

**Universal Cement Corporation and  
Subsidiaries**

**Consolidated Financial Statement for the  
Years Ended December 31, 2025 and 2024 and  
Independent Auditors' Report**

## **DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES**

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

UNIVERSAL CEMENT CORPORATION

By

Bo-Chih Investment Co., Ltd.

Chairman

March 10, 2026

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Universal Cement Corporation

### **Opinion**

We have audited the accompanying consolidated financial statements of Universal Cement Corporation and its subsidiaries (the Group), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of Taiwan, the Republic of China (ROC).

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the ROC. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the ROC, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2025 is stated as follows:

### Occurrence of sales of concrete products

Refer to Note 4 (p) and Note 24. The Group mainly manufactures and sells cement, ready mixed concrete and gypsum board panels. In 2025, certain concrete customers exhibited significant fluctuations in sales amounts or specific characteristics. Based on the materiality of revenue to the consolidated financial statements and the presumption under auditing standards that revenue recognition represents a significant risk, the auditor has identified the authenticity of revenue recognition from concrete products as a key audit matter.

Our audit procedures in respect of the above key audit matter are described as follows:

1. We understood the design of the Group's internal controls on accounting for sales. We tested the implementation and operating effectiveness of the internal controls.
2. We selected appropriate samples from the aforementioned concrete sales revenue details, reviewed the purchase orders and the delivery orders signed by the customers in accordance with the revenue recognition criteria, and confirmed that the payee matched the transaction counterparty.

### **Other Matter**

We have also audited the parent company only financial statements of Universal Cement Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion with the Other Matter paragraph and an unmodified opinion.

We did not audit certain subsidiaries of the Group's consolidated financial statements which were audited by other auditors. Therefore, our opinion, insofar as it relates to the amounts of the financial statements of the aforementioned subsidiaries included in our audit report issued for the above consolidated financial statements, is solely based on the reports of other auditors. The total assets of the aforementioned subsidiaries were NT\$381,685 thousand, representing 1.23% of the Group's consolidated total assets as of December 31, 2025. The comprehensive income were NT\$18,028 thousand, representing 1.04% of the total comprehensive income (loss) for the year ended December 31, 2025.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the FSC of the ROC, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial

statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the ROC will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the ROC, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our

auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chi Chen Lee and Hung Ju Liao.

Deloitte & Touche  
Taipei, Taiwan

Republic of China

March 16, 2026

Notice to Readers

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

*For the convenience of readers, the auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail. The English version not audited by an accountant.*

# Universal Cement Corporation and Subsidiaries

## CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,727,996	6	\$ 1,576,599	5
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	7,412	-	9,259	-
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	3,344,535	11	3,134,764	11
Financial assets at amortized cost - current (Notes 4, 9, 10 and 34)	43,067	-	92,367	-
Notes receivable (Notes 4, 11 and 24)	427,185	1	535,879	2
Net Accounts receivable (Notes 4, 11 and 24)	1,645,969	5	1,388,747	5
Net Accounts receivable from related parties (Notes 4, 11, 24 and 33)	13,225	-	21,591	-
Other receivables (Note 4)	1,713	-	2,037	-
Current tax assets (Note 26)	1,472	-	764	-
Inventories (Notes 4 and 12)	468,551	2	378,985	1
Prepayments (Note 33)	52,234	-	29,657	-
Other current assets (Notes 4, 11 and 24)	19,331	-	8,741	-
Total current assets	<u>7,752,690</u>	<u>25</u>	<u>7,179,390</u>	<u>24</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	47,354	-	40,948	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	2,477,143	8	2,551,354	9
Financial assets at amortized cost - non-current (Notes 4, 9, 10 and 34)	67,291	-	11,512	-
Investments accounted for using the equity method (Notes 4 and 14)	11,463,420	37	11,407,261	38
Property, plant and equipment (Notes 4 and 15)	7,438,822	24	7,415,784	25
Right-of-use assets (Notes 4 and 16)	181,874	1	171,760	1
Investment properties (Notes 4 and 17)	1,191,864	4	798,697	3
Goodwill (Notes 4 and 18)	295,625	1	-	-
Other intangible assets (Notes 4 and 18)	9,935	-	8,531	-
Deferred tax assets (Notes 4 and 26)	117,288	-	13,312	-
Prepayments for equipment	29,739	-	19,217	-
Net defined benefit assets (Notes 4 and 22)	10,753	-	9,740	-
Total non-current assets	<u>23,331,108</u>	<u>75</u>	<u>22,448,116</u>	<u>76</u>
<b>TOTAL</b>	<u>\$ 31,083,798</u>	<u>\$ 100</u>	<u>\$ 29,627,506</u>	<u>\$ 100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 19)	\$ 2,755,000	9	\$ 2,100,000	7
Short-term bills payable (Note 19)	319,722	1	169,596	1
Contract liabilities - current (Notes 4 and 24)	2,524	-	2,267	-
Notes payable (Note 20)	31,595	-	221,258	1
Accounts Payable (Note 20)	416,148	1	612,242	2
Accounts Payable to related parties (Notes 20 and 33)	24,336	-	9,195	-
Other payables (Notes 21 and 33)	508,762	2	419,310	1
Current tax liabilities (Note 26)	135,298	1	184,723	1
Lease liabilities - current (Notes 4 and 16)	58,792	-	52,590	-
Long-term borrowings due within one year (Note 19)	430,000	1	-	-
Other current liabilities (Notes 4 and 21)	33,058	-	28,009	-
Total current liabilities	<u>4,715,235</u>	<u>15</u>	<u>3,799,190</u>	<u>13</u>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities (Notes 4 and 26)	1,252,265	4	1,238,574	4
Lease liabilities - non-current (Notes 4 and 16)	129,104	1	125,529	-
Guarantee deposits received	8,966	-	8,650	-
Total non-current liabilities	<u>1,390,335</u>	<u>5</u>	<u>1,372,753</u>	<u>4</u>
Total liabilities	<u>6,105,570</u>	<u>20</u>	<u>5,171,943</u>	<u>17</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)</b>				
Common stock	6,866,818	22	6,866,818	23
Capital surplus	119,509	1	122,786	-
Retained earnings				
Legal reserve	3,280,931	11	3,130,978	11
Special reserve	3,185,793	10	3,185,793	11
Unappropriated earnings	8,481,226	27	8,042,060	27
Total retained earnings	<u>14,947,950</u>	<u>48</u>	<u>14,358,831</u>	<u>49</u>
Other equity	2,247,160	7	2,308,321	8
Total equity attributable to owners of the Company	<u>24,181,437</u>	<u>78</u>	<u>23,656,756</u>	<u>80</u>
<b>NON - CONTROLLING INTERESTS</b>	<u>796,791</u>	<u>2</u>	<u>798,807</u>	<u>3</u>
Total equity	<u>24,978,228</u>	<u>80</u>	<u>24,455,563</u>	<u>83</u>
<b>TOTAL</b>	<u>\$ 31,083,798</u>	<u>100</u>	<u>\$ 29,627,506</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 16, 2026)

## Universal Cement Corporation and Subsidiaries

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4,24 and 33)	\$ 7,920,216	100	\$ 7,953,734	100
OPERATING COSTS (Notes 12, 25 and 33)	<u>6,080,881</u>	<u>77</u>	<u>6,355,678</u>	<u>80</u>
GROSS PROFIT	<u>1,839,335</u>	<u>23</u>	<u>1,598,056</u>	<u>20</u>
OPERATING EXPENSES (Notes 11, 25 and 33)				
Selling and marketing expenses	110,268	1	124,304	2
General and administrative expenses	386,121	5	346,649	4
Research and development expenses	122,216	2	71,824	1
Expected credit loss (gain)	<u>2,309</u>	<u>-</u>	<u>( 2,182)</u>	<u>-</u>
Total operating expenses	<u>620,914</u>	<u>8</u>	<u>540,595</u>	<u>7</u>
PROFIT FROM OPERATIONS	<u>1,218,421</u>	<u>15</u>	<u>1,057,461</u>	<u>13</u>
NON-OPERATING INCOME AND EXPENSES (Notes 25 and 33)				
Interest income	18,539	-	15,989	-
Other income	316,478	4	285,509	4
Other gains and losses	23,695	-	15,212	-
Interest expenses	<u>( 54,611)</u>	<u>-</u>	<u>( 42,931)</u>	<u>-</u>
Share of profit or loss of associates accounted for using the equity method	<u>522,918</u>	<u>7</u>	<u>475,856</u>	<u>6</u>
Total non-operating income and expenses	<u>827,019</u>	<u>11</u>	<u>749,635</u>	<u>10</u>
INCOME BEFORE INCOME TAX	2,045,440	26	1,807,096	23
INCOME TAX EXPENSE (Notes 4 and 26)	<u>243,346</u>	<u>3</u>	<u>276,758</u>	<u>4</u>
NET INCOME	<u>1,802,094</u>	<u>23</u>	<u>1,530,338</u>	<u>19</u>
OTHER COMPREHENSIVE INCOME (Note 23)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	124,749	2	1,002,363	13
Share of the other comprehensive income or loss of associates accounted for using the equity method	<u>19,430</u>	<u>-</u>	<u>10,032</u>	<u>-</u>
	<u>144,179</u>	<u>2</u>	<u>1,012,395</u>	<u>13</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	12,333	-	-	-
Share of the other comprehensive income or loss of associates accounted for using the equity method	<u>( 217,456)</u>	<u>( 3)</u>	<u>505,821</u>	<u>6</u>
	<u>( 205,123)</u>	<u>( 3)</u>	<u>505,821</u>	<u>6</u>
Other comprehensive income for the year, net of income tax	<u>( 60,944)</u>	<u>( 1)</u>	<u>1,518,216</u>	<u>19</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,741,150</u>	<u>22</u>	<u>\$ 3,048,554</u>	<u>38</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,756,478	22	\$ 1,482,287	19
Non-controlling interests	<u>45,616</u>	<u>1</u>	<u>48,051</u>	<u>-</u>
	<u>\$ 1,802,094</u>	<u>23</u>	<u>\$ 1,530,338</u>	<u>19</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,695,317	21	\$ 3,000,298	38
Non-controlling interests	<u>45,833</u>	<u>1</u>	<u>48,256</u>	<u>-</u>
	<u>\$ 1,741,150</u>	<u>22</u>	<u>\$ 3,048,554</u>	<u>38</u>
EARNINGS PER SHARE (Note 27)				
Basic	\$2.56		\$ 2.16	
Diluted	2.55		2.15	

