

Prime Oil Chemical Service Corporation and its
subsidiaries
Consolidated Financial Statements and
Independent Auditor's Review Report
for the Years Ended December 31, 2025 and 2024
(Ticker symbol: 2904)

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Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated Financial Statements and Independent Auditor's Review Report for
FY 2025 and FY2024
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Prime Oil Chemical Service Corporation

Statement of Consolidated Financial Statements of Affiliated Companies

For 2025 (from January 1, 2025 to December 31, 2025), the entities that should be included in the consolidated financial reports of affiliated enterprises based on “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” and the entities that should be included in the consolidated financial reports of subsidiaries based on “Consolidated and separate financial statements” of International Financial Reporting Standards No. 10 (IFRS 10) were the same. The related information that should be disclosed in the consolidated financial statements of affiliated enterprises is also already disclosed in the consolidated financial reports for subsidiaries so that the consolidated financial statements of affiliated enterprises would not be published separately.

We hereby declare

Company name: Prime Oil Chemical Service
Corporation

Representative: Liao, Shu-Chun

March 12, 2026

To the Board of Directors and Shareholders of Prime Oil Chemical Service Corporation:

Opinion

We have reviewed the accompanying consolidated balance sheets of Prime Oil Chemical Service Corporation and its subsidiaries (hereinafter referred to as the "Corporate Group") as of December 31, 2025 and 2024 and the related consolidated comprehensive income statements, consolidated statements of changes in equity and consolidated cash flow statements for the periods then ended, and notes to the consolidated financial statements (including a summary of the significant accounting policies).

Based on our review, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Prime Oil Chemical Service Corporation as of December 31, 2025 and 2024, and the consolidated financial results and consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, explanations and announcements of explanations recognized by the Financial Supervisory Commission.

Basis for Audit Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Republic of China Generally Accepted Auditing Standards (ROC GAAS). Our responsibilities under such standards will be elaborated in the paragraph of the Independent Auditors' responsibilities for audits of consolidated financial statements. Our personnel subject to the independence requirements have complied with the Codes of Professional Ethics for Certified Public Accountants in the Republic of China (hereinafter referred to as the "Codes"), have been independent of Prime Oil Chemical Service Corporation, and have fulfilled other ethical responsibilities under such Codes. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

Key inspection items

Key inspection items refer to those matters that, in our professional judgment, are of most significance in relation to our audit of Prime Oil Chemical Service Corporation's Consolidated Financial Statements as of 2025. These matters have been addressed in the process of our audit of the Consolidated Financial Statements as a whole and forming our opinion thereon and we do not express an opinion on these matters individually.

Key inspection items of Prime Oil Chemical Service Corporation's Consolidated Financial Statements as of 2025 are as follows:

Evaluation of other equipment impairment

Description

For property, plant and equipment, please refer the Note 6(7) of the Consolidated Financial Statements. For accounting policies of impairment assessment and significant accounting judgments, assumptions and uncertainty of estimations, please refer to Note 4(17) and 5 of the Consolidated Financial Statements respectively.

Prime Oil Chemical Service Corporation's other equipment (under property, plant and equipment) is the major asset related to the solar power generation division with a book value of NT\$807,511 thousand, accounting for 45% of the total consolidated assets. Due to the scarcity of available solar power land and difficulty of developing large sites, Prime Oil Chemical Service Corporation estimates the amount recoverable of other equipment based on the value in use and applies it as the basis of impairment assessment. Since the value-in-use evaluation process involves judgment of changes due to variations of economic environment or climate conditions and uncertainties to the future due to changes in estimation results brought by the conditions, which could have a significant impact on the recoverable amount measurement and in turn affects the assessment of impairment amount, we consider the impairment assessment of other equipment, a key inspection item.

Audit procedure in response

The audit procedures we performed are set out below:

1. Review management's estimates of recoverable amounts of other equipment at the balance sheet date and reassess the correctness of the related calculations.
2. Understand and evaluate that the Company's asset impairment assessment procedures and accounting policies are complied with the accounting principles and are consistently applied, including a review of the methods adopted by management when determining recoverable amounts.
3. Obtain assessment information used by management for determining recoverable amounts based on asset use patterns and industry characteristics and assess the reasonableness of the independent cash flows, the durable years of the assets and the potential future revenues and expenses.
4. Compare the recoverable amount with the carrying amount to examine the correctness of the impairment calculation.

Others - Standalone Financial Reports

Prime Oil Chemical Service Corporation has prepared its financial statements for the years ended December 31, 2025 and 2024, and we have audited and expressed an unmodified with an emphasis of matter section audit report and an unmodified audit report thereon for reference.

The management's and governance units' responsibilities to the Consolidated Financial Statements

The management's responsibility is to prepare the Consolidated Financial Statements that present fairly the Company's financial position in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and maintain the necessary internal control relevant to the preparation of the Consolidated Financial Statements to ensure that the Consolidated Financial Statements are free from material misstatements, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the responsibility of the management also includes evaluating the ability of the Company's going concern, disclosure of related matters, and adoption of the going concern basis of accounting, unless the management intends to liquidate Prime Oil Chemical Service Corporation or to cease its operations or has no practical alternative to liquidation or cessation of operations.

Prime Oil Chemical Service Corporation's governance unit (including the audit committee) is responsible for overseeing the financial reporting process.

Independent Auditors' responsibilities to auditing the Consolidated Financial Statements.

The purpose of our audit is to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatements resulting from fraud or error and to issue an audit report thereon. Reasonable assurance represents highly assurance, however the audit work conducted in accordance with the Republic of China Generally Accepted Auditing Standards does not provide assurance that material misstatements in the Consolidated Financial Statements can be detected. Misstatements might result from fraud or error. If the individual amounts or aggregates of misstatements could reasonably be expected to affect economic decisions made by the users of the Consolidated Financial Statements, such amounts are deemed material.

We applied our professional judgment and maintained our professional skepticism in our audit in accordance with the Republic of China's Generally Accepted Auditing Standards. We also conducted the following work:

1. Identify and assess risk of material misstatements resulting from fraud or error; design and implement appropriate countermeasures for the assessed risks; and obtain sufficient and

appropriate audit evidences as the basis of our audit opinion. Since fraud may involve conspiracy, forgery, intentional omission, misrepresentation or a breach of internal control, the risk of not detecting a material misstatement due to fraud is higher than what is due to error.

2. Obtain the necessary understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, provided that the objective is not to express an opinion on the effectiveness of Prime Oil Chemical Service Corporation's internal control.
3. Evaluate the appropriateness of the accounting policies adopted by management and the reasonableness of the accounting estimates and related disclosures they made.
4. Based on the evidence obtained, draw conclusions regarding the appropriateness of the management's adoption of accounting basis for going concern and whether there is any material uncertainty regarding events or circumstances that may cast significant doubt on Prime Oil Chemical Service Corporation's ability in continuing operations. If we believe that a material uncertainty exists with respect to any of such events or circumstances, we shall draw the attention of users of the Standalone Financial Statements to the relevant disclosures in the Standalone Financial Statements or amend our audit opinion when such disclosures are inappropriate. Our conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or circumstances may cause Prime Oil Chemical Service Corporation to cease to have the ability of continuing operations.
5. Evaluate whether or not the overall presentation, structure and content of the Consolidated Financial Statements (including the related notes) and the Standalone Financial Statements fairly present the relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence on the financial information that constitutes Prime Oil Chemical Service Corporation's financial position to provide our opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and execution of the audit project and for developing audit opinions of Prime Oil Chemical Service Corporation.

Our communication with the governance units includes the planned scope and timing of our audits and significant audit findings (including any significant deficiencies in internal control identified during our audits)

We also provide the governing unit with a statement that the independence-regulated personnel of our firm have complied with the ROC Code of Professional Ethics with respect to independence and communicate with the governing unit concerning all relationships and other matters (including related safeguards) that may be perceived to affect the independence of the accountant.

From the matters communicated with the governance unit, we determine the key inspection items for Prime Oil Chemical Service Corporation's 2024 Consolidated Financial Statements. We

describe these matters in our audit report unless law or regulation precludes public disclosure about such matters or when, in extremely rare circumstances, we determine that a matter would not be communicated in our report since the adverse consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Huang, Pei-Chuan

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

March 12, 2026

Notice to Readers

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

For the convenience of readers, the independent 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. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated balance sheets
December 31, 2025 and 2024

Unit: Thousand NTD

Assets	Note	December 31, 2025		December 31, 2024		
		Amount	%	Amount	%	
Current assets						
1100	Cash and cash equivalents	6 (1)	\$ 152,085	9	\$ 190,930	10
1170	Accounts receivable, net	6(5) and 12(2)	36,689	2	45,984	2
1220	Current income tax assets		21	-	-	-
1410	Prepayments		24,774	1	11,200	1
11XX	Total current assets		<u>213,569</u>	<u>12</u>	<u>248,114</u>	<u>13</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6 (2)	90,454	5	130,321	7
1517	Financial assets at fair value through other comprehensive income - noncurrent	6 (3)	4,717	-	4,622	-
1535	Financial assets measured at amortized cost - non-current	6 (4) and 8	20,700	1	23,773	-
1550	Investments accounted for using equity method	6 (6)	138,414	8	132,658	7
1600	Property, Plant and Equipment	6 (7) and 8	1,111,524	62	1,180,605	60
1755	Right-of-use assets	6 (8)	140,170	8	198,519	10
1780	Intangible asset		435	-	1,509	-
1840	Deferred tax assets	6 (26)	995	-	932	-
1900	Other non-current assets	6 (10) and 8	71,624	4	48,579	2
15XX	Total non-current assets		<u>1,579,033</u>	<u>88</u>	<u>1,721,518</u>	<u>87</u>
1XXX	Total Assets		<u>\$ 1,792,602</u>	<u>100</u>	<u>\$ 1,969,632</u>	<u>100</u>

(Continued)

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated balance sheets
December 31, 2025 and 2024

Unit: Thousand NTD

Liabilities and Stockholders' Equity	Note	December 31, 2025		December 31, 2024		
		Amount	%	Amount	%	
Current liabilities						
2100	Short-term borrowings	6 (11)	\$ 50,000	3	\$ -	-
2110	Short-term bills payable	6 (11)	20,000	1	-	-
2150	Notes payable		6,995	-	-	-
2200	Other payables	6 (13)	50,484	3	52,540	3
2230	Current income tax liabilities		6,737	-	12,088	-
2280	Current lease liabilities		58,757	3	58,071	3
2320	Long-term liabilities, current portion	6 (12)	28,540	2	54,474	3
2399	Other current liabilities - others		33	-	92	-
21XX	Total current liabilities		<u>221,546</u>	<u>12</u>	<u>177,265</u>	<u>9</u>
Non-current liabilities						
2540	Long-term borrowings	6 (12)	162,313	9	315,265	16
2550	Provisions for liabilities - non-current	6 (15)	27,998	2	27,998	2
2570	Deferred tax liabilities	6 (26)	16,849	1	22,297	1
2580	Non-current lease liabilities		73,026	4	138,777	7
2640	Net defined benefit liabilities - noncurrent	6 (14)	892	-	2,044	-
2645	Guarantee deposits received		440	-	440	-
25XX	Total non-current liabilities		<u>281,518</u>	<u>16</u>	<u>506,821</u>	<u>26</u>
2XXX	Total liabilities		<u>503,064</u>	<u>28</u>	<u>684,086</u>	<u>35</u>
Equity attributable to shareholders of the parent company						
Share capital						
3110	Common stock	6 (16)	778,344	43	778,344	40
Additional paid-in capital						
3200	Additional paid-in capital	6 (17)	87,206	5	77,397	3
Retained earnings						
3310	Legal reserve	6 (18)	222,353	12	211,510	11
3350	Unappropriated retained earnings		190,445	11	202,646	10
Other equity interests						
3400	Other equity interests	6 (19)	10,757	1	15,207	1
31XX	Total equity attributable to shareholders of the parent company		<u>1,289,105</u>	<u>72</u>	<u>1,285,104</u>	<u>65</u>
36XX	Non-controlling interests		<u>433</u>	<u>-</u>	<u>442</u>	<u>-</u>
3XXX	Total equity		<u>1,289,538</u>	<u>72</u>	<u>1,285,546</u>	<u>65</u>
Significant contingent liabilities and unrecognized contract commitments						
3X2X	Total liabilities and equity		<u>\$ 1,792,602</u>	<u>100</u>	<u>\$ 1,969,632</u>	<u>100</u>

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

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated Comprehensive Income Statement
January 1 to December 31, 2025 and 2024

Unit: Thousand NTD
(Except earnings per share in NTD)

Item	Note	2025		2024	
		Amount	%	Amount	%
4000 Operating revenue	6 (9)(20)	\$ 473,759	100	\$ 492,033	100
5000 Operating cost	6 (24) (25)	(325,572)	(69)	(311,910)	(63)
5900 Operating gross profits		<u>148,187</u>	<u>31</u>	<u>180,123</u>	<u>37</u>
Operating expenses	6 (24) (25)				
6100 Selling and marketing expenses		(9,641)	(2)	(5,707)	(1)
6200 General and administrative expenses		(61,236)	(13)	(61,581)	(13)
6000 Total operating expenses		(70,877)	(15)	(67,288)	(14)
6900 Operating profit		<u>77,310</u>	<u>16</u>	<u>112,835</u>	<u>23</u>
Non-operating income and expenses					
7100 Interest income		2,879	1	2,880	1
7010 Other income	6 (21)	36,002	7	5,490	1
7020 Other gains or losses	6 (22)	(12,384)	(3)	(1,985)	-
7050 Financial costs	6 (23)	(10,560)	(2)	(11,978)	(3)
7060 Share of profit (loss) of associates and joint ventures accounted for using equity method.	6 (6)	(1,435)	-	26,940	5
7000 Total non-operating income and expenses		<u>14,502</u>	<u>3</u>	<u>21,347</u>	<u>4</u>
7900 Profit before income tax		91,812	19	134,182	27
7950 Income tax expense	6 (26)	(15,221)	(3)	(27,036)	(5)
8200 Current period net profit		<u>\$ 76,591</u>	<u>16</u>	<u>\$ 107,146</u>	<u>22</u>

(Continued)

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated Comprehensive Income Statement
January 1 to December 31, 2025 and 2024

Unit: Thousand NTD
(Except earnings per share in NTD)

Item	Note	2025		2024	
		Amount	%	Amount	%
Other comprehensive income for the year (net)					
Items that will be reclassified to profit or loss					
8311	Re-measurements of the defined benefit liability	6 (14)			
		\$	155)	(	\$ 1,590
8316	Unrealized valuation gain or loss on equity instruments at fair value through other comprehensive income	6 (3)			
			95	(	489)
8349	Income tax related to components of other comprehensive income that is not reclassified to profit or loss	6 (26)			
			31	(	318)
8310	Total amount of items that will not be reclassified to profit or loss		29)		783
Items that may be reclassified subsequently to profit or loss:					
8361	Exchange Differences in Translating the Financial Statements of Foreign Operations		9,655)	(2)	14,542
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		2,177	-	803
8399	Income taxes related to items that may be reclassified	6 (26)	2,933	1	(3,068)
8360	Total of Items that may be reclassified to profit or loss		4,545)	(1)	12,277
8300	Other comprehensive income for the year (net)		\$ 4,574)	(1)	\$ 13,060
8500	Total comprehensive income in the current period		\$ 72,017	15	\$ 120,206
Net income attributable to:					
8610	Shareholders of the parent company		\$ 76,600	16	\$ 107,155
8620	Non-controlling interests		(9)	-	(9)
			\$ 76,591	16	\$ 107,146
Total comprehensive income attributable to:					
8710	Shareholders of the parent company		\$ 72,026	15	\$ 120,215

