

Huaku Development Co., Ltd. and
Subsidiaries
Consolidated Financial Statements and CPA's
Review Report
Q3 of 2025 and 2024
(Stock Code: 2548)

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Notice to Reader:

For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese-language report shall prevail.

Huaku Development Co., Ltd. and Subsidiaries

Consolidated Financial Statements and CPA's Review Report for Q3 of 2025 and 2024

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CPA's Review Report

(2025) Cai-Shen-Bao-Zi No. 25001982

To Huaku Development Co., Ltd.,

Introduction

The CPAs have audited the Consolidated Balance Sheets of Huaku Development Co., Ltd. and its subsidiaries (hereinafter referred to as “Huaku Group”) as of September 30, 2025 and 2024, the Consolidated Statements of Comprehensive Income for the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes for Consolidated Financial Statements (including Significant Accounting Policies and Summary Statements) for the period from January 1 to September 30, 2025 and 2024. The preparation of the consolidated financial statements presenting fairly in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the IAS 34 “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission, is the responsibility of management. Our responsibility as auditors is to form a conclusion on the consolidated financial statements based on the review results.

Scope

Except as described in the Basis for Qualified Conclusion section, we conducted our reviews in accordance with TWSRE2410 Review of Financial Information Performed by the Independent Auditor of the Entity. Procedures performed when reviewing the consolidated financial statements include inquiries (mainly directed to personnel responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of a review is substantially less than that of an audit, therefore the accountant may not become aware of all significant matters that would be identified in an audit. Hence, the accountant cannot express an audit opinion.

Basis for Qualified Conclusion

As described in Notes 4 (3) and 6 (7) to the consolidated financial statements, the financial statements of certain insignificant subsidiaries, as well as investments accounted for under the equity method for the same periods as those of the consolidated financial statements, have not been reviewed by auditors. The total assets (including investments accounted for using the

equity method) of the subsidiaries were NT\$122,365 thousand and NT\$138,786 thousand, constituting 0.22% and 0.27% of the consolidated total assets as of September 30, 2025 and 2024, respectively. Total liabilities were NT\$15,138 thousand and NT\$17,290 thousand, constituting 0.04% and 0.05% of the consolidated total liabilities as of September 30, 2025 and 2024, respectively. Comprehensive income amounted to NT\$4,761 thousand, NT\$3,967 thousand, NT\$10,606 thousand, and NT\$6,738 thousand, constituting 1.35%, 0.30%, 1.83%, and 0.43% of the consolidated comprehensive income for the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, respectively.

Qualified Conclusion

Based on the results of our review, except for the potential adjustments to the financial statements of certain insignificant subsidiaries and investments accounted for using the equity method, as described in the Basis for Qualified Conclusion section, we have not identified any significant matters in the consolidated financial statements that have not been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS 34 “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission, which would preclude a proper presentation of the consolidated financial position of the Huaku Group as of September 30, 2025 and 2024, and the consolidated financial performance for the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024 and the consolidated cash flows for the period from January 1 to September 30, 2025 and 2024.

PwC Taiwan

Wang Fang-Yu

CPA

Lin Chia-Hung

Financial Supervisory Commission

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November 5, 2025

Huaku Development Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
September 30, 2025, December 31, 2024, and September 30, 2024

Unit: NT\$ thousands

			September 30, 2025		December 31, 2024		September 30, 2024	
Assets		Notes	Amount	%	Amount	%	Amount	%
Current assets								
1100	Cash and cash equivalents	6 (1)	\$ 2,300,713	4	\$ 3,754,611	7	\$ 6,561,403	13
1110	Financial asset measured at fair value through profit and loss — current	6 (2)	6,953	—	13,385	—	12,212	—
1136	Current financial assets measured at amortized cost		—	—	2,000,000	4	—	—
1150	Notes receivable, net	6 (3)	213,335	—	109,193	—	131,706	—
1170	Accounts receivable, net	6 (3) (13) and 8	142,260	—	111,253	—	112,945	—
1200	Other receivables	6 (13) and 8	42,768	—	12,566	—	64,376	—
130X	Inventories	6 (4)(5) and 8	46,948,743	85	43,989,380	78	40,035,608	77
1410	Prepayments		173,772	—	204,350	—	255,191	—
1470	Other current assets	6 (6) and 8	3,339,111	6	3,673,409	7	2,517,492	5
11XX	Total current assets		53,167,655	95	53,868,147	96	49,690,933	95
Non-current assets								
1550	Investment accounted for using the equity method	6 (7)	72,958	—	68,472	—	66,388	—
1600	Property, plant, and equipment		344,924	1	281,540	—	275,422	1
1755	Right-of-use assets		15,399	—	39,875	—	43,518	—
1760	Investment properties, net	6 (8) and 8	242,305	1	245,501	—	246,559	—
1840	Deferred income tax assets		22,271	—	24,449	—	21,478	—
1900	Other non-current assets	6 (3) (13) and 8	1,866,265	3	1,974,706	4	2,023,898	4
15XX	Total non-current assets		2,564,122	5	2,634,543	4	2,677,263	5
1XXX	Total assets		\$ 55,731,777	100	\$ 56,502,690	100	\$ 52,368,196	100

(Continued on next page)

Huaku Development Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
September 30, 2025, December 31, 2024, and September 30, 2024

Unit: NT\$ thousands

	Liabilities and equity	Notes	Amount	%	Amount	%	Amount	%
	Current liabilities							
2100	Short-term loans	6 (9)	\$ 16,357,657	29	\$ 16,778,327	30	\$ 15,980,720	31
2110	Short-term bills payable	6 (10)	349,867	1	349,706	1	299,852	1
2130	Contract liabilities — current	6 (19)	6,673,994	12	6,011,865	11	5,051,839	10
2150	Notes payable		11,755	—	17,019	—	20,985	—
2170	Accounts payable	7	1,668,630	3	1,851,572	3	1,221,548	2
2200	Other payables		252,930	1	385,317	1	404,732	1
2230	Current income tax liabilities		107,695	—	364,132	1	372,863	1
2280	Lease liabilities — current		10,842	—	19,532	—	18,228	—
2320	Long-term liabilities due within one year or one operating cycle	6 (13)	1,634,184	3	1,318,265	1	1,230,448	2
2399	Other current liabilities — others	6 (11)	153,683	—	112,714	—	4,236,557	7
21XX	Total current liabilities		<u>27,221,237</u>	<u>49</u>	<u>27,208,449</u>	<u>48</u>	<u>28,837,772</u>	<u>55</u>
	Non-current liabilities							
2500	Financial liabilities measured at fair value through profit or loss		60,000	—	60,600	—	—	—
2530	Bonds payable	6 (12)	5,483,386	10	5,386,521	10	—	—
2540	Long-term loans	6 (13)	3,128,997	6	2,898,065	5	3,184,235	6
2570	Deferred income tax liabilities		9,059	—	9,420	—	3,964	—
2580	Lease liabilities — non-current		7,460	—	24,050	—	27,633	—
2600	Other non-current liabilities		64,276	—	63,302	—	53,371	—
25XX	Total non-current liabilities		<u>8,753,178</u>	<u>16</u>	<u>8,441,958</u>	<u>15</u>	<u>3,269,203</u>	<u>6</u>
2XXX	Total liabilities		<u>35,974,415</u>	<u>65</u>	<u>35,650,407</u>	<u>63</u>	<u>32,106,975</u>	<u>61</u>
	Equity attributable to owners of the parent company							
	Share capital	6 (15)						
3110	Share capital from common stock		3,197,187	6	3,044,940	5	3,044,940	6
	Additional paid-in capital	6 (12) (16)						
3200	Additional paid-in capital		820,040	1	818,985	2	81,896	—
	Retained earnings	6 (17)						
3310	Legal reserves		4,793,936	9	4,655,875	8	4,655,875	9
3350	Undistributed earnings		10,905,623	19	12,288,638	22	12,431,965	24
	Other equity	6 (18)						
3400	Other equity		34,572	—	35,984	—	36,373	—
3500	Treasury stocks	6 (15)	(850)	—	(850)	—	(850)	—
31XX	Total equity attributable to owners of the parent company		<u>19,750,508</u>	<u>35</u>	<u>20,843,572</u>	<u>37</u>	<u>20,250,199</u>	<u>39</u>
36XX	Non-controlling interests		<u>6,854</u>	<u>—</u>	<u>8,711</u>	<u>—</u>	<u>11,022</u>	<u>—</u>
3XXX	Total equity		<u>19,757,362</u>	<u>35</u>	<u>20,852,283</u>	<u>37</u>	<u>20,261,221</u>	<u>39</u>
	Material commitments or contingencies	9						
	Significant Subsequent Events	11						
3X2X	Total liabilities and equity		<u>\$ 55,731,777</u>	<u>100</u>	<u>\$ 56,502,690</u>	<u>100</u>	<u>\$ 52,368,196</u>	<u>100</u>

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Chairman: Chung Long-Chang

Manager: Hung Chia-Sheng

Accounting Supervisor: Liu Jo-Mei

Huaku Development Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
September 30, 2025 and 2024

Unit: NT\$ thousands
(except for earnings per share in New Taiwan dollars)

			July 1 to September 30, 2025		July 1 to September 30, 2024		January 1 to September 30, 2025		January 1 to September 30, 2024	
Item		Notes	Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue	6 (19) and 7	\$ 2,835,266	100	\$ 5,423,461	100	\$ 4,863,270	100	\$ 7,166,529	100
5000	Operating costs	6 (20) (21) and 7	(2,126,888)	(75)	(3,472,583)	(64)	(3,489,525)	(72)	(4,646,898)	(65)
5900	Gross profit		708,378	25	1,950,878	36	1,373,745	28	2,519,631	35
	Operating expenses	6 (20) (21) and 7								
6100	Marketing expenses		(112,021)	(4)	(102,987)	(2)	(224,945)	(4)	(133,822)	(2)
6200	Administrative expenses		(140,482)	(5)	(191,629)	(3)	(383,687)	(8)	(371,968)	(5)
6000	Total operating expenses		(252,503)	(9)	(294,616)	(5)	(608,632)	(12)	(505,790)	(7)
6900	Operating profit		455,875	16	1,656,262	31	765,113	16	2,013,841	28
	Non-operating income and expenses									
7100	Interest income	6 (22)	16,702	1	14,921	—	77,651	2	53,835	—
7010	Other income	6 (23)	3,934	—	833	—	23,231	—	17,463	—
7020	Other gains and losses	6 (24)	281	—	61	—	600	—	(31,389)	—
7050	Financial cost	6 (25)	(26,986)	(1)	(29,459)	(1)	(113,588)	(2)	(93,517)	(1)
	Share of profit (loss) of associates and joint ventures accounted for using the equity method	6 (7)	4,435	—	3,728	—	12,344	—	9,265	—
7000	Total non-operating income and expenses		(1,634)	—	(9,916)	(1)	238	—	(44,343)	(1)
7900	Pre-tax profit		454,241	16	1,646,346	30	765,351	16	1,969,498	27
7950	Income tax expense	6 (26)	(103,954)	(4)	(331,580)	(6)	(183,689)	(4)	(446,060)	(6)
8200	Net income		\$ 350,287	12	\$ 1,314,766	24	\$ 581,662	12	\$ 1,523,438	21

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Item	Notes	July 1 to September 30, 2025		July 1 to September 30, 2024		January 1 to September 30, 2025		January 1 to September 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
Other comprehensive income (net)									
Other comprehensive income (loss)									
Items that may be reclassified to profit or loss									
8361 Exchange differences on translation of foreign financial statements		1,397	—	947	—	(2,206)	—	38,177	1
8399 Income tax related to items that may be reclassified	6 (18) (26)	(224)	—	(152)	—	353	—	(6,109)	—
8360 Total amount of items that may be reclassified to profit of loss		1,173	—	795	—	(1,853)	—	32,068	1
8300 Other comprehensive income (net)		<u>\$ 1,173</u>	<u>—</u>	<u>\$ 795</u>	<u>—</u>	<u>\$ (1,853)</u>	<u>—</u>	<u>\$ 32,068</u>	<u>1</u>
8500 Total comprehensive income		<u>\$ 351,460</u>	<u>12</u>	<u>\$ 1,315,561</u>	<u>24</u>	<u>\$ 579,809</u>	<u>12</u>	<u>\$ 1,555,506</u>	<u>22</u>
Profit attributable to:									
8610 Owners of parent company		\$ 350,223	12	\$ 1,314,718	24	\$ 582,011	12	\$ 1,523,943	21
8620 Non-controlling interests		64	—	48	—	(349)	—	(505)	—
		<u>\$ 350,287</u>	<u>12</u>	<u>\$ 1,314,766</u>	<u>24</u>	<u>\$ 581,662</u>	<u>12</u>	<u>\$ 1,523,438</u>	<u>21</u>
Total comprehensive income attributable to:									
8710 Owners of parent company		\$ 351,117	12	\$ 1,315,324	24	\$ 580,599	12	\$ 1,548,376	22
8720 Non-controlling interests		343	—	237	—	(790)	—	7,130	—
		<u>\$ 351,460</u>	<u>12</u>	<u>\$ 1,315,561</u>	<u>24</u>	<u>\$ 579,809</u>	<u>12</u>	<u>\$ 1,555,506</u>	<u>22</u>
Basic earnings per share									
9750 Basic earnings per share	6 (27)	<u>1.10</u>		<u>4.11</u>		<u>1.82</u>		<u>4.77</u>	
Diluted earnings per share									
9850 Diluted earnings per share	6 (27)	<u>1.08</u>		<u>4.11</u>		<u>1.58</u>		<u>4.76</u>	

