

**Chia Hsin Cement Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2026 and 2025 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Chia Hsin Cement Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Chia Hsin Cement Corporation and its subsidiaries (collectively, the “Group”) as of March 31, 2026 and 2025, the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 14 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2026 and 2025, the combined total assets of these non-significant subsidiaries were NT\$9,370,628 thousand and NT\$9,105,354 thousand, respectively, representing 28.61% and 25.42%, respectively, of the consolidated total assets, and the combined total liabilities of these subsidiaries were NT\$678,303 thousand and NT\$620,600 thousand, respectively, representing 4.84% and 4.45%, respectively, of the consolidated total liabilities; for the three months ended March 31, 2026 and 2025, the combined comprehensive income of these subsidiaries were NT\$28,045 thousand and NT\$43,050 thousand, respectively, representing 179.20% and 14.46%, respectively, of the consolidated total comprehensive income. In addition, as disclosed in Note 15 to the consolidated financial statements, as of March 31, 2026 and 2025, the amounts of investments accounted for using the equity method were NT\$4,384,912 thousand and NT\$4,012,376 thousand, respectively, and for the three months ended March 31, 2026 and 2025, the amounts of the share of other comprehensive income of associates and joint

ventures accounted for using the equity method were NT\$30,136 thousand and NT\$22,000 thousand, respectively. The abovementioned amounts were recognized according to the unreviewed financial statements for the same accounting periods of the aforementioned investee companies. The related information disclosed in Note 40 to the consolidated financial statements and the information of the aforementioned subsidiaries and investee companies were also not reviewed by auditors.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investee companies as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Chiang Hsun Chen and Sheng Tai Liang.

Chiang Hsun Chen Sheng - Tai Liang

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 8, 2026

Notice to Readers

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

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

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2026		December 31, 2025		March 31, 2025	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 1,970,746	6	\$ 1,875,061	6	\$ 1,826,659	5
Financial assets at fair value through profit or loss - current (Note 7)	857,099	3	857,825	3	1,147,928	3
Financial assets at fair value through other comprehensive income - current (Note 8)	1,785,829	6	1,799,935	5	2,358,837	7
Financial assets at amortized cost - current (Note 9)	4,237,277	13	4,098,561	13	4,087,407	12
Notes receivable from unrelated parties (Notes 10 and 26)	80,171	-	125,200	-	129,808	1
Trade receivables from unrelated parties (Notes 10 and 26)	111,616	-	134,102	-	108,951	-
Trade receivables from related parties (Notes 10, 26 and 34)	4,327	-	6,474	-	5,628	-
Finance lease receivables - current (Note 12)	882	-	806	-	-	-
Other receivables from unrelated parties (Note 11)	41,725	-	42,784	-	49,406	-
Other receivables from related parties (Note 34)	1,526	-	1,398	-	374	-
Current tax assets (Note 4)	9,075	-	8,705	-	8,671	-
Inventories (Note 13)	151,778	1	205,442	1	119,964	-
Prepayments (Note 20)	110,432	-	121,534	-	115,123	-
Other current assets (Note 20)	30	-	30	-	42	-
Total current assets	<u>9,362,513</u>	<u>29</u>	<u>9,277,857</u>	<u>28</u>	<u>9,958,798</u>	<u>28</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	7,131,474	22	6,980,500	22	9,223,353	26
Financial assets at amortized cost - non-current (Notes 9 and 35)	11,511	-	11,511	-	11,398	-
Investments accounted for using the equity method (Note 15)	4,384,912	13	4,357,275	13	4,012,376	11
Property, plant and equipment (Notes 16 and 35)	3,524,749	11	3,579,803	11	3,981,162	11
Right-of-use assets (Note 17)	1,753,215	5	1,790,830	6	1,936,165	5
Investment properties (Notes 18 and 35)	6,184,467	19	6,185,649	19	6,315,041	18
Intangible assets (Note 19)	834	-	965	-	1,029	-
Deferred tax assets (Note 4)	313,156	1	337,443	1	254,471	1
Finance lease receivables - non-current (Note 12)	1,639	-	1,902	-	-	-
Net defined benefit assets - non-current (Notes 4 and 24)	25,706	-	25,703	-	23,807	-
Other non-current assets (Note 20)	63,127	-	67,875	-	101,731	-
Total non-current assets	<u>23,394,790</u>	<u>71</u>	<u>23,339,456</u>	<u>72</u>	<u>25,860,533</u>	<u>72</u>
TOTAL	<u>\$ 32,757,303</u>	<u>100</u>	<u>\$ 32,617,313</u>	<u>100</u>	<u>\$ 35,819,331</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 21 and 35)	\$ 2,079,035	6	\$ 1,920,040	6	\$ 1,037,000	3
Short-term bills payable (Note 21)	159,571	1	59,727	-	179,610	-
Contract liabilities (Note 26)	43,417	-	28,822	-	29,846	-
Notes payable to unrelated parties (Note 22)	2,337	-	2,601	-	3,268	-
Trade payables to unrelated parties (Note 22)	90,225	-	99,528	-	144,397	-
Trade payables to related parties (Note 34)	88,728	-	77,625	-	55,445	-
Other payables to unrelated parties (Notes 23 and 31)	179,987	1	231,940	1	196,879	1
Other payables to related parties (Note 34)	183	-	37	-	636	-
Current tax liabilities (Notes 4 and 28)	20,455	-	21,600	-	27,942	-
Lease liabilities - current (Note 17)	140,536	1	150,160	1	191,707	1
Current portion of long-term borrowings (Notes 21 and 35)	1,017,860	3	947,015	3	911,845	3
Other current liabilities (Notes 23 and 34)	47,800	-	47,222	-	40,603	-
Total current liabilities	<u>3,870,134</u>	<u>12</u>	<u>3,586,317</u>	<u>11</u>	<u>2,819,178</u>	<u>8</u>
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 21 and 35)	6,393,331	20	6,540,748	20	7,180,221	20
Deferred tax liabilities (Note 4)	1,583,646	5	1,575,768	5	1,600,509	5
Lease liabilities - non-current (Note 17)	1,798,875	5	1,819,684	6	1,924,908	5
Deferred revenue - non-current (Notes 23 and 30)	268,672	1	271,134	1	307,556	1
Other non-current liabilities - other (Notes 23 and 34)	103,110	-	100,610	-	99,351	-
Total non-current liabilities	<u>10,147,634</u>	<u>31</u>	<u>10,307,944</u>	<u>32</u>	<u>11,112,545</u>	<u>31</u>
Total liabilities	<u>14,017,768</u>	<u>43</u>	<u>13,894,261</u>	<u>43</u>	<u>13,931,723</u>	<u>39</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 25)						
Share capital						
Ordinary shares	7,902,474	24	7,902,474	24	7,902,474	22
Capital surplus	1,458,525	4	1,457,692	4	1,388,476	4
Retained earnings						
Legal reserve	2,611,783	8	2,611,783	8	2,579,114	7
Special reserve	2,256,181	7	2,256,181	7	2,256,181	7
Unappropriated earnings	5,498,182	17	5,446,378	17	5,438,735	15
Total retained earnings	<u>10,366,146</u>	<u>32</u>	<u>10,314,342</u>	<u>32</u>	<u>10,274,030</u>	<u>29</u>
Other equity	(494,270)	(2)	(459,911)	(2)	2,661,726	7
Treasury shares	(1,079,060)	(3)	(1,079,060)	(3)	(1,055,710)	(3)
Total equity attributable to owners of the Company	18,153,815	55	18,135,537	55	21,170,996	59
NON-CONTROLLING INTERESTS (Note 25)	<u>585,720</u>	<u>2</u>	<u>587,515</u>	<u>2</u>	<u>716,612</u>	<u>2</u>
Total equity	<u>18,739,535</u>	<u>57</u>	<u>18,723,052</u>	<u>57</u>	<u>21,887,608</u>	<u>61</u>
TOTAL	<u>\$ 32,757,303</u>	<u>100</u>	<u>\$ 32,617,313</u>	<u>100</u>	<u>\$ 35,819,331</u>	<u>100</u>

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

(With Deloitte & Touche review report dated May 8, 2026)

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 26 and 34)	\$ 688,370	100	\$ 752,475	100
OPERATING COSTS (Notes 13, 27 and 34)	<u>(542,788)</u>	<u>(79)</u>	<u>(631,715)</u>	<u>(84)</u>
GROSS PROFIT	<u>145,582</u>	<u>21</u>	<u>120,760</u>	<u>16</u>
OPERATING EXPENSES (Notes 10, 27 and 34)				
Selling and marketing expenses	(11,465)	(2)	(11,628)	(1)
General and administrative expenses	(118,939)	(17)	(117,798)	(16)
Expected credit gain	<u>614</u>	<u>-</u>	<u>508</u>	<u>-</u>
Total operating expenses	<u>(129,790)</u>	<u>(19)</u>	<u>(128,918)</u>	<u>(17)</u>
PROFIT (LOSS) FROM OPERATIONS	<u>15,792</u>	<u>2</u>	<u>(8,158)</u>	<u>(1)</u>
NON-OPERATING INCOME AND EXPENSES (Notes 15 and 27)				
Interest income	37,800	5	41,588	6
Other income	11,425	2	17,880	2
Other gains and losses	4,455	1	54,445	7
Finance costs	(58,484)	(8)	(55,967)	(7)
Share of profit or loss of associates and joint ventures	<u>57,405</u>	<u>8</u>	<u>45,297</u>	<u>6</u>
Total non-operating income and expenses	<u>52,601</u>	<u>8</u>	<u>103,243</u>	<u>14</u>
PROFIT BEFORE INCOME TAX	68,393	10	95,085	13
INCOME TAX EXPENSE (Notes 4 and 28)	<u>(17,068)</u>	<u>(3)</u>	<u>(9,938)</u>	<u>(1)</u>
NET PROFIT	<u>51,325</u>	<u>7</u>	<u>85,147</u>	<u>12</u>
OTHER COMPREHENSIVE INCOME (Notes 4, 25 and 28)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	(62,257)	(9)	132,276	17
Share of the other comprehensive loss of associates and joint ventures accounted for using the equity method	<u>(27,942)</u>	<u>(4)</u>	<u>(24,031)</u>	<u>(3)</u>
	<u>(90,199)</u>	<u>(13)</u>	<u>108,245</u>	<u>14</u>

(Continued)

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	\$ 71,462	10	\$ 144,458	19
Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	673	-	734	-
Income tax related to items that may be reclassified subsequently to profit or loss	<u>(17,611)</u>	<u>(2)</u>	<u>(40,775)</u>	<u>(5)</u>
	<u>54,524</u>	<u>8</u>	<u>104,417</u>	<u>14</u>
Other comprehensive (loss) income for the period, net of income tax	<u>(35,675)</u>	<u>(5)</u>	<u>212,662</u>	<u>28</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 15,650</u>	<u>2</u>	<u>\$ 297,809</u>	<u>40</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 51,804	7	\$ 83,170	11
Non-controlling interests	<u>(479)</u>	<u>-</u>	<u>1,977</u>	<u>-</u>
	<u>\$ 51,325</u>	<u>7</u>	<u>\$ 85,147</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 17,445	2	\$ 289,291	39
Non-controlling interests	<u>(1,795)</u>	<u>-</u>	<u>8,518</u>	<u>1</u>
	<u>\$ 15,650</u>	<u>2</u>	<u>\$ 297,809</u>	<u>40</u>
EARNINGS PER SHARE (Note 29)				
Basic	<u>\$ 0.08</u>		<u>\$ 0.13</u>	
Diluted	<u>\$ 0.08</u>		<u>\$ 0.13</u>	

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

(With Deloitte & Touche review report dated May 8, 2026)

(Concluded)

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
	Share Capital	Capital Surplus	Retained Earnings			Other Equity			Treasury Shares	Total	Non-controlling Interests	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income					
BALANCE, JANUARY 1, 2025	\$ 7,902,474	\$ 1,388,434	\$ 2,579,114	\$ 2,256,181	\$ 5,355,565	\$ (550,199)	\$ 3,005,804	\$ (1,055,710)	\$ 20,881,663	\$ 708,094	\$ 21,589,757	
Changes in equity of associates accounted for using the equity method (Note 25)	-	42	-	-	-	-	-	-	42	-	42	
Net profit for the three months ended March 31, 2025	-	-	-	-	83,170	-	-	-	83,170	1,977	85,147	
Other comprehensive income for the three months ended March 31, 2025 (Note 25)	-	-	-	-	-	101,608	104,513	-	206,121	6,541	212,662	
Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	83,170	101,608	104,513	-	289,291	8,518	297,809	
BALANCE, MARCH 31, 2025	<u>\$ 7,902,474</u>	<u>\$ 1,388,476</u>	<u>\$ 2,579,114</u>	<u>\$ 2,256,181</u>	<u>\$ 5,438,735</u>	<u>\$ (448,591)</u>	<u>\$ 3,110,317</u>	<u>\$ (1,055,710)</u>	<u>\$ 21,170,996</u>	<u>\$ 716,612</u>	<u>\$ 21,887,608</u>	
BALANCE, JANUARY 1, 2026	\$ 7,902,474	\$ 1,457,692	\$ 2,611,783	\$ 2,256,181	\$ 5,446,378	\$ (615,959)	\$ 156,048	\$ (1,079,060)	\$ 18,135,537	\$ 587,515	\$ 18,723,052	
Changes in equity of associates and joint ventures accounted for using the equity method (Note 25)	-	837	-	-	-	-	-	-	837	-	837	
Unclaimed dividends extinguished by prescription (Note 25)	-	(4)	-	-	-	-	-	-	(4)	-	(4)	
Net profit (loss) for the three months ended March 31, 2026	-	-	-	-	51,804	-	-	-	51,804	(479)	51,325	
Other comprehensive income (loss) for the three months ended March 31, 2026 (Note 25)	-	-	-	-	-	50,761	(85,120)	-	(34,359)	(1,316)	(35,675)	
Total comprehensive income (loss) for the three months ended March 31, 2026	-	-	-	-	51,804	50,761	(85,120)	-	17,445	(1,795)	15,650	
BALANCE, MARCH 31, 2026	<u>\$ 7,902,474</u>	<u>\$ 1,458,525</u>	<u>\$ 2,611,783</u>	<u>\$ 2,256,181</u>	<u>\$ 5,498,182</u>	<u>\$ (565,198)</u>	<u>\$ 70,928</u>	<u>\$ (1,079,060)</u>	<u>\$ 18,153,815</u>	<u>\$ 585,720</u>	<u>\$ 18,739,535</u>	

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

(With Deloitte & Touche review report dated May 8, 2026)

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 68,393	\$ 95,085
Adjustments for:		
Depreciation expense	103,751	114,460
Amortization expense	132	374
Expected credit loss reversed	(614)	(508)
Net loss (gain) on fair value changes of financial assets at fair value through profit or loss	8,351	(25,360)
Finance costs	58,484	55,967
Interest income	(37,800)	(41,588)
Dividend income	-	(5,408)
Share of profit or loss of associates and joint ventures	(57,405)	(45,297)
Loss on disposal of property, plant and equipment	2,739	392
Impairment loss recognized on non-financial assets	-	970
Net gain on foreign currency exchange	(17,242)	(35,790)
Gain on lease modification	-	(3)
Realized gain on deferred revenue	(2,067)	(2,211)
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	(7,625)	122,410
Notes receivable from unrelated parties	45,509	23,736
Trade receivables from unrelated parties	22,592	34,342
Trade receivables from related parties	2,147	(220)
Other receivables from unrelated parties	1,317	1,904
Other receivables from related parties	(128)	-
Inventories	53,675	33,750
Prepayments	10,115	11,851
Other current assets	-	54
Contract liabilities	14,409	(17,096)
Notes payable to unrelated parties	(264)	404
Trade payables to unrelated parties	(9,303)	(75,669)
Trade payables to related parties	11,103	(55,439)
Other payables to unrelated parties	(55,438)	(44,154)
Other payables to related parties	146	315
Advance receipts	(2,733)	(216)
Other current liabilities	4,361	551
Net defined benefit assets	(3)	(37)
Cash generated from operations	216,602	147,569
Interest paid	(52,813)	(49,431)
Income tax paid	(3,947)	(3,939)
Net cash generated from operating activities	<u>159,842</u>	<u>94,199</u>

(Continued)

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ (199,125)	\$ -
Purchase of financial assets at amortized cost (Note 9)	(132,071)	(687,294)
Proceeds from sale of financial assets at amortized cost (Note 9)	63,759	11,858
Acquisition of associates accounted for using the equity method	-	(47,796)
Payments for property, plant and equipment	(5,610)	(4,232)
Proceeds from disposal of property, plant and equipment	477	-
Decrease (increase) in refundable deposits	5,336	(4,301)
Payments for investment properties	(1,311)	(384)
Decrease in finance lease receivables	187	124
Decrease in other non-current assets	20	21
Increase in prepayments for equipment	(5,128)	(45,710)
Interest received	38,276	24,372
Dividends received	-	5,408
	<u>-</u>	<u>5,408</u>
Net cash used in investing activities	<u>(235,190)</u>	<u>(747,934)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	159,032	152,000
Proceeds from short-term bills payable	100,000	-
Proceeds from long-term borrowings	1,411	480,357
Repayments of long-term borrowings	(79,032)	(482,513)
Proceeds from guarantee deposits received	1,371	5,644
Repayments of the principal portion of lease liabilities	(31,648)	(21,972)
Return of unclaimed dividends extinguished by prescription	(4)	-
	<u>(4)</u>	<u>-</u>
Net cash generated from financing activities	<u>151,130</u>	<u>133,516</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>19,903</u>	<u>33,675</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	95,685	(486,544)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,875,061</u>	<u>2,313,203</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 1,970,746</u>	<u>\$ 1,826,659</u>

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

(With Deloitte & Touche review report dated May 8, 2026)

(Concluded)

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Chia Hsin Cement Corporation (the “Company”; the Company and the entities controlled by the Company are referred to as the “Group”) was incorporated in the Republic of China (ROC) with capital of \$24,000 thousand in December 1954. Over the years, the Company has increased its capital through capital contributions in cash, undistributed earnings, and asset revaluation increments. As of March 31, 2026, the Company has an authorized capital of \$15,000,000 thousand and paid-in capital of \$7,902,474 thousand. The Group’s business activities include cement manufacturing; wholesale of building materials; retail sale of building materials; non-metallic mining; mixed-concrete products manufacturing; international trade; construction and development of residences and buildings, lease, construction and development of industrial factory buildings; real estate commerce; real estate rental and leasing; reconstruction within the renewal area and warehousing and storage; healthcare; fitness and training; manufacture of beverages and bakery products; hotel management; and energy technology services.

