\$676 and NT\$51 for notes receivable as of December 31, 2025 and 2024, respectively; and NT\$120,621 and NT\$152,887 for accounts receivable as of December 31, 2025 and 2024, respectively.
4. The Company did not hold any collateral as security.
5. For credit risk information related to accounts receivable and notes receivable, please refer to Note 12(2).

### (III) Inventories

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Textile Business Department:		
Raw materials	\$ 19,519	\$ 32,086
Supplies	153	153
Finished goods	53,887	54,712
Merchandise inventory	247,251	227,150
Less: Allowance for valuation losses	<u>( 83,204)</u>	<u>( 104,461)</u>
Subtotal	<u>237,606</u>	<u>209,640</u>
Wholesale Business Department:		
Work in process	1,208	1,234
Merchandise inventory	23,900	81,735
Less: Allowance for valuation losses	<u>( 879)</u>	<u>( 623)</u>
Subtotal	<u>24,229</u>	<u>82,346</u>
Construction Business Department:		
Construction land	290,004	221,624
Less: Allowance for valuation losses	<u>( 31,781)</u>	<u>( 31,781)</u>
Subtotal	<u>258,223</u>	<u>189,843</u>
Total	<u>\$ 520,058</u>	<u>\$ 481,829</u>

1. The cost of inventories recognized as expense for the Current period is as follows:

	<u>2025</u>		<u>2024</u>
Cost of inventories sold	\$ 1,388,296	\$	1,733,270
loss on physical inventory	4,299		2,155
Gain on declining price recovery	( 21,001)	(	25,098)
Loss on inventory scrap	<u>2,212</u>		<u>4,687</u>
	<u>\$ 1,373,806</u>	\$	<u>1,715,014</u>

2. For the years 2025 and 2024, the Company sold inventories that had been recognized in valuation loss in prior years, resulting in a recovery in the net realizable value of the inventories, which is recognized as a decrease in sales cost.
3. For the collateral status for the inventory of the aforementioned Construction Business Department, please refer to Note 8.

(IV) Financial assets at fair value through profit or loss

<u>Item</u>	<u>December 31, 2025</u>		<u>December 31, 2024</u>
<b>Non-current items:</b>			
Financial Assets Mandatorily Measured at Fair Value Through Profit or Loss – Overseas Investments			
Privately offered fund	\$ 2,038,578	\$	2,439,071
Adjustments for valuation	<u>184,810</u>		<u>934,283</u>
Total	<u>\$ 2,223,388</u>	\$	<u>3,373,354</u>

1. The amounts recognized in profit or loss for financial assets at fair value through profit or loss for the years ended 2025 and 2024 were a loss of \$749,473 and a gain of \$312,338, respectively.
2. Dividend income recognized in profit or loss for financial assets at fair value through profit or loss for the years ended 2025 and 2024 amounted to \$488,048 and \$23,500, respectively.
3. The Company did not pledge financial assets at fair value through profit or loss as collateral.
4. For information on the fair value of financial assets at fair value through profit and loss, please refer to Note 12 (3).

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

<u>Item</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Non-current items:</b>		
Equity Instrument		
Domestic investment		
Shares of TWSE/TPEX listed companies	\$ 3,945,155	\$ 3,910,803
Shares of the TPEX-listed companies	240,000	240,000
Unlisted stocks	<u>50,411</u>	<u>50,411</u>
Subtotal	<u>4,235,566</u>	<u>4,201,214</u>
Adjustments for valuation		
Shares of TWSE/TPEX listed companies	3,090,425	2,751,687
Shares of the TPEX-listed companies	464,960	( 41,800)
Unlisted stocks	<u>34,160</u>	<u>45,231</u>
Subtotal	<u>3,589,545</u>	<u>2,755,118</u>
Total	<u>\$ 7,825,111</u>	<u>\$ 6,956,332</u>

1. The Company elected to classify the strategic investments in equity instruments as financial assets at fair value through other comprehensive income, amounting to NT\$7,825,111 and NT\$6,956,332 as of December 31, 2025 and 2024, respectively.
2. The Company's investment in OBI Pharma, Inc. (hereinafter referred to as "OBI Pharma"):
  - (1) In November 2024, the Company participated in a cash capital increase of OBI Pharma and subscribed to 3,500 thousand shares for a total amount of \$224,000.
  - (2) In September 2025, OBI Pharma's board of directors approved a capital reduction to offset accumulated losses at a reduction ratio of 50%. The record date for the capital reduction was November 24, 2025, and the record date for the issuance of new shares following the reduction was February 2, 2026.
3. The equity instruments of Ruentex Interior Design Inc. (Ruentex Interior Design) held by the Company:
  - (1) Ruentex Interior Design was initially listed on Taipei Exchange (TPEX) on May 21, 2024. Therefore, the Company reclassified the shares held from the emerging stock market stock to the TPEX listed stock. The adjustments to the cost and valuation gains are NT\$9,059 and NT\$44,431, respectively.
  - (2) In order to cooperate with the public underwriting before the initial listing on Taipei Exchange by Ruentex Interior Design, the board of directors approved by resolution, on March 26, 2024. The Company did not subscribe in proportion to the original

shareholding, and the shareholding fell from 2.47% to 2.23%.

- (3) Ruentex Interior Design was approved by the shareholders' meetings on May 7, 2025 and May 27, 2024, to issue cash dividends from the original capital surplus contributed to by shareholders. The Company received cash dividends of NT\$501 and NT\$51 on June 16, 2025, and July 22, 2024, respectively. This was regarded as a reduction of the Company's original cost of the holding.
4. In August 2025 and April 2024, the Company participated in the capital increase through cash for the listed company, Tanvex BioPharma, Inc., subscribing to 503 thousand shares and 2,267 thousand shares for amounts of NT\$24,123 and NT\$108,818, respectively.
5. In March 2024, the Company participated in the capital increase by cash of the TPEX listed company, TaiMed Biologics, Inc., and subscribed for 649 thousand shares in an amount of NT\$53,204.
6. Sunny Friend Environmental Technology Co., Ltd., a TWSE listed company held by the Company, was approved by the shareholders' meeting on May 24, 2024 to issue cash dividends from the original capital surplus contributed to by shareholders. The Company received cash dividends of NT\$3,995 on July 6, 2024. This was regarded as a reduction of the Company's original cost of the holding.
7. In June 2024, the Company participated in the capital increase by cash of AP Biosciences Inc., listed on the emerging stock market, and subscribed for 4,000 thousand shares in an amount of NT\$240,000.
8. In August 2025 and August 2024, Ruentex Engineering & Construction Co., Ltd., a TWSE listed company held by the Company, carried out a capitalization of earnings. The Company received stock dividends of 4,710 thousand shares and 6,729 thousand shares based on its shareholding ratio, respectively.
9. The Company's investment in the TPEX listed company Brogent Technologies Inc. (hereinafter referred to as "Brogent"):
  - (1) Brogent Technologies was approved by the shareholders' meeting on May 27, 2024 to issue cash dividends from the original capital surplus contributed to by shareholders. The Company received cash dividends of NT\$1,615 on October 9, 2024. This was regarded as a reduction of the Company's original cost of the holding.
  - (2) In December 2025, the Company participated in a cash capital increase of Brogent and subscribed to 126 thousand shares for a total amount of \$10,730.
10. Detail of the financial assets at fair value through other comprehensive income recognized under profit or loss and comprehensive income is as follows:

	<u>2025</u>	<u>2024</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Changes in fair value recognized as other comprehensive income	\$ <u>834,427</u>	\$ <u>1,522,350</u>
Dividend income recognized in profit or loss		
For investments still held at the end of the reporting period	\$ <u>216,999</u>	\$ <u>114,762</u>

11. The Company's maximum exposure to credit risk for financial assets at fair value through other comprehensive income, before consideration of associated collateral held and other credit enhancements, was NT\$7,825,111 and NT\$6,956,332 as of December 31, 2025 and 2024, respectively.

12. For the details of the financial assets at fair value through other comprehensive income pledged as collateral, please refer to Note 8.

13. For information on the fair value of financial assets at fair value through other comprehensive income, please refer to Note 12 (3).

(VI) Financial assets at amortised cost

<u>Item</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Non-current items:</b>		
Subordinated debts	\$ 250,000	\$ 250,000
Time deposits pledged	<u>43,300</u>	<u>67,800</u>
Total	<u>\$ 293,300</u>	<u>\$ 317,800</u>

1. Detail of the financial Assets at amortized cost recognized under the profit or loss is as follows:

	<u>2025</u>	<u>2024</u>
Interest revenue	\$ <u>9,146</u>	\$ <u>11,067</u>

2. The coupon rate and the effective interest rate of the Nan Shan Life Insurance Company, Ltd.'s subordinated bonds with no maturity date held the Company at a par value of NT\$250,000 thousand are both 3.5%.

3. The Company's maximum exposure to credit risk for financial assets measured at amortized cost, before consideration of associated collateral held and other credit enhancements, was NT\$293,300 and NT\$317,800 as of December 31, 2025 and 2024, respectively.

4. Details of the Company's financial assets at amortized cost pledged to others as collateral are provided in Note 8.
5. For credit risk information on financial assets measured at amortized cost, please refer to Note 12(2). The counterparties for the Company's investments in certificates of deposit are financial institutions with good credit quality, and the probability of default is considered low.

(VII) Investments accounted for using equity method

1. Details are as follows:

<u>Investees</u>	<u>Carrying amount</u>	
<u>Subsidiaries</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Non-listed companies</u>		
Shing Yen Construction & Development Co., Ltd. (Shing Yen Construction & Development)	\$ 293,691	\$ 294,043
Kompass Global Sourcing Solutions Ltd. (Kompass)	60,264	63,862
Gin-Hong Investment Co., Ltd. (Gin-Hong)	60,917	55,705
Full Shine International Holdings Ltd.(Full Shine)	1,907,565	1,980,199
Concord Greater China Limited (Concord)	1,308,869	1,554,581
Gold Leaf International Group Co., Ltd.(Gold Leaf)	9,328	9,761
East Capital International Limited (East Capital)	34,104	33,770
New Zone International Limited (New Zone)	108,429	106,653
Subtotal	3,783,167	4,098,574
<u>Associates</u>		
<u>Listed companies</u>		
Ruentex Development Co., Ltd. (Ruentex Development)	\$ 23,208,853	\$ 23,328,605
<u>Non-listed companies</u>		
Ruen Chen Investment Holdings Ltd. (Ruen Chen Investment Holdings)	64,856,555	63,782,264
Nan Shan Life Insurance Co., Ltd. (Nan Shan Life Insurance)	761,961	760,239
Ruen Fu Newlife Corp. (Ruen Fu)	5,658	9,542
Subtotal	88,833,027	87,880,650
Total	\$ 92,616,194	\$ 91,979,224

2. The investment shareholder percentage is as follows:

<u>Investees</u> <u>Subsidiaries</u>	<u>Shareholding percentage</u>	
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Non-listed companies</u>		
Shing Yen Construction & Development	50.94%	50.94%
Kompass	100.00%	100.00%
Gin-Hong Investment	55.00%	55.00%
Full Shine	100.00%	100.00%
Concord	42.42%	42.42%
Gold Leaf	100.00%	100.00%
East Capital	100.00%	100.00%
New Zone	100.00%	100.00%
<u>Associates</u>		
<u>Listed companies</u>		
Ruentex Innovation	25.70%	25.70%
<u>Non-listed companies</u>		
Ruen Chen Investment Holdings	23.00%	23.00%
Nan Shan Life Insurance	0.21%	0.21%
Ruen Fu Newlife	40.00%	40.00%

3. As of December 31, 2025 and 2024, shares of the Company held by its subsidiaries are accounted for as treasury shares. Details are as follows:

<u>Company name</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Gin-Hong Investment	<u>\$ 552,479</u>	<u>\$ 552,479</u>

4. The Company's share of profit or loss of subsidiaries and associates accounted for using the equity method is as follows:

	<u>2025</u>	<u>2024</u>
<u>Subsidiaries</u>		
<u>Non-listed companies</u>		
Shing Yen Construction & Development	\$ 1,082	\$ 139
Kompas	( 3,597)	4,917
Gin-Hong Investment	62	( 131)
Full Shine	77,629	78,083
Concord	116,202	94,078
Gold Leaf	( 28)	63
East Capital	387	( 507)
New Zone	1,706	( 1,359)
Subtotal	<u>193,443</u>	<u>175,283</u>
Investees	<u>2025</u>	<u>2024</u>
Associates		
Listed companies		
Ruentex Innovation	\$ 2,486,293	\$ 3,894,452
Non-listed companies		
Ruen Chen Investment Holdings	5,923,091	8,731,934
Nan Shan Life Insurance	61,791	90,559
Ruen Fu Newlife	( 3,976)	( 1,973)
Subtotal	8,467,199	12,714,972
Total	<u>\$ 8,660,642</u>	<u>\$ 12,890,255</u>

5. As of December 31, 2025 and 2024, investments accounted for using the equity method in Ruen Fu Newlife, Kompas, Gin-Hong Investment, Full Shine, Concord, and Gold Leaf were measured based on financial statements audited by other independent auditors.
6. Subsidiaries
- (1) For information on the Company's subsidiaries, please refer to Note 4(3) of the Company's consolidated financial statements for the year ended 2025.
  - (2) Kompas conducted capitalization of retained earnings in June 2025 and September 2024. The Company received stock dividends of 443 thousand shares and 1,442 thousand shares, respectively, in proportion to its shareholdings.
  - (3) In June 2024, Gin-Hong Investment carried out a capitalization of earnings, and the Company received a stock dividend of 3,646 thousand shares based on its shareholding ratio.

- (4) In order to protect the interests of shareholders, Concord bought back 166,666 shares outstanding in April 2024 and canceled the shares in the same month, resulting in shareholdings by the Company and its subsidiary Sinopac invested in through its subsidiary FullShine in Concord's shares increasing from 42.25% to 42.42% and from 15.51% to 15.57%, respectively.

7. Associates

- (1) Basic information on the Company's principal associates is as follows:

<u>Company name</u>	<u>Principal Place of Business</u>	<u>Shareholding percentage</u>		<u>Nature of relationship</u>	<u>Measurement method</u>
		<u>December 31, 2025</u>	<u>December 31, 2024</u>		
Ruentex Innovation	Taiwan	25.70%	25.70%	Diversification	Equity method
Ruen Chen Investment Holdings	Taiwan	23.00%	23.00%	Diversification	Equity method

- (2) The summarized financial information of the Company's major associates are as follows:

Balance Sheets

	<u>Ruentex Innovation</u>	
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current Assets	\$ 57,602,917	\$ 44,451,869
Non-current assets	138,634,313	149,512,927
Current liabilities	( 27,985,566)	( 25,547,465)
Non-current liabilities	( 58,491,911)	( 56,615,450)
Equity	109,759,753	111,801,881
Non-controlling Interest	( 8,473,582)	( 10,481,990)
	<u>\$ 101,286,171</u>	<u>\$ 101,319,891</u>
Portion of the net assets of associates	\$ 26,030,546	\$ 26,039,212
Unrealized gains or losses on upstream transactions	( 2,191)	( 2,191)
Mutual shareholdings	( 2,819,502)	( 2,708,416)
Carrying amount	<u>\$ 23,208,853</u>	<u>\$ 23,328,605</u>
	<u>Ruen Chen Investment Holdings</u>	
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current Assets	\$ 331,083,690	\$ 146,279,075
Non-current assets (Note 1)	5,315,338,890	5,493,140,523
Current liabilities	( 24,301,636)	( 19,381,724)
Non-current liabilities	( 5,302,822,161)	( 5,305,494,025)
Equity	319,298,783	314,543,849
Non-controlling Interest	( 37,313,764)	( 37,229,657)
	<u>\$ 281,985,019</u>	<u>\$ 277,314,192</u>
Portion of the net assets of associates	<u>\$ 64,856,555</u>	<u>\$ 63,782,264</u>

Note 1: Nan Shan Life Insurance, a subsidiary controlled by Ruen Chen Investment Holdings, adopts the fair value model for the subsequent measurement of the investment property held, and the valuation technique is used in accordance with the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises.

Statements of Comprehensive Income

	<u>Ruentex Innovation</u>	
	<u>2025</u>	<u>2024</u>
Income	\$ 39,312,327	\$ 31,817,184
Current Net Profit (Note 2)	13,201,333	19,904,817
Other comprehensive income or loss (net of tax)	( 7,998,381)	( 5,199,080)
Total comprehensive income for this period (Note 3)	<u>\$ 5,202,952</u>	<u>\$ 14,705,737</u>

Note 2: For the years ended 2025 and 2024, the amounts include net income for the period attributable to non-controlling interests of Ruentex Development (consolidated) of \$2,475,792 and \$3,341,843, respectively.

Note 3: For the years ended 2025 and 2024, the amounts include total comprehensive income for the period attributable to non-controlling interests of Ruentex Development (consolidated) of \$1,813,471 and \$3,653,093, respectively.

	<u>Ruen Chen Investment Holdings</u>	
	<u>2025</u>	<u>2024</u>
Income	\$ 436,615,338	\$ 491,390,167
Current Net Profit (Note 4)	28,806,285	42,401,649
Other comprehensive income or loss (net of tax)	( 24,044,424)	( 25,958,431)
Total comprehensive income for this period (Note 5)	<u>\$ 4,761,861</u>	<u>\$ 16,443,218</u>

Note 4: For the years ended 2025 and 2024, the amounts include net income for the period attributable to non-controlling interests of Ruen Chen Investment Holdings (consolidated) of \$3,053,716 and \$4,436,719, respectively.

Note 5: For the years ended 2025 and 2024, the amounts include total comprehensive income for the periods attributable to non-controlling interests of Ruen Chen Investment Holdings (consolidated), amounting to \$541,032 and \$1,724,019, respectively.

- (3) The carrying amount of the Company's interests in all individually immaterial associates and the Company's share of the operating results are summarized below: As of December 31, 2025 and 2024, the aggregate carrying amounts of the Company's individually immaterial associates were \$767,619 and \$769,781, respectively.