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Chairman: Chung Long-Chang

Manager: Hung Chia-Sheng

Accounting Supervisor: Liu Jo-Mei

Huaku Development Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to September 30, 2025 and 2024

Unit: NT\$ thousands

		Equity attributable to owners of the parent company											
		Additional paid-in capital					Retained earnings		Exchange differences on translation of foreign financial statements	Treasury stocks	Total	Non-controlling interests	Total equity
		Share capital from common stock	Premium of convertible corporate bonds	Stock warrants	Treasury stock transactions	Others	Legal reserves	Undistributed earnings					
Notes													
<u>January 1 to September 30, 2024</u>													
		\$ 2,768,127	\$ 46,100	\$ —	\$ 32,559	\$ 2,068	\$ 4,297,756	\$ 13,619,049	\$ 11,940	\$ (850)	\$ 20,776,749	\$ 18,488	\$ 20,795,237
		—	—	—	—	—	—	1,523,943	—	—	1,523,943	(505)	1,523,438
Other comprehensive income	6 (18)	—	—	—	—	—	—	—	24,433	—	24,433	7,635	32,068
Total comprehensive income		—	—	—	—	—	—	1,523,943	24,433	—	1,548,376	7,130	1,555,506
Appropriation and distribution of retained earnings	6 (17)												
Legal reserves		—	—	—	—	—	358,119	(358,119)	—	—	—	—	—
Cash dividends		—	—	—	—	—	—	(2,076,095)	—	—	(2,076,095)	—	(2,076,095)
Stock dividends		276,813	—	—	—	—	—	(276,813)	—	—	—	—	—
Cash dividends received by subsidiaries from the parent company		—	—	—	1,308	—	—	—	—	—	1,308	—	1,308
Recognition of changes in subsidiary ownership		—	—	—	—	(139)	—	—	—	—	(139)	—	(139)
Changes in non-controlling interests		—	—	—	—	—	—	—	—	—	—	(14,596)	(14,596)
Balance as of September 30		<u>\$ 3,044,940</u>	<u>\$ 46,100</u>	<u>\$ —</u>	<u>\$ 33,867</u>	<u>\$ 1,929</u>	<u>\$ 4,655,875</u>	<u>\$ 12,431,965</u>	<u>\$ 36,373</u>	<u>\$ (850)</u>	<u>\$ 20,250,199</u>	<u>\$ 11,022</u>	<u>\$ 20,261,221</u>
<u>January 1 to September 30, 2025</u>													
		\$ 3,044,940	\$ 46,100	\$ 737,089	\$ 33,867	\$ 1,929	\$ 4,655,875	\$ 12,288,638	\$ 35,984	\$ (850)	\$ 20,843,572	\$ 8,711	\$ 20,852,283
Consolidated net income		—	—	—	—	—	—	582,011	—	—	582,011	(349)	581,662
Other comprehensive income	6 (18)	—	—	—	—	—	—	—	(1,412)	—	(1,412)	(441)	(1,853)
Total comprehensive income		—	—	—	—	—	—	582,011	(1,412)	—	580,599	(790)	579,809
Appropriation and distribution of retained earnings	6 (17)												
Legal reserves		—	—	—	—	—	138,061	(138,061)	—	—	—	—	—
Cash dividends		—	—	—	—	—	—	(1,674,718)	—	—	(1,674,718)	—	(1,674,718)
Stock dividends		152,247	—	—	—	—	—	(152,247)	—	—	—	—	—
Cash dividends received by subsidiaries from the parent company		—	—	—	1,055	—	—	—	—	—	1,055	—	1,055
Changes in non-controlling interests		—	—	—	—	—	—	—	—	—	—	(1,067)	(1,067)
Balance as of September 30		<u>\$ 3,197,187</u>	<u>\$ 46,100</u>	<u>\$ 737,089</u>	<u>\$ 34,922</u>	<u>\$ 1,929</u>	<u>\$ 4,793,936</u>	<u>\$ 10,905,623</u>	<u>\$ 34,572</u>	<u>\$ (850)</u>	<u>\$ 19,750,508</u>	<u>\$ 6,854</u>	<u>\$ 19,757,362</u>

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Chairman: Chung Long-Chang

Manager: Hung Chia-Sheng

Accounting Supervisor: Liu Jo-Mei

Huaku Development Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to September 30, 2025 and 2024

		Unit: NT\$ thousands	
	Notes	January 1 to September 30, 2025	January 1 to September 30, 2024
<u>Cash flow from operating activities</u>			
Current net profit before tax		\$ 765,351	\$ 1,969,498
Adjusted items			
Income and expense items			
Share of profit (loss) of associates and joint ventures accounted for using the equity method	6 (7)	(12,344)	(9,265)
Amortization	6 (20)	2,091	1,519
Depreciation expenses	6 (20)	47,797	19,394
Interest expense	6 (25)	113,588	93,517
Interest income	6 (22)	(77,651)	(53,835)
Loss (gain) on disposal of property, plant, and equipment	6 (24)	218	—
Loss (gain) on disposal of investment properties	6 (24)	—	3,700
Financial liabilities measured at fair value through profit or loss	6 (24)	(600)	—
Changes in assets and liabilities relating to operating activities			
Net change in assets relating to operating activities			
Financial assets measured at fair value through profit or loss		6,432	20,059
Notes and accounts receivable, net		(138,074)	(73,936)
Other receivables		(30,202)	(53,379)
Inventories		(2,597,480)	(3,324,683)
Prepayments		30,578	(146,096)
Restricted deposits		835,022	(36,637)
Other current assets		(140,415)	(170,614)
Deferred income tax assets		2,178	2,752
Long-term installment accounts receivable		178,594	210,274
Net change in liabilities relating to operating activities			
Notes payable		(5,264)	(4,932)
Accounts payable		(182,942)	(451,942)
Other payables		(132,387)	(112,395)
Contract liabilities		662,129	1,326,759
Advance receipt		11,542	20,837
Other current liabilities		29,424	4,030,351
Other non-current liabilities		(4,026)	(1,321)
Changes in deferred income tax liabilities		(361)	452
Cash inflow generated from operations		(636,802)	3,260,077
Dividends received		5,613	6,661
Interest received	6 (22)	77,651	53,835
Interest paid		(378,444)	(304,591)
Income tax paid		(437,954)	(397,837)
Cash inflow (outflow) from operating activities, net		(1,369,936)	2,618,145
<u>Cash flow from investment activities</u>			
Disposal of financial assets measured at amortized cost		2,000,000	—
Purchase of property, plant and equipment		(96,370)	(81,935)
Disposal of investment properties		—	4,124
Decrease (Increase) in other non-current assets		1,952	(767)
Increase in refundable deposits		(442,581)	(83,767)
Decrease in refundable deposits		11,001	176,038
Net cash inflow from investment activities		1,474,002	13,693
<u>Cash flow from financing activities</u>			
Borrowing of short-term loans	6 (28)	4,188,380	15,538,250
Short-term loans repaid	6 (28)	(4,609,050)	(11,670,000)
Increase in short-term bills payable	6 (28)	1,400,000	900,000
Decrease in short-term bills payable	6 (28)	(1,400,000)	(600,000)
Long-term loans borrowed	6 (28)	1,687,360	1,520,097
Long-term loans repaid	6 (28)	(1,140,509)	(1,236,950)
Lease principal repayment	6 (28)	(12,775)	(7,352)
Increase in guarantee deposits received	6 (28)	11,400	14,515
Decrease in guarantee deposits received	6 (28)	(6,400)	(26,160)
Changes in non-controlling interests		(1,067)	(14,596)
Cash dividends paid—parent company	6 (17) (28)	(1,674,718)	(2,076,095)
Cash inflow (outflow) from financing activities, net		(1,557,379)	2,341,709
Impacts on cash and cash equivalents from changes in exchange rates		(585)	74,350
Increase (decrease) in cash and cash equivalents for the year		(1,453,898)	5,047,897
Cash and cash equivalents at the beginning of the year		3,754,611	1,513,506
Cash and cash equivalents at the end of the year		\$ 2,300,713	\$ 6,561,403

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Chairman: Chung Long-Chang

Manager: Hung Chia-Sheng

Accounting Supervisor: Liu Jo-Mei

Huaku Development Co., Ltd. and Subsidiaries

Notes for Consolidated Financial Statements

Q3 of 2025 and 2024

Unit: NT\$ thousands

(Unless otherwise stated.)

I. Company History

Huaku Development Co., Ltd. (“the Company”) was established in April 1989. It is engaged mainly in the subcontract construction, leasing, and sales of public housings, commercial buildings, and general-purpose plants and warehouses. The common stocks of the Company have been listed on the Taiwan Stock Exchange since August 26, 2002.

II. Date and Procedure for Approval of Financial Statements

The consolidated financial statements were approved and issued on November 5, 2025 by the Board of Directors.

III. Application of New and Amended Standards and Interpretations

(I) Effects of the adoption of new and amended International Financial Reporting Standards (IFRSs) endorsed by the Financial Supervisory Commission (“FSC”):

The following table summarizes the new, revised, and amended standards and interpretations of IFRSs endorsed and issued into effect by the FSC that are applicable in 2025:

<u>Newly released/revised/amended guidelines and interpretations</u>	<u>Effective date of international accounting standards board issuance</u>
Amendment to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Republic of China calendar)

The Group assessed the effects of adopting the aforementioned standards and interpretations and found no significant effects on the Group’s financial position and financial performance.

(II) Effect of the new issuance of or amendments to IFRSs as endorsed by the FSC but not yet adopted

The following table summarizes the new, revised, and amended standards and interpretations of IFRSs endorsed by the FSC that are applicable in 2026:

Newly released/revised/amended guidelines and interpretations	Effective date of international accounting standards board issuance
Amendments to IFRS 9 and IFRS 7, “Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7: “Contracts Involving Natural Power.”	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9—Comparative Information”	January 1, 2023
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

The Group assessed the effects of adopting the aforementioned standards and interpretations and found no significant effects on the Group’s financial position and financial performance.

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

The following table summarizes the new, revised, and amended standards and interpretations of IFRSs that have been issued by IASB but not yet endorsed by the FSC:

Newly released/revised/amended guidelines and interpretations	Effective date of international accounting standards board issuance
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by International Accounting Standards Board
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note: In the press release issued by the Financial Supervisory Commission (FSC) on September 25, 2025, it was announced that publicly offering companies will be required to apply International Financial Reporting Standard 18 (hereinafter referred to as IFRS 18) starting from fiscal year 2028. In addition, if an entity has the need to early adopt IFRS 18, it may choose to do so once the FSC has endorsed IFRS 18.

Apart from the described below, the Group has assessed the above criteria and interpretations and concluded that they do not have a significant impact on the financial condition and performance of the Group:

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

This amendment resolves the inconsistency between IFRS 10 and IAS 28. For transactions in which an investor sells (contributes) assets to its associate or joint

venture, the recognition of the full or partial gain or loss depends on the nature of the assets sold (contributed):

- (1) When the assets sold (contributed) constitute a “business,” the full gain or loss is recognized.
- (2) When the assets sold (contributed) do not constitute a “business,” only the portion of the gain or loss attributable to the interests of unrelated investors in the associate or joint venture may be recognized.

2. IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 “Presentation and Disclosure in Financial Statements” replaces IAS 1 and updates the structure of the comprehensive income statement, introduces new disclosures for management performance measures, as well as strengthens the principles of aggregation and disaggregation applied to the primary financial statements and notes.

3. IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

This Standard permits eligible subsidiaries to apply the IFRS Accounting Standard with reduced disclosure requirements.

IV. Significant Accounting Policies and Summary Statements

Significant accounting policies, except for the Statement of Compliance, Preparation Basis, Basis of Consolidation, and the following new additions, remain the same as Note 4 to the 2024 consolidated financial statements. These policies have been consistently applied to all the reporting periods presented, unless otherwise stated.

(I) Statement of Compliance

1. The consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the International Accounting Standards (IAS) 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC.
2. This consolidated financial report should be read in conjunction with the 2024 consolidated financial report.

(II) Basis of Preparation

1. Except for the following significant items, these consolidated financial statements have been prepared under the historical cost convention:
 - (1) Financial assets measured at fair value through profit or loss.

- (2) Defined benefit liability is recognized as the net of pension fund assets less the present value of the defined benefit obligation.
2. Critical accounting estimates are required when preparing financial statements in compliance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC interpretations and SIC interpretations (collectively referred to as “IFRSs” hereinafter). For the items involving a high degree of judgment or complexity, or the items involving significant assumptions and estimates in the consolidated financial statements, please refer to Note 5 for details.

(III) Basis of Consolidation

1. Basis for preparation of consolidated financial statements

The basis of preparation for this consolidated financial report is the same as that of the 2024 consolidated financial report.

2. Subsidiaries included in the consolidated financial statements:

Investor company	Name of subsidiaries	Business activities	Percentage owned by the Company			Details
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Pinhsing Construction Co., Ltd.	Civil engineering and hydraulic engineering contractors	100	100	100	
The Company	Chengdu Wancheng Duobao Properties Ltd.	Real estate development	80	80	80	

Note: Except for the financial statements of the aforementioned subsidiary Pin Shing Construction Co., Ltd., which have been reviewed by a CPA, the remaining subsidiaries do not meet the definition of significant subsidiaries. Therefore, their financial statements for the period from January 1 to September 30, 2025 and 2024, have not been reviewed by an accountant.

3. Subsidiaries that are not included into the consolidated financial statements: None.
4. Adjustments and treatment methods for different accounting periods of subsidiaries: None.
5. Significant limitation: None.
6. Information about subsidiaries of non-controlling interest that are material to the Group: None.

(IV) Pensions

Pension cost for the interim period is calculated based on the pension cost rate determined by actuarial valuation at the end of the previous financial year, using the period from the beginning of the year to the end of the current period as the basis. If there are significant market changes, substantial reductions, settlements, or other significant one-time events after the end date, adjustments will be made and relevant information will be disclosed in accordance with the aforementioned policy.

(V) Income tax

The income tax expense for the interim period is calculated using the estimated annual effective tax rate applied to the pre-tax income of the interim period, in accordance with the aforementioned policy disclosure of relevant information.

V. Primary Sources of Uncertainties in Significant Accounting Judgments, Estimates, and Assumptions

When preparing the consolidated financial statements, the management of the Group had determined its accounting policies based on its judgments and made accounting estimates and assumptions based on a rational expectation of future events depending on the circumstances at the balance sheet date. If there is any difference between any significant accounting estimates and assumption made and actual results, the historical experience and other factors will be taken into account in order to continue assessment and adjustment. The Group does not have an important judgment on the adoption of accounting policies, and significant accounting estimates and assumptions, which are at risk of significant changes in the carrying amount of assets and carrying amount of liabilities in the next financial year.

VI. Descriptions of Material Accounting Items

(I) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand and revolving fund	\$ 370	\$ 315	\$ 315
Checking deposits and demand deposits	1,900,343	1,774,814	6,221,913
Cash equivalents			
— Time deposit	400,000	1,700,000	—
— Bonds with repurchase agreement	—	279,482	339,175
	<u>\$ 2,300,713</u>	<u>\$ 3,754,611</u>	<u>\$ 6,561,403</u>

1. The Group deals with financial institutions having high credit quality. The Group also deals with various financial institutions in order that credit risks can be diversified. Therefore, the expected risk of default is rather low.
2. The Group's restricted use of the pre-sale construction project trust fund and others has been listed under "Other current assets". Please refer to Notes 6 (6) and 8 for details.

(II) Financial asset measured at fair value through profit and loss — current

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets mandatorily measured at fair value through profit or loss — Financial products	<u>\$ 6,953</u>	<u>\$ 13,385</u>	<u>\$ 12,212</u>

The Group's financial assets measured at fair value through profit and loss were recognized as gains and losses in the amount of \$36, \$69, \$162, and \$316 for the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, respectively.

(III) Notes and accounts receivable

	September 30, 2025	Amount of receivables guaranteed	Guaranteed loan amount
Notes receivable			
Within 1 year	\$ 213,335	\$ —	\$ —
Accounts receivable			
Within 1 year	142,260	107,506	107,506
Over 1 year (Note)	<u>1,722,397</u>	<u>1,722,397</u>	<u>1,722,397</u>
	<u>\$ 2,077,992</u>	<u>\$ 1,829,903</u>	<u>\$ 1,829,903</u>

	December 31, 2024	Amount of receivables guaranteed	Guaranteed loan amount
Notes receivable	\$ 109,193	\$ —	\$ —
Within 1 year			
Accounts receivable		109,717	109,717
Within 1 year	1,898,065	1,898,065	1,898,065
Over 1 year (Note)	<u>\$ 2,118,511</u>	<u>\$ 2,007,782</u>	<u>\$ 2,007,782</u>

	September 30, 2024	Amount of receivables guaranteed	Guaranteed loan amount
Notes receivable			
Within 1 year	\$ 131,706	\$ —	\$ —
Accounts receivable	112,945	111,453	111,453
Within 1 year	1,946,008	1,934,235	1,934,235
Over 1 year (Note)	<u>\$ 2,190,659</u>	<u>\$ 2,045,688</u>	<u>\$ 2,045,688</u>

Note: The Group's long-term installment accounts receivables over one year are listed under the item "Other non-current assets".

1. The Group signed a credit agreement with Mega International Commercial Bank secured with the installment accounts receivables arising from the partial sale of "Huaku New World" in installments as collateral. Please refer to Notes 6 (13) and 8 for details. The Group's information on secured loans with accounts receivable as collateral is as above.
2. The balances of receivables (including notes receivable) contracted by the Group and clients as of September 30, 2025, September 30, and January 1, 2024 were \$1,946, 735, \$2,064, 712, and \$2,193, 817, respectively.
3. Interest income recognized by the Group in profit or loss for the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, were \$13,132, \$14,780, \$40,855, and \$44,761, respectively.
4. The above notes and accounts receivable are non-overdue notes and accounts.
5. Without considering the collateral or other credit enhancements held, the exposure amount that best represents the maximum credit risk of the Group's notes and accounts receivable as of September 30, 2025, December 31, and September 30, 2024 are the carrying amount of notes and accounts receivable and long-term installment accounts receivable in each period.
6. For credit risk of notes receivables and accounts receivables, please refer to Note 12 (2).

(IV) Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Buildings and land held for sale</u>			
Huaku Moon Light	\$ 1,561,045	\$ —	\$ —
Huaku National Landmark	628,550	628,550	628,550
Huaku Central Landmark	414,883	414,883	414,883
Huaku Da'an Tower	160,526	—	—
Sand River Bay	113,240	118,728	123,758
	<u>2,878,244</u>	<u>1,162,161</u>	<u>1,167,191</u>
Less: Allowance for valuation loss	<u>(72,535)</u>	<u>(76,051)</u>	<u>(65,460)</u>
	<u>2,805,709</u>	<u>1,086,110</u>	<u>1,101,731</u>
<u>Construction in progress</u>			
Huaku Asia One	7,323,693	6,308,144	5,871,879
Upper Mansion	4,559,795	4,119,237	3,909,548
Huaku Fortune One	4,526,966	3,678,349	3,479,060
Huaku Vision Park (formerly the Jang Dah Beitou Project)	4,494,844	—	—
Huaku Casa Blanca	\$ 3,959,557	\$ 3,535,816	\$ 3,293,196
Huaku Mansion de Lotus (formerly Wenlin North Road Project III)	2,225,511	—	—
Huaku Sky Tower	2,065,898	1,705,510	1,583,628
Huaku Four Seasons (formerly Taichung Chongde 10th Road Project)	1,768,889	—	—
Huaku Mout River (formerly Renyi Street No. 57 Project)	1,745,965	1,573,732	1,511,700
Huaku Flourish Mansion (formerly Taichung Fenge Road Project)	1,584,685	1,413,866	1,383,953
Ultimate Luxury (formerly Xinyi Guangfu Urban Renewal Project)	1,479,665	1,186,275	1,065,895
Huaku Chih Hsing (formerly Renyi Street No. 89 Project)	1,135,404	993,769	985,171
Huaku Moon Light	—	2,366,585	2,181,803
Huaku Da'an Tower	—	1,781,581	1,584,008
	<u>36,870,872</u>	<u>28,662,864</u>	<u>26,849,841</u>

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Buildings and land held for construction</u>			
Guangpu Hsinchu Project, Second Phase	2,303,787	2,098,282	2,098,280
Taichung Jingmao 5th Road Project	1,672,152	1,672,184	1,347,755
Taichung Fengle Road Project II	1,503,380	—	—
Jang Dah Xindian Project	700,517	693,283	691,454
Fuxing South Road Urban Renewal Project	241,061	241,061	241,061
Dunnan Project	198,834	198,834	198,834
Huaku Yu Cheng	26,685	—	—
Bellezza Hotel Project	—	—	144,617
Huaku Vision Park (formerly the Jang Dah Beitou Project)	—	4,167,357	3,133,758
Huaku Mansion de Lotus (formerly Wenlin North Road Project III)	—	1,863,571	1,853,229
Huaku Four Seasons (formerly Taichung Chongde 10th Road Project)	—	1,353,223	1,329,143
Others	618,497	510,331	351,682
	<u>7,264,913</u>	<u>12,798,126</u>	<u>11,389,813</u>
<u>Land prepayments and others</u>			
Taichung Fengle Road Project II	—	1,426,248	668,572
Land and road usage volume	23,958	32,741	42,360
	<u>23,958</u>	<u>1,458,989</u>	<u>710,932</u>
Less: Allowance for valuation loss	(16,709)	(16,709)	(16,709)
	<u>7,249</u>	<u>1,442,280</u>	<u>694,223</u>
	<u>\$ 46,948,743</u>	<u>\$ 43,989,380</u>	<u>\$ 40,035,608</u>

1. Huaku New World

- (1) During 2013, the Company acquired the land rights and paid royalties of \$1.388 billion under the “Cooperative Development Contract for State-owned Land in and around the Training Center for Financial Officers of the Ministry of Finance” with the National Property Administration, MOF, with a lease term of 70 years. This project recognized revenue when transferring land and house use rights to customers between 2017 and 2021.
 - (2) In accordance with the Company’s policy, some of the units in this project are leased out for rental purposes. Therefore, they are reclassified as “investment property” together with the land use rights after the completion of the registration process.
 - (3) Please refer to 6 (13) for details of the information on the property of this project provided as a guarantee.
2. The cost of inventories recognized as an expense for the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, were \$2,125,840, \$3,480,738, \$3,498,001, and \$4,652,914, respectively, which included the cost of goods sold \$3,057, \$4,532, \$(3,516), and \$5,329, respectively, recognized from cost adjustments to net realizable value. In Q3 2024, the net realizable value of inventories rebounded due to the sale of a portion of the inventories with a net realizable value lower than the cost.
3. The amount of interest capitalized in the Group’s inventories for the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, was \$133,414, \$87,174, \$361,882, and \$210,925, respectively, and the net interest rate margin range within the capitalized interest was 2.23%-2.28%, 2.30%-2.32%, 1.39%-2.28%, and 1.58%-2.32%, respectively.
4. In the cases of “Huaku National Landmark” and “Huaku Central Landmark” developed and constructed by the Group, agreements were signed with the Economic Development Department of the New Taipei City Government, which stipulates that the transfer of the property rights of certain floors will be processed five years from the date of obtaining the license to use these floors.
5. Please refer to Note 8 for details of the pledge of inventories by the Group.