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche auditors' report dated March 16, 2026)

(Concluded)

## Universal Cement Corporation and Subsidiaries

### CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Equity Attributable to Owners of the Company													Total Equity
	Retained Earnings					Other Equity							Non-controlling Interests (Note 23)	
	Capital Stock- Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Remeasurement	other	Total Other Equity	Total			
BALANCE AT JANUARY 1, 2024	\$ 6,732,175	\$ 123,719	\$ 2,920,126	\$ 3,185,793	\$ 8,099,817	(\$ 1,009,492)	\$ 1,743,007	\$ 91,254	(\$ 17,217)	\$ 807,552	\$ 21,869,182	\$ 808,952	\$ 22,678,134	
Appropriation of 2023 earnings (Note 23)														
Legal reserve	-	-	210,852	-	( 210,852)	-	-	-	-	-	-	-	-	
Cash dividends distributed by the Company - NTS 1.8 per share	-	-	-	-	( 1,211,791)	-	-	-	-	( 1,211,791)	-	( 1,211,791)	( 1,211,791)	
Stock dividends distributed by the Company - NTS 0.2 per share	134,643	-	-	-	( 134,643)	-	-	-	-	-	-	-	-	
Differences between the actual equity value of subsidiaries acquired and its carrying amounts. (Note 29)	-	( 926)	-	-	-	-	-	-	-	-	926	( 6,344)	( 7,270)	
Disposals of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	17,242	-	( 17,242)	-	( 17,242)	-	-	-	-	
Changes in recognition of associates accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	-	-	-	
Overdue dividends not collected by shareholders	-	( 7)	-	-	-	-	-	-	-	-	( 7)	-	( 7)	
Net income	-	-	-	-	1,482,287	-	-	-	-	-	1,482,287	48,051	1,530,338	
Other comprehensive income (loss), net of income tax	-	-	-	-	-	505,821	1,001,677	10,513	-	1,518,011	1,518,011	205	1,518,216	
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,482,287	505,821	1,001,677	10,513	-	1,518,011	3,000,298	48,256	3,048,554	
Change in non-controlling interests (Note 23)	-	-	-	-	-	-	-	-	-	-	-	( 52,057)	( 52,057)	
BALANCE AT DECEMBER 31, 2024	6,866,818	122,786	3,130,978	3,185,793	8,042,060	( 503,671)	2,727,442	101,767	( 17,217)	2,308,321	23,656,756	798,807	24,455,563	
Appropriation of 2024 earnings (Note 23)														
Legal reserve	-	-	149,953	-	( 149,953)	-	-	-	-	-	-	-	-	
Cash dividends distributed by the Company - NTS 1.7 per share	-	-	-	-	( 1,167,359)	-	-	-	-	( 1,167,359)	-	( 1,167,359)	( 1,167,359)	
Differences between the actual equity value of subsidiaries acquired and its carrying amounts. (Note 28)	-	( 3,277)	-	-	-	-	-	-	-	( 3,277)	( 8,938)	( 12,215)	( 12,215)	
Net income for the year ended December 31, 2025	-	-	-	-	1,756,478	-	-	-	-	-	1,756,478	45,616	1,802,094	
Other comprehensive income , net of income tax	-	-	-	-	-	205,123	124,851	19,111	( 61,161)	( 61,161)	217	( 60,944)	( 60,944)	
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	1,756,478	205,123	124,851	19,111	-	61,161	1,695,317	45,833	1,741,150	
Change in non-controlling interests (Note 23)	-	-	-	-	-	-	-	-	-	-	( 38,911)	( 38,911)	( 38,911)	
BALANCE AT DECEMBER 31, 2025	\$ 6,866,818	\$ 119,509	\$ 3,280,931	\$ 3,185,793	\$ 8,481,226	(\$ 708,794)	\$ 2,852,293	\$ 120,878	(\$ 17,217)	\$ 2,247,160	\$ 24,181,437	\$ 796,791	\$ 24,978,228	

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche auditors' report dated March 16, 2026)

# Universal Cement Corporation and Subsidiaries

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>A10000</b>	Income before income tax	\$ 2,045,440	\$ 1,807,096
<b>A20000</b>	Adjustments for:		
<b>A20100</b>	Depreciation expenses	228,917	216,703
<b>A20200</b>	Amortization expenses	5,458	3,866
<b>A20300</b>	Expected credit loss (gain) recognized	2,309	( 2,182)
<b>A20400</b>	Net gain on fair value changes of financial assets at fair value through profit or loss	3,143	( 2,702)
<b>A20900</b>	Interest expenses	54,611	42,931
<b>A21200</b>	Interest income	( 18,539)	( 15,989)
<b>A21300</b>	Dividend income	( 276,409)	( 226,710)
<b>A22300</b>	Share of profit of associates accounted for using the equity method	( 522,918)	( 475,856)
<b>A22500</b>	Net gain on disposal of property, plant and equipment	( 13,818)	( 9,948)
<b>A30000</b>	Changes in operating assets and liabilities		
<b>A31130</b>	Notes receivable	108,694	31,376
<b>A31150</b>	Accounts receivable (Including related parties)	( 190,155)	196,769
<b>A31180</b>	Other receivables	292	1,667
<b>A31200</b>	Inventories	( 34,136)	9,388
<b>A31230</b>	Prepayments	( 16,786)	( 11,592)
<b>A31240</b>	Other current assets	( 10,458)	( 2,713)
<b>A32125</b>	Contract liabilities	257	( 92)
<b>A32130</b>	Notes payable	( 189,663)	2,567
<b>A32150</b>	Accounts payable (Including related parties)	( 197,126)	( 121,656)
<b>A32180</b>	Other payables	50,732	22,110
<b>A32230</b>	Other current liabilities	5,049	5,929
<b>A32240</b>	Net defined benefit plan	( 1,013)	5,237
<b>A33000</b>	Cash generated from operations	<u>1,033,881</u>	<u>1,476,199</u>
<b>A33100</b>	Interest received	18,571	12,874
<b>A33200</b>	Dividends received	529,297	674,617
<b>A33500</b>	Income tax paid	( 286,602)	( 253,964)
<b>AAAA</b>	Net cash generated from operating activities	<u>1,295,147</u>	<u>1,909,726</u>

(Continued)

# Universal Cement Corporation and Subsidiaries

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>B00010</b>		
Acquisitions of financial assets at fair value through other comprehensive income	(\$ 10,811)	(\$ 53,689)
<b>B00030</b>		
Proceeds from the capital reduction of financial assets at fair value through other comprehensive income	15,856	22,000
<b>B00040</b>		
Increase in financial assets at amortized cost	( 56,118)	( 35,445)
<b>B00100</b>		
Acquisitions of financial assets at fair value through profit or loss	( 9,407)	-
<b>B00050</b>		
Decrease in financial assets at amortized cost	49,639	75,911
<b>B00200</b>		
Proceeds from sale of financial assets at fair value through profit or loss	-	13,867
<b>B09900</b>		
Proceeds from the capital reduction of financial assets at fair value through profit or loss	1,705	158
<b>B01800</b>		
Acquisitions of investments accounted for using the equity method	-	( 28,320)
Net cash outflow of acquired subsidiary (Note 28)	( 494,592)	-
<b>B02700</b>		
Payments for property, plant and equipment	( 168,628)	( 179,647)
<b>B02800</b>		
Proceeds from disposal of property, plant and equipment	14,722	11,640
<b>B04500</b>		
Payments for intangible assets	( 6,327)	( 1,749)
<b>B05400</b>		
Payments for investment properties	( 394,216)	-
<b>BBBB</b>		
Net cash generated from /(used in) investing activities	<u>( 1,058,177)</u>	<u>( 175,274)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>C00100</b>		
Increase (Decrease) in short-term loans	655,000	400,000
<b>C00500</b>		
Increase (Decrease) in short-term bills payable	150,000	( 105,000)
<b>C01600</b>		
Increase in long-term loans	430,000	-
<b>C01700</b>		
Repayment of long-term loans	-	( 500,000)
<b>C03000</b>		
Proceeds from guarantee deposits received	411	40
<b>C03100</b>		
Refund of guarantee deposits received	( 95)	( 2,973)
<b>C04020</b>		
Repayment of the principal portion of lease liabilities	( 52,926)	( 54,254)
<b>C04500</b>		
Cash dividends paid	( 1,167,359)	( 1,211,791)
<b>C05400</b>		
Acquisitions of non-controlling interests	( 12,215)	( 7,270)
<b>C05600</b>		
Interest Paid	( 53,680)	( 42,858)
<b>C09900</b>		
Change in non-controlling interests	( 38,911)	( 52,057)
<b>CCCC</b>		
Net cash used in financing activities	<u>( 89,775)</u>	<u>( 1,576,163)</u>
<b>DDDD</b>		
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>4,202</u>	<u>-</u>
<b>EEEE</b>		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	151,397	158,289
<b>E00100</b>		
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,576,599</u>	<u>1,418,310</u>
<b>E00200</b>		
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,727,996</u>	<u>\$ 1,576,599</u>

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche auditors' report dated March 16, 2026)

(Concluded)

## Universal Cement Corporation and Subsidiaries

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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#### 1. GENERAL INFORMATION

Universal Cement Corporation (the Company) was incorporated in the Republic of China (ROC) in March 1960. The Company mainly manufactures and sells cement, ready mixed concrete and gypsum board panels.