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

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated Comprehensive Income Statement
January 1 to December 31, 2025 and 2024

Unit: Thousand NTD
(Except earnings per share in NTD)

8720	Non-controlling interests		(<u>9</u>)	-	(<u>9</u>)	-	
		\$	<u>72,017</u>	<u>15</u>	\$	<u>120,206</u>	<u>24</u>
	Earnings per share			6 (27)			
9750	Basic	\$		0.98		1.38	
9850	Diluted	\$		0.98		1.37	

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

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: Thousand NTD

	Note	Equity attributable to shareholders of the parent company											Non-controlling interests	Total equity	
		Additional paid-in capital			Retained earnings				Other equity interests						
		Common stock	Issuance premium	Treasury stock transactions	Changes in net equity of affiliated companies and joint ventures under the equity method	Employee share options	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange Differences in Translating the Financial Statements of Foreign Operations	Unrealized valuation gains or losses on financial assets at fair value through other comprehensive income	Total			
<u>2024</u>															
Balance at January 1, 2024		\$ 778,344	\$ 62,280	\$ 4,233	\$ 9,509	\$ 1,375	\$ 205,038	\$ 18,778	\$ 147,392	\$ 7,937	(\$ 4,518)	\$ 1,211,590	\$ 451	\$ 1,212,041	
Current period net profit		-	-	-	-	-	-	-	107,155	-	-	107,155	(9)	107,146	
Other comprehensive income recognized for the period		-	-	-	-	-	-	-	1,272	12,277	489	13,060	-	(13,060)	
Total comprehensive income in the current period		-	-	-	-	-	-	-	108,427	12,277	489	120,215	(9)	120,206	
Appropriation and distribution of retained earnings for FY2023	6 (18)														
Legal reserve allocated		-	-	-	-	-	6,472	(6,472)	-	-	-	-	-	-	
Reversal of special reserve		-	-	-	-	-	-	(18,778)	-	-	-	-	-	-	
Cash dividends		-	-	-	-	-	-	-	(46,701)	-	-	(46,701)	-	(46,701)	
Changes in net equity of affiliated companies and joint ventures under the equity method		-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance at December 31, 2024		\$ 778,344	\$ 62,280	\$ 4,233	\$ 9,509	\$ 1,375	\$ 211,510	\$ -	\$ 202,646	\$ 20,214	(\$ 5,007)	\$ 1,285,104	\$ 442	\$ 1,285,546	
<u>2025</u>															
Balance at January 1, 2025		\$ 778,344	\$ 62,280	\$ 4,233	\$ 9,509	\$ 1,375	\$ 211,510	\$ -	\$ 202,646	\$ 20,214	(\$ 5,007)	\$ 1,285,104	\$ 442	\$ 1,212,041	
Current period net profit		-	-	-	-	-	-	-	76,600	-	-	76,600	(9)	76,591	
Other comprehensive income recognized for the period		-	-	-	-	-	-	-	124	4,545	-	4,574	-	4,574	
Total comprehensive income in the current period		-	-	-	-	-	-	-	76,476	4,545	-	72,026	(9)	72,017	
Appropriation and distribution of retained earnings for FY2024	6 (18)														
Legal reserve allocated		-	-	-	-	-	10,843	(10,843)	-	-	-	-	-	-	
Cash dividends		-	-	-	-	-	-	-	(77,834)	-	-	(77,834)	-	(77,834)	
Changes in net equity of affiliated companies and joint ventures under the equity method	6(6)											9,809		9,809	
Balance at December 31, 2025		\$ 778,344	\$ 62,280	\$ 4,233	\$ 19,318	\$ 1,375	\$ 222,353	\$ -	\$ 190,445	\$ 15,669	(\$ 4,912)	\$ 1,289,105	\$ 433	\$ 1,289,538	

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

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated cash flow statements
January 1 to December 31, 2025 and 2024

Unit: Thousand NTD

	Note	January 1 to December 31, 2025		January 1 to December 31, 2024
<u>Cash flow from operating activities</u>				
Profit before income tax for the year		\$ 91,812	\$	134,182
Adjustment for:				
Income and expenses having no effect on cash flows				
depreciation expense	6 (7)(8) (24)	187,673		186,968
Amortization expense		1,506		1,918
Loss on financial assets at fair value through profit or loss	6 (2)(22)	19		5,144
Financial costs	6 (23)	10,560		11,978
Interest income		(2,879 )	(	2,880)
Dividends income	6 (21)	(25,298 )	(	4,451)
Exchange differences in Financial assets measured at amortized cost	6 (4)	977	(	1,206)
Shares of affiliated enterprises and joint venture interests recognized using the equity method	6 (6)	1,435	(	26,940)
Disposal of property, plant and equipment	6 (22)	1,442	(	1,048)
Loss on impairment of property, plant and equipment	6 (22)	8,498		-
Gain on lease modification	6 (8)	(50)		-
Change in assets/liabilities related to operating activities				
Changes in operating assets				
Notes receivable, net		-		346
Accounts receivable, net		9,295		6,977
Prepayments		(13,574)		2,403
Changes in operating liabilities				
Notes payable		6,995	(	6,881)
Other payables		(2,752)		7,170
Other current liabilities		(59)		18
Net defined benefit liabilities		(1,307 )	(	1,228)
Cash flow from operating activities		274,293		312,470
Interest received		2,879		2,880
Dividend received		30,093		4,451
Interest paid		(10,618 )	(	11,978)
Income tax paid		(23,140 )	(	23,697)
Net cash generated by operating activities		273,507		284,126

(Continued)

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated cash flow statements
January 1 to December 31, 2025 and 2024

Unit: Thousand NTD

	<u>Note</u>	<u>January 1 to December 31, 2025</u>	<u>January 1 to December 31, 2024</u>
<u>Cash Flow from Investing Activities</u>			
Acquisition of financial assets measured at amortized cost		(\$ 4,093)	(\$ 10,278)
Disposal of financial assets measured at amortized cost		6,189	11,962
Refund of share price due to capital reduction of financial assets at fair value through profit or loss	12 (3)	39,848	23,814
Acquisition of financial assets at fair value through profit or loss	12 (3)	-	(57,069)
Purchase of property, plant and equipment	6(28)	(92,404)	(47,461)
Disposal of property, plant and equipment		48	1,048
Acquisition of intangible assets		(432)	(537)
Increase in refundable deposits		(14,002)	(3,858)
Decrease in refundable deposits		<u>5,957</u>	<u>2,684</u>
Net cash (outflow) inflow from investing activities		<u>(58,889)</u>	<u>79,695</u>
<u>Cash Flow from Financing Activities</u>			
Increase in short-term bills payable	6 (29)	180,000	-
Decrease in short-term bills payable	6 (29)	(160,000)	-
Increase in short-term borrowings	6 (29)	390,000	40,000
Decrease in short-term borrowings	6 (29)	(340,000)	(70,000)
Borrowing of long-term loans (including portions due within one year)	6 (29)	33,512	112,600
Repayment of long-term loans (including portions due within one year)	6 (29)	(212,398)	(86,953)
Amount of principal payments on lease liabilities	6 (8) (29)	(64,941)	(50,372)
Cash dividends paid		<u>(77,834)</u>	<u>(46,701)</u>
Net cash outflow from financing activities		<u>(251,661)</u>	<u>(101,426)</u>
Effects of exchange rate changes on the balance of cash held in foreign currencies		<u>(1,802)</u>	<u>2,379</u>
Increase (decrease) in cash and cash equivalents		<u>(38,845)</u>	<u>105,384</u>
Beginning of year cash and cash equivalents		<u>190,930</u>	<u>85,546</u>
Cash and cash equivalents at the end of the year		<u>\$ 152,085</u>	<u>\$ 190,930</u>

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

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries
Notes to the Consolidated Financial Statements
for the Years Ended December 31, 2025 and 2024

Unit: Thousand NTD
(Unless otherwise specified)

I. Company History and Business Scope

Prime Oil Chemical Service Corporation (hereinafter referred to as the “Company”) was established on October 1, 1978 and was listed on the Taiwan Stock Exchange on January 5, 1983. The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are mainly engaged in chemical, oil tank storage and delivery services, general trading, solar power generation business and commercial real estate leasing.

II. Date and Procedures for Approval of Financial Statements

The Consolidated Financial Statements were approved and authorized for issuance by the Board of Directors on March 12, 2026.

III. Newly-released and amended standards and interpretations

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

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the International Financial Reporting Standards recognized by the Financial Supervisory Commission in 2025:

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective Date Issued by</u>
Amendment to IAS 21 “Lack of Exchangeability”.	<u>IASB</u> January 1, 2025

The Corporate Group believes that adopting the aforementioned IFRSs will not constitute a significant effect on the Company’s financial position and performance.

(II) 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 for 2025 issued by the IASB and recognized by the Financial Supervisory Commission:

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective Date Issued by IASB</u>
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 Referencing Nature-dependent 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 Corporate Group believes that adopting the aforementioned IFRSs will not constitute a significant effect on the Company’s financial position and performance.

(III) 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 IASB but not yet recognized by the FSC:

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

Note: The FSC announced in a press release in September 25, 2025 that public companies will apply IFRS 18 starting from fiscal year 2028. In addition, entities may choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses the standard.

Except for IFRS 18 “Presentation and Disclosure in Financial Statements” to be evaluated, The Corporate Group believes that adopting the aforementioned IFRSs will not constitute a significant effect on the Company’s financial position and performance.

IFRS 18 “Presentation and Disclosure in Financial Statements” replaces IAS 1 and updates the structure of the consolidated balance sheets, adds disclosure of management performance measures, and strengthens the aggregation and breakdown principles applied to the principal financial statements and notes.

IV. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the Consolidated Financial Statements are described below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(I) Compliance statement

The consolidated financial statements have been prepared in accordance with the Financial Reporting Standards for Issuers of Securities and Credit Rating Agencies and the International Financial Reporting Standards (IFRSs) issued by the Financial Supervisory Commission (FSC) that have been recognized and adopted.

(II) Basis of preparation

1. The consolidated financial statements have been prepared on a historical cost basis, except for the following significant items.
 - (1) Financial assets at fair value through profit or loss are measured at fair value.
 - (2) Financial assets at fair value through other comprehensive income are measured at fair value.
 - (3) The defined benefit liability is recognized as the net of the present value of the pension fund assets less the defined benefit obligation.
2. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Corporate Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(III) Basis of consolidation

1. The basis for preparation of consolidated financial statements
 - (1) The Corporate Group includes all of its subsidiaries in the preparation of consolidated financial statements. Subsidiaries are entities controlled by the Corporate Group. The Corporate Group controls the entity when the Corporate Group is exposed, or has rights, to variable returns from its involvement with the entity and can affect those returns through its power over the entity. Subsidiaries are included in the consolidated financial statements from the date the Corporate Group obtains control and are deconsolidated on the date control is lost.
 - (2) All significant intra-group transactions, balances and unrealized gains and losses between the Corporate Group and its subsidiaries have been eliminated in full. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporate Group.
 - (3) Profit or loss and other components of consolidated profit or loss are attributed to owners of the parent and noncontrolling interests; total consolidated profit or loss is also attributed to owners of the parent and noncontrolling interests, even if this results in a loss balance for noncontrolling interests.

2. Subsidiaries included in consolidated financial statements:

<u>Investor</u>	<u>Investee</u>	<u>Main Business</u>	<u>Shareholding percentage (%)</u>		<u>Description</u>
			<u>December 31, 2025</u>	<u>December 31, 2024</u>	
The Company	He Zhen Feng Co., Ltd.	Real Estate Leasing	69.47	69.47	
The Company	Chang Fu Feng Co., Ltd.	Solar Power Industry	100.00	100.00	Note1
The Company	Yufeng Green Energy Co., Ltd.	Solar Power Industry	100.00	100.00	Note2
The Company	Kuan Tai Green Energy Co., Ltd.	Solar Power Industry	100.00	-	Note3
The Company	An Feng Green Energy Co., Ltd.	Solar Power Industry	100.00	-	Note4
The Company	Kun Feng Green Energy Co., Ltd.	Solar Power Industry	100.00	-	Note5
The Company	Prime Holdings Corporation (PHC)	Shareholding and General Trading	100.00	100.00	
PHC	Prime Solar Energy Co., Ltd.	Real Estate Development	100.00	100.00	Note6

Note 1: In November 2024, the Company acquired 100% of the shares of Chang Fu Feng Co., Ltd. for cash of \$2,214, and subsequently increased capital by NT\$99,950 and NT\$5,000 through asset contributions and cash in May 2025 and August 2025.

Note 2: In October 2024, the Company established a subsidiary, Yufeng Green Energy Co., Ltd. The Company made a cash capital increase of \$25,000 in November 2024 and an additional cash capital increase of \$37,900 in February 2025, and increased capital by NT\$68,810, NT\$41,550 and NT\$6,910 through asset contributions and cash in May 2025, August 2025 and October 2025.

Note 3: In February 2025, the Company established a subsidiary, Anfeng Green Energy Co., Ltd, and increased capital by NT\$62,210 and NT\$3,120 through asset contributions and cash in May 2025 and August 2025.

Note 4: In March 2025, the Company established a subsidiary, Kuantai Green Energy Co., Ltd.

Note 5: In February 2025, the Company established a subsidiary, Kunfeng Green Energy Co.,Ltd.

Note 6: Prime Solar Energy Co., Ltd. is a subsidiary established in Cambodia through another subsidiary, Prime Holdings Corporation. In order for Prime Solar Energy Co., Ltd. to legally hold land in Cambodia, 51% of the shares are nominally held through local persons in accordance with local laws and regulations, but Prime Holdings Corporation still enjoys 100% equity and control in substance.

3. Subsidiaries not included in consolidated financial statements: No such situation.

4. Adjustments for subsidiaries with different balance sheet dates: No such situation.
5. Significant restrictions: No such situation
6. Subsidiaries that have non-controlling interests that are material to the Corporate Group: No such situation.

(IV) Foreign currency translation

Items included in the financial statements of each entity within the Corporate Group are measured using the currency of the primary economic environment in which the entity operates (i.e., the functional currency). The currency of this Consolidated Financial Statement is presented in the Company's functional currency "NTD."

1. Foreign currency transactions and balances

- (1) Foreign currency transactions are translated into the functional currency using the prevailing exchange rates on the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
- (2) Monetary assets and liabilities denominated in foreign currencies at the period end are retranslated at the prevailing exchange rates at the balance sheet date. Exchange differences arising upon adjustments are recognized in profit or loss in the period when they arise.
- (3) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are adjusted at the prevailing exchange rates at the balance sheet date; their translation differences are recognized in profit or loss in the period in which they arise. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are adjusted at the prevailing exchange rates at the balance sheet date; differences resulting from such translations are recognized in other comprehensive income; for those that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (4) All foreign exchange gains and losses are presented in the Statements of Comprehensive Income under "other gains and losses."