	<u>2025</u>		<u>2024</u>
Net income of current period	\$ 28,959,008		\$ 42,451,012
Other comprehensive income or loss (net of tax)	( 28,161,086)		( 30,073,670)
Total comprehensive income for this period	<u>\$ 797,922</u>		<u>\$ 12,377,342</u>

- (4) The fair value of the Company's investments accounted under equity method with quoted market prices is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Ruentex Innovation	<u>\$ 21,783,421</u>	<u>\$ 31,359,377</u>

8. The Company holds 25.70% of Ruentex Development as the single largest shareholder of the company. Taking into account the attendance of past shareholders' meetings, it shows that other shareholders are actively participating in Ruentex Development's business decision-making. There are nine seats on the board of directors of Ruentex Development, only two of which are occupied by the Company, showing that the Company has no actual ability to lead the activities of Ruentex Development. Therefore, it is judged that the Company has no control over it and only has significant influence.
9. Ruentex Development, an investee measured under the equity method, adopts the equity method for measurement of the Group because of the mutual shareholdings with the Group. The investment gains and losses are calculated and adjusted based on the method adopted for the treasury stock.
10. (1) Due to the supply chain disruption caused by the global pandemic in the recent years and the Russo-Ukrainian War, and other factors that have raised global inflationary pressures, interest rates have surged in 2022, which has met the definition of an extreme scenario defined by the Insurance Capital Standard (ICS). Therefore, the Board of Directors of Nan Shan Life Insurance, an insurance investee directly and indirectly invested in by the Company through Ruen Chen Investment Holdings, passed a resolution on September 29, 2022 in accordance with IFRS 9 to change the business model of financial assets management. For the affected financial assets, the collection of contractual cash flows and sales of financial assets were mainly replaced with the collection of contractual cash flows through the financial assets held. The reclassification of financial assets derived from the change of this business

model is in alignment with the Accounting Research and Development Foundation's Letter Ji-Mi No. 0000000354 regarding the guidance on the reclassification of financial assets due to changes in the business model for managing financial assets in the insurance industry due to drastic changes in the international economic situation. The Company recognized the effect of reclassification of Nan Shan Life Insurance's assets in accordance with IAS 28 on October 1, 2022, including an increase of investments using the equity method by NT\$60,930,167, a decrease in deferred tax assets by NT\$834,365, and an increase in other equity by NT\$60,095,802. In accordance with the Letter Jin-Guan-Zheng-Fa No. 1110384722, when the distributable earnings are distributed, a special reserve for the changes in the fair value of the financial assets reclassified by Nan Shan Life Insurance should be provided in proportion to the shareholding using the equity method. Additionally, when there is a reversal of the change in the fair value of financial assets reclassified by Nan Shan Life Insurance, the Company may reverse the special reserve and distribute the special reserve in proportion to the shareholding using the equity method; the changes in the fair values of financial assets reclassified by Nanshan Life Insurance and the corresponding special reserve provided are disclosed in the notes to the annual financial statements. The information on the finances before and after the relevant reclassification dates is summarized as follows:

	<u>September 30, 2022</u> (before reclassification)	<u>Effects of reclassification</u>	<u>October 1, 2022</u> (after reclassification)
Total Assets	\$ 57,005,368	\$ 60,095,802	\$ 117,101,170
Total Liabilities	38,570,908	-	38,570,908
Total Equity	18,434,460	60,095,802	78,530,262

- (2) Nan Shan Life Insurance reclassified financial assets on October 1, 2022 that were affected by significant changes in reclassification from being measured at fair value through other comprehensive income to being measured at amortized cost. As of December 31, 2025 and 2024, the fair value of the affected financial assets was NT\$1,006,976,027 and NT\$1,011,103,167, respectively. If Nan Shan Life Insurance had not reclassified these assets on October 1, 2022, the other equity would have been (NT\$300,195,055) and (NT\$344,651,654) as of December 31, 2025 and 2024. The after-tax change in fair value recognized in other comprehensive income (loss) for 2025 and 2024 was NT\$44,456,599 and (NT\$88,343,472), respectively.
- (3) As per Jin-Guan-Zheng-Fa No. 1110384722 and the Questions and Answers Regarding Public Companies' Applicability of the Provision of Special Reserves for Changes in the Fair Values of Financial Assets Reclassified by Insurance Investees,

when the cumulative amount of changes in the fair values of the financial assets reclassified by an insurance investee in proportion to the shareholding using the equity method, the amount of the special reserve that should be available for the period (that is, the balance of the special reserve after provision and reversal) shall not exceed the carrying amount of the public company's investment in the insurance investee using the equity method for the period. As of December 31, 2025 and 2024, a special reserve that should be appropriated by the Company as per the above regulations is NT\$78,825,707 and NT\$90,499,194, respectively. According to the resolution passed at the shareholders' meeting on May 28, 2025, the amount appropriated was NT\$21,267,888. The cumulative amount appropriated as of December 31, 2025, was NT\$41,066,946.

11. As instructed by the FSC on June 13, 2016, the Company issued a letter of undertaking for the investment in Nan Shan General Insurance Co., Ltd. (Referred herein as "Nan Shan General Insurance"; originally named as Chartis Taiwan Insurance Co., Ltd.), and the undertaking is as follows:
  - (1) The Company undertakes to request Nan Shan Life Insurance to ensure its long-term operation in handling the investment in Nan Shan General Insurance according to the laws and FSC's commitment.
  - (2) The Company undertakes that after Nan Shan Life Insurance acquires 200,000 thousand ordinary shares of Nan Shan General Insurance, i.e. 100% issued shares with voting rights, when Nan Shan General Insurance has the needs for capital increase at any time, the Company will request Nan Shan Life Insurance to handle the capital increase for Nan Shan General Insurance according to the laws and the request of the competent authority.
  - (3) To fulfill the commitment of the Company and Ruen Chen Investment Holdings other shareholders on the long-term operation of Nan Shan General Insurance, in case where there is a need for capital increase for the Nan Shan General Insurance according to the laws or the request of competent authority such that new shares are to be issued for the capital increase, the Company and Ruen Chen Investment Holdings other shareholders undertake to request Nan Shan Life Insurance to hold at least a percentage of 51% on the number of outstanding ordinary shares.
12. In December 2025 and December 2024, Ruen Chen Investment Holdings carried out cash capital increases, and the Company subscribed for shares totaling NT\$103,500 and NT\$115,000 based on its shareholding ratio, respectively. In August 2025 and June 2024, Ruen Chen Investment Holdings conducted a capitalization of earnings, and the Company received stock dividends of 786,830 thousand shares and 400,085 thousand shares based on its shareholding ratio, respectively.
13. In September 2024, Nan Shan Life Insurance carried out a capitalization of earnings, and

the Company received a stock dividend of 1,871 thousand shares based on its shareholding ratio.

14. Details of the Company's investments accounted under equity method pledged to others as collateral are provided in Note 8.

(VIII) Property, plant, and equipment

	<u>2025</u>							
	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Leased assets</u>	<u>Leasehold Improvements</u>	<u>Other equipment</u>	<u>Total</u>
January 1								
Cost	\$ 581,046	\$ 385,004	\$ 111,846	\$ 13,932	\$ 24,515	\$ 224,618	\$ 552,551	\$ 1,893,512
Accumulated impairment and depreciation	-(193,490)	(88,830)	(11,064)	(24,515)	(213,854)	(457,363)	(989,116)	
	<u>\$ 581,046</u>	<u>\$ 191,514</u>	<u>\$ 23,016</u>	<u>\$ 2,868</u>	<u>\$ -</u>	<u>\$ 10,764</u>	<u>\$ 95,188</u>	<u>\$ 904,396</u>
January 1	\$ 581,046	\$ 191,514	\$ 23,016	\$ 2,868	\$ -	\$ 10,764	\$ 95,188	\$ 904,396
Addition	-	-	7,670	-	-	8,488	6,090	22,248
Disposal - costs	-	-	(1,303)	(764)	-(5,433)	(88,789)	(96,289)	
Disposal - accumulated impairment and depreciation	-	-	1,303	764	-	4,605	88,789	95,461
Depreciation expense	-(11,196)	(8,366)	(808)	-(10,584)	-(6,986)	(37,940)		
Transfer – cost (Note 1)	-	-	-	-	-	-	502	502
December 31	<u>\$ 581,046</u>	<u>\$ 180,318</u>	<u>\$ 22,320</u>	<u>\$ 2,060</u>	<u>\$ -</u>	<u>\$ 7,840</u>	<u>\$ 94,794</u>	<u>\$ 888,378</u>
December 31								
Cost	\$ 581,046	\$ 385,004	\$ 118,213	\$ 13,168	\$ 24,515	\$ 227,673	\$ 470,354	\$ 1,819,973
Accumulated impairment and depreciation	-(204,686)	(95,893)	(11,108)	(24,515)	(219,833)	(375,560)	(931,595)	
	<u>\$ 581,046</u>	<u>\$ 180,318</u>	<u>\$ 22,320</u>	<u>\$ 2,060</u>	<u>\$ -</u>	<u>\$ 7,840</u>	<u>\$ 94,794</u>	<u>\$ 888,378</u>

Note 1: Transfers for the current period represent reclassification of prepayments for equipment.

	<u>2024</u>							
	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Leased assets</u>	<u>Leasehold Improvements</u>	<u>Other equipment</u>	<u>Total</u>
January 1								
Cost	\$ 581,046	\$ 385,004	\$ 110,119	\$ 13,932	\$ 24,515	\$ 217,690	\$ 830,894	\$ 2,163,200
Accumulated impairment and depreciation	<u>-(182,294)</u>	<u>(85,837)</u>	<u>(10,256)</u>	<u>(24,515)</u>	<u>(211,189)</u>	<u>(627,445)</u>	<u>(1,141,536)</u>	
	<u>\$ 581,046</u>	<u>\$ 202,710</u>	<u>\$ 24,282</u>	<u>\$ 3,676</u>	<u>\$ -</u>	<u>\$ 6,501</u>	<u>\$ 203,449</u>	<u>\$ 1,021,664</u>
January 1	\$ 581,046	\$ 202,710	\$ 24,282	\$ 3,676	\$ -	\$ 6,501	\$ 203,449	\$ 1,021,664
Addition	-	-	636	-	-	13,228	9,669	23,533
Disposal - costs	-	-	(4,636)	-	-	(6,300)	(91,959)	(102,895)
Disposal - accumulated impairment and depreciation	-	-	4,636	-	-	6,300	91,928	102,864
Depreciation expense	-(11,196)	-(7,629)	-(808)	-	-(8,965)	-(6,724)	-(35,322)	
Transfer – cost (Note 2)	-	-	5,727	-	-	-	(196,053)	(190,326)
Transfers – accumulated impairment and depreciation (Note 2)	-	-	-	-	-	-	84,878	84,878
December 31	<u>\$ 581,046</u>	<u>\$ 191,514</u>	<u>\$ 23,016</u>	<u>\$ 2,868</u>	<u>\$ -</u>	<u>\$ 10,764</u>	<u>\$ 95,188</u>	<u>\$ 904,396</u>
December 31								
Cost	\$ 581,046	\$ 385,004	\$ 111,846	\$ 13,932	\$ 24,515	\$ 224,618	\$ 552,551	\$ 1,893,512
Accumulated impairment and depreciation	<u>-(193,490)</u>	<u>(88,830)</u>	<u>(11,064)</u>	<u>(24,515)</u>	<u>(213,854)</u>	<u>(457,363)</u>	<u>(989,116)</u>	
	<u>\$ 581,046</u>	<u>\$ 191,514</u>	<u>\$ 23,016</u>	<u>\$ 2,868</u>	<u>\$ -</u>	<u>\$ 10,764</u>	<u>\$ 95,188</u>	<u>\$ 904,396</u>

Note 2: The amounts transferred during this period are the prepayments for business facilities transferred in and to increase the funds. The Company plans to sell part of the assets after the approval of the Board of Directors, and the relevant assets were reclassified as non-current assets held for sale in the current period.

Please refer to Note 6(13) for details.

Details of the Company's property, plant and equipment pledged to others as collateral are provided in Note 8.

(IX) Lease transactions - lessees

1. The Company's leased assets include office premises, office spaces, and parking spaces in the Zhonglun Building. The lease terms for both 2025 and 2024 range from 2018 to 2035. The lease contracts are negotiated individually and contain different terms and conditions.
2. The lease terms for the leased company vehicles, storage and sales venues of the Company shall not exceed 12 months, and the underlying assets leased with low value are cash registers and related items for sales events.
3. The information of the right-of-use assets are as the following:

	<u>Buildings and structures</u>	
	<u>2025</u>	<u>2024</u>
January 1		
Cost	\$ 446,055	\$ 446,055
Accumulated depreciation	( 257,273)	( 197,609)
	<u>\$ 188,782</u>	<u>\$ 248,446</u>
January 1	\$ 188,782	\$ 248,446
Addition-Newly added lease contracts	111,853	-
Depreciation expense	( 59,740)	( 59,664)
Cost of derecognition	( 55,441)	-
Accumulated depreciation on the de-booking date	55,441	-
Lease modifications - costs	( 4,451)	-
Lease modifications - accumulated depreciation	4,354	-
December 31	<u>\$ 240,798</u>	<u>\$ 188,782</u>
December 31		
Cost	\$ 498,016	\$ 446,055
Accumulated depreciation	( 257,218)	( 257,273)
	<u>\$ 240,798</u>	<u>\$ 188,782</u>

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Total amount of lease liabilities	\$ 247,654	\$ 194,640
Less: Due within one year (listed as lease liabilities - current)	( 36,444)	( 48,786)
	<u>\$ 211,210</u>	<u>\$ 145,854</u>

5. Information on profit or loss items related to lease contracts is as follows:

	<u>2025</u>		<u>2024</u>
<u>Items affects the income of the current period</u>			
Interest expenses of lease liabilities	(\$ 3,935)	(\$	2,569)
Expenses of short-term lease contracts	( 9,912)	(	9,286)
Expenses related to leases of low-value assets	( 1,066)	(	1,015)
Gains on lease modifications	<u>3</u>		<u>-</u>
	<u>(\$ 14,910)</u>	(\$	<u>12,870)</u>

6. The information on net cash outflow from lease expenses is as follows:

	<u>2025</u>		<u>2024</u>
Interest expenses of lease liabilities	\$ 3,935	\$	2,569
Expenses of short-term lease contracts	9,912		9,286
Expenses related to leases of low-value assets	1,066		1,015
Principal elements of lease payments	<u>58,739</u>		<u>59,635</u>
	<u>\$ 73,652</u>	\$	<u>72,505</u>

(X) Lease transactions - lessor

1. The Company leases out investment properties under operating lease arrangements and recognized rental income of \$101,701 and \$94,583 for 2025 and 2024, respectively.
2. The Company has leased part of the right-of-use assets based on operating lease contracts and recognized rent income of NT\$24,917 and NT\$25,176 for the years 2025 and 2024, respectively, and no variable lease payments were included.
3. Analysis of the due dates of lease payments leased as operating leases by the Company is as the following:

	<u>December 31, 2025</u>		<u>December 31, 2024</u>
Within 1 year	\$ 96,203	\$	78,148
1--2 years	78,253		72,439
2--3 years	77,982		72,439
3--4 years	77,910		72,096
4--5 years	77,910		71,782
More than 5 years	<u>666,485</u>		<u>728,667</u>
Total	<u>\$ 1,074,743</u>	\$	<u>1,095,571</u>

(XI) Investment Real Estate

	<u>2025</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
January 1	\$ 8,681,298	\$ 631,932	\$ 9,313,230
Fair value adjustment gain	<u>347,506</u>	<u>( 22,658)</u>	<u>324,848</u>
December 31	<u>\$ 9,028,804</u>	<u>\$ 609,274</u>	<u>\$ 9,638,078</u>
	<u>2024</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
January 1	\$ 8,116,759	\$ 633,204	\$ 8,749,963
Fair value adjustment gain	<u>564,539</u>	<u>( 1,272)</u>	<u>563,267</u>
December 31	<u>\$ 8,681,298</u>	<u>\$ 631,932</u>	<u>\$ 9,313,230</u>

1. Rental income from investment properties:

	<u>2025</u>	<u>2024</u>
Rental income from investment real estate	<u>\$ 101,701</u>	<u>\$ 94,583</u>

2. Investment property fair value valuation basis

The investment property held by the Company is mainly the Yangmei Plant in Taoyuan City, the land in Wuqi, Taichung City, the land in Xinfeng Township, Hsinchu County, as well as the buildings and land of Ruen Fu Newlife (New Aspects) in New Taipei City, all of which are mainly used for lease-out to earn rental income; the lease terms are about one to 23 years. The principal assumptions and related explanations as of December 31, 2025 and 2024 are as follows:

- (1) The locations, valuation methods, appraisal firms, names of the appraisers, and appraisal dates of the Company's main investment property are listed as follows:

	<u>December 31, 2025</u>			<u>December 31, 2024</u>		
Objective	Land	Building, land and parking space	Building and land	Land	Building, land and parking space	Building and land
Location	Hainchu County and Taichung City	Taoyuan City and Taipei City	New Taipei City	Hainchu County and Taichung City	Taoyuan City and Taipei City	New Taipei City
Appraisal method	The method of land development analysis	Income approach	Income approach	The method of land development analysis	Income approach	Income approach
Appraisal firm	Savills (Taiwan) Limited	Savills (Taiwan) Limited	Jhong-Ding Real Estate Appraisers Firm	Savills (Taiwan) Limited	Savills (Taiwan) Limited	Jhong-Ding Real Estate Appraisers Firm
Appraiser	Chang, Hung-Kai	Chang, I-Chih, Chang, Hung-Kai	Jian, Wu-Chi	Chang, Hung-Kai	Chang, I-Chih, Chang, Hung-Kai	Jian, Wu-Chi
Appraisal base date	December 31, 2025			December 31, 2024		

(2) Please refer to the table below for information on the changes in the occupancy rates of the premises and parking spaces held by the Company, the amount of rental income, and a comparison between the local rents and rents from similar properties for the years 2025 and 2024.

	<u>December 31, 2025</u>	
	<u>Building and land (NT\$/ping/monthly)</u>	<u>Parking space (NT\$/space/monthly)</u>
Estimated rent of the project	\$170~\$462	\$15,000
Local rents, or the rental trends of similar property in the market	Equivalent to estimated rent	Equivalent to estimated rent
Occupancy rate	100%	100%
Rental growth rate	0.00%~2.00%	
	<u>December 31, 2024</u>	
	<u>Building and land (NT\$/ping/monthly)</u>	<u>Parking space (NT\$/space/monthly)</u>
Estimated rent of the project	\$160~\$460	\$15,000
Local rents, or the rental trends of similar property in the market	Equivalent to estimated rent	Equivalent to estimated rent
Occupancy rate	100%	100%
Rental growth rate	0.00%~2.00%	

	<u>2025</u>			
	<u>Building and land</u>		<u>Parking space</u>	
Income amount	\$	81,333	\$	370
	<u>2024</u>			
	<u>Building and land</u>		<u>Parking space</u>	
Income amount	\$	77,579	\$	343

- (3) The Company mainly adopts the discounted cash flow analysis method under the income approach to measure the fair value; however, when said method cannot be adopted for undeveloped land, the land development analysis approach is adopted.
- (4) For the discounted cash flow method of the income approach appraisal method estimation process, the current lease contract rent is considered. If the operation period is assumed to exceed the current least contract period during the analysis period, the market rent is used for the evaluation. For the market rent, the rent of similar subject matters and factors affecting the price, including price negotiation, condition and price date, etc. are considered to perform analysis and comparison. In addition, the current lease market demand and consumer price index average change rate are also considered to determine the annual rent growth rate interval. Next, the idle loss and future net cash outflow of the subject matter during the analysis period are considered. Finally, during the end of the analysis period, the estimated disposition value of the subject matter is added and the net cash inflow during the analysis period is calculated, followed by using an appropriate discount rate to calculate total for estimation to the appraisal date. The future cash outflow refers to expenditures directly related to the operation, such as land value tax, house tax, insurance fee, management fee and repair expense. The actual expenditure incurred in the current year is used and the current operational status and future possible changes of the Company are considered in order to estimate the future cash flow.
- (5) The method of land development analysis appraisal method estimation process is to determine the land development content and expected development time, and to perform investigation, survey and analysis on various costs, relevant expenses and current environmental condition first, along with the collection of market information, in order to estimate the land or building area and total sales amount after the development or construction. In addition, appropriate profit margin and overall capital interest rate are used to calculate the land development analysis price on the appraisal date. An increase in estimated total sales value, higher profit margins, or a decrease in the overall capitalization rate (including interest) would result in an increase in fair value. With regard to the future economy prediction, as the global

economic and trading dynamics recover progressively after the epidemic control measures are relaxed, new emerging digital applications of high performance computation, IoT, automotive electronics are expanding, such that it is beneficial to the continuous growth of export orders and production of manufacturing industry. Nevertheless, the global inflation pressure is still high and variance of virus still exists, causing the increase of investment risk of companies, and the factory expansion plan can be affected. All of such unfavorable factors increase the risk of economic decline, and it is necessary to monitor subsequent development and implement response measures properly.

