TYCOONS GROUP ENTERPRISE CO., LTD.

PARENT COMPANY ONLY FINANCIAL STATEMENT

WITH REPORT OF INDEPENDENT ACCOUNTANTS

FOR THE YEARS ENDED

DECEMBER 31, 2025 AND 2024

Address: No.79-1, Sinle St., Gangshan Dist., Kaohsiung City 820, Taiwan (R.O.C.)

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The reader is advised that these parent company only financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Parent company only Financial Statements

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Independent Auditors' Report

To TYCOONS GROUP ENTERPRISE CO., LTD.

Opinion

We have audited the accompanying parent company only balance sheets of TYCOONS GROUP ENTERPRISE CO., LTD. (the "Company") as of December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and notes to the parent company only financial statements, including the summary of significant accounting policies (together "the parent company only financial statements").

In our opinion, based on our audits, the parent company only financial statements referred to above present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024 , and the parent company only financial performance and cash flows for the years ended December 31, 2025 and 2024, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

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 Standards on Auditing of 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 Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. 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 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Inventory Valuation

As of December 31, 2025, the Company's net inventories, sold wire rod and spheroidized wire, amounted to NT$172,436 thousand, representing 4% of the total assets, which is significant for the financial statements. Since the raw materials of inventories are significantly affected by the price of the international market and the speed of change of the respective industries. Evaluation involves management's significant accounting estimation and judgement; Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policy of inventories evaluation; evaluating and testing the internal controls established by management for inventory write-downs, including conducting walkthrough tests to verify the design and operational effectiveness of control points; obtaining and sampling the allowance for inventory write-down calculation reports to verify the accuracy of the net realizable value amounts adopted by management; reviewing original documents related to inventory movements to confirm the accuracy of aging classifications; analyzing market value information of inventory items ,such as steel raw materials, to assess the reasonableness of obsolescence, evaluating the provision rate for slow-moving inventories, and recalculating the accuracy of the inventory write-down allowance; understanding the warehouse management process, reviewing the annual stocktaking plan, and participating in the annual physical inventory count to assess the effectiveness of management's classification and control of slow-moving inventories. Please refer to Notes 5 and 6 to the Company's parent company only financial statements.

Revenue Recognition

The Company primarily generate revenue from the sale of goods. Revenue is recognized upon the completion of sales and fulfillment of performance obligations in accordance with the terms of the contracts. Since the timing of fulfilling performance obligations varies depending on contractual agreements. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to, understanding and testing the design and effectiveness of internal controls established by management for revenue recognition; conducting substantive tests by sampling sales revenue details, reviewing related transaction documents such as contracts, customer orders, and shipping documents, and verifying key contract or order terms to identify performance obligations, price allocation, and the timing of fulfillment, ensuring the accuracy of revenue recognition timing. Additionally, a sample of sales transactions within a specified period before and after the balance sheet date is selected and matched with relevant supporting documents to confirm the proper cut-off of revenue recognition. Analytical procedures are performed on the top ten customers of the current and prior periods to identify new transaction partners or patterns, and for newly added transaction partners, transaction verification tests are conducted to check supporting documents and confirm the appropriateness of revenue recognition timing. Please refer to Notes 4 and 6 to the Company's parent company only financial statements.

Other Matters - Making reference to the audits of component auditors

We did not audit the financial statements of certain subsidiaries, associates and joint ventures accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion expressed herein are based solely on the reports of other auditors. The subsidiaries, associates and joint ventures accounted for under the equity method amounted to NT$507,225 thousand and NT$484,134 thousand, representing 13% of total assets as of December 31, 2025 and December 31,2024. And the related share of profit from the subsidiaries, associates and joint ventures accounted for under the equity method amounted to NT$9,599 thousand and NT$(21,504) thousand, representing 14% of the other comprehensive income for the year ended December 31, 2025 and December 31,2024.

Responsibilities of Management and Those Charged with Governance for the Parent company only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, Interpretations developed by the IFRIC or the former SIC as endorsed by Financial Supervisory Commission of the Republic of China 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 responsible for assessing the ability to continue as a going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including Audit Committee, are responsible for overseeing the financial reporting process of the Company.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

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

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

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's 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 accompanying 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 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 group audit.

We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 and 2024 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Chen, Cheng-Chu

Lee, Fang-Wen

Ernst & Young, Taiwan

March 12, 2026

Notice to Readers

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

TYCOONS GROUP ENTERPRISE CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2025	%	December 31, 2024	%
Current assets					
Cash and cash equivalents	4,6.(1)	$225,088	7	$250,375	7
Financial assets at fair value through profit or loss, current	4,6.(2)	7,468	0	10,243	0
Notes receivable, net	4,6.(4)	8,722	0	35,329	1
Accounts receivable, net	4,6.(5)	102,377	3	90,239	2
Accounts receivable - related parties, net	4,6.(5),7	1,342	0	3,704	0
Other receivables	13	123,025	3	60,446	2
Current tax assets	4,6.(18)	1,089	0	848	0
Inventories	4,6.(6)	172,436	4	138,333	4
Prepayments		16,816	0	101,599	3
Other current assets		2,765	0	12,630	0
Total current assets		661,128	17	703,746	19
Non-current assets					
Financial assets at fair value through other comprehensive income, non-current	4,6.(3)	41,410	1	41,410	0
Investments accounted for using the equity method	4,6.(7)	2,490,023	63	2,174,712	59
Property, plant and equipment	4,6.(8),8	777,419	19	615,518	17
Right-of-use assets	4,7	15,608	0	18,426	1
Deferred tax asset	4,6.(18)	947	0	144	0
Refundable deposits	12	427	0	3,427	0
Other non-current assets, other	4	1,806	0	115,654	4
Total non-current assets		3,327,640	83	2,969,291	81
Total Assets		$3,988,768	100	$3,673,037	100

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

Liabilities and Equity	Notes	December 31, 2025	%	December 31, 2024	%
Current liabilities					
Short-term borrowings	4,6.(9)	$379,134	10	$167,802	5
Contract liabilities, current	4,6.(12)	5,014	0	–	–
Notes payable		39,592	1	40,275	1
Accounts payable		49,753	1	26,224	1
Other payables		28,639	1	31,267	1
Lease liabilities, current	4,6.(14)	4,897	0	6,488	0
Other current liabilities, other		14,700	0	128	0
Total current liabilities		521,729	13	272,184	8
Non-current liabilities					
Deferred tax liabilities	4,6.(18)	20,555	1	10,902	0
Lease liabilities, non-current	4,6.(14)	10,871	0	12,025	0
Guarantee deposits	12	1,576	0	1,294	0
Other non-current liabilities		1	0	2	0
Total non-current liabilities		33,003	1	24,223	0
Total liabilities		554,732	14	296,407	8
Equity attributable to the parent company	6.(11)				
Share capital					
Common stock		3,371,682	84	3,371,682	92
Capital surplus		116,094	3	112,693	3
Retained earnings					
Legal reserve		8,130	0	8,130	0
Accumulated deficit		(164,473)	(4)	(158,904)	(4)
Other components of equity		102,603	3	43,029	1
Total equity		3,434,036	86	3,376,630	92
Total liabilities and equity		$3,988,768	100	$3,673,037	100

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

TYCOONS GROUP ENTERPRISE CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

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

Accounting	Notes	For the years ended December 31			
		2025	%	2024	%
Operating revenues	4,6.(12),7	$1,124,114	100	$1,420,769	100
Operating costs	4,6.(6)(20)	(1,092,172)	(97)	(1,409,974)	(99)
Gross profit		31,942	3	10,795	1
Unrealized loss from sales		(777)	(0)	(2,176)	(0)
Realized profit on from sales		1,057	0	10,090	1
Gross profit from operations		32,222	3	18,709	1
Operating expenses	6.(10)(15)				
Sales and marketing expenses		(27,871)	(2)	(27,616)	(2)
Administrative expenses		(72,338)	(6)	(76,395)	(5)
Total operating expense		(100,209)	(8)	(104,011)	(7)
Operating (loss)		(67,987)	(5)	(85,302)	(6)
Non-operating income and (expenses)	4,6.(16)				
Interest income		6,946	1	4,885	0
Other income		1,649	0	1,368	0
Other gains and (losses)		(6,496)	(1)	79,436	6
Finance costs		(6,758)	(1)	(2,767)	(0)
Share of profit (loss) of associates accounted for using the equity metho	4,6.(7)	70,817	6	(151,920)	(11)
Total non-operating income and expense		66,158	5	(68,998)	(5)
(Loss) before income tax		(1,829)	(0)	(154,300)	(11)
Income tax (benefit)	4,6.(18)	(4,286)	(0)	(11,001)	(1)
Net (loss)		(6,115)	(0)	(165,301)	(12)
Other comprehensive income (loss)	4,6.(17)				
Items that will not be reclassified to profit or loss					
Unrealized (losses) gains from investment in equity instruments measured at fair value through other comprehensive income		(1,567)	(0)	(357)	(0)
Remeasurements of defined benefit plans for using the equity		546	0	—	—
Share of other comprehensive income of associates, and joint ventures accounted for using the equity method		(466)	(0)	625	0
Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign financial statements, net after tax		77,009	7	11,672	1
Income tax (expense) benefit related to items that may be reclassified subsequently to profit or loss		(15,402)	(1)	(2,334)	(0)
Total other comprehensive income, net of tax		60,120	6	9,606	1
Total comprehensive income (loss)		$54,005	6	($155,695)	(11)
(Loss) earnings per share (NTD)	6.(19)				
(Loss)earnings per share - Basic		($0.02)		($0.49)	
(Loss)earnings per share - Diluted		($0.02)		($0.49)	

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
TYCOONS GROUP ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

Accounting	Equity attributable to the parent company						
			Retained earnings		Other components of equity		
	Common stock	Capital surplus	Legal reserve	Undistributed earnings (Accumulated deficit)	Exchange differences on translation of foreign financial statements	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	Total equity
Balance as of January 1, 2024	$3,371,682	$129,054	$-	$81,298	$33,998	$87	$3,616,119
Legal reserve	-	-	8,130	(8,130)	-	-	-
Cash dividends	-	-	-	(67,433)	-	-	(67,433)
				-			8,130
Net income in 2024	-	-	-	(165,301)	-	-	(165,301)
Other comprehensive income (loss) in 2024	-	-	-	662	9,338	(394)	9,606
Total comprehensive income (loss)	-	-	-	(164,639)	9,338	(394)	(155,695)
The differences between the fair value of the consideration paid or received from acquiring or disposing of subsidiaries and the carrying amounts of subsidiaries	-	(16,361)	-	-	-	-	(16,361)
Balance as of December 31, 2024	$3,371,682	$112,693	$8,130	($158,904)	$43,336	($307)	$3,376,630
Balance as of January 1, 2025	$3,371,682	$112,693	$8,130	$(158,904)	$43,336	$(307)	$3,376,630
Net (loss) in 2025	-	-	-	(6,115)	-	-	(6,115)
Other comprehensive income (loss) in 2025	-	-	-	546	61,607	(2,033)	60,120
Total comprehensive income (loss)	-	-	-	(5,569)	61,607	(2,033)	54,005
The differences between the fair value of the consideration paid or received from acquiring or disposing of subsidiaries and the carrying amounts of subsidiaries	-	3,401	-	-	-	-	3,401
Balance as of December 31, 2025	$3,371,682	$116,094	$8,130	($164,473)	$104,943	($2,340)	$3,434,036