The Company’s shares have been listed on the Taiwan Stock Exchange (TWSE) since November 1969.

The consolidated financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on May 8, 2026.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Except for the following, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies:

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

- 1) The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- a) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
- In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- b) To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- c) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

- 2) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

- The Group having no practical ability to withdraw, stop or cancel the payment instruction;
- The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

- b. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

Except for the above impact of IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments on financial statements presentation, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

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

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit assets which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 14 and Tables 5 and 6 in Note 40 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2025.

1) Derecognition of financial liabilities

Financial liabilities are derecognized on the settlement date, which is the date on which the liability is extinguished because the obligation specified in the contract is discharged, cancelled, or has expired, or the liability is exchanged for a debt instrument with substantially different terms, or the terms of a liability are substantially modified. The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

2) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

3) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of the volatility in financial markets on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Refer to the consolidated financial statements for the year ended December 31, 2025 for the material accounting judgments and key sources of estimation uncertainty.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	\$ 4,378	\$ 5,186	\$ 4,020
Checking accounts and demand deposits	405,399	400,956	743,069
Cash equivalents			
Commercial paper	364,810	273,689	229,294
Time deposits with original maturities of 3 months or less	<u>1,196,159</u>	<u>1,195,230</u>	<u>850,276</u>
	<u>\$ 1,970,746</u>	<u>\$ 1,875,061</u>	<u>\$ 1,826,659</u>

The market rate intervals of commercial paper and cash in the bank at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Commercial paper	1.28%-1.40%	1.30%-1.40%	1.25%-1.46%
Cash in the bank	0.03%-3.66%	0.01%-3.93%	0.001%-4.22%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets mandatorily classified as at fair value through profit or loss (FVTPL) - current</u>			
Domestic listed shares	\$ 539,668	\$ 544,360	\$ 752,015
Overseas listed shares	31,500	32,458	164,922
Domestic limited partnership	27,230	30,000	-
Overseas mutual funds	<u>258,701</u>	<u>251,007</u>	<u>230,991</u>
	<u>\$ 857,099</u>	<u>\$ 857,825</u>	<u>\$ 1,147,928</u>

As of March 31, 2026, the Group held 371,330,623 shares of Taiwan Cement Corporation accounted for as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income at carrying amount of \$539,665 thousand and \$8,000,940 thousand, respectively. Information for other price risk and sensitivity analysis are provided in Note 33.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Investments in equity instruments - current</u>			
Domestic investments			
Listed shares and emerging market shares	<u>\$ 1,785,829</u>	<u>\$ 1,799,935</u>	<u>\$ 2,358,837</u>
<u>Investments in equity instruments - non-current</u>			
Domestic investments			
Listed shares and emerging market shares	\$ 6,568,856	\$ 6,456,613	\$ 8,675,235
Unlisted shares	<u>562,618</u>	<u>523,887</u>	<u>548,118</u>
	<u>\$ 7,131,474</u>	<u>\$ 6,980,500</u>	<u>\$ 9,223,353</u>

These investments in equity instruments are held for medium- to long-term strategic purposes and expected to render long-term paybacks. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group purchased ordinary shares of Taiwan Cement Corporation in the amount of \$199,125 thousand during the three months ended March 31, 2026. The investment is held for medium- to long-term strategic purposes. Accordingly, the management designated these investments as at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Time deposits with original maturities of more than 3 months	<u>\$ 4,237,277</u>	<u>\$ 4,098,561</u>	<u>\$ 4,087,407</u>
<u>Non-current</u>			
Restricted time deposits	<u>\$ 11,511</u>	<u>\$ 11,511</u>	<u>\$ 11,398</u>
<u>Interest rate range</u>			
Time deposits with original maturities of more than 3 months	0.15%-4.01%	0.15%-4.25%	0.15%-4.51%
Restricted time deposits	1.285%-1.70%	1.29%-1.70%	1.285%-1.70%

- a. The Group has tasked its credit management committee to develop a credit risk grading framework to determine whether the credit risk of the financial assets at amortized cost increases significantly since the initial recognition to the reporting date as well as to measure the expected credit losses. The credit rating information may be obtained from independent rating agencies where available and, if not available, the credit management committee uses other publicly available financial information to rate the debtors. In the consideration of an analysis of the debtor's current financial position and the forecasted direction of economic conditions in the industry, the Group forecasts both 12-month expected credit losses or lifetime expected credit losses of financial assets at amortized cost. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group assessed the expected credit loss rate as 0%.
- b. Refer to Note 35 for the carrying amounts of financial assets pledged by the Group to secure obligations.

10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 80,972	\$ 126,458	\$ 131,119
Less: Allowance for impairment loss	<u>(801)</u>	<u>(1,258)</u>	<u>(1,311)</u>
	<u>\$ 80,171</u>	<u>\$ 125,200</u>	<u>\$ 129,808</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 112,126	\$ 134,769	\$ 109,487
Less: Allowance for impairment loss	<u>(510)</u>	<u>(667)</u>	<u>(536)</u>
	<u>\$ 111,616</u>	<u>\$ 134,102</u>	<u>\$ 108,951</u>

Notes Receivable

The average number of days of cashing the notes is 30 to 90 days. In order to mitigate credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals, and other monitoring procedures to ensure that follow-up action is taken to recover overdue debt. In addition, the Group reviews the recoverable amount of each individual note receivable at the end of the reporting period to ensure that adequate allowance is provided for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for note receivable at an amount equal to lifetime expected credit losses (ECLs). The ECLs on notes receivable are estimated by reference to the past default experience of the debtor, an analysis of the debtor's current financial position, and economic conditions.

Trade Receivables

The average credit period of the sales of goods was 30 to 90 days, and no interest was charged on overdue trade receivables. In determining the recoverability of the trade receivables, the Group considered any change in the credit quality of the trade receivables since the date credit was initially granted to the end of the reporting period. From historical experience, most of the receivables were recovered.

Before accepting new customers, the Group assesses that the credit quality of the potential customer complied with the administration regulations of customer credit, and set up the credits limit for each customer. The credit rating of customers would then be assessed by the supervisors and given an ultimate credit limit.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the debtors, the debtors' current financial position, economic conditions of the industry in which the debtors operate, as well as an assessment of both the current and the forecasted direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation, or when the trade receivables are over one year past due. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. When recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of receivables (including receivables from related parties) based on the Group's provision matrix:

March 31, 2026

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0.66%	0.83%	-	100%	
Gross carrying amount	\$ 197,184	\$ 241	\$ -	\$ -	\$ 197,425
Loss allowance (Lifetime ECLs)	<u>(1,309)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>(1,311)</u>
Amortized cost	<u>\$ 195,875</u>	<u>\$ 239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,114</u>

December 31, 2025

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0.72%	0%	-	100%	
Gross carrying amount	\$ 267,688	\$ 13	\$ -	\$ -	\$ 267,701
Loss allowance (Lifetime ECLs)	<u>(1,925)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,925)</u>
Amortized cost	<u>\$ 265,763</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,776</u>

March 31, 2025

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0.75%	0.99%	-	100%	
Gross carrying amount	\$ 242,588	\$ 3,646	\$ -	\$ -	\$ 246,234
Loss allowance (Lifetime ECLs)	<u>(1,811)</u>	<u>(36)</u>	<u>-</u>	<u>-</u>	<u>(1,847)</u>
Amortized cost	<u>\$ 240,777</u>	<u>\$ 3,610</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 244,387</u>

The movements of the loss allowance of receivables (including receivables from related parties) were as follows:

	For the Three Months Ended March 31	
	2026	2025
Balance on January 1	\$ 1,925	\$ 2,337
Less: Net remeasurement of loss allowance reversed	(614)	(508)
Foreign exchange gains and losses	<u>-</u>	<u>18</u>
Balance on March 31	<u>\$ 1,311</u>	<u>\$ 1,847</u>

11. OTHER RECEIVABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Interest receivable	\$ 34,639	\$ 34,588	\$ 41,737
Others	<u>7,086</u>	<u>8,196</u>	<u>7,669</u>
	<u>\$ 41,725</u>	<u>\$ 42,784</u>	<u>\$ 49,406</u>

The following table details the loss allowance of other receivables based on the Group's provision matrix:

March 31, 2026

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0%	-	-	100%	
Gross carrying amount	\$ 41,488	\$ 237	\$ -	\$ -	\$ 41,725
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 41,488</u>	<u>\$ 237</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,725</u>

December 31, 2025

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0%	-	-	100%	
Gross carrying amount	\$ 42,784	\$ -	\$ -	\$ -	\$ 42,784
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 42,784</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,784</u>

March 31, 2025

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0%	-	-	100%	
Gross carrying amount	\$ 49,406	\$ -	\$ -	\$ -	\$ 49,406
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 49,406</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,406</u>

Other receivables were mainly interest receivable. The Group only transacts with counterparties who have good credit ratings. The Group continues to monitor the conditions of the receivables and refers to the past default experience of the debtor and the analysis of the debtor's current financial position in determining whether the credit risk of the other receivables increased significantly since the initial recognition as well as in measuring the ECLs.

12. FINANCE LEASE RECEIVABLES

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Undiscounted lease payments</u>			
Year 1	\$ 1,066	\$ 1,009	\$ -
Year 2	1,376	1,319	-
Year 3	<u>358</u>	<u>716</u>	<u>-</u>
	2,800	3,044	-
Less: Unearned finance income	<u>(279)</u>	<u>(336)</u>	<u>-</u>
Lease payments receivable	<u>2,521</u>	<u>2,708</u>	<u>-</u>
Net investment in leases presented as finance lease receivables	<u>\$ 2,521</u>	<u>\$ 2,708</u>	<u>\$ -</u>
<u>Lease payments receivable</u>			
Not more than 1 year	\$ 882	\$ 806	\$ -
More than 1 year but not more than 5 years	<u>1,639</u>	<u>1,902</u>	<u>-</u>
	<u>\$ 2,521</u>	<u>\$ 2,708</u>	<u>\$ -</u>

The Group has been subleasing its building to Gping Wellness Co., Ltd. since August 2015. As the Group subleases the retail stores for all the remaining lease term of the main lease to the sublessee, the sublease contract is classified as a finance lease. The sublease contract expired on January 15, 2025.

The Group leased out leasehold improvements and other equipment in July 2025. As the leasehold improvements and other equipment were leased out for their entire remaining useful life, the lease has been classified as a finance lease.

The interest rates inherent in the leases are fixed at the contract dates for the entire term of the lease. As of March 31, 2026 and December 31, 2025, the interest rate inherent in the finance leases were both 8.38% per annum.

To reduce the residual asset risk related to the leased building at the end of the relevant lease, the lease contract includes general risk management strategy.

The Group measures the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. As of March 31, 2026, December 31, 2025 and March 31, 2025, no finance lease receivables were past due. The Group has not recognized a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessee operates, together with the value of collateral held over these finance lease receivables.

13. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Finished goods	\$ 89,457	\$ 142,957	\$ 115,476
Raw materials	252	174	298
Supplies	<u>1,019</u>	<u>1,261</u>	<u>1,024</u>
	<u>90,728</u>	<u>144,392</u>	<u>116,798</u>
Land held for construction	3,166	3,166	3,166
Construction in progress - Real Estate	<u>57,884</u>	<u>57,884</u>	<u>-</u>
	<u>\$ 151,778</u>	<u>\$ 205,442</u>	<u>\$ 119,964</u>

The nature of the cost of goods sold is as follows:

	For the Three Months Ended March 31	
	2026	2025
Cost of inventories sold	\$ 221,302	\$ 294,323
Inventory write-downs	<u>-</u>	<u>970</u>
	<u>\$ 221,302</u>	<u>\$ 295,293</u>

14. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			March 31, 2026	December 31, 2025	March 31, 2025	
Chia Hsin Cement Corporation	Tong Yang Chia Hsin International Corporation	General international trade (all business items that are not prohibited or restricted by law, except those that are subject to special approval)	87.18	87.18	87.18	-
Chia Hsin Cement Corporation	Chia Hsin Property Management & Development Corporation	Wholesale and retail business of machinery; warehousing; residence, factory buildings and office buildings leasing and selling; PPE leasing and selling	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	Chia Pei International Corporation	Mining; wholesale of building materials; nonmetallic mining; retail sale of building materials; international trade; rental and leasing business; retail sale of other machinery and equipment	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	Chia Hsin Pacific Limited	Holding company	74.16	74.16	74.16	Exchange rate risk
Chia Hsin Cement Corporation	BlueSky Corporation	International trade; real estate trading; real estate leasing	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	YJ International Corporation	Real estate rental and leasing; real estate management; realtor agent	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	Jaho Life Plus+ Management Corporation	Management consulting service	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	Chia Hsin Green Energy Corporation	Electricity generation; self-use renewable energy generation equipment; electrical installation; electrical equipment inspection and maintenance; energy technology service	100.00	100.00	100.00	-
YJ International Corporation	CHC Ryukyu Development GK	Real estate rental and leasing; management consulting service	59.17	59.17	59.17	Exchange rate risk
YJ International Corporation	CHC Ryukyu COLLECTIVE KK	Hotel management	100.00	100.00	100.00	Exchange rate risk
Tong Yang Chia Hsin International Corporation	Tong Yang Chia Hsin Marine Corporation	Shipping service	100.00	100.00	100.00	Exchange rate risk
Tong Yang Chia Hsin International Corporation	Chia Hsin Pacific Limited	Holding company	24.18	24.18	24.18	Exchange rate risk
Tong Yang Chia Hsin Marine Corporation	Jiangsu Jiaguo Construction Material & Storage Co., Ltd.	Engaging in overland delivery of ordinary goods and the processing, manufacturing and selling of cement and other construction material	100.00	100.00	100.00	Exchange rate risk and political risk arising from Cross-Strait relations
Chia Hsin Property Management & Development Corporation	Chia Sheng Construction Corporation	Wholesale and retail business of machinery; warehousing; residence and office buildings leasing and selling	100.00	100.00	100.00	-
Chia Hsin Pacific Limited	CHC Ryukyu Development GK	Real estate rental and leasing; management consulting service	40.83	40.83	40.83	Exchange rate risk
Chia Hsin Pacific Limited	Effervesce Investment Pte. Ltd.	Investment and holding company	100.00	100.00	100.00	Exchange rate risk
Effervesce Investment Pte. Ltd.	Chia Hsin Business Consulting (Shanghai) Co., Ltd.	Consulting for developing information system for business and finance purpose	100.00	100.00	100.00	Exchange rate risk and political risk arising from Cross-Strait relations
Effervesce Investment Pte. Ltd.	Shanghai Chia Hsin Ganghui Co., Ltd.	Warehousing and packaging bulk cement and formulating and delivering high-strength cement	100.00	100.00	100.00	Exchange rate risk and political risk arising from Cross-Strait relations
Effervesce Investment Pte. Ltd.	Shanghai Jia Huan Concrete Co., Ltd.	Processing, manufacturing and selling of cement and other related products	68.00	68.00	68.00	Exchange rate risk and political risk arising from Cross-Strait relations
Chia Hsin Pacific Limited	Sparksvie Pte. Ltd.	Investment and holding company	100.00	100.00	100.00	Exchange rate risk
Sparksvie Pte. Ltd.	Shanghai Jia Huan Concrete Co., Ltd.	Processing, manufacturing and selling of cement and other related products	32.00	32.00	32.00	Exchange rate risk and political risk arising from Cross-Strait relations
Chia Hsin Business Consulting (Shanghai) Co., Ltd.	Shanghai Chia Peng Healthcare Management Consulting Co., Ltd. (Note 1)	Consulting for management of healthcare and hospitality business	100.00	100.00	100.00	Exchange rate risk and political risk arising from Cross-Strait relations
Shanghai Chia Peng Healthcare Management Consulting Co., Ltd.	Chia Peng Gemcare Maternity (Yangzhou) Co., Ltd. (Note 2)	Maternity and infant health care; sales of mother & baby supplies; life & beauty services	100.00	100.00	100.00	Exchange rate risk and political risk arising from Cross-Strait relations

Note 1: On March 10, 2026, November 12, 2025 and March 25, 2025, Chia Hsin Business Consulting (Shanghai) Co., Ltd. increased its investment in Shanghai Chia Peng Healthcare Management Consulting Co., Ltd. by RMB2,000 thousand, RMB3,000 thousand and RMB2,000 thousand, respectively.

Note 2: On March 10, 2026, November 12, 2025 and March 25, 2025, Shanghai Chia Peng Healthcare Management Consulting Co., Ltd. increased its investment in Chia Peng Gemcare Maternity (Yangzhou) Co., Ltd. by RMB2,000 thousand, RMB3,000 thousand and RMB2,000 thousand, respectively.

Note 3: Except for Chia Hsin Property Management & Development Corporation, Tong Yang Chia Hsin International Corporation, and the significant subsidiaries including Chia Pei International Corporation, YJ International Corporation and CHC Ryukyu COLLECTIVE KK which are reviewed by the independent auditors, the other non-significant subsidiaries included in the consolidated financial report for the three months ended March 31, 2026 and 2025 are presented using unreviewed financial statements from each entity. As of March 31, 2026 and 2025, combined total assets of these non-significant subsidiaries were \$9,370,628 thousand and \$9,105,354 thousand, respectively, representing 28.61% and 25.42%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were \$678,303 thousand and \$620,600 thousand, respectively, representing 4.84% and 4.45%, respectively, of the consolidated total liabilities; for the three-month periods ended March 31, 2026 and 2025, the amounts of combined comprehensive income of these subsidiaries were \$28,045 thousand and \$43,050 thousand, respectively, representing 179.20% and 14.46%, respectively, of the consolidated total comprehensive income.

Any transaction, account balance, revenue and expense between the consolidated entities are eliminated and not shown on the consolidated financial statements.