2. Translation of foreign operations

The operating results and financial positions of all the group entities that have different functional currencies and from the presentation currency is translated into the presentation currency in the following manner:

- (1) Assets and liabilities of each balance sheet presented are translated at the closing exchange rate on the date of that balance sheet;
- (2) Income and expenses of each Statements of Comprehensive Income are translated at the average exchange rates of the period; and
- (3) All differences resulting from exchanges are recognized in other comprehensive income.

(V) Classification of current and non-current assets and liabilities

1. Assets that meet one of the following criteria are classified as current assets:

- (1) Assets arising from operating activities that are expected to be realized or are intended to be sold or consumed within the normal operating cycle.
- (2) Assets held mainly for trading purposes.
- (3) Assets that are expected to be realized within 12 months after the reporting period.
- (4) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities on at least 12 months after the reporting

period.

The Corporate Group classifies all other assets that meet none of the above criteria as non-current assets.

2. Liabilities that meet one of the following criteria are classified as current liabilities:

- (1) Liabilities that are expected to be settled within the normal operating cycle.
- (2) Assets held mainly for trading purposes.
- (3) Liabilities that are to be settled within 12 months after the reporting period;
- (4) Liabilities for which the repayment date cannot be extended unconditionally to more than 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issuance of equity instruments do not affect its classification.

The Corporate Group classifies all other liabilities that meet none of the above criteria as non-current liabilities.

(VI) Cash and cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the above criteria and are held for the purposes of meeting short-term operating cash commitment are classified as cash equivalents.

(VII) Financial assets at fair value through profit and loss

1. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
2. The Corporate Group adopts trade date accounting for the financial assets at fair value through profit or loss that belong to regular transactions.
3. At initial recognition, the Corporate Group measures the financial assets at fair value and recognizes their transaction costs in profit or loss. The Corporate Group subsequently measures the financial assets at fair value and recognizes such asset's gain or loss in profit or loss.

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

1. Financial assets at fair value through other comprehensive income comprise equity instruments which are not held for trading and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income or loss.
2. The Corporate Group adopts trade date accounting for the financial assets at fair value through other comprehensive income that belong to regular transactions.
3. At initial recognition, the Corporate Group measures the financial assets at fair value and recognizes their transaction costs in profit or loss. The Corporate Group subsequently measures the financial assets at fair value and recognizes such asset's gain or loss in other comprehensive income. Cumulative gain or loss previously recognized in comprehensive income shall not be reclassified to profit or loss following the derecognition of the instrument and shall be reclassified to retained earnings. The Corporate Group recognizes the dividend income in profit or loss when the right to receive payment is established, future economic benefits associated with the dividend flows to the Company, and the amount of the dividend can be measured reliably.

(IX) Financial assets measured at amortized cost

1. Are those that meet all the following criteria:
 - (1) The objective of the Company's business model is achieved by collecting contractual cash flows.
 - (2) The assets' contractual cash flows solely represent payments of principal and interest on the principal amount outstanding.
2. The Corporate Group adopts trade date accounting for the financial assets measured at amortized cost that belong to regular transactions.
3. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at the initial investment amount as the effect of discounting is immaterial.

(X) Accounts and notes receivables

1. Are those with an unconditional legal right to receive considerations in exchange for transferred goods or rendered services.
2. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial

(XI) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income, financial assets at amortized cost, and accounts receivable containing a significant financing component, the Group measures, at each balance sheet date, the impairment provision at 12 months expected credit losses if there has no significant increase in credit risk since initial recognition or measures the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Company recognizes the impairment provision for ECLs over the lifetime

(XII) De-recognition of financial assets

The Corporate Group derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(XIII) Lessor Leasing Transaction - Operating lease

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in the profit or loss on a straight-line basis over the lease term.

(XIV) Investments accounted for under the equity method - affiliated enterprises

1. Affiliated companies refer to entities over which the Company exerts significant influence but does not have control, typically by directly or indirectly holding more than 20% of voting rights. The Company uses the equity method to account for its investments in affiliated companies, recognizing them at cost upon acquisition.
- 2.. After the acquisition of an equity interest in an associated company, the Group recognizes its share of the associated company's profit or loss as a current period expense, while its share of the associated company's other comprehensive income is recognized in other comprehensive income. If this company's share of losses in an associated company equals or exceeds its interest in the associated company's equity (including any other unsecured

receivables), no further losses are recognized unless this company has a legal or constructive obligation or has made payments on behalf of the associated company.

3. When an equity change occurs in an associated enterprise that is not related to profit or other comprehensive income and does not affect the percentage of ownership in the associated enterprise, the Company recognizes all equity changes in “Capital Surplus” based on its ownership percentage.
4. The unrealized gains and losses resulting from transactions between the Group and its affiliated companies have been eliminated based on their respective ownership interests, unless evidence indicates that the transferred assets have been impaired, in which case unrealized losses are also eliminated. The accounting policies of the affiliated companies have been adjusted as necessary to be consistent with those adopted by the Company.

(XV) Property, Plant and Equipment

1. They are initially recorded at cost and relevant interests incurred during the construction period are capitalized.
2. Subsequent costs are included in the carrying amount of an asset or recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Corporate Group and the cost of the item can be measured reliably. The carrying amount of the part of replacement should be derecognized. All other maintenance expenses are recognized as current profit or loss as incurred.
3. Subsequent evaluation of the equipment applies the cost model and such equipment is depreciated under the straight-line method. If the components of the equipment are significant, depreciation is provided separately.
4. The Group reviews the residual value, useful life and depreciation method of each asset at the end of each fiscal year. If the expected value of the residual value and useful life differs from previous estimates or if there is a significant change in the expected pattern of consumption of future economic benefits embodied in the asset, the change in accounting estimate is accounted for in accordance with IAS 8, “Accounting Policies, Changes in Accounting Estimates and Errors” from the date of the change. Useful life of each asset.

Warehousing equipment	2~35 years	Lease improvement	10 years
Transport Equipment	5~10 years	Lease assets	7~35 years
Office Equipment	3~5 years	Other Equipment	10~25 years

(XVI) Lessee Leasing Transaction – Right-of-use Assets/Leasing liabilities

1. Leased assets are recognized as right-of-use assets and leasing liabilities as of the date they become available to the Corporate Group. When a lease contract is a short-term lease or a lease of a low-value asset, the lease payment is recognized as an expense over the leasing period using the straight-line method.
2. Leasing liabilities are recognized at the commencement date of such lease at the present value of unpaid lease payments discounted by the interest rate on the Corporate Group’s incremental borrowings. Such leasing payments are fixed payments, less any lease incentives that are entitled to be received.

Subsequent evaluation applies interest method to measure at amortized cost and recognized interest expenses over the lease life. When changes in lease tenor or lease payment do not result from amendments of lease agreements, the lease liabilities are re-measured and the right-of-use asset will be adjusted against any amount of re-measurement of such leasing liabilities.

3. Right-of-use assets are recognized at cost at the commencement date of the lease. The cost is the initial measurement amount of such leasing liabilities.

The subsequent measurement is based on the cost model, and the depreciation expense is appropriated when the useful life of the right-of-use asset expires or the lease term expires, whichever is earlier. When the lease liability is reassessed, the right-of-use asset adjusts any remeasurement of the lease liability.

4. For lease modifications that result in a reduction of the lease scope, the lessee shall reduce the carrying amount of the leased asset to reflect the partial or full termination of the lease, and recognize the difference between the carrying amount of the leased asset and the re-measured lease liability in profit or loss. For all other lease modifications, the lessee shall make a corresponding adjustment to the right-of-use asset based on the remeasurement of the lease liability.

(XVII) Impairment of non-financial assets

The Corporate Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or its value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior periods no longer exist or diminish, the impairment loss is reversed, provided that the increased carrying amount resulting from such reversal should not exceed the face value prior to the impairment and net of depreciation or amortization.

(XVIII) Loans

1. Comprises of long-term and short-term bank borrowings. Loans are recognized initially at fair value, net of transaction costs incurred. Loans are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the loans using the effective interest method.
2. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fees are deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, such fees are capitalized as a pre-payment and amortized over the respective period of the facilities.

(XIX) De-recognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired.

(XX) Provision

Provisions (de-commissioning liabilities) arise when the Company has a present legal or constructive obligation because of past events and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the

obligation can be reliably estimated. Provisions are measured at the amount of the expenditures required to settle underlying obligation on the balance sheet date. Provisions shall not be recognized for future operating losses.

(XXI) Employee benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid with respect to the service rendered by employees in a period and should be recognized as expense in that period when the employees render service.

2. Pensions

(1) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expense when they are due on an accrual basis. Pre-paid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(2) Defined benefit plans

A. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Corporate Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Corporate Group uses yield rates of government bonds (at the balance sheet date) instead.

B. Remeasurements arising from defined benefit plans are recognized in other comprehensive income of the period and presented in retained earnings.

3. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expense and liability, provided that such recognition is required under a legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in accounting estimates.

(XXII) Income tax

1. Income tax comprises of current and deferred income tax. Tax is recognized in the profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity

2. The current income tax expense is calculated based on the tax laws enacted or substantively enacted at the balance sheet date. The management periodically evaluates implementations taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the

unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to distribute the earnings.

3. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Corporate Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined according to tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.
4. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

(XXIII) Share capital

1. Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares or share options are recognized in equity, net of tax, as a deduction from the proceeds.
2. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(XXIV) Dividends

Cash dividends distributed to the Company's shareholders are recognized as liabilities in the financial statements when resolved by the Company's board of directors.

(XXV) Revenue recognition

1. Rental incomes
The Corporate Group provides chemical and oil tanks for lease in accordance with operating lease standards and the rental income from such operating lease is recognized in profit or loss on a straight-line basis according to rent determined by the leasing agreement.
2. Tank operation revenue
The Corporate Group provides chemical and oil tanks for lease and offers chemicals and oil loading services. Revenue is recognized in the reporting period in which the services are provided to customers based on actual loading and unloading capacity and contracted rates.
3. Electricity sales revenue
The Corporate Group recognizes revenue when the electricity generated from solar power generation equipment is transferred to customers. Once the electricity is generated, it is transmitted to the buyer through the distribution system. The buyer has

discretion over the access and price of the electricity sold and the revenue is calculated based on the contracted rate and the number of kilowatt-hours generated per month.

(XXVI) Business Operations Department

The Group’s operating segment information is reported in a consistent manner with the internal management reports provided to the chief operating decision-maker. The chief operating decision maker is responsible for allocating resources to the operating divisions and evaluating their performance, and the chief operating decision-maker of the Corporate Group is identified as the Group Chairperson.

V. Significant Accounting Estimations and Judgments, and Main Sources of Assumption Uncertainties

In preparation of the Consolidated Financial Statements, the management has made judgements in applying the Corporate Group’s accounting policies and made critical accounting assumptions and estimates concerning future events based on the circumstances on the balance sheet date. Assumptions and estimates may differ from the actual results and are continuously evaluated and adjusted based on historical experience and other factors. Such estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Corporate Group has no significant accounting estimates and assumptions. The significant judgment used in the accounting policy is the classification of financial assets, as described below.

Impairment assessment of other equipment (property, plant and equipment)

In the asset impairment evaluation process, the Corporate Group relies on subjective judgment and based on asset usage patterns and industry characteristics to determine the independent cash flows, the useful life and potential future revenues and expenses of a specific asset.

As of December 31, 2025, the carrying amount of the Group’s other equipment was \$807,511.

VI. Statements of main accounting items

(I) Cash and cash equivalents

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash on hand and working capital	\$ 285	\$ 318
Checking accounts and demand deposits	79,360	68,048
Time deposits	<u>72,440</u>	<u>122,564</u>
	<u>\$ 152,085</u>	<u>\$ 190,930</u>

1. The Corporate 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.
2. The Group has pledged term deposits with a maturity of over three months and cash and cash equivalents as collateral for certain financial assets measured at amortized cost and other non-current assets. Please refer to Notes 6(4), 6(10), and 8 for details.

(II) Financial assets at fair value through profit and loss

<u>Item</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Non-current items:		
Financial assets at fair value through profit and loss		
Investment in private equity	\$ 68,631	\$ 107,537
Adjustment for change in value	<u>21,823</u>	<u>22,784</u>
Total	<u>\$ 90,454</u>	<u>\$ 130,321</u>

1. Gain and loss recognized for financial assets at fair value through profit or loss held by the Corporate Group was \$25,279 and (\$795) in 2025 and 2024, respectively.
2. The Group has not pledged any financial assets at fair value through profit or loss.
3. Please refer to Note 12 (2) for information on the credit risk of financial assets measured at fair value through profit or loss.

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

<u>Item</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Non-current items:		
Equity instruments		
Stock not listed on TWSE, TPEX or the emerging market	\$ 7,526	\$ 7,526
Adjustment for change in value	<u>(2,809)</u>	<u>(2,904)</u>
Total	<u>\$ 4,717</u>	<u>\$ 4,622</u>

1. The Corporate Group has elected to classify its strategic investments in equity stock as financial assets at fair value through other comprehensive income. The fair values of these investments were \$4,717 and \$4,622 as of December 31, 2025 and December 31, 2024, respectively.
2. The details of the financial assets measured at fair value through other comprehensive income that were recognized in comprehensive income are as follows:

	<u>2025</u>	<u>2024</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Change in fair value recognized in other comprehensive Income	\$ 95	(\$ 489)
Dividends income recognized in profit or loss and still held at the end of the period	\$ -	\$ 103

- Without considering the collaterals held or other credit enhancements, the amount of financial assets at fair value through other comprehensive income that best represented the Corporate Group's maximum exposure to credit risk was \$4,717 and \$4,622 as of December 31, 2025 and December 31, 2024, respectively.
 - The Corporate Group has not pledged any financial assets at fair value through other comprehensive income.
 - Please refer to Note 12 (2) for information on the credit risk of financial assets measured at fair value through other comprehensive income.
- (IV) Financial assets measured at amortized cost

<u>Item</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Non-current items:		
Trust account	\$ 18,009	\$ 18,986
Restricted asset (The demand deposits)	<u>2,691</u>	<u>4,787</u>
	<u>\$ 20,700</u>	<u>\$ 23,773</u>

- The details of the financial assets measured at amortized cost that were recognized in the profit and loss are as follows:

	<u>2025</u>	<u>2024</u>
Interest income	\$ 149	\$ 268
Valuation interest	(<u>977</u>)	<u>1,206</u>
	<u>(\$ 828)</u>	<u>\$ 1,474</u>

- Without considering the collaterals held or other credit enhancements, the amount of financial assets measured at amortized cost that best represented the Corporate Group's maximum exposure to credit risk was \$20,700 and \$23,773 as of December 31, 2025 and December 31, 2024, respectively.
- Information about the financial assets measured at amortized cost that were pledged to others as collaterals is provided in Note 8.

