OFCO Industrial Corp. and Subsidiaries

Consolidated Financial Statements and Independent Auditor's Review Report

For the Six Months Ended June 30, 2026 and 2025

Stock Code: 5011

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

Independent Auditors' Review Report Translated From Chinese

Foreword

We have reviewed the accompanying consolidated balance sheets of OFCO Industrial Corp. and its subsidiaries (hereinafter collectively referred to as "OFCO Group") as of June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2026 and 2025, the consolidated statements of changes in equity and cash flows for the six-month periods ended June 30, 2026 and 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. The preparation of consolidated financial statements in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting", as endorsed by the Financial Supervisory Commission, is the responsibility of the Company's management. Our responsibility is to the express the conclusion of the financial statements based on our review.

Scope of Review

Except as explained in the following paragraph of the qualified conclusion of the consolidated financial statements for the second quarter of 2026,we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of 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 in the Consolidated Financial Statements for the Second Quarter of 2026

As disclosed in Note 4,(3) to the consolidated financial statements of the Second Quarter of 2026 , the non-significant subsidiaries' financial statements which are included in the consolidated financial statements , and the relevant information disclosed in note 13 were not reviewed. These subsidiaries' total assets were NT$266,152 thousand respectively, accounting for 4.78% of the total consolidated assets respectively; the total liabilities were NT$31,344 thousand respectively, accounting for 1.06% of the total consolidated liabilities as of June 30, 2026; the total comprehensive income were NT$(8,398) thousand respectively, accounting for 15.78% and 46.67% of the total consolidated comprehensive income for the three-month periods ended June 30, 2026 and six-month periods ended June 30, 2026,respectively.

Qualified Conclusion and unqualified Conclusion

According to our reviews, except that the second quarter of 2026 financial statements of some of the non-significant subsidiaries and the relevant information disclosed in note 13 as mentioned in Basis of Qualified Conclusion, if reviewed by us, may lead to adjustments to the consolidated financial statements, it is not found that the consolidated financial statements above have not been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” approved and promulgated by the Financial Supervisory Commission which may lead to the inability to properly express the consolidated financial status of OFCO Group as of June 30, 2026 and 2025 and the consolidated financial performance and consolidated cash flow for the three-month and six-month periods ended June 30, 2026.

PwC Taiwan Certified Public Accountant

Chung-Yu Tien

Huei-Yu Hsu

August 11, 2026

OFCO Industrial Corp. and Subsidiaries
Consolidated Balance Sheets
June 30, 2026 and December 31 and June 30, 2025

Unit: NT$ thousand

	Assets	Notes	June 30, 2026 Amount	%	December 31, 2025 Amount	%	June 30, 2025 Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 762,392	14	$ 550,782	10	$ 420,421	7
1110	Financial assets at fair value through profit or loss - current	6(2)	40,184	1	45,958	1	51,650	1
1120	Financial assets at fair value through other comprehensive income (FVOCI) - current	6(3)	28,358	-	23,816	-	20,563	-
1136	Financial Assets Carried at Cost - current	6(1)(4) & 8	261,397	5	261,746	5	239,420	4
1140	Contract assets - current	6(26)	3,103	-	3,103	-	3,103	-
1150	Notes receivable, net	6(5)	37	-	40	-	37	-
1170	Accounts receivable, net	6(5)	413,370	7	316,843	6	397,100	7
1180	Accounts receivable, net - related parties	6(5) &7	80,826	1	96,057	2	101,754	2
1200	Other receivables		1,798	-	30,708	1	7,180	-
1210	Other receivables - related parties	7	1,543	-	8,575	-	35,232	1
1220	Current tax assets	6(34)	1,364	-	1,617	-	1,377	-
130X	Inventories	6(6)	14,669	-	66,959	1	195,160	4
1410	Pre-payments	6(7) &7	367,091	7	645,566	12	697,639	12
1460	Non-current assets held for sale, net	6(14)	-	-	77,800	2	-	-
11XX	**Total current assets**		1,976,132	35	2,129,570	40	2,170,636	38
	Non-current assets							
1510	Financial assets at fair value through profit or loss - non-current	6(2)(19)	236,200	4	247,800	5	223,766	4
1517	Financial assets at fair value through other comprehensive income (FVOCI) - current	6(3)	369,025	7	443,730	8	429,424	8
1535	Financial Assets Carried at Cost - non-current	6(1)(4) & 8	185,919	3	47,773	1	45,707	1
1600	Property, Plant and Equipment	6(8)(10)(14) (15) &8	738,420	13	626,086	12	1,021,862	18
1755	Right-of-use assets	6(9)	42,177	1	16,389	-	17,846	-
1760	Investment property, net	6 (10)(11) &8	32,452	1	135,785	2	137,184	2
1780	Intangible Assets	6(12)	848,436	15	799,395	15	826,225	14
1840	Deferred tax assets	6(34)	482,585	9	488,500	9	337,441	6
1915	Prepayments for equipment	6(8)	121,928	2	129,080	2	133,152	2
1920	Refundable deposits		22,540	1	50,445	1	13,871	-
1975	Net defined benefit assets - non-current	6(21)	2,631	-	2,631	-	7,375	-
1990	Other non-current assets - others	6(13)(15)&7	513,237	9	257,403	5	379,867	7
15XX	**Total non-current assets**		3,595,550	65	3,245,017	60	3,573,720	62
1XXX	**Total Assets**		$ 5,571,682	100	$ 5,374,587	100	$ 5,744,356	100

(Continued)

OFCO Industrial Corp. and Subsidiaries
Consolidated Balance Sheets
June 30, 2026 and December 31 and June 30, 2025

Unit: NT$ thousand

	Liabilities and Equity	Notes	June 30, 2026 Amount	%	December 31, 2025 Amount	%	June 30, 2025 Amount	%
	Current liabilities							
2100	Short-term loans	6(16) &7&8	$ 1,016,611	18	$ 1,012,768	19	$ 778,085	14
2110	Short-term notes and bills payable	6(17) &8	99,956	2	79,959	1	141,630	2
2130	Contract liability - current	6(26)	10,526	-	84,568	2	85,937	2
2150	Notes payable		859	-	1,557	-	3,427	-
2170	Accounts payable		415,505	8	447,906	8	434,107	8
2180	Accounts payable - related parties	7	12,980	-	93,287	2	195,882	3
2200	Other payables	6(18)	101,758	2	105,120	2	115,037	2
2220	Other payables - related parties	7	384,184	7	460,665	9	277,040	5
2230	Current tax liabilities	6(34)	13,210	-	10,572	-	7,659	-
2280	Lease liabilities - current	6(9)	7,048	-	4,213	-	3,731	-
2310	Advance receipts	6(14)	-	-	94,838	2	-	-
2320	Current portion of long-term liabilities	6(20) &8	123,230	2	120,324	2	123,759	2
21XX	**Total current liabilities**		2,185,867	39	2,515,777	47	2,166,294	38
	Non-current liabilities							
2530	Bonds payable	6(19)	-	-	-	-	352,276	6
2540	Long-term loans	6(20) &8	654,572	12	652,436	12	763,803	14
2570	Deferred tax liabilities	6(34)	27,544	-	13,981	-	13,923	-
2580	Lease liabilities - non-current	6(9)	36,236	1	12,711	-	14,466	-
2645	Guarantee deposits received	7	56,494	1	48,842	1	49,464	1
2670	Other non-current liabilities - other		560	-	560	-	564	-
25XX	**Total non-current liabilities**		775,406	14	728,530	13	1,194,496	21
2XXX	**Total liabilities**		2,961,273	53	3,244,307	60	3,360,790	59
	Equity attributed to the stockholders of the parent							
	Share capital	6(22)						
3110	Common stock		1,006,739	18	1,006,739	19	1,006,697	18
3200	Additional paid-in capital	6(19)(23)	990,501	18	1,110,593	21	1,110,533	19
	Retained earnings	6(25)						
3310	Legal reserve		-	-	51,123	1	51,123	1
3320	Special reserve		10,568	-	10,568	-	10,568	-
3350	Unappropriated earnings		46,423	1	(142,165)	(3)	(57,427)	(1)
3400	Other equity interest	6(3)	(114,359)	(2)	(44,196)	(1)	(61,755)	(1)
31XX	**Equity attributable to owners of the parent**		1,939,872	35	1,992,662	37	2,059,739	36
36XX	**Non-controlling interest**	4(3)	670,537	12	137,618	3	323,827	5
3XXX	**Total equity**		2,610,409	47	2,130,280	40	2,383,566	41
	Significant contingent liabilities and unrecognized contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	**Total liabilities and equity**		$ 5,571,682	100	$ 5,374,587	100	$ 5,744,356	100

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

OFCO Industrial Corp. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to June 30, 2026 and 2025

Unit: NT$ thousand
(In addition to the loss per share of NT$)

	Items	Note	April 1 to June 30, 2026 Amount	%	April 1 to June 30, 2025 Amount	%	January 1 to June 30, 2026 Amount	%	January 1 to June 30, 2025 Amount	%
4000	Operating revenue	6(12)(26) &7	$ 1,008,913	100	$ 1,324,862	100	$ 2,176,927	100	$ 2,730,018	100
5000	Operating costs	6(6)(9)(12)(21)(32)(33) &7	(945,148)	(94)	(1,357,007)	(102)	(2,039,629)	(94)	(2,809,795)	(103)
5900	Gross loss		63,765	6	(32,145)	(2)	137,298	6	(79,777)	(3)
	Operating Expenses	6(9)(12)(21)(31)(32)(33) &7								
6100	Marketing expenses		(5,574)	(1)	(9,097)	(1)	(10,854)	(1)	(21,494)	(1)
6200	Administrative Expenses		(45,494)	(4)	(29,607)	(2)	(72,250)	(3)	(62,056)	(2)
6300	R&D Expenses		-	-	-	-	-	-	(1,258)	-
6000	Total operating expenses		(51,068)	(5)	(38,704)	(3)	(83,104)	(4)	(84,808)	(3)
6500	Net other income and expenses	6(10)(11)(27) &7	4,136	1	4,654	-	10,069	1	6,167	-
6900	Operating loss		16,833	2	(66,195)	(5)	64,263	3	(158,418)	(6)
	Non-operating income & expenses									
7100	Interest income	6(4)(28)	3,239	-	1,968	-	3,953	-	3,212	-
7010	Other income	6(29)	6,499	1	5,779	1	14,554	1	11,521	-
7020	Other gains or losses	6(2)(9)(15)(30)(37), 7&12	(17,844)	(2)	(12,182)	(1)	29,132	1	13,246	1
7050	Financial costs	6(9)(31) &7	(17,195)	(2)	(14,777)	(1)	(35,177)	(2)	(29,585)	(1)
7000	Total non-operating Income and expenses		(25,301)	(3)	(19,212)	(1)	12,462	-	(1,606)	-
7900	**Net income(loss) before tax**		(8,468)	(1)	(85,407)	(6)	76,725	3	(160,024)	(6)
7950	Income tax benefits	6(34)	3,550	1	1,526	-	(24,202)	(1)	12,976	1
8200	**Net gain(loss)**		($ 4,918)	-	($ 83,881)	(6)	$ 52,523	2	($ 147,048)	(5)
	Other comprehensive income Items that will not be reclassified subsequently to profit or loss									
8316	Financial assets at fair value through other comprehensive income (FVOCI)	6(3)	($ 47,964)	(5)	($ 62,996)	(5)	($ 70,163)	(3)	($ 51,187)	(2)
8349	Income tax related to items that will not be reclassified	6(34)	(354)	-	-	-	(354)	-	-	-
8300	**Other comprehensive income(net)**		($ 48,318)	(5)	($ 62,996)	(5)	($ 70,517)	(3)	($ 51,187)	(2)
8500	**Total comprehensive income**		($ 53,236)	(5)	($ 146,877)	(11)	($ 17,994)	(1)	($ 198,235)	(7)

(Continued)

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

OFCO Industrial Corp. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to June 30, 2026 and 2025

Unit: NT$ thousand
(In addition to the loss per share of NT$)

	Net profit (loss) attributed to:											
8610	Stockholders of the parent company		($	5,758)	-	($	49,591)	(3)	$	46,777	2	($ 77,244)	(3)
8620	Non-controlling interest			840	-	(| 34,290)	(3)		5,746	-	(69,804)	(2)
			($	4,918)	-	($	83,881)	(6)	$	52,523	2	($ 147,048)	(5)
	Total comprehensive income attributed to:											
8710	Stockholders of the parent company		($	54,076)	(5)	($	112,587)	(8)	($	23,740)	(1)	($ 128,431)	(4)
8720	Non-controlling interest			840	-	(| 34,290)	(3)		5,746	-	(69,804)	(3)
			($	53,236)	(5)	($	146,877)	(11)	($	17,994)	(1)	($ 198,235)	(7)
	Earnings (losses) per share	6(35)											
9750	Basic		($	0.06)		($	0.49)		$	0.46		($ 0.77)	
9850	Diluted		($	0.06)		($	0.49)		$	0.46		($ 0.77)	

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

OFCO Industrial Corp. and Subsidiaries
Consolidated Statements of Changes Equity
January 1 to June 30, 2026 and 2025

Unit: NT$ thousand

	Note	Equity attributed to the owners of parent-company									
				Retained earnings			Other components of equity				
		Common stock	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated earnings	The exchange difference in the conversion of financial statements of foreign business institutions	Unrealized profit and loss on the financial assets at fair value through other comprehensive income	Total	Non-controlling interest	Total equity
January 1 to June 30, 2025											
Balance as of January 1, 2025		$ 1,006,697	$ 1,110,464	$ 51,123	$ 14,827	$ 35,692	$ 373	($ 10,941)	$ 2,208,235	$ 393,631	$ 2,601,866
Net loss for January to June 2025		-	-	-	-	(77,244)	-	-	(77,244)	(69,804)	(147,048)
Other comprehensive income or loss for January to June 2025	6(3)	-	-	-	-	-	-	(51,187)	(51,187)	-	(51,187)
Total comprehensive income or loss for January to June 2025		-	-	-	-	(77,244)	-	(51,187)	(128,431)	(69,804)	(198,235)
Appropriations of earnings 2024:											
Reversal of special reserve		-	-	-	(4,259)	4,259	-	-	-	-	-
Cash dividends	6(25)	-	-	-	-	(20,134)	-	-	(20,134)	-	(20,134)
Unclaimed cash dividends	6(23)	-	69	-	-	-	-	-	69	-	69
Balance as of June 30, 2025		$ 1,006,697	$ 1,110,533	$ 51,123	$ 10,568	($ 57,427)	$ 373	($ 62,128)	$ 2,059,739	$ 323,827	$ 2,383,566
January 1 to June 30, 2026											
Balance as of January 1, 2026		$ 1,006,739	$ 1,110,593	$ 51,123	$ 10,568	($ 142,165)	$ 373	($ 44,569)	$ 1,992,662	$ 137,618	$ 2,130,280
Net loss for January to June 2026		-	-	-	-	46,777	-	-	46,777	5,746	52,523
Other comprehensive income for January to June 2026	6(3)	-	-	-	-	(354)	-	(70,163)	(70,517)	-	(70,517)
Total comprehensive income for January to June 2026		-	-	-	-	46,423	-	(70,163)	(23,740)	5,746	(17,994)
Capital surplus used to offset accumulated deficits	6(23)	-	(91,042)	-	-	91,042	-	-	-	-	-
Legal reserve used to offset accumulated deficits	6(25)	-	-	(51,123)	-	51,123	-	-	-	-	-
Non-controlling interests participation in subsidiary's capital increase for cash	4(3)	-	-	-	-	-	-	-	-	396,082	396,082
Adjustments of ownership interests in subsidiaries due to unproportional subscription to capital increase	4(3)&6(23)	-	(29,050)	-	-	-	-	-	(29,050)	29,050	-
Changes in non-controlling interests	6(36)	-	-	-	-	-	-	-	-	102,041	102,041
Balance as of June 30, 2026		$ 1,006,739	$ 990,501	$ -	$ 10,568	$ 46,423	$ 373	($ 114,732)	$ 1,939,872	$ 670,537	$ 2,610,409