(V) Joint Operations

1. Certain development projects of the Group are conducted through joint operations. The Group recognizes its direct interest (and its proportionate share) in the assets, liabilities, revenues, and expenses of the joint operations, which are included in the relevant items of the consolidated financial statements.
2. The information on the joint operation development projects held by the Group is as follows:

Project Name	Proportion of Shareholding	Landowner or Co-developer	Location
Ultimate Luxury	50%	PUJEN Land Development	Da'an District, Taipei City

3. The information on the joint operation development projects held by the Group is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Balance sheet</u>			
Current assets			
Accounts receivables and notes receivables	\$ 13,332	\$ 712	\$ 4,472
Inventories	1,479,665	1,130,897	1,065,895
Other current assets	227,072	159,449	134,008
	<u>1,720,069</u>	<u>1,291,058</u>	<u>1,204,375</u>
Non-current assets	<u>1,089</u>	<u>1,089</u>	<u>2,117</u>
Total assets	<u>\$ 1,721,158</u>	<u>\$ 1,292,147</u>	<u>\$ 1,206,492</u>
Current liabilities			
Accounts payables and notes payables	\$ 36,479	\$ 26,105	\$ 35,380
Contract liabilities	532,918	167,154	12,206
Other current liabilities	59,697	12,969	50,728
Total liabilities	<u>\$ 629,094</u>	<u>\$ 206,228</u>	<u>\$ 98,314</u>
<u>Statement of comprehensive income</u>			
Revenue	<u>\$ 5,055</u>	<u>\$ 1,702</u>	<u>\$ 69</u>
Cost	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Expense	<u>\$ 10,575</u>	<u>\$ 16,200</u>	<u>\$ 2,181</u>

(VI) Other current assets

	September 30, 2025	December 31, 2024	September 30, 2024
Restricted bank deposits	\$ 1,839,374	\$ 2,674,396	\$ 1,748,969
Construction refundable deposits	702,270	339,870	336,870
Incremental costs for obtaining contracts	556,410	525,701	365,952
Other current assets	241,057	133,442	65,701
	<u>\$ 3,339,111</u>	<u>\$ 3,673,409</u>	<u>\$ 2,517,492</u>

The restricted bank deposits are the Group's pre-sale construction project trust fund; please refer to Notes 8 and 9 for details.

(VII) Investment accounted for using the equity method

	September 30, 2025	Shareholding percentage	December 31, 2024	Shareholding percentage	September 30, 2024	Shareholding percentage
Associates						
Taiwan Digit Automated Control Co., Ltd.	\$ 30,638	40.00	\$ 31,611	40.00	\$ 31,178	40.00
Full Come Foundation Engineering Co., Ltd.	37,161	38.05	31,710	38.05	29,966	38.05
Joint ventures:						
Huapu Construction Co., Ltd.	5,159	50.00	5,151	50.00	5,244	50.00
	<u>\$ 72,958</u>		<u>\$ 68,472</u>		<u>\$ 66,388</u>	

1. For the basic information of the Group's associates and joint ventures, please refer to Note 13 (2) for details.
2. For the carrying amounts of the Group's non-significant associates and joint ventures as of September 30, 2025, December 31, and September 30, 2024, please refer to the table above; the operating results are as follows:

	July 1 to September 30, 2025	July 1 to September 30, 2024
Net income from continuing operations	\$ 4,435	\$ 3,728
Other comprehensive income (loss)	—	—
Total comprehensive income	<u>\$ 4,435</u>	<u>\$ 3,728</u>

	January 1 to September 30, 2025	January 1 to September 30, 2024
Net income from continuing operations	\$ 12,344	\$ 9,265
Other comprehensive income (loss)	—	—
Total comprehensive income	\$ 12,344	\$ 9,265

3. There are no public quotations for the investment targets of the Group. For the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, the share of profits and losses of associates recognized under the equity method was evaluated and disclosed on the basis of the unaudited financial statements of each such investee for the same period.

(VIII) Investment property

2025			
	Land	Buildings and land use rights	Total
January 1	\$ 4,360	\$ 241,141	\$ 245,501
Depreciation expenses	—	(3,122)	(3,122)
Net exchange differences	—	(74)	(74)
September 30	\$ 4,360	\$ 237,945	\$ 242,305

2024			
	Land	Buildings and land use rights	Total
January 1	\$ 4,360	\$ 294,805	\$ 299,165
Disposal	—	(7,824)	(7,824)
Depreciation expenses	—	(3,551)	(3,551)
Net exchange differences	—	921	921
Outbound transfers for the period	—	(42,152)	(42,152)
September 30	\$ 4,360	\$ 242,199	\$ 246,559

1. Investment properties are held for leasing to others to use. The lease term of the leased real estate lasts until 2032. The rental income and direct operating expenses of the investment properties are as follows:

	July 1 to September 30, 2025	July 1 to September 30, 2024
Rental income from investment property	<u>\$ 2,733</u>	<u>\$ 2,766</u>
Direct operating expenses incurred by investment property generating rental revenue in the current period	<u>\$ 1,041</u>	<u>\$ 2,181</u>
	January 1 to September 30, 2025	January 1 to September 30, 2024
Rental income from investment property	<u>\$ 8,216</u>	<u>\$ 8,173</u>
Direct operating expenses incurred by investment property generating rental revenue in the current period	<u>\$ 5,391</u>	<u>\$ 5,896</u>

- The fair values of investment properties held by the Group as of September 30, 2025, December 31, 2024, and September 30, 2024, were \$608,529, \$612,822 and \$613,484, respectively, which were classified as Level 2 fair values by reference to recent transaction prices of the construction of each investment property or the recent transaction prices of similar targets in the region.
- The maturity analysis of the lease payments for the investment properties leased out by the Group under operating leases is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Within 1 year	<u>\$ 10,909</u>	<u>\$ 10,916</u>	<u>\$ 10,781</u>
2 to 5 years	<u>25,700</u>	<u>31,301</u>	<u>31,926</u>
Over 5 years	<u>2,063</u>	<u>4,627</u>	<u>6,710</u>
	<u>\$ 38,672</u>	<u>\$ 46,844</u>	<u>\$ 49,417</u>

- For information on guarantees provided by the Group for investment property, please refer to Note 8 for details.

(IX) Short-term loans

<u>Nature of borrowings</u>	<u>September 30, 2025</u>	<u>Interest rate range</u>	<u>Collateral</u>
<u>Bank loans</u>			
Secured bank loans	\$ 15,557,657	1.98%~2.95%	Inventories — buildings and land
Credit loans	800,000	1.87%~2.19%	None
	<u>\$ 16,357,657</u>		

<u>Nature of borrowings</u>	<u>December 31, 2024</u>	<u>Interest rate range</u>	<u>Collateral</u>
<u>Bank loans</u>			
Secured bank loans	\$ 15,402,327	1.96%~2.85%	Inventories — buildings and land
Credit loans	1,376,000	1.87%~2.19%	None
	<u>\$ 16,778,327</u>		

<u>Nature of borrowings</u>	<u>September 30, 2024</u>	<u>Interest rate range</u>	<u>Collateral</u>
<u>Bank loans</u>			
Secured bank loans	\$ 13,854,720	1.96%~2.78%	Inventories — buildings and land
Credit loans	2,126,000	1.87%~2.19%	None
	<u>\$ 15,980,720</u>		

(X) Short-term bills payable

<u>Nature of borrowings</u>	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Short-term bills payable	\$ 350,000	\$ 350,000	\$ 300,000
Less: Discount on short-term bills payable	(133)	(294)	(148)
Net	<u>\$ 349,867</u>	<u>\$ 349,706</u>	<u>\$ 299,852</u>
Interest rate range	<u>2.09%~2.36%</u>	<u>2.22%~2.36%</u>	<u>2.27%~2.29%</u>

(XI) Other current liabilities - others

	September 30, 2025	December 31, 2024	September 30, 2024
Provisions for warranty liability and others	\$ 64,997	\$ 69,365	\$ 69,556
Collection on behalf of others	25,240	9,457	16,048
Temporary receipt of unsecured convertible corporate bonds	—	—	4,040,000
Others	63,446	33,892	110,953
	<u>\$ 153,683</u>	<u>\$ 112,714</u>	<u>\$ 4,236,557</u>

(XII) Corporate bonds payable (no such transactions as of September 30, 2024)

Nature of borrowings	September 30, 2025	December 31, 2024
Bonds payable	\$ 6,000,000	\$ 6,000,000
Less: Discount on bonds payable	(516,614)	(613,479)
Net	<u>\$ 5,483,386</u>	<u>\$ 5,386,521</u>

1. Domestic third unsecured convertible bonds

(1) The terms of the Company's issuance of the third domestic unsecured convertible bonds on October 2, 2024 are as follows:

- A. The total issuance amount is NT\$4 billion, issued at 101% of the face value, with a coupon rate of 0%. The term of the issuance is 5 years, and the circulation period is from October 2, 2024 to October 2, 2029.
- B. From the day following the expiration of three months after the issuance of this convertible corporate bond (January 3, 2025), until the maturity date (October 2, 2029), the bondholders may request to convert their bonds into common stock of the Company at any time, except during periods when transfer is required to be suspended in accordance with regulations or laws. The rights and obligations of the common stock after conversion shall be the same as those of the common stock already issued.
- C. The conversion price of these convertible bonds is determined based on the reference date of September 24, 2024. The base price is selected as the simple arithmetic average of the closing prices of the Company's common shares on the trading days immediately preceding the reference

date (not including the reference date) for one, three, or five business days, whichever is chosen. The conversion price is then calculated by multiplying the base price by a conversion premium rate of 103.24%. This will be the conversion price for the convertible bonds. If the reference date is preceded by a stock split or dividend distribution, the closing price used to calculate the conversion price shall be adjusted to reflect the ex-rights or ex-dividend price. If, after the conversion price has been determined and before the actual issuance date, there is a stock split or dividend distribution, the conversion price will be adjusted in accordance with the adjustment formula specified in the conversion terms. In accordance with the aforementioned method, the conversion price of the convertible bonds at the time of issuance is NT\$138 per share. During the current period, the conversion price was adjusted in accordance with the pricing mechanism specified in the conversion terms due to the Company's anti-dilution provisions. As of September 30, 2025, the conversion price was adjusted to NT\$125 per share.

D. The convertible bonds may be redeemed early at the discretion of the Company starting from the day following the third month of issuance (January 3, 2025), and continuing until the fortieth day prior to the maturity date (August 23, 2029). If, during this period, the closing price of the Company's common stock exceeds the conversion price by 30% or more for 30 consecutive trading days, or if the outstanding balance of the convertible bonds is less than 10% of the original total issuance amount, the Company has the right to exercise its early redemption option and redeem all outstanding convertible bonds at face value in cash.

E. The Company shall set the third anniversary of the issuance date of the convertible bonds (October 2, 2027) as the redemption reference date for the convertible bondholders to sell back the convertible bonds. Convertible bondholders have the right to exercise the put option, requesting the Company to redeem the convertible bonds held by them in cash at face value.

(2) Upon the issuance of the convertible bonds, the Company, in accordance with IAS No. 32 "Financial Instruments: Presentation," separated the equity component of the conversion option from the liability components. The equity component was recorded under "Additional Paid-in Capital – Warrants" amounting to \$442,035.

2. Domestic fourth unsecured convertible bonds

(1) The terms of the Company's issuance of the fourth domestic unsecured convertible bonds on October 18, 2024 are as follows:

- A. The total issuance amount is NT\$2 billion. The convertible bonds were publicly offered through a competitive auction method, with the actual issuance price set at 104.83% of the face value. The actual issuance amount was NT\$2,096,689,000, with a coupon rate of 0%. The term of the issuance is 5 years, and the circulation period is from October 18, 2024 to October 18, 2029.
- B. From the day following the expiration of three months after the issuance of this convertible corporate bond (January 19, 2025), until the maturity date (October 2, 2029), the bondholders may request to convert their bonds into common stock of the Company at any time, except during periods when transfer is required to be suspended in accordance with regulations or laws. The rights and obligations of the common stock after conversion shall be the same as those of the common stock already issued.
- C. The conversion price of these convertible bonds is determined based on the reference date of September 24, 2024. The base price is selected as the simple arithmetic average of the closing prices of the Company's common shares on the trading days immediately preceding the reference date (not including the reference date) for one, three, or five business days, whichever is chosen. The conversion price is then calculated by multiplying the base price by a conversion premium rate of 102%. This will be the conversion price for the convertible bonds. If the reference date is preceded by a stock split or dividend distribution, the closing price used to calculate the conversion price shall be adjusted to reflect the ex-rights or ex-dividend price. If, after the conversion price has been determined and before the actual issuance date, there is a stock split or dividend distribution, the conversion price will be adjusted in accordance with the adjustment formula specified in the conversion terms. In accordance with the aforementioned method, the conversion price of the convertible bonds at the time of issuance is NT\$136.3 per share. During the current period, the conversion price was adjusted in accordance with the pricing mechanism specified in the conversion terms due to the

Company's anti-dilution provisions. As of September 30, 2025, the conversion price was adjusted to NT\$123.5 per share.