4. Risk information about the relative financial assets measured at amortized cost is provided in Note 12(2).
5. On December 22, 2016, the Company entered into a contract for the construction of a solar power generation system (hereinafter referred to as the “construction contract”) and a contract for the purchase of solar power generation system equipment (hereinafter referred to as the “purchase contract”) with Chunghwa Telecom Vietnam Co. Ltd. to construct a solar power generation system in Cambodia. The total construction price was US\$7,750 thousand. On December 28, 2016, the Company trusted US\$6,010 thousand by wire transfer to a third-party financial institution; as of December 31, 2024 and December 31, 2022, the balance of the trust account was US\$580 thousand, which is shown as “financial assets measured at amortized cost - current” due to the restricted use.
6. According to the construction contract, the construction of the solar power generation system in the preceding paragraph should be completed within one year and the amount in trust account has been paid to Chunghwa Telecom Vietnam Co., Ltd. However, Chunghwa Telecom Vietnam Co., Ltd. refused to fulfill its obligations under the above “construction contract” in the third quarter of 2017. In view of the aforementioned situation, the Company sent a formal letter to Chunghwa Telecom Vietnam to urge Chunghwa Telecom Vietnam to perform its obligations under the construction contract within the deadline, however after the expiration of the reminder period, Chunghwa Telecom Vietnam’s contract obligations remained unfulfilled. Hence the Company legally terminated the construction contract. The Company has filed a lawsuit for civil damages with the Taiwan Taipei District Court (TDC) in April, 2018.
7. In December 2020, the Company received a notification of judgement from the Taipei District Court rejecting the Company’s claim. After consultation with legal counsel, the Company appealed to the Taiwan High Court in January 2021. The Taiwan High Court ruled on August 23, 2022, that the Company should pay Chunghwa Telecom Vietnam USD 2,284 thousand and interest calculated at an annual rate of 5% from September 24, 2019 until the date of payment. After further consultation with legal counsel, the Company appealed to the Supreme Court in September 2022 and deposited \$69,120 as collateral to prevent false execution. The collateral amount was recorded as other non-current assets. On March 1, 2023, the Company received a notice from the Supreme Court that the original judgement was overturned, and the case was remanded to the Taiwan High Court. On March 10, 2023, the Company applied for the return of the guaranteed deposit of \$69,120 (presented in other current assets in the table) and on March 13, received a notice from the Taiwan District Court’s depositary informing that the declaration of false execution has been rendered invalid and allowing the return of the deposited item. The Company had retrieved the guarantee deposit on August 14, 2023. The case is currently on trial at Taiwan High Court.

(V) Notes and accounts receivable

	<u>December 31, 2024</u>	<u>December 31, 2024</u>
Trade receivable	<u>\$ 36,689</u>	<u>\$ 45,984</u>

1. The aging analysis of notes and accounts receivable is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Trade receivable</u>	<u>Trade receivable</u>
Not Past Due	\$ 35,683	\$ 45,984
Within 30 days	<u>1,006</u>	<u>-</u>
	<u>\$ 36,689</u>	<u>\$ 45,984</u>

The above is an aging report based on the number of days past due.

- As of December 31, 2025, and December 31, 2024, the balance of receivables (including notes receivables) are generated from the contracts between the Corporate Group and its customers. And as of January 1, 2024, the balance of receivables generated from such contracts was \$53,307.
- The Corporate Group does not hold any collateral.
- Without considering the collaterals held or other credit enhancements, the amount of accounts receivables that best represented the Corporate Group's maximum exposure to credit risk was \$36,689 and \$45,984 as of December 31, 2025 and December 31, 2024, respectively.
- Please refer to Note 12, (2) for the related credit risk information of accounts receivable.

(VI) Investments accounted for using equity method

	<u>2025</u>		<u>2024</u>
January 1	\$ 132,658		\$ 104,913
Capital reduction and return of shares of invested companies using the equity method	(4,795)		-
Share of investment profit and loss using the equity method	(1,435)		26,940
Changes in additional paid-in capital	9,809		-
Other changes in equity	<u>2,177</u>		<u>805</u>
December 31	<u>\$ 138,414</u>		<u>\$ 132,658</u>

1. The investment details using the equity method are as follows:

	<u>December 31, 2024</u>	<u>December 31, 2024</u>
ABZbridge Corporation	<u>\$ 138,414</u>	<u>\$ 132,658</u>

2. The summarized financial information of the Group's principal associates is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current assets	\$ 377	\$ 68,122
Non-current assets	421,088	480,452
Current liabilities	<u>(4,205)</u>	<u>(71,952)</u>
equity	<u>\$ 417,260</u>	<u>\$ 476,622</u>
Shareholding percentage	33.17%	28.35%
	<u>2025</u>	<u>2024</u>
Operating revenue	<u>\$ 15,153</u>	<u>\$ 66,279</u>
Profit for the year	<u>(\$ 24,225)</u>	<u>\$ 95,019</u>

3. In 2025 and 2024, the net profit of the associated company, ABZbridge Corporation, for the period were (\$24,225) and \$95,031, and the comprehensive income of the current period was (\$18,365) and \$97,868, respectively.

4. The Group acquired 20% equity of ABZbridge Corporation at the end of March 2022, and ABZbridge Corporation bought back the treasury shares in the third quarter of 2023 and the first quarter of 2025. However, the Group did not return the payment for the shares proportionally to its shareholding. As of December 31, 2024, the Company's shareholding had increased to 28.35% and further increased to 33.17% as of March 31, 2025. Since the Group is not the largest shareholder of ABZ bridge Corporation, it is determined that the Group does not have control over the company, but only significant influence.

(VII) Property, Plant and Equipment

	<u>2025</u>								
	<u>Land</u>	<u>Warehousing equipment</u>	<u>Transport Equipment</u>	<u>Office Equipment</u>	<u>Lease improvement</u>	<u>Lease assets</u>	<u>Other Equipment</u>	<u>Construction in progress</u>	<u>Total</u>
January 1									
Cost	\$ 52,135	\$ 825,599	\$ 8,813	\$ 2,334	\$ 212	\$ 58,074	\$ 1,106,732	\$ 13,668	\$ 2,067,567
Accumulated depreciation and impairment	-	(576,508)	(4,364)	(778)	(177)	(53,839)	(251,296)	-	(886,962)
	<u>\$ 52,135</u>	<u>\$ 249,091</u>	<u>\$ 4,449</u>	<u>\$ 1,556</u>	<u>\$ 35</u>	<u>\$ 4,235</u>	<u>\$ 855,436</u>	<u>\$ 13,668</u>	<u>\$ 1,180,605</u>
January 1	\$ 52,135	\$ 249,091	\$ 4,449	\$ 1,556	\$ 35	\$ 4,235	\$ 855,436	\$ 13,668	\$ 1,180,605
Addition	-	55,622	-	562	-	-	1,742	20,232	78,158
Disposal	-	-	-	-	-	-	(9,988)	-	(9,988)
Number of Transfers	-	13,035	-	-	-	-	20,502	(33,537)	-
depreciation expense	-	(70,804)	(1,115)	(557)	(19)	(2,389)	(54,514)	-	(129,398)
Net exchange difference	(2,158)	-	-	-	-	-	(5,667)	(28)	(7,853)
December 31	<u>\$ 49,977</u>	<u>\$ 246,944</u>	<u>\$ 3,334</u>	<u>\$ 1,561</u>	<u>\$ 16</u>	<u>\$ 1,846</u>	<u>\$ 807,511</u>	<u>\$ 335</u>	<u>\$ 1,111,524</u>
December 31									
Cost	\$ 49,977	\$ 894,256	\$ 8,813	\$ 2,896	\$ 212	\$ 58,074	\$ 1,113,321	\$ 335	\$ 2,127,884
Accumulated depreciation and impairment	-	(647,312)	(5,479)	(1,335)	(196)	(56,228)	(305,810)	-	(1,016,360)
	<u>\$ 49,977</u>	<u>\$ 246,944</u>	<u>\$ 3,334</u>	<u>\$ 1,561</u>	<u>\$ 16</u>	<u>\$ 1,846</u>	<u>\$ 807,511</u>	<u>\$ 335</u>	<u>\$ 1,111,524</u>

	<u>2024</u>								
	<u>Land</u>	<u>Warehousing equipment</u>	<u>Transport Equipment</u>	<u>Office Equipment</u>	<u>Lease improvement</u>	<u>Lease assets</u>	<u>Other Equipment</u>	<u>Construction in progress</u>	<u>Total</u>
January 1									
Cost	\$48,822	\$ 800,987	\$ 11,941	\$ 718	\$ 212	\$ 62,897	\$ 1,104,568	\$ 2,438	\$ 2,032,583
Accumulated depreciation and impairment	-	(512,139)	(6,374)	(480)	(157)	(55,594)	(206,061)	-	(780,805)
	<u>\$48,822</u>	<u>\$ 288,848</u>	<u>\$ 5,567</u>	<u>\$ 238</u>	<u>\$ 55</u>	<u>\$ 7,303</u>	<u>\$ 898,507</u>	<u>\$ 2,438</u>	<u>\$ 1,251,778</u>
January 1	\$48,822	\$ 288,848	\$ 5,567	\$ 238	\$ 55	\$ 7,303	\$ 898,507	\$ 2,438	\$ 1,251,778
Addition	-	27,944	-	1,616	-	-	2,164	13,668	45,392
Number of Transfers	-	2,438	-	-	-	-	-	(2,438)	-
depreciation expense	-	(70,139)	(1,118)	(298)	(20)	(3,068)	(54,083)	-	(128,726)
Net exchange difference	3,313	-	-	-	-	-	8,848	-	12,161
December 31	<u>\$52,135</u>	<u>\$ 249,091</u>	<u>\$ 4,449</u>	<u>\$ 1,556</u>	<u>\$ 35</u>	<u>\$ 4,235</u>	<u>\$ 855,436</u>	<u>\$ 13,668</u>	<u>\$ 1,180,605</u>
December 31									
Cost	\$52,135	\$ 825,599	\$ 8,813	\$ 2,334	\$ 212	\$ 58,074	\$ 1,106,732	\$ 13,668	\$ 2,067,567
Accumulated depreciation and impairment	-	(576,508)	(4,364)	(778)	(177)	(53,839)	(251,296)	-	(886,962)
	<u>\$52,135</u>	<u>\$ 249,091</u>	<u>\$ 4,449</u>	<u>\$ 1,556</u>	<u>\$ 35</u>	<u>\$ 4,235</u>	<u>\$ 855,436</u>	<u>\$ 13,668</u>	<u>\$ 1,180,605</u>

1. The capitalized amount of borrowing costs of property, plant and equipment and the interest rate range.

	<u>2025</u>	<u>2024</u>
Capitalized amount	<u>\$ 58</u>	<u>\$ 85</u>
Capitalized interest rate range	2.025%~2.75%	2.25%~2.77%

2. Significant components of the Group's warehousing equipment, including tanks and pipelines, are depreciated over 2 to 35 years.
3. The recoverable amount of the Group's other equipment was determined by management based on pre-tax cash flow projections of the expected profits over the useful lives of the assets, which were estimated according to the installed capacity and tariff rates of the solar power projects. The discount rates applied were pre-tax rates reflecting the specific risks of the relevant operating segments. The discount rates used in 2025 and 2024 were 2.69% and 2.39%, respectively.

The Corporate Group's property, plant and equipment showed no signs of impairment in 2025 and 2024.

4. Please refer to Note 8 for information on the guarantees provided by the Group on property, plant and equipment.

(VIII) Leasing arrangements - lessee

1. The subject assets of the Group's leases include land use rights, buildings and other equipment. Except for the land use rights, which have a period of 20 years, the remaining lease agreements normally have a period of 3 to 6 years.

Lease contracts are negotiated separately and include a variety of terms and conditions. There are no restrictions for the leased assets, except that they cannot be sub-leased, under-leased or used as loan collateral.

2. The Group leases assets with low value, including electricity meters and photocopiers.
3. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Land use rights	\$ 7,137	\$ 7,718
Buildings	13,455	20,475
Other Equipment	<u>119,578</u>	<u>170,326</u>
	<u>\$ 140,170</u>	<u>\$ 198,519</u>

	<u>2025</u>	<u>2024</u>
	<u>Depreciation expense</u>	<u>Depreciation expense</u>
Land use rights	\$ 507	\$ 509
Buildings	7,020	6,996
Other Equipment	<u>50,748</u>	<u>50,737</u>
	<u>\$ 58,275</u>	<u>\$ 58,242</u>

- The Group's right-of-use assets increased by \$0 and \$21,420 in 2025 and 2024, respectively.
- The information on profit and loss items related to lease contracts is as follows:

	<u>2025</u>	<u>2024</u>
<u>Items affecting current profit and loss</u>		
Interest expenses on lease liabilities	\$ 2,652	\$ 3,085
Expenses for leases of low-value assets	514	370
Expenses for variable lease payments	8,597	9,420
Gain on lease modification	(50)	-

- The Corporate Group's total lease cash outflows were \$76,704 and \$63,247 as of 2025 and 2024, respectively, (of which \$64,941 and \$50,372 were for the principal of lease liabilities).
- Effect of variable lease payments on lease liabilities

The subjects of the Group's lease agreements with variable lease payment terms are linked to the amount of electricity sales generated from the solar power generation sites. Solar power generation sites are built on rooftops. This type of lease is based on variable-rate payment terms and is only related to the amount of electricity sales. Variable lease payments related to the amount of electricity sales are recognized as expenses in the period in which the electricity sales occur.

(IX) Leasing arrangements - lessor

- The target assets leased by the Corporate Group are warehousing equipment. The lease agreements are usually for a period of 1 to 5 years and are negotiated on an individual basis and contain various terms and conditions.
- The Corporate Group recognized rental income of \$309,965 and \$308,768 in 2025 and 2024, respectively, based on operating lease agreements, in which no variable lease payments were included.

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
2025	\$ -	\$ 278,753
2026	194,592	47,195
2027	140,079	15,230
2028-2029	<u>224,482</u>	<u>-</u>
Total	<u>\$ 559,153</u>	<u>\$ 341,178</u>

(X) Other non-current assets

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Refundable deposit	\$ 56,624	\$ 48,579
Prepayments for equipment	<u>15,000</u>	<u>-</u>
	<u>\$ 71,624</u>	<u>\$ 48,579</u>

The Group provides deposit as collateral for pledge. Please refer to Note 8 for details.

(XI) Short-term borrowings and Short-term bills payable

As of December 31, 2025, the Corporate Group had no short-term borrowings.