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

OFCO Industrial Corp. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2026 and 2025

Unit: NT$ thousand

	Note	January 1 to June 30, 2026	January 1 to June 30, 2025
Cash flows from operating activities			
Net (loss) income before tax		$ 76,725	($ 160,024)
Adjustment items			
Income charges (credits)			
Net loss on financial assets and liabilities measured at fair value through profit or loss	6(30)	17,374	14,677
Write-down reversal of inventories	6(6)	(971)	(15,889)
Net gain on disposal of office supplies	6(30)	-	(2,845)
Gain on bargain purchase	6(29)(36)	(3,145)	-
Depreciation expense	6(8)(9)(11)(27)(32)	41,639	70,807
Net gain on disposal of non-current assets held for sale	6(30)	(53,549)	-
Net (gain) loss on disposal of property, plant and equipment	6(30)	(15)	(950)
Reversal of impairment gain on non-financial assets	6(30)	(1,021)	-
Gain on lease modification	6(9)(30)	(2)	(6,495)
Amortization expense	6(12)(32)	29,286	26,856
Net gain on disposal of tooling and spares	6(30)	-	(10,795)
Unrealized concession revenue	6(12)	-	(2,915)
Interest income	6(28)	(3,953)	(3,212)
Interest expense	6(31)	35,177	29,585
Changes in assets/liabilities related to operating activities			
Changes in assets relating to operating activities net			
Financial assets at fair value through profit or loss - current		-	(9,325)
Notes receivable		3	(19)
Accounts receivable		(93,550)	(11,675)
Accounts receivable - related parties		15,231	43,143
Other receivables		28,988	7,450
Other receivables - related parties		7,032	(34,443)
Inventories		58,331	261,118
Pre-payments		281,878	(134,650)
Net defined benefit assets - non-current		-	51
Changes in liabilities relating to operating activities net			
Contract liability		(74,042)	35,029
Notes payable		(1,751)	(4,195)
Accounts payable		(32,401)	(20,552)
Accounts payable - related parties		(80,307)	63,807
Other payables		(26,734)	(96,048)
Other payables - related parties		-	(533)

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OFCO Industrial Corp. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2026 and 2025

Unit: NT$ thousand

Cash inflows of business operations		220,223	37,958
Interest received		3,953	3,212
Income tax received		-	13,496
Interest paid		(33,223)	(25,818)
Income tax paid		(10,254)	(14,518)
Net cash inflows (outflows) from operating activities		180,699	14,330
Cash flows from investing activities			
Decrease in Financial Assets Carried at Cost - current		$ 349	$ 6,247
Amount from disposal of supplies inventory		-	28,548
Proceeds from disposal of non-current assets held for sale	6(37)	48,749	-
Decrease in other financial assets - current		-	500
Acquisition of financial assets at fair value through other comprehensive income - non-current		-	(336,000)
Decrease in financial Assets Carried at Cost - non-current		(138,146)	63,299
Cash paid for acquisition of property, plant and equipment	6(37)	(333)	(11,132)
Cash receipts from disposal of property, plant and equipment		15	27,567
Paid for intangible assets	6(12)	(854)	(300)
Increase in prepayments for equipment		(9,611)	(55,159)
Refundable deposits decrease (increase)		28,366	(881)
Other non-current assets - other increase		(255,834)	(109,579)
Cash receipts from disposal of tooling and spares	6(37)	-	39,090
Net cash inflow on business combination	6(36)	7,785	-
Net cash outflows from investing activities		(319,514)	(347,800)
Cash flows from financial activities			
Increase in short-term loans	6(38)	1,165,645	1,378,483
Decrease in short-term loans	6(38)	(1,171,802)	(1,250,320)
Short-term bills payable	6(38)	480,000	365,000
Redemption of short-term bills payable	6(38)	(460,000)	(337,800)
Decrease (increase) in other payables to related parties	6(38)	(69,000)	260,000
Repayments of lease liabilities principal	6(38)	(3,194)	(5,146)
Increase in long-term loans	6(38)	84,064	28,797
Decrease in long-term loans	6(38)	(79,022)	(65,220)
Increase in guarantee deposit received	6(38)	7,652	8,368
Overdue cash dividends	6(23)	-	69

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OFCO Industrial Corp. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2026 and 2025

Unit: NT$ thousand

Non-controlling interests' participation in subsidiary's capital increase for cash	4(3)	396,082	-
Net cash inflows from financing activities		350,425	382,231
Increase (decrease) in cash and cash equivalents		211,610	48,761
Cash and cash equivalents at beginning of period	6(1)	550,782	371,660
Cash and cash equivalents at end of period	6(1)	$ 762,392	$ 420,421

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

OFCO Industrial Corp. and Subsidiaries
Notes to consolidated financial statements
For the Six Months Ended June 30, 2026 and 2025

Unit: NT$ thousand
(Unless otherwise specified)

1. Organization and operations

(1) OFCO Industrial Corp. (hereinafter referred to as "the Company") was established on November 21, 1984 in accordance with the provisions of the Company Act. The main business scope includes the manufacturing of fastener screws and related products, metal heat treatment OEM and trading. For the major operating items of subsidiaries included in the consolidated financial statements of the Company and its subsidiaries (hereinafter collectively referred to as "the Group"), please refer to Note 4, (3) for the description of the basis of consolidation.

(2) The Company's shares have been traded on the Taipei Exchange (TPEx) since May 1999.

2. The Authorization of Financial Statements

These consolidated financial statements were submitted to the Board of Directors and issued on August 11, 2026.

3. Application of New and Revised International Financial Reporting Standards

(1) The impact from adopting the newly released and revised International Financial Reporting Standards recognized by the Financial Supervisory Commission (FSC)

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the International Financial Reporting Standards (IFRS) became effective and recognized by the Financial Supervisory Commission in 2026:

Newly released / corrected / amended standards and interpretations	Effective Date Issued by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts for Renewable Electricity"	January 1, 2026
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 — Comparative Information"	January 1, 2023
Annual Improvements to IFRS Accounting Standards — Volume 11	January 1, 2026

The Group has assessed that the above standards and interpretations do not have a material impact on the Group's financial position and financial performance.

(2) Impact of the newly released and amended IFRS recognized by the FSC not yet adopted by the Company

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the International Financial Reporting Standards (IFRS) will become effective and recognized by the Financial Supervisory Commission in 2027:

Newly released / corrected / amended standards and interpretations	Effective Date Issued by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements" (Note 1)	January 1, 2027(Note 1)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027
Amendments to IAS 28 "Fair Value Option for Investments in Associates and Joint Ventures"	January 1, 2027 (Note 2)

(Note 1) Entities shall apply IFRS 18 "Presentation and Disclosure in Financial Statements" (hereinafter referred to as "IFRS 18") for annual periods beginning on or after January 1, 2028. Early application is permitted.

(Note 2) Entities shall apply these amendments concurrently with IFRS 18.

The Group has assessed that the above standards and interpretations do not have a material impact on the Group's financial position and financial performance.

IFRS 18 - "Presentation and Disclosure in Financial Statements":

IFRS 18 replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

(3) IFRSs issued by the IASB but not yet recognized by the FSC

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) but not yet recognized by the FSC:

Newly released / corrected / amended standards and interpretations	Effective Date Issued by IASB
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 20 "Regulatory Assets and Regulatory Liabilities"	January 1, 2029

The Group has assessed that the above standards and interpretations do not have a material impact on the Group's financial position and financial performance.

4.Summary of significant accounting policies

Except for the declaration of compliance, basis of preparation, basis of consolidation and applicable parts of interim financial statements, the major accounting policies are the same as those in Note 4 to the consolidated financial statements in 2025. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Statement of compliance

A. The 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 approved by the FSC.

B. This consolidated financial report should be read together with the 2025 Consolidated Financial Report.

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

① Financial assets at fair value through profit or loss (including derivatives).

② Financial assets at fair value through other comprehensive income.

③ The defined benefit asset is recognized as the net of the present value of the defined benefit obligation of the pension fund.

B. The preparation of consolidated financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretative Pronouncements as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. The application of the Company's accounting policies also requires management to exercise its judgment in the process of applying those policies that involve a higher degree of judgment or complexity, or items that involve significant assumptions and estimates in the consolidated financial statements. Please refer to Note 5 for a description of significant accounting judgments, estimates and key sources of assumption uncertainty.

(3) Basis of consolidation

A. The basis for preparation of consolidated financial statements

The preparation principle of this consolidated financial report is the same as that of the consolidated financial report of the 2025.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business	Ownership (%)			Description
			June 30, 2026	December 31, 2025	June 30, 2025	
OFCO Industrial Corp.	TSG Transport Corp.	Container rental, transportation and packing services	100.00	100.00	100.00	-
OFCO Industrial Corp.	TSG Environmental Technology Corp.	Recycling of materials, waste disposal services, etc.	100.00	100.00	100.00	-
OFCO Industrial Corp.	TSG POWER Corp.	Energy technology services	100.00	100.00	100.00	-

Name of Investor	Name of Subsidiary	Main Business	Ownership (%)			Description
			June 30, 2026	December 31, 2025	June 30, 2025	
OFCO Industrial Corp.	Yung Fu Co., Ltd.	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects.	41.86	54.89	54.89	(Note 1) (Note 2)
OFCO Industrial Corp.	Openness Specialty Materials Corp. Ltd.	Precision chemical materials manufacturing and other fabricated metal products manufacturing.	71.43	-	-	(Note 3) (Note 4)
TSG Transport Corp.	Yung Fu Co., Ltd.	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects.	0.04	0.27	0.27	(Note 1) (Note 2)
TSG Environmental Technology Corp.	Yung Fu Co., Ltd.	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small	0.37	0.42	0.42	(Note 1) (Note 2)

Name of Investor	Name of Subsidiary	Main Business	Ownership (%) June 30, 2026	December 31, 2025	June 30, 2025	Description
		and medium-sized incinerator projects.				

(Note 1) The Board of Directors of the subsidiary, Yung Fu Co., Ltd., resolved to issue 100 thousand, 30,000 thousand, and 25,000 thousand new shares through cash capital increases on December 17, 2025, April 8, 2026, and June 8, 2026, respectively. The Group did not subscribe to the new shares proportionally to its ownership, resulting in a decrease in its shareholding percentage. Consequently, the Group recognized an increase (a change) in equity of $29,050, which was accounted for under "Capital surplus". The cash subscription proceeds received from non-controlling interests arising from the capital increases amounted to $396,082.

(Note 2) The Group holds the single largest ownership interest in Yung Fu Co., Ltd. Based on a comprehensive assessment, the Group has the power to govern the financial and operating policies of the entity, and therefore, the entity is included in the consolidated financial statements.

(Note 3) In March 2026, the Group acquired 20,000 thousand shares of equity interest in Openness Specialty Materials Corp. Ltd. for a total consideration of $200,000 through subscription to its cash capital increase, representing a 71.43% ownership interest. For relevant information, please refer to Note 6(36), "Business combinations".

(Note 4) The related information for the second quarter of 2026 and as disclosed in Note 13 has not been reviewed by independent auditors.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustment and treatment of different accounting periods of subsidiaries: None.

E. Significant limitations: None.

F. Subsidiaries with non - controlling interests that are significant to the Group:

① The total non-controlling interests of the Group as of June 30, 2026, December 31, 2025 and June 30, 2025 were $670,537, $137,618 and $323,827, respectively. Information about non-controlling interests and subsidiaries that are material to the Group is as follows:

		Non-controlling interests					
		June 30, 2026			December 31, 2025		
Name of Subsidiary	Main place of business	Amount	Ownership (%)	Descr-iption	Amount	Ownership (%)	Descr-iption
Yung Fu Co., Ltd.	Taiwan	$570,895	57.73%	-	$137,618	44.42%	-

		Non-controlling interests		
		June 30, 2025		
Name of Subsidiary	Main place of business	Amount	Ownership (%)	Descr -iption
Yung Fu Co., Ltd.	Taiwan	$323,827	44.42%	-

② Subsidiary - Yung Fu Co., Ltd. summary financial information:

Balance Sheet

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	$ 1,053,402	$ 934,823	$ 902,325
Non-current assets	1,925,537	1,601,422	1,762,057
Current liabilities	(1,353,171)	(1,618,534)	(1,295,684)
Non-current liabilities	(635,421)	(603,634)	(635,454)
Total net assets	$ 990,347	$ 314,077	$ 733,244

Statement of Comprehensive Income

	April to June of 2026	April to June of 2025
Revenue	$ 316,706	$ 165,979
Net income(loss) before tax	$ 9,119	($ 86,168)
Income tax benefit(expense)	(4,854)	8,957
Net income(loss)	$ 4,265	($ 77,211)
Total comprehensive income or loss	$ 4,265	($ 77,211)
Total comprehensive income attributed to non-controlling interest	$ 3,239	($ 34,290)

	January to June of 2026	January to June of 2025
Revenue	$ 823,161	$ 321,242
Net income(loss) before tax	$ 26,352	($ 186,387)
Income tax benefit(expense)	(11,082)	29,208
Net income(loss)	$ 15,270	($ 157,179)
Total comprehensive income or loss	$ 15,270	($ 157,179)
Total comprehensive income attributed to non-controlling interest	$ 8,145	($ 69,804)

Statements of Cash Flows

	January to June of 2026	January to June of 2025
Net cash in-flow(out-flow) from operation activities	$ 242,334	($ 298,046)
Net cash out-flow from investing activities	(402,199)	(222,235)
Net cash in-flow from financing activities	404,371	536,549
Increase in cash and cash equivalents	244,506	16,268
Balance of cash and cash equivalents, beginning of period	65,935	58,552
Balance of cash and cash equivalents, end of period	$ 310,441	$ 74,820

(4) Employee benefits

Pension - Defined Benefit Plan

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

(6) Business combinations

A. The Group applies the acquisition method for business combinations. The consideration transferred for an acquisition is measured at the total fair value of the assets transferred, liabilities incurred or assumed, and equity instruments issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, provided that the components of non-controlling interest are present ownership interests and entitle their holders to a proportionate share of the net assets in the event of liquidation. All other components of non-controlling interest are measured at their acquisition-date fair values.

B. The excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and liabilities assumed is recognized as goodwill at the acquisition date. If the fair value of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of any previous equity interest in the acquiree, the difference is recognized directly in profit or loss on the acquisition date as a gain on bargain purchase.

5. Critical Accounting Judgements and Key Sources of Estimation and Uncertainty

There is no significant change in the current period, please refer to Note 5 to the consolidated financial statements in 2025.