- (6) The Company does not have a development plan for the four land parcels located in Tai'an Section, Xinfeng Township, Hsinchu County; the 18 land parcels in Taifeng Section, Xinfeng Township, Hsinchu County; and the four land parcels in the southern section of Wuqi District, Taichung City, which it owns. For the time being, these parcels are temporarily rented out as parking lots and for advertising. As these land parcels are undeveloped vacant lots, their fair values should be measured using the land development analysis approach. Key assumptions are as follows:

	<u>December 31, 2025</u>		<u>December 31, 2024</u>	
	<u>Xinfeng</u>	<u>Wuqi District,</u>	<u>Xinfeng</u>	<u>Wuqi District,</u>
	<u>Township,</u>	<u>Taichung City</u>	<u>Township,</u>	<u>Taichung City</u>
	<u>Hsinchu County</u>	<u>Hsinchu County</u>	<u>Hsinchu County</u>	<u>Taichung City</u>
Estimated total sales amount	<u>\$ 1,946,451</u>	<u>\$ 22,393,109</u>	<u>\$ 1,902,574</u>	<u>\$ 22,079,285</u>
Profit margin	16.00%	24.00%	16.00%	24.00%
Overall capital interest rate	4.21%	4.02%	4.01%	3.86%

In addition to the lands at Xinfeng Township of Hsinchu County and Wuqi District of Taichung City yet to be developed, for the fair value of rest of the investment properties, the discounted cash flow method of the income approach is used to estimate the fair value.

- (7) Please refer to the following table for the discount rate interval. The two-year postal time deposit small amount deposit flexible interest rate announced by Chunghwa Post Co.,Ltd. plus 0.75 percentage points is used. In addition, for the risk premium, the liquidity, risk, value addition and management difficulty level are considered according to the base interest rate, in order to perform comparison and determination.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Discount rate	3.200%~4.095%	2.770%~4.095%

- (8) The income approach is adopted for the Company's investment property valuation. The cash flow, analysis period, and discount rate in the valuation method are in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
3. Please refer to Note 12(3) for the details of fair value of investment property.
  4. The Company's investment property – land in the amount of NT\$4,488 in the Sihu Section in Yangmei belongs to agricultural land and was acquired in the name of a juridical corporate director's relative within the first degree of kinship. Both parties have signed a trust contract.
  5. Details of the Company's investments property pledged to others as collateral are provided in Note 8.

(XII) Intangible Assets

	<u>Computer software</u>	
	<u>2025</u>	<u>2024</u>
January 1		
Cost	\$ 29,073	\$ 27,253
Accumulated amortization	( 28,078)	( 26,391)
	<u>\$ 995</u>	<u>\$ 862</u>
January 1	\$ 995	\$ 862
Addition	1,543	1,820
Amortization	( 1,927)	( 1,687)
December 31	<u>\$ 611</u>	<u>\$ 995</u>
December 31		
Cost	\$ 30,616	\$ 29,073
Accumulated amortization	( 30,005)	( 28,078)
	<u>\$ 611</u>	<u>\$ 995</u>

1. Details of amortization of intangible assets are as follows:

	<u>2025</u>	<u>2024</u>
Selling expenses	\$ 596	\$ 464
General & administrative expenses	<u>1,331</u>	<u>1,223</u>
	<u>\$ 1,927</u>	<u>\$ 1,687</u>

(XIII) Non-current assets held for sale and discontinued operations

In order to revitalize assets and increase working capital, the Board of Directors approved the sale of the land and plant of the Guanyin Plant in Guanyin District, Taoyuan City, on August 13, 2024. Therefore, the related assets were reclassified as assets held for sale. The asset has been entrusted to Savills (Taiwan) Limited for public auction. The contract, however, expired on December 31, 2024. On August 13, 2025, the Board of Directors approved the disposal of land and factory buildings located in Guanyin District, Taoyuan City. The total transaction amount was \$1,060,000 (including business tax of \$5,891). The transfer of ownership was completed on September 24, 2025, and the related proceeds were received in accordance with the contract on October 3, 2025.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Property, plant, and equipment	<u>\$ -</u>	<u>\$ 113,425</u>

(XIV) Other non-current Assets

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Guarantee deposits paid	\$ 18,612	\$ 43,483
Prepayments for business facilities	1,471	502
Defined benefit assets	58,923	51,775
Overdue receivable	4,088	4,088
Loss allowance - Overdue receivable	<u>(4,088)</u>	<u>(4,088)</u>
	<u>\$ 79,006</u>	<u>\$ 95,760</u>

(XV) Short-term borrowings

<u>Nature of loan</u>	<u>December 31, 2025</u>	<u>Interest rate collars</u>	<u>Guarantee</u>
Bank loan			
Secured loan	\$ -	-	Note
Credit Loan	<u>250,000</u>	1.78%	Nil
	<u>\$ 250,000</u>		

<u>Nature of loan</u>	<u>December 31, 2024</u>	<u>Interest rate collars</u>	<u>Guarantee</u>
Bank loan			
Secured loan	\$ -	-	Note
Credit Loan	<u>250,000</u>	1.78%	Nil
	<u>\$ 250,000</u>		

Note: Please refer to Note 8 for details of the collateral provided by the Company for short-term borrowings.

(XVI) Other payables

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Salaries and bonuses payable	\$ 82,537	\$ 103,474
Employee compensation payable	70,884	64,166
Dividends payables	33,868	37,444
Interest payable	7,353	5,929
Payables for equipment	2,711	2,736
Others	88,073	80,632
	<u>\$ 285,426</u>	<u>\$ 294,381</u>

(XVII) Long-term borrowings

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Secured bank loan	\$ 5,295,000	\$ 3,845,000
Credit bank loan	4,600,000	5,375,000
	9,895,000	9,220,000
Less: Long-term borrowings due within one year or one operating cycle	( 500,000)	( 625,000)
	<u>\$ 9,395,000</u>	<u>\$ 8,595,000</u>
Maturity date range	2026.03.13 –2027.12.15	2025.06.30 –2027.09.13
Interest rate collars	1.70%~1.91%	1.73%~2.09%

- The Company signed a credit agreement with CTBC Bank in June 2023 to provide financing to the Company. The credit period was from June 2023 to May 2025. The total credit limit was NT\$1,300,000. The Company renewed the said credit agreement with CTBC Bank in May 2025 for the period from May 2025 to April 2027. As of December 31, 2025, the Company's outstanding loan amount was \$0. The Company's major commitments are as follows:

- The Company reviews the annual and semi-annual consolidated statements audited by accountants every six months (every April and October).
- The Company shall maintain a current ratio of not less than 100%, a debt ratio of not greater than 100%, an interest coverage ratio of not less than three times, and the net value of tangible assets of NT\$35,000,000 or above. The calculation of the aforementioned net value of tangible assets shall exclude the profit and loss effect on Ruen Chen Investment Holdings (calculated in proportion to the shareholding).

- (3) As per the general terms under Item B and the acceleration clause under Article 5 of the guaranty agreement signed between the Company and CTBC Bank, to secure its creditor's rights, CTBC Bank. In the event of matters specifically stipulated in the agreement with the effect in alignment of the acceleration clause may stop or reduce the loan at any time or shorten the credit period, or the principal and interest shall be deemed fully due.
2. The Company signed a credit agreement with Taipei Fubon Bank in July 2023 to provide financing to the Company. The credit period was from August 2023 to July 2025. The total credit limit was NT\$500,000. The Company renewed the said credit agreement with Taipei Fubon Bank in July 2025, and the credit period is from August 2025 to July 2027. As of December 31, 2025, the Company's outstanding loan amount was NT\$0. The Company's major commitments are as follows:  
The Company follows up on the following criteria after drawdown and examines if the use of the loan exceeds the limit.
- (1) The Company reviews the consolidated financial statements audited by accountants every year.
  - (2) The Company shall maintain a current ratio of no lower than 100%, a debt ratio of no greater than 100%, interest coverage ratio of no fewer than three times, and the net value of tangible assets of no less than NT\$35,000,000.
3. The Company signed a credit agreement with EnTie Commercial Bank in April 2023 to provide financing to the Company. The credit period was from May 2023 to May 2025. The total credit limit was NT\$500,000. The Company renewed the said credit agreement with EnTie Commercial Bank in March 2025, and the credit period is from March 2025 to March 2027. As of December 31, 2025, the Company's outstanding loan amount was NT\$0. The Company's major commitments are as follows:
- (1) The Company should maintain a consolidated current ratio of 70% or more and a consolidated debt ratio of 120% or less.
  - (2) When the loan criteria fails to be met, Entie Commercial Bank bears no obligation to maintain the facility and, therefore, may terminate part or all of the facility.
4. In addition to the endorsement/guarantees and collateral provided by the Company for short-term borrowings, short-term notes payable, and long-term borrowings as in Notes 7 (2)-7 and 8, the amounts of guarantee notes issued are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Guarantee notes	<u>\$ 39,752,800</u>	<u>\$ 40,582,800</u>

(XVIII) Other non-Current liabilities

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Guarantee deposits received	<u>\$ 820,038</u>	<u>\$ 860,057</u>

(XIX) Pensions

1. (1) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Act on July 1, 2005, as well as service years thereafter for employees who chose to continue being subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions to cover the deficit by next March.
- (2) Amounts recognized in the balance sheet are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Present value of defined benefit obligations	\$ 160,134	\$ 158,439
Fair value of plan assets	( 219,057)	( 210,214)
Net defined benefit (asset) liability		
(Presented under other non-current (assets) liabilities)	<u>(\$ 58,923)</u>	<u>(\$ 51,775)</u>

- (3) Movements in net defined benefit (asset) liability are as follows:

	<u>2025</u>		
	<u>Present value of</u>	<u>Fair value of</u>	<u>Net defined</u>
	<u>defined benefit</u>	<u>plan assets</u>	<u>benefit (asset)</u>
	<u>obligations</u>		<u>liability</u>
Balance as of January 1	\$ 158,439	(\$ 210,214)	(\$ 51,775)
Current service cost	1,110	-	1,110
Interest (income) expense	<u>2,375</u>	<u>( 3,182)</u>	<u>( 807)</u>
	<u>161,924</u>	<u>( 213,396)</u>	<u>( 51,472)</u>

	<u>2025</u>		
Remeasurements			
Return on plan assets (excluding amounts included in interest income or expense)	-	( 14,590)	( 14,590)
Effect of changes in financial assumptions	958	-	958
Experience adjustments	<u>10,001</u>	<u>-</u>	<u>10,001</u>
	<u>10,959</u>	<u>( 14,590)</u>	<u>( 3,631)</u>
Contributions to the pension fund	-	( 3,820)	( 3,820)
Pension payments	<u>( 12,749)</u>	<u>12,749</u>	<u>-</u>
Balance on December 31	<u>\$ 160,134</u>	<u>(\$ 219,057)</u>	<u>(\$ 58,923)</u>

	<u>2024</u>		
	<u>Present value of defined benefit obligations</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit (asset) liability</u>
Balance as of January 1	\$ 163,016	(\$ 191,307)	(\$ 28,291)
Current service cost	1,141	-	1,141
Interest (income) expense	<u>1,834</u>	<u>( 2,176)</u>	<u>( 342)</u>
	<u>165,991</u>	<u>( 193,483)</u>	<u>( 27,492)</u>
Remeasurements			
Return on plan assets (excluding amounts included in interest income or expense)	-	( 17,345)	( 17,345)
Effect of changes in financial assumptions	( 3,541)	-	( 3,541)
Experience adjustments	<u>525</u>	<u>-</u>	<u>525</u>
	<u>( 3,016)</u>	<u>( 17,345)</u>	<u>( 20,361)</u>
Contributions to the pension fund	-	( 3,922)	( 3,922)
Pension payments	<u>( 4,536)</u>	<u>4,536</u>	<u>-</u>
Balance on December 31	<u>\$ 158,439</u>	<u>(\$ 210,214)</u>	<u>(\$ 51,775)</u>

- (4) The assets of the Company's defined benefit pension plan are entrusted to the Bank of Taiwan for management within the scope of investment items, proportions, and amount limits specified in the annual investment and utilization plan of the fund, in accordance with Article 6 of the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund (i.e. deposits with domestic and foreign financial institutions, investments in domestic and foreign listed, OTC listed or private equity securities, and securitized real estate products,

etc.) The utilization of such assets is supervised by the Labor Pension Fund Supervisory Committee. The minimum annual return distributed from the fund's operations shall not be lower than the return calculated based on the two-year time deposit interest rate of local banks. Any shortfall shall, upon approval by the competent authority, be made up by the national treasury. As the Company has no right to participate in the operation or management of the fund, it is unable to disclose the classification of the fair value of plan assets as required under paragraph 142 of IAS 19. For the fair value composition of the fund's total assets as of December 31, 2025 and 2024, please refer to the annual Labor Pension Fund utilization reports published by the government.

(5) The principal actuarial assumptions for pensions are summarized as follows:

	<u>2025</u>	<u>2024</u>
Discount rate	1.375%	1.500%
Future salary increase rate	2.000%	2.000%

The mortality assumptions for both 2025 and 2024 are based on the 6th Taiwan Standard Ordinary Experience Life Table of the life insurance industry.

The sensitivity analysis of the present value of defined benefit obligations resulting from changes in key actuarial assumptions is as follows:

	<u>Discount rate</u>		<u>Future salary increase rate</u>	
	<u>Increase by</u>	<u>Decrease by</u>	<u>Increase by</u>	<u>Decrease by</u>
	<u>0.25%</u>	<u>0.25%</u>	<u>0.25%</u>	<u>0.25%</u>
December 31, 2025				
Impact on the present value of defined benefit obligations	<u>(\$ 1,903)</u>	<u>\$ 1,959</u>	<u>\$ 1,913</u>	<u>(\$ 1,870)</u>
December 31, 2024				
Impact on the present value of defined benefit obligations	<u>(\$ 2,283)</u>	<u>\$ 2,345</u>	<u>\$ 2,296</u>	<u>(\$ 2,247)</u>

The above sensitivity analysis is based on a change in a single assumption while all other assumptions remain constant. In practice, changes in many assumptions may be correlated. The sensitivity analysis is consistent with the methods used to calculate the net pension liability recognized in the balance sheet.

The methods and assumptions used in preparing the sensitivity analysis for the current period are consistent with those used in the prior period.

(6) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2026 amount to NT\$3,890.

- (7) As of December 31, 2025, the weighted average duration of the pension plan is 4.8 years. Maturity analysis of pension payments is as follows:

	<u>December 31, 2025</u>
Within 1 year	\$ 77,079
1--2 years	8,362
2--3 years	19,241
More than 5 years	<u>56,806</u>
	<u>\$ 161,488</u>

2. (1) Effective on July 1, 2005, the Company has established a defined pension plan under the Labor Pension Act covering all regular employees with R.O.C. nationality. Under the defined contribution pension plan, in compliance with the Labor Pension Act, the Company contributes monthly an amount equal to 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The accrued benefits are paid monthly or in a lump sum upon termination of employment.
- (2) For 2025 and 2024, the pension costs recognized by the Company in accordance with the aforementioned pension plan were \$13,813 and \$13,542, respectively.

(XX) Capital

- As of December 31, 2025, the Company's authorized capital was NT\$15,000,000, and the paid-in capital was NT\$11,043,188 with a par value of NT\$10 per share; all shares are issued as ordinary shares. All proceeds from shares issued have been collected.
- The number of shares outstanding as of December 31, 2025 and 2024 was 1,104,319 thousand shares.
- As for the treasury shares listed by the Company, there were 36,593 thousand shares held by the subsidiary, Gin-Hong Investment, as of December 31, 2025 and 2024 to protect its shareholders' equity. The information regarding the amount is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Gin-Hong Investment	<u>\$ 552,479</u>	<u>\$ 552,479</u>

(XXI) Capital surplus

- Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their

share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

2. Change of capital surplus is as follows:

	<u>2025</u>		<u>Changes in the ownership interests of subsidiaries as recognized</u>		<u>Changes in the associates' net value of equity</u>		<u>Total</u>
	<u>Issued at premium</u>	<u>Treasury share transactions</u>			<u>Others</u>		
January 1	\$ 25,956,207	\$ 1,184,035	\$ 264	\$ 974,981	\$ 136,807	\$	28,252,294
Cash dividends received by subsidiaries from the parent company	-	50,316	-	-	-	-	50,316
Changes in the equity of associates recognized based on shareholding percentage	-	-	-	( 1,186)	-	-(	1,186)
Overdue dividends not collected by shareholders	-	-	-	-	10,193	-	10,193
Income tax effect	-	-	-	71	-	-	71
December 31	<u>\$ 25,956,207</u>	<u>\$ 1,234,351</u>	<u>\$ 264</u>	<u>\$ 973,866</u>	<u>\$ 147,000</u>	<u>\$</u>	<u>28,311,688</u>

	<u>2024</u>		<u>Changes in the ownership interests of subsidiaries as recognized</u>		<u>Changes in the associates' net value of equity</u>		<u>Total</u>
	<u>Issued at premium</u>	<u>Treasury share transactions</u>			<u>Others</u>		
January 1	\$ 25,956,207	\$ 1,133,719	\$ -	\$ 955,836	\$ 125,750	\$	28,171,512
Cash dividends received by subsidiaries from the parent company	-	50,316	-	-	-	-	50,316
Amount not recognized in proportion to the shareholding	-	-	329	-	-	-	329
Changes in the equity of associates recognized based on shareholding percentage	-	-	-	20,368	-	-	20,368
Overdue dividends not collected by shareholders	-	-	-	-	11,057	-	11,057
Income tax effect	-	-	( 65 )	( 1,223 )	-	(	1,288)
December 31	<u>\$ 25,956,207</u>	<u>\$ 1,184,035</u>	<u>\$ 264</u>	<u>\$ 974,981</u>	<u>\$ 136,807</u>	<u>\$</u>	<u>28,252,294</u>

(XXII) Retained earnings

- As per the Articles of Incorporation, if after the annual closing of books, there is a profit, the Company shall, after having provided for income taxes and offset the accumulated losses of previous years, retain the 10% legal reserve; Where such legal reserve amounts to the total paid-in capital of the Company, this provision shall not apply. If the balance (distributable profits for the current year), together with the undistributed earnings in the previous year and retained or reversed special reserves prescribed by laws and regulations, are available for distribution, the Board shall present a proposal

on dividends, or retention at a shareholders' meeting for resolution. The Company's dividend policy is based on the Company Law and its articles of incorporation. The Board of Directors proposes an annual distribution plan to the shareholder meeting, taking into account factors such as finance, business, management, and capital budgeting, as well as balancing shareholder interests and the company's long-term financial planning. However, shareholder dividends must be no less than 30% of the net profit after tax for the year, excluding the share of profit or loss of associates and joint ventures accounted for using the equity method, after the legally required statutory reserve and various special reserves have been appropriated. The cash dividend ratio must be no less than 30% of the total dividend distribution for the year.