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	December 31,		
	March 31, 2026	2025	March 31, 2025
Tong Yang Chia Hsin International Corporation	12.82%	12.82%	12.82%

Refer to Note 40, Table 5 “Information on Investees” for the nature of activities, principal places of business and countries of incorporation of the subsidiaries and associates.

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests For the Three Months Ended		Accumulated Non-controlling Interests		
	March 31		March 31,	December 31,	March 31,
	2026	2025	2026	2025	2025
Tong Yang Chia Hsin International Corporation	\$ (592)	\$ 1,581	\$ 688,231	\$ 691,239	\$ 817,621

The summarized financial information below represents amounts before intragroup eliminations.

Tong Yang Chia Hsin International Corporation

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 1,205,416	\$ 1,269,169	\$ 1,685,610
Non-current assets	4,947,090	4,866,781	5,155,360
Current liabilities	(138,038)	(83,563)	(63,356)
Non-current liabilities	<u>(647,879)</u>	<u>(662,335)</u>	<u>(401,706)</u>
Equity	<u>\$ 5,366,589</u>	<u>\$ 5,390,052</u>	<u>\$ 6,375,908</u>
Equity attributable to:			
Owners of the Group	\$ 4,678,358	\$ 4,698,813	\$ 5,558,287
Non-controlling interests of Tong Yang Chia Hsin International Corporation	<u>688,231</u>	<u>691,239</u>	<u>817,621</u>
	<u>\$ 5,366,589</u>	<u>\$ 5,390,052</u>	<u>\$ 6,375,908</u>
		For the Three Months Ended March 31	
		2026	2025
Operating revenue		<u>\$ 34,983</u>	<u>\$ 34,101</u>
Net (loss) profit for the period		\$ (4,621)	\$ 12,332
Other comprehensive loss		<u>(77,304)</u>	<u>(111,507)</u>
Total comprehensive loss for the period		<u>\$ (81,925)</u>	<u>\$ (99,175)</u>
(Loss) profit attributable to:			
Owners of the Group		\$ (4,029)	\$ 10,751
Non-controlling interests of Tong Yang Chia Hsin International Corporation		<u>(592)</u>	<u>1,581</u>
		<u>\$ (4,621)</u>	<u>\$ 12,332</u>
Total comprehensive loss attributable to:			
Owners of the Group		\$ (71,422)	\$ (86,461)
Non-controlling interests of Tong Yang Chia Hsin International Corporation		<u>(10,503)</u>	<u>(12,714)</u>
		<u>\$ (81,925)</u>	<u>\$ (99,175)</u>
Net cash (outflow) inflow from:			
Operating activities		\$ 11,324	\$ 4,502
Investing activities		(106,344)	(1,065)
Financing activities		<u>44,974</u>	<u>(2,033)</u>
Net cash (outflow) inflow		<u>\$ (50,046)</u>	<u>\$ 1,404</u>

15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

a. Investments in associates

	March 31, 2026	December 31, 2025	March 31, 2025
Material associates			
LDC ROME HOTELS S.R.L.	\$ 605,654	\$ 608,530	\$ 568,679
Chia Hsin Construction & Development Corp.	1,928,683	1,893,081	1,782,839
L'Hotel De Chine Corporation	1,588,453	1,585,012	1,414,412
Associates that are not individually material	<u>262,122</u>	<u>270,652</u>	<u>246,446</u>
	<u>\$ 4,384,912</u>	<u>\$ 4,357,275</u>	<u>\$ 4,012,376</u>

1) Material associates

	<u>Proportion of Ownership and Voting Rights</u>		
	March 31, 2026	December 31, 2025	March 31, 2025
LDC ROME HOTELS S.R.L.	40.00%	40.00%	40.00%
Chia Hsin Construction & Development Corp.	46.18%	46.18%	46.18%
L'Hotel De Chine Corporation	23.10%	23.10%	23.10%

Refer to Note 40, Table 5 “Information on Investees” for the nature of activities, principal places of business and countries of incorporation of the associates.

All the associates were accounted for using the equity method.

The summarized financial information below represents amounts shown in the associates’ financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Group for equity accounting purposes.

LDC ROME HOTELS S.R.L.

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 345,050	\$ 596,211	\$ 497,679
Non-current assets	1,970,181	1,854,547	1,974,651
Current liabilities	(341,101)	(255,295)	(402,963)
Non-current liabilities	<u>(459,995)</u>	<u>(674,137)</u>	<u>(647,669)</u>
Equity	<u>\$ 1,514,135</u>	<u>\$ 1,521,326</u>	<u>\$ 1,421,698</u>
Proportion of the Group’s ownership	40.00%	40.00%	40.00%
Equity attributable to the Group	<u>\$ 605,654</u>	<u>\$ 608,530</u>	<u>\$ 568,679</u>
Carrying amount	<u>\$ 605,654</u>	<u>\$ 608,530</u>	<u>\$ 568,679</u>

	For the Three Months Ended March 31	
	2026	2025
Operating revenue	<u>\$ 188,416</u>	<u>\$ 157,284</u>
Net profit (loss) for the period	\$ 648	\$ (4,785)
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive profit (loss) for the period	<u>\$ 648</u>	<u>\$ (4,785)</u>

For the three months ended March 31, 2025 the Group proportionally increased its investment in LDC ROME HOTELS S.R.L. by EUR1,400 thousand (equivalent to \$47,796 thousand).

Chia Hsin Construction & Development Corp.

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 2,297,952	\$ 2,312,066	\$ 1,775,679
Non-current assets	2,362,667	2,306,418	2,873,045
Current liabilities	(38,369)	(166,404)	(246,106)
Non-current liabilities	<u>(467,788)</u>	<u>(374,712)</u>	<u>(568,972)</u>
Equity	<u>\$ 4,154,462</u>	<u>\$ 4,077,368</u>	<u>\$ 3,833,646</u>
Proportion of the Group's ownership	46.18%	46.18%	46.18%
Equity attributable to the Group	\$ 1,918,537	\$ 1,882,935	\$ 1,770,383
Premium representing the difference between fair value and carrying amount of remaining equity investments	<u>10,146</u>	<u>10,146</u>	<u>12,456</u>
Carrying amount	<u>\$ 1,928,683</u>	<u>\$ 1,893,081</u>	<u>\$ 1,782,839</u>

	For the Three Months Ended March 31	
	2026	2025
Operating revenue	<u>\$ 19,425</u>	<u>\$ 27,227</u>
Net profit for the period	\$ 96,528	\$ 2,325
Other comprehensive loss	<u>(21,273)</u>	<u>(29,836)</u>
Total comprehensive profit (loss) for the period	<u>\$ 75,255</u>	<u>\$ (27,511)</u>

L'Hotel De Chine Corporation

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 630,672	\$ 519,664	\$ 337,613
Non-current assets	8,141,186	8,573,373	8,066,978
Current liabilities	(1,383,148)	(1,685,278)	(1,555,952)
Non-current liabilities	<u>(512,237)</u>	<u>(546,183)</u>	<u>(725,600)</u>
Equity	<u>\$ 6,876,473</u>	<u>\$ 6,861,576</u>	<u>\$ 6,123,039</u>
Proportion of the Group's ownership	23.10%	23.10%	23.10%
Equity attributable to the Group	<u>\$ 1,588,453</u>	<u>\$ 1,585,012</u>	<u>\$ 1,414,412</u>
Carrying amount	<u>\$ 1,588,453</u>	<u>\$ 1,585,012</u>	<u>\$ 1,414,412</u>

	For the Three Months Ended March 31	
	2026	2025
Operating revenue	<u>\$ 215,760</u>	<u>\$ 210,381</u>
Net profit for the period	\$ 9,700	\$ 200,219
Other comprehensive loss	<u>(8,914)</u>	<u>-</u>
Total comprehensive income for the period	<u>\$ 786</u>	<u>\$ 200,219</u>

2) Aggregate information of associates that are not individually material

	For the Three Months Ended March 31	
	2026	2025
The Group's share of:		
Profit (loss) from continuing operations	\$ 7,056	\$ (3,385)
Other comprehensive loss	<u>(15,586)</u>	<u>(9,666)</u>
Total comprehensive loss for the period	<u>\$ (8,530)</u>	<u>\$ (13,051)</u>

- b. The investments were accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the three months ended March 31, 2026 and 2025 were calculated based on financial statements which have not been reviewed.

16. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2026	December 31, 2025	March 31, 2025
Assets used by the Group	\$ 3,466,861	\$ 3,523,159	\$ 3,920,508
Assets leased under operating leases	<u>57,888</u>	<u>56,644</u>	<u>60,654</u>
	<u>\$ 3,524,749</u>	<u>\$ 3,579,803</u>	<u>\$ 3,981,162</u>

a. Assets used by the Group

	Land	Building	Machinery and Equipment	Transportation Equipment	Leasehold Improvement	Other Equipment	Property under Construction	Total
Cost								
Balance on January 1, 2025	\$ 798,163	\$ 2,789,824	\$ 771,298	\$ 14,488	\$ 2,822,675	\$ 570,682	\$ -	\$ 7,767,130
Additions	-	-	11,259	1,050	-	5,065	-	17,374
Disposals	-	-	(389)	-	-	(2,099)	-	(2,488)
Reclassified from prepayments	-	-	17,897	-	-	-	-	17,897
Effect of foreign currency exchange differences	48,389	170,327	9,980	50	1,820	17,423	-	247,989
Balance on March 31, 2025	<u>\$ 846,552</u>	<u>\$ 2,960,151</u>	<u>\$ 810,045</u>	<u>\$ 15,588</u>	<u>\$ 2,824,495</u>	<u>\$ 591,071</u>	<u>\$ -</u>	<u>\$ 8,047,902</u>
Revaluation								
Balance on January 1, 2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230	\$ -	\$ 230
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-
Balance on March 31, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230</u>	<u>\$ -</u>	<u>\$ 230</u>
Accumulated depreciation								
Balance on January 1, 2025	\$ -	\$ 554,061	\$ 617,209	\$ 10,177	\$ 2,051,099	\$ 487,566	\$ -	\$ 3,720,112
Depreciation expense	-	28,233	7,893	253	27,390	8,819	-	72,588
Disposals	-	-	(251)	-	-	(1,845)	-	(2,096)
Effect of foreign currency exchange differences	-	34,914	5,739	7	339	15,649	-	56,648
Balance on March 31, 2025	<u>\$ -</u>	<u>\$ 617,208</u>	<u>\$ 630,590</u>	<u>\$ 10,437</u>	<u>\$ 2,078,828</u>	<u>\$ 510,189</u>	<u>\$ -</u>	<u>\$ 3,847,252</u>
Accumulated impairment								
Balance on January 1, 2025	\$ -	\$ -	\$ 56,392	\$ -	\$ 223,260	\$ -	\$ -	\$ 279,652
Effect of foreign currency exchange differences	-	-	134	-	586	-	-	720
Balance on March 31, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,526</u>	<u>\$ -</u>	<u>\$ 223,846</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 280,372</u>
Carrying amount on January 1, 2025	<u>\$ 798,163</u>	<u>\$ 2,235,763</u>	<u>\$ 97,697</u>	<u>\$ 4,311</u>	<u>\$ 548,316</u>	<u>\$ 83,346</u>	<u>\$ -</u>	<u>\$ 3,767,596</u>
Carrying amount on March 31, 2025	<u>\$ 846,552</u>	<u>\$ 2,342,943</u>	<u>\$ 122,929</u>	<u>\$ 5,151</u>	<u>\$ 521,821</u>	<u>\$ 81,112</u>	<u>\$ -</u>	<u>\$ 3,920,508</u>
Cost								
Balance on January 1, 2026	\$ 763,762	\$ 2,688,969	\$ 832,229	\$ 14,698	\$ 2,682,275	\$ 655,119	\$ 22	\$ 7,637,074
Additions	-	95	1,448	680	544	3,802	950	7,519
Disposals	-	-	(16,093)	(1,050)	(286,462)	(1,514)	-	(305,119)
Reclassified from prepayments	-	-	3,153	1,510	-	-	-	4,663
Reclassified from office supplies	-	-	1,198	-	-	-	-	1,198
Effect of foreign currency exchange differences	(1,134)	(4,012)	1,664	72	4,996	154	16	1,756
Balance on March 31, 2026	<u>\$ 762,628</u>	<u>\$ 2,685,052</u>	<u>\$ 823,599</u>	<u>\$ 15,910</u>	<u>\$ 2,401,353</u>	<u>\$ 657,561</u>	<u>\$ 988</u>	<u>\$ 7,347,091</u>
Revaluation								
Balance on January 1, 2026	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230	\$ -	\$ 230
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-
Balance on March 31, 2026	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230</u>	<u>\$ -</u>	<u>\$ 230</u>
Accumulated depreciation								
Balance on January 1, 2026	\$ -	\$ 635,510	\$ 638,738	\$ 10,580	\$ 2,020,953	\$ 503,917	\$ -	\$ 3,809,698
Depreciation expense	-	26,708	9,187	279	20,478	7,304	-	63,956
Disposals	-	-	(10,593)	(1,050)	(286,462)	(1,363)	-	(299,468)
Effect of foreign currency exchange differences	-	(1,092)	1,379	(15)	1,446	113	-	1,831
Balance on March 31, 2026	<u>\$ -</u>	<u>\$ 661,126</u>	<u>\$ 638,711</u>	<u>\$ 9,794</u>	<u>\$ 1,756,415</u>	<u>\$ 509,971</u>	<u>\$ -</u>	<u>\$ 3,576,017</u>
Accumulated impairment								
Balance on January 1, 2026	\$ -	\$ -	\$ 56,208	\$ -	\$ 247,146	\$ 1,093	\$ -	\$ 304,447
Disposals	-	-	(2,435)	-	-	-	-	(2,435)
Effect of foreign currency exchange differences	-	-	276	-	2,155	-	-	2,431
Balance on March 31, 2026	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,049</u>	<u>\$ -</u>	<u>\$ 249,301</u>	<u>\$ 1,093</u>	<u>\$ -</u>	<u>\$ 304,443</u>
Carrying amount on January 1, 2026	<u>\$ 763,762</u>	<u>\$ 2,053,459</u>	<u>\$ 137,283</u>	<u>\$ 4,118</u>	<u>\$ 414,176</u>	<u>\$ 150,339</u>	<u>\$ 22</u>	<u>\$ 3,523,159</u>
Carrying amount on March 31, 2026	<u>\$ 762,628</u>	<u>\$ 2,023,926</u>	<u>\$ 130,839</u>	<u>\$ 6,116</u>	<u>\$ 395,637</u>	<u>\$ 146,727</u>	<u>\$ 988</u>	<u>\$ 3,466,861</u>

The above items of property, plant and equipment used by the Group are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Office building	20 years
Storage and plant	20 years
Others	6-47 years
Machinery and equipment	2-20 years
Transportation equipment	2-8 years
Leasehold improvement	
Office building	4-40 years
Others	5-10 years
Other equipment	2-20 years

b. Assets leased under operating leases

	Machinery and Equipment	Leasehold Improvement	Other Equipment	Total
<u>Cost</u>				
Balance on January 1, 2025	\$ 245,995	\$ 86,514	\$ 2,596	\$ 335,105
Effect of foreign currency exchange differences	<u>3,505</u>	<u>1,233</u>	<u>37</u>	<u>4,775</u>
Balance on March 31, 2025	<u>\$ 249,500</u>	<u>\$ 87,747</u>	<u>\$ 2,633</u>	<u>\$ 339,880</u>
<u>Accumulated depreciation</u>				
Balance on January 1, 2025	\$ 216,323	\$ 47,847	\$ 2,287	\$ 266,457
Depreciation expense	294	381	5	680
Effect of foreign currency exchange differences	<u>3,085</u>	<u>686</u>	<u>33</u>	<u>3,804</u>
Balance on March 31, 2025	<u>\$ 219,702</u>	<u>\$ 48,914</u>	<u>\$ 2,325</u>	<u>\$ 270,941</u>
<u>Accumulated impairment</u>				
Balance on January 1, 2025	\$ -	\$ 8,168	\$ -	\$ 8,168
Effect of foreign currency exchange differences	<u>-</u>	<u>117</u>	<u>-</u>	<u>117</u>
Balance on March 31, 2025	<u>\$ -</u>	<u>\$ 8,285</u>	<u>\$ -</u>	<u>\$ 8,285</u>
Carrying amount on January 1, 2025	<u>\$ 29,672</u>	<u>\$ 30,499</u>	<u>\$ 309</u>	<u>\$ 60,480</u>
Carrying amount on March 31, 2025	<u>\$ 29,798</u>	<u>\$ 30,548</u>	<u>\$ 308</u>	<u>\$ 60,654</u>

(Continued)

	Machinery and Equipment	Leasehold Improvement	Other Equipment	Total
<u>Cost</u>				
Balance on January 1, 2026	\$ 241,180	\$ 84,821	\$ 2,545	\$ 328,546
Effect of foreign currency exchange differences	<u>8,223</u>	<u>2,892</u>	<u>87</u>	<u>11,202</u>
Balance on March 31, 2026	<u>\$ 249,403</u>	<u>\$ 87,713</u>	<u>\$ 2,632</u>	<u>\$ 339,748</u>
<u>Accumulated depreciation</u>				
Balance on January 1, 2026	\$ 213,236	\$ 48,395	\$ 2,263	\$ 263,894
Depreciation expense	292	378	5	675
Effect of foreign currency exchange differences	<u>7,276</u>	<u>1,656</u>	<u>77</u>	<u>9,009</u>
Balance on March 31, 2026	<u>\$ 220,804</u>	<u>\$ 50,429</u>	<u>\$ 2,345</u>	<u>\$ 273,578</u>
<u>Accumulated impairment</u>				
Balance on January 1, 2026	\$ -	\$ 8,008	\$ -	\$ 8,008
Effect of foreign currency exchange differences	<u>-</u>	<u>274</u>	<u>-</u>	<u>274</u>
Balance on March 31, 2026	<u>\$ -</u>	<u>\$ 8,282</u>	<u>\$ -</u>	<u>\$ 8,282</u>
Carrying amount on January 1, 2026	<u>\$ 27,944</u>	<u>\$ 28,418</u>	<u>\$ 282</u>	<u>\$ 56,644</u>
Carrying amount on March 31, 2026	<u>\$ 28,599</u>	<u>\$ 29,002</u>	<u>\$ 287</u>	<u>\$ 57,888</u>

(Concluded)

Operating leases relate to leases of machinery and equipment, leasehold improvement and other equipment in the Port of Longwu, Shanghai, with lease terms from 2024 to 2028. The operating lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the assets at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating lease payments was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Year 1	\$ 29,309	\$ 30,850	\$ 32,330
Year 2	29,322	30,946	32,426
Year 3	22,022	31,046	32,528
Year 4	<u>-</u>	<u>-</u>	<u>24,455</u>
	<u>\$ 80,653</u>	<u>\$ 92,842</u>	<u>\$ 121,739</u>

The above items of property, plant and equipment leased under operating leases are depreciated on a straight-line basis over their estimated useful lives as follows:

Machinery and equipment	5-15 years
Leasehold improvement	
Office building	40 years
Storage and plant	37-40 years
Others	40 years
Other equipment	3-5 years

c. Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 35.

17. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Carrying amount</u>			
Land	\$ 455,646	\$ 459,974	\$ 481,835
Land improvement	613,632	757,392	793,077
Building	677,668	566,127	649,376
Machinery and equipment	3,129	3,576	4,918
Transportation equipment	2,667	3,256	6,294
Miscellaneous equipment	<u>473</u>	<u>505</u>	<u>665</u>
	<u>\$ 1,753,215</u>	<u>\$ 1,790,830</u>	<u>\$ 1,936,165</u>
		For the Three Months Ended March 31	
		2026	2025
Additions to right-of-use assets		<u>\$ 9,742</u>	<u>\$ 301,807</u>
Depreciation charge for right-of-use assets			
Land		\$ 6,519	\$ 6,529
Land improvement		8,761	10,559
Building		20,520	20,652
Machinery and equipment		447	447
Transportation equipment		669	733
Miscellaneous equipment		<u>32</u>	<u>34</u>
		<u>\$ 36,948</u>	<u>\$ 38,954</u>

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease of right-of-use assets during the three months ended March 31, 2026 and 2025.

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Carrying amount</u>			
Current	\$ 140,536	\$ 150,160	\$ 191,707
Non-current	\$ 1,798,875	\$ 1,819,684	\$ 1,924,908

Ranges of discount rates for lease liabilities were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Land	1.58%-5.46%	1.58%-5.46%	1.58%-5.46%
Land improvement	1.58%-2.76%	1.58%-2.76%	1.58%-2.76%
Building	1.45%-4.99%	1.45%-4.99%	1.45%-4.99%
Machinery and equipment	2.60%	2.60%	2.60%
Transportation equipment	2.15%-3.85%	2.15%-3.85%	2.15%-3.85%
Miscellaneous equipment	3.85%	3.85%	3.85%

c. Material leasing activities and terms as lessee

1) Warehousing and storage service at the wharves

In order to operate in cargo loading, unloading, storage and transit business, the Group entered into three lease contracts in October 2000, December 2009 and December 2014, respectively, to lease the West Wharf No. 33 of the Port of Keelung in Port of Keelung (“Port of Keelung”) from Port of Keelung Taiwan International Ports Corporation Ltd., the first bulk and general cargo center in Port of Taipei (“Port of Taipei”) from Port of Keelung Taiwan International Ports Corporation Ltd., and to lease the wharf and equipment attached in the Port of Taichung from Port of Taichung Taiwan International Ports Corporation Ltd. (“Port of Taichung”).

The lease term of the Port of Keelung commences on July 7, 2024 and expires on July 6, 2034. In order to integrate the Group’s resources and enhance professional specialization, the Company assigned the warehouse management operations to its subsidiary, Tong Yang Chia Hsin International Corporation. With the consent of Port of Keelung Taiwan International Ports Corporation Ltd., the three parties entered into a “Transfer Agreement of Rights and Obligations under the Lease and Operation Contract for the Rear Area Land and Cement Storage Facilities of West Wharf No. 33 of the Port of Keelung” (the “Agreement”) in September 2025. Under the Agreement, Tong Yang Chia Hsin International Corporation acts as the lessee, while the Company serves as the joint guarantor and agrees to be jointly and severally liable with Tong Yang Chia Hsin International Corporation for all obligations and liabilities arising from the assignment of the original contract. All rights and obligations under the original contract have been transferred to Tong Yang Chia Hsin International Corporation. The Agreement is valid from the date of signing until July 6, 2034. The rentals for land are calculated based on the assessed land value and the annual rental rate approved by the government, and will be adjusted accordingly upon any changes announced by the government.

The lease term for Port of Taipei lasts for 35 years and 5 months commencing on December 10, 2009. The land rentals in the Port are calculated based on the assessed land value and the annual rental rate approved by the government, and will be adjusted accordingly upon any changes announced by the government. The rentals for buildings are adjusted in accordance with annual “Construction Cost Index” published by the Directorate General of Budget, Accounting and Statistics (DGBAS), the Executive Yuan of the ROC.

The lease term for Port of Taichung commences on January 1, 2025, and expires on December 31, 2034. The land rentals in the Port are calculated based on the assessed land value and the annual rental rate approved by the government, and will be adjusted accordingly upon any changes announced by the government.

According to the abovementioned contracts, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessors' consent. At the end of the contract terms, the Group has the right to apply for extension, and a new contract can be signed at both parties' consent.

Joint operating agreement

In order to operate a bulk cement business in China, the Group entered into a joint operating agreement with Shanghai International Port (Group) Co., Ltd. ("Longwu Harbor"). According to the agreement, Longwu Harbor should lease the land use right of its pier to the Group. The lease term lasts for 40 years, commencing on the date the joint venture company, established by the two parties, obtains its business license. Beginning on the sixth year of the lease term, the rent should be adjusted annually based on the increasing rate of the average annual cement price listed on the Shanghai Construction Engineering Cost Information System. When the cement price decreased, no rental adjustment should be made. At the end of the contract term, the contract can be extended and registered with relevant government agencies according to the agreement between both parties.

2) Healthcare business

In order to develop its healthcare business, the Group entered into leasing contracts of buildings for operation purposes in both Taiwan and China. The lease terms range from 10 to 15 years. At the end of the lease term, the Group has the right to apply for extension and bargain renewal options. However, the Group has no bargain purchase options and is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessors' consent.

d. Other lease information

The Group's leases as lessor of property, plant and equipment and investment properties under operating leases are set out in Notes 16 and 18, respectively; finance leases of assets are set out in Note 12.

	For the Three Months Ended	
	March 31	
	2026	2025
Expenses relating to short-term leases	<u>\$ 968</u>	<u>\$ 1,563</u>
Expenses relating to low-value asset leases	<u>\$ 62</u>	<u>\$ 251</u>
Total cash outflow for leases	<u>\$ (44,033)</u>	<u>\$ (35,485)</u>

The Group's leases of certain office equipment, transportation equipment and buildings qualify as short-term and low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

18. INVESTMENT PROPERTIES

	Land	Building	Investment Property under Construction	Total
<u>Cost</u>				
Balance on January 1, 2025	\$ 2,117,440	\$ 342,385	\$ 354,530	\$ 2,814,355
Additions	-	-	446	446
Effect of foreign currency exchange differences	<u>19,033</u>	<u>947</u>	<u>20,837</u>	<u>40,817</u>
Balance on March 31, 2025	<u>\$ 2,136,473</u>	<u>\$ 343,332</u>	<u>\$ 375,813</u>	<u>\$ 2,855,618</u>
<u>Revaluation</u>				
Balance on January 1, 2025	<u>\$ 3,690,223</u>	<u>\$ 149,725</u>	<u>\$ -</u>	<u>\$ 3,839,948</u>
Balance on March 31, 2025	<u>\$ 3,690,223</u>	<u>\$ 149,725</u>	<u>\$ -</u>	<u>\$ 3,839,948</u>
<u>Accumulated depreciation</u>				
Balance on January 1, 2025	\$ -	\$ 365,456	\$ -	\$ 365,456
Depreciation expenses	-	2,238	-	2,238
Effect of foreign currency exchange differences	<u>-</u>	<u>485</u>	<u>-</u>	<u>485</u>
Balance on March 31, 2025	<u>\$ -</u>	<u>\$ 368,179</u>	<u>\$ -</u>	<u>\$ 368,179</u>
<u>Accumulated impairment</u>				
Balance on January 1, 2025	\$ -	\$ 12,173	\$ -	\$ 12,173
Effect of foreign currency exchange differences	<u>-</u>	<u>173</u>	<u>-</u>	<u>173</u>
Balance on March 31, 2025	<u>\$ -</u>	<u>\$ 12,346</u>	<u>\$ -</u>	<u>\$ 12,346</u>
Carrying amount on January 1, 2025	<u>\$ 5,807,663</u>	<u>\$ 114,481</u>	<u>\$ 354,530</u>	<u>\$ 6,276,674</u>
Carrying amount on March 31, 2025	<u>\$ 5,826,696</u>	<u>\$ 112,532</u>	<u>\$ 375,813</u>	<u>\$ 6,315,041</u>
<u>Cost</u>				
Balance on January 1, 2026	\$ 2,091,537	\$ 341,227	\$ 343,839	\$ 2,776,603
Additions	-	-	1,311	1,311
Effect of foreign currency exchange differences	<u>(447)</u>	<u>2,222</u>	<u>(501)</u>	<u>1,274</u>
Balance on March 31, 2026	<u>\$ 2,091,090</u>	<u>\$ 343,449</u>	<u>\$ 344,649</u>	<u>\$ 2,779,188</u>

(Continued)

	Land	Building	Investment Property under Construction	Total
<u>Revaluation</u>				
Balance on January 1, 2026	\$ 3,644,711	\$ 149,725	\$ -	\$ 3,794,436
Balance on March 31, 2026	<u>\$ 3,644,711</u>	<u>\$ 149,725</u>	<u>\$ -</u>	<u>\$ 3,794,436</u>
<u>Accumulated depreciation</u>				
Balance on January 1, 2026	\$ -	\$ 373,455	\$ -	\$ 373,455
Depreciation expenses	-	2,172	-	2,172
Effect of foreign currency exchange differences	-	1,188	-	1,188
Balance on March 31, 2026	<u>\$ -</u>	<u>\$ 376,815</u>	<u>\$ -</u>	<u>\$ 376,815</u>
<u>Accumulated impairment</u>				
Balance on January 1, 2026	\$ -	\$ 11,935	\$ -	\$ 11,935
Effect of foreign currency exchange differences	-	407	-	407
Balance on March 31, 2026	<u>\$ -</u>	<u>\$ 12,342</u>	<u>\$ -</u>	<u>\$ 12,342</u>
Carrying amount on January 1, 2026	<u>\$ 5,736,248</u>	<u>\$ 105,562</u>	<u>\$ 343,839</u>	<u>\$ 6,185,649</u>
Carrying amount on March 31, 2026	<u>\$ 5,735,801</u>	<u>\$ 104,017</u>	<u>\$ 344,649</u>	<u>\$ 6,184,467</u>

(Concluded)

The abovementioned investment properties are depreciated on a straight-line basis over their estimated useful lives from 5 to 60 years.

The investment properties are not evaluated by an independent valuer but valued by the Group's management using the valuation model that market participants would use in determining the fair value, and the fair value was measured using Level 3 inputs. The valuation was arrived at by reference to market evidence of transaction prices for similar properties and by discounted cash flow analysis. The significant unobservable inputs used include discount rates. The appraised fair value is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
The fair values of investment properties	\$ 14,002,406	\$ 13,738,203	\$ 13,552,438
Discount rate	5.9061%	5.9061%	6.5599%

The Group's investment properties under construction is located on the seaside, Toyosaki Japan. Because the location is still in the development stage, the comparable market transactions occur infrequently and no substitute estimated fair value can be obtained. As a result, the Group cannot reliably determine the fair value of investment property under construction.

All of the Group's investment properties are freehold properties. The investment properties pledged as collateral for bank borrowings are set out in Note 35.

19. INTANGIBLE ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
Computer software	<u>\$ 834</u>	<u>\$ 965</u>	<u>\$ 1,029</u>

Except for amortization recognized, the Group did not have significant addition, disposal, or impairment of intangible assets during the three months ended March 31, 2026 and 2025.

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software 5 years

	For the Three Months Ended March 31	
	<u>2026</u>	<u>2025</u>
An analysis of amortization by function		
General and administrative expenses	<u>\$ 132</u>	<u>\$ 374</u>

20. OTHER ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Prepayments			
Prepaid guarantee for freight	\$ 64,474	\$ 72,563	\$ 63,775
Overpaid sales tax	29,879	30,751	32,524
Office supplies	6,674	8,229	8,319
Prepayment for purchase	416	438	506
Prepaid rents	449	435	584
Others	<u>8,540</u>	<u>9,118</u>	<u>9,415</u>
	<u>\$ 110,432</u>	<u>\$ 121,534</u>	<u>\$ 115,123</u>
Other current assets			
Refundable deposits	\$ 15	\$ 15	\$ 15
Others	<u>15</u>	<u>15</u>	<u>27</u>
	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 42</u>

(Continued)

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Non-current</u>			
Other non-current assets			
Refundable deposits	\$ 30,216	\$ 35,333	\$ 40,238
Prepayments for equipment	17,784	17,319	60,605
Prepaid taxes	14,624	14,624	-
Others	<u>503</u>	<u>599</u>	<u>888</u>
	<u>\$ 63,127</u>	<u>\$ 67,875</u>	<u>\$ 101,731</u>
			(Concluded)

21. BORROWINGS

a. Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings	\$ 370,000	\$ 370,000	\$ -
Unsecured borrowings	<u>1,709,035</u>	<u>1,550,040</u>	<u>1,037,000</u>
	<u>\$ 2,079,035</u>	<u>\$ 1,920,040</u>	<u>\$ 1,037,000</u>

1) The ranges of interest rates on bank loans were 1.90%-2.19%, 1.90%-2.04% and 1.90%-2.05%, per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

2) Refer to Note 35 for information on collaterals for the abovementioned borrowings.

b. Short-term bills payable

	March 31, 2026	December 31, 2025	March 31, 2025
Commercial paper	\$ 160,000	\$ 60,000	\$ 180,000
Less: Unamortized discounts on bills payable	<u>(429)</u>	<u>(273)</u>	<u>(390)</u>
	<u>\$ 159,571</u>	<u>\$ 59,727</u>	<u>\$ 179,610</u>

Outstanding short-term bills payable were as follows:

March 31, 2026

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate Range	Collateral
<u>Commercial paper</u>					
China Bills	\$ 10,000	\$ (16)	\$ 9,984	2.038%	None
International Bills	60,000	(273)	59,727	2.000%	None
Mega Bills	<u>90,000</u>	<u>(140)</u>	<u>89,860</u>	2.028%	None
	<u>\$ 160,000</u>	<u>\$ (429)</u>	<u>\$ 159,571</u>		

December 31, 2025

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate Range	Collateral
<u>Commercial paper</u>					
International Bills	<u>\$ 60,000</u>	<u>\$ (273)</u>	<u>\$ 59,727</u>	2.000%	None

March 31, 2025

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate Range	Collateral
<u>Commercial paper</u>					
Mega Bills	<u>\$ 180,000</u>	<u>\$ (390)</u>	<u>\$ 179,610</u>	2.028%	None

c. Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Secured borrowings</u>			
Bank loans (1)	\$ 5,144,864	\$ 5,220,172	\$ 5,645,186
Loans from governments (2)	1,489,188	1,486,918	1,747,602
<u>Unsecured borrowings</u>			
Bank loans (3)	<u>777,139</u>	<u>780,673</u>	<u>699,278</u>
	<u>7,411,191</u>	<u>7,487,763</u>	<u>8,092,066</u>
Less: Current portion	<u>(1,017,860)</u>	<u>(947,015)</u>	<u>(911,845)</u>
Long-term borrowings	<u>\$ 6,393,331</u>	<u>\$ 6,540,748</u>	<u>\$ 7,180,221</u>

- 1) The Group signed medium-term secured loan contracts with First Commercial Bank, Cathay United Bank, Bank SinoPac, China Trust Commercial Bank and Taiwan Cooperative Bank, respectively. The bank loans are to be repaid at once or in instalments according to the agreements. As of March 31, 2026, December 31, 2025 and March 31, 2025, the annual interest rates are 2.03%-2.12%, 1.80%-2.12% and 1.80%-2.12%, respectively. The loan is repayable in 2 to 7 years, and the final maturity date of the loan is September 8, 2030.
- 2) The Group entered into a secured government loan facility contract with Okinawa Development Finance Corporation. The loan is to be repaid in instalments according to the repayment schedule in the contract. As of March 31, 2026, December 31, 2025 and March 31, 2025, the annual interest rates are all 0.2%-0.7%. The final maturity date of the loan is June 25, 2042.
- 3) The Group signed medium-term unsecured loan contracts with Taishin Bank, Bank SinoPac and China Trust Commercial Bank. The bank loans are to be repaid at once or in instalments according to the agreement. As of March 31, 2026, December 31, 2025 and March 31, 2025, the annual interest rates are 2.01%-2.19%, 1.80%-2.07% and 1.80%-2.07%, respectively. The loan is repayable in 3 to 5 years, and the final maturity date of the loan is December 19, 2030.
- 4) Refer to Note 35 for information on collaterals for the abovementioned borrowings.