6. Summary of Significant Accounting Items

(1) Cash and Cash Equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash:			
Cash on hand	$ 4,720	$ 1,972	$ 1,317
Checking accounts and demand deposits	637,672	548,810	334,843
	642,392	550,782	336,160
Cash Equivalents:			
Time deposits	120,000	-	67,560
Commercial paper	-	-	16,701
	120,000	-	84,261
	$ 762,392	$ 550,782	$ 420,421

A. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group transferred demand deposits, time deposits and repurchase bonds which items are the pledged collateral, $447,316, $309,519 and $285,127 on June 30, 2026, December 31, 2025 and June 30, 2025 respectively under the headings of "Financial Assets Carried at Cost - current" and "Financial Assets Carried at Cost - non-current".

C. The Group pledged cash and cash equivalents as collateral (listed as "Financial assets at amortized cost - current" and "Financial assets at amortized cost - non-current"), please refer to Note 8 statements on pledged assets.

(2) Financial Assets at Fair Value through Profit or Loss

Item	June 30, 2026	December 31, 2025	June 30, 2025
Current item:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	$ 22,169	$ 22,513	$ 23,015
Emerging stocks	18,015	23,445	28,635
	$ 40,184	$ 45,958	$ 51,650
Non-current item:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks - Private placement	$ 236,200	$ 247,800	$ 223,350
Call options of bonds	-	-	416
	$ 236,200	$ 247,800	$ 223,766

A. The Group recognized net (loss) income of $24,578 and $10,942 and $17,374 and $14,612 for April to June of 2026 and 2025 and January to June of 2026 and 2025, respectively. (listed as "Other gains and losses")

B. In November 2023, the Group subscribed a total 5,000 of thousand shares of King House Co., Ltd. through private placement, and the transfer of the private placement shares is restricted for three years from the acquisition date.

C. The Group has not pledged any financial assets at fair value through profit or loss.

D. For related credit risk information, please refer to Note 12, (2) Financial Instruments.

(3) Financial Assets at Fair Value through other Comprehensive Income or Loss

Item	June 30, 2026	December 31, 2025	June 30, 2025
Current item:			
Equity instrument			
Listed stocks	$ 28,358	$ 23,816	$ 20,563
Non-current item:			
Equity instrument			
Listed stocks - Private placement	$ 340,107	$ 419,690	$ 400,268
Unlisted stocks	28,918	24,040	29,516
	$ 369,025	$ 443,730	$ 429,424

A. The Group has chosen to invest in equity instruments that are strategic investments. Investments are classified as financial assets measured at fair value through other comprehensive income or loss. The Group's maximum exposure to credit risk is its book value without taking into account collateral held or other credit enhancements.

B. The breakdown of FVOCI recognized in profit or loss and comprehensive income or loss is as follows:

	April to June of 2026	April to June of 2025
Equity instruments at fair value through other comprehensive income		
Changes in fair value recognized in other comprehensive income		
Held at the end of the period	($ 47,964)	($ 62,996)

	January to June of 2026	January to June of 2025
Equity instruments at fair value through other comprehensive income		
Changes in fair value recognized in other comprehensive income		
Held at the end of the period	($ 70,163)	($ 51,187)

C. In December 2024, the Group subscribed a total of 7,000 thousand shares of TSG Development Co., Ltd.(Datavan International Corporation) through private placement, and the transfer of the private placement shares is restricted for three years from the acquisition date.

D. In February 2025, the Group subscribed a total of 15,000 thousand shares of China Fineblanking Technology Co., Ltd. through private placement, and the transfer of the private placement stock is restricted with three years.

E. The Group not pledged financial assets measured at fair value through other comprehensive income.

F. For relevant credit risk information, please refer to Note 12(2), “Financial instruments”.

(4) Financial Assets Carried at Cost

Item	June 30, 2026	December 31, 2025	June 30, 2025
Current items:			
Pledged demand deposits	$ 125,927	$ 177,841	$ 167,364
Pledged time deposits	135,470	83,905	72,056
	$ 261,397	$ 261,746	$ 239,420
Non-current items:			
Pledged demand deposits	$ 185,919	$ 47,773	$ 45,707

A. Interest income recognized in profit or loss from financial assets at amortized cost from April to June of 2026 and 2025 and January to June of 2026 and 2025 was $133 and $503 and $593 and $632, respectively (listed as “Interest income”).

B. Financial assets carried at cost that best represent the Group, without regard to collateral held or other credit enhancements, as at June 30, 2026, December 31, 2025 and June 30, 2025, the amount of the risk exposure with the largest credit risk was its book value.

C. As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group provided financial assets carried at cost as pledge guarantees. Please refer to Note 8 illustrate.

D. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group’s investment in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(5) Notes and Accounts Receivable - Net

	June 30, 2026	December 31, 2025	June 30, 2025
Notes Receivable	$ 37	$ 40	$ 37
Accounts Receivable	$ 413,393	$ 316,866	$ 397,123
Less: Loss Allowance	(23)	(23)	(23)
	$ 413,370	$ 316,843	$ 397,100

A. The aging analysis of Notes and Accounts Receivable (including related parties) is as follows:

	June 30, 2026		December 31, 2025	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
Not Past Due	$ 37	$ 490,077	$ 40	$ 392,271
Within 60 days past due	-	4,044	-	20,122
61-180 days past due	-	9	-	521
Within 181-365 days past due	-	89	-	9
	$ 37	$ 494,219	$ 40	$ 412,923

	June 30, 2025	
	Notes Receivable	Accounts Receivable
Not Past Due	$ 37	$ 480,455
Within 60 days past due	-	18,290
61-180 days past due	-	129
Within 181-365 days past due	-	3
	$ 37	$ 498,877

The above is an aging analysis based on the number of overdue days.

B. As of June 30, 2026, December 31, 2025 and June 30, 2025, the balances of Notes Receivable and Accounts Receivable were generated from customer contracts, and the balance of accounts receivable from customer contracts was $530,363 as of January 1, 2025.

C. As of June 30, 2026, December 31, 2025 and June 30, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that the best represents the Group’s notes receivable and accounts receivable were book value.

D. As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group did not hold any collaterals as guarantees for Notes and Accounts Receivable.

E. Please refer to Note 12, (2) for the credit risk information of the related Notes and Accounts Receivable.

F. As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group had not pledged any Notes and Accounts Receivable as collateral.

(6) Inventories

	June 30, 2026		
	Cost	Allowance to reduce Inventory to market	Carrying Value
Merchandise	$ 41	$ -	$ 41
Raw materials	4,097	-	4,097
Work in process	16,475	(6,312)	10,163
Finished goods	1,348	(980)	368
	$ 21,961	($ 7,292)	$ 14,669

	December 31, 2025		
	Cost	Allowance to reduce inventory to market	Carrying Value
Merchandise	$ 42,208	($ 6,219)	$ 35,989
Finished goods	33,014	(2,044)	30,970
	$ 75,222	($ 8,263)	$ 66,959

	June 30, 2025		
	Cost	Allowance to reduce Inventory to market	Carrying Value
Merchandise	$ 58	$ -	$ 58
Raw materials	84,225	(14,973)	69,252
Work in process	77,484	(7,031)	70,453
Finished goods	58,232	(2,835)	55,397
	$ 219,999	($ 24,839)	$ 195,160

The cost of inventories recognized as expense for the year by the Group:

	April to June of 2026	April to June of 2025
Cost of goods sold	$ 483,561	$ 888,278
Gain from price recovery of inventory (Note)	-	(11,468)
Loss on physical inventory	1,865	936
	$ 485,426	$ 877,746

	January to June of 2026	January to June of 2025
Cost of goods sold	$ 922,350	$ 1,883,699
Gain from price recovery of inventory (Note)	(971)	(15,889)
Loss on physical inventory	2,892	2,137
Revenue from sale of scraps	-	(3,652)
	$ 924,271	$ 1,866,295

(Note) This was due to the Group's sale of some of the inventory for which impairment losses had been previously recognized.

(7) Prepaid Expenses

	June 30, 2026	December 31, 2025	June 30, 2025
Advance payment	$ 180,809	$ 371,933	$ 336,820
Tax credit	63,886	68,851	84,506
Supplies inventory	53,846	54,741	41,208
Prepaid expenses	36,816	142,756	210,730
Prepaid insurance	28,556	4,918	23,561
Others	3,178	2,367	814
	$ 367,091	$ 645,566	$ 697,639

(8) Property, Plant and Equipment

	Land	Buildings	Machinery & equipment	Transportation equipment	Office equipment	Leasehold improvements	Lease equipment	Other equipment	Total
January 1, 2026									
Cost	$ 14,251	$ 12,804	$ 120,975	$ 337,580	$ 9,716	$ 4,503	$ 724,331	$ 140,845	$1,365,005
Accumulated Depreciation	-	(4,297)	(62,164)	(42,522)	(5,911)	(2,942)	(461,783)	(103,445)	(683,064)
Accumulated Impairment	-	-	(30,945)	-	-	-	(6,934)	(17,976)	(55,855)
	$ 14,251	$ 8,507	$ 27,866	$ 295,058	$ 3,805	$ 1,561	$ 255,614	$ 19,424	$ 626,086
January to June of 2026									
January 1	$ 14,251	$ 8,507	$ 27,866	$ 295,058	$ 3,805	$ 1,561	$ 255,614	$ 19,424	$ 626,086
Add - Cost	-	-	-	333	-	-	-	-	333
Transfer In of Prepaid Equipment Cost	-	-	418	23,067	-	-	-	-	23,485
Acquisition through business combinations	-	-	23,534	69	870	1,432	-	8,854	34,759
Depreciation Expense	-	(795)	(3,399)	(13,550)	(545)	(1,332)	(14,486)	(3,155)	(37,262)
Disposal-Cost	-	-	-	(174)	-	-	-	-	(174)
Disposal-Accumulated Depreciation	-	-	-	174	-	-	-	-	174
Reclassification - cost (Note)	92,904	85,828	424,172	-	-	173,490	(634,324)	36,662	178,732
Reclassification -	-	(76,496)	(241,171)	-	-	(137,588)	398,500	(19,741)	(76,496)

Accumulated Depreciation (Note)									
Reclassification - Accumulated Impairment (Note)	-	-	(1,255)	-	-	(4,651)	5,913	(7)	-
Non-current assets reclassified as held for sale - cost (Note)	-	-	-	-	-	-	(90,007)	-	(90,007)
Non-current assets reclassified as held for sale - Accumulated Depreciation (Note)	-	-	-	-	-	-	77,769	-	77,769
Non-current assets reclassified as held for sale - Accumulated Impairment (Note)	-	-	-	-	-	-	1,021	-	1,021
June 30	$ 107,155	$ 17,044	$ 230,165	$ 304,977	$ 4,130	$ 32,912	$ -	$ 42,037	$ 738,420
June 30, 2026									
Cost	$ 107,155	$ 98,632	$ 569,099	$ 360,875	$ 10,586	$ 179,425	$ -	$ 186,361	$1,512,133
Accumulated Depreciation	-	(81,588)	(306,734)	(55,898)	(6,456)	(141,862)	-	(126,341)	(718,879)
Accumulated Impairment	-	-	(32,200)	-	-	(4,651)	-	(17,983)	(54,834)
	$ 107,155	$ 17,044	$ 230,165	$ 304,977	$ 4,130	$ 32,912	$ -	$ 42,037	$ 738,420

(Note) Transferred to “Investment property, net”.

	Land	Buildings	Machinery & equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction and equipment under acceptance	Total
January 1, 2025									
Cost	$ 107,155	$ 97,826	$ 1,142,182	$ 209,567	$ 21,516	$ 175,627	$ -	$ 221,911	$ 1,975,784
Accumulated Depreciation	-	(75,455)	(465,891)	(26,930)	(16,150)	(121,731)	-	(132,092)	(838,249)
Accumulated Impairment	-	-	(2,276)	-	-	(4,651)	-	(407)	(7,334)
	$ 107,155	$ 22,371	$ 674,015	$ 182,637	$ 5,366	$ 49,245	$ -	$ 89,412	$ 1,130,201
January to June of 2025									
January 1	$ 107,155	$ 22,371	$ 674,015	$ 182,637	$ 5,366	$ 49,245	$ -	$ 89,412	$ 1,130,201
Add - Cost	-	483	-	762	280	698	-	6,249	8,472
Transfer In of Prepaid Equipment Cost	-	322	-	75,389	-	1,932	-	2,436	80,079
Depreciation Expense	-	(1,187)	(24,616)	(9,886)	(563)	(2,628)	(13,326)	(12,315)	(64,521)
Disposal-Cost	-	-	(2,318)	(7,538)	(786)	(264)	-	(52,866)	(63,772)
Disposal-Accumulated Depreciation	-	-	2,225	5,635	691	264	-	28,340	37,155
Reclassification - cost (Note)	(92,904)	(85,828)	(564,229)	-	-	(173,490)	774,381	(36,662)	(178,732)
Reclassification - Accumulated Depreciation (Note)	-	72,980	331,756	-	-	121,526	(469,299)	16,017	72,980
Reclassification - Accumulated Impairment (Note)	-	-	2,276	-	-	4,651	(6,934)	7	-
June 30	$ 14,251	$ 9,141	$ 419,109	$ 246,999	$ 4,988	$ 1,934	$ 284,822	$ 40,618	$ 1,021,862

June 30, 2025									
Cost	$ 14,251	$ 12,803	$ 575,635	$ 278,180	$ 21,010	$ 4,503	$ 774,381	$ 141,068	$ 1,821,831
Accumulated Depreciation	-	(3,662)	(156,526)	(31,181)	(16,022)	(2,569)	(482,625)	(100,050)	(792,635)
Accumulated Impairment	-	-	-	-	-	-	(6,934)	(400)	(7,334)
	$ 14,251	$ 9,141	$ 419,109	$ 246,999	$ 4,988	$ 1,934	$ 284,822	$ 40,618	$ 1,021,862

A. As of December 31, 2025 and June 30, 2025, the Group's property, plant and equipment were assets for own use; as of June 30, 2026, parts of the property, plant and equipment were for operating lease.

B. The Group's did not capitalize any borrowing costs from January to June 2026 and 2025.

C. Information on the pledge of property, plant and equipment by the Group is described in Note 8.

D. Please refer to Note 6, (15) for the accumulated impairment loss on non-financial assets.

E. Please refer to Note 6, (36) for the effect of business combinations.

(9) Leasing arrangements - lessee

A. The subject assets of the Group's leases are buildings and business vehicles and print machine and land, and the lease contracts are usually for periods ranging from 2 to 20 years. Lease agreements are individually negotiated and contain various terms and conditions without any special restrictions.

B. The lease period of the Group's leased underlying assets such as business vehicles, parking spaces, stackers and staff dormitories does not exceed 12 months, and the leased assets with low value are air cleaners and print machines, etc.