2. Except for covering accumulated deficit or issuing new stocks or cash to shareholder in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
3. (1) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
  - (2) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi No. 1010012865 Letter dated April 6, 2012, shall be reversed proportionately when the relevant Assets are used, disposed of or reclassified subsequently.
4. (1) The 2024 and 2023 earnings distribution proposals of the Company were approved by the shareholders' meetings on May 28, 2025, and June 27, 2024. The details are as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Amount</u>	<u>Dividend per share</u> <u>(NTD)</u>	<u>Amount</u>	<u>Dividend per</u> <u>share (NTD)</u>
Legal reserve	\$ 1,359,613		\$ 737,360	
Special reserve (Note)	26,817,495		( 10,705,533)	
Cash dividends	<u>-</u>	\$ -	<u>2,760,797</u>	\$ 2.50
Total	<u>\$ 28,177,108</u>		<u>(\$ 7,207,376)</u>	

Note:

- a. The components of the special reserve provided for the 2024 distribution plan are as follows:

- (a) As per Jin-Guan-Zheng-Fa No. 10901500221, regarding the investment property, the Company continues to adopt the fair value model for measurement. The net increase (decrease) in the fair value during the period and the net increase (decrease) in the fair value of the investees' investment property, recognized as investment income in proportion to the shareholding using the equity method during the year, amounted to NT\$927,634.
  - (b) Pursuant to Jin-Guan-Zheng-Fa No. 1090150022, the Company provided NT\$4,621,973 for the net deduction of other equity incurred during this period.
  - (c) As mentioned in Note 6(7)10(3), as per Jin-Guan-Zheng-Fa No. 1110384722 and the Questions and Answers Regarding Public Companies' Applicability of the Provision of Special Reserves for Changes in the Fair Values of Financial Assets Reclassified by Insurance Investees, when the cumulative amount of changes in the fair values of the financial assets reclassified by an insurance investee in proportion to the shareholding using the equity method, the amount of the special reserve that should be available for the period (that is, the balance of the special reserve after provision and reversal) shall not exceed the carrying amount of the public company's investment in the insurance investee using the equity method for the period. The Company provided a special reserve from the 2024 distributable earnings in accordance with the above regulations (a) and (b) and provided NT\$21,267,888 in accordance with the above-mentioned regulations.
- b. Components of the special reserve (reversal) appropriation under the 2023 earnings distribution proposal are as follows:
- (a) As per Jin-Guan-Zheng-Fa No. 10901500221, regarding the investment property that the Company continues to adopt the fair value model for measurement, the net increase (decrease) in the fair value during the period and the net increase (decrease) in the fair value of the investees' investment property in the investment income recognized in proportion to the shareholding using the equity method during the year in the amount of NT\$501,419 were provided.
  - (b) Pursuant to Jin-Guan-Zheng-Fa No. 1090150022, the Company provided NT\$11,206,952 for the net deduction of other equity incurred during this period was reversed.

- (2) Approved by the shareholders' meeting on May 28, 2025, the Company would distribute NT\$2.50 per share in cash using its legal reserve, totaling NT\$2,760,797.
5. On March 13, 2026, the Board of Directors proposed the 2025 earnings distribution as follows:

	<u>2025</u>		<u>Dividend per share (NTD)</u>
	<u>Amount</u>		
Legal reserve	\$ 959,459		
Appropriation to special reserve (Note)	6,528,931		
Cash dividends	<u>2,098,206</u>	\$	1.90
Total	<u>\$ 9,586,596</u>		

Note: Components of the special reserve appropriation under the 2025 earnings distribution proposal are as follows:

- a. As per Jin-Guan-Zheng-Fa No. 10901500221, regarding the investment property that the Company continues to adopt the fair value model for measurement, the net increase (decrease) in the fair value during the period and the net increase (decrease) in the fair value of the investees' investment property in the investment income recognized in proportion to the shareholding using the equity method during the year in the amount of NT\$256,169 were provided.
  - b. Pursuant to Jin-Guan-Zheng-Fa No. 1090150022, the Company provided NT\$6,272,762 for the net deduction of other equity incurred during this period.
6. Change of undistributed earnings is as follows:

	<u>2025</u>	<u>2024</u>
January 1	\$ 28,177,108	\$ 7,373,600
Appropriation and distribution of earnings:		
- Legal reserve	( 1,359,613)	( 737,360)
- Special reserve	( 26,817,495)	10,705,533
- Cash dividend		- ( 2,760,797)
Changes in associates & joint ventures accounted for using equity method	( 79,972)	( 5,849)
Net income of current period	9,696,228	13,564,168
Remeasurements of defined benefit obligations		
- The Company	3,631	20,361
- Subsidiaries and associates	( 24,936)	22,258

	<u>2025</u>	<u>2024</u>
Income tax effects of remeasurements of defined benefit obligations		
- The Company	( 726 )	( 4,072 )
- Subsidiaries and associates	364	734
December 31	<u>\$ 9,594,589</u>	<u>\$ 28,177,108</u>

(XXIII) Other equity items

	<u>Unrealized</u> <u>valuation profit or</u> <u>loss</u>	<u>Foreign</u> <u>currency</u> <u>translation</u>	<u>Hedging</u> <u>reserve</u>	<u>2025</u> <u>Reclassification</u> <u>by the overlay</u> <u>approach</u>	<u>Property</u> <u>revaluation</u> <u>surplus</u>	<u>Total</u>
January 1	(\$ 15,604,651)	(\$ 348,205)	\$ 215	(\$ 18,878,138)	\$ 65,929	(\$ 34,764,850)
Unrealized valuation profit or loss of financial assets:						
- The Company	834,427	-	-	-	-	834,427
- Tax of the Company	( 71,644)	-	-	-	-	( 71,644)
- Subsidiaries and associates	3,630,145	-	-	-	-	3,630,145
- Changes in disposal of associates	3,508	-	-	-	-	3,508
- Tax of subsidiaries and associates	42,110	-	-	-	-	42,110
Foreign currency translation differences:						
- Subsidiaries and associates	-	( 179,596)	-	-	-	( 179,596)
- Tax of subsidiaries and associates	-	29,089	-	-	-	29,089
Reclassification by the overlay approach:						
- Associate	-	-	-	( 10,680,907)	-	( 10,680,907)
- Tax related to the associates	-	-	-	113,906	-	113,906
Property revaluation surplus:						
- Associate	-	-	-	-	6,286	6,286
- Tax related to the associates	-	-	-	-	( 85)	( 85)
December 31	<u>(\$ 11,166,105)</u>	<u>(\$ 498,712)</u>	<u>\$ 215</u>	<u>(\$ 29,445,139)</u>	<u>\$ 72,130</u>	<u>(\$ 41,037,611)</u>

	<u>Unrealized</u> <u>valuation profit or</u> <u>loss</u>	<u>Foreign currency</u> <u>translation</u>	<u>Hedging reserve</u>	<u>2024</u> <u>Reclassification by</u> <u>the overlay approach</u>	<u>Property</u> <u>revaluation</u> <u>surplus</u>	<u>Total</u>
January 1	(\$ 14,350,788)	(\$ 539,008)	\$ 215	(\$ 15,307,985)	\$ 54,689	(\$ 30,142,877)
Unrealized valuation profit or loss of financial assets:						
- The Company	1,522,350	-	-	-	-	1,522,350
- Disposal-related changes of the Company	-	-	-	-	-	-
- Tax of the Company	( 84,798)	-	-	-	-	( 84,798)
- Subsidiaries and associates	( 2,630,390)	-	-	-	-	( 2,630,390)
- Changes in disposal of associates	5,849	-	-	-	-	5,849
- Tax of subsidiaries and associates	( 66,874)	-	-	-	-	( 66,874)
Foreign currency translation differences:						
- Subsidiaries and associates	-	228,798	-	-	-	228,798
- Tax of subsidiaries and associates	-	( 37,995)	-	-	-	( 37,995)
Reclassification by the overlay approach:						
- Associate	-	-	-	( 3,624,461)	-	( 3,624,461)
- Tax related to the associates	-	-	-	54,308	-	54,308
Property revaluation surplus:						
- Associate	-	-	-	-	11,587	11,587
- Tax related to the associates	-	-	-	-	( 347)	( 347)
December 31	<u>(\$ 15,604,651)</u>	<u>(\$ 348,205)</u>	<u>\$ 215</u>	<u>(\$ 18,878,138)</u>	<u>\$ 65,929</u>	<u>(\$ 34,764,850)</u>

(XXIV) Operating Revenue

	<u>2025</u>	<u>2024</u>
Revenue from contracts with customers:		
Revenue from sales of goods	\$ 1,935,784	\$ 2,402,334
Rental income	<u>126,618</u>	<u>119,759</u>
	<u>\$ 2,062,402</u>	<u>\$ 2,522,093</u>

1. Detail of customer contract income

The Company's revenue is derived from the transfer of goods and leases, including those recognized over time and at a point in time, and can be disaggregated into the following major operating segments:

<u>2025</u>	<u>Textile segment</u>	<u>Retail segment</u>	<u>Hypermarket segment</u>	<u>Total</u>
Departmental revenue	<u>\$ 548,105</u>	<u>\$ 423,935</u>	<u>\$ 963,744</u>	<u>\$ 1,935,784</u>
Timing of revenue recognition				
Revenue recognized at a point in time	<u>\$ 548,105</u>	<u>\$ 423,935</u>	<u>\$ 963,744</u>	<u>\$ 1,935,784</u>

<u>2024</u>	<u>Textile segment</u>	<u>Retail segment</u>	<u>Hypermarket segment</u>	<u>Total</u>
Departmental revenue	<u>\$ 714,518</u>	<u>\$ 515,159</u>	<u>\$ 1,172,657</u>	<u>\$ 2,402,334</u>
Timing of revenue recognition				
Revenue recognized at a point in time	<u>\$ 714,518</u>	<u>\$ 515,159</u>	<u>\$ 1,172,657</u>	<u>\$ 2,402,334</u>

2. Contract assets and liabilities (related parties included)

As of December 31, 2025 and 2024, the Company had no contract assets related to revenue from contracts with customers. The contract liabilities recognized by the Company are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>January 1, 2024</u>
Contract liabilities	<u>\$ 19,655</u>	<u>\$ 41,194</u>	<u>\$ 34,804</u>

(XXV) Operation cost

	<u>2025</u>	<u>2024</u>
Costs of clients' contracts:		
Cost of sales of goods	<u>\$ 1,373,806</u>	<u>\$ 1,715,014</u>

(XXVI) Interest revenue

	<u>2025</u>		<u>2024</u>
Interest on cash in banks	\$ 7,794		\$ 6,667
Interest income from the financial assets measured at amortized costs	9,146		11,067
Imputed interest for deposit	392		257
	<u>\$ 17,332</u>		<u>\$ 17,991</u>

(XXVII) Other income

	<u>2025</u>		<u>2024</u>
Dividend income			
Financial assets at fair value through profit or loss	\$ 488,048		\$ 23,500
Financial Assets at fair value through other comprehensive income acquired	216,999		114,762
Compensation income	73,600		-
Other income	73,058		68,169
	<u>\$ 851,705</u>		<u>\$ 206,431</u>

(XXVIII) Other gains and losses

	<u>2025</u>		<u>2024</u>
Gain (loss) on disposal of property, plant and equipment	(\$ 755)		\$ 2,348
Gain on disposal of non-current assets held for sale	940,684		\$ -
Foreign exchange net (loss) gain	( 5,690)		71,427
Gains (losses) on financial assets at fair value through profit or loss	( 749,473)		312,338
Fair value adjustment gain - investment property	324,848		563,267
Gains on lease modifications	3		-
Others	( 5,863)		( 3,342)
	<u>\$ 503,754</u>		<u>\$ 946,038</u>

(XXIX) Financial Costs

	<u>2025</u>	<u>2024</u>
Interest Cost:		
Bank loan and short-term notes and bills	\$ 180,473	\$ 148,872
Lease liabilities	3,935	2,569
Others	13,757	12,047
Other financial expenses	68	1,001
	<u>\$ 198,233</u>	<u>\$ 164,489</u>

(XXX) Additional information on the nature of costs and expenses

	<u>2025</u>	<u>2024</u>
Raw materials and supplies consumed	\$ 19,860	\$ 26,497
Changes in inventories of finished goods and work-in-process	348,761	461,781
Changes in merchandise inventory	917,361	1,119,364
Contract processing expense	108,825	132,470
Gain from the price recovery of inventory declines (	21,001)	( 25,098)
Employee benefit expense	422,084	444,723
Depreciation expenses for property, plant and equipment	37,940	35,322
Depreciation expenses for right-of-use assets	59,740	59,664
Amortization	1,927	1,687
Expected Credit (Reversal of) Impairment Loss (	39)	768
Other operating costs and expenses	305,371	300,893
	<u>\$ 2,200,829</u>	<u>\$ 2,558,071</u>

(XXXI) Employee benefit expense

	<u>2025</u>	<u>2024</u>
Wages and salaries	\$ 328,148	\$ 353,423
Labor and Health Insurance costs	33,126	31,677
Pension expense	14,116	14,341
Directors' Remuneration	30,719	28,591
Other employment fees	15,975	16,691
	<u>\$ 422,084</u>	<u>\$ 444,723</u>

1. According to the Company's Articles of Incorporation, if the Company is profitable for the year, it shall allocate 0.3% to 0.5% of its earnings as employee remuneration. The total amount of employee remuneration allocated to non-executive employees shall not be less than 40% of the total employee remuneration. However, if the Company has accumulated losses, an amount must first be set aside to cover those losses. The remuneration to employees as stated in the preceding paragraph can be paid in cash or with stock dividends, and the object of distribution must include employees of the subordinate company that meet certain conditions.
2. The estimated employees' compensation for 2025 and 2024 amounted to \$29,178 and \$41,706, respectively, which were recognized under salary expenses.

For 2025, the employees' compensation as resolved by the Board of Directors was consistent with the estimated amount and will be paid in cash.

Employees' compensation for 2024 as resolved by the board of directors was in agreement with the amount recognized in the 2024 financial statements and would be paid in cash; and had not been paid as of December 31, 2025.

Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the board of directors and the shareholders at the shareholders' meeting will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(XXXII) Income tax

1. Income tax expense:

(1) Components of Income tax expense:

	<u>2025</u>	<u>2024</u>
Current income tax:		
Land value increment tax	\$ 47,487	\$ -
Additional income tax on undistributed earnings	-	168,701
Underestimation on income tax for prior years	<u>37,732</u>	<u>55</u>
Total income tax for current period	<u>85,219</u>	<u>168,756</u>
Deferred income tax:		
Land value increment tax	56,903	22,021
Origination and reversal of temporary differences	<u>(141,577)</u>	<u>105,303</u>
Total deferred income tax	<u>(84,674)</u>	<u>127,324</u>
Income tax expense	<u>\$ 545</u>	<u>\$ 296,080</u>

(2) Income tax relating to components of other comprehensive (loss) income directly recognized (credited or charged):

	<u>2025</u>		<u>2024</u>
Changes in unrealized valuation loss (profit)	(\$ 71,644)		(\$ 84,798)
Share of other comprehensive income of subsidiaries and associates	185,384	(	51,642)
Remeasurements of defined benefit obligations	( 726)	(	4,072)
	<u>\$ 113,014</u>		<u>(\$ 140,512)</u>

(3) Income tax directly recognized (credited or charged) in equity:

	<u>2025</u>		<u>2024</u>
Capital surplus	<u>\$ 71</u>	(	<u>(\$ 1,288)</u>

2. Reconciliation of income tax expense and accounting profit

	<u>2025</u>		<u>2024</u>
Income tax expense calculated at the statutory tax rate on profit before tax	\$ 1,939,354		\$ 2,772,049
Expenses disallowed under tax regulations	14		20
Tax-exempt income in accordance with tax regulations	( 2,034,804)	(	2,679,249)
Changes in the realizability of deferred income tax assets	( 247,175)		-
Tax losses for which no deferred income tax assets were recognized	145,234		13,520
Land value increment tax	22,797		-
Land value increment tax – investment properties	81,592		22,021
Temporary differences for which no deferred income tax assets were recognized	55,801	(	1,037)
Additional income tax on undistributed earnings	-		168,701
Underestimation on income tax for prior years	37,732		55
Income tax expense	<u>\$ 545</u>		<u>\$ 296,080</u>

3. Deferred income tax assets or liabilities arising from temporary differences and investment tax credits are as follows:

	January 1	Recognized in profit and loss	2025 Recognized as other comprehensive income	Recognized in equity	December 31
Temporary differences:					
- Deferred Tax Assets:					
Loss on inventory write-downs and obsolescence	\$ 27,372	(\$ 4,199)	\$ -	\$ -	\$ 23,173
Impairment loss on non-current assets held for sale	1,761	( 1,761)	-	-	-
Impairment loss on investment properties	40,333	( 4,210)	-	-	36,123
Impairment loss on other assets	338	( 338)	-	-	-
Excess allowance for doubtful accounts	678	55	-	-	733
Impairment loss under the equity method	90,406	-	-	-	90,406
Domestic investment losses	75,531	386	-	-	75,917
Unrealized intercompany gains and losses	-	-	-	-	-
Land value increment tax on land exchange transactions	-	24,689	-	-	24,689
Share of other comprehensive income of subsidiaries and associates	674,445	-	185,042	-	859,487
Remeasurements of defined benefit obligations	4,347	-	( 726)	-	3,621
Subtotal	915,211	14,622	184,316	-	1,114,149
- Deferred Income Tax Liabilities:					
Foreign investment income	\$ 792,878	\$ 413	\$ -	\$ -	\$ 793,291
Unrealized foreign exchange gains	567	867	-	-	1,434
Rental costs of investment properties	58,266	1,498	-	-	59,764
Loss on disposal of investment properties	7	5	-	-	12
Fair value adjustment gains on buildings of investment properties	80,553	( 4,532)	-	-	76,021
Land value increment tax on investment properties	309,001	81,592	-	-	390,593
Gains on Financial assets at fair value through profit or loss	186,856	( 149,895)	-	-	36,961
Changes in unrealized valuation profit or loss	115,218	-	71,643	-	186,861
Share of other comprehensive income of subsidiaries and associates	45,256	-	( 341)	( 71)	44,844
Subtotal	1,588,602	( 70,052)	71,302	( 71)	1,589,781
Total	(\$ 673,391)	\$ 84,674	\$ 113,014	\$ 71	(\$ 475,632)

	January 1	Recognized in profit and loss	2024 Recognized as other comprehensive income	Recognized in equity	December 31
Temporary differences:					
- Deferred Tax Assets:					
Loss on inventory write-downs and obsolescence	\$ 32,392	(\$ 5,020)	\$ -	\$ -	\$ 27,372
Impairment loss on non-current assets held for sale	-	1,761	-	-	1,761
Impairment loss on investment properties	44,598	( 4,265)	-	-	40,333
Impairment loss on other assets	2,769	( 2,431)	-	-	338
Excess allowance for doubtful accounts	567	111	-	-	678
Unrealized foreign exchange losses	30,957	( 30,957)	-	-	-
Impairment loss under the equity method	90,406	-	-	-	90,406
Domestic investment losses	75,708	( 177)	-	-	75,531
Unrealized intercompany gains and losses	194	( 194)	-	-	-
Share of other comprehensive income of subsidiaries and associates	725,811	-	( 51,300)	( 66)	674,445
Remeasurements of defined benefit obligations	8,419	-	( 4,072)	-	4,347
Subtotal	1,011,821	( 41,172)	( 55,372)	( 66)	915,211
- Deferred Income Tax Liabilities:					
Foreign investment income	793,251	( 373)	-	-	792,878
Unrealized foreign exchange gains	-	567	-	-	567
Rental costs of investment properties	56,543	1,723	-	-	58,266
Loss on disposal of investment properties	7	-	-	-	7
Fair value adjustment gains on buildings of investment properties	80,807	( 254)	-	-	80,553
Land value increment tax on investment properties	286,980	22,021	-	-	309,001
Gains on Financial assets at fair value through profit or loss	124,388	62,468	-	-	186,856
Changes in unrealized valuation profit or loss	30,420	-	84,798	-	115,218
Share of other comprehensive income of subsidiaries and associates	43,692	-	342	1,222	45,256
Subtotal	1,416,088	86,152	85,140	1,222	1,588,602
Total	(\$ 404,267)	(\$ 127,324)	(\$ 140,512)	(\$ 1,288)	(\$ 673,391)