<u>Nature of borrowings</u>	<u>December 31, 2025</u>	<u>Range of interest</u>	<u>Collateral</u>
		<u>rate</u>	
Bank borrowings			
Credit borrowings	<u>\$ 50,000</u>	2.025%~2.035%	None
Short-term bills payable	<u>\$ 20,000</u>	2.02%	None

(XII) Long-term borrowings

<u>Nature of borrowings</u>	<u>Borrowing Period and Repayment Method</u>	<u>Range of interest rate</u>	<u>Collateral</u>	<u>December 31, 2025</u>
Credit borrowings				
Shin Kong Bank	2025.8.1~2030.8.1 The principal and interest shall be repaid in 60 equal installments commencing from (inclusive) September 1, 2025.	2.75%	None	\$ 22,725
Chinatrust Commercial Bank	2021.12.29~2031.12.29 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) January 29, 2022.	2.71%	None	22,800
Secured borrowings				
Land Bank of Taiwan	2024.1.26~2037.1.26 The principal and interest shall be repaid in 156 equal installments commencing from (inclusive) February 26, 2024.	2.32%	Other Equipment	32,061
Land Bank of Taiwan	2024.1.26~2037.1.26 The principal and interest shall be repaid in 156 equal installments commencing from (inclusive) February 26, 2024.	2.52%	Other Equipment	13,764
Land Bank of Taiwan	2021.2.26~2031.2.26 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) March 26, 2021.	2.38%	Other Equipment	21,852
Mega International Commercial Bank	2022.3.29~2032.3.29 The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 29, 2022.	2.39%	Other Equipment	20,938
Mega International Commercial Bank	2022.6.10~2032.3.29 The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 29, 2022.	2.39%	Other Equipment	938
Mega International Commercial Bank	2022.3.29~2032.3.29 The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 29, 2022.	2.39%	Other Equipment	17,500
Mega International Commercial Bank	2022.9.7~2032.3.29 The principal and interest shall	2.39%	Other Equipment	23,584

<u>Nature of borrowings</u>	<u>Borrowing Period and Repayment Method</u>	<u>Range of interest rate</u>	<u>Collateral</u>	<u>December 31, 2025</u>
	be repaid in 39 equal installments commencing from (inclusive) September 29, 2022.			
Mega International Commercial Bank	2022.9.26~2032.3.29 The principal and interest shall be repaid in 39 equal installments commencing from (inclusive) September 29, 2022.	2.39%	Other Equipment	8,720
Mega International Commercial Bank	2023.5.12~2032.3.29 The principal and interest shall be repaid in 36 equal installments commencing from (inclusive) June 29, 2023.	2.39%	Other Equipment	3,485
Mega International Commercial Bank	2023.6.9~2032.3.29 The principal and interest shall be repaid in 36 equal installments commencing from (inclusive) June 29, 2023.	2.39%	Other Equipment	2,486
				190,853
Less: Current portion (other current liabilities)				(28,540)
				<u>\$ 162,313</u>

<u>Nature of borrowings</u>	<u>Borrowing Period and Repayment Method</u>	<u>Range of interest rate</u>	<u>Collateral</u>	<u>December 31, 2024</u>
Credit borrowings				
Chinatrust Commercial Bank	2021.12.29~2031.12.29 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) January 29, 2022.	2.71%	None	\$ 26,600
Shin Kong Bank	2022.11.4~2027.11.4 The principal and interest shall be repaid in 60 equal installments commencing from (inclusive) December 4, 2022.	2.56%	None	14,924
Shin Kong Bank	2022.12.19~2027.11.4 The principal and interest shall be repaid in 60 equal installments commencing from (inclusive) January 19, 2023.	2.39%	None	15,164
Secured borrowings				
Land Bank of Taiwan	2024.1.26~2037.1.26 The principal and interest shall be repaid in 156 equal	2.32%	Other Equipment	34,568

	installments commencing from (inclusive) February 26, 2024. 2024.1.26~2037.1.26			
Land Bank of Taiwan	The principal and interest shall be repaid in 156 equal installments commencing from (inclusive) February 26, 2024. 2021.2.26~2031.2.26	2.52%	Other Equipment	14,827
Land Bank of Taiwan	The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) March 26, 2021. 2022.3.29~2032.3.29	2.38%	Other Equipment	53,112
Mega International Commercial Bank	The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 29, 2022. 2022.6.10~2032.3.29	2.39%	Other Equipment	24,288
Mega International Commercial Bank	The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 29, 2022. 2022.3.29~2032.3.29	2.39%	Other Equipment	1,088
Mega International Commercial Bank	The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 29, 2022. 2022.9.7~2032.3.29	2.39%	Other Equipment	20,300
Mega International Commercial Bank	The principal and interest shall be repaid in 39 equal installments commencing from (inclusive) September 29, 2022. 2022.9.26~2032.3.29	2.39%	Other Equipment	\$ 27,360
Mega International Commercial Bank	The principal and interest shall be repaid in 39 equal installments commencing from (inclusive) September 29, 2022. 2023.5.12~2032.3.29	2.39%	Other Equipment	10,120
Mega International Commercial Bank	The principal and interest shall be repaid in 36 equal installments commencing from (inclusive) June 29, 2023. 2023.6.9~2032.3.29	2.39%	Other Equipment	4,036
Mega International Commercial Bank	The principal and interest shall be repaid in 36 equal installments commencing from (inclusive) June 29, 2023.	2.39%	Other Equipment	2,884

	2023.6.19~2030.6.19			
Mega International Commercial Bank	The principal and interest shall be repaid in 28 equal installments commencing from (inclusive) September 19, 2023.	2.39%	Other Equipment	7,852
	2024.9.5~2030.6.19			
Mega International Commercial Bank	The principal and interest shall be repaid in 24 equal installments commencing from (inclusive) September 19, 2024.	2.39%	Other Equipment	55,000
	2021.6.29~2026.6.29			
Far Eastern International Bank	0.55% of the principal shall be repaid in 60 installments commencing from (inclusive) July 29, 2021. The remaining principal shall be fully repaid at maturity.	2.77%	Other Equipment	\$ 13,073
	2023.11.30~2028.11.30			
Far Eastern International Bank	Starting from February 29, 2024 (inclusive), 20 instalments: 2% of the principal is repaid in the 1st to 19th instalments and 62% of the principal is repaid in the 20th instalment.	2.25%	Other Equipment	44,543
				369,739
	Less: Current portion (other current liabilities)			(54,474)
				\$ 315,265

(XIII) Other payables

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Employees' bonuses and directors' remuneration payable	\$ 6,972	\$ 9,082
Salary payables	8,899	9,834
Equipment payables	16,688	15,516
Others	17,925	18,108
	\$ 50,484	\$ 52,540

(XIV) Pensions

1. Defined benefit plan

(1) In accordance with the Labor Standards Act, the Company and its domestic

subsidiaries have established a defined benefit pension plan that applies to the years of service prior to the implementation of the Labor Pension Act on July 1, 2005 for all regular employees and to the subsequent years of service for employees who choose to continue to be subject to the Labor Standards Act after the implementation of the Labor Pension Act. In addition, in the fourth quarter of 2010, the Company established a new pension plan for commissioned employees, who are not subject to the Labor Standards Act. For employees who meet the retirement criteria, pension payments are calculated based on the years of service and the average salary for the six months prior to retirement, with two bases for each year of service up to (inclusive) 15 years and one base for each year of service over 15 years, subject to a maximum accumulation of 45 bases. The years of service of the commissioned employees subject to the Labor Pension Act is calculated at 6% of the total salary during the term of appointment. The Company contributes monthly to pension funds at 8% of total salaries. The pension funds for regular employees and commissioned employees are deposited in the name of the Supervisory Committee of Labor Retirement Reserve in the Trust Department of Bank of Taiwan and Taishin International Bank, respectively. In addition, the Company estimates the balances of the pension funds before the end of each year. If the balances are not sufficient to pay the pensions based on the aforementioned calculations to eligible employees in the following year, the Company will make a one-time catch-up with the difference before the end of March of the following year.

(2) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Present value of defined benefit obligation	\$ 18,489	\$ 17,163
Fair value of the plan asset	(17,597)	(15,119)
Net liabilities recognized in balance sheet	<u>\$ 892</u>	<u>\$ 2,044</u>

(3) Changes of net liabilities are as follows:

	<u>Present value of defined benefit obligation</u>	<u>Fair value of the plan asset</u>	<u>Net defined benefit liabilities</u>
2025			
Balance as of January 1	\$ 17,163	(\$ 15,119)	\$ 2,044
Interest expense (revenue)	<u>278</u>	<u>(255)</u>	<u>23</u>
	<u>17,441</u>	<u>(15,374)</u>	<u>2,067</u>
Remeasurements:			
Return of plan asset (excluding amounts attributable to interest income or expense)	-	(893)	(893)
Effect of changes in financial assumptions	438	-	438
Experience adjustment	<u>610</u>	<u>-</u>	<u>610</u>
	<u>1,048</u>	<u>(893)</u>	<u>155</u>
Pension fund contribution	-	(1,330)	(1,330)
Pension payment	<u>-</u>	<u>-</u>	<u>-</u>
Balance at December 31	<u>\$ 18,489</u>	<u>(\$ 17,597)</u>	<u>\$ 892</u>
	<u>Present value of defined benefit obligation</u>	<u>Fair value of the plan asset</u>	<u>Net defined benefit liabilities</u>
2024			
Balance as of January 1	\$ 25,930	(\$ 21,068)	\$ 4,862
Current service cost	65	-	65
Interest expense (revenue)	<u>306</u>	<u>(256)</u>	<u>50</u>
	<u>26,301</u>	<u>(21,324)</u>	<u>4,977</u>
Remeasurements:			
Return of plan asset (excluding amounts attributable to interest income or expense)	-	(1,317)	(1,317)
Effect of changes in financial assumptions	(813)	-	(813)
Experience adjustment	<u>540</u>	<u>-</u>	<u>540</u>
	<u>(273)</u>	<u>(1,317)</u>	<u>(1,590)</u>
Pension fund contribution	-	(1,343)	(1,343)
Pension payment	<u>(8,865)</u>	<u>8,865</u>	<u>-</u>
Balance at December 31	<u>\$ 17,163</u>	<u>(\$ 15,119)</u>	<u>\$ 2,044</u>

(4) Bank of Taiwan was commissioned to manage the fund of the Company's defined

benefit pension plan in accordance with the fund’s annual investment and utilization plan and the “Regulations for Revenues, Expenditures, Safe guard and Utilization of the Labor Retirement Fund” (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter or private placement equity securities, investment in domestic or foreign real estate secularization products, etc.). Such utilization is supervised by the Labor Funds Supervisory Committee. With regard to the utilization of the fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings are less than aforementioned rates, government shall make payment for the deficit after being authorized by the competent authority. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2025 and 2024 is given in the Annual Labor Retirement Fund Utilization Report announced by the government. The Company’s pension accounts with Taishin International Bank have been fully allocated to demand deposit.

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

	<u>2025</u>	<u>2024</u>
Discount rate	<u>1.40%</u>	<u>1.65%</u>
Future salary increase rate	<u>2.00%</u>	<u>2.00%</u>

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Due to the change of the main actuarial assumption, the present value of defined benefit obligation is affected. The analysis is as follows:

	<u>Discount rate</u>		<u>Future salary increase rate</u>	
	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
	<u>0.25%</u>	<u>0.25%</u>	<u>0.25%</u>	<u>0.25%</u>
December 31, 2025				
Effect on the present value of defined benefit obligation	<u>(\$ 438)</u>	<u>\$ 454</u>	<u>\$ 209</u>	<u>(\$ 203)</u>
December 31, 2024				
Effect on the present value of defined benefit obligation	<u>(\$ 429)</u>	<u>\$ 445</u>	<u>\$ 217</u>	<u>(\$ 210)</u>

The sensitivity analysis above was based on one assumption that changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The methods of analyzing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The sensitivity analysis has been prepared using approaches and assumptions the same as last period.

- (6) Expected contributions to the defined benefit pension plans of the Company for the year 2025 amounted to \$1,561.
- (7) As of December 31, 2025, the weighted average duration of the retirement plan is 9 years. The maturity analysis of pension payments is as follows:

In less than 1 year	\$	668
1-2 years		1,735
2-5 years		4,697
More than 5 years		<u>14,159</u>
	<u>\$</u>	<u>21,259</u>

2. Defined contribution plans

- (1) The Company has established a defined contribution pension plan under the Labor Pension Act covering all regular employees with domestic citizenship. The Company contributes monthly no less than 6% of salaries as labor pensions to employees' personal accounts at the Bureau of Labor Insurance for employees who choose to apply the labor pension system under the "Labor Pension Act." Payments of employee pensions are made in the form of monthly pensions or one-time lump-sum, depending on the amount of the employees' personal accounts and accumulated earnings. The Company recognized pension costs of \$2,825 and \$2,667 as of 2025 and 2024, respectively, based on the above pension plan.
- (2) Chang Fu Feng Co., Ltd., Yufeng Green Energy Co., Ltd., He Zhen Feng Co., Ltd., An Feng Green Energy Co., Ltd., Kuan Tai Green Energy Co., Ltd., Kun Feng Green Energy Co., Ltd. and Prime Holdings Corporation did not recognize pension cost as they have no employees and have not yet stipulated the employee pension plan.

(XV) Provision

	<u>2025</u>	<u>2024</u>
Balance as of January 1	<u>\$ 27,998</u>	<u>\$ 27,998</u>

The nature of the Group's provision for liabilities is described as follows.

1. The Group signed a lease agreement with the Port Authority in November 2016 and renewed the contract in June 2022, with the lease term ending on April 30, 2028. According to the contract, the Group shall restore the leased wharf to its original state upon lease expiration. Therefore, the estimated cost of demolition, removal or restoration at the location is recorded as a liability provision of \$9,886 as of December 31, 2025 and 2024, respectively.

2. The Corporate Group’s solar power generation sites are built on the roof. According to the contract, the Corporate Group should restore the leased site to its original condition at the end of the lease term. Therefore, the provision for liabilities recognized for the solar power site based on the costs expected to be incurred for dismantling, removing or restoring the site were \$18,112 as of December 31, 2025 and December 31, 2024, respectively.

(XVI) Share capital

As of December 31, 2025, the Company’s authorized capital was NT\$2,000,000 and the paid-in capital was NT\$778,344, divided into 77,834 thousand shares with a par value of NT\$10 per share. All are common stocks. The share capital of the Company has been fully paid-in.

The reconciliation of the number of shares of the Company’s common stock in circulation at the beginning of the period to the end of the period is as follows (thousand shares):

	<u>2025</u>	<u>2024</u>
January 1 & December 31	<u>77,834</u>	<u>77,834</u>

(XVII) Additional paid-in capital

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

(XVIII) Retained earnings

1. In accordance with the Company Act, the capital surplus from premium from issuance of shares in excess of par value and the capital surplus from donations may be used to cover losses and new shares or cash may be issued in proportion to the shareholders’ original shareholding percentages when the Company has no accumulated losses. In addition, in accordance with the Securities and Exchange Act, the above capital surplus can be capitalized to the extent that the total amount does not exceed 10% of the paid-in capital each year. Capital surpluses should not be used to cover accumulated deficit unless the legal reserve is insufficient.
2. In accordance with the Company Act, the legal reserve may not be used except to cover losses or to issue new shares or cash in proportion to the shareholders’ original shareholding percentages, but it is limited to the portion of the legal reserve over 25% of the paid-in capital.
3. According to the Company’s Articles of Incorporation, if there is any earnings distribution in the annual final accounts to be paid in cash, the board of directors shall resolve the matter and report to the shareholders’ meeting. When distributing earnings, if there is a net profit after tax in the current period, the loss shall first be offset and 10% of the legal reserve shall be appropriated. However, when the legal reserve reaches the amount of the Company’s paid-in capital, this shall not apply. Special reserve is appropriated as required by law or the competent authority. The remaining earnings shall be distributed according

to the procedures set out in the law and the Articles of Incorporation.