C. The book value of right-of-use assets and the depreciation charge are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
	Carrying amount	Carrying amount	Carrying amount
Land	$ 260	$ 241	$ 296
Buildings	40,279	14,546	16,507
Transport Equipment (business vehicles)	1,638	1,602	1,043
	$ 42,177	$ 16,389	$ 17,846

	April to June of 2026	April to June of 2025
	Depreciation expense	Depreciation expense
Land	$ 32	$ 27
Buildings	1,655	1,059
Transport Equipment (business vehicles)	275	318
	$ 1,962	$ 1,404

	January to June of 2026	January to June of 2025
	Depreciation expense	Depreciation expense
Land	$ 64	$ 55
Buildings	2,662	4,409
Transport Equipment (business vehicles)	554	802
	$ 3,280	$ 5,266

D. The additions to the Group's right-of-use assets were $5,160 and $642 and $5,243 and $642 for April to June of 2026 and 2025 and January to June of 2026 and 2025, respectively. Additionally, please refer to Note 6, (36) for the effect of business combinations.

E. The information on profit or loss items related to lease contracts is as follows:

	April to June of 2026	April to June of 2025
Items affecting current profit and loss		
Interest expenses on lease liabilities	$ 258	$ 92
Expenses for short-term lease contracts	985	1,253
Lease of low-value assets	62	485
Fees for variable lease payments	235	1,343
Lease modification benefit	(2)	(25)

	January to June of 2026	January to June of 2025
Items affecting current profit and loss		
Interest expenses on lease liabilities	$ 457	$ 600
Expenses for short-term lease contracts	2,653	3,646
Lease of low-value assets	764	950
Fees for variable lease payments	470	2,408
Lease modification benefit	(2)	(6,495)

F. The Group's total rental cash outflows for January to June 2026 and 2025 were $7,538 and $12,750, respectively.

G. When the Group determines the lease period, it takes into consideration all the facts and circumstances that will generate economic incentives for exercising or not exercising the right to renew the lease. The lease period will be re-estimated when a major event occurs in the assessment of the exercise or non-exercise of the right to renew the lease. Based on the assessment of exercising or not exercising the right to renew the lease, the Group's right-of-use assets and lease liabilities from January to June 2026 and 2025 were reduced by $88, $90, $89,058 and $95,553 respectively, and lease modification benefits of $2 and $6,495 were recognized (listed as "Other gains and losses").

H. The effect of changing lease payments on the lease liability:

In the lease contracts of the subsidiaries, Yung Fu Co., Ltd. and TSG POWER Corp., the subject matter of the variable lease payment clauses is linked to the power generation income generated by the power plant and the announced land price, respectively. The variable pricing of these lease assets is calculated primarily based on power generation income, as well as land use area and the announced land price, and is recognized as an expense in the period in which the events or conditions that trigger those payments occur.

(10) Leasing arrangements - lessor

A. The Group leases various assets including lands, buildings, machinery equipment and other equipment, etc., (listed as "Property, Plant and Equipment" and "Investment property, net"), the lease terms range from March 2025 to February 2028, lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. For preserve the use of the leased assets, the lessee is usually required not to sublease, lend, transfer,

mortgage or guarantee the leased assets. However, this contract was mutually terminated early without any conditions at the end of May 2026.

B. Based on the operating lease agreements, for the three-month periods and six-month periods ended June 30, 2026 and 2025, the Group recognized rental income in the amounts of $10,261, $15,391, $25,652 and $20,513, respectively (classified as "Net other income and expenses"), none of which included variable lease payments.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current year	$ -	$ -	$ 30,698
Within 1 year	-	61,397	61,397
Next 1~2 years	-	61,397	61,397
Next 2~3 years	-	10,232	10,232
Total	$ -	$ 133,026	$ 163,724

(11) Investment property - net

	Land	Buildings	Total
January 1, 2026			
Cost	$ 125,356	$ 85,828	$ 211,184
Accumulated depreciation	-	(75,399)	(75,399)
	$ 125,356	$ 10,429	$ 135,785
January to June of 2026			
January 1	$ 125,356	$ 10,429	$ 135,785
Transfer - Cost	(92,904)	(85,828)	(178,732)
Transfer - Accumulated depreciation	-	76,496	76,496
Depreciation Expense	-	(1,097)	(1,097)
June 30	$ 32,452	$ -	$ 32,452
June 30, 2026			
Cost	$ 32,452	-	$ 32,452
Accumulated depreciation	-	-	-
	$ 32,452	$ -	$ 32,452

	Land	Buildings	Total
January 1, 2025			
Cost	$ 32,452	$ -	$ 32,452
Accumulated depreciation	-	-	-
	$ 32,452	$ -	$ 32,452

January to June of 2025			
January 1	$ 32,452	$ -	$ 32,452
Transfer - Cost	92,904	85,828	178,732
Transfer - Accumulated depreciation	-	(72,980)	(72,980)
Depreciation Expense	-	(1,020)	(1,020)
June 30	$ 125,356	$ 11,828	$ 137,184
June 30, 2025			
Cost	$ 125,356	$ 85,828	$ 211,184
Accumulated depreciation	-	(74,000)	(74,000)
	$ 125,356	$ 11,828	$ 137,184

A. The investment real estate of the Group's is the lands of Sushuangziping Section in Dingzhonggu Section of Jinshan District, New Taipei City and Shancheng Section of Jinshan District, and the lands and buildings of plant in Qiaotou Dist., Kaohsiung City. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are as follows:

	April to June of 2026	April to June of 2025
Rental income from the lease of the investment property	$ 2,840	$ 4,260
Direct operating expenses arising from the investment property that generated income during the year	$ 438	$ 744
Direct operating expenses arising from the investment property that did not generate income during the year	$ -	$ -
	January to June of 2026	January to June of 2025
Rental income from the lease of the investment property	$ 7,100	$ 5,672
Direct operating expenses arising from the investment property that generated income during the year	$ 1,097	$ 1,020
Direct operating expenses arising from the investment property that did not generate income during the year	$ -	$ -

B. The fair value of investment properties held by the Group were $63,960, $587,285 and $976,658 as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively, which was evaluated based on the recorded amount of real estate transactions in the neighboring areas and was determined to be Level 3 fair value.

C. For the information about investment property pledged to others as of June 30, 2026, December 31, 2025 and June 30, 2025, please refer to Note 8. for the explanation of pledged assets.

(12) Intangible Assets

	Concession	Computer software	Goodwill	Proprietary technology	Total
January 1, 2026					
Cost	$881,250	$ 17,662	$19,003	$ -	$ 917,915
Accumulated amortization	(110,252)	(8,268)	-	-	(118,520)
	$770,998	$ 9,394	$19,003	$ -	$ 799,395
January to June of 2026					
January 1	$770,998	$ 9,394	$19,003	$ -	$ 799,395
Additions - acquired separately	-	854	-	-	854
Service concession agreement obtained	-	-	-	77,473	77,473
Amortization expense	(24,094)	(2,771)	-	(2,421)	(29,286)
June 30	$746,904	$ 7,477	$19,003	$ 75,052	$ 848,436
June 30, 2026					
Cost	$881,250	$ 18,516	$19,003	$ 77,473	$ 996,242
Accumulated amortization	(134,346)	(11,039)	-	(2,421)	(147,806)
	$746,904	$ 7,477	$19,003	$ 75,052	$ 848,436

(Note) Please refer to Note 6(36) for explanations on business combinations.

	Concession	Computer software	Goodwill	Total
January 1, 2025				
Cost	$ 878,368	$ 17,362	$ 19,003	$ 914,733
Accumulated amortization	(62,047)	(2,820)	-	(64,867)
	$ 816,321	$ 14,542	$ 19,003	$ 849,866
January to June of 2025				
January 1	$ 816,321	$ 14,542	$ 19,003	$ 849,866
Additions - acquired separately	-	300	-	300

Service concession agreement obtained	2,915	-	-	2,915
Amortization expense	(24,111)	(2,745)	-	(26,856)
June 30	$ 795,125	$ 12,097	$ 19,003	$ 826,225
June 30, 2025				
Cost	$ 881,283	$ 17,662	$ 19,003	$ 917,948
Accumulated amortization	(86,158)	(5,565)	-	(91,723)
	$ 795,125	$ 12,097	$ 19,003	$ 826,225

A. The information on amortization of intangible assets are as follows:

	April to June of 2026	April to June of 2025
Operating costs	$ 12,120	$ 12,128
Amortization expenses	11	2
Administrative expenses	3,730	1,309
	$ 15,861	$ 13,439
	January to June of 2026	January to June of 2025
Operating costs	$ 24,233	$ 24,231
Amortization expenses	18	6
Administrative expenses	5,035	2,619
	$ 29,286	$ 26,856

B. The subsidiary - Yung Fu signed the “Rehabilitate, Operate and Transfer of Waste Incineration Plant in Kanding Pingtung County” with the Pingtung County Government (hereinafter collectively referred to as “both parties”) in the form of ROT (Rehabilitate, Operate and Transfer) for construction and labor services. Both parties agreed to follow the Act for Promotion of Private Participation in Infrastructure Projects and regulations formulated by the relevant competent authorities to have the subsidiary Yung Fu handle the construction and operation. The operation period is 20 years, and the operating assets and operating rights are returned to Pingtung County Government when the operation period expires. The important information is summarized as follows:

① The subsidiary - Yung Fu shall be responsible for the construction of the incineration plant and the maintenance and management of various facilities and equipment during the operation period, and promises to properly dispose of waste within the scope of processing capacity.

② During the operation period, the subsidiary - Yung Fu shall calculate the remuneration for operation and maintenance to be collected from the Pingtung County Government and the land rent, waste disposal fee, price change royalties, electricity sales increase royalties and other fees payable to the county government based on the contract terms.

③ The subsidiary-Yung Fu should invest in and complete the renovation project during the period of renovation and operation, and promise to invest no less than $967,382. Before the deadline for renovation works (December 31, 2024), the subsidiary -Yung Fu should invest at least $560,000 in the renovation area of the project designated by the Pingtung County Government. In the event that the contract expires due to the expiration of the period, or is terminated early due to reasons attributable to the Yung Fu, the subsidiary shall unconditionally pay the shortfall of the committed investment amount to the Pingtung County Government.

④ The subsidiary - Yung Fu recognizes the rights to sell electricity and dispose of waste from the provision of construction and service upgrades and the renovation cost to be committed in the future as intangible assets and revenue (listed as "operating revenue") from service concession, respectively in accordance with the provisions of IFRIC 12 "Service Concession Arrangements".

C. The Group did not capitalize any interests of the intangible assets from January to June, 2026 and 2025.

D. As of June 30, 2026, December 31,2025 and June 30, 2025, the Corporate Group had not provided intangible asset as pledged collaterals.

(13) Other non-current assets - others

	June 30, 2026	December 31, 2025	June 30, 2025
Prepayments for incinerator equipment maintenance	$ 509,317	$ 250,265	$ 368,997
Others	3,920	7,138	10,870
	$ 513,237	$ 257,403	$ 379,867

A. Given the lower-than-expected waste incineration efficiency of the incinerators, the Group recognized a full impairment loss on components that were no longer usable. As of June 30, 2026, December 31, 2025, and June 30, 2025, the balances of accumulated impairment loss recognized by the Group were $178,498, $178,498, and $-, respectively.

B. Please refer to Note 6, (15) for the accumulated impairment loss on non-financial assets.

(14) Non-current assets held for sale, net

	Machinery & equipment	Leased assets	Total
January 1, 2026	$ 68,337	$ 9,463	$ 77,800
January to June of 2026			
January 1	$ 68,337	$ 9,463	$ 77,800
Reclassified from property, plant and equipment	-	11,217	11,217
Derecognition of non-current assets held for sale	(68,337)	(20,680)	(89,017)
June 30	$ -	$ -	$ -
June 30, 2026	$ -	$ -	$ -

There were no such situations for the six-month period ended June 30, 2025.

A. Considering altered production patterns, aging equipment, and stagnant production efficiency, the Group agreed with the lessee to sell certain machinery, signing disposal contracts from January to March 2026. This equipment was reclassified to non-current assets held for sale, net, at $20,680. As of June 30, 2026, the Group has completed the transfer of ownership for a disposal price of $24,900.

B. For efficiency and maintenance cost concerns, the Board resolved on July 2, 2025 to sell the subsidiary TSG POWER Corp.'s machinery, reclassifying $276,225 to non-current assets held for sale, net. Contracts for selling solar photovoltaic equipment and assigning incidental rights were signed between August and September 2025, effective June 30, 2025. As of June 30, 2026 and December 31, 2025, progress-based advance receipts (classified as "Advance receipts") were $- and $94,838, respectively, with ownership transfer completed.

C. Please refer to Note 12, (3) for information relating to fair value.

(15) Impairment of non-financial assets

A. For the six-month periods ended June 30, 2026 and 2025, the Group recognized a reversal of impairment loss in the amounts of ($1,021) and $-, respectively.

B. As of June 30, 2026, December 31, 2025 and June 30, 2025, the accumulated impairment loss recognized on the Group's non-financial assets were $233,332, $234,353, and $7,334, respectively.

(16) Short-term loans

Type of borrowings	Maturity period	Interest Rate	June 30, 2026	Collateral
Guaranteed bank loans	2026.7.8~ 2027.3.2	1.95%~ 3.62%	$ 834,611	Demand deposits, land, buildings & construction and investment property
Unsecured bank loans	2026.8.5~ 2026.12.30	2.29%~ 2.50%	182,000	None
			$ 1,016,611	

Type of borrowings	Maturity period	Interest Rate	December 31, 2025	Collateral
Guaranteed bank loans	2026.1.9~ 2026.12.2	1.95%~ 3.62%	$ 826,943	Demand deposits, time deposits, land, buildings & construction and investment property
Unsecured bank loans	2026.2.6~ 2026.6.29	2.40%~ 2.50%	135,825	None
Other short-term loans	2026.4.21	4.00%	50,000	Please refer to Note 7 for related party transactions.
			$ 1,012,768	

Type of borrowings	Maturity period	Interest Rate	June 30, 2025	Collateral
Guaranteed bank loans	2025.10.7~ 2025.12.2	1.85%~ 3.36%	$ 708,085	Demand deposits, land, buildings & construction and investment property
Unsecured bank loans	2025.9.29	2.43%~ 2.45%	70,000	None
			$ 778,085	

The interest expense recognized by the Group In profit or loss from April to June of 2026 and 2025 and January to June of 2026 and 2025, please refer to Note 6, (31) Financial costs.

(17) Short-term bills payable

Nature of borrowing	June 30, 2026	Interest Rate	Collateral
Commercial paper	$ 100,000	2.42%~2.84%	Demand deposits, time deposits
Less: Unamortized discount	(44)		
	$ 99,956		

Nature of borrowing	December 31, 2025	Interest Rate	Collateral
Commercial paper	$ 80,000	2.55%~2.77%	Demand deposits, time deposits
Less: Unamortized discount	(41)		
	$ 79,959		

Nature of borrowing	June 30, 2025	Interest Rate	Collateral
Commercial paper	$ 141,800	2.55%~2.77%	Demand deposits, time deposits and machinery & equipment
Less: Unamortized discount	(170)		
	$ 141,630		

A. The above commercial papers were issued and secured by China Bills Finance Corporation and Union Bank of Taiwan for short-term financing.

B. Interest expense recognized by the Group in profit or loss from April to June of 2026 and 2025 and January to June of 2026 and 2025 please refer to Note 6, (31) Financial costs.