The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since February 1971.

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

#### 2. APPROVAL OF FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved by the Company's board of directors on March 10, 2026.

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

- a. The initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of the amendments to the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the Group's accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB</b>
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
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 "Insurance Contracts" (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

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

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB (Note 1)</b>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets	To be determined by IASB

between an Investor and its Associate or Joint Venture”	
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (Including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

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

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

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

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

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

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

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

Except for the effects above, as of the date of approving the issuance of this consolidated financial report, the Group is still evaluating the effects of amendments to other standards and interpretations on the financial positions and financial performance; relevant effects are to be disclosed upon the completion of the evaluation.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs as endorsed and issued into effect by the FSC.

##### b. Basis of preparation

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

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

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

##### c. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

##### d. Basis of consolidation

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

The consolidated statement of comprehensive income includes the operating results of subsidiaries acquired or disposed of during the current period from the date of acquisition or up to the date of disposal, respectively.

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

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

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

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

See Note 13 and table 5 for detailed information on subsidiaries (including percentages of ownership and main business).

e. Business combinations

Business combinations are accounted for using the acquisition method. Acquisition-related costs are recognized as expenses in the periods in which the costs are incurred and the services are received.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree at the acquisition date over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. Other types of non-controlling interests are measured at fair value.

f. Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

For the purpose of presenting consolidated financial statements, the functional currencies of the Group entities (including subsidiaries in other countries that use currencies which are different from the currency of the Company) are translated into the presentation currency, the New Taiwan dollars as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

g. Inventories

Inventories consist of raw materials and supplies, merchandise, finished goods and work-in-process. Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

h. Investment in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The Group uses the equity method to account for its investments in associates.

Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of equity of associates.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of the associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus – changes in capital surplus from investments in associates accounted for using the equity method. If the Group's ownership interest is reduced due to the additional subscription of the new shares of associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of the investment is tested for impairment as a single asset by comparing its

recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities.

When a Group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent that interests in the associate are not related to the Group.

i. Property, plant and equipment

Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation on property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

For a transfer of classification from property, plant and equipment to investment properties, the deemed cost of the property for subsequent accounting is its carrying amount at the end of owner-occupation.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

k. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that are expected to

benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

1. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

m. Impairment of property, plant and equipment, investment properties, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, investment properties, right-of-use assets and intangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit

or loss.

n. Financial instruments

Financial assets and financial liabilities are recognized when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified or designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with dividends or interest and any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 32.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables and financial assets at amortized cost, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

- i) Significant financial difficulty of the issuer or the borrower;
- ii) Breach of contract, such as a default;
- iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or
- iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

### iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

### b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable), as well as contract assets.

The Group always recognizes lifetime expected credit losses (i.e. ECLs) on accounts receivable and contract assets. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of

default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

- i. Internal or external information shows that the debtor is unlikely to pay its creditors.
- ii. When a financial asset is more than 365 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

#### c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

### 2) Equity instruments

Equity instruments issued by a Group entity are classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument.

Equity instruments issued by a Group entity are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

### 3) Financial liabilities

#### a) Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method.

#### b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

o. Provisions

Provisions, including those arising from contractual obligations specified in service concession arrangements to maintain or restore infrastructure before it is handed over to the grantor and levies imposed by governments, are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Carbon fee provision

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year.

p. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods

Revenue from the sale of goods comes from sales of cement, ready mixed concrete and gypsum board panels. Sales of cement, ready mixed concrete and gypsum board panels are recognized as revenue when the goods are shipped because it is the time when the customer has full discretion over the manner of distribution, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Accounts receivable and contract assets are recognized concurrently. Certain payments, which are retained by the customer as specified in the contract, are intended to ensure that the Group adequately completes all of its contractual obligations. Such retention receivables are recognized as contract assets until the Group satisfies its performance obligations. When the customer initially purchases cement, the transaction price received is recognized as a contract liability until the goods have been delivered to the customer.

q. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

When a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. The Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

r. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service costs (including current service cost, as well as gains and losses on settlements) and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

s. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

The Group determines its current income (loss) according to the regulations established by the

jurisdictions of the tax return to calculate its income tax payable (recoverable).

According to the Income Tax Law of ROC, an additional tax of unappropriated earnings is provided for as income tax in the year the shareholders approve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current years' tax provision.

## 2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

## 3) Current and deferred taxes

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

## **5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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

Based on the assessment of the Group's management, the accounting policies, estimates, and assumptions adopted by the Group have not been subject to material accounting judgements, estimates and assumptions uncertainty.

## 6. CASH AND CASH EQUIVALENTS

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Cash on hand and petty cash	\$ 559	\$ 428
Checking accounts and demand deposits	1,185,937	710,656
Cash equivalent (investments with original maturities less than 3 months)		
Time deposits (a)	351,500	386,400
Bonds with repurchase agreements (b)	190,000	479,115
	<u>\$ 1,727,996</u>	<u>\$ 1,576,599</u>

The ranges of interest rates of time deposits and bonds with repurchase agreements at the end of the reporting period were as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
a. Time deposits	1.285%-1.51%	1.23% - 1.46%
b. Bonds with repurchase agreements	1.43%-1.44%	1.43% - 1.46%

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Financial assets - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Listed shares	\$ 7,095	\$ 8,887
Mutual funds	317	372
	<u>\$ 7,412</u>	<u>\$ 9,259</u>
<u>Financial assets - non-current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Limited Partnership	\$ 47,354	\$ 40,948

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Investments in equity instruments at FVTOCI - Current</u>		
Domestic investments		
Listed shares	\$ 3,344,535	\$ 3,134,764
<u>Investments in equity instruments at FVTOCI - Non-current</u>		
Domestic investments		
Listed private equity	\$ 853,380	\$ 1,001,880
Unlisted shares	1,623,763	1,549,474
	<u>\$ 2,477,143</u>	<u>\$ 2,551,354</u>

The Group invests in the aforementioned common stocks for strategic purposes. The Group believes that including the short-term fair value fluctuations of these investments in profit and loss is inconsistent with the aforementioned long-term investment plan. Therefore, they have chosen to designate these investments as FVTOCI.

The Group has had a significant influence on Bao Horng Cement Corp. since November 2024 (refer to Note14), this is due to the removal of FVTOCI, with the related other equity—unrealized gains on FVTOCI amounting to NT\$17,242 thousand being transferred to retained earnings.

## 9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2025	2024
<u>Current</u>		
Time deposits with original maturity more than 3 months		
(a)	\$ 43,000	\$ 92,300
Pledged time deposits (a)	67	67
	<u>\$ 43,067</u>	<u>\$ 92,367</u>
<u>Non-current</u>		
Pledged time deposits (a)	\$ 8,010	\$ 8,010
Refundable deposits	9,136	3,502
Corporate Bond (b)	50,145	-
	<u>\$ 67,291</u>	<u>\$ 11,512</u>

- a. The ranges of interest rates of time deposits and pledged time deposits with original maturities of more than 3 months at the end of the reporting period were as follows:

	December 31	
	2025	2024
Time deposits and pledged time deposits	1.375% - 1.70%	1.375% - 1.70%

The information on pledged time deposits is set out in Note 34.

- b. In December 2025, the Group purchased the 2023 Phase I unsecured corporate bonds issued by Taiwan Semiconductor Manufacturing Company Limited (TSMC) at a par value of NT\$50,000 thousand. These bonds carry a coupon rate of 1.54% and are set to mature on March 28, 2028.
- c. Refer to Note 10 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.

## 10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments were classified as financial assets at amortized cost.

	December 31	
	2025	2024
<u>Gross carrying amounts</u>		
Financial assets at amortized cost - current	\$ 43,067	\$ 92,367
Financial assets at amortized cost - non-current	67,291	11,512
	<u>\$ 110,358</u>	<u>\$ 103,879</u>

The Group invests only in debt instruments that have low credit risk for the purpose of impairment assessment. In measuring 12-month expected credit losses or lifetime expected credit losses for debt instrument investments, the Group considers the historical default rates, the current financial condition of debtors, and the future prospects of the industries. Due to the low credit risk of debtors and sufficient ability to settle contractual cash flows, as of December 31, 2025 and 2024, no expected credit losses have been recognized in financial assets measured at amortized cost.