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

TYCOONS GROUP ENTERPRISE CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Accounting	For the years ended December 31	
	2025	2024
Cash flows from operating activities:		
(Loss) before income tax	($1,829)	($154,300)
Adjustments for:		
Depreciation	56,515	52,361
Interest expense	6,758	2,767
Interest income	(6,946)	(4,885)
Dividend income	(66)	(66)
Share of (profit) loss of associates accounted for using the equity method	(70,817)	151,920
Loss on disposal of property, plant and equipment	16	726
Loss (Gain) on disposal of investments	82	(7,934)
(Gain) on disposal of investments accounted for using the equity method	—	(88,911)
Loss on impairment of financial assets	—	27,242
Realized (loss) on the transactions with subsidiaries and associates	(280)	(7,914)
Others	(7,365)	(15,404)
Subtotal	(22,103)	109,902
Changes in operating assets and liabilities:		
Decrease (Increase) in financial assets mandatorily measured at fair value through profit or loss	706	(340)
Decrease (Increase) in notes receivable	26,607	(25,702)
(Increase) in accounts receivable	(12,138)	(56,732)
Decrease in accounts receivable - related parties	2,362	11,053
(Increase) Decrease in other receivables	(59,903)	32,243
(Increase) Decrease in inventories	(21,648)	55,110
Decrease (Increase) in prepayments	84,783	(85,569)
Decrease (Increase) in other current assets	12,701	(3,993)
Increase (Decrease) in contract liabilities	5,014	(78,140)
(Decrease) in notes payable	(683)	(7,899)
Increase in accounts payable	23,529	3,225
(Decrease) increase in other payables	(2,628)	4,098
Increase (Decrease) in other current liabilities	14,572	(170)
Subtotal	73,274	(152,816)
Cash provided by (used in) operations	49,342	(197,214)
Interest received	4,270	5,534
Interest paid	(6,758)	(2,767)
Income tax (returned) paid	(5,330)	2,131
Net cash provided by (used in) operating activities	41,524	(192,316)
Cash flows from investing activities:		
Acquisition of financial assets measured at amortized cost	(6,082)	(8,152)
Disposal of financial assets measured at amortized cost	8,069	10,432
Acquisition of investments accounted for using the equity method	(201,995)	(66,285)
Disposal of investments accounted for using the equity method	—	57,600
Acquisition of property, plant and equipment	(211,795)	(57,224)
Disposal of property, plant and equipment	—	80
Decrease (Increase) in refundable deposits	3,000	(400)
(Increase) in other financial assets	(2,836)	(2,836)
Decrease (Increase) in other non-current assets	113,848	(85,961)
Dividends received	25,931	13,874
Net cash (used in) investing activities	(271,860)	(138,872)
Cash flows from financing activities:		
Increased in short-term borrowings	1,841,522	167,802
Decrease in short-term borrowings	(1,630,190)	—
Increase in guarantee deposits received	282	1,190
Payment of lease liabilities	(6,564)	(7,278)
(Decrease) Increase in non-current liabilities	(1)	2
Cash dividends paid	—	(67,433)
Net cash provided by financing activities	205,049	94,283
Net (decrease) in cash and cash equivalents	(25,287)	(236,905)
Cash and cash equivalents at beginning of period	250,375	487,280
Cash and cash equivalents at end of period	$225,088	$250,375

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

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

1. HISTORY OF ORGANIZATION

Tycoons Group Enterprise Co., Ltd. (the "Company") was incorporated under the Company Law in November, 1980. The address of its registered office and principal place of business is No. 79-1, Sinle St., Gangshan Dist., Kaohsiung City, Taiwan. The main business of the Company is to produce, process, commerce, export screws, screw nuts, washer, steel thread, heat-processing of metal-blazed, mechanical parts, press-modeling machines as well as heat-processing equipment, and to manufacture, process and export various metal-models, general international trade business excluding futures transactions and investment. On March 27, 1995, the Company's stocks were approved for listing on the Taiwan Stock Exchange.

2. DATE AND PROCEDURES OF AUTHORIZATION OF FINANCIAL STATEMENTS FOR ISSUEre

The parent company only financial statements of the Company for the years ended December 31, 2025 were authorized for issue by the Board of Directors on March 12, 2026.

3. NEWLY ISSUED OR REVISED STANDARDS AND INTERPRETATIONS

(1) Changes in accounting policies resulting from applying for the first-time certain standards and amendments

The Company applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission (FSC) and became effective for annual periods beginning on or after January 1, 2024. The adoption of these new standard and amendment had no material impact on the Company.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which have been endorsed by FSC, and not yet adopted by the Group as at the date when the Group's financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
A	IFRS 17 "Insurance Contracts"	1 January 2023
B	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
C	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
D	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026

(a) IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

(b) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

(1) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
(2) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
(3) Clarify the treatment of non-recourse assets and contractually linked instruments.
(4) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(c) Annual Improvements to IFRS Accounting Standards – Volume 11
    (1) Amendments to IFRS 1
    (2) Amendments to IFRS 7
    (3) Amendments to Guidance on implementing IFRS 7
    (4) Amendments to IFRS 9
    (5) Amendments to IFRS 10
    (6) Amendments to IAS 7

(d) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7
The amendments include:

    (1) Clarify the application of the 'own-use' requirements.
    (2) Permit hedge accounting if these contracts are used as hedging instruments.
    (3) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The abovementioned standards and amendments are applicable for annual periods beginning on or after 1 January 2026 and have no material impact on the Group.

(3) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, and not yet adopted by the Company as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
A	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
B	IFRS 18 "Presentation and Disclosure in Financial Statements"	1 January 2027 (Note)
C	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027
D	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	1 January 2027

Note：On 25 September 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 in 2028

(a) IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 “Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures”, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors’ interests in the associate or joint venture.

(b) IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

(1) Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities’ performance and make it easier to compare entities.

(2) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(3) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

(c) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This new standard and its amendments permit subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

(d) Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)

The amendments include:

(1) Clarify that when the entity's functional currency is that of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the entity shall translate its results and financial position using the closing rate at the date of the most recent statement of financial position.
(2) In the above circumstances, when the presentation currency ceases to be hyperinflationary economy, the entity shall not retranslate amounts that arose before the beginning of the reporting period.
(3) When the entity's functional currency and presentation currency are the currency of a hyperinflationary economy, the entity shall apply the relevant accounting treatment in accordance with paragraph 34 of IAS 29.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Company's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Company is still currently determining the potential impact of (b) and the new or amended standards and interpretations listed under, it is not practicable to estimate their impact on the Company at this point in time. The remaining new or amended standards and interpretations have no material impact on the Company.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of compliance

The parent company only financial statements of the Company for the years ended December 31, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations").

(2) Basis of preparation

The parent company only financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The parent company only financial statements are expressed in thousands of New Taiwan Dollars ("NT$") unless otherwise stated.

(3) Foreign currency transactions

The Company's parent company only financial statements are presented in New Taiwan Dollar, which is also the Company's functional currency. Each entity in the Company determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions are recorded in functional currencies converted using the exchange rate on the transaction date. At the end of each reporting period, foreign currency monetary items are converted at the closing exchange rate on that date; Measure foreign currency non-monetary items at fair value to measure the exchange rate translation on the date of fair value; Non-monetary items in foreign currencies measured at historical cost are converted at the exchange rate on the original transaction date.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
B. Foreign currency items within the scope of IFRS 9 Financial Instruments are accounted for based on the accounting policy for financial instruments.

C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized as other comprehensive gain or loss, any conversion component of that benefit or loss is recognized as other comprehensive gain or loss. When a gain or loss on a non-monetary item is recognized as a gain or loss, any conversion component of that benefit or loss is recognized as a gain or loss.

(4) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into New Taiwan Dollar at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or joint arrangement that includes a foreign operation that does not result in a loss of material effect or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(5) Current and non-current distinction

An asset is classified as current when:

A. The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle
B. The Company holds the asset primarily for the purpose of trading
C. The Company expects to realize the asset within twelve months after the reporting period
D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when:

A. The Company expects to settle the liability in its normal operating cycle
B. The Company holds the liability primarily for the purpose of trading
C. The liability is due to be settled within twelve months after the reporting period
D. The Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(6) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid time deposits or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(7) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 Financial Instruments are recognized initially at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

A. Financial instruments: Recognition and Measurement

The Company accounts for regular way purchase or sales of financial assets on the trade date.

The Company classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

a. the Company’s business model for managing the financial assets and
b. the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, trade receivables, financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

a. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

a. purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
b. financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

a. A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
b. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
c. Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

(i) Purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
(ii) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Company made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment.

<u>Financial asset measured at fair value through profit or loss</u>

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

The Company measures expected credit losses of a financial instrument in a way that reflects:

a. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
b. the time value of money; and
c. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measures as follow:

a. At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Company measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
b. At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
c. For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Company needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for more details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

a. The rights to receive cash flows from the asset have expired
b. The Company has transferred the asset and substantially all the risks and rewards of the asset have been transferred
c. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

D. Financial liabilities and equity

Classification between liabilities or equity

The Company classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Compound instruments

The Company evaluates the terms of the convertible bonds issued to determine whether it contains both a liability and an equity component. Furthermore, the Company assesses if the economic characteristics and risks of the put and call options contained in the convertible bonds are closely related to the economic characteristics and risk of the host contract before separating the equity element.

For the liability component excluding the derivatives, its fair value is determined based on the rate of interest applied at that time by the market to instruments of comparable credit status. The liability component is classified as a financial liability measured at amortized cost before the instrument is converted or settled. For the embedded derivative that is not closely related to the host contract (for example, if the exercise price of the embedded call or put option is not approximately equal on each exercise date to the amortized cost of the host debt instrument), it is classified as a liability component and subsequently measured at fair value through profit or loss unless it qualifies for an equity component. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. Its carrying amount is not remeasured in the subsequent accounting periods. If the convertible bond issued does not have an equity component, it is accounted for as a hybrid instrument in accordance with the requirements under IFRS 9 Financial Instruments.

Transaction costs are apportioned between the liability and equity components of the convertible bond based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

On conversion of a convertible bond before maturity, the carrying amount of the liability component being the amortized cost at the date of conversion is transferred to equity.

Financial liabilities

Financial liabilities within the scope of IFRS 9 Financial Instruments are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as at fair value through profit or loss. A financial liability is classified as held for trading if:

a. it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
b. on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
c. it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

a. it eliminates or significantly reduces a measurement or recognition inconsistency; or
b. a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(8) Derivative instrument

The Company uses derivative instruments to hedge its foreign currency risks and interest rate risks. A derivative is classified in the balance sheet as financial assets or liabilities at fair value through profit or loss except for derivatives that are designated as and effective hedging instruments which are classified as financial assets or liabilities for hedging.

Derivative instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The changes in fair value of derivatives are taken directly to profit or loss, except for the effective portion of hedges, which is recognized in either profit or loss or equity according to types of hedges used.

When the host contracts are either non-financial assets or liabilities, derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not designated at fair value though profit or loss.

(9) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market act participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(10) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for as follows:

Raw materials – Purchase cost on a first in, first out basis
Finished goods and work in progress – Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Rendering of services is accounted in accordance with IFRS 15 and not within the scope of inventories.

(11) Investments accounted for using the equity method

The Company's investment in its associate is accounted for using the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Company has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Under the equity method, the investment in the associate or an investment in a joint venture is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Company's share of net assets of the associate or joint venture. After the interest in the associate or joint venture is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. Unrealized gains and losses resulting from transactions between the Company and the associate or joint venture are eliminated to the extent of the Company's related interest in the associate or joint venture.