(18) Other payables

	June 30, 2026	December 31, 2025	June 30, 2025
Salary payable	$ 48,017	$ 48,328	$ 43,155
Receipts under custody	1,228	16,497	610
Accrued labor and health insurance	5,197	4,867	5,449
VAT payable	3,935	7,411	262
Dividends payable	-	-	20,134
Processing fees payable	-	-	15,667
Others (Less than 5%)	43,381	28,017	29,760
	$ 101,758	$ 105,120	$ 115,037

(19) Bonds payable

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured convertible bonds	$ -	$ -	$ 354,253
Less: Discount on bonds payable	-	-	(1,977)
	$ -	$ -	$ 352,276

A. In September 2022, the Company issued the domestic fourth series unsecured convertible bonds, the main terms of which are as follows:

① The Company was approved by the competent authority to raise and issue the fourth series domestic unsecured convertible bonds with a total amount of $351,750 (related issuance cost of $3,695), with a coupon rate of 0% and a maturity period of 3 years from September 30, 2022 to September 30, 2025. The convertible bonds are repayable in cash at 102.2669% of the face value of the bonds upon maturity.

② From the day following the expiration of three months after the date of issuance of the Bonds (December 31, 2022) to the maturity date (September 30, 2025), the holders of the Bonds may request the conversion of the Bonds into common shares of the Company at any time, except during the period when the transfer of the Bonds is suspended in accordance with the regulations or the law and the rights and obligations of the converted common shares shall be the same as those of the original issued common shares.

③ The conversion price of the convertible bonds is determined in accordance with the pricing model stipulated in relevant laws. If the conversion price is subsequently adjusted in accordance with the pricing model stipulated in the relevant laws due to the Company's anti-dilution policy, the conversion price will be reset in accordance with the pricing model stipulated in the relevant laws on the base date of the relevant laws, and will not be adjusted if it is higher than the conversion price before the reset in the current year.

④ In accordance with the provisions of the relevant laws and regulations, all bonds repossessed (including those bought back through the TPEx), repaid or converted by the Company will be cancelled, and all rights and obligations attached to the bonds will be extinguished and will not be issued.

B. Upon the issuance of the convertible bonds, the Company separated the conversion rights of an equity nature from the liability components in accordance with IAS 32, "Financial Instruments: Presentation," and recognized "Capital surplus - stock options of convertible bonds" in the amount of $13,784. As of June 30, 2026, December 31, 2025, and June 30, 2025, after the issuance, repurchase of bonds, and the exercise of conversion rights by creditors in accordance with the conversion methods, the balances of the aforementioned "Capital surplus - stock options of convertible bonds" after write-offs were $-, $-, and $13,643, respectively. Additionally, in accordance with IFRS 9, "Financial Instruments," the embedded call and put options are separated because their economic characteristics and risks are not closely related to those of the host debt contract, and are recognized on a net basis as "Financial assets at fair value through profit or loss - non-current." The effective interest rate of the host contract debt after separation was 2.24%.

C. The convertible bonds have been fully repaid or converted.

D. Interest expense recognized by the Group in profit or loss from April to June of 2026 and 2025 and January to June of 2026 and 2025 please refer to Note 6, (31) Financial costs.

(20) Long-term loans

Nature of borrowing	Maturity Date Range	Interest Rate	June 30, 2026	Collateral
Guaranteed bank loans	2028.7.9~ 2030.1.16	2.58%~ 3.50%	$ 185,427	Demand deposits
Unsecured bank loans	2036.12.27	2.69%	592,375	None
			777,802	
Less: Portion due within one year or one business cycle			(123,230)	
			$ 654,572	

Nature of borrowing	Maturity Date Range	Interest Rate	December 31, 2025	Collateral
Guaranteed bank loans	2026.3.2~ 2030.1.16	2.58%~ 2.75%	$ 152,177	Demand deposits
Unsecured bank loans	2036.12.27	2.69%	620,583	None
			772,760	
Less: Portion due within one year or one business cycle			(120,324)	
			$ 652,436	

Nature of borrowing	Maturity Date Range	Interest Rate	June 30, 2025	Collateral
Guaranteed bank loans	2026.3.2~ 2038.8.9	2.58%~ 2.94%	$ 238,770	Demand deposits and machinery & equipment
Unsecured bank loans	2029.12.27	2.69%	648,792	None
			887,562	
Less: Portion due within one year or one business cycle			(123,759)	
			$ 763,803	

The interest expense recognized in profit or loss from April to June of 2026 and 2025 and January to June of 2026 and 2025 is described in Note 6, (31) for the financial Costs.

(21) Pensions

A. The Group has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its subsidiaries contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. However, the Company suspended its contributions to the Labor Pension Fund until March 31, 2026, as approved by the competent authority. Also, the Group would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions for the deficit by next March. The Company reached an agreement with all regular employees prior to the enforcement of the Labor Pension Act on July 1, 2005 to settle the service years under the old labor pension system in accordance with the Labor Standards Act and the Labor Pension Act, and pplied to the Labor Affairs Bureau, Kaohsiung City Government for the approval of the cancellation of the Labor Pension Reserve Fund and the collection of the remaining funds in accordance with the Article 9 of the Regulations for the Allocation and Management of the Workers' Retirement Reserve Funds on December 23, 2025.

B. Effective July 1, 2005, the Group has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The Group recognized pension costs of $3,265 and $4,303 and $6,208 and $6,009 from April to June of 2026 and 2025 and January to June of 2026 and 2025, respectively, based on the above pension plan.

(22) Share capital

A. A reconciliation of the number of outstanding shares of the Company's common stock at the beginning and end of the period is as follows: (in thousands of shares)

	January to June of 2026	January to June of 2025
Beginning and ending balances	100,674	100,670

B. As of June 30, 2026, the Company's total authorized capital was $4,000,000 ($96,000 of the total shares were reserved for conversion of employee stock options) and the paid-in capital was $1,006,739, divided into 100,674 thousand shares of NT$10 each. All proceeds from shares issued have been collected.

(23) Additional Paid-in Capital

	January to June of 2026					
	Issuance Premium	The difference between the actual acquisition or disposal of equity in a subsidiary and its book value	Bonds stock options	Employee stock options	Others	Total
Balance of January 1	$ 938,235	$ 165,548	$ -	$ -	$ 6,810	$1,110,593
Deficit compensation with capital surplus	(91,042)	-	-	-	-	(91,042)
Adjustments to ownership interests in subsidiaries from non-proportionate capital contributions	-	(29,050)	-	-	-	(29,050)
Balance of June 30	$ 847,193	$ 136,498	$ -	$ -	$ 6,810	$ 990,501

	January to June of 2025					
	Issuance Premium	The difference between the actual acquisition or disposal of equity in a subsidiary and its book value	Bonds stock options	Employee stock options	Others	Total
Balance of January 1	$ 913,323	$ 165,548	$ 13,643	$ 11,209	$ 6,741	$ 1,110,464
Expired employee stock options	202	-	-	(202)	-	-
Current reclassification	3,758	-	-	(3,758)	-	-
Overdue cash dividends	-	-	-	-	69	69
Balance of June 30	$ 917,283	$ 165,548	$ 13,643	$ 7,249	$ 6,810	$ 1,110,533

A. In accordance with the Company Act, any capital reserve arising from additional paid-in capital of the par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Act requires that the amount of additional paid-in capital to be capitalized, as above, should not exceed 10% of paid-in capital each year. Capital reserves should not be used to cover accumulated deficit unless the legal reserve is insufficient.

B. On May 26, 2026, the annual shareholders' meeting resolved to offset the accumulated deficits of $91,042 with additional paid-in capital.

(24) Share-based payment to employees

On October 21, 2020, the Company issued 3,000 units of compensatory stock option plan at a subscription price of $21.6 (in dollars) per share, which was set up based on not lower than the market price of the Company’s common stock on the grant date, and the number of shares of common stock to be subscribed per unit of stock options is 1,000. If there is a change in the shares of the Company’s common stock after the issuance of the stock options, the price is adjusted according to a specific formula. As of the end date of the validity period (October 20, 2025), the subscription price for employee stock options has been adjusted to $16.6 (in dollars). The stock options issued are valid for a period of 5 years, and employees may exercise their stock options in annual installments after 2 years of employment from the issuance date in accordance with the employee stock option plan. Among them, 913 thousand shares were awarded to the employees of subsidiaries over a 3-year period.

A. The number of options and the weighted-average exercise price of the stock option plan for compensated employees from January to June, 2025 as follows:

	January to June of 2025	
Share Options	Number (units)	Weighted average exercise price (NT$)
Outstanding at the beginning and end of the period	349	$ 16.6
Options expired this period	(139)	16.6
Options exercisable at the end of the period	210	16.6
Options approved but not yet issued at the end of the period	-	-

There were no such occurrences from January to June 2026.

B. The fair value of the Company's stock option plan was estimated using the Black-Scholes option valuation model, and the related information is as follows:

Date of granting	October 21, 2020
Stock Price (NT$)	$ 21.35
Performance Price (NT$)	21.60
Dividend Rate	0%
Expected price volatility	27.97%
Risk-free interest rate	0.2285%
Expected duration	5 years
Fair value per unit (per share)	NT$5.24

(25) Retained earnings

A. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Group's paid-in capital.

B. In accordance with the Company's original Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses, and then set 10% of the remaining amount aside as legal reserve (except when the legal reserve has already reached the total capital), and the remainder, if any, shall be distributed as dividends to shareholders resolved by the Company's shareholders at the shareholders' meeting. The Company's dividend policy is based on the Company's future capital budget plan to measure the capital requirements for future years, and the remaining earnings will be distributed in the form of cash dividends only after the Company has decided to use retained earnings to meet the capital requirements. The Board of Directors shall prepare a proposal for the distribution of earnings in accordance with the order and rate of distribution of earnings as provided for in these Articles of Incorporation, and the proposal shall be approved by the shareholders during their meeting.

The surplus distribution in the preceding paragraph, in accordance with Article 240, Item 5 of the Company Law, authorizes the board of directors to present at least two-thirds of the directors and a resolution of more than half of the directors present to distribute all or part of the dividends and bonuses to be paid in cash, and report to the shareholders meeting. The Company considers a balanced and stable dividend policy and, depending on the demand for investment capital and the dilution of earnings per share, dividends to shareholders should be 50% to 100% of accumulated distributable earnings and should be paid in the form of appropriate stock dividends or cash dividends, with cash dividends to be distributed at no less than 50% of shareholders' dividends.

C. Special reserve

① When the Company distributes earnings, the Company is required by law to set aside a special reserve for the debit balance of other equity items as of the balance sheet date of the year in order to distribute the earnings.

② When the Company first adopted IFRSs, the special reserve of $7,745 was provided for in accordance with FSC No. 1090150022 dated March 31, 2021. When the Company subsequently uses, disposes of or reclassifies the related assets, the Company reverses the percentage of the special reserve originally provided for.

D. The Company recognized cash dividend of $20,134 (NT$0.2 per share) for the 2024 earnings distribution. On May 26, 2026, the Annual General Meeting of Shareholders resolved that no profit would be distributed as the 2025 financial statements showed no profit, and that the Company would use statutory surplus reserve of $51,123 to offset the loss.

(26) Operating revenue

	April to June of 2026	April to June of 2025
Customer contract revenue	$ 1,008,913	$ 1,324,862

	January to June of 2026	January to June of 2025
Customer contract revenue	$ 2,176,927	$ 2,730,018

A. Segmentation of revenue from contracts with customers.

The Group's revenue is recognized when the source is shifted at a point in time and as it is provided over time, revenue can be subdivided into the following major categories of goods or services:

	April to June of 2026	April to June of 2025
Revenue from sales of screws	$ 75,554	$ 189,794
Revenue from scrap iron	413,912	657,462
Logistics and transport revenue	74,922	125,883
Contracting revenue	87,229	95,703
Revenue from electricity sales	957	35,595
Project revenue	117,020	-
Labor service operation revenue	69,774	5,237
Others	39,765	78,602
	879,133	1,188,276

Service concession arrangement:		
Revenue from electricity sales	75,831	71,419
Waste treatment revenue	45,169	58,732
Project revenue	-	(1,461)
Operating revenue	8,780	7,896
	129,780	136,586
	$ 1,008,913	$ 1,324,862

	January to June of 2026	January to June of 2025
Revenue from sales of screws	$ 214,417	$ 523,826
Revenue from scrap iron	734,339	1,278,557
Logistics and transport revenue	169,000	247,283
Contracting revenue	155,101	197,727
Revenue from electricity sales	1,761	96,067
Project revenue	484,836	-
Labor service operation revenue	103,057	10,211
Others	79,390	141,483
	1,941,901	2,495,154

Service concession arrangement:		
Revenue from electricity sales	133,824	130,166
Waste treatment revenue	85,847	87,945
Project revenue	-	2,915
Operating revenue	15,355	13,838
	235,026	234,864
	$ 2,176,927	$ 2,730,018

	April to June of 2026	April to June of 2025
Cut-off point of revenue recognition		
Revenue recognized at a particular point in time	$ 736,551	$ 1,206,174
Revenue recognized gradually over time	272,362	118,688
	$ 1,008,913	$ 1,324,862

	January to June of 2026	January to June of 2025
Cut-off point of revenue recognition		
Revenue recognized at a particular point in time	$ 1,438,094	$ 2,473,849
Revenue recognized gradually over time	738,833	256,169
	$ 2,176,927	$ 2,730,018

B. The Group recognized contract liabilities related to revenue from customer contracts as follows:

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Contractual Asset- current	$ 3,103	$ 3,103	$ 3,103	$ 3,103
Contractual Liabilities-current: Advance receipts	$ 10,526	$ 84,568	$ 85,937	$ 50,908

①The opening contract liabilities were recognized in income of $184 and $20,488 and $485 and $26,292 from April to June of 2026 and 2025 and January to June of 2026 and 2025, respectively.

②Outstanding long-term contracts:
For the date ended June 30, 2026, December 31, 2025 and June 30, 2025, the amortized contract costs of the unfulfilled part of the long-term contracts signed by the subsidiary of Yung Fu and customers were $117,020, $597,014 and $638,799, respectively. The management expects that the amortized transaction price of the outstanding performance obligations as of June 30, 2026, December 31, 2025 and June 30, 2025, will be recognized as revenue in the next 2 to 4 years. Except for the abovementioned contracts, all other contracts of the Group are contracts of less than one year or billed based on the actual operating quantity. According to IFRS 15, there is no need to disclose the transaction price of the allocation of outstanding contractual obligations for these contracts.