## 11. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE (INCLUDING RELATED PARTIES)

	December 31	
	2025	2024
<u>Notes receivable</u>		
At amortized cost		
Notes receivable - operating	\$ 426,852	\$ 535,879
Notes receivable - non-operating	333	-
	<u>\$ 427,185</u>	<u>\$ 535,879</u>
<u>Accounts receivable (Including related parties)</u>		
At amortized cost	\$ 1,669,416	\$ 1,417,945
Less: Allowance for impairment loss	10,222	7,607
	<u>\$ 1,659,194</u>	<u>\$ 1,410,338</u>

a. Notes receivable

The Group analyzed notes receivable based on their past due status and determined that none were overdue. As a result, no expected credit loss was recognized for notes receivable as of December 31, 2025, and 2024.

b. Accounts receivable (Including related parties)

The average collection period for receivables due to sales was between 30 to 90 days. No interest was charged on accounts receivable. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group recognizes loss allowance based on the use of lifetime expected credit losses on accounts receivable. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off an account receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For account receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

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

**December 31, 2025**

	<b>Less than 30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Days</b>	<b>151-365 Days</b>	<b>Over 365 Days</b>	<b>Total</b>
Expected credit loss rate	0.06%-0.94%	0.3%-1.07%	0.71%-1.48%	2.4%-2.47%	7.24%-9.95%	26.45%-36.61%	100%	
Gross carrying amount	\$ 1,171,873	\$ 260,875	\$ 139,526	\$ 88,661	\$ 4,029	\$ 4,269	\$ 183	\$ 1,669,416
Loss allowance (Lifetime ECL)	( 1,459)	( 1,157)	( 2,214)	( 3,670)	( 414)	( 1,125)	( 183)	( 10,222)
Amortized cost	<u>\$ 1,170,414</u>	<u>\$ 259,718</u>	<u>\$ 137,312</u>	<u>\$ 84,991</u>	<u>\$ 3,615</u>	<u>\$ 3,144</u>	<u>\$ -</u>	<u>\$ 1,659,194</u>

**December 31, 2024**

	<b>Less than 30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Days</b>	<b>151-365 Days</b>	<b>Over 365 Days</b>	<b>Total</b>
Expected credit loss rate	0.12%-0.81%	0.34%-0.93%	0.79%-1.34%	2.31%-2.70%	6.47%-10.93%	24.51%-38.57%	100%	
Gross carrying amount	\$ 958,857	\$ 292,351	\$ 107,672	\$ 48,653	\$ 5,607	\$ 4,315	\$ 490	\$ 1,417,945
Loss allowance (Lifetime ECL)	( 1,767)	( 1,436)	( 1,097)	( 1,184)	( 503)	( 1,130)	( 490)	( 7,607)
Amortized cost	<u>\$ 957,090</u>	<u>\$ 290,915</u>	<u>\$ 106,575</u>	<u>\$ 47,469</u>	<u>\$ 5,104</u>	<u>\$ 3,185</u>	<u>\$ -</u>	<u>\$ 1,410,338</u>

The Group has received accounts receivable of over 366 days in January 2025 and did not recognize the loss allowance of accounts receivable.

The movements of the loss allowance of contract asset (included in other current assets) and accounts receivable (including related parties) were as follows:

**For the year of 2025**

	<b>Contract Asset</b>	<b>Accounts Receivable (Including related parties)</b>	<b>Total</b>
Balance at January 1	\$ 205	\$ 7,607	\$ 7,812
Less: Allowance (reversal) for the year	( 132)	2,441	2,309
Acquired through business combinations	-	159	159
Net exchange differences	-	15	15
Balance at December 31	<u>\$ 73</u>	<u>\$ 10,222</u>	<u>\$ 10,295</u>

**For the year of 2024**

	<b>Contract Asset</b>	<b>Accounts Receivable (Including related parties)</b>	<b>Total</b>
Balance at January 1	\$ 370	\$ 9,678	\$ 10,048
Less: Allowance (reversal) for the year	( 165)	( 2,017)	( 2,182)
Less: Written off for the year	-	( 54)	( 54)
Balance at December 31	<u>\$ 205</u>	<u>\$ 7,607</u>	<u>\$ 7,812</u>

**12. INVENTORIES**

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Merchandise	\$ 25,973	\$ 24,918
Finished goods	137,525	92,614
Work in progress	48,181	27,974
Raw materials and supplies	256,872	233,479
	<u>\$ 468,551</u>	<u>\$ 378,985</u>

	<b>For the Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
The cost of inventories recognized as cost of goods sold	<u>\$ 6,080,881</u>	<u>\$ 6,355,678</u>

### 13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements were as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership		Remark
			December 31		
			2025	2024	
The Company	Chiayi Ready-mixed Concrete Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete	86.63	86.63	
"	Huan-Chung International Co., Ltd.	Import, export, and sale of cement, cement material, fuel, and production	69.99	69.99	
"	Kaohsiung Pier Transportation Co., Ltd.	Trucking operation	100	100	
"	UCC Investment Co., Ltd.	Investment activities	100	100	
"	Universal Ready-mixed Concrete Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete and gravel	59.66	58.18	
"	Uneo Inc.	Marketing of electronic products	100	100	
"	Li-Yong Development Co., Ltd.	Investment activities, trading for real estate and leasing business	100	100	
"	Tainan Ready-mixed Concrete Industry Co., Ltd.	Additional processing and marketing of ready-mixed concrete and cement	67.45	67.45	
UCC Investment Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete and gravel	1.97	1.97	
"	Chiayi Ready-mixed Concrete Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete	0.01	0.01	
"	Huan-Chung International Co., Ltd.	Import, export, and sale of cement, cement material, fuel, and production	0.01	0.01	
"	Tainan Ready-mixed Concrete Industry Co., Ltd.	Additional processing and marketing of ready-mixed concrete and cement	0.33	0.33	
Uneo Inc.	Tekscan Holdco, Inc	Investment activities	100	-	a
Tekscan Holdco, Inc	Tekscan, Inc	Marketing of electronic products	100	-	a

a. In November 2025, the Group acquired a 100% equity interest in Tekscan Holdco, Inc. and Tekscan, Inc. from a non-related party. These entities have been included in the consolidated financial statements as subsidiaries. Please refer to Note 28.

### 14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in associates :

	December 31	
	2025	2024
Unlisted shares		
Material associate-Lioho Machine Works Ltd.	\$ 11,396,672	\$ 11,347,598
Associates that are not individually material-Bao Horng Cement Corp.	66,748	59,663
	<u>\$ 11,463,420</u>	<u>\$ 11,407,261</u>

#### 1). Material associates

Name of Associate	Proportion of Ownership and Voting Rights	
	December 31	
	2025	2024
Lioho Machine Works Ltd.	29.86%	29.86%

The summarized financial information below represents amounts shown in the financial statements of Lioho Machine Works Ltd. which were prepared in accordance with IFRSs and adjusted by the Group for equity accounting purposes.

	December 31	
	2025	2024
Equity	<u>\$ 38,167,251</u>	<u>\$ 38,002,890</u>
	For the Year Ended December 31	
	2025	2024
Operating revenue	<u>\$ 7,730,582</u>	<u>\$ 8,900,037</u>
Net profit for the year	<u>\$ 1,727,544</u>	<u>\$ 1,590,817</u>
Other comprehensive gain	<u>\$ 1,064,361</u>	<u>\$ 3,318,391</u>
Dividends received from Lioho Machine Works Ltd.	<u>\$ 268,744</u>	<u>\$ 447,907</u>

#### 2). Associates that are not individually material

	For the Year Ended December 31	
	2025	2024
The share of the Group		
Total net income and other comprehensive income for the current year	<u>\$ 7,074</u>	<u>\$ 838</u>

The Group originally held a shareholding ratio 13.96% of Bao Horng Cement Corp., acquired an additional shareholding ratio 12.96% for cash amounting to NT\$28,320 thousand in November 2024, resulting in a cumulative holding of over 20%, which gives it significant influence over Bao Horng Cement Corp. The Group has derecognized the previously recorded FVTOCI and has adopted the equity method to measure these assets. As of the date of issuance of this consolidated financial report, the purchase price allocation (PPA) report regarding the significant influence over Bao Horng Cement Corp. has been completed.

Refer to Table 5 "Information on Investees" for the nature of activities, principal place of business and country of incorporation of the associates.