4. When the Company distributes profits, special reserve for profit appropriation shall be allocated from other equity items with debit balances as of the balance sheet date of the current year in accordance with relevant laws and regulations before the profits can be distributed. Afterward, when the debit balances of other equity items are reversed, the amount of reversal can be included in distributable profits.
5. On June 10, 2025 and June 21, 2024, the Shareholders' Meeting of the Company approved the distribution of earnings for 2024 and 2023 respectively. The resolution is as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Amount</u>	<u>Dividends per share (NTD)</u>	<u>Amount</u>	<u>Dividends per share (NTD)</u>
Legal reserve allocated	\$ 10,843		\$ 6,472	
Cash dividends paid	<u>77,834</u>	\$ 1.00	<u>46,701</u>	\$ 0.60
Total	<u>\$ 88,677</u>		<u>\$ 53,173</u>	

6. On March 12, 2026, the Board of Directors resolved and approved the distribution of earnings for 2025. The resolution is as follows:

	<u>2025</u>	
	<u>Amount</u>	<u>Dividends per share (NTD)</u>
Legal reserve allocated	\$ 7,648	
Cash dividends paid	<u>54,484</u>	\$ 0.70
Total	<u>\$ 62,132</u>	

(XIX) Other equity interest

	<u>Unrealized gains and losses</u>	<u>2025 Foreign currency translation</u>	<u>Total</u>
January 1	(\$ 5,007)	\$ 20,214	\$ 15,207
Adjustment for change in value	95	-	95
Foreign currency translation adjustment consolidated group	-	(7,724)	(7,724)
affiliated enterprises	-	<u>3,179</u>	<u>3,179</u>
December 31	<u>(\$ 4,912)</u>	<u>\$ 15,669</u>	<u>\$ 10,757</u>

	<u>Unrealized gains and losses</u>	<u>2024 Foreign currency translation</u>	<u>Total</u>
January 1	(\$ 4,518)	\$ 7,937	\$ 3,419
Adjustment for change in value Foreign currency translation adjustment: consolidated group affiliated enterprises	(489) - - <u>-</u>	- 15,345 <u>(3,068)</u>	(489) 15,345 <u>(3,068)</u>
December 31	<u>(\$ 5,007)</u>	<u>\$ 20,214</u>	<u>\$ 15,207</u>

(XX) Operating revenue

	<u>2025</u>	<u>2024</u>
Operating lease		
Rental incomes	\$ 309,965	\$ 308,768
Revenue from Customer Contract		
Tank operation revenue	59,766	68,612
Electricity sales revenue	<u>104,028</u>	<u>114,653</u>
Total	<u>\$ 473,759</u>	<u>\$ 492,033</u>

1. The revenue from customer contracts of the Group is recognized gradually over time.
2. The Group's rental revenue and tank operation income are presented together with the oil and chemical tank rental business in Note 14, (3) Segment Information.

(XXI) Other income

	<u>2025</u>	<u>2024</u>
Dividends income	\$ 25,298	\$ 4,451
Service revenue	5,745	-
Other income	<u>4,959</u>	<u>1,039</u>
Total	<u>\$ 36,002</u>	<u>\$ 5,490</u>

(XXII) Other gains or losses

	<u>2025</u>		<u>2024</u>
Losses on financial assets at fair value (\$ through profit or loss	19)	(\$	5,144)
Gains(Loss) on disposal of property, plant and equipment	(1,442)		1,048
Loss on impairment of property, plant and equipment	(8,498)		-
Gain on lease modification	50		-
Net foreign currency exchange gain	(1,778)		2,101
Others	(697)		10
	<u>(\$ 12,384)</u>		<u>(\$ 1,985)</u>

(XXIII) Financial costs

	<u>2025</u>		<u>2024</u>
Interest expenses			
Bank borrowings	\$ 7,966	\$	8,978
Less: The amount of asset capital that meets the requirements	(58)	(	85)
	<u>7,908</u>		<u>8,893</u>
Interest expenses on lease liabilities	<u>2,652</u>		<u>3,085</u>
	<u>\$ 10,560</u>		<u>\$ 11,978</u>

(XXIV) Expenses by nature

	<u>2025</u>		<u>2024</u>
Employee benefits expense	\$ 86,155	\$	85,712
Depreciation expense	187,673		186,968
Amortization expense	1,506		1,918
Terminal administrative expenses	21,369		14,471
Miscellaneous purchases	3,693		2,404
Low-value asset rents	514		370
Expenses for variable lease payments	8,597		9,420
Salaries and wages	8,757		4,650
Other expenses	<u>78,185</u>		<u>73,285</u>
Operating costs and operating expenses	<u>\$ 396,449</u>		<u>\$ 379,198</u>

(XXV) Employee benefits expense

	<u>2025</u>	<u>2024</u>
Salary expenses	\$ 69,388	\$ 68,419
Labor and health insurance expenses	6,183	5,796
Pension costs	2,849	2,782
Directors' remuneration	3,226	4,140
Other employee expenses	4,509	4,575
	<u>\$ 86,155</u>	<u>\$ 85,712</u>

1. In accordance with the Company's Articles of Incorporation, if the Company has a surplus in earnings after deducting the accumulated losses based on the profitability of the current year, it shall allocate no less than 0.1% for salary adjustments or bonuses for grass-roots employees, no less than 3% as employees' profit sharing remuneration and no more than 5% as directors' and supervisors' profit sharing remuneration.
2. In 2025 and 2024, the estimation of employees' compensation and directors' and supervisors' remuneration based on a certain percentage within the scope stipulated by the regulations. The estimated amounts of employees' compensations were \$3,998 and \$5,153, respectively; the estimated amounts of directors' and supervisors' remuneration were \$5,153 and \$3,929, respectively, and the aforementioned amounts were recognized as salaries.
3. The remuneration to employees, directors, and supervisors for 2025 was NT\$3,998 and NT\$2,974, respectively, as resolved by the Board of Directors on March 12, 2026, which was consistent with the amount recognized in the financial report for the year.
The remuneration to employees, directors, and supervisors for 2024 was NT\$5,153 and NT\$3,929, respectively, as resolved by the Board of Directors on March 13, 2025, which was consistent with the amount recognized in the financial report for the year.
Information about employees' profit sharing and directors' and supervisors' profit sharing of the Company as resolved by the Board of Directors can be found on the Market Observation Post System.

(XXVI) Income tax

1. Income tax expense

(1) Components of income tax expense:

	<u>2025</u>		<u>2024</u>
Current tax:			
Income taxes arising from	\$ 17,492	\$	19,507
incomes for the current period			
Income tax (overestimated)	1,990		841
underestimated for prior years			
Refund of tax on			
undistributed earnings for			
prior years due to correction	(1,741)		-
	<u>17,768</u>		<u>20,348</u>
Deferred income tax:			
Origination and Reversal of			
Temporary Differences	(2,547)		6,688
Income tax expense	<u>\$ 15,221</u>	\$	<u>27,036</u>

(2) The income tax amount relating to components of other comprehensive income:

	<u>2025</u>		<u>2024</u>
Translation differences of			
foreign operations	\$ 2,933	(\$	3,068)
Remeasurements of defined			
benefit obligation	<u>31</u>	(	<u>318)</u>
	<u>\$ 2,964</u>	(\$	<u>3,386)</u>

2. Reconciliation between income tax expense and accounting profit

	<u>2025</u>		<u>2024</u>
Income tax expense at the statutory rate	\$ 19,636	\$	26,838
Effect from tax-exempt income under the tax law	(5,359)	(	1,387)
Effect from exclusion of expenses according to the tax law	695		718
Amount of income tax Underestimated (overestimated) for prior years	1,990		841
Refund of tax on undistributed earnings for prior years due to correction	(1,714)		-
Others	(27)		26
Income tax expense	<u>\$ 15,221</u>	\$	<u>27,036</u>

3. Amounts of deferred tax assets derived from temporary differences are as follows:

	<u>2025</u>			
	<u>January 1</u>	<u>Recognized in profit or loss</u>	<u>Recognized in other comprehensive net profit</u>	<u>December 31</u>
Deferred income tax assets				
temporary difference:				
Bonus for employees not taking leave	\$ 523	\$ 105	\$ -	\$ 628
Pension liability	409	(261)	31	179
Unrealized exchange loss	-	188	-	188
	<u>\$ 932</u>	<u>\$ 32</u>	<u>\$ 31</u>	<u>\$ 995</u>
Deferred income tax liabilities				
Unrealized exchange gains	(\$ 248)	\$ 248	\$ -	\$ -
Cumulative translation adjustment	(5,052)	-	2,933	(2,119)
Gain on investment	(16,997)	2,267	-	(14,730)
	<u>(\$ 22,297)</u>	<u>\$ 2,515</u>	<u>\$ 2,933</u>	<u>(\$ 16,849)</u>

		<u>2024</u>		
			<u>Recognized in</u>	
			<u>other</u>	
	<u>January 1</u>	<u>Recognized in</u>	<u>comprehensive</u>	<u>December 31</u>
		<u>profit or loss</u>	<u>net profit</u>	
Deferred income tax assets				
temporary difference:				
Bonus for employees not taking leave	\$ 410	\$ 113	\$ -	\$ 523
Pension liability	972	(245)	(318)	409
Unrealized exchange loss	<u>2</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,384</u>	<u>(\$ 134)</u>	<u>(\$ 318)</u>	<u>\$ 932</u>
Deferred income tax liabilities				
Unrealized exchange gains	\$ -	(\$ 248)	\$ -	(\$ 248)
Cumulative translation adjustment	(1,984)	-	(3,068)	(5,052)
Gain on investment	<u>(10,691)</u>	<u>(6,306)</u>	<u>-</u>	<u>(16,997)</u>
	<u>(\$ 12,675)</u>	<u>(\$ 6,554)</u>	<u>(\$ 3,068)</u>	<u>(\$ 22,297)</u>

4. The effective periods of unused tax losses and the related amounts of unrecognized deferred income tax assets of the Corporate Group's subsidiaries are as follows:

<u>December 31, 2025</u>				
			<u>Unrecognized</u>	
			<u>Deferred Tax Income</u>	
<u>Year</u>	<u>Reported</u>	<u>Amount not yet</u>	<u>tax asset component</u>	<u>Last Year of</u>
		<u>deducted</u>		<u>Deduction</u>
2020-2025	<u>\$ 611</u>	<u>\$ 611</u>	<u>\$ 611</u>	2035
<u>December 31, 2024</u>				
			<u>Unrecognized</u>	
			<u>Deferred Tax Income</u>	
<u>Year</u>	<u>Reported</u>	<u>Amount not yet</u>	<u>tax asset component</u>	<u>Last Year of</u>
		<u>deducted</u>		<u>Deduction</u>
2020-2024	<u>\$ 394</u>	<u>\$ 394</u>	<u>\$ 394</u>	2034

5. The income tax examinations of the Company and its subsidiaries are as follows:

	<u>Approval status</u>
Prime Oil Chemical Service Corporation, He Zhen Feng Co., Ltd. and Chang Fu Feng Co., Ltd. Yufeng Green Energy Co., Ltd.	Approved until 2023
	Established in 2024, not yet approved by the tax authorities.
Kuan Tai Green Energy Co., Ltd., An Feng Green Energy Co., Ltd., Kun Feng Green Energy Co., Ltd.	Established in 2025, not yet approved by the tax authorities.

(XXVII) Earnings per share

	<u>2025</u>		
	<u>After-tax amount</u>	<u>Weighted average Number of shares in circulation (thousands of shares)</u>	<u>Earnings per share (NTD)</u>
<u>Basic earnings per share</u>			
Net profits for the period attributable to shareholders of parent company	\$ 76,600	77,834	<u>\$ 0.98</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employee compensation	-	<u>291</u>	
Net profits for the period attributable to shareholders of common stock of parent company plus the effect of potential common stock	<u>\$ 76,600</u>	<u>78,125</u>	<u>\$ 0.98</u>

		<u>2024</u>	
		<u>Weighted average</u>	
		<u>Number of shares in</u>	<u>Earnings per</u>
	<u>After-tax</u>	<u>circulation</u>	<u>share</u>
	<u>amount</u>	<u>(thousands of</u>	<u>(NTD)</u>
		<u>shares)</u>	
<u>Basic earnings per share</u>			
Net profits for the period attributable to shareholders of parent company	\$ 107,155	77,834	<u>\$ 1.38</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employee compensation	-	319	
Net profits for the period attributable to shareholders of common stock of parent company plus the effect of potential common stock	<u>\$ 107,155</u>	<u>78,153</u>	<u>\$ 1.37</u>
(XXVIII) <u>Supplemental cash flow information</u>			

Investing activities that are only partially paid in cash:

	<u>2025</u>	<u>2024</u>
Purchase of property, plant and equipment	\$ 78,100	\$ 45,392
Add: Equipment payable at the beginning of the period	15,516	17,585
Add: Prepayments for equipment at the end of the period	15,000	-
Less: Equipment payable at the end of the period	(16,688)	(15,516)
Cash paid during the period	<u>\$ 91,928</u>	<u>\$ 47,461</u>
(XXIX) <u>Changes in liabilities arising from financing activities</u>		

	<u>2025</u>			
	<u>Short-term</u>	<u>Long-term</u>		
	<u>borrowings</u>	<u>borrowings</u>		
	<u>and bills</u>	<u>(including portions</u>		
	<u>payable</u>	<u>due within one year</u>		
	<u>or one operating</u>	<u>or one operating</u>		
	<u>cycle)</u>	<u>cycle)</u>		
	<u>lease</u>	<u>liabilities</u>	<u>Total liabilities</u>	<u>from financing</u>
	<u>liabilities</u>	<u>and bills</u>	<u>from financing</u>	<u>activities</u>
	<u>and bills</u>	<u>payable</u>	<u>from financing</u>	<u>activities</u>
	<u>payable</u>	<u>payable</u>	<u>from financing</u>	<u>activities</u>
	<u>payable</u>	<u>payable</u>	<u>from financing</u>	<u>activities</u>
January 1	\$ 196,848	\$ -	\$ 369,739	\$ 566,587
Changes in cash flows from financing activities	(64,941)	70,000	(178,886)	(173,827)
Other non-cash transactions	(124)	-	-	(124)
December 31	<u>\$ 131,783</u>	<u>\$ 70,000</u>	<u>\$ 190,853</u>	<u>\$ 392,636</u>

	<u>lease</u> <u>liabilities</u>	<u>Short-term</u> <u>borrowings</u> <u>and bills</u> <u>payable</u>	<u>2024</u> <u>Long-term</u> <u>borrowings</u> <u>(including portions</u> <u>due within one year</u> <u>or one operating</u> <u>cycle)</u>	<u>Total liabilities</u> <u>from financing</u> <u>activities</u>
January 1	\$ 225,800	\$ 30,000	\$ 344,092	\$ 599,892
Changes in cash flows from financing activities	(50,372)	(30,000)	25,647	(54,725)
Other non-cash transactions	21,420	-	-	21,420
December 31	<u>\$ 196,848</u>	<u>\$ -</u>	<u>\$ 369,739</u>	<u>\$ 566,587</u>

VII. Related-Party Transactions

(I) Parent company and ultimate controlling party

The Company's shares are held by the public and there is no ultimate parent or ultimate controlling party.