4. Aggregate amount of deductible temporary differences for which no deferred income tax assets have been recognized by the Company:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Deductible temporary differences	<u>\$ 274,506</u>	<u>(\$ 3,123)</u>

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

(XXXIII) Earnings per share

	<u>2025</u>		<u>Earnings per share</u>
	<u>After-tax</u>	<u>at the end of the period</u>	<u>Number of shares</u>
	<u>amount</u>	<u>outstanding (thousand</u>	<u>(NT\$)</u>
		<u>shares)</u>	
<u>Basic earnings per share</u>			
Net income attributable to ordinary shareholders for the period	<u>\$ 9,696,228</u>	<u>1,043,663</u>	<u>\$ 9.29</u>
<u>Diluted earnings per share</u>			
Net income attributable to ordinary shareholders for the period	\$ 9,696,228	1,043,663	
Dilutive potential ordinary shares effecting employee compensation	-	<u>897</u>	
Net income attributable to ordinary shareholders for the period plus the effect of potential ordinary shares	<u>\$ 9,696,228</u>	<u>1,044,560</u>	<u>\$ 9.28</u>

	<u>2024</u>	<u>at the end of the period</u>	<u>Earnings per share</u>
	<u>After-tax</u>	<u>Number of shares</u>	
	<u>amount</u>	<u>outstanding (thousand</u>	<u>(NT\$)</u>
		<u>shares)</u>	
<u>Basic earnings per share</u>			
Net income attributable to ordinary shareholders for the period	\$ 13,564,168	1,043,663	\$ 13.00
<u>Diluted earnings per share</u>			
Net income attributable to ordinary shareholders for the period	\$ 13,564,168	1,043,663	
Dilutive potential ordinary shares effecting employee compensation	-	650	
Net income attributable to ordinary shareholders for the period plus the effect of potential ordinary shares	\$ 13,564,168	1,044,313	\$ 12.99

(XXXIV) Cash flow supplementary information

1. Investing activities paid partially by cash:

	<u>2025</u>		<u>2024</u>
Acquisition of property, plant and equipment	\$ 22,248		\$ 23,533
Add: Other payables at the beginning of the period - payable on equipment	2,736		1,456
Less: Other payables at the end of the period - payable on equipment	( 2,711)		( 2,736)
Cash payments for current period	\$ 22,273		\$ 22,253

	<u>2025</u>		<u>2024</u>
Purchase of intangible assets	\$ 1,543		\$ 1,820
Add: Other payables at the beginning of the period-Others	288		288
Less: Other payables at the end of the period-Others	( 288)		( 288)
Cash payments for current period	\$ 1,543		\$ 1,820

2. Investing activities received partially in cash:

	<u>2025</u>	<u>2024</u>
Disposal of real estate properties, plants and equipment	\$ 828	\$ 31
Add: Gain on disposal of property, plant and equipment	( 755)	2,348
Less: Amortization of deferred income	-	( 967)
Add: Other receivables at the beginning of the period	1,354	6,627
Less: Other receivables at the end of the period	( 46)	( 1,354)
Cash received during this period	<u>\$ 1,381</u>	<u>\$ 6,685</u>

3. Non-cash operating and investing activities:

	<u>2025</u>	<u>2024</u>
Prepayments for business facilities reclassified to property, plant and equipment	<u>\$ 502</u>	<u>\$ 7,977</u>
Property, plant and equipment reclassified to non-current assets held for sale	<u>\$ -</u>	<u>\$ 113,425</u>

(XXXV) Liabilities from financing activities

	<u>2025</u>				
	<u>Short-term borrowings</u>	<u>Guarantee deposits received</u>	<u>Long-term borrowings (including due within one year and one operating cycle)</u>	<u>Lease liabilities (including those due within 1 year)</u>	<u>Total liabilities from financing activities</u>
January 1	\$ 250,000	\$ 860,057	\$ 9,220,000	\$ 194,640	\$ 10,524,697
Changes of the financing cash flows	-	34,041	675,000	( 58,739)	650,302
Addition-Newly added lease contracts	-	-	-	111,853	111,853
Modifications to leases	-	-	-	( 100)	( 100)
Other non-cash changes	-	( 74,060)	-	-	( 74,060)
December 31	<u>\$ 250,000</u>	<u>\$ 820,038</u>	<u>\$ 9,895,000</u>	<u>\$ 247,654</u>	<u>\$ 11,212,692</u>

2024

	<u>Short-term borrowings</u>	<u>Guarantee deposits received</u>	<u>Long-term borrowings (including due within one year and one operating cycle)</u>	<u>Lease liabilities (including those due within 1 year)</u>	<u>Total liabilities from financing activities</u>
January 1	\$ 350,000	\$ 788,889	\$ 14,645,000	\$ 254,275	\$ 16,038,164
Changes of the financing cash flows	( 100,000)	71,168	( 5,425,000)	( 59,635)	( 5,513,467)
December 31	<u>\$ 250,000</u>	<u>\$ 860,057</u>	<u>\$ 9,220,000</u>	<u>\$ 194,640</u>	<u>\$ 10,524,697</u>

## VII. Transaction with Related Parties

### (I) Names of related parties and relationship

<u>Name of the related party</u>	<u>Relationship with the Company</u>
Shing Yen Construction & Development Co., Ltd.	Subsidiary of the Company
Gin-Hong Investment Co., Ltd.	Subsidiary of the Company
Kompass Global Sourcing Solutions Ltd. (Kompass)	Subsidiary of the Company
Shanghai Newzone Fashion Ltd. (Shanghai Newzone)	Sub-subsidiary of the Company
Ruentex Development Co., Ltd. (Ruentex Development)	Associate (the investee company accounted for under the equity method by the Company)
Ruen Chen Investment Holdings Ltd.	Associate (the investee company accounted for under the equity method by the Company)
Ruen Fu Newlife Corp.	Associate (the investee company accounted for under the equity method by the Company)
Nan Shan Life Insurance Co., Ltd. (Nan Shan Life Insurance)	Associate (the investee company accounted for under the equity method by the Company)
Nan Shan General Insurance Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Xu-Zhan Development co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Engineering & Construction Co., Ltd. (Ruentex Engineering)	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Interior Design Inc.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruen Yang Construction Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Huei Hong Investment Co., Ltd.	Other related party (the Company's juridical person director)
Chang Quan Investment Co., Ltd.	Other related party (the Company's representative of juridical person director is the representative of the juridical person director of the company)
Ruentex Property Management and Maintenance Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruen Hua Dyeing & Weaving Co., Ltd.	Other related party (the Company's representative of juridical person director is the representative of the juridical person director of the company)
Ruentex Xing Co. Ltd.	Other related party (the Company's representative of juridical person director is a director of the Company)
Ruentex Materials Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)

<u>Name of the related party</u>	<u>Relationship with the Company</u>
Ruentex Security Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Construction & Development Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Bai-Yi Development co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Construction & Engineering Co., Ltd.	Other related party (a member of the management of the subordinate company of an investee accounted for under the equity method by the Company is the representative of juridical person director of the company)
Shu-Tien Urology and Ophthalmology Clinic	Other related party (the Company's juridical person director)
Samuel Yen-Liang Yin	Other related party (the relative within the first degree of kinship of the representative of the juridical corporate director of the Company)
Hsu, Sheng-Yu	The Company's key management personnel
Hsu, Chih-Chang	The Company's key management personnel
TaiMed Biologics, Inc.	Other related party (the Company's substantial related party)
OBI Pharma, Inc.	Other related party (the Company's substantial related party)
Sunny Friend Environmental Technology Co., Ltd. (Sunny Friend)	Other related party (the Company's substantial related party)
Tanvex BioPharma Inc.	Other related party (the Company's substantial related party)

(II) Significant related party transactions and balances

1. Operating Revenue

	<u>2025</u>	<u>2024</u>
Sale of goods:		
Subsidiaries		
- Kompass	\$ 36,806	\$ 39,280
Associates	2,238	1,735
Other related parties	12,253	8,367
Rental income:		
Associates	27	-
Other related parties		
- Ruentex Engineering	85,860	80,219
	<u>\$ 137,184</u>	<u>\$ 129,601</u>

- (1) The Company leased land in the Sihu Section of Yangmei, Taoyuan City, and four parcels of land in the Zhennan Section of Wuqi District, Taichung City, to other related parties under operating leases. The negotiation between both parties determined the transaction price, and the payment was collected according to the contract timeline

signed by both parties. The lease term is from July 2017 to May 2040. The rents are reviewed and adjusted with the price index every year. The future minimum lease receivable for the irrevocable contract above is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Less than one years	\$ 86,609	\$ 72,282
More than one year and less than five years	275,981	271,818
More than 5 years	<u>649,705</u>	<u>707,859</u>
	<u>\$ 1,012,295</u>	<u>\$ 1,051,959</u>

(2) There is no significant difference in the Company's transaction prices and payment terms for goods sold between related parties and non-related parties.

## 2. Purchases

	<u>2025</u>	<u>2024</u>
Purchases:		
Sub-subsidiaries		
- Ruentex Industries Ltd. (Shanghai)	<u>\$ 98,485</u>	<u>\$ 111,553</u>

The transaction prices and payment terms for purchases from related parties are not materially different from those with non-related parties.

## 3. Receivables from related parties

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Notes receivable:		
Associates		
-Ruentex Development	\$ 592	\$ -
-Others	27	-
Other related parties	<u>51</u>	<u>49</u>
	<u>\$ 670</u>	<u>\$ 49</u>
Accounts receivable:		
Subsidiaries		
- Kompass	\$ 8,446	\$ 8,116
Associates	552	121
Other related parties	<u>114</u>	<u>161</u>
	<u>\$ 9,112</u>	<u>\$ 8,398</u>
Other receivables:		
Subsidiaries		

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
- Kompas	\$ 7,192	\$ 7,285
Associates		
-Nan Shan Life Insurance	4,545	4,545
-Others	1	91
Other related parties	<u>611</u>	<u>191</u>
	<u>\$ 12,349</u>	<u>\$ 12,112</u>

- (1) Please refer to Note 6 (2) for the aging analysis of notes and accounts receivable.
- (2) Other accounts receivable mainly constitute receivables from related parties for services, computer services, interest, etc.

4. Payables to related parties

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Notes payable:		
Associates	\$ 64	\$ 34
Other related parties	<u>372</u>	<u>397</u>
	<u>\$ 436</u>	<u>\$ 431</u>
Accounts payable:		
Sub-subsidiaries		
- Ruentex Industries Ltd. (Shanghai)	\$ 3,630	\$ 9,146
Associates	<u>866</u>	<u>759</u>
	<u>\$ 4,496</u>	<u>\$ 9,905</u>
Other payables:		
Associates	\$ 91	\$ 90
Other related parties		
- Nan Shan General	341	351
-Others	<u>126</u>	<u>128</u>
	<u>\$ 558</u>	<u>\$ 569</u>

Other payables mainly represent payments to related parties for services rendered and insurance services.

## 5. Non-operating income and expenses

	<u>2025</u>	<u>2024</u>
Interest revenue:		
Associates	<u>\$ 8,750</u>	<u>\$ 8,750</u>
Dividend income:		
Other related parties		
- Ruentex Engineering	\$ 181,338	\$ 90,837
- Sunny Friend	15,178	11,184
-Others	<u>12,359</u>	<u>7,594</u>
	<u>\$ 208,875</u>	<u>\$ 109,615</u>
Other income:		
Subsidiaries		
- Kompas	\$ 29,946	\$ 29,226
-Others	392	449
Associates	7,229	7,364
Other related parties		
- Ruentex Engineering	5,171	5,236
-Others	<u>11,477</u>	<u>10,507</u>
	<u>\$ 54,215</u>	<u>\$ 52,782</u>

- (1) Interest income is mainly generated from the financial assets measured at amortized costs.
- (2) Dividend income is mainly derived from financial assets at fair value through other comprehensive income. In addition, part of the dividends represents cash dividends distributed from capital surplus in the nature of original investment cost. Please refer to Note 6(5) for details.
- (3) Other income mainly refers to income from the computer services and management services provided to related parties.

## 6. Property transactions

Acquisition and disposal of financial assets

Please refer to the description of Note 6(5) and 7.

7. Endorsements or guarantees made by related parties

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Key management personnel	\$ 36,156,800	\$ 36,986,800

8. Other

Please refer to Note 6(11) for details.

(III) Key management compensation information

	<u>2025</u>	<u>2024</u>
Wages and salaries and other short-term employee benefits	\$ 67,284	\$ 65,479
Post-employment benefits	460	526
Total	<u>\$ 67,744</u>	<u>\$ 66,005</u>

VIII. Pledged Assets

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

<u>Asset items</u>	<u>Carrying amount</u>		<u>For guarantee purpose</u>
	<u>December 31, 2025</u>	<u>December 31, 2024</u>	
Investments accounted for using equity method	\$ 7,874,923	\$ 8,596,482	For mid- and long-term loans, short-term borrowings, and issue of commercial paper
Inventories	36,836	36,836	Mid- and long-term loans
Property, plant, and equipment	791,176	915,797	Mid- and long-term loans
Financial assets at fair value through other comprehensive income acquired - non-Current	1,034,174	1,714,023	Mid- and long-term loans
Investment Real Estate	8,996,534	8,675,086	Mid- and long-term loans
Financial Assets at amortized cost- non-Current	43,300	67,800	For legal litigation, tariffs, bank secured loans, and short-term borrowings

IX. Significant Contingent Liabilities and Unrecognized Commitments

Except for those mentioned in Notes 6(7), (9), (10), (17) and 7, there are other material contingent liabilities and unrecognized contractual commitments as follows:

- (I) In November 1998, the Company and RT-MART International Co., Ltd. signed an entrusted management and procurement agreement for the Zhonghe Hypermarket, authorizing RT-MART

International Co., Ltd. to provide hypermarket management and joint procurement services. The agreement period is from November 1998 to December 2028, following multiple additions of supplementary agreements and extensions based on mutual consent.

(II) In June 2025, RT-Mart merged with Palmart Co., Ltd. After the merger, Palmart became the surviving entity, assuming all rights and obligations of RT-Mart.

X. Significant Disaster Loss

None.

XI. Significant subsequent events

Except as disclosed in Notes 6(22) and 6(31), there were no other significant subsequent events.

XII. Others

(I) Capital management

The Company's capital management is to ensure its going concern and maintain the best capital structure to reduce capital cost, so as to provide returns to its shareholders. In order to maintain or adjust capital structure, the Company may adjust dividend distribution, return capital to shareholders, issue new shares or dispose assets to optimize the capital structure. The Company manages its capital through liabilities-to-capital ratio that is the ratio of net liabilities over total capital. The net liabilities is equal to total borrowings (including "current and non-current borrowings" on the parent company only financial statements) deducting cash and cash equivalents. Total capital is the "equity" stated on the parent company only balance sheet plus net liabilities.

The Company's strategy for year 2025 is consistent with that of year 2024. As of December 31, 2025 and 2024, the Company's debt-to-equity ratio was as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Total borrowings	\$ 10,145,000	\$ 9,470,000
Less: Cash and cash equivalents	<u>( 690,522)</u>	<u>( 326,458)</u>
Net debt	9,454,478	9,143,542
Total equity	<u>102,967,930</u>	<u>102,347,505</u>
Total capital	<u>\$ 112,422,408</u>	<u>\$ 111,491,047</u>
Debt-to-total-capital ratio	8.41%	8.20%

(II) Financial instruments

1. Type of financial instruments

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss - non-current	\$ 2,223,388	\$ 3,373,354
Financial assets at fair value through other comprehensive income acquired - non-Current	7,825,111	6,956,332
Financial assets at amortised cost		
Cash and cash equivalents	690,522	326,458
Notes receivable	6	2
Notes Receivable – related party	670	49
Accounts receivable	111,509	144,489
Accounts receivable - related party	9,112	8,398
Other receivables	11,421	6,754
Other receivables - related Party	12,349	12,112
Financial Assets at amortized cost- non-Current	293,300	317,800
Refundable deposits (listed as other non-current assets)	18,612	43,483
	<u>\$ 11,196,000</u>	<u>\$ 11,189,231</u>
<u>Financial liability</u>		
Financial liabilities are carried at amortized cost		
Short-term borrowings	\$ 250,000	\$ 250,000
Notes payable	60,673	91,742
Notes Payable – related Party	436	431
Accounts Payable	175,562	192,171
Accounts Payable – related Party	4,496	9,905
Other payables	285,426	294,381
Other Payable - Related Party	558	569
Long-term borrowings (including due within one year or one operating cycle)	9,895,000	9,220,000
Guarantee deposits received (listed as other non-current liabilities)	820,038	860,057
	<u>\$ 11,492,189</u>	<u>\$ 10,919,256</u>
Lease liabilities - current and non-current	<u>\$ 247,654</u>	<u>\$ 194,640</u>

2. Risk management policies

- (1) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.
- (2) Risk management is carried out by the Company's Finance Department under policies approved by the Board of Directors. Finance Department identified, evaluates and hedges financial risks in close cooperation with the Company's operating units. The board of directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

3. Significant financial risks and degrees of financial risks

(1) Market risk

Foreign exchange risk

- A. The Company holds multiple investments in foreign operations, and the net assets of such investments are exposed to foreign exchange risk. Also, the Company's business involves multiple non-functional currencies that may be impacted by changes in foreign exchange rates. Information for foreign-currency-denominated assets and liabilities that may be affected by foreign exchange risk is as follows:

December 31, 2025

Sensitivity analysis

	<u>Foreign currency</u> <u>(thousands)</u>	<u>Exchange</u> <u>rate</u>	<u>Carrying amount</u> <u>(NT\$)</u>	<u>Range of</u> <u>variation</u>	<u>Effects on profit</u> <u>and loss</u>	<u>Effects on other</u> <u>comprehensive income</u>
<u>Financial assets</u>						
<u>Monetary</u>						
<u>Items</u>						
USD:NTD	\$ 6,767	31.43	\$ 212,687	5%	\$ 10,634	\$ -
CNY:NTD	274	4.496	1,232	5%	62	-
<u>Non-monetary</u>						
<u>items</u>						
USD:NTD	\$ 107,168	31.43	\$ 3,368,295	5%	\$ -	\$ 168,415

December 31, 2024

Sensitivity analysis

	<u>Foreign currency</u> <u>(thousands)</u>	<u>Exchange</u> <u>rate</u>	<u>Carrying amount</u> <u>(NT\$)</u>	<u>Range of</u> <u>variation</u>	<u>Effects on profit</u> <u>and loss</u>	<u>Effects on other</u> <u>comprehensive income</u>
<u>Financial assets</u>						
<u>Monetary</u> <u>Items</u>						
USD:NTD	\$ 6,076	32.79	\$ 199,232	5%	\$ 9,962	\$ -
CNY:NTD	1,057	4.478	4,733	5%	237	-
<u>Non-monetary</u> <u>items</u>						
USD:NTD	\$ 112,381	32.79	\$ 3,684,963	5%	\$ -	\$ 184,248

B. The Company's monetary items are significantly affected by exchange rate fluctuations. The total exchange (losses) gains recognized in 2025 and 2024 (including realized and unrealized amounts) amounted to a loss of \$5,690 and a gain of \$71,427, respectively.