When changes in the net assets of an associate or a joint venture occur and not those that are recognized in profit or loss or other comprehensive income and do not affect the Company's percentage of ownership interests in the associate or joint venture, the Company recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate or joint venture on a prorata basis.

When the associate or joint venture issues new stock, and the Company's interest in an associate or a joint venture is reduced or increased as the Company fails to acquire shares newly issued in the associate or joint venture proportionately to its original ownership interest, the increase or decrease in the interest in the associate or joint venture is recognized in additional paid in capital and investment accounted for using the equity method. When the interest in the associate or joint venture is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a pro rata basis when the Company disposes of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

The Company determines at each reporting date whether there is any objective evidence that the investment in the associate or an investment in a joint venture is impaired in accordance with IAS 28 Investments in Associates and Joint Ventures. If this is the case the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with IAS 36 Impairment of Assets. In determining the value in use of the investment, the Company estimates:

A. Its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or
B. The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Because goodwill that forms part of the carrying amount of an investment in an associate or an investment in a joint venture is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36 Impairment of Assets.

Upon loss of significant influence over the associate or joint venture, the Company measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss. Furthermore, if an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

(12) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 Property, plant and equipment. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	3～45 years
Machinery and equipment	4～15 years
Transportation equipment	3～5 years
Office equipment	3～15 years
Other equipment	2～20 years
Leasehold improvements	10～15 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(13) Leases

The Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use, has both of the following:

A. the right to obtain substantially all of the economic benefits from use of the identified asset; and
B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Company for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Company estimates the stand-alone price, maximising the use of observable information.

<u>Company as a lessee</u>

Except for leases that meet and elect short-term leases or leases of low-value assets, the Company recognizes right-of-use asset and lease liability for all leases which the Company is the lessee of those lease contracts.

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

A. fixed payments (including in-substance fixed payments), less any lease incentives receivable;
B. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
C. amounts expected to be payable by the lessee under residual value guarantees;
D. the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Company measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

A. the amount of the initial measurement of the lease liability;
B. any lease payments made at or before the commencement date, less any lease incentives received;
C. any initial direct costs incurred by the lessee; and
D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Company measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Company accounted for as short-term leases or leases of low-value assets, the Company presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statement of comprehensive income.

For short-term leases or leases of low-value assets, the Company elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

(14) Impairment of non-financial assets

The Company assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 Impairment of Assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(15) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The liability to pay a levy is recognized progressively if the obligating event occurs over a period of time.

(16) Revenue recognition

The Company's revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting policies are explained as follow:

Sale of goods

The Company manufactures and sells goods. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main product of the Company is wire rod and screw and revenue is recognized based on the consideration stated in the contract. For certain sales of goods transactions, they are usually accompanied by volume discounts (based on the accumulated total sales amount for a specified period). Therefore, revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. The Company estimates the discounts using the expected value method based on historical experiences. Revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and when the uncertainty associated with the variable consideration is subsequently resolved. During the period specified in the contract, refund liability is recognized for the expected volume discounts.

The Company provides its customer with a warranty with the purchase of the products. The warranty provides assurance that the product will operate as expected by the customers. And the warranty is accounted in accordance with IAS 37.

The credit period of the Company's sale of goods is from 30 to 90 days. For most of the contracts, when the Company transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as trade receivables. The Company usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. For some of the contracts, the Company has transferred the goods to customers but does not have a right to an amount of consideration that is unconditional, these contacts should be presented as contract assets. Besides, in accordance with IFRS 9, the Company measures the loss allowance for a contract asset at an amount equal to the lifetime expected credit losses.

The period between the transfers of contract liabilities to revenue is usually within one year, thus, no significant financing component is arised.

(17) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(18) Post-employment benefits

All regular employees of the Company and its domestic subsidiaries are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Company and its domestic subsidiaries. Therefore, fund assets are not included in the Company's parent company only financial statements. Pension benefits for employees of the overseas subsidiaries and the branches are provided in accordance with the respective local regulations.

For the defined contribution plan, the Company and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries and branches make contribution to the plan based on the requirements of local regulations.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur.

Past service costs or the change in the present value of the defined benefit obligation resulting from the planned amendment or reduction are recognized in profit or loss on the earlier of:

A. the date of the plan amendment or curtailment, and
B. the date that the Company recognizes restructuring-related costs or termination benefits

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

(19) Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

A. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
B. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

A. Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
B. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

According to the temporary exception in the International Tax Reform-Pillar Two Model Rules (Amendments to IAS 12), information about deferred tax assets and liabilities related to Pillar Two income tax will neither be recognized nor be disclosed.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's parent company only financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(1) Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (for example the discounted cash flows model) or market approach. Changes in assumptions about these factors could affect the reported fair value of the financial instruments. Please refer to Note 12 for more details.

(2) Inventories

Estimates of net realisable value of inventories take into consideration that inventories may be damaged, become wholly or partially obsolete, or their selling prices have declined. The estimates are based on the most reliable evidence available at the time the estimates are made. Please refer to Note 6 for more details.

(3) Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Company company's domicile.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Deferred tax assets are recognized for all carryforward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies.

6. CONTENTS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Cash on hand and saving accounts	$225,088	$230,375
Time deposits	—	20,000
Total	$225,088	$250,375

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

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Mandatorily measured at fair value through profit or loss:		
Stocks	$1,531	$2,092
Funds	$5,937	8,151
Total	$7,468	$10,243
Current	$7,468	$10,243
Non-current	—	—
Total	$7,468	$10,243

Financial assets at fair value through profit or loss were not pledged.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(3) Financial assets at fair value through other comprehensive income

	Dec. 31, 2025	Dec. 31, 2024
Equity instrument investments measured at fair value through other comprehensive income – Non-current:		
Unlisted companies stocks	$41,410	$41,410

Financial assets at fair value through other comprehensive income were not pledged.

(4) Notes receivable, net

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Notes receivables arising from operating activities (total carrying amount)	$9,138	$35,745
Less: loss allowance	(416)	(416)
Total	$8,722	$35,329

Accounts receivables were not pledged.

The Company follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6. (13) for more details on loss allowance and Note 12 for details on credit risk.

(5) Accounts receivable and accounts receivable - related parties

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Accounts receivable (total carrying amount)	$102,541	$90,403
Less: loss allowance	(164)	(164)
Subtotal	102,377	90,239
Accounts receivable-related parties (total carrying amount)	1,342	3,704
Total	$103,719	$93,943

Please refer to note 8 for information relating to accounts receivables as security.

Accounts receivables are generally on 90-120 day terms. The total carrying amount as of December 31, 2025 and 2024 were NT$103,883 thousand and NT$94,107 thousand, respectively. Please refer to Note 6. (13) for more details on loss allowance of accounts receivable for the years ended December 31, 2025 and 2024. Please refer to Note 12 for more details on credit risk management.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(6) Inventories

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Merchandises	$240	$45
Finished goods	20,979	12,909
Work in progress	32,844	54,033
Raw materials	95,245	58,960
Materials	7,355	8,896
Goods in transit	15,773	3,490
Total	$172,436	$138,333

The cost of inventories recognized in expenses amounts to NT$1,092,172 thousand for the year ended December 31, 2025, including the reversal of write-down of inventories of NT$2,538 thousand.

The cost of inventories recognized in expenses amounts to NT$1,409,974 thousand for the years ended December 31, 2024, including the reversal of write-down of inventories of NT$12,455 thousand.

Due to the impact of fluctuations in raw material market prices and other factors, inventory valuation losses and recovery gains have occurred.

The aforementioned inventories were not pledged.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(7) Investments accounted for using the equity method

A. The breakdown is as follows:

	As of			
	31 Dec. 2025		31 Dec. 2024	
Investees	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)
Investment in subsidiaries:				
Green Engineering Holding Co., Ltd.	$105,943	45%	67,671	45%
Kingford International Limited	427,601	100%	408,069	100%
Fastbolt International Pte. Ltd.	333,606	49.41%	306,961	49.41%
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	1,268,136	31.58%	1,178,681	31.58%
Ju Gu Condtruction Co., Ltd.	181,117	100%	27,359	100%
Subtotal	2,316,403		1,988,741	
Investments in associates:				
Hurco Automation Co., Ltd.	173,620	35%	$177,173	35%
TY Steel Co., Ltd.	–	5.94%	–	5.94%
Total	$2,490,023		$2,165,914	

B. The investment in subsidiaries in the individual financial statements is expressed as "investments using the equity method" and necessary valuation adjustments are made.

C. The Company resolved on March 13, 2024, through a board meeting to dispose of 100% of the shares of its subsidiaries, Tycoons Group International Co., Ltd. and Tycoons Group (Samoa) Holding Ltd. The merger company completed the transfer of shares in March 2024.

D. The Company’s chairman resolved to establish Ju Gu Construction Co., Ltd. through cash capital increase, and the establishment was registered on August 21, 2024, with a total capital of NT$30,000 thousand. TYCOONS GROUP ENTERPRISE CO., LTD. resolved at meetings of the Board of Directors held on March 10, 2025 and August 11, 2025, respectively, to make cash capital contributions to the company in the amounts of NT$70,000 thousand and NT$100,000 thousand. As of December 31, 2025, the registered capital of the company amounted to NT$200,000 thousand.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

E. The investments accounted for using the equity method and the share of profit or loss and other comprehensive income of investment in Hurco Automation Co., Ltd. was calculated based on the financial statements for the year ended Oct. 31 2025 and 2024.

F. The investee company, TY Steel Company Limited, encountered financial repayment and asset liquidity issues in December 2024, indicating significant uncertainty regarding the going concern assumption. The Group has assessed that there is no ability to continue as a going concern and has fully recognized an impairment loss of NT$156,458 thousand on the remaining carrying amount. The recoverable amount was measured based on its value in use, and since the projected future cash flows were zero, no discount rate was applied in the calculation.

G. The financial report of the associate or joint venture were audited by other accountants in the same period (except for Kingford International Limited and Ju Gu Construction Co., Ltd.).

H. The proportion of profits and losses of subsidiaries and associates accounted for using the equity method in 2025 and 2024 are as follows:

	For the years ended December 31,	
Investees	2025	2024
Tycoons Group International Co., Ltd	$—	$1,678
Green Engineering Holding Co., Ltd.	1,609	(3,566)
Tycoon Group (Samoa) Holding Ltd.	—	(3,374)
Kingford International Limited	39,284	33,517
Fastbolt International Pte. Ltd.	7,638	9,914
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	36,568	(156,030)
Ju Gu Construction Co., Ltd.	(16,243)	(2,641)
Hurco Automation Co., Ltd.	1,961	9,465
TY Steel Co.,Ltd.	—	(40,883)
Total	$70,817	($151,920)

The aforementioned investment associates have no contingent liabilities or capital commitments and were not pledged as of December 31, 2025 and 2024.