D. The convertible bonds may be redeemed early at the discretion of the Company starting from the day following the third month of issuance (January 19, 2025), and continuing until the fortieth day prior to the maturity date (August 23, 2029). If, during this period, the closing price of the Company's common stock exceeds the conversion price by 30% or more for 30 consecutive trading days, or if the outstanding balance of the convertible bonds is less than 10% of the original total issuance amount, the Company has the right to exercise its early redemption option and redeem all outstanding convertible bonds at face value in cash.

E. The Company shall set the third anniversary of the issuance date of the convertible bonds (October 18, 2027) as the redemption reference date for the convertible bondholders to sell back the convertible bonds. Convertible bondholders have the right to exercise the put option, requesting the Company to redeem the convertible bonds held by them in cash at face value.

(2) Upon the issuance of the convertible bonds, the Company, in accordance with IAS No. 32 "Financial Instruments: Presentation," separated the equity component of the conversion option from the liability components. The equity component was recorded under "Additional Paid-in Capital – Warrants" amounting to \$295,054.

(XIII) Long-term loans

Nature of borrowings	Loan period and repayment method	Interest rate range	Collateral	September 30, 2025
<u>Long-term bank</u>				
Credit loans	From July 2024 to July 2026; the interest is paid on a monthly basis	1.97%~2.10%	None	\$ 800,000
"	From July 2024 to July 2026; the interest is paid on a monthly basis	"	"	450,000
"	From August 2025 to August 2027, and the interest is paid on a monthly basis	"	"	1,000,000

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Nature of borrowings	Loan period and repayment method	Interest rate range	Collateral	September 30, 2025
"	From August 2025 to August 2027, and the interest is paid on a monthly basis	"	"	674,000
Loans secured by accounts receivable	From June 2017 to September 2039; the principal and interest are paid on a monthly basis.	2.82%	Read Note for details	1,839,181
				<u>4,763,181</u>
Less: Long-term loans due within one year or one operating cycle				<u>(1,634,184)</u>
				<u>\$ 3,128,997</u>

Nature of borrowings	Loan period and repayment method	Interest rate range	Collateral	December 31, 2024
<u>Long-term bank</u>				
Credit loans	From June 2023 to June 2025, and the interest is paid on a monthly basis	1.93%~2.10%	None	\$ 699,400
"	From July 2024 to July 2026; the interest is paid on a monthly basis	"	"	1,000,000
"	From July 2024 to July 2026; the interest is paid on a monthly basis	"	"	500,000
Loans secured by accounts receivable	From June 2017 to September 2039; the principal and interest are paid on a monthly basis.	2.69%~2.82%	Read Note for details	2,016,930
				<u>4,216,330</u>
Less: Long-term loans due within one year or one operating cycle				<u>(1,318,265)</u>
				<u>\$ 2,898,065</u>

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Nature of borrowings	Loan period and repayment method	Interest rate range	Collateral	September 30, 2024
<u>Long-term bank</u>				
Credit loans	From June 2023 to June 2025, and the	1.93%~2.10%	None	\$ 860,800
"	From July 2024 to July 2026; the interest is paid on a monthly basis	"	"	1,000,000
"	From July 2024 to July 2026; the interest is paid on a monthly basis	"	"	500,000
Loans secured by accounts receivable	From June 2017 to September 2039; the principal and interest are paid on a monthly basis.	2.82%	Read Note for details	2,053,883
				<hr/> 4,414,683
Less: Long-term loans due within one year or one operating cycle				(1,230,448)
				<hr/> <hr/> \$ 3,184,235

The Group's unused balance of loan limit as of September 30, 2025, December 31, 2024, and September 30, 2024, were \$5,777, 520, \$6,825, 570 and \$6,125, 570, respectively.

Accounts receivable/Loans secured by other receivables

The Company signed the secured loans agreement to use Accounts Receivable as collateral with the Mega International Commercial Bank. The Company utilized the Installment Accounts Receivable from the Company's sale of Huaku New World Project, the rights of the building site, and the construction and its subsidiaries as collateral to obtain a loan amount of NT\$6 billion originally, and the loan limit was adjusted to NT\$4 billion on May 9, 2022, and further adjusted to NT\$3.5 billion on July 11, 2024, with loan term of 20 years. Please refer to Note 6 (3) for details. The main terms of the agreement are as follows:

1. The loan term of each account receivable shall not exceed 20 years from the date when the funds are used, nor shall it extend beyond September 20, 2039.
2. The used amount mentioned above shall be circulated from the date of first use to the date of expiration of five years, and the unused balance of loans shall be automatically canceled at that time.

3. During the duration of the secured loans using account receivable as collateral, the Group shall maintain all the following financial ratios on the basis of the consolidated annual financial statements audited by the accountant, which shall be checked once a year:
 - (1) Current ratio: not less than 100%.
 - (2) Debt ratio (total liabilities/tangible net worth): not greater than 230%.

(XIV) Pensions

1. In compliance with the requirements set forth in the Labor Standards Act, the Company and its domestic subsidiaries have stipulated a defined benefit pension plan, which is applicable to the years of service rendered by regular employees prior to, and after (if employees elect to continue to apply the Labor Standards Act), the implementation of the Labor Pension Act on July 1, 2005. Pension payments for employees qualified for the aforementioned retirement criteria are calculated in accordance with the years of service rendered and the average salaries or wages of the last six months prior to retirement. Two bases are given for each full year of service over the first 15 years, and one base is given for an additional year of service thereafter, provided that the total bases do not exceed 45. The Company contributes on a monthly basis 2% of the total salary (wages) as the pension fund, which is deposited in a designated account of the Bank of Taiwan under the name of the Supervisory Committee of Workers' Retirement Fund. Prior to the end of each annual period, the Company assesses the balance of the aforementioned designated account for the labor pension fund. If the balance is determined insufficient to pay off the pension amount computed by the aforementioned approach for employees qualified for retirement within next year, the Company will make a lump sum contribution to make up the shortfall before the end of March of the following year.
 - (1) For the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, the net pension costs recognized under the defined contribution plan aforementioned were \$327, \$171, \$1,083, and \$512, respectively.
 - (2) The Group expects to make a contribution of \$483 to the pension plans for the year ended December 31, 2025.
2. Starting from July 1, 2005, the Company and subsidiaries have set up a defined contribution plan for all employees with R.O.C. citizenship in accordance with the Labor Pension Act. For part of employees of the Company and its domestic

subsidiaries who choose to apply the labor pension system as defined in the Labor Pension Act, the Company has made monthly contributions equal to 6% of each employee's monthly salary to employees' pension accounts. The benefits accrued are paid monthly or in a lump sum upon termination of employment.

- (1) According to the elderly insurance system stipulated by the Government of the People's Republic of China, the Group contributes pensions monthly at a fixed rate of the total salaries of the employees of the Group's subsidiaries in mainland China. For the period from January 1 to September 30, 2025 and 2024, the contribution ratio was both 20%. The pension for each employee is managed by the government, hence the Group does not have further obligations except for making a monthly contribution.
- (2) For the period from July 1 to September 30, 2024 and 2023 as well as January 1 to September 30, 2024 and 2023, the net pension costs recognized under the defined contribution plan aforementioned were \$2,086, \$1,934, \$6,237, and \$5,147, respectively.

(XV) Share capital

1. The Company resolved at the shareholders' meetings held on May 28, 2025 and May 29, 2024 to increase capital by transferring undistributed earnings of \$152,247 and \$276,813, respectively. The base dates for the capital increases were August 2, 2025 and June 29, 2024, respectively, and the amendments to registration have been completed with the Ministry of Economic Affairs.
2. As of September 30, 2025, the Company's authorized capital was \$5,000,000, and the paid-in capital was \$3,197, 187 with a par value of NT\$10 per share. Share payments for the Company's issued stocks have been collected in full.

The adjustment of the number of outstanding shares of the Company at the beginning and end of the period is as follows:

	2025	2024
January 1	304,493,998	276,812,726
Capital increase from	15,224,699	27,681,272
September 30	319,718,697	304,493,998

3. Treasury stock

- (1) The Company had no treasury stock transactions from January 1 to September 30, 2025 and 2024.

- (2) As of September 30, 2025, December 31, and September 30, 2024, the Company's subsidiary Pin Shing Construction Co., Ltd., held the Company's shares for the purpose of investment profit; the details are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Number of shares (thousand shares)	201	192	192
Carrying amounts	\$ 850	\$ 850	\$ 850

(XVI) Additional paid-in capital

According to the Company Act, additional paid-in capital including the income derived from issuing shares at a premium and from endowments, in addition to being used to cover deficit, where there is no accumulated deficit in a company, shall be distributed by issuing new shares to shareholders in proportion to the number of shares being held or by cash. In addition, according to relevant provisions of the Securities and Exchange Act, when allocating capital from the aforementioned additional paid-in capital, the combined capitalized amount each year shall not exceed 10 percent of the paid-up capital. A company shall not use the additional paid-in capital to make good its capital loss unless the surplus reserve is insufficient to make good such loss.

(XVII) Retained earnings

1. In accordance with the Company's Articles of Incorporation, if there is any surplus in the annual accounts, the Company should first pay income tax to cover prior years' deficits, and if there is still a surplus, the Company should set aside a legal reserve of 10% of the paid-in capital, unless the legal reserve has already reached the paid-in capital. The remaining balance of the legal reserve should be added to the cumulative undistributed earnings of the previous year to arrive at the cumulative distributable earnings. The aforementioned distributable earnings are reported to the shareholders in the shareholders' meeting after the Board of Directors resolves to distribute dividends.
2. Legal reserves may only be used for offsetting deficits and issuing new shares or distributing cash in proportion to shareholders' original holdings. However, when new shares are issued or cash is distributed, the amount shall be limited to 25% of the reserves in excess of the paid-in capital.
3. The Company may allocate earnings only after providing a special reserve for debt balance in other equity on the date of the balance sheet, and the reversal of debit balance in other equity, if any, may be stated into allocable earnings.

4. The Company's distribution of earnings for 2024 and 2023, as resolved by the shareholders' meeting on May 28, 2025, and May 29, 2024 is as follows:

	2024		2023	
	Amount	Dividends per share (NT\$)	Amount	Dividends per share (NT\$)
Legal reserves	\$ 138,061		\$ 358,119	
Cash dividends	1,674,718	\$ 5.5	2,076,095	\$ 7.5
Stock dividends	152,247	0.5	276,813	1

(XVIII) Other equity items

	2025	2024
January 1	\$ 35,984	\$ 11,940
Currency translation differences:		
— The Group	(1,765)	30,542
— Tax amount of the Group	353	(6,109)
September 30	\$ 34,572	\$ 36,373

(XIX) Operating revenue

	July 1 to September 30, 2025	July 1 to September 30, 2024
Revenue from contracts with customers	\$ 2,825,156	\$ 5,413,934
Lease revenue	10,110	9,527
	\$ 2,835,266	\$ 5,423,461
	January 1 to September 30, 2025	January 1 to September 30, 2024
Revenue from contracts with customers	\$ 4,831,602	\$ 7,143,885
Lease revenue	31,668	22,644
	\$ 4,863,270	\$ 7,166,529

1. Breakdown of revenue from contracts with customers

The Group's income is derived from the sale of goods transferred at a certain point in time. The income can be further divided into the following main product lines and geographic regions:

	Sales of construction project		
<u>July 1 to September 30, 2025</u>	Taiwan	China	Total
Timing of revenue recognition			
— Revenue recognized at a specific timing	\$ 2,825,156	\$ —	\$ 2,825,156
	Sales of construction project		
<u>July 1 to September 30, 2024</u>	Taiwan	China	Total
Timing of revenue recognition			
— Revenue recognized at a specific timing	\$ 5,413,934	\$ —	\$ 5,413,934
	Sales of construction project		
<u>January 1 to September 30, 2025</u>	Taiwan	China	Total
Timing of revenue recognition			
— Revenue recognized at a specific timing	\$ 4,831,602	\$ —	\$ 4,831,602
	Sales of construction project		
<u>January 1 to September 30, 2024</u>	Taiwan	China	Total
Timing of revenue recognition			
— Revenue recognized at a specific timing	\$ 7,143,428	\$ 457	\$ 7,143,885

2. The aggregate amount of the transaction price and the estimated recognized revenue year of the sales contract signed by the Group as of September 30, 2025, which had not yet satisfied its performance obligations, are as follows:

Estimated recognized revenue year	Amount of contracts signed
2025 - 2029	\$ 37,649,819

3. Contract liabilities

- (1) The Group recognized contract revenues related to contract liabilities as follows:

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Contract liabilities				
—current:				
— Advance land receipts	\$ 4,716,028	\$ 4,096,463	\$ 3,598,776	\$ 2,637,770
— Advance building receipts	1,957,966	1,915,402	1,453,063	1,087,310
	<u>\$ 6,673,994</u>	<u>\$ 6,011,865</u>	<u>\$ 5,051,839</u>	<u>\$ 3,725,080</u>

The Group's sales contract of pre-sale homes contains provisions for advance payment from customers, and the time between advance receipt and commodity ownership transfer is longer than one year. According to IFRS 15, contract liabilities related to sales of pre-sale homes were recognized as current liabilities.