Price risk

- A. The Company's debt and equity instruments exposed to price risk were the financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. In order to manage its equity instruments investment against price risk, the Company diversified its investment portfolio based on the limits set by The Company.
- B. The Company has mostly invested in equity instruments issued by domestic or foreign companies, and the prices of such equity instruments would change due to the change of the future value of investee companies. If the prices of these equity instruments had increased or decreased by 5%, with all other variables held constant, other comprehensive income for 2025 and 2024 would have increased by \$391,256 and \$347,817, respectively, due to gains or losses on equity instruments classified at fair value through other comprehensive income.
- C. The Company has mostly invested in foreign debt instruments issued via privately offered fund, and the prices of such debt instruments would change due to the change of the future value of said instruments. If the prices of these debt instruments had increased or decreased by 5%, with all other variables held constant, net income after tax for 2025 and 2024 would have increased or decreased by \$88,936 and \$134,934, respectively, due to gains or losses on debt instruments classified at fair value through profit or loss.

### Cash flow and fair value interest rate risk

- A. The Company's interest rate risk arises from total borrowings with floating interest rates that expose the Company to cash flow interest rate risk. As of December 31, 2025 and 2024, the Company's borrowings with floating interest rates were primarily denominated in New Taiwan dollars.
- B. The Company's borrowings were measured at amortized cost, and the interest rate is reset every year as specified in the contracts. Therefore, the Company is exposed to interest rate risk from any future market interest rate change.
- C. If borrowing interest rates had increased or decreased by 0.5%, with all other variables held constant, net income after tax for 2025 and 2024 would have decreased or increased by \$40,580 and \$37,880, respectively, mainly due to changes in interest expenses arising from floating-rate borrowings.

### (2) Credit risk

- A. Credit risk refers to the risk of financial loss to the Company arising from default by clients or counterparties of financial instruments on their contractual obligations. Credit risk arises from outstanding accounts receivable that counterparties fail to deliver in accordance with the payment terms, as well as from overdue receivables (listed as "other non-current assets"), in the categories of financial assets measured at fair value through profit and loss, financial assets measured at fair value through other comprehensive income, and contractual cash flows measured at amortized cost.
- B. The Company manages credit risk from the perspective of the Company as a whole. For corresponding banks and financial institutions, it is set that only those with an independent credit rating equal to or higher than the investment grade can be accepted as trading counterparties. In accordance with internally established credit policies, each operating unit must perform credit evaluation and risk analysis on each new customer before determining payment terms and delivery conditions. The internal risk control considers the financial position, past experience and other factors in order to assess the credit quality of customers. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilization of credit limits is regularly monitored.
- C. The Company uses the presumptions provided by IFRS 9 that a loan that is 90 days past due is credit-impaired.

- D. The Company uses IFRS to provide the following assumptions, to determine if the credit risks of the financial instrument significantly increased since the initial recognition.
  - (A) When the contractual payments overdue from the payment terms for more than 30 days, it is deemed the credit risks of the financial instrument significantly increased since the initial recognition.
  - (B) With an external rating agency rated as investment grade at the balance sheet date, the financial asset will be regarded as having low credit risk.
- E. The indicators for determining the impairment of the debt instrument investment used by the Company are as follows:
  - (A) The possibilities that an issuer has a significant financial difficulty, or will become bankrupt or financial reorganized;
  - (B) Due to the financial difficulty of the issuer, such that the active market of the financial asset vanishes;
  - (C) An issuer delay or fail to repay the interests or principals;
  - (D) The unfavorable changes to the national or regional economic conditions leading to the default of an issuer.
- F. Receivables are grouped based on customer's types, and the Company applies the simplified approach using loss rate methodology to estimate the expected credit loss.
- G. After the collection procedures, the financial assets amount that cannot be reasonably estimated will be written-off. However, the Company will continue to continue to pursue the legal right of recourse to protect the claims.
- H. The Company considers customers' past default records and actual financial positions to adjust historical and real-time information to assess the possibility of default and estimate loss allowances for accounts receivable (including related parties listed as "other non-current assets"). As of December 31, 2025, and December 31, 2024, the loss rate methodology is as follows:

<u>December 31, 2025</u>	<u>Not overdue</u>	<u>Past due 1--90 days</u>	<u>Past due 91 days and more</u>	<u>Each</u>	<u>Total</u>
Expected loss	0%~0.05%	0%~0.99%	0%~100%	100%	
Total carrying amount (including related parties)	<u>\$ 105,800</u>	<u>\$ 14,012</u>	<u>\$ 1,647</u>	<u>\$ 4,088</u>	<u>\$ 125,547</u>
Allowance for losses	<u>\$ 49</u>	<u>\$ 52</u>	<u>\$ 737</u>	<u>\$ 4,088</u>	<u>\$ 4,926</u>
<u>December 31, 2024</u>	<u>Not overdue</u>	<u>Past due 1--90 days</u>	<u>Past due 91 days and more</u>	<u>Each</u>	<u>Total</u>
Expected loss	0%~0.25%	1.48%	50%~100%	100%	
Total carrying amount (including related parties)	<u>\$ 136,732</u>	<u>\$ 16,739</u>	<u>\$ 293</u>	<u>\$ 4,088</u>	<u>\$ 157,852</u>
Allowance for losses	<u>\$ 336</u>	<u>\$ 248</u>	<u>\$ 293</u>	<u>\$ 4,088</u>	<u>\$ 4,965</u>

I. Movements in the allowance for doubtful accounts under the simplified approach are as follows:

	<u>2025</u>	<u>2024</u>
	<u>Accounts receivable and overdue receivable</u>	<u>Accounts receivable and overdue receivable</u>
January 1	\$ 4,965	\$ 4,197
Expected credit impairment losses (gains)	( 39)	768
December 31	<u>\$ 4,926</u>	<u>\$ 4,965</u>

J. The financial assets measured by the amortized cost accounted for by the Company are time deposits as a pledge and subordinated bonds. Because the cooperating financial institutions' credit ratings are good, and the Company has conducted transactions with many financial institutions to diversify credit risk, the probability of default is expected to be very low.

(3) Liquidity risk

A. Cash flow forecasting is performed in the operating units of the Company and aggregated by the Finance Department. The financial department monitors rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times, in order to prevent the Company from breaching relevant borrowing limits or term. Such forecasts also consider the credit financing plan, credit terms compliance and the conformity with the financial ratio target specified in the internal balance sheet.

B. The Company invests surplus cash from all operating units in interest-bearing current accounts, time deposits, and repurchasable bonds, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. As of December 31, 2025 and 2024, the Company held interest-bearing money market positions of \$599,070 and \$292,895, respectively.

C. Detail of the loan credit not yet drawn down by the Company is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Due within one year	\$ 5,360,000	\$ 5,910,000
Due longer than one year	<u>22,300,000</u>	<u>23,850,000</u>
	<u>\$ 27,660,000</u>	<u>\$ 29,760,000</u>

D. The table below analyses the Company's non-derivative financial liabilities and into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the following table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:

December 31, 2025

	<u>Within 1 year</u>	<u>Within 1-5 years</u>	<u>More than 5 years</u>
Short-term borrowings (Note)	\$ 253,471	\$ -	\$ -
Notes payable	60,673	-	-
Notes Payable – related Party	436	-	-
Accounts Payable	175,562	-	-
Accounts Payable – related Party	4,496	-	-
Other payables	285,426	-	-
Other Payable - Related Party	558	-	-
Lease liabilities (Note)	39,758	105,480	125,870
Long-term borrowings (including due within one year or one operating cycle) (Note)	503,999	9,686,923	-

Non-derivative financial liabilities:

December 31, 2024

	<u>Within 1 year</u>	<u>Within 1-5 years</u>	<u>More than 5 years</u>
Short-term borrowings (Note)	\$ 253,775	\$ -	\$ -
Notes payable	91,742	-	-
Notes Payable – related Party	431	-	-
Accounts Payable	192,171	-	-
Accounts Payable – related Party	9,905	-	-
Other payables	294,381	-	-

Other Payable - Related Party	569	-	-
Lease liabilities (Note)	50,779	70,225	82,646
Long-term borrowings (including due within one year or one operating cycle) (Note)	633,457	8,874,807	-

Note: The above amounts include interest expected to be paid in the future.

- E. The Company did not expect the occurrence timing of cash flow of expiry date analysis would be significantly earlier, or the actual amount would significantly differ.

### (III) Fair value information

- The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:
  - Level 1: Quoted prices (unadjusted) in active markets for identical Assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investments in listed and OTC listed equities and certain emerging stocks falls within this category.
  - Level 2: Observable inputs, either directly or indirectly, for the asset or liability, other than quoted prices included within Level 1.
  - Level 3: Unobservable inputs for the asset or liability. The Company's investments in private placements of TWSE and TPEX listed companies, certain emerging stocks, equity instruments without an active market, private funds, investment properties, and financial instruments not measured at fair value fall within this category.
- The carrying amounts of the Company's financial instruments not measured at fair value, including cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivable, other receivables, other financial assets recognized in other current assets and other non-current assets, long-term notes and accounts receivable, short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, long-term accounts payable and other financial liabilities recognized in other non-current liabilities, are approximate to their fair values.

3. Classification of financial instruments and non-financial instruments at fair value based on the natures, characteristic and risk, and fair value level is as follows:

December 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss - non-current				
- Foreign privately offered fund	\$ -	\$ -	\$ 2,223,388	\$ 2,223,388
Financial assets at fair value through other comprehensive income acquired - non-Current				
Equity instrument investment				
- Domestic TWSE- and TPEX-listed stocks	\$ 7,035,580	\$ -	\$ -	\$ 7,035,580
- Domestic stocks listed in TPEX	704,960	-	-	704,960
- Domestic unlisted stocks	-	-	84,571	84,571
Subtotal	\$ 7,740,540	\$ -	\$ 84,571	\$ 7,825,111
Investment property (Note)	\$ -	\$ -	\$ 9,638,078	\$ 9,638,078
Total	\$ 7,740,540	\$ -	\$ 11,946,037	\$ 19,686,577
December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss - non-current				
- Foreign privately offered fund	\$ -	\$ -	\$ 3,373,354	\$ 3,373,354
Financial assets at fair value through other comprehensive income acquired - non-Current				
Equity instrument investment				
- Domestic TWSE- and TPEX-listed stocks	\$ 6,662,490	\$ -	\$ -	\$ 6,662,490
- Domestic stocks listed in TPEX	-	-	198,200	198,200
- Domestic unlisted stocks	-	-	95,642	95,642
Subtotal	\$ 6,662,490	\$ -	\$ 293,842	\$ 6,956,332
Investment property (Note)	\$ -	\$ -	\$ 9,313,230	\$ 9,313,230
Total	\$ 6,662,490	\$ -	\$ 12,980,426	\$ 19,642,916

Note: Investment property subsequently measured at fair value

4. The methods and assumptions the Company used to measure fair value are as follows:
- (1) The Company used market quoted prices as fair values (that is, Level 1) of investment in stocks listed in TWSE and TPEX and partial investment in stocks listed in the emerging stock market, and the quoted prices are the closing prices.
  - (2) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).
  - (3) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
  - (4) For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. Such type of valuation model is normally applied to derivative financial instruments. Certain inputs used in the valuation model are not observable at market, and the Company must make reasonable estimates based on its assumptions. For the impacts of non-market observable parameters on financial instrument valuation, please refer to Note XII(3)10 for details.
  - (5) The fair value valuation techniques adopted by the Company for the investment property measured at fair value are in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and such fair values are measured by the Company or outsourced using the income approach. The related assumptions and input values are as follows:
    - A. Cash Flow: It is evaluated based on the existing lease contracts, local rents, or the rental trends of similar property in the market, excluding those that are too high or too low. If there is an end-of-period value, the present value of the end-of-period value may be added.
    - B. Analysis Period: If there is no specific period for income, the analysis period should not exceed ten years in principle; if there is a specific period for income, it should be estimated based on the remaining period.

- C. Discount Rate: It is estimated with the risk premium approach at a certain interest rate, with the individual characteristics of investment property considered. The so-called constant interest rate refers to a benchmark that cannot be lower than the two-year postal time deposit small amount deposit flexible interest rate announced by Chunghwa Post Co.,Ltd. plus 0.75 percentage points.
- D. Growth Rate: It is adjusted with reference to the average movement of the consumer price index over the past ten years.
- (6) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments on the parent company only balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on Current market conditions.
- (7) The Company includes credit risk valuation adjustment in the fair value calculation for financial instruments and non-financial instruments to reflect the counterparty credit risk and the credit quality of the Company.
5. There were no transfers between Level 1 and Level 2 during 2025 and 2024.
6. The following table presents the movements in Level 3 for 2025 and 2024:

	<u>2025</u>			
	<u>Financial instruments at fair value through profit or loss</u>	<u>Equity instruments at fair value through other comprehensive income</u>	<u>Investment real estate</u>	<u>Total</u>
January 1	\$ 3,373,354	\$ 293,842	\$ 9,313,230	\$ 12,980,426
Return of cost for the current period	( 400,493)	-		( 400,493)
Transfer out				
- Cost	-	( 240,000)	-	( 240,000)
-Adjustments for valuation	-	( 464,960)	-	( 464,960)
Adjustments for valuation	<u>( 749,473)</u>	<u>495,689</u>	<u>324,848</u>	<u>71,064</u>
December 31	<u>\$ 2,223,388</u>	<u>\$ 84,571</u>	<u>\$ 9,638,078</u>	<u>\$ 11,946,037</u>

	<u>2024</u>			
	<u>Financial instruments at fair value through profit or loss</u>	<u>Equity instruments at fair value through other comprehensive income</u>	<u>Investment real estate</u>	<u>Total</u>
January 1	\$ 3,030,078	\$ 154,647	\$ 8,749,963	\$ 11,934,688
Purchase for current period	30,938	240,000		270,938
Transfer out				-
- Cost	-	( 9,059)		( 9,059)
-Adjustments for valuation	-	( 44,431)		( 44,431)
Adjustments for valuation	<u>312,338</u>	<u>( 47,315)</u>	<u>563,267</u>	<u>828,290</u>
December 31	<u>\$ 3,373,354</u>	<u>\$ 293,842</u>	<u>\$ 9,313,230</u>	<u>\$ 12,980,426</u>

7. The Company's investment in AP Biosciences experienced a steady increase in trading volume in the second half of 2025. As sufficient observable market information became available, the Company reclassified its fair value measurement from Level 3 to Level 1 as of December 31, 2025.
8. The Accounting Department is responsible for valuation procedures related to fair value measurements categorized as Level 3, which includes verifying the independent fair value of financial instruments. Such assessment ensures that the valuation results are reasonable by applying independent information to align the results with current market conditions, confirming that the source of information is independent, reliable, and consistent with other sources, and represented as the exercisable price. It also involves frequently calibrating the valuation model, performing back-testing, updating inputs used in the valuation model, and making any other necessary adjustments to the fair value. Investment properties are valued according to the valuation method and parameter assumptions announced by the Financial Supervisory Commission, or they are appraised by external appraisers.

9. The significant non-observable input value quantified information and significant non-observable input value change sensitivity analysis for the valuation model used in relation to the Level 3 fair value measurements are as follows:

	December 31, 2025		Significant unobservable inputs	Interval	Relationship between inputs and fair value
	<u>Fair value</u>	<u>Valuation techniques</u>			
Investment Real Estate	\$ 4,498,100	The discounted cash flow method of the income approach	Long-term income growth rates and discount rates	Note 1	The higher the growth rate of long-term rental income, the higher the fair value; the higher the discount rate, the lower the fair value.
"	5,139,978	The method of land development analysis	Profit margin and overall capital interest rate	Note 2	As the profit margin decreases, the fair value is higher; as the overall capital interest rate increases, the fair value is lower
Non-derivative Equity Instrument:					
Domestic unlisted stocks	700	Asset-Based Approach	Not applicable	Not applicable	Not applicable
"	83,871	Market approach	Discount for lack of marketability	19.05%~20.53%	The higher the degree of lack of liquidity, the lower the fair value estimate
Foreign privately offered fund	2,223,388	Asset-Based Approach	Not applicable	Not applicable	Not applicable
	December 31, 2024		Significant unobservable inputs	Interval	Relationship between inputs and fair value
	<u>Fair value</u>	<u>Valuation techniques</u>			
Investment Real Estate	\$ 4,245,438	The discounted cash flow method of the income approach	Long-term income growth rates and discount rates	Note 1	The higher the growth rate of long-term rental income, the higher the fair value; the higher the discount rate, the lower the fair value.
"	5,067,792	The method of land development analysis	Profit margin and overall capital interest rate	Note 2	As the profit margin decreases, the fair value is higher; as the overall capital interest rate increases, the fair value is lower
Non-derivative Equity Instrument:					
Shares of domestic TPEX-listed companies	198,200	Market approach	First quartile of the equity multiplier for comparable companies	2.42%	The higher the equity multiplier, the higher the fair value estimate
Domestic unlisted stocks	700	Asset-Based Approach	Not applicable	Not applicable	Not applicable
"	94,942	Market approach	Discount for lack of marketability	14.13%~21.04%	The higher the degree of lack of liquidity, the lower the fair value estimate
Foreign privately offered fund	3,373,354	Asset-Based Approach	Not applicable	Not applicable	Not applicable

Note 1: Please refer to Note 6(11) for the range of long-term rental income growth rates and the range of discount rates.

Note 2: Please refer to Note 6(11) for the profit margin and overall capital interest rate.

10. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurements. For financial assets classified as Level 3, if there is a change in the valuation parameters, then the impact on profit or loss or other comprehensive income is as follows:

				<u>December 31, 2025</u>		<u>December 31, 2025</u>	
				<u>Recognized in profit and loss</u>		<u>Recognized as other comprehensive income</u>	
	<u>Inputs</u>	<u>Changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>	
Financial assets							
Equity Instrument	Lack of marketability						
	Marketability discount	±10%	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,457</u>	<u>(\$ 8,457)</u>	
Privately offered fund	Lack of marketability						
	Marketability discount	±10%	<u>\$ 222,339</u>	<u>(\$ 222,339)</u>	<u>\$ -</u>	<u>\$ -</u>	
				<u>December 31, 2024</u>		<u>December 31, 2024</u>	
				<u>Recognized in profit and loss</u>		<u>Recognized as other comprehensive income</u>	
	<u>Inputs</u>	<u>Changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>	
Financial assets							
Equity Instrument	Lack of marketability						
	Marketability discount	±10%	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,384</u>	<u>(\$ 29,384)</u>	
Privately offered fund	Lack of marketability						
	Marketability discount	±10%	<u>\$ 337,335</u>	<u>(\$ 337,335)</u>	<u>\$ -</u>	<u>\$ -</u>	

### XIII. Separately Disclosed Items

#### (I) Significant transaction information

- Loans to others: None.
- Endorsement/guarantee provided for others: None.
- Significant marketable securities held at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to Table 1.
- Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 2.

5. Accounts receivable from related parties of at least NT\$100 million or 20% of the paid-in capital: None.
6. Business relationship between the parent and subsidiaries and status of the important transactions Please refer to Table 3.

(II) Information on Investees

Names, locations and other information of investees (not including investees in China): Please refer to Table 4.

(III) Information on Investments in China

1. Basic information: Please refer to Table 5.
2. Significant transactions that occur directly or indirectly through a business in a third region and investees in China: Please refer to Table 3.

XIV. Information on Departments

Not applicable.