(8) Property, plant and equipment

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Owner occupied property, plant and equipment	$777,419	$615,518

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(a) Owner occupied property, plant and equipment

	Land	Buildings and facilities	Machinery equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Total
Cost:								
As of Jan.1, 2025	$340,788	$344,300	$204,970	$8,957	$35,858	$5,680	$108,994	$1,049,547
Additions	175,508	4,501	15,415	—	900	—	15,471	211,795
Disposals	—	—	(310)	(193)	—	—	(11,246)	(11,749)
As of Dec. 31, 2025	$516,296	$348,801	$220,075	$8,764	$36,758	$5,680	$113,219	$1,249,593
As of Jan. 1, 2024	$340,788	$329,321	$186,000	$8,857	$35,492	$5,680	$101,449	$1,007,587
Additions	—	14,979	24,930	100	1,341	—	15,874	57,224
Disposals	—	—	(5,960)	—	(975)	—	(8,329)	(15,264)
As of Dec. 31, 2024	$340,788	$344,300	$204,970	$8,957	$35,858	$5,680	$108,994	$1,049,547

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Land	Buildings and facilities	Machinery equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Total
Depreciation and impairment:								
As of Jan. 1, 2025	$—	$220,339	$109,315	$7,197	$31,363	$1,045	$64,788	$434,029
Depreciation	—	10,401	20,260	830	2,068	434	15,885	49,878
Disposals	—	—	(311)	(193)	—	—	(11,229)	(11,733)
As of Dec. 31, 2025	$—	$230,740	$129,264	$7,816	$33,431	$1,479	$69,444	$472,174
As of Jan. 1, 2024	$—	$210,711	$95,461	$6,277	$30,251	$610	$59,641	$402,951
Depreciation	—	9,628	19,029	902	2,087	435	13,455	45,536
Disposals	—	—	(5,175)	—	(975)	—	(8,308)	(14,458)
As of Dec. 31, 2024	$—	$220,339	$109,315	$7,179	$31,363	$1,045	$64,788	$434,029
Net carrying amount:								
As of Dec. 31, 2025	$516,296	$118,061	$90,810	$948	$3,327	$4,200	$43,775	$777,419
As of Dec. 31, 2024	$340,788	$123,961	$95,655	$1,778	$4,495	$4,635	$44,206	$615,518

Please refer to Note 8 for more details on property, plant and equipment under pledge.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(9) Short-term borrowings

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Secured borrowing	$379,134	$167,802

The Company's short-term borrowing rate were 0.9%～5.36% as of December 31, 2025, respectively.

The Company's unused short-term lines of credits amount to NT$1,004,866 thousand, as of December 31, 2025, respectively.

(10) Post-employment benefits

Defined contribution plan

Expenses under the defined contribution plan for the years ended December 31, 2025 and 2024 were NT$3,243 thousand and NT$3,270 thousand, respectively.

(11) Equity

A. Common stock

i. As of December 31, 2025 and 2024, the Company's authorized capital was NT$7,000,000 thousand, divided into 700,000 thousand shares, respectively, each at a per value of NT$10.

ii. As of December 31, 2025 and 2024, the Company issued capital was NT$3,371,680 thousand, divided into 337,168 thousand shares, respectively, each at a per value of NT$10.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

B. Capital surplus

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Adjusting of reselling bonds	$7,722	$7,722
The differences between the fair value of the consideration paid or received from acquiring or disposing of subsidiaries and the carrying amounts of subsidiaries	43,069	39,668
Restructuring	65,303	65,303
Total	$116,094	$112,693

i. The Group applies the related interpretations issued in R.O.C. for the intra-group reorganization since there is no definite rules for business combinations (or referred as 'reorganization') of entities under common control in IFRS 3, 'Business combinations' as explained in the IFRS Q&A 'explanations to IFRS 3 Business Combinations under Common Control' issued by Accounting Research and Development Foundation on October 26, 2018.

ii. In accordance with Accounting Research and Development Foundation Interpretation ("ARDF Interpretation") 100-248, the Group recognized the intra-group reorganization based on the carrying amounts of subsidiaries accounted for using equity method (net of impairment loss). The difference between the carrying amount and the consideration of the transaction will be adjusted in 'capital surplus - additional paid-in capital', which if insufficient, will decrease the retained earnings. The difference between initial investment cost and net equity will be accounted for by the entities after reorganization.

iii. According to the Company Act, the capital surplus shall not be used except for offsetting the deficit of the company. When a company incurs no loss, it may distribute the capital surplus related to the income derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made in cash or in the form of dividend shares to its stockholders in proportion to the number of shares being held by each of them.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

C. Retained earnings and dividend policy

According to the Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

a. Reserve for tax payments.
b. Offset accumulated losses in previous years, if any.
c. Legal reserve, which is 10% of leftover profits.
d. Allocation or reverse of special reserves as required by law or government authorities.
e. The remaining shall be distributed according to the distribution plan proposed by the Board of Directors according to the dividend policy and submitted to the stockholders' meeting for approval.

The policy of dividend distribution should reflect factors such as the current and future investment environment, fund requirements, domestic and international competition and capital budgets; as well as the interest of the shareholders, share bonus equilibrium and long-term financial planning etc. The Board of Directors shall make the distribution proposal annually and present it at the shareholders' meeting. The distribution of shareholders' dividend shall be allocated as stock dividend in the range of 0% to 90%, and cash dividend in the range of 10% to 100%

According to the Company Act, the company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total authorized capital. The legal reserve can be used to offset the deficit of the company. When the Company incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the stockholders.

The Company, in accordance with the FSC letter No. 1010012865 and the "Q&A on the Application of Special Surplus Reserve after Adopting International Financial Reporting Standards (IFRSs)," sets aside and reverses the special surplus reserve as prescribed. When there is a reversal in other equity reduction items, profits may be distributed based on the reversed portion.

The Company's shareholders resolved at the annual general meeting held on May 28, 2025 not to distribute earnings for the year ended 2024 due to a net loss.

The appropriations earnings of 2023 was approved by the shareholders' meeting held on May 29, 2024. Details are summarized below:

	Appropriations and distributions of earnings	Dividend per share (NT dollars)
	2023	2023
Legal reserve	$8,130	$－
Cash dividends	$67,433	$0.2

Please refer to Note 6. (15) for more details on employees' compensation and remuneration to directors.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(12) Operating revenues

	For the years ended December 31,	
	2025	2024
Revenue from contracts with customers		
Sale of goods	$843,543	$1,162,076
Processing	280,571	258,693
Total	$1,124,114	$1,420,769

Analysis of revenue from contracts with customers for the years ended December 31, 2025 and 2024 are as follows:

A. Disaggregation of revenue

	For the years ended December 31,	
	2025	2024
Revenue from contracts with customers		
Sale of goods	$843,543	$1,162,076
Processing	280,571	258,693
Total	$1,124,114	$1,420,769
Timing of revenue recognition:		
At a point in time	$1,124,114	$1,420,769

B. Contract balances

Contract liabilities, current

	As of		
	Dec. 31, 2025	Dec. 31, 2024	Jan. 01, 2024
Sale of goods	5,014	–	$78,140

C. Transaction price allocated to unsatisfied performance obligations

None.

D. Assets recognized from costs to fulfil a contract with customer

None.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(13) Expected credit losses (gains on reversal)

	For the years ended December 31,	
	2025	2024
Operating expenses – expected credit losses (gains on reversal)		
Accounts receivables	$—	$—
Note receivables	—	—
Total	$—	$—

Please refer to Note 12 for more details on credit risk.

The Company measures the loss allowance of its accounts receivable (including notes receivable, accounts receivable (including related parties), and other receivables (including related parties)) at an amount equal to lifetime expected credit losses. The assessment of the Company's loss allowance as of December 31, 2025 and 2024 are as follows:

A. The Company considers the grouping of trade receivables by counterparties' credit rating, by geographical region and by industry sector and its loss allowance is measured by using a provision matrix, details are as follow:

As of December 31, 2025

	Not overdue	Overdue days				
	(Note)	Within 90 days	91-180 days	181-365 days	Over 365 days	Total
Gross carrying amount	$112,441	—	—	—	$580	$113,021
Loss ratio	—	2.5%	30%	50%	100%	
Lifetime expected credit losses	—	—	—	—	(580)	(580)
Subtotal	$112,441	—	—	—	—	$112,441

As of December 31, 2024

	Not overdue	Overdue days				
	(Note)	Within 90 days	91-180 days	181-365 days	Over 365 days	Total
Gross carrying amount	$129,272	—	—	—	$580	$129,852
Loss ratio	—	2.5%	30%	50%	100%	
Lifetime expected credit losses	—	—	—	—	(580)	(580)
Subtotal	$129,272	—	—	—	—	$129,272

Note: The Company's note receivables are not overdue.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

B. The movement in the provision for impairment of accounts receivable during 2025 and 2024 is as follows:

	Note receivable	Accounts receivable
As of Jan. 1, 2025	$416	$164
(Reversal) for the current period	—	—
As of Dec. 31, 2025	$416	$164
As of Jan. 1, 2024	$416	$164
(Reversal) for the current period	—	—
As of Dec. 31, 2024	$416	$164

(14) Leases

Company as a lessee

The Company leases transportation equipment and buildings. The lease terms are all 2~5 years.

The Company's leases effect on the financial position, financial performance and cash flows are as follow:

A. Amounts recognized in the balance sheet

a. Right-of-use assets

The carrying amount of right-of-use assets

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Land	$15,119	$14,892
Buildings	489	977
Transportation equipment	—	2,557
Total	$15,608	$18,426

During the years ended December 31, 2025 and 2024, the additions to right-of-use assets of the Company amounted to NT$3,820 thousand and NT$17,397 thousand.

b. Lease liabilities

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Lease liabilities	$15,768	$18,513
Current	$4,897	$6,488
Non-current	$10,871	$12,025

Please refer to Note 6. (4) D. finance costs for the interest on lease liabilities recognized during the years ended December 31, 2025 and 2024 and refer to Note 12. (5) liquidity risk management for the maturity analysis for lease liabilities as of December 31, 2025 and 2024.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

B. Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	For the years ended December 31,	
	2025	2024
Land	$3,591	$3,547
Buildings	489	489
Transportation equipment	2,557	2,789
Total	$6,637	$6,825

C. Income and costs relating to leasing activities

	For the years ended December 31,	
	2025	2024
The expenses relating to short-term leases	$342	$195
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	$24	$18

D. Cash outflow relating to leasing activities

During the years ended December 31, 2025 and 2024, the Company's total cash outflows for leases amounted to NT$6,930 thousand and NT$7,491 thousand.

(15) Summary statement of employee benefits, depreciation and amortization expenses by function is as follows:

Function / Nature	For the years ended December 31,					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expense						
Salaries	$46,198	$42,817	$89,015	$43,593	$44,537	$88,130
Labor and health insurance	$4,873	$4,419	$9,292	$4,128	$4,411	$8,539
Pension	$1,179	$2,064	$3,243	$1,210	$2,060	$3,270
Directors' remuneration	—	$2,040	$2,040	—	$2,040	$2,040
Other employee benefits expense	$2,360	$1,599	$3,959	$2,325	$1,664	$3,989
Depreciation	$40,668	$15,847	$56,515	$36,880	$15,481	$52,361

According to the Articles of Incorporation, no less than 2%~5% of profit of the current year is distributable as employees' compensation and no more than 1% of profit of the current year is distributable as remuneration to directors. However, the Company's accumulated losses shall have been covered. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition thereto a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

The number of the Company's employees were 140, of which 3 and 3 directors are not the Company's employees as of December 31, 2025 and 2024, respectively.

The Company's average employee benefit expenses for the years ended December 31, 2025 and 2024 were NT$770 thousand and NT$759 thousand, respectively. The Company's average salary expenses for the years ended December 31, 2025 and 2024 were NT$650 thousand and NT$643 thousand. The Company's average salary expense adjustment for the year ended December 31, 2025 increased 1%.

The Company has set up the Audit Committee in replace of supervisors, and therefore it does not recognize the supervisors' remuneration.