(27) Net other income and expenses

	April to June of 2026	April to June of 2025
Other income –- rental income	$ 10,261	$ 15,391
Other expenses - depreciation expense	(6,125)	(10,737)
	$ 4,136	$ 4,654
	January to June of 2026	January to June of 2025
Other income - rental income	$ 25,652	$ 20,513
Other expenses - depreciation expense	(15,583)	(14,346)
	$ 10,069	$ 6,167

(28) Interest income

	April to June of 2026	April to June of 2025
Interest from bank deposits	$ 2,839	$ 1,460
Interest income from financial assets measured at amortized cost	133	503
Other interest incomes	267	5
	$ 3,239	$ 1,968

	January to June of 2026	January to June of 2025
Interest from bank deposits	$ 2,904	$ 2,563
Interest income from financial assets measured at amortized cost	593	632
Other interest incomes	456	17
	$ 3,953	$ 3,212

(29) Other income

	April to June of 2026	April to June of 2025
Rental income	$ 566	$ 550
Gain on bargain purchase	3,145	-
Other income	2,788	5,229
	$ 6,499	$ 5,779

	January to June of 2026	January to June of 2025
Insurance claims income	$ -	$ 4,047
Directors' remuneration	2,185	-
Rental income	1,091	1,135
Gain on bargain purchase	3,145	-
Other income	8,133	6,339
	$ 14,554	$ 11,521

(30) Other gains and losses

	April to June of 2026	April to June of 2025
Net loss on financial assets at fair value through profit or loss	($ 24,578)	($ 10,942)
Net gain on disposal of property, plant and equipment	15	817
Gain on reversal of impairment loss on non-financial assets	1,021	-
Gain on disposal of non-current assets held for sale	6,807	-
Net foreign currency exchange loss	(1,110)	(12,824)
Gain arising from lease modifications	2	25
Net gain on disposal of tooling and spares	-	10,795
Other losses	(1)	(53)
	($ 17,844)	($ 12,182)

	January to June of 2026	January to June of 2025
Net loss on financial assets at fair value through profit or loss	($ 17,374)	($ 14,612)
Net gain on disposal of property, plant and equipment	15	950
Gain on reversal of impairment loss on non-financial assets	1,021	-
Gain on disposal of non-current assets held for sale	53,549	-
Net foreign currency exchange gain	892	6,888
Gain arising from lease modifications	2	6,495
Net gain on disposal of office supplies	-	2,845
Net gain on disposal of tooling and spares	-	10,795
Other losses	(8,973)	(115)
	$ 29,132	$ 13,246

(31) Financial costs

	April to June of 2026	April to June of 2025
Interest expense		
Bank loans	$ 11,379	$ 11,861
Convertible bonds	-	1,965
Related parties financing borrowings	5,504	661
Lease liabilities	258	92
Others	54	198
	$ 17,195	$ 14,777

	January to June of 2026	January to June of 2025
Interest expense		
Bank loans	$ 25,356	$ 24,200
Convertible bonds	-	3,920
Related parties financing borrowings	9,266	661
Lease liabilities	457	600
Others	98	204
	$ 35,177	$ 29,585

(32) Additional information on the nature of expenses

	April to June of 2026			April to June of 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits	$ 54,757	$ 24,549	$ 79,306	$ 57,121	$ 14,498	$ 71,619
Depreciation	$ 11,603	$ 3,730	$ 15,333	$ 18,657	$ 3,697	$ 22,354
Amortization expense	$ 12,120	$ 3,741	$ 15,861	$ 12,128	$ 1,311	$ 13,439

	January to June of 2026			January to June of 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits	$ 118,144	$ 40,713	$ 158,857	$ 137,069	$ 30,857	$ 167,926
Depreciation	$ 20,109	$ 5,947	$ 26,056	$ 47,917	$ 8,544	$ 56,461
Amortization expense	$ 24,233	$ 5,053	$ 29,286	$ 24,231	$ 2,625	$ 26,856

(33) Employee benefits expenses

	April to June of 2026			April to June of 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Salary expenses	$ 45,091	$ 21,433	$ 66,524	$ 47,943	$ 12,552	$ 60,495
Labor and health insurance expenses	4,709	1,718	6,427	4,332	989	5,321
Pension expense	2,457	808	3,265	3,833	470	4,303
Other personnel expenses	2,500	590	3,090	1,013	487	1,500
	$ 54,757	$ 24,549	$ 79,306	$ 57,121	$ 14,498	$ 71,619

	January to June of 2026			January to June of 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Salary expenses	$ 100,059	$ 35,488	$ 135,547	$ 117,898	$ 26,303	$ 144,201
Labor and health insurance expenses	9,472	2,653	12,125	10,962	2,190	13,152
Pension expense	4,918	1,290	6,208	4,977	1,032	6,009
Other personnel expenses	3,695	1,282	4,977	3,232	1,332	4,564
	$ 118,144	$ 40,713	$ 158,857	$ 137,069	$ 30,857	$ 167,926

A. In accordance with the Company's Articles of Incorporation, the Company shall contribute 1% to 3% of the current year's profitability as compensation to employees, of which not less than 0.1% shall be distributed as compensation to entry-level employees, and not more than 3% as compensation to directors. However, where there are accumulated losses, an equivalent amount shall be appropriated to compensate for the losses.

The above-mentioned profit status for the year refers to the pre-tax profit prior to deducting compensation of employees and remuneration of directors.

B. The Company's estimated amounts of employees' and directors' remuneration were $-, $-, $704 and $1,408 of the period from April to June of 2026 and January to June of 2026 respectively. The bovementioned amounts were recognized as payroll expenses, and are estimated based on the profitability of the year up to the current

period and the percentage specified in the Articles of Incorporation. From April to June 2025 and January to June 2025, no employees' compensation and directors' remuneration was accrued because of losses incurred for the periods.
Information on employees' remuneration and directors' remuneration approved by the Company's board meeting can be found on the MOPS.

(34) Income tax

A. Income tax expense(benefit) components:

(A) Income tax expense(benefit) components:

	April to June of 2026	April to June of 2025
Current income tax:		
Current tax expense(benefit) for the year	$ 3,152	$ 3,915
Unappropriated earnings	10	6
Prior year income tax over estimation	1,397	7,359
Total current income tax	4,559	11,280
Deferred income tax:		
Generation and reversal of temporary differences	(8,109)	(12,806)
Income tax benefit	($ 3,550)	($ 1,526)

	January to June of 2026	January to June of 2025
Current income tax:		
Current tax on profits for the year	$ 13,360	$ 7,151
Unappropriated earnings	10	540
Prior year income tax under (over) estimation	(225)	7,359
Total current income tax	13,145	15,050
Deferred income tax:		
Generation and reversal of temporary differences	11,057	(28,026)
Income tax expense(benefit)	$ 24,202	($ 12,976)

(B)Income tax expense(benefit) related to other comprehensive income:

	April to June of 2026	April to June of 2025
Remeasurements of defined benefit plans	$ 354	$ -

	January to June of 2026	January to June of 2025
Remeasurements of defined benefit plans	$ 354	$ -

B. The Company's income tax returns through 2024 have been assessed and approved by the Tax Authority, and there were no disputes existing between the Company and the Authority as of August 11, 2026.

(35) Earnings (loss) per share

	April to June of 2026		
	Amount after tax	Weighted average share outstanding (thousand shares)	Earnings per share (NT$)
Basic and diluted loss per share			
Net loss attributable to equity holders of the parent company for the period	($ 5,758)	100,674	($ 0.06)

	April to June of 2025		
	Amount after tax	Weighted average share outstanding (thousand shares)	Earnings per share (NT$)
Basic loss per share			
Net loss attributable to equity holders of the parent company for the period	($ 49,591)	$ 100,670	($ 0.49)

	January to June of 2026		
	Amount after tax	Weighted average share outstanding (thousand shares)	Earnings per share (NT$)
Basic earnings per share			
Net income attributable to equity holders of the parent company for the period	$ 46,777	$ 100,674	$ 0.46
Diluted earnings per share			
Net income attributable to equity holders of the parent company for the period	$ 46,777	$ 100,674	
Effect of dilutive potential ordinary shares			
Compensation of employees	-	29	
Net income attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary share	$ 46,777	$ 100,703	$ 0.46

	January to June of 2025		
	Amount after tax	Weighted average share outstanding (thousand shares)	Earnings per share (NT$)
Basic and diluted loss per share			
Net loss attributable to equity holders of the parent company for the period	($ 77,244)	100,670	($ 0.77)

Employees' remuneration, employee stock options, and convertible bonds of April to June 2026, April to June 2025, and January to June 2025 had anti-dilution effect, therefore, they were excluded from the calculation of diluted loss per share.

(36) Business combinations

A. For the purpose of establishing a precision recycling business group, the Group participated in the cash capital increase of Openness Specialty Materials Corp. Ltd. on April 1, 2026, acquiring 20,000 thousand shares of its equity for a total amount of $200,000, representing a 71.43% ownership interest, and obtained control over Openness Specialty Materials Corp. Ltd.

B. Information regarding the consideration transferred for the acquisition of Openness Specialty Materials Corp. Ltd., the fair value of assets acquired and liabilities assumed at the acquisition date, and the fair value of non-controlling interests at the acquisition date is as follows:

	April 1, 2026
Consideration transferred	
Cash	$ 200,000
Fair value of non-controlling interests	102,041
	302,041
Fair value of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	207,785
Other current assets	11,528
Non-current assets	150,755
Current liabilities	(26,721)
Non-current liabilities	(38,161)
Identifiable net assets	305,186
Gain on bargain purchase	($ 3,145)

C. Since the consolidation of Openness Specialty Materials Corp. Ltd. by the Group on April 1, 2026, the operating revenue and net loss before tax contributed by the subsidiary were $4,252 and ($5,999), respectively. Assuming that Openness Specialty Materials Corp. Ltd. had been included in the consolidated financial statements of the Group since January 1, 2026, the operating revenue and net loss before tax of the Group would have increased by $8,267 and ($11,029), respectively.

(37) Supplemental cash flow information

A. Operating and Investing activities with partial cash receipts and payments:

	January to June of 2026	January to June of 2025
①Acquisition of property, plant and equipment	$ 333	$ 8,472
Add: Other payables at the beginning of the period (including related parties)	-	2,775
Less: Other payables at the end of the period	-	(115)
Cash paid for acquisition of property, plant and equipment	$ 333	$ 11,132
②Disposal of tooling and spares (listed as "Other non-current assets - others")	$ -	$ 39,133
Less: Notes receivable at end of period - related parties	-	(43)
Cash receipts from disposal of tooling and spares	$ -	$ 39,090
③Proceeds from disposal of net non-current assets held for sale	$ 143,587	$ -
Less: Receipts in advance at beginning of period	(94,838)	-
Net cash inflows from disposal of non-current assets held for sale	$ 48,749	$ -

B. Investing and financing activities that do not affect cash flows:

	January to June of 2026	January to June of 2025
①Prepayments for equipment transferred to property, plant and equipment	$ 23,485	$ 80,079
②Property, plant and equipment transferred to investment property	$ -	$ 105,752
③Property, plant and equipment transferred to non-current assets held for sale	$ 11,217	$ -
④Prepaid expenses transferred to other non-current assets - others	$ -	$ 4,896
⑤Investment property transferred to property, plant and equipment	$ 102,236	$ -
⑥Undistributed cash dividends of the company declared	$ -	$ 20,134

(38) Changes in liabilities arising from financing activities

	Short-term loans	Short-term bills payable	Lease liabilities	Other payables - related parties	Long-term loans (including the due 1 year)	Guarantee deposits	Total liabilities arising from financing activities
January 1, 2026	$ 1,012,768	$ 79,959	$ 16,924	$ 440,000	$ 772,760	$ 48,842	$ 2,371,253
Net change in financing cash flows	(6,157)	20,000	(3,194)	(69,000)	5,042	7,652	(45,657)
Change in other non-cash item	10,000	(3)	29,554	-	-	-	39,551
June 30, 2026	$ 1,016,611	$ 99,956	$ 43,284	$ 371,000	$ 777,802	$ 56,494	$ 2,365,147

	Short-term loans	Short-term bills payable	Lease liabilities	Other payables - related parties	Bonds payable (including the due 1 year)	Long-term loans (including the due 1 year)	Guarantee deposits	Total liabilities arising from financing activities
January 1, 2025	$ 649,922	$ 114,414	$ 118,254	$ -	$ 348,356	$ 923,985	$ 41,096	$ 2,196,027
Net change in financing cash flows	128,163	27,200	(5,146)	260,000	-	(36,423)	8,368	382,162
Change in other non-cash item	-	16	(94,911)	-	3,920	-	-	(90,975)
June 30, 2025	$ 778,085	$ 141,630	$ 18,197	$ 260,000	$ 352,276	$ 887,562	$ 49,464	$ 2,487,214

7.Related party transaction

(1) Name and relationship

Name of related party	Relationship with the Group
Taiwan Steel Group United Co., Ltd.	Corporate director of the company
Chun Yu Works & Co., Ltd.	Other related parties
Chun Zu Machinery Industry	Other related parties
Chun Bang Precision Co., Ltd.	Other related parties
TMP Steel Corp.	Other related parties
Gloria Material Technology Corp	Other related parties
S-TECH Corp.	Other related parties
TSG sportsmarketing company limited	Other related parties
Golden Win Steel Industrial Corp.	Other related parties
TSG Engineering Corp.	Other related parties
United Fiber Optic Communication Inc.	Other related parties
Kings Asset Management Co., Ltd	Parent company of Taiwan Steel Group United Co., Ltd.
Guo Renhao	Other related parties

(2) Significant transactions with the related parties

A. Sale of goods

	April to June of 2026	April to June of 2025
Product sales:		
Gloria Material Technology Corp	$ 108,530	$ 121,605
Other related parties	54,798	82,678
	$ 163,328	$ 204,283
	January to June of 2026	January to June of 2025
Product sales:		
Gloria Material Technology Corp	$ 197,159	$ 310,168
Other related parties	110,327	231,258
	$ 307,486	$ 541,426

Transaction price: Negotiated price for both related and unrelated parties.

Collection terms (period): 15 to 90 days for related parties and 3 to 90 days for non-related parties by wire transfer or 60 to 90 days by letter of credit after the date of bill of lading.

B. Purchase of goods

	April to June of 2026	April to June of 2025
Product Purchase:		
Chun Yu Works & Co., Ltd.	$ 11,805	$ 135,764
Other related parties	2,112	2,475
	$ 13,917	$ 138,239
	January to June of 2026	January to June of 2025
Product Purchase:		
Chun Yu Works & Co., Ltd.	$ 114,948	$ 219,054
Other related parties	4,939	5,316
	$ 119,887	$ 224,370

Transaction price: Negotiated price for both related and unrelated parties.

Payment terms (period): The terms of purchase transactions from related parties are generally similar to those of general suppliers, with an average payment period of one to three months, but the payment period may be extended by mutual agreement depending on the availability of funds.

C. Property transaction

Disposal of supplies inventory (listed as "Pre-payments")

	April to June of 2025	April to June of 2025
	Price from disposal	(Losses) gains from disposal
Chun Yu Works & Co., Ltd.	$ 14,742	$ 10,795
	January to June of 2025	January to June of 2025
	Price from disposal	(Losses) gains from disposal
Chun Yu Works & Co., Ltd.	$ 67,681	$ 13,640

There were no cases from April to June of 2026 and January to June of 2026.

D. Tooling and repair costs (listed as "Operating costs" and "Other non-current assets - other")

	January to June of 2025
Other related parties	$ 8,767

There were no cases from January to June of 2026,April to June of 2026 and 2025.

E. Packaging and other expenses (listed as "Operating costs" and "Operating expense")

	April to June of 2026	April to June of 2025
Chun Yu Works & Co., Ltd.	$ 3,214	$ 19,639
Other related parties	82	389
	$ 3,296	$ 20,028

	January to June of 2026	January to June of 2025
Chun Yu Works & Co., Ltd.	$ 14,511	$ 28,370
Other related parties	82	1,046
	$ 14,593	$ 29,416

F. Rental income (listed as "Net other income and expenses")

	April to June of 2026	April to June of 2025
Chun Yu Works & Co., Ltd.	$ 10,261	$ 15,391
	January to June of 2026	**January to June of 2025**
Chun Yu Works & Co., Ltd.	$ 25,652	$ 20,513

Please refer to Note 6. (10) Leasing arrangements - lessor.