Ruentex Industries Ltd.  
Schedule of cash and cash equivalents  
December 31, 2025

Unit: NT\$ thousands

Item	Summary	Amount
Cash on hand and revolving funds		\$ 3,595
Bank deposits		
- Checking deposits		87,857
- Demand deposits	Including USD 6,146 thousand at an exchange rate of 31.43	255,755
	Including EUR 5 thousand at an exchange rate of 36.90	
	Including HKD 82 thousand at an exchange rate of 4.04	
	Including RMB 274 thousand at an exchange rate of 4.496	
Cash equivalents - Bonds under repurchase agreements	Interest rate: 0.78–3.75%, period: 2025.12.26–2026.01.06	343,315
		<u>\$ 690,522</u>

Ruentex Industries Ltd.  
Schedule of inventories  
December 31, 2025

Unit: NT\$ thousands

Item	Summary	Amount Cost	Net realizable value	Remark
Construction Business Department				
Construction land				
	Xizhi District, New Taipei City – Zhixing Section	\$ 47,478	\$ 56,632	
	Xinfeng Township, Hsinchu County – Taifeng Section	36,836	64,542	Note
	Yangmei District, Taoyuan City – Shuiliudong Section	619	12,044	
	Tamsui District, New Taipei City – Haitian Section	2,709	506	
	Taitung City, Taitung County – Yonghe Section	36,845	75,883	
	Zhongli District, Taoyuan City – Sanmin Section	87,428	87,428	
	Xinfeng – Pingding Section	78,089	172,855	
	Less: Allowance for valuation losses	( 31,781)		
		258,223		
Textile Business Department				
	Raw materials	19,519	8,320	
	Supplies	153	-	
	Finished goods	53,887	45,885	
	Merchandise inventory	247,251	183,401	
	Less: Allowance for valuation losses	( 83,204)		
		237,606		
Wholesale Business Department				
	Work in process	1,208	1,575	
	Merchandise inventory	23,900	31,173	
	Less: Allowance for valuation losses	( 879)		
		24,229		
Total inventory		<u>\$ 520,058</u>		

Note: Please refer to Note 8 “Pledged Assets” for details.

Ruentex Industries Ltd.  
Schedule of changes in financial assets at fair value through profit or loss – non-current  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Name	Beginning balance		Additions for the period		Decrease in the current period		Adjustments for valuation	Ending balance		Assets pledged or used as collateral	Remark
	Shares	Amount	Shares	Amount	Shares	Amount	Amount	Shares	Amount		
MagiCapital Fund II, L.P.	-	\$ 347,985	-	\$ -	-\$	44,822	(\$ 239,016)	-	\$ 64,147	Nil	
HOPU USD MASTER FUND III, L.P.	-	3,025,369	-	-	-(	355,671)	( 510,457)	-	2,159,241	Nil	
		<u>\$ 3,373,354</u>		<u>\$ -</u>		<u>(\$ 400,493)</u>	<u>(\$ 749,473)</u>		<u>\$ 2,223,388</u>		

Ruentex Industries Ltd.  
Schedule of Changes in Financial Assets at Fair Value through Other Comprehensive Income – Non-current  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Name	Beginning balance		Additions for the period		Decrease in the current period		Adjustments for valuation	Ending balance		Assets pledged or used as collateral	Remarks
	Shares	Amount	Shares	Amount	Shares	Amount	Amount	Shares	Shareholding percentage		
Ruentex Materials Co., Ltd.	7,139,530	\$ 182,772	-	\$ -	-	\$ -	\$ 7,497	7,139,530	4.76%	\$ 190,269	Nil
OBI Pharma, Inc.	12,858,385	752,215	-	-	-	-	-( 405,039)	12,858,385	4.89%	347,176	Note 1
Sunny Friend Environmental Technology Co., Ltd.	3,994,223	342,705	-	-	-	-	-( 28,359)	3,994,223	3.07%	314,346	Note 1
Tanvex BioPharma, Inc.	5,767,039	376,011	502,573	24,123	-	-	-( 55,306)	6,269,612	2.37%	344,828	Nil
TaiMed Biologics	10,910,228	938,281	-	-	-	-	-( 270,574)	10,910,228	3.99%	667,707	Note 1
Brogent Technologies Inc.	3,230,310	471,625	126,232	10,730	-	-	-( 134,953)	3,356,542	4.54%	347,402	Note 1
Ruentex Engineering & Construction Co., Ltd.	23,550,359	3,520,779	4,710,071	-	-	-	1,226,973	28,260,430	9.10%	4,747,752	Nil
Save & Safe Corporation	4,267,233	73,012	-	-	-	-	-( 12,503)	4,267,233	2.51%	60,509	Nil
Huiyang Venture Capital Co., Ltd.	70,000	700	-	-	-	-	-	70,000	2.56%	700	Nil
Uni Airways Corporation	695,077	21,930	-	-	-	-	1,432	695,077	0.18%	23,362	Nil
Pacific Resources Corporation	7,886	-	-	-	-	-	-	7,886	1.05%	-	Nil
Ruentex Interior Design Inc.	333,773	78,102	-	-	-	501	-( 1,501)	333,773	2.23%	76,100	Nil
AP Biosciences Inc.	4,000,000	198,200	-	-	-	-	506,760	4,000,000	4.67%	704,960	Nil
		<u>\$ 6,956,332</u>		<u>\$ 34,853</u>		<u>(\$ 501)</u>	<u>\$ 834,427</u>			<u>\$ 7,825,111</u>	

Note 1: Please refer to Note 8 “Pledged Assets” for details.

Note 2: For details of additions and disposals during the period, please refer to Note 6(5).

Note 3: For details of additions and disposals during the period, please refer to Note 6(5); in addition, OBI Pharma, Inc. reduced its capital by 50% to offset losses during the period. The capital reduction record date was November 24, 2025, and the record date for the issuance of replacement shares was February 2, 2026.

Ruentex Industries Ltd.  
Schedule of changes in financial assets at amortized cost- non-current  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Name	Beginning balance		Additions for the period		Decrease in the current period		Ending balance		Assets pledged or used as collateral	Remark
	Number of units	Carrying amount	Number of units	Amount	Number of units	Amount	Number of units	Carrying amount		
NTD time deposits – Bank SinoPac	-	\$ 43,000	-	\$ -	-	\$ -	-	\$ 43,000	Note 1	
NTD time deposits – Land Bank of Taiwan	-	24,500	-	-	-	( 24,500)	-	-	- Nil	
NTD time deposits – Mega International Commercial Bank	-	300	-	-	-	-	-	300	Note 1	
Subordinated debts of Nan Shan Life Insurance	250	250,000	-	-	-	-	250	250,000	Nil	
		<u>\$ 317,800</u>		<u>\$ -</u>		<u>(\$ 24,500)</u>		<u>\$ 293,300</u>		

Note 1: Please refer to Note 8 “Pledged Assets” for details.

Ruentex Industries Ltd.  
Schedule of changes in investments accounted for using equity method  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Name	Beginning balance		Increase for the period (Note 1)		Decrease in the current period		Adjustments under the equity method (Note 2)	Ending balance		Market value or net asset value per share		Assets pledged or used as collateral	Remark	
	Shares	Amount	Shares	Amount	Shares	Amount		Shares	Shareholding percentage	Amount	Unit price (NTD)			Total amount
Ruentex Development Co., Ltd.	730,987,807	\$ 23,328,605	-	\$ -	-	(\$ 804,087)	\$ 684,335	730,987,807	25.70%	\$ 23,208,853	\$ 31.76	\$ 23,208,853	Note 3	
Nan Shan Life Insurance Co., Ltd.	31,359,432	760,239	-	-	-	-	1,722	31,359,432	0.21%	761,961	24.30	761,961	Nil	
Ruen Fu Newlife Corp.	1,200,000	9,542	-	-	-	-	( 3,884)	1,200,000	40.00%	5,658	4.72	5,658	Nil	
Shing Yen Construction & Development Co., Ltd.	28,783,037	294,043	-	-	-	( 1,573)	1,221	28,783,037	50.94%	293,691	10.20	293,691	Nil	
Kompass Global Sourcing Solutions Ltd.	5,705,969	63,862	442,505	-	-	-	( 3,598)	6,148,474	100.00%	60,264	9.80	60,264	Nil	Note 4
Gin-Hong Investment Co., Ltd.	20,696,358	55,705	-	-	-	( 45,166)	50,378	20,696,358	55.00%	60,917	2.94	60,917	Nil	
Ruen Chen Investment Holdings Ltd.	7,584,595,000	63,782,264	797,180,000	103,500	-	-	970,791	8,381,775,000	23.00%	64,856,555	7.74	64,856,555	Note 3	Note 5
Full Shine International Holdings Ltd.	19,500,000	1,980,199	-	-	-	-	( 72,634)	19,500,000	100.00%	1,907,565	97.82	1,907,565	Nil	
Concord Greater China Limited	17,580,000	1,554,581	-	-	-	-	( 245,712)	17,580,000	42.42%	1,308,869	74.45	1,308,869	Nil	
Gold Leaf International Group Co., Ltd.	500,000	9,761	-	-	-	-	( 433)	500,000	100.00%	9,328	18.66	9,328	Nil	
East Capital International Limited	4,208,000	33,770	-	-	-	-	334	4,208,000	100.00%	34,104	8.10	34,104	Nil	
New Zone International Limited	13,792,000	106,653	-	-	-	-	1,776	13,792,000	100.00%	108,429	7.86	108,429	Nil	
<b>Total</b>		<u>\$ 91,979,224</u>		<u>\$ 103,500</u>		<u>(\$ 850,826)</u>	<u>\$ 1,384,296</u>			<u>\$ 92,616,194</u>		<u>\$ 92,616,194</u>		

Note 1: Increase for the period represents capitalization of earnings and cash capital increase.

Note 2: Adjustments under the equity method include recognition of the investee's profit or loss, translation adjustments for foreign currency long-term investments, and changes in the investee's equity recognized under the equity method.

Note 3: Please refer to Note 8 "Pledged Assets" for details.

Note 4: For details of the record date for capitalization of earnings by Kompass Global Sourcing Solutions Ltd., please refer to Note 6(7)6.(2).

Note 5: For details of the record dates for capitalization of earnings and cash capital increase by Ruen Chen Investment Holdings Ltd., please refer to Note 6(7)12.

Ruentex Industries Ltd.  
Schedule of changes in property, plant, and equipment  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Item	Beginning balance	Increase for the period	Decrease for the period	Transfers for the period	Ending balance	Assets pledged or used as collateral	Remark
Land	\$ 581,046	\$ -	\$ -	\$ -	\$ 581,046		Note
Buildings and structures	385,004	-	-	-	385,004		Note
Machinery and equipment	111,846	7,670	( 1,303)	-	118,213		Nil
Transportation equipment	13,932	-	( 764)	-	13,168		Nil
Leased assets	24,515	-	-	-	24,515		Nil
Leasehold Improvements	224,618	8,488	( 5,433)	-	227,673		Nil
Other equipment	552,551	6,090	( 88,789)	502	470,354		Note
	<u>\$ 1,893,512</u>	<u>\$ 22,248</u>	<u>(\$ 96,289)</u>	<u>\$ 502</u>	<u>\$ 1,819,973</u>		

Explanation: For depreciation methods and useful lives of property, plant and equipment, please refer to Note 4(16).

Note: Please refer to Note 8 "Pledged Assets" for details.

Ruentex Industries Ltd.  
Schedule of Changes in Accumulated Depreciation of Property, Plant and Equipment  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Item	Beginning balance	Increase for the period	Decrease for the period	Transfers for the period	Ending balance	Assets pledged or used as collateral	Remark
Buildings and structures	\$ 193,490	\$ 11,196	\$ -	\$ -	\$ 204,686	Note	
Machinery and equipment	88,830	8,366	( 1,303)	-	95,893	Nil	
Transportation equipment	11,064	808	( 764)	-	11,108	Nil	
Leased assets	24,515	-	-	-	24,515	Nil	
Leasehold Improvements	213,854	10,584	( 4,605)	-	219,833	Nil	
Other equipment	457,363	6,986	( 88,789)	-	375,560	Note	
	<u>\$ 989,116</u>	<u>\$ 37,940</u>	<u>(\$ 95,461)</u>	<u>\$ -</u>	<u>\$ 931,595</u>		

Explanation: For depreciation methods and useful lives of property, plant and equipment, please refer to Note 4(16).

Note: Please refer to Note 8 "Pledged Assets" for details.

Ruentex Industries Ltd.  
Schedule of changes in right-of-use assets  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Item	Beginning balance	Increase for the period	Decrease for the period	Transfers for the period	Ending balance	Assets pledged or used as collateral	Remark
Cost:							
Buildings and structures	\$ 446,055	\$ 111,853	(\$ 59,892)	\$ -	\$ 498,016	Nil	
Accumulated depreciation:							
Buildings and structures	(257,273)	(59,740)	59,795	-	(257,218)	Nil	
Carrying amount	<u>\$ 188,782</u>	<u>\$ 52,113</u>	<u>(\$ 97)</u>	<u>\$ -</u>	<u>\$ 240,798</u>		

Explanation: For depreciation methods and useful lives of right-of-use assets, please refer to Note 4(17).

Ruentex Industries Ltd.  
Schedule of changes in investment real estate  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Subsequent measurement using the fair value model

<u>Item</u>	<u>Beginning balance</u>			<u>Increase (decrease) for the period</u>			<u>Ending balance</u>			<u>Assets pledged or used as collateral</u>	<u>Remark</u>
	<u>Initial recognition amount</u>	<u>Accumulated changes in fair value</u>	<u>Total</u>	<u>Initial recognition amount</u>	<u>Accumulated changes in fair value</u>	<u>Total</u>	<u>Initial recognition amount</u>	<u>Accumulated changes in fair value</u>	<u>Total</u>		
Land	\$ 2,446,672	\$ 6,234,626	\$ 8,681,298	\$ -	\$ 347,506	\$ -	\$ 2,446,672	\$ 6,582,132	\$ 9,028,804	Note	
Buildings	229,567	402,365	631,932	-	( 22,658)	-	229,567	379,707	609,274	Note	
Total	<u>\$ 2,676,239</u>	<u>\$ 6,636,991</u>	<u>\$ 9,313,230</u>	<u>\$ -</u>	<u>\$ 324,848</u>	<u>\$ -</u>	<u>\$ 2,676,239</u>	<u>\$ 6,961,839</u>	<u>\$ 9,638,078</u>		

Explanation 1: For the methods and significant assumptions applied in determining the fair value of investment properties, please refer to Note 6(11).

Explanation 2: The fair value of investment properties has been appraised by independent valuers; please refer to Note 6(11).

Note: Please refer to Note 8 "Pledged Assets" for details.

Ruentex Industries Ltd.  
Schedule of short-term borrowings  
December 31, 2025

Unit: NTS thousands

Type of borrowing	Creditor	Ending balance	Contract term	Interest rate collars	Credit facility	Collateral or guarantee	Remark
Credit Loan	Taiwan Cooperative Bank Da'an Branch	<u>\$ 250,000</u>	2025.10.23-2026.10.23	1.78%	\$ 250,000	Nil	

Ruentex Industries Ltd.  
Schedule of long-term borrowings  
December 31, 2025

Unit: NT\$ thousands

Creditor	Summary	Loan amount	Contract term	Interest rate	Collateral or guarantee	Remark
Mega Bank Zhongxiao Branch	Secured loan	\$ 500,000	2025.08.07-2027.08.06	1.700%~1.910%	Pledge of four parcels of land in Xinfeng (land numbers: 658, 661, 663, 665) and promissory notes of NT\$2,200,000 thousand	Interest payable monthly; principal repayable in full at maturity
Mega Bank Zhongxiao Branch	"	450,000	2025.08.07-2027.08.06	"	Pledge of 27,000 thousand shares of Ruentex Development	Interest payable monthly; principal repayable in full at maturity
Bank of Taiwan Sungshan Branch	"	2,700,000	2025.09.16-2027.09.16	"	Pledge of land and buildings in Zhongli, and promissory notes of NT\$3,000,000 thousand	Interest payable monthly; principal repayable in full at maturity
Taiwan Cooperative Bank Da'an Branch	"	445,000	2025.11.18-2027.11.18	"	Pledge of land and buildings of Zhonghe Hypermarket, and promissory notes of NT\$2,606,800 thousand	Interest payable monthly; principal repayable in full at maturity
Taiwan Cooperative Bank Da'an Branch	"	500,000	2025.11.18-2027.11.18	"	Pledge of 3,780 thousand shares of Ruentex Development, and promissory notes of NT\$2,606,800 thousand	Interest payable monthly; principal repayable in full at maturity
Hua Nan Bank Da'an Branch	"	700,000	2025.08.08-2027.08.08	"	Construction land – Wuqi District, Taichung City, and joint guarantee promissory notes of NT\$1,700,000 thousand	Interest payable monthly; principal repayable in full at maturity
		5,295,000				
First Bank Dunhua Branch	Credit Loan	1,200,000	2025.06.11-2027.05.29	1.700%~1.910%	Promissory notes of NT\$3,660,000 thousand	Interest payable monthly; principal repayable in full at maturity
Chang Hwa Bank	"	400,000	2025.12.23-2027.10.31	"	Promissory notes of NT\$2,140,000 thousand	Interest payable monthly; principal repayable in full at maturity
Agricultural Bank of Taiwan	"	1,300,000	2025.11.25-2027.11.25	"	Promissory notes of NT\$1,300,000 thousand	Interest payable monthly; principal repayable in full at maturity
Bank of Taiwan Sungshan Branch	"	1,000,000	2024.09.13-2027.09.13	"	Promissory notes of NT\$2,000,000 thousand	After the grace period, repayment will be made in equal semiannual installments of NT\$250 million
Taiwan Cooperative Bank Da'an Branch	"	300,000	2025.11.18-2027.11.18	"	Promissory notes of NT\$2,606,800 thousand	Interest payable monthly; principal repayable in full at maturity
Mizuho Bank	"	200,000	2025.12.15-2027.12.15	"	Promissory notes of NT\$2,500,000 thousand	Interest payable monthly; principal repayable in full at maturity
Bank of East Asia Taipei Branch	"	200,000	2025.11.25-2027.11.25	"	Promissory notes of NT\$600,000 thousand	Interest payable monthly; principal repayable in full at maturity
		4,600,000				
		9,895,000				
Less: Current portion (Note)	(	500,000)				
Total		<u>\$ 9,395,000</u>				

Note: Includes unsecured borrowings from Bank of Taiwan Sungshan Branch amounting to NT\$500,000.