22. NOTES PAYABLE AND TRADE PAYABLES

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Notes payable</u>			
Operating	\$ 2,337	\$ 2,601	\$ 3,268
<u>Trade payables</u>			
Operating	\$ 90,225	\$ 99,528	\$ 144,397

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

23. OTHER LIABILITIES

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 68,892	\$ 99,560	\$ 75,964
Payables for machinery and equipment and construction in progress (Note 31)	20,667	18,770	13,213
Payables for VAT	34,065	31,484	35,110
Payables for interests	7,886	6,583	6,677
Payables for dividends (Note 31)	-	-	1,384
Payables for professional fees	4,127	13,305	3,567
Payables for rent	241	41	10,943

(Continued)

	March 31, 2026	December 31, 2025	March 31, 2025
Payables for insurance	\$ 4,711	\$ 6,140	\$ 4,455
Others	<u>39,398</u>	<u>56,057</u>	<u>45,566</u>
	<u>\$ 179,987</u>	<u>\$ 231,940</u>	<u>\$ 196,879</u>
Other liabilities			
Guarantee deposits (Note 34)	\$ 34,815	\$ 35,892	\$ 32,200
Advanced receipts	2,253	4,954	2,598
Receipts under custody	<u>10,732</u>	<u>6,376</u>	<u>5,805</u>
	<u>\$ 47,800</u>	<u>\$ 47,222</u>	<u>\$ 40,603</u>
<u>Non-current</u>			
Deferred revenue			
Government grants (Note 30)	<u>\$ 268,672</u>	<u>\$ 271,134</u>	<u>\$ 307,556</u>
Other liabilities			
Guarantee deposits (Note 34)	<u>\$ 103,110</u>	<u>\$ 100,610</u>	<u>\$ 99,351</u>

(Concluded)

24. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company and the Group's subsidiaries in Taiwan adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Group makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiaries in mainland China are members of a state-managed retirement benefit plan operated by the government of the People's Republic of China, which is a defined contribution plan.

The employees of the Group's subsidiaries in Japan are members of a state-managed retirement benefit plan operated by the local government. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

For the three months ended on March 31, 2026 and 2025, the amounts included in the consolidated statements of comprehensive income in respect of the Group's defined contribution plan were \$3,251 thousand and \$3,359 thousand, respectively.

b. Defined benefit plan

For the three months ended March 31, 2026 and 2025, the pension expenses of defined benefit plans were \$199 thousand and \$170 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2025 and 2024, respectively.

25. EQUITY

a. Share capital

Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Shares authorized (in thousands of shares)	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
Amount of shares authorized	<u>\$ 15,000,000</u>	<u>\$ 15,000,000</u>	<u>\$ 15,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>790,247</u>	<u>790,247</u>	<u>790,247</u>
Amount of shares issued and fully paid	<u>\$ 7,902,474</u>	<u>\$ 7,902,474</u>	<u>\$ 7,902,474</u>

Fully paid ordinary shares, which have a par value of NT\$10, carry one vote per share and carry a right to dividends.

Pursuant to a resolution of the Board of Directors dated April 10, 2026, the Company resolved to issue 42,627 thousand new shares with a par value of NT\$10 per share in exchange for 35,585 thousand shares in its subsidiary, Tong Yang Chia Hsin International Corporation.

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
<u>May only be used to offset a deficit (1)</u>			
Treasury share transaction	\$ 367,772	\$ 367,772	\$ 367,772
Unclaimed dividends extinguished by prescription	24,729	24,733	18,686
Unclaimed dividends extinguished by prescription of subsidiaries	4,260	4,260	3,277
Changes in equity of associates accounted for using the equity method	73,422	72,585	72,818
Changes in ownership interests in subsidiaries	7,066	7,066	7,066
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (2)</u>			
Treasury share transaction			
Dividends paid to subsidiaries	935,340	935,340	872,921
Disposal of treasury shares	24,479	24,479	24,479
Share-based payment	16,123	16,123	16,123
Share-based payment of subsidiaries	5,327	5,327	5,327
Difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal	<u>7</u>	<u>7</u>	<u>7</u>
	<u>\$ 1,458,525</u>	<u>\$ 1,457,692</u>	<u>\$ 1,388,476</u>

1) Such capital surplus may only be used to offset a deficit.

2) Such capital surplus may be used to offset a deficit; in addition, when the Group has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Group's paid-in capital each year).

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Articles of Incorporation of the Company, when the Company makes the financial statement to obtain after-tax surplus earnings in a fiscal year, it shall make up its accumulated losses, set aside a sum as legal reserve, set aside or reverse a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors, refer to Note 27(g).

The remaining dividend policy is taken by the Company. In consideration of the future business expansion and capital needs, an appropriate amount of earnings can be retained. If there are undistributed earnings remained after the appropriation, distribution of earnings can be made.

For the distribution of shareholders' dividends, cash dividends shall be more than 10% of total dividends distributed in the current year, the remainders will be in stock dividends.

According to the Company Act No. 237, the Company shall recognize as legal reserve 10% of the remaining profit, until the accumulated legal reserve equals the total amount of paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the special reserve is only appropriated from the prior unappropriated earnings. The sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period is used if the prior unappropriated earnings is not sufficient.

The appropriation of earnings for 2025 proposed in the board of directors' meeting on April 10, 2026 and the appropriation of earnings for 2024 approved in the shareholders' regular meeting on May 16, 2025 were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2025	2024
Legal reserve	\$ 55,812	\$ 32,669
Cash dividends	433,770	434,636
Cash dividends per share (NT\$)	0.55	0.55

The appropriation of earnings for 2025 is subject to the resolution of the shareholders in the shareholders' regular meeting to be held on May 22, 2026.

d. Special reserve

If a special reserve appropriated on the first-time adoption of IFRS Accounting Standards relates to investment properties other than land, the special reserve may be reversed continuously over the period of use or may be reversed upon the disposal or reclassification of the related assets. The special reserve related to land may be reversed on the disposal or reclassification of the land.

The special reserves recognized as of March 31, 2026, December 31, 2025 and March 31, 2025 were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Appropriation in respect of the Articles of Incorporation of the Company	\$ 295,756	\$ 295,756	\$ 295,756
First application of rule issued by the FSC			
Revaluation of investment properties	1,791,635	1,791,635	1,791,635
Exchange differences on translation of the financial statements of foreign operations	<u>168,790</u>	<u>168,790</u>	<u>168,790</u>
	<u>\$ 2,256,181</u>	<u>\$ 2,256,181</u>	<u>\$ 2,256,181</u>

e. Other equity items

1) Exchange differences on translation of the financial statements of foreign operations:

	For the Three Months Ended March 31	
	2026	2025
Balance on January 1	\$ (615,959)	\$ (550,199)
Recognized for the period		
Exchange differences on translation of the financial statements of foreign operations	67,033	141,159
Shares from associates accounted for using the equity method	673	734
Related income tax	<u>(16,945)</u>	<u>(40,285)</u>
Other comprehensive income recognized for the period	<u>50,761</u>	<u>101,608</u>
Balance on March 31	<u>\$ (565,198)</u>	<u>\$ (448,591)</u>

2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2026	2025
Balance on January 1	\$ 156,048	\$ 3,005,804
Recognized for the period		
Unrealized (loss) gain on financial assets at FVTOCI	(58,284)	127,684
Unrealized loss on financial assets at FVTOCI held by associates accounted for using the equity method	<u>(26,836)</u>	<u>(23,171)</u>
Other comprehensive (loss) income recognized for the period	<u>(85,120)</u>	<u>104,513</u>
Balance on March 31	<u>\$ 70,928</u>	<u>\$ 3,110,317</u>

f. Non-controlling interests

	For the Three Months Ended March 31	
	2026	2025
Balance on January 1	\$ 587,515	\$ 708,094
Share in profit for the period	(479)	1,977
Other comprehensive income during the period		
Exchange differences on translation of the financial statements of foreign entities	4,429	3,299
Related income tax	(666)	(490)
Unrealized (loss) gain on financial assets at FVTOCI	(3,973)	4,592
Unrealized loss on financial assets at FVTOCI held by associates accounted for using the equity method	<u>(1,106)</u>	<u>(860)</u>
Balance on March 31	<u>\$ 585,720</u>	<u>\$ 716,612</u>

g. Treasury shares

Purpose of Buy-back	Shares Transferred to Employees (In Thousands of Shares)	Shares Held by Subsidiaries (In Thousands of Shares)	Total (In Thousands of Shares)
Number of shares on January 1, 2025	-	129,918	129,918
Increase during the period	-	-	-
Decrease during the period	<u>-</u>	<u>-</u>	<u>-</u>
Number of shares on March 31, 2025	<u>-</u>	<u>129,918</u>	<u>129,918</u>
Number of shares on January 1, 2026	1,574	129,918	131,492
Increase during the period	-	-	-
Decrease during the period	<u>-</u>	<u>-</u>	<u>-</u>
Number of shares on March 31, 2026	<u>1,574</u>	<u>129,918</u>	<u>131,492</u>

On April 10, 2025, the Board of Directors resolved to repurchase 3,500 thousand treasury shares, mainly for transfer to employees, with the repurchase period from April 11, 2025 to June 10, 2025. As of June 10, 2025, 1,574 thousand shares had been repurchased for a total amount of \$23,350 thousand.

Prior to the amendment of the Company Act at the end of 2001, subsidiaries purchased shares of the Company on the open market in line with government policy and in order to maintain the stability of the share price on the open market. The relevant information on the holding of the Company's shares is as follows:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Based on the Shareholding Ratio	
		Carrying Amount	Market Price
<u>March 31, 2026</u>			
<u>By direct investment</u>			
Tong Yang Chia Hsin International Corporation	129,918	<u>\$ 1,055,710</u>	<u>\$ 1,529,041</u>
<u>December 31, 2025</u>			
<u>By direct investment</u>			
Tong Yang Chia Hsin International Corporation	129,918	<u>\$ 1,055,710</u>	<u>\$ 1,580,009</u>
<u>March 31, 2025</u>			
<u>By direct investment</u>			
Tong Yang Chia Hsin International Corporation	129,918	<u>\$ 1,055,710</u>	<u>\$ 1,789,544</u>

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote. The subsidiaries holding treasury shares, however, are bestowed shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

26. REVENUE

	For the Three Months Ended March 31	
	2026	2025
Revenue from contracts with customers		
Revenue from the sale of goods	\$ 223,114	\$ 297,937
Revenue from the rent	77,022	76,397
Revenue from rendering of services	187,599	179,438
Revenue from catering and hospitality	<u>200,635</u>	<u>198,703</u>
	<u>\$ 688,370</u>	<u>\$ 752,475</u>

a. Contract information

Revenue from the sale of goods

The main operating revenue of the Group is from the sales of cement and other goods. All goods are sold at their respective fixed price as agreed in the contracts.

Revenue from the rent

The rental income comes from the lease of property, plant and equipment. The Group recognizes the revenue according to the contract on accrual basis.

Revenue from rendering of services

The Group operates the cement silo and other storage and transport facilities in the wharves to provide warehousing and storage services. The fee is calculated based on the actual amount of goods delivered and the agreed price in the signed contracts.

Revenue from catering and hospitality

The Group recognizes the revenue from catering services once the merchandise is sold to the client. The consideration is collected from the client upon occurrence of the purchase transaction.

The Group recognizes the revenue from hospitality once the service is rendered to the client. The contractual consideration is collected according to the agreed time schedule.

b. Contract balances

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Notes receivable and trade receivables from unrelated parties (Note 10)	<u>\$ 191,787</u>	<u>\$ 259,302</u>	<u>\$ 238,759</u>	<u>\$ 293,393</u>
Trade receivables from related parties (Note 34)	<u>\$ 4,327</u>	<u>\$ 6,474</u>	<u>\$ 5,628</u>	<u>\$ 5,408</u>
Contract liabilities - current	<u>\$ 43,417</u>	<u>\$ 28,822</u>	<u>\$ 29,846</u>	<u>\$ 46,629</u>

c. Disaggregation of revenue

For information on disaggregation of revenue, please refer to Note 41.

27. NET PROFIT

Net profit from continuing operations was attributable to:

a. Interest income

	For the Three Months Ended March 31	
	2026	2025
Bank deposits	<u>\$ 37,800</u>	<u>\$ 41,588</u>

b. Other income

	For the Three Months Ended March 31	
	2026	2025
Rental income	\$ 8,031	\$ 8,741
Dividends	-	5,408
Government grants (Note 30)	2,067	2,211
Others	<u>1,327</u>	<u>1,520</u>
	<u>\$ 11,425</u>	<u>\$ 17,880</u>

c. Other gains and losses

	For the Three Months Ended March 31	
	2026	2025
Loss on disposal of property, plant and equipment	\$ (2,739)	\$ (392)
Net foreign exchange gain (Note 27-h)	15,641	29,526
(Loss) gain on fair value changes of financial assets at FVTPL	(8,351)	25,360
Others	<u>(96)</u>	<u>(49)</u>
	<u>\$ 4,455</u>	<u>\$ 54,445</u>

d. Finance costs

	For the Three Months Ended March 31	
	2026	2025
Interest on bank loans	\$ 46,943	\$ 44,174
Interest on lease liabilities	11,541	11,855
Less: Capitalized interest amount	<u>-</u>	<u>(62)</u>
	<u>\$ 58,484</u>	<u>\$ 55,967</u>

Information on capitalized interest is as follows:

	For the Three Months Ended March 31	
	2026	2025
Capitalized interest amount	\$ -	\$ 62
Capitalization rate	-	1.80%-2.16%

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
Property, plant and equipment	\$ 64,631	\$ 73,268
Investment properties	2,172	2,238
Right-of-use assets	36,948	38,954
Intangible assets	<u>132</u>	<u>374</u>
	<u>\$ 103,883</u>	<u>\$ 114,834</u>
An analysis of depreciation by function		
Operating costs	\$ 91,081	\$ 101,523
Operating expenses	<u>12,670</u>	<u>12,937</u>
	<u>\$ 103,751</u>	<u>\$ 114,460</u>
An analysis of amortization by function		
Operating expenses	<u>\$ 132</u>	<u>\$ 374</u>

f. Employee benefits expense

	For the Three Months Ended March 31	
	2026	2025
Short-term benefits	\$ 121,526	\$ 126,382
Post-employment benefits (Note 24)		
Defined contribution plans	3,251	3,359
Defined benefit plans	199	170
Other employee benefits	<u>5,855</u>	<u>4,732</u>
	<u>\$ 130,831</u>	<u>\$ 134,643</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 59,430	\$ 63,314
Operating expenses	<u>71,401</u>	<u>71,329</u>
	<u>\$ 130,831</u>	<u>\$ 134,643</u>

g. Compensation of employees and remuneration of directors

According to the Company's Articles of Incorporation, the Company accrues compensation of employees at rates of no less than 0.01% and no higher than 3%, and remuneration of directors at rates of no higher than 3% of net profit before income tax, compensation of employees and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company expect to resolve the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation and distribution of no less than 10% of the compensation of employees as compensation for non-executive employees.

The compensation of employees (including non-executive employees) and remuneration of directors for the three months ended March 31, 2026 and 2025, are as follows:

Accrual rate

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	2.98%	2.71%
Remuneration of directors	2.98%	2.71%

Amount

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	\$ 1,850	\$ 2,380
Remuneration of directors	1,850	2,380

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recognized as a change in the accounting estimate and recorded in the following year.

The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Company's board of directors on March 5, 2026 and February 25, 2025, respectively, are as follows:

Amount

	For the Year Ended December 31			
	2025		2024	
	Cash	Shares	Cash	Shares
Compensation of employees	\$ 7,320	\$ -	\$ 8,520	\$ -
Remuneration of directors	7,320	-	8,520	-

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2025 and 2024.

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

h. Gains or losses on foreign currency exchange

	For the Three Months Ended March 31	
	2026	2025
Foreign exchange gains	\$ 20,146	\$ 35,077
Foreign exchange losses	<u>(4,505)</u>	<u>(5,551)</u>
Net foreign exchange gains	<u>\$ 15,641</u>	<u>\$ 29,526</u>

28. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2026	2025
Current tax		
In respect of the current period	\$ 2,361	\$ 17,878
Adjustments for prior years	<u>-</u>	<u>-</u>
	<u>2,361</u>	<u>17,878</u>
Deferred tax		
In respect of the current period	<u>14,707</u>	<u>(7,940)</u>
Income tax expense recognized in profit or loss	<u>\$ 17,068</u>	<u>\$ 9,938</u>

b. Income tax recognized in other comprehensive loss

	For the Three Months Ended March 31	
	2026	2025
<u>Deferred tax</u>		
In respect of the current period		
Translation of foreign operations	<u>\$ (17,611)</u>	<u>\$ (40,775)</u>
Total income tax recognized in other comprehensive loss	<u>\$ (17,611)</u>	<u>\$ (40,775)</u>

c. Income tax assessments

1) The income tax returns of the Company and its subsidiaries, Chia Hsin Property Management & Development Corporation through 2022 have been assessed by the tax authorities. The income tax returns of Tong Yang Chia Hsin International Corporation and Chia Sheng Construction Corporation through 2023 have been assessed by the tax authorities. The income tax returns of Chia Pei International Corporation, Jaho Life Plus+ Management Corporation, BlueSky Corporation, Chia Hsin Green Energy Corporation and YJ International Corporation through 2024 have been assessed by the tax authorities. Except for the abovementioned issues, the Company and the abovementioned subsidiaries are not involved in any material pending action in regard of taxation.

2) Other overseas subsidiaries are not involved in any material pending action in regard of taxation.

29. EARNING PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended March 31	
	2026	2025
Basic earnings per share	<u>\$ 0.08</u>	<u>\$ 0.13</u>
Diluted earnings per share	<u>\$ 0.08</u>	<u>\$ 0.13</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net Profit for the Period

	For the Three Months Ended March 31	
	2026	2025
Profit for the period attributable to owners of the Company	\$ 51,804	\$ 83,170
Effect of potentially dilutive ordinary shares		
Compensation of employees	<u> -</u>	<u> -</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 51,804</u>	<u>\$ 83,170</u>

Weighted Average Number of Ordinary Shares Outstanding (In Thousands of Shares)

	For the Three Months Ended March 31	
	2026	2025
Weighted average number of ordinary shares used in the computation of basic earnings per share	658,755	660,329
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u> 523</u>	<u> 460</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>659,278</u>	<u>660,789</u>

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

30. GOVERNMENT GRANTS

In order to finance the construction of Hotel COLLECTIVE in Okinawa, the Group applied for a loan from Okinawa Development Finance Corporation. The loan facility was JPY10,500,000 thousand. The term of the loan lasts for 25 years, and the loan is to be repaid semi-annually in 42 installments, with the first installment commencing in the fourth year after the first drawdown date on December 20, 2017. The Group had drawn JPY10,500,000 thousand in total. The fair value of the borrowing was JPY8,873,333 thousand discounted at the market interest rate at the borrowing date. The difference of JPY1,626,667 thousand between the proceeds and the fair value of the loan is the benefit derived from the low-interest loan and has been recognized as deferred revenue. As of March 31, 2026, December 31, 2025 and March 31, 2025, the amount of deferred revenue was JPY1,340,013 thousand, JPY1,350,270 thousand and JPY1,381,034 thousand (equivalent to \$268,672 thousand, \$271,134 thousand and \$307,556 thousand), respectively. The deferred revenue will be reclassified to other revenue gradually along with the depreciation recognized over the estimated useful lives of buildings acquired. For the three months ended March 31, 2026 and 2025, a total of JPY10,257 thousand and JPY10,256 thousand (equivalent to \$2,067 thousand and \$2,211 thousand) was recognized under other income, respectively.