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Construction in progress	Total
<u>Cost</u>							
Balance at January 1, 2024	\$ 5,425,740	\$ 2,088,767	\$ 3,486,687	\$ 718,852	\$ 828,496	\$ 983,355	\$ 13,531,897
Additions	-	13,704	95,376	36,749	20,472	30,498	196,799
Disposals	-	-	( 4,807)	( 41,241)	( 2,186)	-	( 48,234)
Reclassification	-	235	791,910	-	165,364	( 957,509)	-
Transfer from investment properties	40,225	22,947	-	-	-	-	63,172
Balance at December 31, 2024	\$ 5,465,965	\$ 2,125,653	\$ 4,369,166	\$ 714,360	\$ 1,012,146	\$ 56,344	\$ 13,743,634
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2024	\$ -	\$ 1,235,203	\$ 3,293,585	\$ 567,901	\$ 599,735	\$ 493,277	\$ 6,189,701
Depreciation expense	-	30,402	57,298	43,427	31,249	-	162,376
Disposals	-	-	( 4,807)	( 39,594)	( 2,141)	-	( 46,542)
Reclassification	-	-	468,872	-	24,405	493,277	0
Transfer from investment properties	-	22,315	-	-	-	-	22,315
Balance at December 31, 2024	\$ -	\$ 1,287,920	\$ 3,814,948	\$ 571,734	\$ 653,248	\$ -	\$ 6,327,850
Net carrying amounts at December 31, 2024	\$ 5,465,965	\$ 837,733	\$ 554,218	\$ 142,626	\$ 358,898	\$ 56,344	\$ 7,415,784
<u>Cost</u>							
Balance at January 1, 2025	\$ 5,465,965	\$ 2,125,653	\$ 4,369,166	\$ 714,360	\$ 1,012,146	\$ 56,344	\$ 13,743,634
Additions	-	10,564	57,983	6,469	12,753	70,753	158,522
Disposals	-	100,918	( 600,038)	( 18,549)	( 21,947)	-	( 741,452)
Reclassification	-	9,581	-	-	11,955	( 21,536)	-
Acquired through business combinations	-	25,329	8,864	-	2,425	-	36,618
Net exchange differences	-	592	750	-	58	-	( 100)
Balance at December 31, 2025	\$ 5,465,965	\$ 2,070,801	\$ 3,835,225	\$ 702,280	\$ 1,017,390	\$ 105,561	\$ 13,197,222
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2025	\$ -	\$ 1,287,920	\$ 3,814,948	\$ 571,734	\$ 653,248	\$ -	\$ 6,327,850
Depreciation expense	-	34,273	66,202	36,044	34,561	-	171,080
Disposals	-	( 100,918)	( 599,553)	( 18,153)	( 21,924)	-	( 740,548)
Net exchange differences	-	16	1	-	1	-	18
Balance at December 31, 2025	\$ -	\$ 1,221,291	\$ 3,281,598	\$ 589,625	\$ 665,886	\$ -	\$ 5,758,400
Net carrying amounts at December 31, 2025	\$ 5,465,965	\$ 849,510	\$ 553,627	\$ 112,655	\$ 351,504	\$ 105,561	\$ 7,438,822

The Group sold the land of Yancheng Section, Nan District, Tainan City to non-related party in September 2024. The gains on the sale were NT\$611,911 thousand and included in non-operating income.

There are indications of impairment due to the expected lower production capacity of certain equipment in our Lujhu gypsum board plant. Therefore, the Group performed an impairment test in 2024, recognized an impairment loss of NT\$116,111 thousand in non-operating expenses.

The future recoverable amount is determined using the replacement cost method, taking into account all costs required to replace or build an entirely new asset under the current condition, less the physical depreciation, functional depreciation, and economic depreciation incurred to the assets of appraisal.

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

Buildings	
Main buildings	20-61 years
Outbuildings and construction	2-16 years
Engineering systems	9-16 years
Machinery equipment	2-21 years
Transportation equipment	2-7 years
Other equipment	2-29 years

## 16. LEASE ARRANGEMENTS

### a. Right-of-use assets

	December 31	
	2025	2024
Carrying amounts		
Land	\$ 1,125	\$ 923
Buildings	166,718	155,648
Transportation equipment	14,031	15,189
	<u>\$ 181,874</u>	<u>\$ 171,760</u>
	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets (Including business combinations)	<u>\$ 65,536</u>	<u>\$ 2,473</u>
Depreciation charge for right-of-use assets		
Land	\$ 618	\$ 759
Buildings	51,287	47,048
Transportation equipment	4,883	5,357
	<u>\$ 56,788</u>	<u>\$ 53,164</u>

### b. Lease liabilities

	December 31	
	2025	2024
Carrying amounts		
Current	<u>\$ 58,792</u>	<u>\$ 52,590</u>
Non-current	<u>\$ 129,104</u>	<u>\$ 125,529</u>

Ranges of discount rates for lease liabilities were as follows:

	December 31	
	2025	2024
Land	1.71%-2.43%	1.71%
Buildings	0.9%-8.00%	0.9%-1.71%
Transportation equipment	0.9%-2.04%	0.9%-1.95%

### c. Material lease-in activities and terms

The Group leases certain land, plant and equipment for the use of operations with lease terms of 3-10 years. The Group is prohibited from subleasing or transferring all or any portion of the land and buildings leased from Taiwan International Port Corporation without the lessor's consent.

### d. Other lease information

	For the Year Ended December 31	
	2025	2024
Expenses relating to short-term leases	<u>\$ 11,314</u>	<u>\$ 11,934</u>
Expenses relating to low-value assets leases	<u>\$ 1,516</u>	<u>\$ 1,065</u>
Total cash outflow for leases	<u>\$ 70,206</u>	<u>\$ 69,975</u>

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

## 17. INVESTMENT PROPERTIES

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1, 2024	\$ 876,874	\$ 145,272	\$ 1,022,146
Transfer to property, plant and equipment	( 40,225)	( 22,947)	( 63,172)
Balance at December 31, 2024	<u>\$ 836,649</u>	<u>\$ 122,325</u>	<u>\$ 958,974</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2024	\$ 62,264	\$ 119,165	\$ 181,429
Depreciation expense	-	1,163	1,163
Transfer to property, plant and equipment	-	( 22,315)	( 22,315)
Balance at December 31, 2024	<u>62,264</u>	<u>98,013</u>	<u>\$ 160,277</u>
Net carrying amounts at December 31, 2024	<u>\$ 774,385</u>	<u>\$ 24,312</u>	<u>\$ 798,697</u>

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1, 2025	\$ 836,649	\$ 122,325	\$ 958,974
Additions	387,603	6,613	394,216
Balance at December 31, 2025	<u>\$ 1,224,252</u>	<u>\$ 128,938</u>	<u>\$ 1,353,190</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2025	\$ 62,264	\$ 98,013	\$ 160,277
Depreciation expense	-	1,049	1,049
Balance at December 31, 2025	<u>\$ 62,264</u>	<u>\$ 99,062</u>	<u>\$ 161,326</u>
Net carrying amounts at December 31, 2025	<u>\$ 1,161,988</u>	<u>\$ 29,876</u>	<u>\$ 1,191,864</u>

As of December 31, 2025 and 2024, the Group has not yet completed the property registration of the land, both are amounting to NTS\$113,247 thousand because of the restriction in the regulations but the property has been secured with mortgage registration.

The Group are depreciated using the straight-line method over 10-61 years of useful lives.

The fair values of the Group as of December 31, 2025 and 2024 were NTS\$2,352,345 thousand and NTS\$2,352,345 thousand, respectively. The fair values were determined by the independent appraisal company on each balance sheet date in the past three years with reference to similar real estate. The fair value of the transaction price is based on market evidence, or the Group's management refers to the actual transaction price in nearby areas.

Gross lease payments receivable of the future under operating leases of investment properties were as follows:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Year 1	\$ 9,570	\$ 11,449
Year 2	8,123	8,100
Year 3	7,970	8,028
Year 4	4,302	7,970
Year 5	850	4,302
Year 5 onwards	11,050	11,900
	<u>\$ 41,865</u>	<u>\$ 51,749</u>

## 18. GOODWILL AND OTHER INTANGIBLE ASSETS

### a. Goodwill

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Carrying amounts	\$ 295,625	\$ -
<u>Cost</u>		
Balance at January 1, 2025	\$ -	\$ -
Acquired through business combinations during the year (Note 28)	288,881	-
Net exchange differences	6,744	-
Balance at December 31, 2025	<u>\$ 295,625</u>	<u>\$ -</u>

	<u>Patents</u>	<u>Licenses and Franchises</u>	<u>Trademarks</u>	<u>Computer Software</u>	<u>Total</u>
<u>Cost</u>					
Balance at January 1, 2024	\$ 9,731	\$ 5,762	\$ 44	\$ 16,903	\$ 32,440
Additions	764	-	-	985	1,749
Balance at December 31, 2024	<u>\$ 10,495</u>	<u>\$ 5,762</u>	<u>\$ 44</u>	<u>\$ 17,888</u>	<u>\$ 34,189</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2024	\$ 6,931	\$ 4,341	\$ 18	\$ 10,502	\$ 21,792
Amortization expense	951	237	4	2,674	3,866
Balance at December 31, 2024	<u>\$ 7,882</u>	<u>\$ 4,578</u>	<u>\$ 22</u>	<u>\$ 13,176</u>	<u>\$ 25,658</u>
Net carrying amounts at December 31, 2024	<u>\$ 2,613</u>	<u>\$ 1,184</u>	<u>\$ 22</u>	<u>\$ 4,712</u>	<u>\$ 8,531</u>
<u>Cost</u>					
Balance at January 1, 2025	\$ 10,495	\$ 5,762	\$ 44	\$ 17,888	\$ 34,189
Additions	1,507	-	-	4,820	6,327
Acquired through business combinations	-	-	-	520	520
Net exchange differences	5	-	-	12	17
Balance at December 31, 2025	<u>\$ 12,007</u>	<u>\$ 5,762</u>	<u>\$ 44</u>	<u>\$ 23,240</u>	<u>\$ 41,053</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2025	\$ 7,882	\$ 4,578	\$ 22	\$ 13,176	\$ 25,658
Amortization expense	1,188	237	4	4,029	5,458
Net exchange differences	2	-	-	-	2
Balance at December 31, 2025	<u>\$ 9,072</u>	<u>\$ 4,815</u>	<u>\$ 26</u>	<u>\$ 17,205</u>	<u>\$ 31,118</u>
Net carrying amounts at December 31, 2025	<u>\$ 2,935</u>	<u>\$ 947</u>	<u>\$ 18</u>	<u>\$ 6,035</u>	<u>\$ 9,935</u>

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

Patents	2-20 years
Licenses and franchises	10 years
Trademarks	10 years
Computer Software	2-5 years

## 19. BORROWINGS

### a. Short-term borrowings

	December 31	
	2025	2024
<u>Unsecured borrowings</u>		
Line of credit borrowings	\$ 2,755,000	\$ 2,100,000
The range of interest rates	1.85%-2.015%	1.85%-1.99%

### b. Short-term bills payable

	December 31	
	2025	2024
Commercial papers	\$ 320,000	\$ 170,000
Less: Unamortized discount on bills payable	278	404
	<u>\$ 319,722</u>	<u>\$ 169,596</u>

The Group did not provide any collateral over these balance.