- (2) Provision for opening contract liabilities:

	July 1 to September 30, 2025	July 1 to September 30, 2024
The opening balance of contract liabilities and revenue recognized during the period		
— Construction pre-sale contract	\$ 899,157	\$ 546,103
	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
The opening balance of contract liabilities and revenue recognized during the period		
— Construction pre-sale contract	\$ 1,855,945	\$ 904,115

(XX) Additional information regarding the nature of expense

	July 1 to September 30, 2025	July 1 to September 30, 2024
Construction costs for the current period	\$ 2,125,863	\$ 3,471,558
Employee benefit expenses	103,754	164,836
Advertising expenses	112,021	102,849
Taxation	15,294	15,236
Depreciation and amortization	19,172	8,151
Other costs and expenses	3,287	4,569
Operating cost and operating expenses	<u>\$ 2,379,391</u>	<u>\$ 3,767,199</u>
	January 1 to September 30, 2025	January 1 to September 30, 2024
Construction costs for the current period	\$ 3,486,450	\$ 4,643,823
Employee benefit expenses	259,262	289,824
Advertising expenses	224,945	134,626
Taxation	50,652	49,328
Depreciation and amortization	49,888	20,913
Other costs and expenses	26,960	14,174
Operating cost and operating expenses	<u>\$ 4,098,157</u>	<u>\$ 5,152,688</u>

(XXI) Employee benefit expenses

	July 1 to September 30, 2025	July 1 to September 30, 2024
Salary and bonuses	\$ 84,434	\$ 129,465
Director Compensation	7,189	23,386
Labor and health insurance expenses	4,740	4,220
Pension expenses	2,413	2,105
Other personnel expenses	4,978	5,660
	<u>\$ 103,754</u>	<u>\$ 164,836</u>
	January 1 to September 30, 2025	January 1 to September 30, 2024
Salary and bonuses	\$ 207,729	\$ 225,313
Director compensation	13,555	30,017
Labor and health insurance expenses	17,950	16,439
Pension expenses	7,320	5,659
Other personnel expenses	12,708	12,396

\$	259,262	\$	289,824
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1. As stated in the Articles of Incorporation, if there are any remaining profits after deducting the accumulated deficits from the profits of the year, the Company shall allocate 3%-5% of the remaining profits as compensation to employees, and remuneration to directors cannot exceed 2% of the remaining profits.
2. For the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, the Company's recognized compensation to employees amounted to \$13,933, \$51,567, \$23,324, and \$61,553, respectively, and remuneration to directors amounted to \$6,037, \$22,346, \$10,107, and \$26,673, respectively, all presented under payroll expense.
3. Based on the profitability for the period from January 1 to September 30, 2025, it is estimated that 3% and 1.3%, respectively, have been allocated.
4. The Company's 2024 employee remuneration and directors' remuneration are consistent with the amounts recognized in the financial statements for the year ended December 31, 2024.

Information regarding employees' salary and remuneration to Directors approved by the Board of Directors of the Company can be found on the Market Observation Post System (MOPS) website.

(XXII) Interest income

	July 1 to September 30, 2025	July 1 to September 30, 2024
Bank deposit interest	\$ 2,695	\$ 141
Interest income on financial assets measured at amortized cost	13,132	14,780
Other interest income	875	—
	<u>\$ 16,702</u>	<u>\$ 14,921</u>
	January 1 to September 30, 2025	January 1 to September 30, 2024
Bank deposit interest	\$ 25,320	\$ 9,074
Interest income on financial assets measured at amortized cost	51,255	44,761
Other interest income	1,076	—
	<u>\$ 77,651</u>	<u>\$ 53,835</u>

(XXIII) Other income

	July 1 to September 30, 2025	July 1 to September 30, 2024
Transferred income from accounts payable	\$ —	\$ (8,332)
Income from default of contracted purchasers	952	—
Contract default income	—	4
Other income	2,982	9,161
	<u>\$ 3,934</u>	<u>\$ 833</u>
	January 1 to September 30, 2025	January 1 to September 30, 2024
Advertising service income	\$ 5,036	\$ 6,679
Transferred income from accounts payable	180	—
Income from default of contracted purchasers	8,952	—
Contract default income	—	209
Other income	9,063	10,575
	<u>\$ 23,231</u>	<u>\$ 17,463</u>

(XXIV) Other gains and losses

	July 1 to September 30, 2025	July 1 to September 30, 2024
Financial liabilities measured at fair value through profit or loss	\$ 200	\$ —
Gains on financial assets at fair value through profit or loss	36	69
Foreign exchange gains	46	(8)
Miscellaneous items	(1)	—
	<u>\$ 281</u>	<u>\$ 61</u>
	January 1 to September 30, 2025	January 1 to September 30, 2024
Financial liabilities measured at fair value through profit or loss	\$ 600	\$ —
Gains from lease modifications	240	—
Gains on financial assets at fair value through profit or loss	162	316
Foreign exchange gains	30	54
Loss on disposal of investments	—	(27,736)
Loss (gain) on disposal of investment properties	—	(3,700)
Loss (gain) on disposal of property, plant, and equipment	(2)	—
Miscellaneous items	(430)	(323)
	<u>\$ 600</u>	<u>\$ (31,389)</u>

(XXV) Financial cost

	July 1 to September 30, 2025	July 1 to September 30, 2024
Interest expense		
— Bank loans	\$ 114,187	\$ 101,225
— Amortization of convertible bonds discount	32,288	—
— Loans secured by accounts receivable	13,164	14,779
— Lease liabilities	99	81
Financial expenses	662	548
	160,400	116,633
Less: Amount capitalized of qualified assets	(133,414)	(87,174)
	<u>\$ 26,986</u>	<u>\$ 29,459</u>
	January 1 to September 30, 2025	January 1 to September 30, 2024
Interest expense		
— Bank loans	\$ 334,886	\$ 257,544
— Amortization of convertible bonds discount	96,865	—
— Loans secured by accounts receivable	40,886	44,761
— Lease liabilities	435	267
Financial expenses	2,398	1,870
	475,470	304,442
Less: Amount capitalized of qualified assets	(361,882)	(210,925)
	<u>\$ 113,588</u>	<u>\$ 93,517</u>

(XXVI) Income tax

1. Income tax expense

(1) Components of income tax expense:

	July 1 to September 30, 2025	July 1 to September 30, 2024
Current income tax:		
Income tax incurred in the current period	\$ 103,195	\$ 318,063
Land value increment tax included in current income tax	1,267	11,581
Total income tax in the period	104,462	329,644
Deferred income tax:		
Recognition and reversal of temporary differences	(508)	1,936
Income tax expense	<u>\$ 103,954</u>	<u>\$ 331,580</u>
	January 1 to September 30, 2025	January 1 to September 30, 2024
Current income tax:		
Income tax incurred in the current period	\$ 185,867	\$ 387,235
Land value increment tax included in current income tax	9,915	19,495
Surcharge on undistributed earnings	—	43,508
Over-estimation of prior years	(13,127)	(6,692)
Total income tax in the period	182,655	443,546
Deferred income tax:		
Recognition and reversal of temporary differences	1,034	2,514
Income tax expense	<u>\$ 183,689</u>	<u>\$ 446,060</u>

(2) Income tax expense amounts associated with other comprehensive income:

	July 1 to September 30, 2025	July 1 to September 30, 2024
Foreign operations translation differences	<u>\$ (224)</u>	<u>\$ (152)</u>
	January 1 to September 30, 2025	January 1 to September 30, 2024
Foreign operations translation differences	<u>\$ 353</u>	<u>\$ (6,109)</u>

2. The tax authorities have examined income tax returns of the Company through the year ended December 31, 2023.

(XXVII) Earnings per share

	July 1 to September 30, 2025		
	Amount after tax	Weighted average number of shares outstanding (shares in thousands)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent company	\$ 350,223	319,517	\$ 1.10
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
— Convertible corporate bonds	—	4,535	
— Employee remuneration	—	270	
Profit attributable to common stock shareholders plus assumed conversion of all dilutive potential common stocks	\$ 350,223	324,322	\$ 1.08
July 1 to September 30, 2024			
	Amount after tax	Weighted average number of shares outstanding (shares in thousands)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent company	\$ 1,314,718	319,517	\$ 4.11
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
— Convertible corporate bonds	—	—	
— Employee remuneration	—	604	
Profit attributable to common stock shareholders plus assumed conversion of all dilutive potential common stocks	\$ 1,314,718	320,121	\$ 4.11

January 1 to September 30, 2025			
	Amount after tax	Weighted average number of shares outstanding (shares in thousands)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent company	\$ 582,011	319,517	\$ 1.82
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
— Convertible corporate bonds	—	48,194	
— Employee remuneration	—	368	
Profit attributable to common stock shareholders plus assumed conversion of all dilutive potential common stocks	\$ 582,011	368,079	\$ 1.58
January 1 to September 30, 2024			
	Amount after tax	Weighted average number of shares outstanding (shares in thousands)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent company	\$ 1,523,943	319,517	\$ 4.77
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
— Convertible corporate bonds	—	—	
— Employee remuneration	—	679	
Profit attributable to common stock shareholders plus assumed conversion of all dilutive potential common stocks	\$ 1,523,943	320,196	\$ 4.76

(XXVIII) Changes in liabilities from financing activities

2025								
	Short-term loans	Short-term bills payable	Bonds payable	Long-term loans (Note 2)	Guarantee deposits received	Lease liabilities	Dividends payable	Total liabilities from financing activities
January 1	\$ 16,778,327	\$ 349,706	\$ 5,386,521	\$ 4,216,330	\$ 11,211	\$ 43,582	\$ —	\$ 26,785,677
Increase during the period	4,188,380	1,400,000	—	1,687,360	11,400	—	—	7,287,140
Decrease during the period	(4,609,050)	(1,400,000)	—	(1,140,509)	(6,400)	(12,775)	(1,674,718)	(8,843,452)
Amortization of convertible bonds discount	—	—	96,865	—	—	—	—	96,865
Payment of interest expense (Note 1)	—	(2,828)	—	—	—	(435)	—	(3,263)
Other non-cash changes	—	2,989	—	—	—	(12,070)	1,674,718	1,665,637
September 30	<u>\$ 16,357,657</u>	<u>\$ 349,867</u>	<u>\$ 5,483,386</u>	<u>\$ 4,763,181</u>	<u>\$ 16,211</u>	<u>\$ 18,302</u>	<u>\$ —</u>	<u>\$ 26,988,604</u>
2024								
	Short-term loans	Short-term bills payable	Bonds payable	Long-term loans (Note 3)	Guarantee deposits received	Lease liabilities	Dividends payable	Total liabilities from financing activities
January 1	\$ 12,112,470	\$ —	\$ —	\$ 4,131,536	\$ 27,656	\$ 28,988	\$ —	\$ 16,300,650
Increase during the period	15,538,250	900,000	—	1,520,097	14,515	—	—	17,972,862
Decrease during the period	(11,670,000)	(600,000)	—	(1,236,950)	(26,160)	(7,352)	(2,076,095)	(15,616,557)
Payment of interest expense (Note 1)	—	(1,667)	—	—	—	(267)	—	(1,934)
Other non-cash changes	—	1,519	—	—	—	24,492	2,076,095	2,102,106
September 30	<u>\$ 15,980,720</u>	<u>\$ 299,852</u>	<u>\$ —</u>	<u>\$ 4,414,683</u>	<u>\$ 16,011</u>	<u>\$ 45,861</u>	<u>\$ —</u>	<u>\$ 20,757,127</u>

Note 1: Presentation of cash flows from operating activities.

Note 2: It includes \$1,634,184 long-term loans due within one year or one operating cycle, accounted for under the item “Long-term liabilities due within one year or one operating cycle”.