31. CASH FLOW INFORMATION

a. Non-cash transactions

For the three months ended March 31, 2026 and 2025, the Group entered into the following non-cash investing and financing activities which were not reflected in the statements of cash flows:

- 1) As of March 31, 2026, December 31, 2025 and March 31, 2025, the payables for equipment - property, plant and equipment were \$20,667 thousand, \$18,770 thousand and \$13,213 thousand, respectively.
- 2) As of March 31, 2026, December 31, 2025 and March 31, 2025, the dividends declared but not yet paid to non-controlling interests - unrelated party were \$0 thousand, \$0 thousand and \$1,384 thousand, respectively.

b. Changes in liabilities arising from financing activities

For the three months ended March 31, 2026

	Opening Balance	Cash Flows	Non-cash Changes				Closing Balance
			New Leases	Amortization of Interest Expense	Lease Modification	Change in Exchange Rate	
Short-term borrowings	\$ 1,920,040	\$ 159,032	\$ -	\$ -	\$ -	\$ (37)	\$ 2,079,035
Short-term bills payable	59,727	100,000	-	(156)	-	-	159,571
Long-term borrowings	7,487,763	(77,621)	-	4,516	-	(3,467)	7,411,191
Guarantee deposits received	136,502	1,371	-	-	-	52	137,925
Lease liabilities	1,969,844	(31,648)	9,742	11,541	(13,303)	4,776	1,939,411
	<u>\$ 11,573,876</u>	<u>\$ 151,134</u>	<u>\$ 9,742</u>	<u>\$ 15,901</u>	<u>\$ (13,303)</u>	<u>\$ 1,324</u>	<u>\$ 11,727,133</u>

For the three months ended March 31, 2025

	Opening Balance	Cash Flows	Non-cash Changes				Closing Balance
			New Leases	Amortization of Interest Expense	Lease Modification	Change in Exchange Rate	
Short-term borrowings	\$ 885,000	\$ 152,000	\$ -	\$ -	\$ -	\$ -	\$ 1,037,000
Short-term bills payable	179,910	-	-	(300)	-	-	179,610
Long-term borrowings	7,935,418	(2,156)	-	5,086	-	153,718	8,092,066
Guarantee deposits received	125,881	5,644	-	-	-	26	131,551
Lease liabilities	1,843,627	(21,972)	301,807	11,855	(9,449)	2,602	2,116,615
	<u>\$ 10,969,836</u>	<u>\$ 133,516</u>	<u>\$ 301,807</u>	<u>\$ 16,641</u>	<u>\$ (9,449)</u>	<u>\$ 156,346</u>	<u>\$ 11,556,842</u>

32. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remained unchanged in recent years.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings and other equity).

The management of the Group periodically reviews its capital structure. As part of the review, the management considers the cost of capital and related risks in determining the proper structure for its capital. Followed the management's suggestion, the Group balances its overall capital structure by obtaining financing facilities from financial institutions and adjusting the amount of dividends paid to the shareholders.

33. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The Group's management believes that the carrying amount of financial assets and financial liabilities recognized in the financial statements which are not measured at fair value approximates their fair value or that the fair value of such assets and liabilities cannot be reliably measured.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares in domestic market	\$ 539,668	\$ -	\$ -	\$ 539,668
Listed shares in foreign market	31,500	-	-	31,500
Mutual funds	14,403	-	244,298	258,701
Limited partnership	-	-	27,230	27,230
	<u>\$ 585,571</u>	<u>\$ -</u>	<u>\$ 271,528</u>	<u>\$ 857,099</u>
Financial assets at FVTOCI				
Listed shares in domestic market	\$ 8,354,685	\$ -	\$ -	\$ 8,354,685
Unlisted shares in domestic market	-	-	562,618	562,618
	<u>\$ 8,354,685</u>	<u>\$ -</u>	<u>\$ 562,618</u>	<u>\$ 8,917,303</u>

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares in domestic market	\$ 544,360	\$ -	\$ -	\$ 544,360
Listed shares in foreign market	32,458	-	-	32,458
Mutual funds	14,490	-	236,517	251,007
Limited partnership	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>30,000</u>
	<u>\$ 591,308</u>	<u>\$ -</u>	<u>\$ 266,517</u>	<u>\$ 857,825</u>
Financial assets at FVTOCI				
Listed shares in domestic market	\$ 8,256,548	\$ -	\$ -	\$ 8,256,548
Unlisted shares in domestic market	<u>-</u>	<u>-</u>	<u>523,887</u>	<u>523,887</u>
	<u>\$ 8,256,548</u>	<u>\$ -</u>	<u>\$ 523,887</u>	<u>\$ 8,780,435</u>

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares in domestic market	\$ 752,015	\$ -	\$ -	\$ 752,015
Listed shares in foreign market	164,922	-	-	164,922
Mutual funds	<u>24,820</u>	<u>-</u>	<u>206,171</u>	<u>230,991</u>
	<u>\$ 941,757</u>	<u>\$ -</u>	<u>\$ 206,171</u>	<u>\$ 1,147,928</u>
Financial assets at FVTOCI				
Listed shares in domestic market	\$ 11,034,072	\$ -	\$ -	\$ 11,034,072
Unlisted shares in domestic market	<u>-</u>	<u>-</u>	<u>548,118</u>	<u>548,118</u>
	<u>\$ 11,034,072</u>	<u>\$ -</u>	<u>\$ 548,118</u>	<u>\$ 11,582,190</u>

There were no transfers between Levels 1 and 2 in the three months ended March 31, 2026 and 2025.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the three months ended March 31, 2026

Financial Assets	Financial Assets at FVTPL Mutual Funds	Financial Assets at FVTPL Limited Partnership	Financial Assets at FVTOCI Equity Instruments	Total
Balance on January 1, 2026	\$ 236,517	\$ 30,000	\$ 523,887	\$ 790,404
Purchase	7,625	-	-	7,625
Recognized in profit or loss	156	(2,770)	-	(2,614)
Recognized in other comprehensive income	<u>-</u>	<u>-</u>	<u>38,731</u>	<u>38,731</u>
Balance on March 31, 2026	<u>\$ 244,298</u>	<u>\$ 27,230</u>	<u>\$ 562,618</u>	<u>\$ 834,146</u>
Unrealized gain (loss) for the current year included in profit or loss relating to assets held at the end of the period	<u>\$ 156</u>	<u>\$ (2,770)</u>	<u>\$ -</u>	<u>\$ (2,614)</u>

For the three months ended March 31, 2025

Financial Assets	Financial Assets at FVTPL Mutual Funds	Financial Assets at FVTOCI Equity Instruments	Total
Balance on January 1, 2025	\$ 317,757	\$ 552,805	\$ 870,562
Disposal	(122,410)	-	(122,410)
Recognized in profit or loss	10,824	-	10,824
Recognized in other comprehensive loss	<u>-</u>	<u>(4,687)</u>	<u>(4,687)</u>
Balance on March 31, 2025	<u>\$ 206,171</u>	<u>\$ 548,118</u>	<u>\$ 754,289</u>
Unrealized gain for the current year included in profit or loss relating to assets held at the end of the period	<u>\$ 8,640</u>	<u>\$ -</u>	<u>\$ 8,640</u>

3) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair value of mutual funds is determined using the method and hypothesis described below:

The fair value is determined by the use of valuation techniques or the price quotations from various counterparties. The fair value measurement using valuation techniques uses as reference the published current fair value of instruments with similar terms and characteristics, or uses discounted cash flow method or other valuation methods, including the use of a valuation model using market information available at the balance sheet date.

The Group holds unlisted shares. The significant unobservable input in the measurement of such investments is liquidity discount. The fair value of unlisted shares is determined using market approach where the fair value of the shares of similar or peer companies is used as reference. As of March 31, 2026, December 31, 2025 and March 31, 2025, the ranges of liquidity discount used were 10.86%-30.00%, 12.34%-30.00% and 9.50%-26.71%, respectively.

c. Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	\$ 857,099	\$ 857,825	\$ 1,147,928
Financial assets measured at amortized cost			
(1)	6,489,130	6,330,439	6,259,884
Financial assets at FVTOCI			
Equity instruments	8,917,303	8,780,435	11,582,190
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (2)	10,041,514	9,878,579	9,723,939

- 1) The balances include financial assets, which comprise cash and cash equivalent, notes receivable from unrelated parties, trade receivables from unrelated parties and related parties, other receivables from unrelated parties and related parties, financial assets at amortized cost, and refundable deposits.
- 2) The balances include financial liabilities, which comprise short-term loans, short-term bills payable, notes payable to unrelated parties, trade payables to unrelated parties and related parties, other payables to unrelated parties (excluding payable for salaries and bonus, tax payable, payable for insurance, and payable for dividends), other payables to related parties, current portion of long-term borrowings payable, long-term borrowings, and guarantee deposits.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity securities, trade receivables, financial assets at amortized cost, trade payables, lease liabilities and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The corporation's treasury function keeps close attention, and continuously tracks financial information and acts in concert with investment projects, plans and diversifies the positions of major international currencies to effectively manage the risks of interest rate and exchange rate changes and achieve the purpose of reducing risks. Also, the corporate treasury function reports regularly to the Group's management, which monitors risks and implements policies to mitigate risk exposures.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other price (see (c) below).

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

The Group has foreign currency transactions, which exposes the Group to foreign currency risk. Exchange rate exposures are managed by the delegated team, which regularly monitors and properly adjusts the assets and liabilities affected by the exchange rate to manage foreign currency risk.

Since the Group's net investments in foreign operations are strategic investments, the Group does not seek to hedge against the currency risk.

The carrying amounts of the Group's foreign-currency-denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 37.

Sensitivity analysis

The Group was mainly exposed to the USD and JPY.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 5%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the year for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit and other equity associated with the New Taiwan dollar strengthening 5% against the relevant currency. For a 5% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

	USD Impact (i)		JPY Impact (ii)	
	For the Three Months Ended March 31		For the Three Months Ended March 31	
	2026	2025	2026	2025
Profit or loss	\$ 58,280	\$ 59,722	\$ 25,981	\$ 19,503

- i. The result was mainly attributable to the exposure on outstanding cash and cash equivalents and other receivables in USD that were not hedged at the end of the period.
- ii. The result was mainly attributable to the exposure on outstanding cash and cash equivalents in JPY that were not hedged at the end of the period.

The above results of the Group's tests of sensitivity to changes in foreign exchange rates during the current period were mainly due to the decrease in financial assets in USD, and the increase in the financial assets in JPY.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
Financial assets	\$ 5,697,270	\$ 5,471,891	\$ 5,060,380
Financial liabilities	5,313,170	4,976,489	4,785,827
Cash flow interest rate risk			
Financial assets	430,148	411,257	746,287
Financial liabilities	6,276,038	6,460,885	6,639,464

Sensitivity analysis

The sensitivity analysis below is based on the Group's exposure to interest rates of derivative and non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of the liabilities outstanding at the end of the reporting period was outstanding for the whole reporting period. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2026 and 2025 would have decreased/increased by \$3,654 thousand and \$3,683 thousand, respectively.

For the three months ended March 31, 2026, the Group's sensitivity to interest rate did not change materially compared with the previous accounting period.

c) Other price risk

The Group is exposed to equity price risk through its investments in equity securities, mutual funds and limited partnership. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analysis below is based on the exposure to equity price risk at the end of the reporting period.

If equity prices (except for equity securities of Taiwan Cement Corporation) had been 1% higher/lower, the pre-tax profit or loss for the three months ended March 31, 2026 would have increased/decreased by \$3,174 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income before tax for three months ended March 31, 2026 would have increased/decreased by \$9,164 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If equity price of Taiwan Cement Corporation had been 1% higher/lower, the pre-tax profit or loss for the three months ended March 31, 2026 would have increased/decreased by \$5,397 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income before tax for the three months ended March 31, 2026 would have increased/decreased by \$80,009 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If equity prices (except for equity securities of Taiwan Cement Corporation) had been 1% higher/lower, the pre-tax profit or loss for the three months ended March 31, 2025 would have increased/decreased by \$3,959 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income before tax for three months ended March 31, 2025 would have increased/decreased by \$9,070 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If equity price of Taiwan Cement Corporation had been 1% higher/lower, the pre-tax profit or loss for the three months ended March 31, 2025 would have increased/decreased by \$7,520 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income before tax for the three months ended March 31, 2025 would have increased/decreased by \$106,752 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

Except for equity securities of Taiwan Cement Corporation, the Group's sensitivity to equity price risk decreased due to the decreased in the amount of such equity securities held at the end of the period.

The difference of the Group's sensitivity to equity price risk of Taiwan Cement Corporation during the current year was mainly due to the change in the price of such equity securities.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of the reporting period, the Group's maximum exposure to credit risk which would cause a financial loss to the Group due to failure of counterparties to discharge their obligations and due to the financial guarantees provided by the Group, could be equal to the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets and the amount that could arise as contingent liabilities on financial guarantees provided by the Group.

The Group adopted a policy of only dealing with creditworthy counterparties and financial institution to obtain sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group also delegates a special team to monitor the credit risk exposures and the credit amount of the counterparties and, therefore, does not expect any material credit risk.

The credit risk was mainly concentrated on the top 10 customers of the Group. As of March 31, 2026, December 31, 2025 and March 31, 2025, trade receivables from the top 10 customers were 43%, 44% and 44%, respectively, of total trade receivables.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, as of the end of the reporting period, the Group reviews the recoverability of the receivables and provides proper allowance for assessed irrecoverable receivables. In view of the methods mentioned above, the management considered the Group's credit risk has materially declined.

Transactions with banks of high credit ratings given by international rating agencies are mostly free from credit risks.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group had available unutilized bank loan facilities set out in (b) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

March 31, 2026

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	More Than 5 Years
Non-interest bearing liabilities	\$ 191,420	\$ 69,426	\$ 27,761	\$ 43,931	\$ 59,179
Fixed interest rate liabilities	672,448	1,270,273	53,076	422,411	1,143,947
Lease liabilities	36,267	8,033	140,334	719,531	1,337,879
Variable interest rate liabilities	<u>50,024</u>	<u>346,235</u>	<u>992,767</u>	<u>5,209,926</u>	<u>-</u>
	<u>\$ 950,159</u>	<u>\$ 1,693,967</u>	<u>\$ 1,213,938</u>	<u>\$ 6,395,799</u>	<u>\$ 2,541,005</u>

Additional information on the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	More Than 20 Years
Lease liabilities	<u>\$ 184,634</u>	<u>\$ 719,531</u>	<u>\$ 743,540</u>	<u>\$ 332,041</u>	<u>\$ 262,298</u>	<u>\$ -</u>

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	More Than 5 Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 196,356	\$ 91,811	\$ 22,272	\$ 42,696	\$ 57,914
Fixed interest rate liabilities	1,241,162	280,609	106,362	423,043	1,145,658
Lease liabilities	40,893	4,456	147,264	691,708	1,393,808
Variable interest rate liabilities	<u>210,120</u>	<u>246,990</u>	<u>968,294</u>	<u>5,383,556</u>	<u>-</u>
	<u>\$ 1,688,531</u>	<u>\$ 623,866</u>	<u>\$ 1,244,192</u>	<u>\$ 6,541,003</u>	<u>\$ 2,597,380</u>

Additional information on the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	More Than 20 Years
Lease liabilities	<u>\$ 192,613</u>	<u>\$ 691,708</u>	<u>\$ 709,300</u>	<u>\$ 371,958</u>	<u>\$ 312,550</u>	<u>\$ -</u>

March 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	More Than 5 Years
Non-interest bearing liabilities	\$ 87,791	\$ 196,637	\$ 32,868	\$ 39,838	\$ 59,513
Fixed interest rate liabilities	462,592	519,754	59,087	470,252	1,387,500
Lease liabilities	42,508	9,658	184,744	707,704	1,513,369
Variable interest rate liabilities	<u>11,215</u>	<u>367,969</u>	<u>838,853</u>	<u>5,060,567</u>	<u>756,934</u>
	<u>\$ 604,106</u>	<u>\$ 1,094,018</u>	<u>\$ 1,115,552</u>	<u>\$ 6,278,361</u>	<u>\$ 3,717,316</u>

Additional information on the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	More Than 20 Years
Lease liabilities	<u>\$ 236,910</u>	<u>\$ 707,704</u>	<u>\$ 774,991</u>	<u>\$ 377,273</u>	<u>\$ 353,741</u>	<u>\$ 7,364</u>

b) Financing facilities

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank overdraft facilities, reviewed annually and payable on demand:			
Amount used	\$ 2,646,174	\$ 2,390,713	\$ 1,916,278
Amount unused	<u>3,748,238</u>	<u>4,155,589</u>	<u>4,996,500</u>
	<u>\$ 6,394,412</u>	<u>\$ 6,546,302</u>	<u>\$ 6,912,778</u>
Secured bank overdraft facilities:			
Amount used	\$ 7,158,246	\$ 7,236,013	\$ 7,584,529
Amount unused	<u>370,000</u>	<u>370,000</u>	<u>760,000</u>
	<u>\$ 7,528,246</u>	<u>\$ 7,606,013</u>	<u>\$ 8,344,529</u>

34. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
Taiwan Cement Corporation	The Company acts as a member of the board of directors (B.O.D.)
Int'l Chia Hsin Corporation	Associate
Chia Hsin Construction & Development Corp.	Associate
LDC ROME HOTELS S.R.L.	Associate
FDC International Hotels Corporation	Associate
L'Hotel de Chine Corporation	Associate
Chia Jian Condominium Management and Maintenance Ltd.	Associate
Chia Hsin Winn Corp.	Substantive related party
Sung Ju Investment Corp.	Substantive related party
La Trinite Naturelle Corp.	Substantive related party
Chia Hsin Foundation	Substantive related party
Pak Lion Investment Co., Ltd.	Substantive related party
Shun Long Ceramic Co., Ltd.	Substantive related party
Ci Hong Co., Ltd.	Substantive related party
Jia Min Co., Ltd.	Substantive related party
Taiwan Transport & Storage Corp.	The Company acts as a member of the B.O.D. of its ultimate parent company
TCC Energy Storage Technology Corporation	The Company acts as a member of the B.O.D. of its ultimate parent company
Pan Asian (Engineers & Constructors) Corporation	The Company acts as a supervisor

b. Revenue

Line Item	Related Party Category/Name	For the Three Months Ended March 31	
		2026	2025
Rental revenue	Associates	\$ 4,817	\$ 5,267
	Substantive related parties	2,475	2,443
	The Company acts as a member of the B.O.D.	803	803
	The Company acts as a member of the B.O.D. of its ultimate parent company	<u>722</u>	<u>684</u>
		<u>\$ 8,817</u>	<u>\$ 9,197</u>
Service revenue	The Company acts as a member of the B.O.D.	<u>\$ 10,259</u>	<u>\$ 9,588</u>

The Group leases out the office and factory buildings to related parties at market price. The lease agreements were made by both sides. The rentals are collected monthly.