Outstanding short-term bills payable as follows:

Promissory Institutions	Nominal Amount	Discount Amount	Carrying Value	Interest Rate
<u>December 31, 2025</u>				
Mega Bills Finance Co., Ltd.	\$ 260,000	\$ 150	\$ 259,850	1.958%-2.058%
Ta Ching Bills Finance Co., Ltd.	60,000	128	59,872	2.048%
	<u>\$ 320,000</u>	<u>\$ 278</u>	<u>\$ 319,722</u>	
<u>December 31, 2024</u>				
Taiwan Finance Co., Ltd.	\$ 100,000	\$ 238	\$ 99,762	2.118%
Ta Ching Bills Finance Co., Ltd.	70,000	166	69,834	2.118%
	<u>\$ 170,000</u>	<u>\$ 404</u>	<u>\$ 169,596</u>	

### c. Long -term borrowings

	December 31	
	2025	2024
<u>Unsecured borrowings</u>		
Line of credit borrowings	\$ 430,000	\$ -
Less: Long-term borrowings due within one year	430,000	-
Long-term borrowings	<u>\$ -</u>	<u>\$ -</u>

The Group obtained new unsecured bank loans in September 2025, amounting to \$430,000 thousand. This loan is due in October 2026, with annual interest rates of 1.85%.

## 20. NOTES PAYABLE AND ACCOUNTS PAYABLE (INCLUDING RELATED PARTIES)

Notes payable and accounts payable (including related parties) arose from operating activities. The average credit period on purchases is 30-65 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. Therefore, no interest was charged on the payables.

## 21. OTHER PAYABLES AND OTHER LIABILITIES

	December 31	
	2025	2024
<u>Current</u>		
Other payable		
Payable for salaries or bonus	\$ 118,055	\$ 131,426
Payable for remuneration to employees	113,200	55,038
Payable for remuneration to directors	55,968	56,571
Payable for annual leave	23,942	15,213
Payable for freight	22,093	19,585
Payable for taxes	13,785	11,994
Others	161,719	129,483
	<u>\$ 508,762</u>	<u>\$ 419,310</u>
Other liabilities		
Receipts in advance	\$ 15,661	\$ 16,501
Temporary receipts	14,338	11,309
Liability Provision - Carbon Fee (Note)	2,869	-
Others	190	199
	<u>\$ 33,058</u>	<u>\$ 28,009</u>

Note: The Company recognizes the carbon fee liability provision in accordance with the carbon fee charging regulations and related laws of our country starting from the year 2025. The carbon fee liability provision of the Company is calculated based on the general rate.

## 22. RETIREMENT BENEFIT PLANS

### a. Defined contribution plans

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

### b. Defined benefit plans

The defined benefit plan adopted by the Group in accordance with the Labor Standards Law is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Group contributes amounts equal to 2%~3% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor ("the Bureau"); the Group has no right to influence the investment policy and strategy.

In 2023, the Company fully settled all employee retirement benefits and applied to the Bureau of Labor Insurance, MOL to close the pension fund. The remaining balance of the aforementioned account was recovered in 2024.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Present value of defined benefit obligation	\$ 2,106	\$ 2,036
Fair value of plan assets	( 12,859)	( 11,776)
Net defined benefit liability	<u>(\$ 10,753)</u>	<u>(\$ 9,740)</u>

Movements in net defined benefit liability were as follows:

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liability</b>
Balance at January 1, 2024	\$ 1,881	(\$ 16,858)	(\$ 14,977)
Net interest expense (income)	155	( 4,300)	( 4,145)
Recognized in profit or loss	155	( 4,300)	( 4,145)
Contributions from the employer	-	( 105)	( 105)
Close the pension fund	-	9,487	9,487
Balance at December 31, 2024	2,036	( 11,776)	( 9,740)
Net interest expense (income)	70	( 991)	( 921)
Recognized in profit or loss	70	( 991)	( 921)
Contributions from the employer	-	( 92)	( 92)
Balance at December 31, 2025	<u>\$ 2,106</u>	<u>(\$ 12,859)</u>	<u>(\$ 10,753)</u>

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Operating costs	\$ -	(\$ 1,665)
Selling and marketing expenses	-	( 447)
General and administrative expenses	( 921)	( 1,941)
Research and development expenses	-	( 92)
	<u>(\$ 921)</u>	<u>(\$ 4,145)</u>

Through the defined benefit plans under the Labor Standards Law, the Group is exposed to the following risks:

- 1 Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposits with local banks.
- 2) Interest risk: A decrease in the government and corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3 Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

## 23. EQUITY

### a. Share capital

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Number of shares authorized (thousands)	1,000,000	1,000,000
Capital stock authorized	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
Number of shares issued and fully paid (thousands)	686,682	686,682
Capital stock issued	<u>\$ 6,866,818</u>	<u>\$ 6,866,818</u>

### b. Capital surplus

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)</u>		
Treasury share transactions	\$ 21,606	\$ 21,606
Differences between the actual equity value of subsidiaries acquired or disposed and its carrying amounts.	53,174	56,451
<u>May be used to offset a deficit only</u>		
Changes in interests in associates accounted for using the equity method	22,260	22,260
Overdue dividends not collected by shareholders	<u>22,469</u>	<u>22,469</u>
	<u>\$ 119,509</u>	<u>\$ 122,786</u>

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

### c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Company's Articles, if the Company makes profit in a fiscal year, the profit shall be first utilized to pay taxes, offset losses of previous years, set aside as legal reserve with 10% of the remaining profit, set aside or reverse a special reserve in accordance with the laws and regulations, and lastly, together with any undistributed retained earnings, serve as the basis of a distribution plan proposed by the Company's board of directors in accordance with the resolution of the shareholders' meeting pertaining to the distribution of dividends and bonus to shareholders. The policies on the distribution of employees' compensation and remuneration of directors in the Company's Articles refer to Note 25-g.

According to the Company's Articles, the bonus to shareholders can be distributed by way of stock dividends and cash dividends. However, the ratio for stock dividend shall not exceed 50% of the total distribution unless the value of cash dividends is less than \$ 0.5 per share. The distribution of dividends can be adjusted by shareholders based on the Company's profit, capital status, and operating requirement.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

When a special reserve is appropriated for cumulative net amount of other deductions from equity from prior period and cumulative net increases in fair value measurement of investment properties from prior period, the sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period if the prior unappropriated earnings is not sufficient.

The appropriations of 2024 and 2023 earnings have been proposed by the Company's regular shareholders meeting on May 26, 2025 and June 21, 2024, respectively. The appropriations and dividends per share were as follows:

	<u>2024</u>	<u>2023</u>
Legal reserve	\$ 149,953	\$ 210,852
Cash dividends	\$ 1,167,359	\$ 1,211,791
Stock dividends	\$ -	\$ 134,643
Cash dividends per share (NT\$)	\$ 1.7	\$ 1.8
Stock dividends per share (NT\$)	\$ -	\$ 0.2

The appropriation of earnings for 2025 had been proposed by the Company's board of directors on March 10, 2026. The appropriation and dividends per share were as follows:

	<u>2025</u>
Legal reserve	\$ 175,648
Cash dividends	\$ 1,270,361
Cash dividends per share (NT\$)	\$ 1.85

The appropriation of earnings for 2025 will subject to the resolution of the shareholders meeting.

d. Special reserves

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Special reserves		
First-time adoption IFRS Accounting Standards	\$ 3,185,793	\$ 3,185,793

Because the increase in the retained earnings caused by the first-time adoption of IFRSs was insufficient to be appropriated for provision, the Company had provided for special reserve based on the increase of the retained earnings, an adjustment that was recorded per Company policy on first-time adoption.