G. Accounts receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Gloria Material Technology Corp	$ 56,041	$ 56,246	$ 60,900
Other related parties	24,785	39,811	40,854
	$ 80,826	$ 96,057	$ 101,754

H. Other accounts receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Chun Yu Works & Co., Ltd.	$ 1,333	$ 8,434	$ 35,127
Other related parties	210	141	105
	$ 1,543	$ 8,575	$ 35,232

I. Advance payment

	June 30, 2026	December 31, 2025	June 30, 2025
Chun Yu Works & Co., Ltd.	$ 2,972	$ 2,974	$ 3,483
TSG Engineering Corp.	-	2,626	50,800
	$ 2,972	$ 5,600	$ 54,283

J. Accounts payable

	June 30, 2026	December 31, 2025	June 30, 2025
Chun Yu Works & Co., Ltd.	$ 12,660	$ 92,720	$ 195,231
Other related parties	320	567	651
	$ 12,980	$ 93,287	$ 195,882

K. Other accounts payable

	June 30, 2026	December 31, 2025	June 30, 2025
Chun Yu Works & Co., Ltd.	$ 3,372	$ 13,211	$ 15,844
Other related parties	9,812	7,454	1,196
	$ 13,184	$ 20,665	$ 17,040

L. Guarantee deposits received

	June 30, 2026	December 31, 2025	June 30, 2025
Chun Yu Works & Co., Ltd.	$ 10,233	$ 10,233	$ 10,233

M. Financing provided to related parties - loans form related parties

	Balance of ending period	Interest expense	Interest expense
	June 30, 2026	April to June of 2026	January to June of 2026
Kings Asset Management Co., Ltd	$ 371,000	$ 5,504	$ 9,266

	December 31, 2025
Kings Asset Management Co., Ltd	$ 440,000

	June 30, 2025	April to June of 2025	January to June of 2025
Kings Asset Management Co., Ltd	$ 260,000	$ 661	$ 661

N. Endorsements and guarantees provided by related parties

	Balance of ending period
	December 31, 2025
Guo Renhao	$ 50,000

There were no such cases as of June 30, 2026 and 2025.

(3) Compensation of key management personnel

	April to June of 2026	April to June of 2025
Salary and other short-term employee benefits	$ 7,118	$ 3,264
	January to June of 2026	January to June of 2025
Salary and other short-term employee benefits	$ 11,379	$ 7,440

8. Pledged asset

The breakdown of guarantees provided for the Group's assets is as follows:

Assets	June 30, 2026	December 31, 2025	June 30, 2025	Purpose
Pledged demand deposits (Note 1)	$ 311,846	$ 225,614	$ 213,071	Performance bond, short-term borrowings, short-term bills payable and long-term loan guarantees
Pledged time deposits (Note 1)	135,470	83,905	72,056	Performance bond, short-term loan guarantees and short-term bills payable
Land (Note 2)	139,607	139,607	139,607	Performance bond and short-term borrowings
House and Building - net (Note 2)	13,591	14,770	16,250	Performance bond and short-term borrowings
Machinery & equipment (Note 2)	-	-	176,889	Short-term bills payable and long-term loan guarantees
	$ 600,514	$ 463,896	$ 617,873	

(Note 1) Listed as "Financial assets at amortized cost - current" and "Financial assets at amortized cost - non-current".

(Note 2) Listed as "Property, plant and equipment" and investment property.

9. Significant contingent liabilities and unrecognized commitments

(1) As of June 30, 2026, December 31, 2025 and June 30, 2025, the Group had issued but unused letters of credit of $-, $- and $10,021, respectively, for the purchase of raw materials.

(2) As of June 30, 2026, December 31, 2025 and June 30, 2025, the performance bond issued by the bank for the Group's for contracts of the subsidiary - Yung Fu Co., Ltd were $414,139, $465,093 and $464,733, respectively.

(3) As of June 30, 2026, the major contracts undertaken by the subsidiary - Yung Fu Co., Ltd are as follows:

Name of Project Owner	Construction/Service Contract	Contract Amount	Contract Period
Environmental Protection Bureau of Hsinchu City	Performance and preparation enhancement turnkey project for garbage recycling plant in Hsinchu City	$ 662,085	2024.12.5～2026.11.30
Environmental Protection Bureau of Hsinchu City	Contract operation and management of garbage recycling plant in Hsinchu City	Request for payment based on actual monthly volume processed	2022.2.16～2042.2.15
Environmental Protection Bureau of Pingtung County	Renovate, operate, transfer (ROT) project of Kanding Waste Incineration Plant in Pingtung County (Note)	Request for payment based on actual monthly volume processed	2021.12.22～2041.12.21

(Note) Please refer to Note 6. (12) intangible assets.

10.Significant catastrophic losses

None such cases.

11.Material Events After the Balance Sheet Date

(1) On June 26, 2026, the Company's Board of Directors approved the acquisition of 8,000 thousand shares of its subsidiary, Openness Specialty Materials Corp. Ltd., from non-controlling interests to meet the Company's future restructuring needs. The acquisition price was NT$13.75 per share, representing a total consideration of $110,000. The stock settlement was subsequently completed on July 20, 2026.

(2) On June 26, 2026, the Company's Board of Directors approved the disposal of a 100% equity interest (2,300 thousand shares) in its subsidiary, TSG Energy Co., Ltd., to meet the Company's future restructuring needs. The selling price was NT$27.17 per share, representing a total consideration of $62,500. The stock settlement was subsequently completed on July 16, 2026.

12. Others

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

The information on financial instruments by category is provided in Notes 6 and 12(3).

B. Financial risk management policies

① The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.
To minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts is used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments.

② Risk management is carried out by a central financial department under policies approved by the Board of Directors. Group financial department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units.

C. Significant financial risks and degrees of financial risks

① Market risk

a. Foreign exchange risk

(a) The Group's Management has set up a policy to require the Group to manage its foreign exchange risk against its functional currency. The companies are required to

hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable EUR and USD expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting collection forecast of account receivable.

(b) The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedge accounting, and therefore accounts for financial assets or liabilities at fair value through profit or loss.

(c) The Group's businesses involve some non-functional currency operations (the functional currency of the Company and subsidiaries is the New Taiwan Dollar). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	June 30, 2026		
	Foreign currency (in thousand)	Exchange Rate	Book Value
(Foreign currency: Foreign currency)			
Financial asset			
Monetary items			
USD: NTD	$ 879	31.85	$ 27,996
EUR: NTD	3,811	36.29	138,301

	December 31, 2025		
	Foreign currency (in thousand)	Exchange Rate	Book Value
(Foreign currency: Foreign currency)			
Financial asset			
Monetary items			
USD: NTD	$ 3,135	31.43	$ 98,533
EUR: NTD	1,424	36.90	52,546

	June 30, 2025		
	Foreign currency (in thousand)	Exchange Rate	Book Value
(Foreign currency: Foreign currency)			
Financial asset			
Monetary items			
USD: NTD	$ 3,314	29.30	$ 97,100
EUR: NTD	3,739	34.35	128,435

a. The sensitivity analysis of foreign currency exchange rate risk is calculated mainly for foreign currency monetary items at financial reporting date. If the exchange rate of NTD to USD and EUR had appreciated/depreciated by 1% with all other factors remaining constant, the Group's net income after tax would have increased/decreased by $1,330 and $1,804 for January through June of 2026 and 2025, respectively.

b. Total exchange (loss) gain (including realized and unrealized) arising from significant foreign exchange variation on the monetary items held by the Group for the three months and six months ended June 30, 2026 and 2025 amounted to ($1,110), ($12,824), $892 and $6,888, respectively.

b. Price risk

(a) The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

(b) The Group invests primarily in equity instruments issued by domestic companies. The prices of these equity instruments are affected by the uncertainty of the future value of the underlying investments. If the price of these equity instruments had increased or decreased by 1%, with all other factors held constant, the benefit or loss to shareholders' equity from equity investments measured at fair value through other comprehensive income would have increased or decreased by $2,764 and $2,754 from January to June 2026 and 2025, respectively; as for the other comprehensive income classified as equity instruments at fair value through other comprehensive income, it have increased or decreased by $3,974 and $4,500, respectively.

c. Cash flow and fair value interest rate risk

The Group's borrowings are floating-rate financial instruments. Therefore, changes in market interest rates will cause the effective interest rates of debt-type financial instruments to change accordingly, resulting in fluctuations in their future cash flows. This risk is partially offset by cash and cash equivalents held at floating interest rates. With respect to the sensitivity analysis of interest rate risk, a 10% increase/decrease in borrowing rates, with all other factors held constant, would have increased/decreased net income by $367 and $203 from January to June 2026 and 2025, respectively, mainly due to the increase/decrease in interest expense as a result of floating rate borrowings.

②Credit risk

a. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

b. The Group manages its credit risk taking into consideration the entire group's concern. According to the Group's credit policy, the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

c. The Group adopts the assumption under IFRS 9, that is, default occurs when the contract payments were past due over 90 days.

d. The Group adopts management of credit risk, whereby the default occurs when the contract payments are past due over certain number of days.

e. The Group classifies customer's notes and accounts receivable in accordance with credit term. The Group applies the modified approach using provision matrix, loss rate

methodology to estimate expected credit loss. The Group used the forecastability of conditions to adjust historical and timely information to assess the default possibility of notes and accounts receivable. Movements in relation to the Group applying the modified approach to provide loss allowance for notes and accounts receivable are as follows:

	January to June of 2026		
	Notes receivable	Accounts receivable	Total
Balance of beginning and ending period	$ -	$ 23	$ 23

	January to June of 2025		
	Notes receivable	Accounts receivable	Total
Balance of beginning and ending period	$ -	$ 23	$ 23

③ Liquidity risk

a. Cash flow forecasting is performed by the company treasury. Company treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

b. Surplus cash held by the Group over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.

c. The Group's unutilized borrowings are shown as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Floating rate			
Mature within one year	$ 820,052	$ 578,175	$ 882,234
Maturity of more than 1 year	97,344	360,613	491,241
	$ 917,396	$ 938,788	$ 1,373,475

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

June 30, 2026	Less than 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years
Non-derivative financial liabilities:				
Short-term loans	$1,022,867	$ -	$ -	$ -
Short-term bills payable	100,000	-	-	-
Notes payable	859	-	-	-
Accounts payable (including related parties)	428,485	-	-	-
Other payables (including related parties)	485,942	-	-	-
Lease liabilities	8,117	8,353	12,167	17,888
Long-term loans (including current portion)	143,204	140,137	252,903	334,040
Guarantee deposits received	10,233	46,261	-	-

December 31, 2025	Less than 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years
Non-derivative financial liabilities:				
Short-term loans	$1,022,207	$ -	$ -	$ -
Short-term bills payable	80,000	-	-	-
Notes payable (including related parties)	1,557	-	-	-
Accounts payable (including related parties)	541,193	-	-	-
Other payables (including related parties)	565,785	-	-	-
Lease liabilities	4,838	4,494	5,100	4,410
Long-term loans (including current portion)	139,566	113,955	252,081	366,728
Guarantee deposits received	10,233	38,609	-	-

June 30, 2025	Less than 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years
Non-derivative financial liabilities:				
Short-term loans	$ 782,427	$ -	$ -	$ -
Short-term bills payable	141,800	-	-	-
Notes payable	3,427	-	-	-
Accounts payable (including related parties)	629,989	-	-	-
Other payables (including related parties)	392,077	-	-	-
Lease liabilities	5,926	3,933	6,578	4,410
Bonds payable	362,283	-	-	-
Long-term loans (including current portion)	146,282	111,784	291,344	463,193
Guarantee deposits received	10,233	39,231	-	-

e. The Group's non-derivative financial liabilities did not anticipate the cash flow of maturity analysis will occur significantly earlier, or actual amount will be significantly different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities available to the enterprise at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, beneficiary certificates and others are included in Level 1.

Level 2: The observable input value of assets or liabilities, directly or indirectly, except for those included in the quoted prices in Level 1. The fair value of the Group's investment in listed stocks - private placement (liquidity discount is between 5.52% and 15.89%) and call options of the convertible bonds are included in Level 2.

Level 3: Unobservable inputs to assets or liabilities. The fair value of the Group's investment in stock of private entity is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6, (11).

C. Expect for bonds payable (including those due within one year) paid as expected for cash flow of the balance sheet date of market interest rates discount is measured at present value, the Group's financial instruments that are not measured at fair value (including cash and cash equivalents, financial assets at amortized cost - current, notes

receivable, accounts receivable (including related parties), other receivables (including related parties), financial assets at amortized cost - non-current, refundable deposits, short-term loans, short-term bills payable, notes payable, accounts payable (including related parties), other payables (including related parties), long-term loans (including those due within one year) and guarantee deposit received) approximate their fair values.

D. Financial instruments carried at fair value are classified according to the nature, characteristics and risks of the assets and liabilities and the basis of the fair value hierarchy. The related information is as follows:

June 30, 2026	Level 1	Level 2	Level 3	Total
Asset				
Recurring fair value				
Financial assets at fair value through gain or loss				
Equity securities	$ 40,184	$ 236,200	$ -	$ 276,384
Financial assets at fair value through other comprehensive income				
Equity securities	$ 28,358	$ 340,107	$ 28,918	$ 397,383
December 31, 2025	Level 1	Level 2	Level 3	Total
Asset				
Non-recurring fair value				
Non-current assets held for sale	$ -	$ -	$ 77,800	$ 77,800
Recurring fair value				
Financial assets at fair value through gain or loss				
Equity securities	$ 45,958	$ 247,800	$ -	$ 293,758
Financial assets at fair value through other comprehensive income				
Equity securities	$ 23,816	$ 419,690	$ 24,040	$ 467,546

June 30, 2025	Level 1	Level 2	Level 3	Total
Asset				
Recurring fair value				
Financial assets at fair value through gain or loss				
Equity securities	$ 51,650	$ 223,350	$ -	$ 275,000
Call options of corporate bonds	-	416	-	416
	$ 51,650	$ 223,766	$ -	$ 275,416
Financial assets at fair value through other comprehensive income				
Equity securities	$ 20,563	$ 400,268	$ 29,156	$ 449,987

E. The methods and assumptions used by the Group to measure fair value are described below:

① The Group adopt market pricing as the input of fair value (i.e. Level 1), and the breakdown of the characteristics of the instrument is as follows:

	Listed shares	Emerging stocks
Market quoted price	Closing price	Average trading price

② Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.The fair value of financial instruments measured by using valuation techniques method can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

③ The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

F. The valuation of derivative financial instruments is based on valuation models widely accepted by market participants, such as present discounted value techniques and option pricing models. The call options of corporate bonds are usually evaluated according to the binomial tree convertible bond model.