The Group renders cement warehousing and storage service to a related party. The agreement for the service was negotiated by both sides. The fee is collected monthly.

c. Cost of goods sold

Line Item	Related Party Category/Name	For the Three Months Ended March 31	
		2026	2025
Purchases of goods	The Company acts as a member of the B.O.D.		
	Taiwan Cement Corporation	\$ 97,500	\$ 105,600
	Substantive related parties	<u>672</u>	<u>15</u>
		<u>\$ 98,172</u>	<u>\$ 105,615</u>
Lease costs	The Company acts as a member of the B.O.D.		
	Taiwan Cement Corporation	<u>\$ 55</u>	<u>\$ -</u>

The purchase prices and payment terms to related parties were not significantly different from those of purchase from third parties. The payment term is 60 days after the purchase of goods.

d. Receivables from related parties (excluding loans to related parties)

Line Item	Related Party Category	March 31, 2026	December 31, 2025	March 31, 2025
Trade receivables	Associates			
	FDC International Hotels Corporation	\$ 630	\$ 1,917	\$ 1,785
	Others	62	72	68
	The Company acts as a member of the B.O.D. Taiwan Cement Corporation	3,630	4,480	3,770
	Substantive related parties	<u>5</u>	<u>5</u>	<u>5</u>
		<u>\$ 4,327</u>	<u>\$ 6,474</u>	<u>\$ 5,628</u>
Other receivables - other	Associates			
	Chia Hsin Construction & Development Corp.	\$ 1,435	\$ 1,398	\$ 374
	Others	<u>91</u>	<u>-</u>	<u>-</u>
		<u>\$ 1,526</u>	<u>\$ 1,398</u>	<u>\$ 374</u>

The outstanding trade and other receivables from related parties are unsecured. For the three months ended March 31, 2026 and 2025, no impairment loss was recognized for trade and other receivables from related parties.

e. Payables to related parties (excluding loans from related parties)

Line Item	Related Party Category	March 31, 2026	December 31, 2025	March 31, 2025
Trade payables	The Company acts as a member of the B.O.D. Taiwan Cement Corporation	\$ 88,725	\$ 77,616	\$ 55,440
	Substantive related parties	<u>3</u>	<u>9</u>	<u>5</u>
		<u>\$ 88,728</u>	<u>\$ 77,625</u>	<u>\$ 55,445</u>
Other payables	The Company acts as a member of the B.O.D. Taiwan Cement Corporation	\$ 58	\$ -	\$ -
	Substantive related party La Trinite Naturelle Corp.	<u>125</u>	<u>37</u>	<u>636</u>
		<u>\$ 183</u>	<u>\$ 37</u>	<u>\$ 636</u>

The outstanding trade payables to related parties are unsecured.

f. Lease arrangements

The Group is a lessor under operating leases

The Group leases out office buildings and factory buildings to its related parties at market price under operating leases. The lease agreements were negotiated by both sides. The rentals were collected monthly.

Future lease payment receivables are as follows:

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Associates	\$ 48,458	\$ 49,075	\$ 58,923
Substantive related parties	5,859	8,330	14,528
The Company acts as a member of the B.O.D.	4,540	5,342	7,745
The Company acts as a member of the B.O.D. of its ultimate parent company	<u>4,090</u>	<u>4,771</u>	<u>6,816</u>
	<u>\$ 62,947</u>	<u>\$ 67,518</u>	<u>\$ 88,012</u>

g. Others

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Guarantee deposits	Substantive related parties	\$ 794	\$ 794	\$ 764
	Associates	4,487	4,487	4,471
	The Company acts as a member of the B.O.D.	535	535	535
	The Company acts as a member of the B.O.D. of its ultimate parent company	<u>477</u>	<u>477</u>	<u>477</u>
		<u>\$ 6,293</u>	<u>\$ 6,293</u>	<u>\$ 6,247</u>

For the Three Months Ended March 31

Line Item	Related Party Category/Name	2026	2025
General and administrative expenses	Substantive related parties	<u>\$ 1,937</u>	<u>\$ 2,517</u>

h. Remuneration of key management personnel

For the Three Months Ended March 31

	2026	2025
Short-term employee benefits	\$ 10,087	\$ 10,513
Post-employment benefits	<u>166</u>	<u>160</u>
	<u>\$ 10,253</u>	<u>\$ 10,673</u>

The remuneration of directors and other key management personnel is determined based on individual performance and market trends, reviewed by the Remuneration Committee, and submitted to the Board of Directors for approval.

35. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The amounts of restricted assets of the Group that were provided as guarantees are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets at amortized cost - non-current	\$ 11,511	\$ 11,511	\$ 11,398
Carrying amount of property, plant and equipment	<u>2,345,417</u>	<u>2,361,305</u>	<u>2,654,499</u>
Land	757,960	759,094	841,884
Buildings	1,587,457	1,602,211	1,812,615
Carrying amount of investment properties	<u>3,118,622</u>	<u>3,120,143</u>	<u>3,155,868</u>
Land - after revaluation	3,097,621	3,098,067	3,130,631
Buildings - after revaluation	<u>21,001</u>	<u>22,076</u>	<u>25,237</u>
	<u>\$ 5,475,550</u>	<u>\$ 5,492,959</u>	<u>\$ 5,821,765</u>

36. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group were as follows:

- a. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group had bank guarantees of \$158,643 thousand, \$158,643 thousand and \$191,406 thousand, issued under its name for the operations in the ports, respectively.
- b. Unrecognized commitments were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Property under construction	\$ 88,498	\$ 88,594	\$ 165,401
Purchase property, plant and equipment	<u>83,518</u>	<u>83,518</u>	<u>83,045</u>
	<u>\$ 172,016</u>	<u>\$ 172,112</u>	<u>\$ 248,446</u>

As of March 31, 2026, December 31, 2025 and March 31, 2025, the abovementioned unrecognized commitments also include contractual commitments signed by CHC Ryukyu Development GK for Tomigusuku development project in the amounts of \$82,212 thousand, \$82,308 thousand and \$72,230 thousand, respectively.

37. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between foreign currencies and respective functional currencies were as follows:

March 31, 2026

	Foreign Currency	Exchange Rate	Carrying Amount (In NTD)
<u>Financial assets</u>			
Monetary items			
USD	\$ 34,445	31.995 (USD:NTD)	\$ 1,102,071
USD	1,985	1.2845 (USD:SGD)	63,519
JPY	840,220	0.0063 (JPY:USD)	168,555
JPY	1,750,915	0.2005 (JPY:NTD)	351,059
Non-monetary items			
Investments accounted for using the equity method			
EUR	16,498	36.71 (EUR:NTD)	605,654
Financial assets at FVTPL			
USD	2,936	31.995 (USD:NTD)	93,928
HKD	7,717	4.0819 (HKD:NTD)	31,500
EUR	4,489	36.71 (EUR:NTD)	164,773

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount (In NTD)
<u>Financial assets</u>			
Monetary items			
USD	\$ 34,634	31.430 (USD:NTD)	\$ 1,088,555
USD	2,003	1.2860 (USD:SGD)	62,953
JPY	839,322	0.0064 (JPY:USD)	168,568
JPY	1,650,214	0.2008 (JPY:NTD)	331,363
Non-monetary items			
Investments accounted for using the equity method			
EUR	16,491	36.90 (EUR:NTD)	608,530
Financial assets at FVTPL			
USD	2,762	31.430 (USD:NTD)	86,809
HKD	8,037	4.0384 (HKD:NTD)	32,458
EUR	4,450	36.90 (EUR:NTD)	164,198

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount (In NTD)
<u>Financial assets</u>			
Monetary items			
USD	\$ 33,956	33.205 (USD:NTD)	\$ 1,127,512
USD	2,016	1.3433 (USD:SGD)	66,931
JPY	837,420	0.0067 (JPY:USD)	186,498
JPY	914,018	0.2227 (JPY:NTD)	203,552
Non-monetary items			
Investments accounted for using the equity method			
EUR	15,810	35.97 (EUR:NTD)	568,679
Financial assets at FVTPL			
USD	2,277	33.205 (USD:NTD)	75,620
HKD	8,008	4.2681 (HKD:NTD)	34,179
EUR	4,319	35.97 (EUR:NTD)	155,371

For the three months ended March 31, 2026 and 2025, realized and unrealized net foreign exchange gains were \$15,641 thousand and \$29,526 thousand, respectively. It is impractical to disclose net foreign exchange gains or losses by each significant foreign currency due to the variety of functional currencies of the entities in the Group.

38. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

To enhance business and operational integration and improve operating efficiency with its subsidiary, Tong Yang Chia Hsin International Corporation, as well as to further integrate the Group's equity investment structure, the Board of Directors resolved on April 10, 2026 to conduct a share exchange with certain shareholders of Tong Yang Chia Hsin International Corporation by issuing new shares as consideration. Under the share exchange arrangement, each common share of Tong Yang Chia Hsin International Corporation will be exchanged for 1.1979 newly issued common shares of the Company. On the share exchange basis date (tentatively scheduled for May 26, 2026), the Company will issue 42,627 thousand new common shares to the shareholders of Tong Yang Chia Hsin International Corporation in exchange for 35,585 thousand common shares of Tong Yang Chia Hsin International Corporation. Upon completion of the share exchange, the Company's shareholding in Tong Yang Chia Hsin International Corporation will increase to 99.25%.

39. OTHERS

Important Contracts

- a. The Group as lessee leased the East Wharf Nos. 13, 14 and 15 in the Port of Taipei from Taiwan International Ports Co., Ltd. and committed to constructing East Wharf No. 16 and its related office, silos and transportation equipment. The leased land is 65,000 square meters and is used for loading and unloading, transporting, and storing coal, sandstone, bulk and others. The lease term is 35 years and 5 months from December 10, 2009, the date of the transfer of the titles of related constructed equipment to Taiwan International Ports Co., Ltd. The annual minimum guaranteed volume for transportation is 1,200 thousand tons of coal and 5,950 thousand tons of sandstone.

The Group settled with Taiwan International Ports Co., Ltd. on December 27, 2016 and agreed that the Group's annual guaranteed transportation volume of sand and gravel can be replaced by the actual transportation of coal or other bulk cargoes during the year. (The annual replaceable limit shall be 4,050 thousand tons of guaranteed volume for transporting eastern sand and gravel to the north).

To promote the transporting of eastern sand and gravel to the north, Taiwan International Ports Co., Ltd. suspended Group's priority right to berth and provided Cargo the choice to berth their sand and gravel at Taipei Port First Bulk Cargo Center or Taipei Port Second Bulk Cargo Center according to their willingness instead. Meanwhile, Taiwan International Ports Co., Ltd. suspended 1,900 thousand tons of guaranteed volume for sand and gravel from January 1, 2020 to December 31, 2027.

- b. In order to satisfy the demand for cement in the northern part of Taiwan, the Group leased from Taiwan International Ports Co., Ltd. the rear area land and cement storage facilities of West Wharf No. 33 of the Port of Keelung, with a lease term from July 7, 2024 to July 6, 2034. In order to integrate the Group's resources and enhance professional specialization, the Company assigned the warehouse management operations to its subsidiary, Tong Yang Chia Hsin International Corporation. With the consent of Port of Keelung Taiwan International Ports Corporation Ltd., the three parties entered into a "Transfer Agreement of Rights and Obligations under the Lease and Operation Contract for the Rear Area Land and Cement Storage Facilities of West Wharf No. 33 of the Port of Keelung" (the "Agreement") in September 2025. Under the Agreement, Tong Yang Chia Hsin International Corporation acts as the lessee, while the Company serves as the joint guarantor and agrees to be jointly and severally liable with Tong Yang Chia Hsin International Corporation for all obligations and liabilities arising from the assignment of the original contract. All rights and obligations under the original contract have been transferred to Tong Yang Chia Hsin International Corporation. The Agreement is valid from the date of signing until July 6, 2034.
- c. In order to satisfy the demand for cement in Taichung and its surrounding area, the Group leased, from Taichung Harbor Bureau, Taiwan International Ports Corporation Ltd, the land, cement warehouses and facilities at Wharf No. 27, Port of Taichung through its subsidiary, Tong Yang Chia Hsin International Corporation to operate the business of loading and unloading, transporting and storing cement. The lease term started from January 1, 2025 to December 31, 2034, and the Group has priority to lease the property upon expiration of the lease. In addition, during the lease period, the Group should pay the land use and administrative fees, which will be adjusted according to the adjustment of loading fee in the Port.
- d. In order to further establish the core development and transformation to the resort industry, the Group developed nearly 37 thousand square meters beach-side resorts at Toyosaki, Okinawa. On August 17, 2019, the Group and the Japan subsidiary of InterContinental Hotels Group (IHG), a large international hotel chain, signed a long-term management service contract for the management of InterContinental Okinawa Chura SUN Resort with the service period of 20 years from the completion of the resorts. It is expected to introduce the entrusted management of the resort from IHG.

40. SEPARATELY DISCLOSED ITEMS

- a. Information on significant transactions:
 - 1) Financing provided to others (None)
 - 2) Endorsements/guarantees provided (Table 1)
 - 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 2)
 - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)

- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 3)
 - 6) Intercompany relationships and significant intercompany transactions (Table 4)
- b. Information on investments (Table 5)
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 6)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period
 - c) The amount of property transactions and the amount of the resultant gains or losses
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

41. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were as follows:

Cement segment - in charge of cement sales and related warehousing and storage business.

Assets management segment - in charge of real estate trading and leasing.

Warehousing and storage segment - in charge of loading and unloading, warehousing and storage business in the port.

Hospitality segment - in charge of room service and catering in the hotel and the maternal and childcare center.

The segment information reported on the following pages:

Segment revenue and results

The following is an analysis of the Group's revenue and results from continuing operations by reportable segments:

	Segment Revenue		Segment Profit or Loss	
	For the Three Months Ended March 31		For the Three Months Ended March 31	
	2026	2025	2026	2025
Cement segment	\$ 244,125	\$ 320,802	\$ (2,730)	\$ (6,603)
Assets management segment	76,801	76,168	45,727	46,196
Warehousing and storage segment	153,937	140,907	28,211	16,549
Hospitality segment	213,507	214,598	4,991	(7,151)
Other segment	-	-	(5,941)	(5,330)
Revenue from continuing operation	\$ 688,370	\$ 752,475		
Interest income			37,800	41,588
Other income			11,425	17,880
Other gains and losses			4,455	54,445
Finance costs			(58,484)	(55,967)
Share of profit or loss of associates and joint ventures accounted for using the equity method			57,405	45,297
General and administrative expenses and remuneration of director			(54,466)	(51,819)
Profit before income tax from continuing operation			\$ 68,393	\$ 95,085

The abovementioned revenue was the transactions between entities in the Group and the third parties. All inter-segment transactions for the three months ended March 31, 2026 and 2025 were eliminated through the consolidation.

Segment profit represents the profit before tax earned by each segment without allocation of general and administrative expenses and remuneration of directors, interest income, other income, other gains and losses, finance costs, share of profit or loss of associates and joint ventures accounted for using the equity method and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 5)										
0	Chia Hsin Cement Corporation (Notes 2 and 6)	CHC Ryukyu Development GK	b.	\$ 7,902,474 (Paid-in capital)	\$ 803,200	\$ 461,150	\$ 93,834	\$ -	2.54%	\$ 18,153,815	Yes	No	No
		CHC Ryukyu COLLECTIVE KK	b.	7,902,474 (Paid-in capital)	834,533	813,988	537,340	-	4.48%	18,153,815	Yes	No	No
		Tong Yang Chia Hsin International Corporation	b.	7,902,474 (Paid-in capital)	319,351	310,892	310,892	-	1.71%	18,153,815	Yes	No	No
1	Chia Hsin Property Management & Development Corporation (Notes 3 and 6)	Chia Hsin Cement Corporation	c.	18,153,815	6,260,000	6,260,000	5,138,750	6,260,000	34.48%	18,153,815	No	Yes	No
2	Jaho Life Plus+ Management Corporation (Note 4)	Gemcare Dunhua Maternity Center	a.	28,530	5,000	5,000	1,000	1,000	0.03%	450,000	No	No	No

Note 1: a. The Company is coded "0."
b. The investees are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The amounts of guarantee to any individual entity shall not exceed the paid-in capital of the Company. The total amount of guarantees shall not exceed the net worth of the Company.

Note 3: The amount of guarantees from Chia Hsin Property Management & Development Corporation shall not exceed the net worth of the Company.

Note 4: The amounts of guarantees from Jaho Life Plus+ Management Corporation shall not exceed the paid-in capital of the company. The amounts of guarantee to any individual entity shall not exceed the half of paid-in capital of the company. The amounts of guarantee for the business relationship shall not exceed the total amount of transaction one operating cycle.