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	<u>For the year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Balance at January 1	(\$ 503,671)	(\$ 1,009,492)
Recognized for the year		
Exchange Differences on Translating Foreign Operations	12,333	-
Share from associates accounted for using the equity method	( 217,456)	505,821
Balance at December 31	<u>(\$ 708,794)</u>	<u>(\$ 503,671)</u>

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

	<u>For the year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Balance at January 1	\$ 2,727,442	\$ 1,743,007
Recognized for the year		
Unrealized gain (loss) - equity instruments	124,532	1,002,158
Share from associates accounted for using the equity method	319	( 481)
Other comprehensive income/(loss) during the year	124,851	1,001,677
The cumulative profit or loss arising from the disposals of equity instruments is transferred to retained earnings.	-	( 17,242)
Balance at December 31	<u>\$ 2,852,293</u>	<u>\$ 2,727,442</u>

3) Remeasurement of defined benefit plans

	<u>For the year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Balance at January 1	\$ 101,767	\$ 91,254
Share from associates accounted for using the equity method	19,111	10,513
Balance at December 31	<u>\$ 120,878</u>	<u>\$ 101,767</u>

f. Non-controlling interests

	For the year Ended December 31	
	2025	2024
Balance at January 1	\$ 798,807	\$ 808,952
Net profit for the year	45,616	48,051
Other comprehensive income (loss) during the year		
Unrealized gain (loss) on financial assets at FVTPL	217	205
Non-controlling dividend distribution	( 38,911)	( 58,735)
Acquisition of non-controlling interests in the subsidiary (Note 28)	( 8,938)	( 6,344)
Cash capital increase for non-controlling interests	-	6,678
Balance at December 31	<u>\$ 796,791</u>	<u>\$ 798,807</u>

24. REVENUE

	For the year Ended December 31	
	2025	2024
Revenue from contracts with customers		
Revenue from sale of goods	\$ 7,911,051	\$ 7,949,958
Revenue from rendering of services	9,165	3,776
	<u>\$ 7,920,216</u>	<u>\$ 7,953,734</u>

a. Contract balances

	December 31		January 1
	2025	2024	2024
Notes and accounts receivable (Including related parties)	<u>\$ 2,086,379</u>	<u>\$ 1,946,217</u>	<u>\$ 2,172,345</u>
Contract assets (included in other current assets)			
Sale of goods	\$ 364	\$ 1,023	\$ 1,850
Less: Loss allowance	73	205	370
	<u>\$ 291</u>	<u>\$ 818</u>	<u>\$ 1,480</u>
Contract liabilities - current			
Sale of goods	<u>\$ 2,524</u>	<u>\$ 2,267</u>	<u>\$ 2,359</u>

In accordance with the terms of the contract, the Group recognizes the construction retention money as contract assets before completing the contractual obligations, and considers the historical default loss rates and the state of the industry in estimating expected credit loss.

	December 31	
	2025	2024
Expected credit loss rate	20%	20%
Gross carrying amount	\$ 364	\$ 1,023
Loss allowance (Lifetime ECL)	( 73)	( 205)
	<u>\$ 291</u>	<u>\$ 818</u>

The movements of the loss allowance of contract assets refer to Note 11.

b. Disaggregation of revenue from contracts with Customers

	For the year Ended December 31	
	2025	2024
Concrete	\$ 5,294,136	\$ 5,127,395
Cement	1,530,897	1,722,759
Gypsum board panels	972,577	1,077,450
Others	122,606	26,130
	<u>\$ 7,920,216</u>	<u>\$ 7,953,734</u>

25. PROFIT BEFORE INCOME TAX

a. Interest income

	For the year Ended December 31	
	2025	2024
Bank deposits	\$ 10,627	\$ 4,453
Bonds with repurchase agreements	7,886	11,500
Others	26	36
	<u>\$ 18,539</u>	<u>\$ 15,989</u>

b. Other income

	For the year Ended December 31	
	2025	2024
Rental income - investment properties (Note 17)	\$ 16,800	\$ 19,528
Dividend income	276,409	226,710
Litigation Settlement Revenue	-	11,464
Others	23,269	27,807
	<u>\$ 316,478</u>	<u>\$ 285,509</u>

c. Other gains and losses

	For the year Ended December 31	
	2025	2024
Net foreign exchange gains (losses)	(\$ 760)	\$ 1,497
Gain on disposal of property, plant and equipment	13,818	9,948
Gain (Loss) in financial assets Financial assets mandatorily classified as at FVTPL	( 3,143)	2,702
Others	13,780	1,065
	<u>\$ 23,695</u>	<u>\$ 15,212</u>

d. Interest expense

	For the year Ended December 31	
	2025	2024
Interest on bank loans	\$ 51,821	\$ 40,209
Interest on lease liabilities	2,790	2,722
	<u>\$ 54,611</u>	<u>\$ 42,931</u>

e. Depreciation and amortization

	For the year Ended December 31	
	2025	2024
Property, plant and equipment	\$ 171,080	\$ 162,376
Right-of-use assets	56,788	53,164
Investment properties	1,049	1,163
Intangible assets	5,458	3,866
	<u>\$ 234,375</u>	<u>\$ 220,569</u>

An analysis of depreciation - by function		
Operating costs	\$ 146,098	\$ 147,684
Operating expenses	81,770	67,856
Others (included in non-operating income and expense)	1,049	1,163
	<u>\$ 228,917</u>	<u>\$ 216,703</u>

An analysis of amortization - by function		
Operating costs	\$ 1,477	\$ 546
Operating expenses	3,981	3,320
	<u>\$ 5,458</u>	<u>\$ 3,866</u>

f. Employee benefits expense

	For the year Ended December 31	
	2025	2024
Short-term employee benefits expense	\$ 711,317	\$ 620,869
Salaries	66,130	59,960
Labor and health insurance	89,947	86,527
Others	<u>867,394</u>	<u>767,356</u>
Post-employment benefits		
Defined contribution plans	31,324	29,029
Defined benefit plans (Note 22)	( 921)	( 4,145)
	<u>30,403</u>	<u>24,884</u>
	<u>\$ 897,797</u>	<u>\$ 792,240</u>
An analysis of employee benefits expense - by function		
Operating costs	\$ 594,676	\$ 542,793
Operating expenses	303,121	249,447
	<u>\$ 897,797</u>	<u>\$ 792,240</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates no less than 1% and no higher than 3%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors.

The employees' compensation and remuneration of directors for the year ended December 31, 2025 and 2024 have been approved on March 10, 2026 and March 10, 2025, respectively as follows:

Accrual rate

	For the year Ended December 31	
	2025	2024
Employees' compensation	3.83%	2.98%
Remuneration of directors	2.38%	2.76%

Amount

	For the year Ended December 31	
	2025	2024
Employees' compensation	\$ 79,945	\$ 53,000
Remuneration of directors	<u>\$ 49,744</u>	<u>\$ 49,000</u>

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the differences will be recognized in the next year as a change in accounting estimate.

There was no difference between the actual amounts of employees' compensation and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2024 and 2023.

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

## 26. INCOME TAX

### a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	For the year Ended December 31	
	2025	2024
Current tax		
In respect of the current period	\$ 244,150	\$ 222,249
Additional unappropriated earnings	3,712	63,395
Adjustments for prior years	( 7,316)	( 5,552)
	<u>240,546</u>	<u>280,092</u>
Deferred tax		
In respect of the current period	2,800	( 3,334)
	<u>\$ 243,346</u>	<u>\$ 276,758</u>

A reconciliation of accounting profit and income tax expenses is as follows:

	For the year Ended December 31	
	2025	2024
Profit before tax	\$ 2,045,440	\$ 1,807,096
Income tax expense calculated at the statutory rate	\$ 408,392	\$ 361,419
Tax-exempt income	( 55,282)	( 45,342)
Non-deductible expenses (income) in determining taxable income	( 102,102)	( 94,867)
Unrecognized deductible temporary differences	( 6,553)	( 5,236)
Net operating loss carryforwards used	2,961	3,902
Loss carryforwards utilized for the current year	( 466)	( 961)
Additional income tax on unappropriated earnings	3,712	63,395
Income tax adjustments on prior years	( 7,316)	( 5,552)
	<u>\$ 243,346</u>	<u>\$ 276,758</u>

### b. Current tax assets and liabilities

	December 31	
	2025	2024
Current tax assets		
Income tax receivables	\$ 1,472	\$ 764
Current tax liabilities		
Income tax payable	\$ 135,298	\$ 184,723

### c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year of 2025

	Opening Balance	Acquired in a business combination	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred Tax Assets</b>					
Temporary differences					
Allowance for impairment loss	\$ 826	\$ 369	\$ 397	\$ 10	\$ 1,602
Defined benefit obligation	123	-	( 7)	-	116
Unrealized exchange losses	-	-	174	-	174
Unrealized loss for losses of Inventory valuation and obsolescence	231	3,593	( 1,608)	75	2,291
Unrealized payable promotion expenses	10,248	-	( 937)	-	9,311
Loss carryforwards	466	184	24,949	135	25,734
Research and development deduction	-	74,233	( 27,091)	1,594	48,736
Others	1,418	32,648	( 5,475)	733	29,324
	<u>\$ 13,312</u>	<u>\$ 111,027</u>	<u>(\$ 9,598)</u>	<u>\$ 2,547</u>	<u>\$ 117,288</u>
<b>Deferred Tax Liabilities</b>					
Temporary differences					
Land value increment tax	\$ 1,236,442	\$ -	\$ -	\$ -	\$ 1,236,442
Defined benefit obligation	2,026	-	171	-	2,197
Unrealized exchange gains	106	-	( 106)	-	-
Property, plant and equipment	-	18,826	( 7,112)	404	12,118
Others	-	1,229	249	30	1,508
	<u>\$ 1,238,574</u>	<u>\$ 20,055</u>	<u>-\$ 6,798</u>	<u>\$ 434</u>	<u>\$ 1,252,265</u>