(II) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
ABACUS DISPLAY INFINITY CORPORATION	Corporate director
Chang Fu Feng Co., Ltd.	Subsidiary (Note)

Note: In November 2024, the Company acquired 100% of the shares of Chang Fu Feng Co., Ltd., which became a subsidiary of the Company.

(III) Significant transactions and balances with related parties

Property transactions (acquisition of financial assets).

<u>Item</u>	<u>Number of</u> <u>shares</u>	<u>Transaction</u> <u>Target</u>	<u>2024</u> <u>Acquisition</u> <u>price</u>
ABACUS DISPLAY INFINITY CORPORATION	223,000	Stock (Note2)	<u>\$ 2,214</u>
		Investments accounted for using equity method. (Note1)	

Note 1: The acquisition of Chang Fu Feng's shares, a subsidiary, has been eliminated in the preparation of the consolidated financial statements.

Note 2: In November 2024, the Company acquired 100% of the shares of Chang Fu Feng from ABACUS DISPLAY INFINITY CORPORATION for cash of \$2,214.

(IV) Compensation of key management personnel

	<u>2025</u>	<u>2024</u>
Short-term employee benefits	\$ 23,804	\$ 25,593
Post-employment benefits	<u>1,220</u>	<u>1,240</u>
Total	<u>\$ 25,024</u>	<u>\$ 26,833</u>

VIII. Pledged assets

(I) The details of the Company's assets as collateral are as follows:

Asset type	December 31, 2025	December 31, 2024	Purpose
Other non-current assets (refundable deposits)	\$ 2,550	\$ 2,550	Customs duty
Other non-current assets (refundable deposits)	32,345	25,500	Lease deposits
Other non-current assets (refundable deposits)	21,729	20,529	Performance guarantee deposits
Financial assets measured at amortized cost – non-current	2,691	4,787	Long-term borrowings
Other Equipment	<u>258,651</u>	<u>503,775</u>	Long-term borrowings
	<u>\$ 317,966</u>	<u>\$ 557,141</u>	

(II) Part of the construction payment for the construction of the solar photovoltaic power generation system has been entrusted to a third-party financial institution. Please refer to Note 6(4) for details.

IX. Significant contingent liabilities and unrecognized contract commitments

(I) Contingencies

The Company's lawsuit case with Chunghwa Telecom Vietnam Co., LTD. is explained in detail in Note 6(4).

(II) Capital expenditures contracted for but not yet incurred

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Property, Plant and Equipment	<u>\$ 66,469</u>	<u>\$ 21,614</u>

X. Losses due to major disasters

Not applicable.

XI. Significant events after the balance sheet date

On March 12, 2026, the Board of Directors passed the distribution of 2025 earnings. Please refer to Note 6(18).

XII. Others

(I) Capital management

The objective of the Corporate Group's capital management is to ensure that the Corporate Group can continue as a going concern, that an optimal capital structure is maintained to lower the cost of capital and that returns are provided to shareholders. In order to maintain or adjust the capital structure, the Corporate Group may adjust the amount of dividends paid to shareholders or issue new shares. Should any borrowings occur, the Corporate Group will monitor its capital on the basis of the debt-to-equity ratio.

The Corporate Group monitors capital through the debt-to-equity ratio. This ratio is calculated as total loans less cash and cash equivalents then divided by total equity. The Corporate Group's strategic maintenance in 2025 to pin the debt-to-equity ratio in between 0% and 30% remains unchanged from that in 2024. The calculation of the Corporate Group's debt-to-equity ratio as of December 31, 2025 and December 31, 2024 was as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Total loans	\$ 260,853	\$ 369,739
Less: Cash and cash equivalents	<u>(152,085)</u>	<u>(190,930)</u>
Net debt	<u>\$ 108,768</u>	<u>\$ 178,809</u>
Total equity	<u>\$ 1,289,105</u>	<u>\$ 1,285,104</u>
Debt-to-equity ratio	<u>8.44%</u>	<u>13.93%</u>

(II) Financial instruments

1. Categories of financial instruments

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Financial asset</u>		
Financial assets at fair value through profit and loss		
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 90,454</u>	<u>\$ 130,321</u>
Financial assets at fair value through other comprehensive income		
Investments in designated equity instrument	<u>\$ 4,717</u>	<u>\$ 4,622</u>
Financial assets measured at amortized cost		
Cash and cash equivalents	\$ 152,085	\$ 190,930
Trade receivable	36,689	45,984
Financial assets measured at amortized cost – non-current	20,700	23,773
Guarantee deposits paid	<u>56,624</u>	<u>48,579</u>
	<u>\$ 266,098</u>	<u>\$ 309,266</u>

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Financial liability</u>		
Financial liabilities measured at amortized cost		
Short-term borrowings	\$ 50,000	\$ -
Short-term bills payable	20,000	-
Notes payable	6,995	-
Other payables	50,484	52,540
Long-term borrowings (including portions due within one year)	190,853	369,739
Guarantee deposits received	<u>440</u>	<u>440</u>
	<u>\$ 318,772</u>	<u>\$ 422,719</u>
lease liabilities	<u>\$ 131,783</u>	<u>\$ 196,848</u>

2. Risk management policies

The Group's daily operations are subject to a number of financial risks, including market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial position and performance.

The Group's significant financial risk management is controlled with review by the Board of Directors in accordance with relevant regulations and internal control systems. The financial risk management plan has been established to identify and analyze the financial risks faced by the Company and assess their impact, and to implement relevant policies to avoid financial risks, and to regularly review the financial risk policy to reflect changes in market conditions and the Group's operations.

3. Significant financial risks and degrees of financial risks

(1) Market risk

Exchange rate risk

- A. The Group engages in business involving foreign currency transactions and is therefore subject to exchange rate fluctuations and exchange rate risk arising from different currencies, mainly USD. The related exchange rate risk arises from future business transactions and recognized assets. Exchange rate risk arises when future business transactions and recognized assets are denominated in the functional currency of the entity
- B. The Group has no significant foreign currency financial liabilities. An analysis of foreign currency assets subject to significant exchange rate fluctuations and foreign currency market risk due to significant exchange rate fluctuations is as follows.

<u>December 31, 2025</u>						
<u>Sensitivity Analysis</u>						
	<u>Foreign currency (NTD in thousands)</u>	<u>Exchange rate</u>	<u>Carrying amount (NTD)</u>	<u>Change range</u>	<u>Impact on profit or loss</u>	<u>Impact on comprehens ive income</u>
<u>Financial asset</u>						
<u>Monetary items</u>						
USD: NTD	\$ 712	31.38	\$ 22,343	1%	\$ 223	\$ -
<u>Non-monetary items</u>						
USD: NTD	\$ 12,497	31.38	\$ 392,164	1%	\$ -	\$ -

<u>December 31, 2024</u>						
<u>Sensitivity Analysis</u>						
	<u>Foreign currency (NTD in thousands)</u>	<u>Exchange rate</u>	<u>Carrying amount (NTD)</u>	<u>Change range</u>	<u>Impact on profit or loss</u>	<u>Impact on comprehens ive income</u>
<u>Financial asset</u>						
<u>Monetary items</u>						
USD: NTD	\$ 741	32.74	\$ 24,257	1%	\$ 243	\$ -
<u>Non-monetary items</u>						
USD: NTD	\$12,579	32.74	\$ 411,758	1%	\$ -	\$ -

C. The total amount of exchange gain (losses) (both realized and unrealized) recognized in 2025 and 2024 was (\$1,778) and \$2,101, respectively, due to the significant impact of exchange rate fluctuations on the Group's monetary items.

(2) Price risk

A. The Group's equity instruments exposed to price risk are financial assets held at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage the price risk of equity securities, the Group diversifies its investment portfolio in a manner that is based on the limits set by the Group.

B. The Corporate Group invests mainly in equity instruments and beneficiary certificates that are not listed on the TWSE or TPEX or foreign markets. The prices of these equity instruments are affected by the uncertainty of the future value of the underlying investments.

(3) Cash flow and fair value interest rate risk

A. The Group's interest rate risk arises from short-term and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. For 2025 and 2024, the Corporate Group's borrowings based on floating interest rates were denominated in NTD.

B. The Group simulates various scenarios and analyzes interest rate risk, including consideration of refinancing, renewal of existing positions, other available

financing and hedging, in order to calculate the impact of changes in specific interest rates on profit or loss. For each simulated scenario, the same interest rate change is applied to all currencies. These simulated scenarios are used only for significant interest-bearing liabilities.

C. As of December 31, 2025 and December 31, 2024, if the interest rate of all borrowings increased by 1% with all other factors held constant, net profits after tax would have decreased by \$2,087 and \$2,958 for 2025 and 2024, primarily due to the floating rate of borrowings that increases interest expense.

(4) Credit risk

A. The Corporate Group's credit risk is the risk of financial loss arising from the failure of customers or counterparties to financial instruments to meet their contractual obligations, mainly from the failure of counterparties to settle accounts receivable on payment terms.

B. For receivables arising from operating activities, the Group has established relevant credit risk management mechanisms and regularly evaluates the financial position, credit limits and other factors of the related debtors, and the current creditworthiness of the receivables is good and there was no significant credit risk according to the assessment. Cash, cash equivalents and financial assets measured at amortized cost that have been assessed to have no significant risk.

C. The Group assumes that a default is deemed to have occurred when payments are more than 60 days overdue in accordance with the contractual payment terms.

D. The Group categorizes accounts receivable from customers according to the characteristics of revenue types and estimates expected credit losses based on the loss ratio method on a simplified basis.

E. The Corporate Group has estimated the allowance for losses on accounts receivable by incorporating forward-looking adjustments to the loss rate established based on historical and current information for a specific period, as the Group's customers are in good credit standing and the overdue accounts receivable and the overdue loss rate were not material as of December 31, 2025 and December 31, 2024.

(5) Liquidity risk

A. The Group's finance department prepares future cash flow forecasts to monitor future funding requirements and to ensure that sufficient funds are available for disbursement, and maintains sufficient borrowing facilities to adjust for future funding shortfalls.

B. The following table presents the Group's non-derivative financial liabilities, grouped by the relevant maturity date, which are analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flow amounts disclosed in the Table below are undiscounted amounts.

Non-derivative financial liabilities:

December 31, 2025	<u>Less than 1</u> <u>year</u>	<u>Less than 1 to 2</u> <u>years</u>	<u>More than 2</u> <u>years</u>
Short-term borrowings	\$ 50,525	\$ -	\$ -
Short-term bills payable	20,053	-	-
Notes payable	6,995	-	-
Other payables	50,484	-	-
lease liabilities	60,469	59,832	20,782
Guarantee deposits received	-	-	440
Long-term borrowings (including portions due within one year or one operating cycle)	<u>32,912</u>	<u>32,540</u>	<u>142,481</u>
Total	<u>\$ 221,165</u>	<u>\$ 92,372</u>	<u>\$ 163,703</u>

Non-derivative financial liabilities:

December 31, 2024	<u>Less than 1</u> <u>year</u>	<u>Less than 1 to 2</u> <u>years</u>	<u>More than 2</u> <u>years</u>
Other payables	\$ 52,539	\$ -	\$ -
lease liabilities	60,471	67,133	73,983
Guarantee deposits received	-	-	440
Long-term borrowings (including portions due within one year or one operating cycle)	<u>62,847</u>	<u>72,729</u>	<u>265,451</u>
Total	<u>\$ 155,857</u>	<u>\$ 139,862</u>	<u>\$ 339,874</u>

(III) Fair value information

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability. The Group's investments in unlisted over-the-counter stocks and beneficiary certificates are classified as such.

2. For financial and non-financial instruments measured at fair value, the Group classifies them based on the basis of the nature, characteristics and risks of the assets and fair value level, and the related information is as follows.

December 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit and loss				
Investment in private equity	\$ -	\$ -	\$ 90,454	\$ 90,454
Financial assets at fair value through other comprehensive income				
Equity security	-	-	4,717	4,717
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,171</u>	<u>\$ 95,171</u>
December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit and loss				
Investment in private equity	\$ -	\$ -	\$ 130,321	\$ 130,321
Financial assets at fair value through other comprehensive income				
Equity security	-	-	4,622	4,622
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,943</u>	<u>\$ 134,943</u>

3. The following table shows the changes in Level 3 for 2025 and 2024.

	<u>2025</u>	<u>2024</u>
	<u>Non-derivative equity security</u>	<u>Non-derivative equity security</u>
January 1	\$ 134,943	\$ 107,321
Addition for the period	-	57,069
Refunds from capital reduction in the current period	(39,848)	(23,814)
Loss recognized in profit or loss	(19)	(5,144)
Profit (loss) recognized in other comprehensive income	<u>95</u>	<u>(489)</u>
December 31	<u>\$ 95,171</u>	<u>\$ 134,943</u>

4. In 2025 and 2024 there were no transfers in or out of Level 3.

5. The Group's valuation process for fair value classification in Level 3 is conducted by the finance and accounting department, which is responsible for conducting independent fair value verification of financial instruments, using independent sources of information to make the valuation results approximate market conditions, confirming that the sources of information are independent, reliable, consistent with other resources and representative of executable prices, and regularly updating the input values and information required by the valuation models and any other necessary fair value adjustments to ensure that the valuation results are reasonable. performing back-testing, updating input values used to be the valuation model and making any other necessary adjustments to the fair value.
6. Quantitative information regarding the significant unobservable input values of the valuation models used for Level 3 fair value measurements and sensitivity analysis of changes in significant unobservable input values are described below.

	<u>December 31,</u> <u>2025 fair value</u>	<u>Valuation</u> <u>technique</u>	<u>Significant</u> <u>unobservable</u> <u>input value</u>	<u>Interval</u> <u>(Weighted</u> <u>average)</u>	<u>Relationship</u> <u>between input value</u> <u>and fair value</u>
Non-derivative equity security:					
Non-TWSE or TPEX listed stock	\$ 4,717	Discounted benefit flow method	Discount for lack of marketability	20%	The higher the net asset value, the higher the fair value.
Investment in private equity	90,454	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value.

	<u>December 31, 2024 fair value</u>	<u>Valuation technique</u>	<u>Significant unobservable input value</u>	<u>Interval (Weighted average)</u>	<u>Relationship between input value and fair value</u>
Non-derivative equity security:					
Non-TWSE or TPEX listed stock	\$ 4,622	Discounted benefit flow method	Discount for lack of marketability	20%	The higher the discount for lack of marketability and the higher the discount for lack of controlling interests, the lower the fair value
Investment in private equity	130,321	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

7. The Group has carefully evaluated the valuation models and valuation parameters selected and therefore the fair value measurement is reasonable. However, the use of different valuation models or valuation parameters may result in different valuation results. For financial assets and financial liabilities classified as Level 3, the effect on the profit or loss for the period or other comprehensive income if the valuation parameters are changed is as follows.