Salary Compensation Policy

The Company set the policy for directors' and employees' compensation to evaluate and monitor the Company's remuneration system for its directors and executive officers. The Company shall assess the performance of directors and executive officers according to the policy. In order to determine their compensation. An adequate compensation scheme will be calculated by referencing the Company's operating results, future risks, corporate strategies, industry trends and also individual contributions.

The Company did not make a profit in 2025 and intends not to distribute employee remuneration.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(16) Non- operating income and (expenses)

A. Interest income

	For the years ended December 31,	
	2025	2024
Interest income- Financial assets at amortized cost	$6,946	$4,885

B. Other income

	For the years ended December 31,	
	2025	2024
Dividend income	$66	$66
Other income- Others	1,583	1,302
Total	$1,649	$1,368

C. Other gains and (losses)

	For the years ended December 31,	
	2025	2024
(Loss) on disposal of property, plant and equipment	($16)	($726)
Foreign exchange (loss) gain, net	(6,311)	99,136
Gain on financial assets at fair value through profit or loss (Note)	1,751	340
(Loss) Gain on disposal of investments	(82)	7,934
Impairment loss	(1,833)	(27,243)
Others	(5)	(5)
Total	($6,496)	$79,436

Note: It is generated form financial assets mandatorily measured at fair value through profit or loss.

D. Finance costs

	For the years ended December 31,	
	2025	2024
Interest on borrowings from bank	$6,416	$2,572
Interest on lease liabilities	342	195
Total finance costs	$6,758	$2,767

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(17) Components of other comprehensive income

For the year ended December 31, 2025:

	Other comprehensive (loss) income, before tax				
	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income (loss)	Other comprehensive income, net after tax
Items that will not to be reclassified subsequently to profit or loss:					
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	($1,567)	–	($1,567)	$–	($1,567)
Remeasurements of defined benefit plans for using the equity method	546	–	546	–	546
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(466)	–	(466)	–	(466)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	77,009	–	77,009	(15,402)	61,607
Total	$75,522	–	$75,522	($15,402)	$60,120

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

For the year ended December 31, 2024:

	Other comprehensive (loss) income, before tax				
	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income (loss)	Other comprehensive income, net after tax
Items that will not to be reclassified subsequently to profit or loss:					
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	($357)	$—	($357)	$—	($357)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	625	—	625	—	625
To be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign financial statements	11,672	—	11,672	334	9,338
Total	$11,940	—	$11,491	($2,334)	$9,606

(18) Income tax

A. The major components of income tax expense (benefit) are as follows:

i. Income tax (benefit) expense recognized in profit or loss

	For the years ended December 31,	
	2025	2024
Current income tax expense :		
Adjustments in respect of current income tax of prior years	$—	$—
Deferred tax expense :		
Deferred tax income tax expense related to origination and reversal of temporary differences	6,552	11,001
Others	(2,266)	—
Total income tax expense	$4,286	$11,001

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ii. Income tax recognized in other comprehensive income

	For the years ended December 31,	
	2025	2024
Deferred income tax expense (benefit)：		
Exchange differences resulting from translating the financial statements of a foreign operation	($15,402)	($2,245)
Income tax related to other comprehensive income	($15,402)	($2,245)

iii. Reconciliation between tax expense and the product of accounting profit multiplied by applicable tax rates is as follows:

	For the years ended December 31,	
	2025	2024
Accounting (loss) before tax from continuing operations	($1,829)	($154,300)
Tax at the domestic rates applicable to profits in the country concerned	(366)	(30,860)
Tax effect of expenses not deductible for tax purposes	5,319	2,989
Tax effect of revenue exempt from taxation	(243)	(4,783)
Adjustments in respect of current income tax of prior years	—	—
Tax effect of deferred tax assets/liabilities	424	21,653
Total income tax expense recognized in profit or loss	$4,286	$11,001

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

iv. Deferred tax assets (liabilities) relate to the following:

For the year ended December 31, 2025	Beginning balance as of Jan. 1, 2025	Deferred tax income (expense) recognized in profit or loss	Deferred tax income (expense) recognized in other comprehensive income	Ending balance as of Dec. 31, 2025
Temporary differences				
Exchange difference on foreign operations	($10,834)	—	($15,402)	($26,236)
Exchange loss	4	568	—	572
Unrealized gain on the transactions with subsidiaries and associates	140	(56)	—	84
Unrealized loss on financial assets	—	291	—	291
Unrealized gain on financial assets	(68)	68	—	—
Other	—	5,681	—	5,681
Deferred tax income		$6,552	($15,402)	
Net deferred tax assets	($10,758)			($19,608)
Reflected in balance sheet as follows:				
Deferred tax assets	$144			$947
Deferred tax liabilities	($10,902)			($20,555)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

For the year ended December 31, 2024	Beginning balance as of Jan. 1, 2024	Deferred tax income (expense) recognized in profit or loss	Deferred tax income (expense) recognized in other comprehensive income	Ending balance as of Dec. 31, 2024
Temporary differences				
Exchange difference on foreign operations	($8,500)	—	($2,334)	($10,834)
Exchange loss	762	(758)	—	4
Unrealized gain on the transactions with subsidiaries and associates	1,723	(1,583)	—	140
Cost of goods sold-unallocated overhead	90	(90)	—	—
Unrealized loss on financial assets	219	(219)	—	—
Unrealized gain on financial assets	—	(68)	—	(68)
Loss carryforward	8,283	(8,283)	—	—
Deferred tax income		($11,001)	($2,334)	—
Net deferred tax assets	$2,577			($10,758)
Reflected in balance sheet as follows:				
Deferred tax assets	$11,077			$144
Deferred tax liabilities	($8,500)			($10,902)

v. The assessment of income tax returns

As of December 31, 2025, the income tax returns of the Company have been assessed and approved as follows:

	The assessment of income tax returns
The Company	Approved up to 2022

(19) Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	For the years ended December 31,	
	2025	2024
(1) Basic earnings per share		
(Loss) Profit attributable to ordinary equity holders of the Company (in thousands)	($6,115)	($165,301)
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	337,168	337,168
Basic earnings per share (NT$)	($0.02)	($0.49)
(2) Diluted (losses) earnings per share		
(Loss) Profit attributable to ordinary equity holders of the Company (in thousands)	($6,115)	($165,301)
Profit attributable to ordinary equity holders of the Company after dilution (in thousands)	337,168	337,168
Effect of dilution:		
Employee compensation－stock (in thousands)	－	－
Weighted average number of ordinary shares outstanding after dilution (in thousands)	337,168	337,168
Diluted (losses) earnings per share (NT$)	($0.02)	($0.49)

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

7. RELATED PARTY TRANSACTIONS

Information of the related parties that had transaction with the Company during the financial reporting period is as follows:

Name and nature of relationship of the related parties

Name of the related parties	Nature of relationship of the related parties
Tycoons Vietnam Co., Ltd. ("TYVN")	Subsidiary before the first quarter of the 2024
Viettycoons Steel Co., Ltd. ("VSC")	Subsidiary before the first quarter of the 2024
Tycoons Worldwide Group (Thailand) Public Co., Ltd. (" TYCN")	The other related party
Ju Gu Construction Co., Ltd.("Ju Gu")	Subsidiary
Huang Wen Sung	The other related party
Huang Bing Lun	The other related party
Huang He Ruei nyu	The other related party
All directors and the main management	The other related party

Significant related party transactions

A. Sales

	For the years ended December 31,	
	2025	2024
TYCN	$19,584	$37,038
TYVN	–	18,195
Total	$19,584	$55,233

The sales price of the goods sold by the Company to related parties was determined through mutual agreement based on the market rates, and the collection period is month-end 30~90 days.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

B. Purchases

	For the years ended December 31,	
	2025	2024
TYVN	—	$46,697
VSC	—	91,785
Total	—	$138,482

C. Accounts receivables - related parties

	As of	
	Dec. 31, 2025	Dec. 31, 2024
TYCN	$1,342	$3,704

D. Other receivables - related parties

	As of	
	Dec. 31, 2025	Dec. 31, 2024
TYCN	$115	$6
Ju Gu	122,822	60,137
Total	$122,937	$60,143

E. Prepayments

	As of	
	Dec. 31, 2025	Dec. 31, 2024
TYCN	$—	$83,470

F. Temporary debit

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Huang He Ruei nyu	$—	$110,280

The company purchased land from Huang He Ruei nyu. The subject of the sale was obtained through the enforcement of the division of jointly owned property as per the ruling No.19194 of the 112th year of the Taiwan Ciaotou District Court. Upon receiving the payment of NT $110,280 thousand from the Company, Huang He Ruei nyu immediately paid the amount to the Taiwan Ciaotou District Court. After obtaining the certificate of rights transfer issued by the Taiwan Ciaotou District Court, she collaborated with the Company to handle the registration of land ownership transfer. The Company acquired the land title on January 10, 2025, completed the inspection, and recognized it as fixed assets - land cost. Additionally, the land value increment tax and related transfer fees, as well as the notary fees, were paid by the Company on January 9, 2025, amounting to NT$126 thousand.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

G. Others

The Company leased land from Huang He Ruei nyu, who is a related party, in January 2024 with lease terms of 3 years. The monthly rent is NT$420 thousand, payable for every three months. The Company has already paid NT$5,040 thousand in 2025 and 2024, respectively. The contract was terminated early in December 2024. A new lease of land agreement was made with the related party, Huang Binglun, with a lease term of 5 years. The monthly rent is NT$238 thousand, payable every three months. The company has already paid NT$2,856 thousand and NT$238 thousand in 2025 and 2024, respectively. The contract was terminated early in December 2025. A new lease of land agreement was made with the related party, Huang Binglun, with a lease term of 5 years. The monthly rent is NT$83 thousand, payable every three months. The company has already paid NT$83 thousand in 2025.

H. Key management personnel compensation

	For the years ended December 31,	
	2025	2024
Short-term employee benefits	$8,943	$9,622

8. ASSETS PLEDGED AS COLLATERAL

The following table lists assets of the Company pledged as collateral:

	As of		
Items	Dec. 31, 2025	Dec. 31, 2024	Secured liabilities
Property, plant and equipment	$439,405	$447,337	Short-term loan

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

A. As of December 31, 2025 and 2024, the Company provided guarantee note deposits were both NT$165,000 thousand, to the banks as securities against credit facilities.

10. LOSSES DUE TO MAJOR DISASTER

None.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

11. SIGNIFICANT SUBSEQUENT EVENTS

None.

12. OTHERS

(1) Categories of financial instruments

Financial Assets

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Financial assets at fair value through profit or loss:		
Financial assets at fair value through profit or loss	$7,468	$10,243
Financial assets at fair value through other comprehensive income	41,410	41,410
Financial assets measured at amortized cost		
Cash and cash equivalents	225,088	250,375
Notes receivable(including related parties)	8,722	35,329
Accounts receivable (including related parties)	103,719	94,943
Other receivables (including related parties)	123,025	60,446
Refundable deposits	427	3,427
Subtotal	460,981	444,520
Total	$509,859	$496,173

Financial Liabilities

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Financial liabilities at amortized cost:		
Short-term borrowings	$379,134	$167,802
Payables and other payables (including related parties)	117,984	97,766
Guarantee deposits	1,575	1,295
Lease liabilities	15,768	18,513
Total	$514,461	$285,376

(2) Financial risk management objectives and policies

The Company's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activates. The Company identifies measures and manages the aforementioned risks based on the Company's policy and risk appetite.

The Company has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Company complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk, interest rate risk and other price risk (such as equity risk).