Ruentex Industries Ltd.  
Schedule of operating revenue  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

<u>Item</u>	<u>Summary</u>	<u>Amount</u> <u>Subtotal</u>	<u>Total</u>	<u>Remark</u>
Revenue from contracts with customers – sales of goods				
Textile segment		\$ 549,333		
Retail segment		430,143		
Hypermarket segment		<u>976,506</u>	\$ 1,955,982	
Rental income			<u>126,618</u>	
Subtotal			2,082,600	
Less: Sales returns and allowances			<u>( 20,198)</u>	
			<u>\$ 2,062,402</u>	

Ruentex Industries Ltd.  
Schedule of operating cost  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

<u>Item</u>	<u>Amount</u>	<u>Total</u>	<u>Remark</u>
<b><u>Cost of sales of goods</u></b>			
<b><u>Cost of hypermarket operations</u></b>			
Beginning inventory	\$ 82,969		
Add: Purchases during the period	681,214		
Less: Inventory losses	( 3,962)		
Inventory write-off losses	( 1,942)		
Ending inventory	<u>( 25,108)</u>		
Cost of goods purchased and sold	733,171		
Inventory valuation loss	256		
loss on physical inventory	3,962		
Inventory write-off losses	<u>1,942</u>	\$ 739,331	
<b><u>Textile and retail costs</u></b>			
<b><u>Textile costs</u></b>			
Beginning raw materials inventory	32,086		
Add: Raw materials purchased during the period	7,709		
Less: Adjustments to raw materials during the period	( 416)		
Ending raw materials inventory	<u>( 19,519)</u>		
Raw materials consumed during the period	<u>19,860</u>		
Beginning supplies inventory	153		
Less: Ending supplies inventory	<u>( 153)</u>		
Supplies consumed during the period	<u>-</u>		
Manufacturing overhead	<u>108,825</u>		
Cost of goods manufactured	128,685		
Add: Beginning finished goods inventory	54,712		
Purchases during the period	347,936		
Less: Inventory losses	( 318)		
Ending finished goods inventory	<u>( 53,887)</u>		
Cost of goods sold	477,128		
Reversal of inventory write-downs	( 2,068)		
loss on physical inventory	<u>318</u>	475,378	
<b><u>Retail costs</u></b>			
Beginning merchandise inventory	227,150		
Add: Purchases during the period	201,085		
Less: Merchandise write-off losses	( 270)		
loss on physical inventory	( 19)		
Reclassified to selling and administrative expenses	( 2,698)		
Ending merchandise inventory	<u>( 247,251)</u>		
Cost of goods purchased and sold	177,997		
Reversal of merchandise write-downs	( 19,189)		
Merchandise write-off losses	270		
Merchandise shrinkage	<u>19</u>	<u>159,097</u>	
Total operating costs		<u>\$ 1,373,806</u>	

Ruentex Industries Ltd.  
Schedule of selling expenses  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Item	Summary	Amount	Remark
Salaries expense		\$ 182,296	
Depreciation		79,893	
Advertising expense		45,106	
Utilities expense		32,124	
Insurance expense		29,539	
Other expenses		207,602	Note
		<u>\$</u> <u>576,560</u>	

Note: The amounts of other individual items did not exceed 5% of the balance of this account.

Ruentex Industries Ltd.  
Schedule of general & administrative expenses  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

Item	Summary	Amount	Remark
Salaries expense		\$ 145,852	
Depreciation		17,787	
Other expenses		86,863	Note
		<u>\$ 250,502</u>	

Note: The amounts of other individual items did not exceed 5% of the balance of this account.

Ruentex Industries Ltd.  
Summary Statement of Employee Benefits and Depreciation Expenses by Function for the Current Period (Continued)  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

By function Nature	2025			2024		
	Attributed to operating costs	Attributed to operating expenses	Total	Attributed to operating costs	Attributed to operating expenses	Total
Employee benefit expense						
Wages and salaries	\$ -	\$ 328,148	\$ 328,148	\$ -	\$ 353,423	\$ 353,423
Labor and Health Insurance costs	-	33,126	33,126	-	31,677	31,677
Pension expense	-	14,116	14,116	-	14,341	14,341
Directors' Remuneration	-	30,719	30,719	-	28,591	28,591
Other employee benefits	-	15,975	15,975	-	16,691	16,691
Depreciation expense	-	97,680	97,680	-	94,986	94,986

Notes:

1. The number of employees for the current and prior years was 469 and 478, respectively, including 6 directors each year who did not serve concurrently as employees.
2. Companies with shares listed on the stock exchange or traded on the Taipei Exchange are required to disclose the following information:
  - (1) Average employee welfare expense for the current year: \$845 (“Total employee welfare expense for the current year - total directors’ remuneration” / “Number of employees for the current year - number of directors not concurrently serving as employees”).  
Average employee welfare expense for the prior year: \$882 (“Total employee welfare expense for the prior year - total directors’ remuneration” / “Number of employees for the prior year - number of directors not concurrently serving as employees”).
  - (2) Average employee salary expense for the current year: \$709 (total salary expense for the current year / “Number of employees for the current year - number of directors not concurrently serving as employees”).  
Average employee salary expense for the prior year: \$749 (total salary expense for the prior year / “Number of employees for the prior year - number of directors not concurrently serving as employees”).
  - (3) The change in average employee salary expense was (5.34)% (“Average employee salary expense for the current year - average employee salary expense for the prior year” / average employee salary expense for the prior year).
  - (4) The Company established an Audit Committee on June 22, 2018 and dismissed the supervisors on the same date. Remuneration of the Audit Committee for the current and prior years was \$600 and \$600, respectively.
  - (5) Compensation policy
    - A. Directors’ remuneration is determined in accordance with the Company’s Articles of Incorporation and with reference to operating performance and industry standards. It is reviewed by the Remuneration Committee and approved by the Board of Directors.
    - B. The Company conducts regular annual performance evaluations of directors. In accordance with the Board Performance Evaluation Policy, the evaluation results are reported to the Board of Directors and used as a reference for review and improvement, as well as for the selection or nomination of directors and the determination of remuneration. Fixed concurrent service remuneration for directors has been determined with due consideration of the Company’s operating objectives, financial condition, and directors’ responsibilities. In addition, no directors’ remuneration is distributed in accordance with the Company’s Articles of Incorporation.

Ruentex Industries Ltd.  
Summary Statement of Employee Benefits and Depreciation Expenses by Function for the Current Period (Continued)  
January 1, 2025 to December 31, 2025

Unit: NT\$ thousands

- C. The compensation of the President and Vice Presidents includes salaries, bonuses, and employee compensation, and is determined in accordance with the Company's personnel and compensation policies, with reference to operating performance, individual contributions, and industry standards. It is reviewed by the Remuneration Committee and approved by the Board of Directors.
- D. The compensation of directors, the President, and Vice Presidents takes into account operating performance, industry standards, performance evaluation results, and relevant factors associated with potential future operational risks. The Remuneration Committee also periodically reviews and evaluates the Company's compensation policies, systems, standards, and structure for directors and managerial officers, and submits recommendations to the Board of Directors to achieve a balance between sustainable operations and risk management.

Ruentex Industries Ltd. and Subsidiaries  
Securities held at the end of the period (not including investments in subsidiaries, associates and jointly controlled entities)  
December 31, 2025

Attached Table 1

Unit: NT\$ thousands  
(Except as Otherwise Indicated)

Company holding the securities	Type and name of the securities (Note 1)	Relationship with the issuer of securities (Note 2)	Account recognized	Shares	Ending balance		Shareholding percentage	Fair value	Remark (Note 4)
					Carrying amount	(Note 3)			
Ruentex Industries Ltd.	Magi Capital Fund II, L.P.	-	Financial assets at fair value through profit or loss - non-current	-	\$ 64,147		5.23	\$ 64,147	
	HOPU USD MASTER FUND III, L.P.	-	"	-	2,159,241		3.80	2,159,241	
	Shares of Ruentex Engineering & Construction Co., Ltd.	A subordinate company of the investee accounted for under the equity method	Financial assets at fair value through other comprehensive income - non-current	28,260,430	4,747,752		9.10	4,747,752	Note 10
	Shares of Save & Safe Corporation	-	"	4,267,233	60,509		2.51	60,509	
	Shares of Ruentex Interior Design Inc.	A subordinate company of the investee accounted for under the equity method	"	333,773	76,100		2.23	76,100	
	Shares of Huiyang Venture Capital Co., Ltd.	-	"	70,000	700		2.56	700	
	Shares of Uni Airways Corporation	-	"	695,077	23,363		0.18	23,363	
	Shares of Pacific Resources Corporation	-	"	7,886	-		1.05	-	
	Shares of Brogent Technologies Inc.	-	"	3,356,542	347,402		4.54	347,402	Note 9 and Note 12
	Shares of TaiMed Biologics	Substantive related party of the Company	"	10,910,228	667,707		3.99	667,707	Note 8
	Shares of OBI Pharma, Inc.	"	"	12,858,385	347,176		4.89	347,176	Note 6 and Note 13
	Shares of Sunny Friend Environmental Technology Co., Ltd.	"	"	3,994,233	314,346		3.07	314,346	Note 7
	Shares of AP Biosciences Inc.	-	"	4,000,000	704,960		4.67	704,960	
	Shares of Tanvex BioPharma, Inc.	Substantive related party of the Company	"	6,269,612	344,828		2.37	344,828	Note 11
	Shares of Ruentex Materials Co., Ltd.	The Company is a juridical person director of the company.	"	7,139,530	190,269		4.76	190,269	
	Subordinated debts of Nan Shan Life Insurance	One of the Company's affiliates is a controlled company of the company.	Amortized cost financial Assets - non-Current	-	250,000		-	250,000	
Gin-Hong Investment Co., Ltd.	Shares of Ruentex Industries Ltd.	The Company	Financial assets at fair value through other comprehensive income - non-current	36,593,388	1,957,746		3.31	1,957,746	
Concord Greater China Limited.	Shares of Sun Art Retail Group Ltd.	-	"	231,204,324	1,615,934		2.42	1,615,934	
Sinopac Global Investment Ltd.	Shares of OPKO Health Inc.(OPK)	-	"	4,571,665	181,046		0.67	181,046	
	Shares of Gogoro Inc.(GGR)	-	"	41,647	179		0.01	179	

- Note 1: Securities indicated in the Table refer to shares, bonds, beneficiary certificates and securities derived from the items mentioned above within the scope of IFRS No.9.
- Note 2: Not required to be filled in for the issuers of securities that are not related parties.
- Note 3: Please fill in the value carried at adjusted fair value less accumulated impairment losses for those measured at fair value and the value varied at acquisition cost or amortized cost less accumulated impairment losses for those not measured at fair value.
- Note 4: The securities listed that are limited to their use due to the provision of security, pledge loans or others in accordance with the contract shall indicate the number of shares provided for guarantee or pledge, the amount of guarantee or pledge and the limits on the use in the in the column of "Remarks".
- Note 5: The securities listed in this schedule are determined by the Company based on the principle of materiality.
- Note 6: The provision of 4,000 thousand shares, a total of NT\$108,000 thousand was pledged to financial institutions for financing loans.
- Note 7: The provision of 2,310 thousand shares, a total of NT\$181,797 thousand was pledged to financial institutions for financing loans.
- Note 8: The provision of 6,700 thousand shares, a total of NT\$410,040 thousand was pledged to financial institutions for financing loans.
- Note 9: The provision of 3,230 thousand shares, a total of NT\$334,337 thousand was pledged to financial institutions for financing loans.
- Note 10: Please refer to Note 6(5) to the consolidated financial statements for information on the acquisition of Ruentex Engineering & Construction's shares.
- Note 11: Please refer to Note 6(5) to the consolidated financial statements for information on the acquisition of Tanvex BioPharma, Inc.'s shares.
- Note 12: Please refer to Note 6(5) to the consolidated financial statements for information on the acquisition of Brogent Technologies Inc.'s shares.
- Note 13: OBI Pharma, Inc. reduced its capital by 50% during the period to offset losses. The capital reduction record date was November 24, 2025, and the record date for issuance of replacement shares was February 2, 2026.

Ruentex Industries Ltd. and Subsidiaries

Business relationships and significant intercompany transactions and balances between the parent company and subsidiaries and among subsidiaries

January 1 to December 31, 2025

Attached Table 2

Unit: NT\$ thousands

(Except as Otherwise Indicated)

No.	Name of the transaction party	Transaction counterparty	Relationship with the transaction party (Note 2)	Account	Amount	Terms and conditions of transaction	As a percentage of the consolidated total operating revenue or total assets (Note 3)
0	Ruentex Industries Ltd.	Kompass Global Sourcing Solutions Ltd.	1	Sales revenue	\$ 36,806	Note 4	1.52
1	Ruentex Industries Ltd. (Shanghai)	Ruentex Industries Ltd.	2	Sales revenue	98,485	"	4.07

Note 1: The information about business transactions between the parent and the subsidiary shall be indicated in the column of No. respectively. Details on how to filled in No. are as follows:

- (1) Please fill in "0" for the parent.
- (2) Please fill in the Arabic numeral sequentially numbered starting from 1 for the subsidiaries according to the company type.

Note 2: There are three types of the relationship with the transaction party as follows. Please indicate the type only (In the case of the same transaction between the parent or subsidiaries, or between its subsidiaries, duplicate disclosure is not required. For example, in the case of the

transaction **between** the parent or its subsidiary, if the parent has disclosed the information, the subsidiary does not require making a duplicate disclosure;

In the case of the transaction between the subsidiaries, if one of the subsidiaries has disclosed the information, the other subsidiary does not require making a duplicate disclosure.):

- (1) Parent and its subsidiary
- (2) Subsidiary and its parent
- (3) Subsidiary and the other subsidiary

Note 3: The transaction amount as a percentage of the consolidated total operating revenue or total assets shall be calculated at the balance at the end of period as a percentage of the consolidated total assets for assets or liabilities items, and the interim cumulative amount as a percentage of the consolidated total operating revenue for profits or losses items.

Note 4: The price shall be set according to negotiations between the two parties.

Note 5: Transactions amounting to NT\$10,000 shall be disclosed. The information shall be also disclosed from the asset side and revenue side.

Ruentex Industries Ltd. and Subsidiaries  
The name of the invested company, the location and other relevant information (excluding the invested companies in China)  
January 1 to December 31, 2025

Attached Table 3

Unit: NT\$ thousands  
(Except as Otherwise Indicated)

Name of the investing company	Name of the investee company	Location	Main business items	Original investment amount		Holding at the end of period			Investee company		Recognized for the period	Remark
				End of the current period	End of last year	Shares	Percentage	Carrying amount	Profit (Loss)	Profit (Loss)		
Ruentex Industries Ltd.	Ruentex Development Co., Ltd.	Taiwan	Congregate housing and commercial building rental and sale and operation of department store business	\$ 4,967,308	\$ 4,967,308	730,987,267	25.70	\$ 23,208,853	\$ 9,673,993	\$ 2,486,293	The investee company accounted for under the equity method (Note 1)	
Ruentex Industries Ltd.	Nan Shan Life Insurance Co., Ltd.	Taiwan	Personal insurances, including life insurance, health insurance, damage insurance or annuity.	436,800	436,800	31,359,432	0.21	761,961	28,968,948	61,791	The investee company accounted for under the equity method	
Ruentex Industries Ltd.	Ruen Fu Newlife Corp.	Taiwan	Senior Citizen's housing and buildings general affairs administration	74,785	74,785	1,200,000	40.00	5,658(	9,939) (	3,976)	The investee company accounted for under the equity method	
Ruentex Industries Ltd.	Shing Yen Construction & Development Co., Ltd.	Taiwan	Construction Business	1,024,200	1,024,200	28,783,037	50.94	293,691	1,487	1,082	Subsidiary of the Company	
Ruentex Industries Ltd.	Kompass Global Sourcing Solutions Ltd.	Taiwan	International Trade	173,800	173,800	6,148,474	100.00	60,264(	3,597) (	3,597)	Subsidiary of the Company (Note 3)	
Ruentex Industries Ltd.	Gin-Hong Investment Co., Ltd.	Taiwan	General Investment	170,500	170,500	20,696,358	55.00	60,917	91,596	62	Subsidiary of the Company	
Ruentex Industries Ltd.	Ruen Chen Investment Holdings Ltd.	Taiwan	General Investment	17,999,800	17,999,800	8,381,775,000	23.00	64,856,555	25,752,568	5,923,091	The investee company accounted for under the equity method (Note 2 and Note 4)	
Ruentex Industries Ltd.	Full Shine International Holdings Ltd.	British Virgin Islands (BVI)	General Investment	536,074	536,074	19,500,000	100.00	1,907,565	77,629	77,629	Subsidiary of the Company	
Ruentex Industries Ltd.	Concord Greater China Limited.	British Virgin Islands (BVI)	General Investment	672,764	672,764	17,580,000	42.42	1,308,869	273,950	116,202	Subsidiary of the Company	
Ruentex Industries Ltd.	Gold Leaf International Group Co., Ltd.	British Virgin Islands (BVI)	International Trade	17,223	17,223	500,000	100.00	9,328(	28)(	28)	Subsidiary of the Company	
Ruentex Industries Ltd.	East Capital International Limited.	British Virgin Islands (BVI)	General Investment	137,423	137,423	4,208,000	100.00	34,104	387	387	Subsidiary of the Company	
Ruentex Industries Ltd.	New Zone International Limited.	Samoan Islands	General Investment	438,416	438,416	13,792,000	100.00	108,429	1,706	1,706	Subsidiary of the Company	
Full Shine International Holdings Ltd.	Sinopac Global Investment Ltd.	Cayman Islands	General Investment	627,608	627,608	19,500,000	49.06	912,457	81,805	40,131	Sub-subsidiary of the Company	
Sinopac Global Investment Ltd.	Concord Greater China Limited.	British Virgin Islands (BVI)	General Investment	807,135	807,135	6,452,000	15.57	480,366	273,950	42,647	Subsidiary of the Company	

Note 1: The provision of 73,980 thousand shares, a total of NT\$2,348,866 thousand was pledged to financial institutions for financing loans.

Note 2: The provision of 714,163 thousand shares, a total of NT\$5,526,057 thousand was pledged to financial institutions for financing loans.

Note 3: The record date of capitalization of earnings of Kompass Global Sourcing Solutions Ltd. was June 6, 2025.

Note 4: The record date for capitalization of earnings by Ruen Chen Investment Holdings Ltd. was August 19, 2025, and the record date for cash capital increase was December 12, 2025.

Ruentex Industries Ltd. and Subsidiaries  
Information of investments in mainland China-Basic information  
January 1 to December 31, 2025

Attached Table 4

Unit: NT\$ thousands  
(Except as Otherwise Indicated)

Name of the invested companies in China	Main business items	Paid-in capital	Investment method	Remittances from Taiwan at the beginning of the period	Remittances or repatriation made during the period	Remittances from Taiwan at the end of the period	The Company direct	Investee company current	Investments recognized in the period	Ending investment balance	Through this period	Remark
				Amount	Investment amount	Accumulated investment remitted from Taiwan as of the end of the period						
Ruentex Industries Ltd. (Shanghai)	Production and sales of garment products	\$ 559,454	Note 1	\$ 559,454	\$ -	\$ 559,454		\$ 2,328	\$ 2,328	\$ 137,830	\$ -	Note 2(2) , Note 4
		(USD 17,800)		(USD 17,800)		(USD 17,800)						

Note 1: The investment method is the subsidiary directly entering into China to make an investment.

(I) In the case of preparation where no gain or loss on investment has occurred, please specify.

(II) The basis for recognition of gains and losses on investment is divided into the following three categories, which should be specified.

1. Financial statements audited by an international accounting firm with a cooperative relationship with accounting firms in the Republic of China
2. Financial statements audited by the Taiwan parent company's certifying CPAs
3. Other financial statements for the same period that have not been audited by CPAs

Note 3: The relevant figures in this table shall be presented in New Taiwan Dollars. If any relevant figures involve foreign currencies, they shall be converted to New Taiwan dollars at the exchange rate on the financial reporting date.

Note 4: The consolidated shareholding percentage of the Company and its subsidiaries.

Note 5: The profit or loss on the investee for the current period and the carrying amounts of the investments at the end of the period shall be added up first and then converted into US dollars before converted into New Taiwan dollars at the exchange rate.

Accumulated remittances from Taiwan to Mainland China at end of the current period	The approved amount by the Investment Commission, MOEA	The investment amount approved by the Investment Board, Ministry of Economic Affairs
1,974,266 (USD 59,645 thousand) (EUR 2,700 thousand)	2,035,721 (USD 64,770 thousand)	\$ 63,323,577 Investment limit

Note 1: According to the limit set out in the "Principles for the review of investment or technical cooperation in China" of the Investment Commission, Ministry of Economic Affairs, the current limit is 60% of a company's net worth.

Note 2: If any foreign currency is involved in the figures related to the Table, it shall be converted to New Taiwan dollars at the exchange rate on the financial reporting date.