		<u>December 31, 2025</u>				
		<u>Recognized in profit or loss</u>		<u>Recognized in other comprehensive Income</u>		
	<u>Input value</u>	<u>Change</u>	<u>Favorable change</u>	<u>Unfavorable change</u>	<u>Favorable change</u>	<u>Unfavorable change</u>
Financial asset						
Equity instruments	The discount for lack of marketability and the discount for lack of controlling interests	±1%	\$ -	\$ -	\$ 47	(\$ 47)
Investment in private equity	Net asset value	±1%	<u>905</u>	<u>(905)</u>	<u>-</u>	<u>-</u>
Total			<u>\$ 905</u>	<u>(\$ 905)</u>	<u>\$ 47</u>	<u>(\$ 47)</u>
		<u>December 31, 2024</u>				
		<u>Recognized in profit or loss</u>		<u>Recognized in other comprehensive Income</u>		
	<u>Input value</u>	<u>Change</u>	<u>Favorable change</u>	<u>Unfavorable change</u>	<u>Favorable change</u>	<u>Unfavorable change</u>
Financial asset						
Equity instruments	The discount for lack of marketability and the discount for lack of controlling interests	±1%	\$ -	\$ -	\$ 46	(\$ 46)
Investment in private equity	Net asset value	±1%	<u>1,303</u>	<u>(1,303)</u>	<u>-</u>	<u>-</u>
Total			<u>\$ 1,303</u>	<u>(\$ 1,303)</u>	<u>\$ 46</u>	<u>(\$ 46)</u>

(IV) Robust financial plan

The Group's expenditures for the acquisition, maintenance and enhancement of chemical and oil storage tank facilities, as well as the construction of solar photovoltaic power plants, are primarily funded by internal funds and bank borrowings. However, the construction of solar power plants requires substantial capital expenditures, while revenue generated from electricity sales is relatively stable. In order to maintain a sufficient level of cash reserves to respond to rapid changes in the industry, continued investment in power plant development may require the Group to rely on bank borrowings to timely bridge funding gaps.

To maintain a sound financial position, the Group has adopted the following plans:

1. The Group maintains close cooperation with financial institutions to enhance funding flexibility through borrowings. As of December 31, 2025, unused short-term and medium-term credit facilities amounting to \$520,751 were available for drawdown.
2. In recent years, the chemical and oil storage business has continuously improved the turnover efficiency of its software and hardware facilities, strengthened the quality and professional capabilities of its operating personnel, and obtained various international certifications. These efforts are intended to facilitate additional cooperation opportunities, expand the customer base, deepen customer relationships, and develop high-quality customers with higher revenue contributions.
3. The Energy Business Division continues to cooperate with green electricity wheeling platforms for existing and future acquired solar power plants to sell electricity to corporate users requiring green energy. The objective is to transfer all projects with FIT feed-in tariff rates lower than current green electricity market prices in order to enhance overall plant revenue and profitability and generate cash flows superior to current levels.
4. In addition to the foregoing, the Group's cash flows from operating activities remain positive. Accordingly, based on the Group's assessment, available funds are sufficient to support future investments in power plants and operational requirements.

XIII. Additional disclosures

(I) Significant transactions information

1. Loans to others: None.
2. Endorsements and guarantees for others: Please refer to Table 1.
3. Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliates and joint ventures): Please refer to Table 2.
4. Purchase from or sale to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
5. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
6. Business relationships and significant intercompany transactions and amounts between the parent company and its subsidiaries and between subsidiaries: Please refer to Table 3.

(II) Information on investees

Name, locations, and other related information of investees. Please refer to Table 2.

(III) Investments in Mainland China

Not applicable.

XIV. Operating Segments Information

(I) General information

The Group's management has identified the reportable segments based on the reported information used by the chairperson in making decisions.

The Group has two reportable segments, the oil and chemical tank rental business and the solar power business, which provide oil and chemical tank rental and electricity sales, respectively, as the main sources of revenue.

(II) Measurement of segment information

The Group's operating segments adopt consistent accounting policies. The Group's operating decision makers evaluate the performance of each operating segment based on operating revenue and net profit after tax.

(III) Segment information

The Group's segment operating profit reported to the chief operating decision makers is measured in a manner consistent with the revenue and expenses in the income statement. The Group does not provide the total assets and liabilities to the operating decision maker for operating decisions. The reportable segment information provided to the chief operating decision maker for FY2024 and FY2023 is as follows:

	<u>2025</u>		
	<u>Oil and chemical</u>	<u>Solar power</u>	<u>Total</u>
	<u>tank rental business</u>	<u>generation business</u>	
Segment revenues	\$ 369,731	\$ 104,028	\$ 473,759
Segment profits or losses (Note)	58,388	18,203	76,591
Segment profits or losses include:			
Depreciation and amortization	134,159	55,020	189,179
Interest income	1,646	1,233	2,879
Financial costs	10,215	345	10,560
Income tax expense	10,717	4,504	15,221

	<u>2024</u>		
	<u>Oil and chemical tank rental business</u>	<u>Solar power generation business</u>	<u>Total</u>
Segment revenues	\$ 377,380	\$ 114,653	\$ 492,033
Segment profits or losses (Note)	70,787	36,359	107,146
Segment profits or losses include:			
Depreciation and amortization	134,276	54,610	188,886
Interest income	1,637	1,243	2,880
Financial costs	11,502	476	11,978
Income tax expense	18,734	8,302	27,036

Note: Other income and expenses generated internally that were eliminated.

(IV) Reconciliation of departmental profit and loss information

The Group's income and net profit or loss after tax of the operating departments reported to the chief operating decision maker are measured in a manner consistent with the income and net loss after tax in the consolidated income statement, and therefore no reconciliation table information is applicable.

(V) Product and service information

Revenue is derived primarily from the rental of oil and sale of electricity, and the balance of revenue is broken down as follows.

	<u>2025</u>	<u>2024</u>
Oil and chemical tank rental business revenue	\$ 309,965	\$ 308,768
Tank operation revenue	59,766	68,612
Solar power industry revenue	<u>104,028</u>	<u>114,653</u>
Total	<u>\$ 473,759</u>	<u>\$ 492,033</u>

(VI) Information by Region

	<u>2025</u>		<u>2024</u>	
	<u>Revenue</u>	<u>Non-current assets</u>	<u>Revenue</u>	<u>Non-current assets</u>
Taiwan	\$ 467,227	\$ 1,023,153	\$ 478,462	\$ 1,144,339
Southeast Asia	<u>6,532</u>	<u>228,976</u>	<u>13,571</u>	<u>236,294</u>
Total	<u>\$ 473,759</u>	<u>\$ 1,252,129</u>	<u>\$ 492,033</u>	<u>\$ 1,380,633</u>

(VII) Important Customer Information

The breakdown of the Company's customers whose revenues accounted for 10% or more of the operating revenues on the consolidated statements of income for the years ended December 31, 2025 and 2024 are as follows:

		<u>2025</u>		<u>2024</u>
	<u>Revenue</u>	<u>Department</u>	<u>Revenue</u>	<u>Department</u>
Company G	\$ 120,952	Oil and chemical tank rental business	\$ 138,710	Oil and chemical tank rental business
Company H	97,496	Electricity Retailing Enterprise	101,081	Electricity Retailing Enterprise
Company C	62,425	Oil and chemical tank rental business	12,251	Oil and chemical tank rental business

Prime Oil Chemical Service Corporation and its subsidiaries
Endorsements/Guarantees Provided
January 1 to December 31, 2025

Table 1

Unit: Thousand NTD
(Unless otherwise specified)

No. (Note 1)	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 3)	Maximum Balance for the Period	Ending Balance	Actual Borrowing Amount	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowable (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 4)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 4)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 4)	Note
0	Prime Oil Chemical Service Corporation	Yufeng Green Co., Ltd	2	\$ 644,553	\$ 35,000	\$ 35,000	\$ 22,725	\$ -	2.9%	\$ 773,463	Y	N	N	

Note 1: The description of the numbering column are as follows:

- (1). "0" for the issuer.
- (2). Each investee company are numbered from "1".

Note 2: Relationships between the endorsement/guarantee provider and the guaranteed party:

- (1). A company with which it does business.
- (2). A company in which the Company directly and indirectly holds more than 50 percent of the voting shares.
- (3). A company that directly and indirectly holds more than 50 percent of the voting shares in the Company.
- (4). Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares.
- (5). The Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- (6). All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
- (7). Companies in the same industry provide among themselves jointly and severally guarantee for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: According to the Company's procedures for endorsements and guarantees, the total amount of external guarantees shall be limited to 60% of the Company's net worth, and the guarantee amount for any single entity shall be limited to 50% of the Company's net worth.

Note 4: Enter "Y" only if the endorsement/guarantee is provided by a listed/OTC parent company to its subsidiary, provided by a subsidiary to a listed/OTC parent company, or an endorsement/guarantee related to Mainland China.

Prime Oil Chemical Service Corporation
 Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliates and joint ventures)
 December 31, 2025

Table 2

Unit: Thousand NTD
 (Unless otherwise specified)

<u>Companies held</u>	<u>Type and name of marketable securities</u>	<u>Relationship with the securities issuer</u>	<u>Account title</u>	<u>End of period</u>			<u>Fair value</u>	<u>Remark</u>
				<u>Shares</u>	<u>Carrying amount</u>	<u>Shares Ratio</u>		
Prime Oil Chemical Service Corporation	Stocks-Everterminal Co., Ltd.	None	Financial assets at fair value through other comprehensive income - noncurrent	342,244	\$ 4,717	0.70%	\$ 4,717	-
Prime Oil Chemical Service Corporation	Private equity investment-AB Value Bridge VI, LP	None	Financial assets at fair value through profit or loss - non-current	-	14,460	3.00%	14,460	-
Prime Oil Chemical Service Corporation	Private Equity Investment - Anxin No. 1 Limited Partnership	None	Financial assets at fair value through profit or loss - non-current	-	58,068	8.27%	58,068	-
Prime Oil Chemical Service Corporation	Stocks- ABV III Holding Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	-	17,926	8.71%	17,926	-

Prime Oil Chemical Service Corporation
Intercompany relationships and significant transactions
January 1 to December 31, 2025

Table 3

Unit: Thousand NTD
(Unless otherwise specified)

<u>No. (Note 1)</u>	<u>Company Name</u>	<u>Related Party</u>	<u>Nature of Relationship</u> (Note 2)	<u>Financial Statement Account</u>	<u>Transaction Details</u>		<u>Percentage of Consolidated Net Revenue or Total Assets (Note 3)</u>
					<u>Amount</u>	<u>Payment Terms</u>	
0	Prime Oil Chemical Service Corporation	Chang Fu Feng Co., Ltd.	1	Property, plant and equipment	\$ 104,950	Note 4	6%
0	Prime Oil Chemical Service Corporation	Yufeng Green Energy Co., Ltd	1	Property, plant and equipment	172,717	Note 5	10%
0	Prime Oil Chemical Service Corporation	Kuantai Green Energy Co., Ltd.	1	Property, plant and equipment	65,330	Note 4	4%

Note 1: Significant transactions between the Company and its subsidiaries or among subsidiaries are numbered as follows:

(1).“0” for the Company

(2).Subsidiaries are numbered from “1”.

Note 2: Related party transactions are divided into three categories. Please indicate the category only. (If it is the same transaction between the parent company and subsidiaries, or among subsidiaries, duplicate disclosure is not required. For example: For a transaction from the parent company to a subsidiary, if the parent company has disclosed it, the subsidiary does not need to disclose it again; For a transaction between subsidiaries, if one subsidiary has disclosed it, the other does not need to disclose it again.)

(1).The Company to subsidiaries.

(2).Subsidiaries to the Company.

(3).Subsidiaries to subsidiaries.

Note 3: The calculation of transaction amounts as a percentage of consolidated total revenue or total assets is based on the period-end balance for asset or liability items as a percentage of consolidated total assets, and on the accumulated amounts for the interim period for income or expense items as a percentage of consolidated total revenue.

Note 4: Capital increase in a subsidiary through contribution of assets.

Note 5: A capital contribution of \$117,270 was made to a subsidiary through the injection of assets, and assets totaling \$55,447 were disposed of. The transaction terms were mutually agreed upon by the parties involved.

Prime Oil Chemical Service Corporation
Name, locations, and other related information of investees
January 1 to December 31, 2025

Table 4

Unit: Thousand NTD
(Unless otherwise specified)

<u>Investor</u>	<u>Name of investee</u>	<u>The place where it is located</u>	<u>Main business items</u>	<u>Initial investment amount</u>		<u>Held at end of period</u>			<u>Investee profit or loss for the period</u>	<u>Investment gains and losses recognized in the current period</u>	<u>Remark</u>
				<u>End of current period</u>	<u>End of previous period</u>	<u>Shares</u>	<u>Ratio</u>	<u>Carrying amount</u>			
Prime Oil Chemical Service Corporation	He Zhen Feng Co., Ltd.	Taiwan	Real Estate Leasing	\$ 695	\$ 695	69,468	69.47	\$ 988	(\$ 30)	(\$ 21)	Note 3
Prime Oil Chemical Service Corporation	Yufeng Green Energy Co., Ltd.	Taiwan	Solar Power Industry	180,270	25,100	18,027,000	100.00	187,576	8,793	8,793	Note 3
Prime Oil Chemical Service Corporation	Chang Fu Feng Co., Ltd.	Taiwan	Solar Power Industry	107,180	2,214	10,718,000	100.00	106,868	565	565	Note 3
Prime Oil Chemical Service Corporation	Kuantai Green Energy Co., Ltd.	Taiwan	Solar Power Industry	66,330	-	6,633,000	100.00	68,728	2,855	2,855	Note 3
Prime Oil Chemical Service Corporation	Anfeng Green Energy Co., Ltd.	Taiwan	Solar Power Industry	50,000	-	5,000,000	100.00	49,974	(26)	(26)	Note 2,3
Prime Oil Chemical Service Corporation	Kunfeng Green Energy Co., Ltd.	Taiwan	Solar Power Industry	1,000	-	100,000	100.00	918	(82)	(82)	Note 2,3
Prime Oil Chemical Service Corporation	Prime Holdings Corporation	Anguilla	Shareholding and General Trading	191,886	191,886	30,000	100.00	253,750	(13,195)	(13,195)	Notes 1, 3
Prime Oil Chemical Service Corporation	ABZBRIDGE CORPORATION	Cayman Islands	Shareholding company	68,900	68,900	10,000	33.17	138,414	(24,225)	(1,435)	Note1
Prime Holdings Corporation	Prime Solar Energy Co., Ltd.	Cambodia	Real Estate Development	52,344	52,344	1,700,000	100.00	52,835	(105)	(105)	Notes 1, 3

Note 1: Except for the information disclosed about investees, except for the current profit and loss, which is translated at the average exchange rate from January 1 to December 31, 2025, the rest is translated at the exchange rate on December 31, 2025.

Note 2: In order to improve the overall operating efficiency of the Energy Division, the utilization of funds and the return on investment, the Company has established new subsidiaries in the first quarter of 2025.

Note 3: Already eliminated when the consolidated financial statements were prepared.