In practice, it is rarely the case that a single risk variable will change independently from other risk variable, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense are denominated in a different currency from the Company's functional currency) and the Company's net investments in foreign subsidiaries.

The Company has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. The Company also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Company.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Company's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Company's foreign currency risk is mainly related to the volatility in the exchange rates for foreign currency A and foreign currency B. The information of the sensitivity analysis is as follows:

When NTD strengthens/weakens against foreign currency USD by 1%, the profit for the years ended December 31, 2025 and 2024 is decreased/increased by NT$2,286 thousand and NT$92 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt instrument investments at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable loans and borrowings and entering into interest rate swaps. Hedge accounting does not apply to these swaps as they do not qualify for it.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit for the years ended December 31, 2025 and 2024 to increase/decrease by NT$3,791 thousand and NT$1,678 thousand, respectively.

Equity price risk

The fair value of the Company's listed and unlisted equity securities and conversion rights of the Euro-convertible bonds issued are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company's listed and unlisted equity securities are classified under financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. The Company manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

(4) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial losses to the Company. The Company is exposed to credit risks from operating activities, primarily trade receivables, investment and others. Credit risk is managed separately for business-related and financial-related exposures.

Business related credit risk

The majority of the Company's outstanding trade receivables are not covered by collaterals or guarantees. While the Company has procedures to monitor and manage credit risk exposure on trade receivables, there is no assurance such procedures will effectively eliminate losses resulting from its credit risk. The Company uses other methods to manage this risk, like prepaid from the client, insurance, and so on. The Company believes the concentration of credit risk is not material for the remaining accounts receivable.

Financial credit risk

This risk of the bank deposit and investment in financial instruments are managed by the financial department of the Company. The Company mitigates the credit risks from financial institutions by limiting its counterparties to only reputable domestic or international financial institutions with good credit standing and spreading its holdings among various financial institutions. The Company's exposure to credit risk arising from the default of counter-parties is limited to the carrying amount of these instruments. The Company believes the concentration of this risk is not material.

(5) Liquidity risk management

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, bank borrowings, convertible bonds and finance leases. The table below summarizes the maturity profile of the Company's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial liabilities

	Less than 1 year	2 to 3 years	4 to 5 years	More than 5 years	Total
As of Dec. 31, 2025					
Borrowings	$379,836	–	–	–	$379,836
Payables	$117,984	–	–	–	$117,984
Lease liabilities	$5,196	$11,235	–	–	$16,431

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Less than 1 year	2 to 3 years	4 to 5 years	More than 5 years	Total
As of Dec. 31, 2024					
Borrowings	$167,998	—	—	—	$167,998
Payables	$97,766	—	—	—	$97,766
Lease liabilities	$6,823	$12,530	—	—	$19,353

(6) Reconciliation of liabilities arising from financing activities

Information on the reconciliation of liabilities for 2025：

	Short-term borrowings	Lease liabilities	Total liabilities from financing activities
As of Jan. 1, 2025	$167,802	$18,513	$186,315
Cash flow	211,332	(6,564)	204,768
Non-cash changes	—	3,819	3,819
As of Dec. 31, 2025	$379,134	$15,768	$394,902

Information on the reconciliation of liabilities for 2024：

	Short-term borrowings	Lease liabilities	Total liabilities from financing activities
As of Jan. 1, 2024	$—	$8,962	$8,962
Cash flow	167,802	(7,278)	160,524
Non-cash changes	—	16,829	16,829
As of Dec. 31, 2024	$167,802	$18,513	$186,315

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Company to measure or disclose the fair values of financial assets and financial liabilities:

a. The carrying amount of cash and cash equivalents, trade receivables, accounts payable and other current liabilities approximate their fair value due to their short maturities.
b. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

c. Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the GreTai Securities Market, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

B. Fair value of financial instruments measured at amortized cost

Other than cash and cash equivalents, trade receivables, accounts payable and other current liabilities whose carrying amount approximate their fair value, the fair value of the Company's financial assets and financial liabilities measured at amortized cost is listed in the table below:

	Carrying amount as of	
	Dec.31, 2025	Dec.31, 2024
Financial assets:		
Financial assets measured at amortized cost	–	–
Financial liabilities:		
Short-term borrowings	$379,134	$167,802

	Fair Value as of	
	Dec.31, 2025	Dec.31, 2024
Financial assets：		
Financial assets measured at amortized cost	–	–
Financial liabilities:		
Short-term borrowings	$379,134	$167,802

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12. (8) for fair value measurement hierarchy for financial instruments of the Company.

(8) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 – Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Company's assets and liabilities

The Company does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis is as follows:

As of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Non-derivative financial assets	$7,468	–	–	$7,468
Financial assets at fair value through other comprehensive income				
Unlisted companies stocks	–	–	41,410	$41,410

As of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Non-derivative financial assets	$10,243	–	–	$10,243
Financial assets at fair value through other comprehensive income				
Unlisted companies stocks	–	–	41,410	$41,410

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Transfers between Level 1 and Level 2

During the years ended December 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

Details of changes in the recurring fair value Level 3 for repeated transactions

The Company had no movements in recurring fair value measurements categorized within Level 3 of the fair value hierarchy during the period..

(9) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

	As of December 31, 2025		
	Foreign currencies (thousand)	Foreign exchange rate	NTD (thousand)
Financial assets			
Monetary items:			
USD	$16	31.43	$503
THB	$1,814	1.0019	$1,817
Financial liabilities			
Monetary items:			
USD	$7,290	31.43	$229,125

	As of December 31, 2024		
	Foreign currencies (thousand)	Foreign exchange rate	NTD (thousand)
Financial assets			
Monetary items:			
USD	$263	32.79	$8,624
THB	$1,814	0.96	$1,741
Financial liabilities			
Monetary items:			
USD	$543	32.79	$17,805

The above information is disclosed on the basis of the carrying amount in foreign currency (converted to functional currency) and the disclosure standard is that the amount after exchanging to NTD is greater than NT$1,000 thousand.

The Company has a wide variety of foreign currency transactions, which cannot be disclosed separately according to the foreign currencies that have a significant impact, so the exchange gains and losses of each currency are disclosed in aggregate. The Company's exchange (losses) gains on monetary financial assets and financial liabilities for the years ended December 31, 2025 and 2024 were NT($6,311) thousand and NT$99,136 thousand, respectively.

(10) Capital management

The primary objective of the Company’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. ADDITIONAL DISCLOSURES

(1) Information on significant transactions and reinvestments

A. Financing provided to others for the year ended December 31, 2025: Please refer to Attachment 1.
B. Endorsement/Guarantee provided to others for the year ended December 31, 2025: None.
C. Securities held as of December 31, 2025: Please refer to Attachment 2.
D. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20 percent of the capital stock for the year ended December 31, 2025: None.
E. Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20 percent of the capital stock for the year ended December 31, 2025: None

F. Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20 percent of the capital stock for the year ended December 31, 2025: None.
G. Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million or 20 percent of the capital stock for the year ended December 31, 2025: Please refer to Attachment 3.
H. Receivables from related parties with amounts exceeding the lower of NT$100 million or 20 percent of the capital stock for the year ended December 31, 2025: None.
I. Financial instruments and derivative transactions: Please refer Note 6.(2)
J. Other: Intercompany relationships and significant intercompany transactions for the year ended December 31, 2025: None.

(2) Information on reinvestments

A. Those who directly or indirectly have significant influence or control over the investee company (excluding Mainland China investee companies): Please refer to Attachment 4.

B. If there is direct or indirect control over the investee company, it is necessary to disclose the relevant information about the investee company's transactions in items 1 through 9 of the preceding paragraph. However, if the total assets or operating income of the investee company does not reach 10% of the respective amounts of the issuer, or those who directly or indirectly control the personnel, finances, or business, may only disclose relevant information in items 1 through 4: None.

(3) Information on investments in Mainland China

A. Information on investment in Mainland China: Please refer to Attachment 5.
B. Directly or indirectly significant transactions through third regions with the investees in Mainland China, including price, payment terms, unrealized gain or loss:
   a. The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None.
   b. The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None.
   c. The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None.
   d. Other transactions that have a material effect on the profit or loss for the period or on the financial position: None.

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
As of December 31, 2025

Attachment 1

Financing provided to others:

No. (Note 1)	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period (Note 5)	Ending Balance (Note 4)	Amount Actually Drawn	Interest Rate	Nature of Financing (Note 2)	Transaction Amounts (Note 7)	Reason for Financing	Bad Debt	Collateral		Financing Limits for Each Borrowing Company (Note 3)	Financing Company's Total Financing Amount Limits (Note 3)
													Item	Value		
0	Tycoons Group Enterprise Co.,Ltd.	Fastbolt International Pte. Ltd.	Other receivables -related parties	Y	1,000	$1,000	$－	－	2	$－	Short－term financing	$－	None	－	$686,807	$1,373,614
		Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Other receivables -related parties	Y	333,050	315,300	115	0~4.75	2	－	Short－term financing	－	None	－	686,807	1,373,614
		Ju Gu Condtruction Co., Ltd.	Other receivables -related parties	Y	250,000	250,000	120,000	3~3.5	2	－	Short－term financing	－	None	－	1,373,614	1,373,614
1	Huanghua Jujin Hardware Products Co.,Ltd.	Huanghua Haixin Hardware Products Co.,Ltd.	Other receivables -related parties	Y	45,716	45,054	45,054	3.8	2	－	Short－term financing	－	None	－	69,429	277,716
2	Fastbolt Schraubengroßhandels GmbH	FB Ibérica Unipessoal Lda.	Other receivables -related parties	Y	11,070	11,070	11,070	4.464	2	－	Short－term financing	－	None	－	303,628	303,628

Note 1：The Company and its subsidiaries are coded as follows:
1.The Company is coded “0”.
2.The subsidiaries are coded consecutively beginning from ”1” in the order presented in the table above.
Note 2：Nature for financing is coded as follows:
1.Business transactions.
2.Short-term financing.
Note 3：The company's financing provided limit for individual objects is the individually specified percentage of the net assets value of the latest financial statement. The total financing provided limit is 10%~40% of the net assets value of the latest financial statement.
Note 4：If a public company makes a loan to the board of directors on a case-by-case basis in accordance with Article 14 (1) of the Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Pu blic Companies, even though it has not yet allocated funds, the amount of the board resolutions shall be included in the announcement balance to reveal its bear the risk; but after the fund is repaid, the balance after the repayment should be disclosed to reflect the adjustment of risk. If the public offering company authorizes the chairman of the board of directors to approve the loan in a certain amount and within one year in accordance with Article 14 (2) of the Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies, the fund loan and the amount approved by the board of directors shall still be used as the announced balance. Although the funds will be repaid thereafter, it is still possible to allocate the loan again, so the fund loan and quota approved by the board of directors should still be used as the announced balance.
Note 5：The maximum balance is the maximum amount spent in the current period .
Note 6：When preparing this consolidated financial statement, it has been offset.
Note 7：If the nature of financing provided is a business transaction, the amount of the business transaction should be entered. The amount of business transactions refers to the amount of business transactions between the company that lends funds and the loanee in the latest year.