G. There was no transfer between Level 1 and Level 2 from January to June, 2026 and 2025.

H. The following table is the change of Level 3 financial instruments from January to June, 2026 and 2025:

	January to June of 2026	January to June of 2025
	Equity instrument	Equity instrument
January 1	$ 24,040	$ 28,091
Benefits recognized in other comprehensive income	4,878	1,065
June 30	$ 28,918	$ 29,156

I. Financial Department is in charge of valuation procedures for fair value measurements being categorized within Level 2 and Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the source of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at June 30, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Unlisted shares	$ 28,918	Market comparable companies	(1) Price to earnings ratio multiple	3.49%	The higher the multiple and control premium, the higher the fair value
			(2) Discount for lack of marketability	30%	The higher the discount for lack of market-ability, the lower the fair value

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Unlisted shares	$ 24,040	Market comparable companies	(1) Price to earnings ratio multiple	2.89%	The higher the multiple and control premium, the higher the fair value
			(2) Discount for lack of marketability	30%	The higher the discount for lack of market-ability, the lower the fair value
Non-current assets held for sale (Note)	77,800	Replacement cost method	N/A	N/A	N/A

(Note) Measured at the lower of its carrying amount and fair value less costs to sell.

	Fair value at June 30, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Unlisted shares	$ 29,156	Market comparable companies	(1) Price to earnings ratio multiple	3.50%	The higher the multiple and control premium, the higher the fair value
			(2) Discount for lack of marketability	30%	The higher the discount for lack of market-ability, the lower the fair value

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			June 30, 2026			
			Recognized in profit or loss		Recognized in profit or loss comprehensive income	
	Input	Change	Favourable Change	Unfavourable Change	Favourable Change	Unfavourable Change
Financial assets						
Equity instrument	Price to earnings ratio multiple	± 5%	$ -	$ -	$ 1,350	($ 1,350)
	Discount for lack of marketability	± 10%	-	-	1,157	(1,157)
			$ -	$ -	$ 2,507	($ 2,507)

			December 31, 2025			
			Recognized in profit or loss		Recognized in profit or loss comprehensive income	
	Input	Change	Favourable Change	Unfavourable Change	Favourable Change	Unfavourable Change
Financial assets						
Equity instrument	Price to earnings ratio multiple	± 5%	$ -	$ -	$ 1,106	($ 1,106)
	Discount for lack of marketability	± 10%	-	-	948	(948)
			$ -	$ -	$ 2,054	($ 2,054)

			June 30, 2025			
			Recognized in profit or loss		Recognized in profit or loss comprehensive income	
	Input	Change	Favourable Change	Unfavourable Change	Favourable Change	Unfavourable Change
Financial assets						
Equity instrument	Price to earnings ratio multiple	± 5%	$ -	$ -	$ 1,331	($ 1,331)
	Discount for lack of marketability	± 10%	-	-	1,140	(1,140)
			$ -	$ -	$ 2,471	($ 2,471)

13.Additional Disclosures

(In accordance with the regulations, only information from January to June 2026 is disclosed.)

(1) Significant transactions information

A. Loans to others: Please refer to Table 1.

B. Endorsement and guarantee for others: Please refer to Table 2.

C. Marketable securities held at the end of the period: Please refer to Table 3.

D. Purchase from or sale to related parties amounting to at least $100 million or 20% of the paid-in capital: Please refer to Table 4.

E. Receivables from related parties amounting to at least $100 million or 20% of the paid-in capital: Please refer to Table 5.

F. Business relationships and significant intercompany transactions between the parent company and subsidiaries: Please refer to Table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in China): Please refer to Table 7.

(3) Information on investments in China

None.

14.Segments Information

(1) General information

The management of the Group has identified the reportable segments based on the reported information used by operational decision makers in making decisions. There were no significant changes in the Group's corporate composition, the basis of segmentation and the basis of measurement of segment information during the period.

(2) Departmental information

Information on the reporting segments provided to the chief operating decision maker is shown as follows:

	January to June of 2026				
	Screw Manufacturing Department	Transportation Department	Environmental Business Department	Other	Total
Net external revenue	$ 214,417	$ 331,270	$ 1,625,287	$ 5,953	$ 2,176,927
Net internal revenue	-	6,723	1,808	-	8,531
Interest revenue	795	490	1,970	698	3,953
Depreciation and Amortization	23,832	13,647	29,542	3,904	70,925
Interest expense	4,401	3,809	26,768	199	35,177
Departmental net income (loss) before income taxes	(6,612)	1,219	92,937	(10,819)	76,725
Segment assets	1,269,201	736,507	3,224,769	341,205	5,571,682
Segment liabilities	616,411	358,660	1,939,848	46,354	2,961,273

	January to June of 2025			
	Screw Manufacturing Department	Transportation Department	Environmental Business Department	Total
Net external revenue	$ 620,445	$ 497,249	$ 1,612,324	$ 2,730,018
Net internal revenue	-	9,016	1,046	10,062
Interest revenue	1,713	383	1,116	3,212
Depreciation and Amortization	22,148	9,646	51,523	83,317
Interest expense	8,581	2,389	18,615	29,585
Departmental net income (loss) before income taxes	(5,758)	5,372	(159,638)	(160,024)
Segment assets	1,742,653	690,753	3,310,950	5,744,356
Segment liabilities	879,822	285,324	2,195,644	3,360,790

(3) Reconciliation of Segment Profit and Loss, Assets and Liabilities

The external revenue reported to the chief operating decision maker is measured in a manner consistent with the revenue in the consolidated statement of income, and the segment profit or loss, total assets and total liabilities provided to the chief operating decision maker are measured in a manner consistent with the Group's consolidated financial statements; therefore, no reconciliation is required.

OFCO Industrial Corp. and subsidiaries

Financing provided to others

January 1 to June 30, 2026

Table 1

Unit: NT$ thousand

Code	Lender	Borrower	Business relationship	Whether it is a related party	Maximum balance	Ending balance	Transaction Amounts	Interest Rate	Nature of financing provided (Note 1)	Business Transaction Amounts	Reason for the necessity of shortterm financing	Amount of recognized impairment loss	Collateral		Lending of funds to individual entities and limit of financing (Note 2)	Total limit of financing (Note 2)	Remarks
													Name	Value			
0	OFCO Industrial Corp.	Yung Fu Co.,Ltd.	Other receiable - related party	Y	$ 150,000	$ 150,000	$ 100,000	3.44%	2	$ -	Business development needs	$ -	-	$ -	$ 193,987	$ 387,974	(Note 2)
1	TSG Transport Corp	Yung Fu Co.,Ltd.	Other receiable - related party	Y	40,000	40,000	40,000	3.44%	2	$ -	Business development needs	$ -	-	$ -	41,992	83,984	(Note 2)
2	TSG Power Corp.	Yung Fu Co.,Ltd.	Other receiable - related party	Y	20,000	20,000		-	2	$ -	Business development needs	$ -	-	$ -	6,229	12,458	(Note 2)

(Note 1) The nature of the loan and the meaning of the code are described as follows:

1. For entities with business transaction relationships.
2. For necessary short-term financing needs.

(Note 2) The maximum amount for total loan is 20% of its net value; the maximum amount for individual loans is as follows:

1. For entities with business transaction relationships: the amount shall not exceed the higher of the Company’s purchase or sales amount in the most recent year or the current year as of the time of the loan.
2. For necessary short-term financing needs: the amount shall not exceed 10% of the Company's most recent audited or reviewed financial statements.

OFCO Industrial Corp. and subsidiaries

Provision of endorsements and guarantees to others

January 1 to June 30, 2026

Table 2

Unit: NT$ thousand

	Party being endorsed/guaranteed												
Endorser/guarantor	Company name	Relationship (Note 1)	Limit on endorsements/ guarantees provided for a single party	Maximum balance during the period	Outstanding balance at June 30,2025	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of Accumulated endorsements/ guarantee amount to net worth of the endorser/guarantor company	Limit on total amount of endorsements/ guarantee	Provision of endorsements/ guarantee by parent company to subsidary	Provision of endorsements/ guarantee by subsidary to parent company	Provision of endorsements/ guarantee to party in Mainland China	Remarks
OFCO Industrial Corp.	Yung Fu Co.,Ltd.	3	$ 193,987	$ 200,000	$ 200,000	$ 190,000	$ -	10.31%	$ 775,949	Y	N	N	(Note 2)

(Note 1) The following code represents the relationship with the Company:

1. Having business relationship.
2. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
3. The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
4. The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
5. Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
6. Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
7. Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

(Note 2) The limit of total amount of endorsements shall not be higher of 40% of the Company's net worth, and the limit for a single party, except for the subsidiary owned over 90% by the Company shall not be higher of 20% of the Company's net worth, the others shall not be higher of 10% of the Company's net worth.

OFCO Industrial Corp. and Subsidiaries

Holding of Marketable Securities at the End of the Period (not Including Subsidiaries, Associates and Joint Ventures)

June 30, 2026

Table 3

Unit: NT$ thousand

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Item	Ending balance				Remarks
				Shares (thousands)	Carrying amount	Ownership (%)	Fair value	
OFCO Industrial Corp.	Stocks:							
	Chun Yu Works & Co., Ltd.	Other related parties	Financial assets at fair value through profit or loss - current	501	$ 8,365	0.17%	$ 8,365	-
	Gloria Material Technology Corp	Other related parties	Financial assets at fair value through profit or loss - current	436	13,804	0.07%	13,804	-
	Argo Yachts Development Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,500	18,015	1.07%	18,015	-
	King House Co., Ltd.	-	Financial assets at fair value through profit or loss - non-current	5,000	236,200	2.96%	236,200	-
	Taiwan Styrene Monomer Corporation	-	Financial assets at fair value through other comprehensive income or loss - non-current	2,688	28,358	0.51%	28,358	-
	TSG Development Co., Ltd. (formerly named Data Van International Corporation)	-	Financial assets at fair value through other comprehensive income or loss - non-current	7,000	71,400	3.77%	71,400	-
	China Fineblanking Technology Co., Ltd.	Corporate director of the company	Financial assets at fair value through other comprehensive income or loss - non-current	13,000	229,536	12.17%	229,536	-
TSG Transport Corp.	Stocks:							
	Taiwan Steel Insurance Broker Co., Ltd. (formerly named Titan Insurance Broker Co., Ltd.)	-	Financial assets at fair value through other comprehensive income or loss - non-current	760	26,993	14.29%	26,993	-
	China Fineblanking Technology Co., Ltd.	Corporate director of the company	Financial assets at fair value through other comprehensive income or loss - non-current	2,000	39,171	1.87%	39,171	-
TSG Environmental Technology Corp.	Stocks:							
	Taiwan Steel Insurance Broker Co., Ltd. (formerly named Titan Insurance Broker Co., Ltd.)	-	Financial assets at fair value through other comprehensive income or loss - non-current	66	1,925	1.24%	1,925	-

OFCO Industrial Corp. and subsidiaries

Related parties transactions for purchases and sales amounts exceeding the lower of $100 million or 20 percent of capital stock

January 1 to June 30, 2026

Table 4

Unit: NT$ thousand

			Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		
Company Name	Related Parties	Relationship	Purchases (Sales)	Amount	Percentage of total amount purchase (Sales)	Term	Unit Price	Term	Balance	Percentage of total receivables (payable)	Remarks
OFCO Industrial Corp.	Chun Yu Works & Co., Ltd.	Other related parties	Purchases	$ 114,948	100%	Month end 30 days	Not significantly different	Not significantly different	($ 12,660)	(88%)	-
TSG Transport Corp.	Gloria Material Technology Corp.	Other related parties	(Sales)	(189,254)	(56%)	Month end 60 days	Not significantly different	Not significantly different	55,091	58%	-

OFCO Industrial Corp. and subsidiaries

Receivables from related parties exceeding the lower of $100 million or 20 percent of capital stock

June 30, 2026

Table 5

Unit: NT$ thousand

Company Name	Related Parties	Relationship	Balance of receivables from related parties			Overdue receivables from related parties			Remarks
			Item	Amount	Term	Amount	Actions taken	Subsequent collections	
OFCO Industrial Corp.	Yung Fu Co.,Ltd.	Subsidiaries	Other receivables	$ 100,000	-	-	-	$ 50,000	-

OFCO Industrial Corp. and subsidiaries

Significant inter-company transactions during the reporting periods

January 1 to June 30, 2026

Table 6

Unit: NT$ thousand

				Transaction			
Code (Note 1)	Transaction Company	Counterparty	Relationship with the counter-party (Note 2)	Items	Amounts	Transaction Terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	OFCO Industrial Corp.	Yung Fu Co.,Ltd.	1	Endorsement/Guarantees	$ 200,000	-	4%
				Other receivable	100,000	-	2%
				Interest income	5,267		-
1	TSG Transport Corp.	OFCO Industrial Corp.	2	Sales	4,338	Credit terms: 40 days	-
		Yung Fu Co.,Ltd.	3	Other receivable	40,000		1%

(Note 1) Information on business transactions between the parent company and subsidiaries should be indicated in the numbered column respectively, and the numbers should be filled in as follows:

1. The parent company should fill in 0.
2. Subsidiaries are numbered by company, starting from the Arabic numeral 1.

(Note 2) There are three types of relationships with the counter-parties, and the types can be indicated as follows:

1. Parent company to subsidiary company.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

(Note 3) In calculating the percentage, the transaction amount is divided by consolidated total assets for balance sheet accounts and is divided by consolidated total revenue for income statement accounts.

(Note 4) Intercompany transactions between the parent company and its subsidiaries or between subsidiaries are not disclosed repetitively since the circumstances and amounts of each transaction is the same on each side.
In addition, the disclosure threshold for significant intercompany transactions is $3 million.

Table 5OFCO Industrial Corp. and subsidiaries

Names, locations and other information of investee companies (not including investees in China)

January 1 to June 30, 2026

Unit: NT$ thousand

Table 7

Investor	Investee	Location	Main Businesses and Products	Investment amount		Holdings at the end of the period			Net income (loss) of the investee for the current period	Investment income (loss) recognized for the current period	Remarks
				End of the current perior	End of Last Year	Number of shares	Ratio (%)	Carrying Amount			
OFCO Industrial Corp.	TSG Transport Corp	Taiwan	Container rental, transportation and packing services, etc.	$ 250,000	$ 250,000	37,400,000	100%	$ 421,733	$ 6,173	$ 6,173	Subsidiary
	TSG Environmental Technology Corp.	Taiwan	Recycling of materials, waste disposal services, etc.	40,000	40,000	4,000,000	100%	91,350	13,016	13,016	Subsidiary
	TSG Power Corp.	Taiwan	Energy technology services	24,554	194,554	2,300,000	100%	62,290	32,277	32,277	Subsidiary
	Yung Fu Co.,Ltd.	Taiwan	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects	689,822	427,305	26,754,162	41.86%	416,551	15,270	7,125	Subsidiary
	Openness Specialty Materials Corp. Ltd.	Taiwan	Precision chemical materials manufacturing and other fabricated metal products manufacturing.	200,000	-	20,000,000	71.43%	195,209	(15,441)	(7,935)	Subsidiary (Note2)
TSG Transport Corp	Yung Fu Co.,Ltd.	Taiwan	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects	2,380	2,380	24,420	0.04%	568	15,270	-	Subsidiary (Note1)
TSG Environmental Technology Corp.	Yung Fu Co.,Ltd.	Taiwan	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects	6,038	3,637	237,289	0.37%	4,763	15,270	-	Subsidiary (Note1)

(Note 1) According to the related regulations, it is not required to disclose income (loss) recognized by the Company

(Note 2) The investment income (loss) recognized for the current period was determined based on the investee's financial statements for the same period, which were self-prepared and have not been reviewed by independent auditors.