Note 5: The seven types of relationships between the endorser/guarantor and endorsee/guarantee indicated as numbers in the table above are as follows:

- Having a business relationship.
- The endorser/guarantor owns directly or indirectly more than 50% of the ordinary shares of the endorsee/guarantee.
- The endorsee/guarantee owns directly or indirectly more than 50% of the ordinary shares of the endorser/guarantor.
- The endorser/guarantor owns directly or indirectly more than 90% of the ordinary shares of the endorsee/guarantee.
- Mutually endorsed/guaranteed companies for the construction project based on the construction contract.
- Due to joint venture, each shareholder provides endorsements/guarantees to the endorsee/guarantee in proportion to its ownership.
- Companies in the same industry that are liable for joint endorsements/guarantees of the preconstruction house contract under the consumer protection law.

Note 6: The listed amounts were eliminated upon consolidation.

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2026				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Chia Hsin Cement Corporation	<u>Shares</u> Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTPL - current	8,513,782	\$ 195,817	0.11	\$ 195,817	
	Asia Cement Corporation		Financial assets at FVTPL - current	71	3	0.00	3	
	<u>Foreign shares</u> Anhui Conch Cement Co., Ltd.		Financial assets at FVTPL - current	364,000	31,500	0.01	31,500	
	<u>Foreign fund</u> JPMorgan Pacific Technology Fund		Financial assets at FVTPL - current	3,769	14,403	-	14,403	
	Gopher US Venture Fund III		Financial assets at FVTPL - current	-	54,369	-	54,369	
	Barings Europe Core Property Fund		Financial assets at FVTPL - current	4,477	164,773	-	164,773	
	Verge HealthTech Fund II		Financial assets at FVTPL - current	800	25,156	-	25,156	
	<u>Limited partnership</u> Ding Feng Asia Pacific II Real Estate LP Fund		Financial assets at FVTPL - current	-	27,230	17.54	27,230	
	<u>Shares</u> Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - current	27,939,039	642,598	0.36	642,598	
	CHC Resources Corporation		Financial assets at FVTOCI - current	4,285,694	299,999	1.72	299,999	
	Chien Kuo Construction Co., Ltd.		Financial assets at FVTOCI - current	617,004	22,119	0.31	22,119	
	Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - non-current	214,109,955	4,924,529	2.77	4,924,529	
	BIONET Therapeutics Corp.		Financial assets at FVTOCI - non-current	750,000	31,627	1.07	31,627	
	B Current Impact Investment Fund 3	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - non-current	1,000,000	7,400	10.00	7,400	
	Pan Asian (Engineers & Constructors) Corporation	The Company acts as a supervisor	Financial assets at FVTOCI - non-current	3,533,682	71,840	2.38	71,840	
	Chia Hsin R. M. C. Corporation		Financial assets at FVTOCI - non-current	13,163,585	234,838	13.71	234,838	
	Overseas Investment & Development Corp.		Financial assets at FVTOCI - non-current	2,000,000	26,500	2.22	26,500	
	Smart Ageing Tech Co., Ltd.	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - non-current	5,215,384	115,692	11.41	115,692	
	Gping Wellness Co., Ltd.		Financial assets at FVTOCI - non-current	2,967,072	96,192	18.00	96,192	
Tong Yang Chia Hsin International Corporation	<u>Shares</u> Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTPL - current	14,949,915	343,848	0.19	343,848	Has been eliminated through consolidation
	Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - current	35,700,561	821,113	0.46	821,113	
	Chia Hsin Cement Corporation	Parent company	Financial assets at FVTOCI - non-current	129,917,726	1,753,889	16.44	1,753,889	
	Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - non-current	70,117,371	1,612,700	0.91	1,612,700	
	IBT Second Venture Capital Co., Ltd.		Financial assets at FVTOCI - non-current	725,493	6,918	4.17	6,918	
	Kaohsiung Tug and Port Service Corp.		Financial assets at FVTOCI - non-current	350,000	3,238	0.88	3,238	

Note: For the information on subsidiaries, associates and joint ventures, refer to Tables 5 and 6.

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NTS100 MILLION OR 20% OF THE PAID-IN CAPITAL

MARCH 31, 2026

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Chia Hsin Cement Corporation	Chia Pei International Corporation	Subsidiary	\$ 1,051,894 (Notes 1 and 3)	-	\$ -	-	\$ 15,770	\$ -

Note 1: The amount is finance lease receivables from the sublease of wharf in the Port of Taipei.

Note 2: The amount received in subsequent period as of May 8, 2026.

Note 3: The transaction has been eliminated upon consolidation.

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(Amounts in Thousands of New Taiwan Dollars)

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Transaction Details			% of Total Sales or Assets (Note 3)
				Financial Statement Account	Amount (Note 5)	Payment Terms	
0	Chia Hsin Cement Corporation	Chia Pei International Corporation	a.	Warehousing and storage service revenue	\$ 32,406	The fee is billed monthly and paid quarterly with receipts issued in the same month when the fee is billed. Every May (linked tax payments)	4.71
		Chia Pei International Corporation	a.	Finance lease receivables	1,051,894		3.21
		Chia Pei International Corporation	a.	Trade receivables	11,517		0.04
		CHC Ryukyu Development GK	a.	Endorsement or guarantee	461,150		1.41
		CHC Ryukyu COLLECTIVE KK	a.	Endorsement or guarantee	813,988		2.48
		Tong Yang Chia Hsin International Corporation	a.	Endorsement or guarantee	310,892		0.95
		Chia Hsin Property Management & Development Corporation	a.	Other receivables	45,624		0.14
1	Tong Yang Chia Hsin International Corporation	Chia Hsin Cement Corporation	b.	Service revenue	13,875	The fee is billed monthly and collected in the next month.	2.02
2	Chia Hsin Property Management & Development Corporation	Chia Hsin Cement Corporation	b.	Endorsement or guarantee	6,260,000		19.11

Transactions amounting to over \$10,000 thousand are listed in this table.

Note 1: The Company and the subsidiaries listed on the table are coded according to the following rules:

- a. The Company is coded "0".
- b. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The three types of relationships are as follows:

- a. The parent company to the subsidiary.
- b. The subsidiary to the parent company.
- c. The subsidiary to the subsidiary.

Note 3: For the calculation of percentage, percentage for balance sheet items is calculated by dividing the period-end balance by the consolidated assets. Percentage for income items is calculated by dividing the accumulated sum by total operating income for the period.

Note 4: The balance sheet items denominated in foreign currencies are translated into NTD using the exchange rate as of March 31, 2026: US\$1=NT\$31.995, JPY1=NT\$0.2005, RMB1=NT\$4.624; net income items denominated in foreign currencies are translated using the average exchange rate for the three months ended March 31, 2026: US\$1=NT\$31.631, JPY1=NT\$0.2016, RMB1= NT\$4.55088.

Note 5: The transaction has been eliminated upon consolidation.

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, or Otherwise Stated)

Investor Company	Investee Company	Location	Main Business and Product	Original Investment Amount		As of March 31, 2026			Net Income/(Loss) of the Investee	Share of Profit/(Loss) of Investee	Remark
				March 31, 2026	December 31, 2025	Number of Shares	%	Carrying Amount			
Chia Hsin Cement Corporation	Chia Hsin Construction & Development Corp.	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Office buildings construction and lease and sale of public housings	\$ 656,292	\$ 656,292	31,458,920	46.18	\$ 1,928,683	\$ 96,528	\$ 44,577	(Notes 4 and 6)
	Tong Yang Chia Hsin International Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	General international trade (all business items that are not prohibited or restricted by law, except those that are subject to special approval)	1,600,159	1,600,159	257,073,050	87.18	3,620,196	(4,621)	(4,029)	Subsidiary (Notes 3 and 5)
	Chia Hsin Property Management & Development Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	Wholesale and retail business of machinery; warehousing; residence, factory buildings and office buildings leasing and selling; PPE leasing and selling	1,000,000	1,000,000	100,000,000	100.00	4,069,229	34,913	34,913	Subsidiary (Note 3)
	Chia Pei International Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	Mining; wholesale of building materials; nonmetallic mining; retail sale of building materials; international trade; rental and leasing business; retail sale of other machinery and equipment	120,000	120,000	19,560,000	100.00	257,315	7,069	7,069	Subsidiary (Note 3)
	BlueSky Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	International trade; real estate trading; real estate leasing	81,561	81,561	8,300,000	100.00	84,703	235	235	Subsidiary (Note 3)
	Chia Hsin Pacific Limited	Cayman Islands	Holding company	969,104	969,104	19,186,070	74.16	2,362,371	6,811	5,051	Subsidiary (Note 3)
	YJ International Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	Real estate rental and leasing; real estate management; realtor agent	2,937,000	2,937,000	293,700,000	100.00	966,480	7,283	7,283	Subsidiary (Note 3)
	Jaho Life Plus+ Management Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	Management consulting service	450,000	450,000	45,000,000	100.00	91,711	(5,233)	(5,233)	Subsidiary (Note 3)
	Chia Hsin Green Energy Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	Electricity generation; self-use renewable energy generation equipment; electrical installation; electrical equipment inspection and maintenance; energy technology service	105,000	105,000	10,500,000	100.00	104,378	125	125	Subsidiary (Note 3)
	LDC ROME HOTELS S.R.L.	Rome, Italy	Hotel management	917,275	917,275	-	40.00	605,654	648	259	(Note 4)
	L'Hotel De Chine Corporation	8F, No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Hotel and tourism	1,157,340	1,157,340	67,998,915	23.10	1,588,453	9,700	5,513	(Notes 4 and 6)
Int'l Chia Hsin Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	International trade; general investment	69,341	69,341	5,800,000	19.33	132,492	17,860	3,452		
Chia Hsin Property Management & Development Corporation	Chia Sheng Construction Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	Wholesale and retail business of machinery; warehousing; residence and office buildings leasing and selling	250,000	250,000	25,000,000	100.00	256,164	543	543	Subsidiary (Note 3)
	YJ International Corporation	CHC Ryukyu Development GK CHC Ryukyu COLLECTIVE KK	Real estate rental and leasing; management consulting service Hotel management	269,931 2,611,968	269,931 2,611,968	- -	59.17 100.00	212,008 680,960	(1,961) 8,189	(1,160) 8,189	Subsidiary (Note 3) Subsidiary (Note 3)
Chia Hsin Pacific Limited	Effervesce Investment Pte. Ltd.	Singapore	Investment and holding company	NTS 568,502 (US\$ 17,768,456)	NTS 568,502 (US\$ 17,768,456)	35,200,000	100.00	NTS 831,661 (US\$ 25,993,457)	NTS (6,469) (US\$ -204,522)	NTS (6,469) (US\$ -204,522)	Subsidiary (Note 3)
	Sparkview Pte. Ltd.	Singapore	Investment and holding company	NTS 15,013 (US\$ 469,224)	NTS 15,013 (US\$ 469,224)	500,000	100.00	NTS 57,821 (US\$ 1,807,197)	NTS 25 (US\$ 805)	NTS 25 (US\$ 805)	Subsidiary (Note 3)
	CHC Ryukyu Development GK	2-5-7 Matsuo, Naha-shi, Okinawa, Japan	Real estate rental and leasing; management consulting service	NTS 300,750 (JPY 1,500,000,000)	NTS 300,750 (JPY 1,500,000,000)	-	40.83	NTS 146,295 (US\$ 4,572,436)	NTS (1,961) (US\$ -61,997)	NTS (801) (US\$ -25,313)	Subsidiary (Note 3)
Tong Yang Chia Hsin International Corporation	Int'l Chia Hsin Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Taipei City	International trade; general investment	36,642	36,642	6,052,636	20.18	129,630	17,860	3,604	
	Tong Yang Chia Hsin Marine Corporation	Panama	Shipping service	78,490	78,490	2,700	100.00	522,035	3,152	3,152	Subsidiary (Note 3)
	Chia Hsin Pacific Limited	Cayman Islands	Holding company	626,119	626,119	6,257,179	24.18	770,443	6,811	1,647	Subsidiary (Note 3)

Note 1: For information on investments in mainland China, refer to Table 6.

Note 2: The balance sheet items denominated in foreign currencies are translated into NTD using the exchange rate as of March 31, 2026: US\$1=NT\$31.995, JPY1=NT\$0.2005, EUR1=NT\$36.71; net income items denominated in foreign currencies are translated using the average exchange rate for the three months ended March 31, 2026: US\$1=NT\$31.631, JPY1=NT\$0.2016, EUR1=NT\$37.04.

Note 3: The investment has been eliminated upon consolidation.

Note 4: Material associates.

Note 5: The carrying amount is deducted the treasury shares of parent company held by subsidiaries.

Note 6: Book value and investment gains and losses include amortization of discounts and premiums.

CHIA H SIN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2026

(In Thousands of New Taiwan Dollars, or in Thousands of Foreign Currencies)

- a. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period and repatriations of investment income:

Investee Company	Main Business and Product	Paid-in Capital (Note 1 (a.))	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026 (Note 1 (a.))	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026 (Note 1 (a.))	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1 (a.) and Note 6)	Carrying Amount as of March 31, 2026 (Note 1 (a.))	Accumulated Repatriation of Investment Income as of March 31, 2026	Note
					Outward (Note 1 (a.))	Inward (Note 1 (a.))							
Shanghai Jia Huan Concrete Co., Ltd.	Processing, manufacturing and selling of cement, and other related products	\$ 15,998 (US\$ 500)	b and c	\$ 407,040 (US\$ 12,722)	\$ - (US\$ -)	\$ - (US\$ -)	\$ 407,040 (US\$ 12,722)	\$ 136 (US\$ 4)	95.23	\$ 136 (US\$ 4)	\$ 96,468 (US\$ 3,015)	\$ - (US\$ -)	(Note 1 (b.) (3), Note 5)
Shanghai Chia Hsin Ganghui Co., Ltd.	Warehousing and packing bulk cement and formulating and delivering high-strength cement	335,948 (US\$ 10,500)	b	514,032 (US\$ 16,066)	- (US\$ -)	- (US\$ -)	514,032 (US\$ 16,066)	2,440 (US\$ 77)	95.23	2,440 (US\$ 77)	453,343 (US\$ 14,169)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)
Chia Hsin Business Consulting (Shanghai) Co., Ltd.	Consulting for developing information system for business and finance purpose	553,833 (US\$ 17,310)	b	847,772 (US\$ 26,497)	- (US\$ -)	- (US\$ -)	847,772 (US\$ 26,497)	(9,413) (US\$ -298)	95.23	(9,222) (US\$ -292)	270,250 (US\$ 8,447)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)
Shanghai Chia Peng Healthcare Management Consulting Co., Ltd.	Consulting for management of healthcare and hospitality business	388,416 (RMB 84,000)	e Investor: Chia Hsin Business Consulting (Shanghai) Co., Ltd.	- (US\$ -)	- (US\$ -)	- (US\$ -)	- (US\$ -)	(7,504) (RMB -1,649)	95.23	(7,504) (RMB -1,649)	12,889 (RMB 2,787)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)
Chia Peng Gemcare Maternity (Yangzhou) Co., Ltd.	Maternity and infant health care; sales of mother & baby supplies; life & beauty services	295,936 (RMB 64,000)	e Investor: Shanghai Chia Peng Healthcare Management Consulting Co., Ltd.	- (US\$ -)	- (US\$ -)	- (US\$ -)	- (US\$ -)	(6,679) (RMB -1,468)	95.23	(6,679) (RMB -1,468)	9,623 (RMB 2,081)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)
Jiangsu Jiaguo Construction Material Storage Co., Ltd.	Engaging in overland delivery of ordinary goods and the processing, manufacturing and selling of cement and other construction material	15,998 (US\$ 500)	d	443,035 (US\$ 13,847)	- (US\$ -)	- (US\$ -)	443,035 (US\$ 13,847)	(184) (US\$ -6)	87.18	(184) (US\$ -6)	49,637 (US\$ 1,551)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)

- b. Limit on the amount of investments in the mainland China area:

Accumulated Outward Remittance for Investments in Mainland China as of March 31, 2026	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (Notes 3 and 4)
\$ 7,348,228 (US\$ 229,668)	\$ 7,426,807 (US\$ 232,124)	\$ 11,243,721

(Continued)

c. Significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area: None.

Note 1: a. The balance sheet items denominated in foreign currencies are translated into NTD using the exchange rate as of March 31, 2026: US\$1=NT\$31.995, RMB1=NT\$4.624; net income items denominated in foreign currencies are translated using the average exchange rate for the three months ended March 31, 2026: US\$1=NT\$31.631, RMB1=NT\$4.55088.

b. The basis for investment income (loss) recognition includes the following:

- 1) The investment income (loss) is recognized based on the financial statements reviewed and attested by an international accounting firm which has cooperative relationship with an accounting firm in the ROC.
- 2) The investment income (loss) is recognized based on the financial statements reviewed and attested by the parent company's CPA in the ROC.
- 3) Other.

Note 2: The method of investment includes the following:

- a. Direct investment in mainland China.
- b. Indirect investment in mainland China through companies registered in a third region. The Company and Tong Yang Chia Hsin International Corporation invest in Chia Hsin Pacific Limited, which then invest in Effervesce Investment Pte. Ltd., the company that invests in mainland China.
- c. Indirect investment in mainland China through companies registered in a third region. The Company and Tong Yang Chia Hsin International Corporation invest in Chia Hsin Pacific Limited, which then invest in Sparksvie Pte. Ltd., the company that invests in mainland China.
- d. Indirect investment in mainland China through companies registered in a third region. The Company and Tong Yang Chia Hsin International Corporation invest in Tong Yang Chia Hsin Marine Corporation, which then invests in mainland China.
- e. Other method.

Note 3: Calculated by the 60% of consolidated net worth of Chia Hsin Cement Corporation according to the letter No. 09704604680 issued by Ministry of Economic Affairs.

Note 4: The Company conducted a stock-for-stock transaction with Taiwan Cement Corporation to get rid of the investment via TCC International Holdings Ltd. in mainland China. The result of the stock-for-stock transaction will be a decrease in investment in mainland China. On May 17, 2018, the aforementioned write-off of the amount and the ratio of investment was approved by the Investment Commission, Ministry of Economic Affairs.

Note 5: The transaction has been eliminated upon consolidation.

Note 6: Including the gains and losses recognized by using the equity method and the gains and losses on internal unrealized transactions.

(Concluded)