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
As of December 31, 2025

Attachment 2

Marketable securities held

Held Company Name	Marketable Securities Type and Name (Note 1)		Relationship with the Company	Financial Statement Account	31-Dec-24				Note (Note 3)
					Shares / Units	Carrying Value (Note 2)	Percentage of Ownership	Fair Value	
Tycoons Group Enterprises Co., Ltd.	Common stock	Taiwan Cement Corporation	–	Financial assets at fair value through profit or loss, current	65,995	$1,531	–	$1,531	Note 5
	Funds	Taiwan Cooperative Bank USD Denominated Callable Bond	–	Financial assets at fair value through profit or loss, current	300,000	$3,122	–	$3,122	Note 5
	Funds	Jih Sun Taiwan Quality Multi-Asset Fund	–	Financial assets at fair value through profit or loss, current	100,000	$2,815	–	$2,815	Note 5
	Common stock	JinHai Hardware Company Limited	–	Financial assets at fair value through other comprehensive income, non-current	4,354,875	$41,410	18.19%	THB 41,331,470	Note 4
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Common stock	Thai Union Fastener Co., Ltd.	–	Financial assets at fair value through other comprehensive income, non-current	6,000,000	$66,566	8.70%	THB 66,440,008	Note 4

Note 1：The securities mentioned in this table refer to stocks, bonds, beneficiary certificates and securities derived from the above items that fall within the scope of International Financial Reporting Standard No. 9 "Financial Instruments".。

Note 2：If measured by fair value, please fill in the book value after the fair value evaluation adjustments and deduct the allowance loss; if it is not measured by fair value, please fill in the amortized cost (after deducting the allowance loss) of the book balance.

Note 3：The listed securities have users who are restricted due to the provision of guarantees, pledged loans, or other agreed-upon agreements. The remarks column should indicate the number of guarantees or pledged shares, the amount of guarantees or pledges, and the circumstances of restricted use.

Note 4：There is no public market price, which is determined by the net equity value or by evaluation.

Note 5：The market price is closing price on December 31,2025.

Note 6: This table includes marketable securities disclosed by the Company based on materiality considerations.

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
For the year ended December 31, 2025

Attachment 3

Total purchases from or sales to related parties of at least NT$ 100 million or 20% of the paid-in capital

Company Name	Related Party	Nature of Relationships	Transaction Details				Details of non-arm's length transaction		Notes and Accounts receivable (payable)	
			Purchases / Sales	Amount	Percentage of total purchases (sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	Percentage of total receivables (payable)
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	TY Steel Co., Ltd.	Associate	Purchases	$441,482	4.73%	30~120days	No significant difference	No significant difference	$31,770	3.25%

Note 1：It has been offset when preparing the consolidated financial statements.

Tycoons Group Enterprises Co., Ltd.-(Continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of December 31, 2025

Attachment 4

Names, locations and related information of investees over which the company exercises significant influence

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment		Balance as of December 31, 2025			Net Income (Losses) of the Investee	Shares of Profits / Losses of Investee	Notes
				31-Dec-25	31-Dec-24	Shares	Percentage of Ownership	Carrying value			
The Company	Hurco Automation, Ltd	Taiwan	Design, manufacture, sale and distribution of industrial controllers	42,077	42,077	4,207,707	35.00%	173,620	5,604	1,961	Associate
	Green Engineering Holding Co., Ltd.	Thailand	Investment green energy industry	98,059	66,064	108,000	45.00%	105,943	THB 3,769,739	1,609	Subsidiary
	Kingford International Ltd.	Samoa	Holding	USD 10,955,528	USD 10,955,528	5,938,051	100.00%	427,601	USD 1,261,874	39,284	Subsidiary
	TY Steel Co., Ltd.	Thailand	Production and sale of steel billets	USD 2,387,372	USD 2,387,372	4,046,398	5.94%	—	THB 216,002,658	—	Associate
	Fastbolt International Pte.,Ltd.	Singapore	Holding	USD 7,062,147	USD 7,062,147	4,743,000	49.41%	333,606	EUR 439,251	7,638	Subsidiary
	Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Thailand	Production, processing, and sales of wire rods, annealed wires, screws, bolts, and other related products	USD 38,334,926 18,348	USD 38,334,926 18,348	188,462,477	31.58%	1,268,136	THB 127,524,623	36,568	Subsidiary
	Ju Gu Condtruction Co., Ltd.	Taiwan	Asset Investment	200,000	30,000	20,000,000	100%	181,117	(16,243)	(16,243)	Subsidiary

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
As of December 31, 2025

Attachment 4-1

Names, locations and related information of investees over which the company exercises significant influence

Investor Company	Investee Company	Main Businesses and Products	Main Businesses and Products	Original Investment		Balance as of December 31, 2025			Net Income (Losses) of the Investee	Shares of Profits / Losses of Investee	Notes
				31-Dec-25	31-Dec-24	Shares	Percentage of Ownership	Carrying value			
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	TY Steel Co., Ltd.	Thailand	Production and sale of steel billets	THB 1,145,682,320	THB 1,145,682,320	13,237,508	19.43%	–	THB 216,002,658	–	Associate
	KDB Co., Ltd.	Thailand	Investment real estate	THB 173,640,000	THB 173,640,000	121,321	44.99%	THB 141,310,634	(THB 983,904)	(THB 442,703)	Subsidiary
	Green Engineering Holding Co., Ltd.	Thailand	Investment green energy industry	THB 90,749,450	THB 90,749,450	90,750	55.00%	THB 129,239,478	THB 3,769,739	THB 2,073,344	Subsidiary
	Fastbolt International Pte., Ltd.	Singapore	Holding	THB 167,901,150	THB 167,901,150	4,557,000	47.47%	THB 326,771,737	EUR 439,251	THB 7,941,147	Subsidiary
Green Engineering Holding Co., Ltd.	Siam Pc Products Co., Ltd.	Thailand	Wire production and sales business	THB 150,000,000	THB 150,000,000	1,500,000	60.00%	THB 177,230,991	(THB 31,666)	(THB 19,000)	Subsidiary
	Saiyai Kaew Steelwire Co., Ltd.	Thailand	Wire production and sales business	THB 14,465,600	–	240,000	30.00%	THB 17,282,521	(THB 13,262,554)	(THB 848,352)	Subsidiary
Siam Pc Products Co., Ltd.	Saiyai Kaew Steelwire Co., Ltd.	Thailand	Wire production and sales business	THB 45,534,400	–	560,000	70.00%	THB 48,199,804	(THB 13,262,554)	(THB 2,281,569)	Subsidiary
	Mega Import-Export Company Limited	Thailand	Import and export of rebar, wire rod, steel plates, and various sizes of steel materials.	THB 2,040,000	THB 2,040,000	5,100	51.00%	THB 3,630,108	THB 3,166,053	THB 1,614,487	Subsidiary
Fastbolt International Pte., Ltd.	Fastbolt Group GmbH	Germany	Holding	EUR 9,000,000	EUR 9,000,000	55,239	74.90%	EUR 17,358,890	EUR 691,063	EUR 517,606	Subsidiary
Fastbolt Group GmbH	Fastbolt Schraubengroß handels GmbH	Germany	Selling screws	EUR 255,646	EUR 255,646	(investment amount) EUR 255,646	100.00%	EUR 20,375,111	EUR 1,063,999	EUR 1,063,999	Subsidiary
	Fastbolt Distributors (UK) Ltd.	Britain	Selling screws	GBP 18,900.00	GBP 18,900.00	189,000	100.00%	EUR 1,629,013	(GBP 498,474)	(GBP 498,474)	Subsidiary
	FB Ibérica Unipessoal Lda.	Portugal	Selling screws	EUR 50,000	EUR 50,000	(investment amount) EUR 50,000	100.00%	EUR 697,481	EUR 85,563	EUR 85,563	Subsidiary

Attachment 5

Information on investment in mainland China

1.The detail of the investment in mainland China:

Amounts in Thousands of New Taiwan Dollars and Foreign Currencies in Dollars

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2024	Net Income (Loss) of Investee Company	Percentage of Ownership	Shares of Profits / Losses (Note 3)	Carrying Amount as of December 31,2024	Accumulated Inward Remittance of Earnings as of December 31, 2024
					Outflow	Inflow						
HuangHua Jujin Hardware Products Co.,Ltd	Production, processing and sales of wires, screws, bolts and other related products	$359,988 (CNY 81,667,000)	Note 1	$189,793 (USD 5,931,028)	$－	$－	$189,793 (USD 5,931,028)	$82,772 (CNY 19,083,054)	60.00%	$49,581 (USD 1,592,643)	$417,453 (USD 13,282,003)	$337,287 (USD 10,591,302)
FQC Mechanical Technology Consultancy Co. Ltd	Quality inspection	$6,892 (EUR 200,000)	Note 2	－	－	－	－	($153) (CNY -35,164)	50.00%	($76) (EUR -2,168)	$1,381 (EUR 37,416)	－
Fastbolt Trading (Shanghai) Co. Ltd.	Selling screws	$3,520 (USD 110,000)	Note2	－	－	－	－	$4,546 (CNY 1,048,175)	100.00%	$4,548 (EUR 129,240)	$41,067 (EUR 1,112,933)	－

2.Investment limit for reinvestment in mainland China

Accumulated Investment in Mainland China as of December 31, 2024 (Note 4)	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investmen (Note 5)
$180,907 (USD 5,931,028)	$188,706 (USD 5,931,028)	$2,060,422

Note 1：Indirectly investment in Mainland China through the Kingford International Limited registered in a third region.

Note 2：The acquisition of Fastbolt Group GmbH by the consolidated company, which includes its previously invested subsidiary in China.

Note 3：The investment profit / loss column recognized in the current period is based on the company's audited financial statements.

Note 4：Accumulated investment amounts denominated in foreign currencies are translated into New Taiwan Dollars using the spot rates at the financial report date. (USD 1：31.43 , CNY 1：4.496 , EUR 1：36.90)

Note 5：According to the regulations of the Investment Commission of the Ministry of Economic Affairs, the upper limit of the cumulative amount of its investment in the mainland is 60% of the net value.

3.Significant transactions directly or indirectly with investees in Mainland China.

Table of Material Accounting Items

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TYCOONS GROUP ENTERPRISE CO.,LTD.

1. Statement of Cash and cash equivalents

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Cash on hand		$50	Exchange rate as of December 31, 2025
Bank deposit:			USD 1：31.43
Demand deposits -NTD		222,838	THB 1：1.0019
Demand deposits - foreign currency	USD 12 thousand	382	
	THB 1,814 thousand	1,818	
Subtotal		225,038	
Total		$225,088	

TYCOONS GROUP ENTERPRISE CO.,LTD.

2. Statement of Financial assets measured at fair value through profit or loss, current

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Description	Units/Shares (In Thousands)	Par Value	Total Amount	Interest Rate	Acquisition Cost	Fair value		Note
							Unit price (NTD)	Total Amount	
Taiwan Cement Corporation	Listed PIE Stocks	66	—	$2,300	—	2,300	$23.20	1,531	
Mega Dual Momentun Found of Funds	USD Bond Fund	300	—	3,000	—	3,000	$10.41	3,122	
10-Year USD-Denominated Interest Rate Range Accrual Structured Product	USD Bond Fund	100	—	3,082	—	3,082	$28.15	2,815	
Total				8,382		$8,382		$7,468	

TYCOONS GROUP ENTERPRISE CO.,LTD.

3. Statement of Note receivables, net

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Client	Description	Amount	Note
Company A	Notes for sale of steel	$1,323	
Company B	Notes for sale of steel	1,342	
Company C	Notes for sale of steel	503	
Company D	Notes for sale of steel	585	
Company E	Notes for sale of steel	655	
Company F	Notes for sale of steel	594	
Company G	Notes for sale of steel	582	
Company H	Notes for sale of steel	570	
Others	(Note)	2,984	
Total		$9,138	
(Less) : loss allowance		(416)	
Net amount		$8,722	

(Note) : The balance of a single item does not exceed 5% of Notes receivable.