Note 3: It includes \$1,230,448 long-term loans due within one year or one operating cycle, accounted for under the item “Long-term liabilities due within one year or one operating cycle”.

VII. Related-Party Transactions

(I) Name and relationship of related parties

<u>Name of related party</u>	<u>Relationship with the Group</u>
Taiwan Digit Automated Control Co., Ltd.	Associate
Full Come Foundation Engineering Co., Ltd.	Associate
Huapu Construction Co., Ltd.	Associate
Zhong Wanqian	Relatives of key management within the second degree of kinship
Liao Wei-Chieh	Relatives of key management within the second degree of kinship
Hung Sheng-En	Relatives of key management within the second degree of kinship
Huang Yu-Hsuan	Relatives of key management within the second degree of kinship
Huang Pin-Wei	Relatives of key management within the second degree of kinship
Chang-Hsueh Investment Co., Ltd. and other three people	Other related party

(II) Significant transactions with related parties

1. Sales

- (1) For the period from January 1 to September 30, 2025 and 2024, the Board of Directors of the Group resolved to sell the projects developed and constructed by the Company to the related parties, and the total transaction amounts including tax were \$72,160 and \$150,910 respectively.
- (2) In 2022, the Group sold a construction project developed by the Company to a related party. The project was completed and delivered in the current year, and revenue of \$527,630 (including tax) was recognized.

2. Purchase

	<u>July 1 to September 30, 2025</u>	<u>July 1 to September 30, 2024</u>
Associate	<u>\$ 139,899</u>	<u>\$ 21,335</u>
	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
Associate	<u>\$ 241,204</u>	<u>\$ 78,191</u>

- (1) The above transactions with associates are entrusted with contracting projects. The price is based on the contract. The payment period is the same as that of non-related persons, and both are within one month or 45 days.

- (2) As of September 30, 2025, the total price of the uncompleted project contracts signed between the Group and associates was \$852,697, and the amount of unrecognized construction payments was \$467,401.

3. Accounts payable

	September 30, 2025	December 31, 2024	September 30, 2024
Associate	\$ 99,495	\$ 63,502	\$ 29,661

Amounts due to related parties are mainly from purchase transactions. The said accounts payable are non-interest bearing.

(III) Information on the remunerations of the key management

	July 1 to September 30, 2025	July 1 to September 30, 2024
Short-term employee benefits	\$ 4,287	\$ 26,697
	January 1 to September 30, 2025	January 1 to September 30, 2024
Short-term employee benefits	\$ 24,067	\$ 46,378

VIII. Pledged Assets

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

Assets	Carrying amounts			Purpose of guarantee
	September 30, 2025	December 31, 2024	September 30, 2024	
Installment accounts receivable				Loans secured by accounts receivable
— Accounts receivable	\$ 107,506	\$ 109,717	\$ 111,453	
— Long-term notes receivable and receivable	1,593,395	1,761,699	1,810,463	
Other installment accounts receivable				Loans secured by accounts receivable
— Other receivables	9,278	9,148	8,195	
— Long-term notes receivable and receivable	129,002	136,366	123,772	
Other current assets				
— Restricted bank deposits	1,839,374	2,674,396	1,748,969	Pre-sale construction project trust funds
Inventories	42,350,190	41,243,732	36,756,623	Short-term loans and commercial paper payable
Investment property	236,441	239,516	240,541	Loans secured by accounts receivable
	<u>\$ 46,265,186</u>	<u>\$ 46,174,574</u>	<u>\$ 40,800,016</u>	

IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

- (I) As of September 30, 2025, the total value of the engineering contract signed between the Group and non-related parties amounted to \$13,950,621 and the amount not yet estimated was \$8,248,632.
- (II) As of September 30, 2025, the Group had signed letters of trust deed with the trustee financial institution for the project of construction in progress, and the relevant project names and trust banks were as follows:

<u>Project name</u>	<u>Trust bank</u>
Huaku Vision Park	Hua Nan Commercial Bank Ltd.
Huaku Sky Tower	Taipei Fubon Bank
Huaku Casa Blanca	Cathay United Bank
Upper Mansion	Cathay United Bank
Huaku Flourish Mansion	E.SUN Commercial Bank, Ltd.
Huaku Mout River	Mega International Commercial Bank Co., Ltd.
Huaku Chih Hsing	Mega International Commercial Bank Co., Ltd.
Ultimate Luxury	Cathay United Bank
Huaku Mansion de Lotus	E.SUN Commercial Bank, Ltd.
Huaku Grand Seasons	CTBC Bank Co., Ltd.
Huaku Yu Cheng	CTBC Bank Co., Ltd.

The Group has processed the registrations of transferring the values trust or real estate development trust to the financial institution that undertakes the assurance for the construction as mentioned above projects.

X. Significant Disaster Losses

None.

XI. Significant Subsequent Events

- (I) The Company resolved at its Board of Directors meeting on October 16, 2025, to sell all houses and parking spaces of Huaku Asia One to Yang Ming Marine Transport Corporation. The total transaction amount was NT\$11,220,000 thousand.
- (II) The Company leased land from a third party located in Xindian District, New Taipei City. The reception center constructed on the leased land, which had not yet commenced operations, was accidentally damaged by a fire on October 30, 2025. No casualties occurred, and the related loss amount is still under assessment.

XII. Others

(I) Capital risk management

The objective of the Group's capital management is to ensure that the Group can continue as a going concern, that an optimal capital structure is maintained to lower the cost of capital, and that rewards are provided to shareholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group regulates the borrowing amount of the company based on the progress of the project and the funds required for the operation.

(II) Financial instruments

1. Categories of financial instruments

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets</u>			
Financial assets measured at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ 6,953	\$ 13,385	\$ 12,212
Financial assets/ loans and receivables measured at amortized cost			
Cash and cash equivalents	2,300,713	3,754,611	6,561,403
Time deposit	—	2,000,000	—
Notes receivable	213,335	109,193	131,706
Accounts receivable (including long- term installment accounts receivable over one year)	1,864,657	2,009,318	2,058,953
Other receivables	42,768	12,566	64,376
Refundable deposits	841,389	409,809	408,474
Other financial assets	1,839,374	2,674,396	1,748,969
	<u>\$ 7,102,236</u>	<u>\$ 10,969,893</u>	<u>\$ 10,973,881</u>

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	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial liabilities</u>			
Financial liabilities measured at amortized costs			
Short-term loans	\$ 16,357,657	\$ 16,778,327	\$ 15,980,720
Short-term bills payable	349,867	349,706	299,852
Notes payable	11,755	17,019	20,985
Accounts payable	1,668,630	1,851,572	1,221,548
Other accounts payable	252,930	385,317	404,732
Bonds payable	5,483,386	5,386,521	—
Long-term loans (including due within one year or one operating cycle)	4,763,181	4,216,330	4,414,683
Guarantee deposits received	16,211	11,211	16,011
	<u>\$ 28,903,617</u>	<u>\$ 28,996,003</u>	<u>\$ 22,358,531</u>
Lease liabilities	<u>\$ 18,302</u>	<u>\$ 43,582</u>	<u>\$ 45,861</u>

2. Risk management policy

- (1) The Group's daily operations are affected by various financial risks, e.g. market risks (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.
- (2) The risk management process is carried out by the finance department of the Group in accordance with the opinions of the board of directors. Through cooperation with the Group's operating units, the finance department is responsible for identifying, evaluating and hedging financial risks.
- (3) The Group does not undertake derivatives for hedging financial risks.

3. Nature and degree of significant financial risks

(1) Market risk

Exchange rate risk

The Group operates internationally. The main currencies are NTD and RMB. Foreign currency risk arises from recognized assets and liabilities and net investments in foreign operations. The management of the Group has

established policies to manage the foreign currency risk of functional currencies. The Group manages its overall foreign currency risk through the finance department. The Group had no foreign currency assets or liabilities as of September 30, 2025, December 31, and September 30, 2024.

Due to the monetary items of the Group, the aggregated exchange (loss) gains (both realized and unrealized) for the period from July 1 to September 30, 2025 and 2024 as well as January 1 to September 30, 2025 and 2024, were \$46, \$(8), \$30, and \$54, respectively.

Price risk

The price of wealth management commodities held by the Group is subject to the uncertainty of the price risk of the investment target's future value, so there exists a price risk exposure.

Cash flow interest rate risk and fair value interest rate risk

- A. The Group's interest rate risks come from short- and long-term loans. Loans with floating interest rates expose the Group to cash flow interest rate risks, of which a portion is offset by the cash held with floating interest rates. From January 1 to September 30, 2025 and 2024, the Group's loans at floating interest rates were denominated in NTD.
- B. The Group simulates a number of scenarios and analyzes interest rate risk, including consideration of refinancing, extending contracts of existing positions, and other available financings to calculate the impact of changes in specific interest rates on profit or loss.
- C. When all other factors remain unchanged, the maximum impact of a 1% change in the interest rate on the financial costs for the period from January 1 to September 30, 2025 and 2024, would be an increase or decrease of \$214,708 and \$206,954, respectively. The two payments of \$18,392 and \$20,539 for the period from January 1 to September 30, 2025 and 2024, respectively, were due to the Group's contract of the loan secured by accounts receivable with the bank. The interest income generated by the installment sales was directly deposited by the purchaser into the bank loan account of the Group to repay the interest expenses arising from the above-mentioned factoring contract. Therefore, there was no need for the Group to undertake the risk of interest rate changes arising from this transaction. The simulation is done on a

quarterly basis to verify that the maximum loss potential is within the limit given by the management.

(2) Credit risk

- A. Credit risk of the Group refers to the risk of financial loss of the Group caused by the client or counterparties of financial instruments failing to fulfill their contractual obligations. The risk is mainly from the counterparty's unable to pay off the accounts payable according to the collection conditions.
- B. The Group establishes credit risk management from the group perspective. Only banks and financial institutions with an independent credit rating of at least "A" can be accepted for trading by the Company.
- C. The Group mainly engages in the lease and sale of public housings, plants as well as the sale of premises. Revenue is recognized when the full contract payments are collected, and the transfer of ownership and the actual delivery of the house are completed. Therefore, the amount of accounts receivable arising from the sale of real estate should be petty proportion, and no much chance of non-recovery. For receivables arising from special transactions, the Company adopts individual management and conducts regular tracking. In addition, the Group classifies customers' accounts receivable and installment accounts receivable based on customer characteristics, and using the simplified preparation matrix, the company estimates the expected credit loss and adjusts the loss rate established by historical and current information during a specific period to assess the allowance loss of installments receivable. The Group's assessed credit impairment losses as of September 30, 2025, December 31, and September 30, 2024, were not significant.
- D. No written-off debts with recourse existed as of September 30, 2025, December 31, and September 30, 2024.
- E. The Group does not have any accounts receivable on sale.

(3) Liquidity risk

- A. The cash flow forecast is performed by each operating entity of the Group and compiled by the Group's finance department. The Group's finance division monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach

borrowing limits or covenants (where applicable) on any of its borrowing facilities.

- B. The Group's non-derivative financial liabilities are analyzed based on the remaining period from the date of balance sheet to the contract expiration date; the derivative financial liabilities are analyzed based on the fair value at the date of balance sheet.

Except for notes payable with undiscounted contract cash flow amount that is approximately equal to its book value and matures within one year, the amount of undiscounted contractual cash flow of other financial liabilities is as follows:

September 30, 2025

Non-derivative financial

<u>liabilities:</u>	<u>Within 1 year</u>	<u>1-3 years</u>	<u>Over 3 years</u>
Short-term loans	\$ 5,655,037	\$ 7,168,026	\$ 4,159,279
Short-term bills payable	350,000	—	—
Accounts payable	812,063	199,405	657,162
Other payables	206,738	13,589	32,603
Lease liabilities	11,115	7,512	—
Long-term loans (including due within one year or one operating cycle)	1,562,382	1,422,868	—
Loans secured by accounts receivable	150,320	300,235	2,010,365
Bonds payable	—	—	6,000,000

December 31, 2024

Non-derivative financial

<u>liabilities:</u>	<u>Within 1 year</u>	<u>1-3 years</u>	<u>Over 3 years</u>
Short-term loans	\$ 1,744,404	\$ 10,622,101	\$ 5,343,990
Short-term bills payable	350,000	—	—
Accounts payable	1,135,014	268,334	448,224
Other payables	338,390	1,800	45,127
Lease liabilities	20,176	21,366	3,171
Long-term loans (including due within one year or one operating cycle)	1,231,814	1,006,526	—
Loans secured by accounts receivable	157,127	329,043	2,269,406
Bonds payable	—	—	6,000,000

September 30, 2024

Non-derivative financial

<u>liabilities:</u>	<u>Within 1 year</u>	<u>1-3 years</u>	<u>Over 3 years</u>
Short-term loans	\$ 2,459,281	\$ 9,870,746	\$ 4,528,604
Short-term bills payable	300,000	—	—
Accounts payable	479,176	396,363	346,009
Other payables	315,278	44,253	45,201
Lease liabilities	18,506	25,617	3,964
Long-term loans (including due within one year or one operating cycle)	1,149,882	1,261,773	—

Loans secured by accounts receivable	160,978	324,344	2,320,741
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- C. The Group did not expect a maturity analysis of which the cash flows timing would be significantly earlier, or the actual amount would be significantly different.

(III) Fair value information

- The following states the definition of different levels of valuation techniques used to measure the fair value of financial and non-financial instruments:

Level 1: Level 1 inputs are (unadjusted) quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs for the asset or liability, either directly or indirectly, other than quoted market prices included within Level 1.

Level 3: Unobservable inputs for the asset or liability. The financial products invested by the Group belong to this level.

- For fair value information of investment property measured at cost, please refer to Note 6 (8) for details.
- Financial instruments not measured at fair value, including cash and cash equivalents, notes and accounts receivable, other receivables, refundable deposits, restricted bank deposits, short-term loans, short-term bills payable, notes payable, accounts payable, other payables, long-term loans, guarantee deposit received, are reasonable approximations of fair values.
- The Group categorizes financial and non-financial instruments measured at fair value on the basis of the nature, characteristics, and risks of the assets and liabilities. The related information is as follows:

- (1) Classified by nature of assets:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
September 30, 2025				
Assets				
<u>Recurring fair</u> <u>value</u>				

(Continued on next page)	Financial assets measured at fair value through profit or loss	\$ —	\$ —	\$ 6,953	\$ 6,953
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	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Liabilities				
<u>Recurring fair value</u>				
Financial liabilities measured at fair value through profit or loss	\$ —	\$ —	\$ 60,000	\$ 60,000
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
December 31, 2024				
Assets				
<u>Recurring fair value</u>				
Financial assets measured at fair value through profit or loss	\$ —	\$ —	\$ 13,385	\$ 13,385
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
September 30, 2024				
Assets				
<u>Recurring fair value</u>				
Financial assets measured at fair value through profit or loss	\$ —	\$ —	\$ 12,212	\$ 12,212

- (2) Methods and assumptions adopted by the Group for measurement of fair value are stated as follows:

The Group has not held any financial assets with quoted market prices and the fair value of the remaining financial instruments is obtained from valuation techniques or reference to quotes from counterparties.

5. For the period from January 1 to September 30, 2025 and 2024, there were no transfers between Level 1 and Level 2 for the Group.
6. The changes in Level 3 for the period from January 1 to September 30, 2025 and 2024, were as follows:

	2025	2024
January 1	\$ 13,385	\$ 32,271
Current acquisition	6,475	33,990
Disposal in the current period	(12,288)	(55,002)
Foreign operations translation differences	(619)	953
September 30	<u>\$ 6,953</u>	<u>\$ 12,212</u>

7. The finance department of the Group is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to confirm the resource of information is independent, reliable and represented as the exercisable price.

XIII. Matters Disclosed in Notes

(I) Related Information on Significant Transactions

1. Financing provided to others: None.
2. Endorsements/guarantees provided to others: None.
3. Significant marketable securities held at the end of the period: None.
4. Purchases from and sales to related parties amounted to at least NT\$100 million or exceeding 20% of paid-in capital: Please refer to Table 1.
5. Receivables from related parties amounted to at least NT\$100 million or exceeding 20% of paid-in capital: Please refer to Table 2.
6. Parent-subsidiary and subsidiary-subsidiary business relations and significant transactions thereof: Please refer to Table 3.

(II) Related Information on Investees

Name, location, and information on investee companies (not including investee companies in mainland China): Please refer to Table 4.

(III) Information on Investments in Mainland China

1. Investee information: Please refer to Table 5.
2. Significant transactions with investee companies in mainland China, either directly or indirectly via a third region: None.

XIV. Information on Operating Segments

(I) General information

The Group operates business only in a single industry. The Group's operating decision-makers, who allocate resources and assess the performance of the Group as a whole, have identified that the Group is a single reportable operating segment.

The Group's company organization, basis of department segmentation and principles for measuring segment information for the period were not significantly changed.

(II) Segment information on profit or loss and assets

The financial information of reportable segments provided to chief operating decision makers is as follows:

	January 1 to September 30, 2025			
	Taiwan	China	Adjustment and elimination	Total
Net external revenue	\$ 4,862,175	\$ 1,095	\$ —	\$ 4,863,270
Internal segment revenue	3,734,642	—	(3,734,642)	—
Segment revenue	\$ 8,596,817	\$ 1,095	\$ (3,734,642)	\$ 4,863,270
Segment income or loss	\$ 674,861	\$ (1,738)	\$ (91,461)	\$ 581,662
Segment assets	\$ 55,682,370	\$ 49,407	\$ —	\$ 55,731,777

	January 1 to September 30, 2024			
	Taiwan	China	Adjustment and elimination	Total
Net external revenue	\$ 7,164,517	\$ 2,012	\$ —	\$ 7,166,529
Internal segment revenue	2,351,303	—	(2,351,303)	—
Segment revenue	\$ 9,515,820	\$ 2,012	\$ (2,351,303)	\$ 7,166,529
Segment income or loss	\$ 1,576,968	\$ (2,527)	\$ (51,003)	\$ 1,523,438
Segment assets	\$ 52,295,800	\$ 72,396	\$ —	\$ 52,368,196

(III) Reconciliation for segment profit or loss and assets

The revenue from external parties, segment income and segment assets reported to the Chief Operating Decision Maker are measured in a manner consistent with the revenue,

net profit after taxes, and total assets in the financial statements; therefore, there is no need to adjust.

Huaku Development Co., Ltd.

Purchases from and Sales to Related Parties Amounted to at Least NT\$100 Million or Exceeding 20% of Paid-in Capital

January 1 to September 30, 2025

Table 1

Unit: NT\$ thousands
(Unless otherwise stated.)

Supplier (Buyer)	Counterparty	Relationship	Transaction details				Reasons for and status of differences in transaction terms compared to arms-length transaction		Notes and accounts receivable (payable)		
			Purchase (Sale)	Amount	Ratio to the total purchase (sale) amount	Payment term	Unit price	Payment term	Balance	Ratio to the total notes/accounts receivable (payable)	Note
Huaku Development Co., Ltd.	Pinhsing Construction Co., Ltd.	Subsidiaries	Purchase	\$ 3,925,196	60	Within 120 days	Contract-based pricing	One month or 45 days for general suppliers	\$ (1,494,834)	77	
Pinhsing Construction Co., Ltd.	Huaku Development Co., Ltd.	Parent company	Sales	(4,115,291)	100	Within 120 days	Contract-based pricing	Monthly settlement within 30 days for general customers	1,494,834	100	

Huaku Development Co., Ltd.

Receivables from Related Parties Amounted to at Least NT\$100 Million or Exceeding 20% of Paid-in Capital

September 30, 2025

Table 2

Unit: NT\$ thousands
(Unless otherwise stated.)

Company name	Counterparty	Relationship	Balance of accounts receivable from the related party	Turnover rate	Overdue from receivables from related parties		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Pinhsing Construction Co., Ltd.	Huaku Development Co., Ltd.	Parent company	\$ 1,494,834	Note	\$ —	—	\$ 599,592	\$ —

Note: This column is not applicable to the construction engineering industry.

Huaku Development Co., Ltd.
Parent-subsidiary and subsidiary-subsidiary business relations and significant transactions thereof
January 1 to September 30, 2025

Table 3

Unit: NT\$ thousands
(Unless otherwise stated.)

Number (Note)	Company name	Counterparty	Relationship with the counterparty	Transaction details			Ratio as a percentage of total consolidated revenue or total assets
				Account	Amount	Transaction terms	
0	Huaku Development Co., Ltd.	Pinhsing Construction Co., Ltd.	Parent company to subsidiary	Purchase	\$ 3,925,196	Contract-based pricing within 120 days	81
0	Huaku Development Co., Ltd.	Pinhsing Construction Co., Ltd.	Parent company to subsidiary	Accounts payable	1,494,834	Contract-based pricing within 120 days	3
1	Pinhsing Construction Co., Ltd.	Huaku Development Co., Ltd.	Subsidiary to parent company	Sales	4,115,291	Contract-based pricing within 120 days	85
1	Pinhsing Construction Co., Ltd.	Huaku Development Co., Ltd.	Subsidiary to parent company	Accounts receivable	1,494,834	Contract-based pricing within 120 days	3

Note: Information on business transactions between the parent company and its subsidiaries should be indicated in the numbered columns, and the numbers should be filled out as follows:

- (1) Enter 0 for the parent company.
- (2) Subsidiaries are numbered in order of company type starting with the arabic number 1.

Huaku Development Co., Ltd.

Name, Location, and Information on Investee Companies (Not Including Investee Companies in Mainland China)

January 1 to September 30, 2025

Table 4

Unit: NT\$ thousands
(Unless otherwise stated.)

Investor company	Name of investee	Place of registration	Main businesses	Initial investment amount		Shares held as at the end of the period			Current profit or loss of the investee company	Investment gain (loss) recognized in the current period	Note
				End of the current period	End of the previous period	Shares	Ratio	Carrying amount			
Huaku Development Co., Ltd.	Pinhsing Construction Co., Ltd.	Taiwan	Contracting civil engineering and hydraulic engineering projects	\$ 614,184	\$ 614,184	70,000,000	100	\$ 672,503	\$ 92,851	\$ (26,090)	Subsidiaries
Huaku Development Co., Ltd.	Taiwan Digit Automated Control Co., Ltd.	Taiwan	Engineering monitoring	8,000	8,000	800,000	40	30,638	11,143	4,627	Investee companies accounted for using the equity method
Huaku Development Co., Ltd.	Huapu Construction Co., Ltd.	Taiwan	Lease, sell and development of residential and commercial buildings	5,000	5,000	500,000	50	5,159	42	21	Investee companies accounted for using the equity method
Pinhsing Construction Co., Ltd.	Full Come Foundation Engineering Co., Ltd.	Taiwan	Foundation engineering specialized construction enterprises	25,925	25,925	2,245,069	38.05	37,161	20,621	7,696	An subsidiary; an investee company accounted for using the equity method

Huaku Development Co., Ltd.
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Table 5

Unit: NT\$ thousands
(Unless otherwise stated.)

Investee in mainland China	Main businesses	Paid-up capital	Investment method	Accumulated investment amount of remittance from Taiwan—beginning of the current period	Exported or recovered investment amount of the current period		Accumulated investment amount of remittance from Taiwan—end of the current period	Current profit or loss of the investee company	Shareholding percentage from direct or indirect investment	Investment profit or loss recognized in the current period (Note 2)	Book value of investment at the end of the current period	Accumulated repatriation of investment income as of the end of the period	Note
					Remitted	Recovered							
Chengdu Wancheng Duobao Properties Ltd.	Real estate development	\$ 2,136	Note 1	\$ —	\$ —	\$ —	\$ —	\$ (1,738)	80	\$ (1,390)	\$ 27,415	\$ 350,614	Note 3
Company name	Accumulated remitted investment amount from Taiwan to mainland China—end of the current period	Investment amounts authorized by Investment Commission, MOEA	Ceiling on investment in mainland China imposed by the Investment Commission, MOEA										
Huaku Development Co., Ltd.	\$ —	\$ 851,876	\$ 11,854,418										

Note1: Direct investment in a company in mainland China.

Note2: Based on the valuation and disclosure of the Company's financial statements for the same period, which have not been reviewed by a CPA.

Note3: On August 29, 2014, the company was approved by the Chengdu Investment Promotion Committee to reduce the capital by RMB 115 million. In October 2017, all the company's holdings of RMB 92 million had been fully remitted back.

In addition, on April 20, 2018, with the approval of the Chengdu Investment Promotion Commission, the company reduced its capital by RMB 110 million. In February 2019, all the company's holdings of RMB 88 million had been fully remitted back.

In addition, on April 29, 2022, with the approval of the Administration for Market Regulation of Chengdu, the company reduced its capital by RMB 4.5 million. In May 2022, all the company's holdings of RMB 3.6 million had been fully remitted back.