TYCOONS GROUP ENTERPRISE CO.,LTD.

4. Statement of Accounts receivable, net

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Client	Description	Amount	Note
Related Parties：			
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Accounts for sale of machinery spare parts	$1,342	
Third Parties：			
Company I	Accounts for sale of steel	15,259	
Company J	Accounts for sale of steel	14,267	
Company K	Accounts for sale of steel	5,667	
Company L	Accounts for sale of steel	8,198	
Company M	Accounts for sale of steel	20,682	
Others	（Note）	38,468	
Total		$102,541	
(Less) : loss allowance		(164)	
Net amount		$103,719	

(Note) : The balance of a single item does not exceed 5% of Accounts receivable, net.

TYCOONS GROUP ENTERPRISE CO.,LTD.

5. Statement of Other receivables, net

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Client	Description	Amount	Note
Related Parties：			
JU GU CONSTRUCTION CO., LTD.	Funding loans and interest	$122,822	
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Testing fees	115	
Total		122,937	
Third Parties：			
Others	Tax refund and accrued interest	88	（Note）
Net amount		$123,025	

(Note) : The balance of a single item does not exceed 5% of Other receivables, net.

TYCOONS GROUP ENTERPRISE CO.,LTD.

6. Statement of Inventories, net

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Costs	Net Realizable Value	Note
Raw materials	$105,805	$95,245	
Materials	7,355	7,355	
Work in progress	33,947	32,844	
Finished goods	23,430	20,979	
Merchandises	240	240	
Good in transit	15,773	15,773	
Total	186,550	$172,436	
(Less):Allowance for inventory valuation and loss	(14,114)		
Net amount	$172,436		

TYCOONS GROUP ENTERPRISE CO.,LTD.

7. Statement of Prepayments

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Amount	Note
Prepayment for purchases-third parties	3,434	
Prepaid expenses	3,884	
Office supplies	6,378	
Overpaid sales tax	3,120	
Total	$16,816	

TYCOONS GROUP ENTERPRISE CO.,LTD.

8. Statement of Changes in Investments accounted for using the equity method

For the year ended December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Held Company Name	Beginning Balance		Acquisition		Exchange differences on translation of foreign financial statements	Disposal		Ending Balance			Share of changes in net assets of associates	Collateral	Note
	Shares	Amount	Shares	Amount		Shares	Amount	Shares	%	Amount			
Green Engineering Holding Co., Ltd.	74,250	$67,671	33,750	$33,603	$4,669	–	$—	108,000	45.00%	$105,943	$105,943	None	
Kingford International Limited	5,938,051	$408,069	–	$39,284	$2,613	–	(22,365)	5,938,051	100.00%	$427,601	$427,601	None	
Fastbolt International Pte. Ltd.	4,743,000	$306,961	–	$7,637	$20,575	–	(1,567)	4,743,000	49.41%	$333,606	$333,606	None	
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	188,902,477	$1,187,479	–	$40,257	$40,875	–	(475)	188,462,477	31.58%	$1,268,136	$1,268,136	None	
JU GU CONSTRUCTION CO., LTD.	80	27,359	17,000,000	$170,000	–	–	(16,242)	17,000,080	100.00%	$181,117	$181,117	None	
HURCO AUTOMATION,Ltd.	4,207,707	$177,173	–	$2,643	($2,560)	–	(3,636)	4,207,707	35.00%	$173,620	$173,620	None	
TY Steel Co., Ltd.	16,185,593	–	–	–	–	(12,139,195)	–	4,046,398	5.94%	–	–	None	(Note 1)
Total		$2,224,517		$303,990	$67,106		($105,590)			$2,490,023			

(Note 1)：The invested company, TY Steel Company Limited, is facing financial and asset liquidity issues in 2024 , indicating significant uncertainty regarding its ability to continue as a going concern. Therefore, the company assesses that the fair value of its investment in TY Steel Company Limited is zero.

TYCOONS GROUP ENTERPRISE CO.,LTD.

9.Statement of Financial assets at fair value through profit or loss

31 December,2025

(In Thousand of New Taiwan Dollars)

Company Name	As of January 1, 2019		Additions		Decrease		Financial assets at fair value through profit or loss	As of December 31, 2019		Accumulated impairment losses	Collateral	Note
	Shares	Fair value	Shares	Amount	Shares	Amount	Amount	Shares	Fair value			
Jin Hai Hardware Company Limited	4,366 (Note 1)	$41,410	–	–	–	–	–	4,366	$41,410	Not applicable	None	

(Note 1)：The company resolved in a board meeting on August 11, 2023, to transfer the shares of Jin Hai Hardware (Thailand) Co., Ltd., which were originally held through its subsidiary Tycoons Group International Co., Ltd., to simplify the investment structure. The change of registration has been completed.

TYCOONS GROUP ENTERPRISE CO.,LTD.
10. Statement of Changes in Right-of-use asset
As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Beginning Balance	Changes in this period		Ending Balance
		Additions	Decrease	
Cost				
Land	$15,931	$3,820	$—	$19,751
Buildings	$1,466	—	—	1,466
Transportation equipments	$8,367	—	(8,367)	—
Total	$25,764	$3,820	($8,367)	$21,217

TYCOONS GROUP ENTERPRISE CO.,LTD.
10. Statement of Accumulated Depreciation-Changes in Right-of-use assets
As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Beginning Balance	Changes in this period		Ending Balance
		Additions	Decrease	
Accumulated depreciation				
Land	$1,039	$3,592	$ —	$4,631
Buildings	489	489	—	978
Transportation equipments	5,810	2,557	(8,367)	—
Total	$7,338	$6,638	($8,367)	$5,609

TYCOONS GROUP ENTERPRISE CO.,LTD.

11. Statement of Short-term borrowings

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Creditors	Description	Contract Period	Interest Rates	Ending Balance	Collateral	Borrowing Credit Amounts	Note
Chang Hwa Commercial Bank-Gangshan Branch	Unsecured Loan	2025/10/13-2026/04/13	2.075%	$50,000	Land and building	$284,000	
Taiwan Business Bank-Sanmin Branch	Loan for purchasing materials	2025/09/22-2026/02/15	4.997%	7,072	Land and building	270,000	
Taiwan Business Bank-Sanmin Branch	Loan for purchasing materials	2025/12/01-2026/05/30	4.891%	18,275	Land and building	270,000	
Taiwan Business Bank-Sanmin Branch	Loan for purchasing materials	2025/12/01-2026/05/30	4.891%	43,891	Land and building	270,000	
Land Bank - Gangshan Branch	Loan for purchasing materials	2025/09/24-2026/03/23	5.360%	54,662	Land and building	200,000	
Land Bank - Gangshan Branch	Loan for purchasing materials	2025/12/22-2026/06/20	5.200%	16,334	Land and building	200,000	
Entie Commercial Bank-Kaoshuing Branch	Unsecured Loan	2025/12/03-2026/01/03	2.167%	50,000	None	150,000	
Shin Kong Bank- Qixian Branch	Loan for purchasing materials	2025/10/20-2026/04/18	4.915%	9,000	None	100,000	
Taiwan Cooperative Bank-Gangdu Branch	Loan for purchasing materials	2025/11/14-2026/05/13	4.620%	65,026	None	80,000	
CTBC Bank-Minzu Branch	Unsecured Loan	2025/11/17-2026/05/15	0.900%	50,000	None	150,000	
First Commercial Bank-Gangshan Branch	Loan for purchasing materials	2025/11/17-2026/05/15	4.894%	14,874	Guarantor	150,000	
Total				$379,134			

TYCOONS GROUP ENTERPRISE CO.,LTD.

12. Statement of Notes payable

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Client	Description	Amount	Note
Company N	Purchase materials	$6,341	
Company O	Purchase materials	4,683	
Company P	Purchase materials	2,720	
Others	（Note）	25,848	
Total		$39,592	

(Note) : The balance of a single item does not exceed 5% of Accounts payable.

TYCOONS GROUP ENTERPRISE CO.,LTD.

13. Statement of Accounts payable

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Client	Description	Amount	Note
Company Q	Purchase materials	$33,225	
Others	（Note）	16,528	
Total		$49,753	

(Note) : The balance of a single item does not exceed 5% of Accounts payable.

TYCOONS GROUP ENTERPRISE CO.,LTD.

14. Statement of Other payables

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Salary and Wage Payable	Salary and wage of December 2025 and year-end bonuses of 2025	$13,415	
Utility Payable	Water and electricity bills	5,756	
Shipping Fees Payable	Freight	2,767	
Insurance Payable	Labor and health insurance & property insurance	1,583	
Labor Fees Payable	Service fees	1,800	
Others	(Note)	3,318	
Total		$28,639	

(Note) : The balance of a single item does not exceed 5% of Other payables.

TYCOONS GROUP ENTERPRISE CO.,LTD.

15. Lease liabilities

As of December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Rental Period	Discount Rate	Ending balance	Note
Land	2024/12~2029/11	2.125%~2.27%	$15,269	
Buildings and Facilities	2024/01~2026/12	2.125%	499	
(Less) : current portion			(4,897)	
Lease liabilities, non current			$10,871	

TYCOONS GROUP ENTERPRISE CO.,LTD.

16. Statement of Operating revenues

For the year ended December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Quantity	Amount
Revenue	38,793 tons	$844,276
(Less) :Sales returns		(733)
Subtotal		843,543
Add :		
Processing revenue	95,827 tons	282,902
(Less) :Processing returns		(2,331)
Total		$1,124,114

TYCOONS GROUP ENTERPRISE CO.,LTD.

17. Statement of Operating costs

For the year ended December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Amount
Raw materials, beginning of year	$66,564
Add： Purchased in this period	745,547
(Less)：Raw materials, end of year	(105,805)
Raw materials sold	(586,547)
Others	(15,576)
Raw materials used in this period	104,183
Materials, beginning of year	8,897
Add： Purchased in this period	76,460
(Less)：Materials, end of year	(7,355)
Transfer to expenses	(2,636)
Materials used in this period	75,366
Direct labor	37,936
Factory overhead	248,514
Manufacturing costs	465,999
Add： Work in progress, beginning of year	55,136
Others	6,760
(Less)：Work in progress, end of year	(33,947)
Cost of finished goods	493,948
Add： Finished goods, beginning of year	15,777
Merchandises, beginning of year	399
(Less)：Finished goods, end of year	(23,430)
Others	2,338
Total cost of goods sold	489,032
Add： Beginning merchandise inventory	45
Purchases during the current period	18,488
(Less)：Ending merchandise inventory	(240)
Cost of sales	507,325
Sale of raw materials	586,547
Allocation of manufacturing costs	1,010
Others	(5,248)
Inventory gain (loss), net	2,538
Total operating costs	$1,092,172

TYCOONS GROUP ENTERPRISE CO.,LTD.

18. Statement of Sales and marketing expenses

For the year ended December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Amount
Depreciation	$9,501
Salary and wage	5,739
Others (Note)	12,631
Total	$27,871

(Note) : The balance of a single item does not exceed 5% of Sales and marketing expenses.

TYCOONS GROUP ENTERPRISE CO.,LTD.

19. Statement of Administrative expenses

For the year ended December 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

Item	Amount
Salary and wage	$41,181
Service fee	7,049
Miscellaneous expenses	7,173
Depreciation	6,345
Insurance expense	4,425
Others(Note)	6,165
Total	$72,338

(Note) : The balance of a single item does not exceed 5% of Administrative expenses.