For the year of 2024

	<u>Opening Balance</u>	<u>Acquired in a business combination</u>	<u>Recognized in Profit or Loss</u>	<u>Recognized in Other Comprehensive Income</u>	<u>Closing Balance</u>
<b>Deferred Tax Assets</b>					
Temporary differences					
Allowance for impairment loss	\$ 825	\$ -	\$ 1	\$ -	\$ 826
Defined benefit obligation	5,659	-	( 5,536)	-	123
Unrealized exchange losses	160	-	( 160)	-	-
Unrealized loss for losses of Inventory valuation and obsolescence	132	-	99	-	231
Unrealized payable promotion expenses	8,012	-	2,236	-	10,248
Loss carryforwards	577	-	( 111)	-	466
Others	1,146	-	272	-	1,418
	<u>\$ 16,511</u>	<u>\$ -</u>	<u>(\$ 3,199)</u>	<u>\$ -</u>	<u>\$ 13,312</u>
<b>Deferred Tax Liabilities</b>					
Temporary differences					
Land value increment tax	\$ 1,236,442	\$ -	\$ -	\$ -	\$ 1,236,442
Defined benefit obligation	8,665	-	( 6,639)	-	2,026
Unrealized exchange gains	-	-	106	-	106
	<u>\$ 1,245,107</u>	<u>\$ -</u>	<u>(\$ 6,533)</u>	<u>\$ -</u>	<u>\$ 1,238,574</u>

e. Deductible temporary differences, unused loss carryforwards and unused investment credits for which no deferred tax assets have been recognized in the consolidated balance

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<b>Loss carryforwards</b>		
Expire in 2035	\$14,804	
Expire in 2034	17,172	\$19,512
Expire in 2033	16,329	16,539
Expire in 2032	9,059	9,059
Expire in 2031	3,887	3,887
Expire in 2030	8,003	8,003
Expire in 2029	10,273	10,273
Expire in 2028	57,779	57,779
Expire in 2027	69,078	69,078
Expire in 2026	47,759	47,759
Expire in 2025	-	56,898
	<u>\$ 254,143</u>	<u>\$ 298,787</u>
<b>Deductible temporary differences</b>		
Inventory write-down and obsolescence losses	\$ 28,561	\$ 31,818
Asset impairment losses	610,883	651,904
	<u>\$ 639,444</u>	<u>\$ 683,722</u>

f. Income tax return assessments

The corporate income taxes declared by its subsidiary Uneo Inc., Li-Yong Development Co., Ltd., Kaohsiung Pier Transportation Co., Ltd., Chiayi Ready-mixed Concrete Industry Co., Ltd., Huan-Chung International Co., Ltd., UCC Investment Co., Ltd., Tainan Ready-mixed Concrete Industry Co., Ltd., and Universal Ready-mixed Concrete Industry Co., Ltd., till the end of 2023, and the Company till the end of 2022 approved by the tax collection authority.

## 27. EARNINGS PER SHARE

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

<u>Net profit for the year</u>	<u>For the year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Net profit attributable to owners of the Corporation	\$ 1,756,478	\$ 1,482,287
<b>Number of shares</b>		
<b>Unit: Thousand shares</b>		
<b>For the year Ended December 31</b>		
	<u>2025</u>	<u>2024</u>
Weighted average number of ordinary shares in computation of basic earnings per share	686,682	686,682
Effect of potentially dilutive ordinary shares:		
Employees' compensation	3,147	2,197
Weighted average number of ordinary shares in the computation of diluted earnings per share	<u>689,829</u>	<u>688,879</u>

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

## 28. BUSINESS COMBINATIONS

### a. Acquisition of Subsidiary

	<b>Subsidiary Main Operating Activities</b>	<b>Acquisition Date</b>	<b>Percentage of Voting Equity Interests Acquired (%)</b>	<b>Consideration Transferred</b>
Tekscan Holdco, Inc.	Manufacturing and sales of electronic components	November 3, 2025	100%	\$ 511,689

### b. Assets Acquired and Liabilities Assumed at the Date of Acquisition

	<b>Tekscan Holdco, Inc.</b>
Current assets	
Cash	\$ 17,097
Accounts receivable	61,157
Inventories	55,629
Current tax assets	6,190
Prepayments	5,791
Non-current assets	
Property, plant and equipment	36,618
Right-of-use assets	59,221
Intangible assets	520
Deferred tax assets	111,027
Current liabilities	
Accounts payable	( 53,661)
Other current liabilities	( 50,786)
Non-current liabilities	
Deferred tax liabilities	( 20,055)
Other non-current liabilities	( 5,940)
Total	<u>\$ 222,808</u>

The above amounts are provisional. Adjustments may be made retrospectively during the measurement period for any additional assets or liabilities recognized.

### c. Goodwill Arising on Acquisition

	<b>Tekscan Holdco, Inc.</b>
Consideration transferred	\$ 511,689
Less: Fair value of identifiable net assets acquired	( 222,808)
Goodwill arising on acquisition	<u>\$ 288,881</u>

The consideration for the acquisition of Tekscan Holdco, Inc. was paid in cash amounting to \$511,689 thousand (USD 16,660 thousand).

### d. Net Cash Outflow on Acquisition of Subsidiary

Consideration paid in cash	\$ 511,689
Less: Cash and cash equivalent balances acquired	( 17,097)
	<u>\$ 494,592</u>

## 29. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

From June to October 2025 and July 2024, the Group acquired shares held by the non-controlling interest of Universal Concrete Industrial Corporation. And its shareholding increased from 60.15% to 61.33% and 59.05% to 60.15%.

The above transactions were accounted for as equity transactions since the Group did not cease to have control over these subsidiaries.

	<b>Obtaining non-controlling interests</b>	
	<b>2025</b>	<b>2024</b>
Cash payments	(\$ 12,215)	(\$ 7,270)
The carrying amount of the subsidiary's net assets that shall be transferred to non-controlling interest based on relative equity changes	8,938	6,344
Difference in equity transactions	<u>(\$ 3,277)</u>	<u>(\$ 926)</u>
<u>Adjustment accounts for difference in equity transactions</u>		
Capital surplus – Actual Difference between consideration and carrying amount of subsidiaries acquired or disposed	<u>(\$ 3,277)</u>	<u>(\$ 926)</u>

## 30. CASH FLOWS INFORMATION

Cash used in obtaining property, plant and equipment by the Group during 2025 and 2024 were as follows:

	<b>For the year Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Increase in property, plant and equipment	\$ 158,522	\$ 196,799
Decrease in payables for equipment	( 416)	9,089
Increase (decrease) in prepayments for equipment	10,522	( 26,241)
Paid in cash	<u>\$ 168,628</u>	<u>\$ 179,647</u>

## 31. CAPITAL MANAGEMENT

The Group needs to maintain sufficient capital to fulfill the Group's requirements of capital to build and expand its production facilities and equipment. Therefore, the capital management of the Group shall ensure on the necessary financial resources and a comprehensive operational plan to fulfill the future demand of working capital, capital expenditures, research and development expenses, debts repayment and dividend distributions.

## 32. FINANCIAL INSTRUMENTS

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

The Group believes that the carrying amounts of financial instruments that are not measured at fair value, including cash and cash equivalents, accounts receivable, financial assets at amortized cost, short-term loans, short-term bills payable, accounts payable, long-term borrowings due within one year, and guarantee deposits received, recognized in the financial statements approximate their fair value.

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

#### 1) Fair value hierarchy

##### December 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 7,095	\$ -	\$ -	\$ 7,095
Mutual funds	317	-	-	317
Limited partnership	-	-	47,354	47,354
	<u>\$ 7,412</u>	<u>\$ -</u>	<u>\$ 47,354</u>	<u>\$ 54,766</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 3,344,535	\$ 853,380	\$ -	\$ 4,197,915
Unlisted shares	-	-	1,623,763	1,623,763
	<u>\$ 3,344,535</u>	<u>\$ 853,380</u>	<u>\$ 1,623,763</u>	<u>\$ 5,821,678</u>

##### December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 8,887	\$ -	\$ -	\$ 8,887
Mutual funds	372	-	-	372
Limited partnership	-	-	40,948	40,948
	<u>\$ 9,259</u>	<u>\$ -</u>	<u>\$ 40,948</u>	<u>\$ 50,207</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 3,134,764	\$ 1,001,880	\$ -	\$ 4,136,644
Unlisted shares	-	-	1,549,474	1,549,474
	<u>\$ 3,134,764</u>	<u>\$ 1,001,880</u>	<u>\$ 1,549,474</u>	<u>\$ 5,686,118</u>

There were no transfers between Level 1 and 2 in 2025 and 2024

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

##### For the year of 2025

	<u>Financial assets at fair value through profit or loss</u>	<u>Financial assets at fair value through other comprehensive income</u>	<u>Total</u>
Balance at January 1	\$ 40,948	\$ 1,549,474	\$ 1,590,422
Additions	9,407	-	9,407
Transfer to equity method			
Recognized in profit (other gains and losses)	( 1,296)	-	( 1,296)
Recognized in other comprehensive income (unrealized valuation gain or loss on financial assets at fair value through other comprehensive income)	-	74,289	74,289
Return of capital from reduction of share capital	( 1,705)	-	( 1,705)
Balance at December 31	<u>\$ 47,354</u>	<u>\$ 1,623,763</u>	<u>\$ 1,671,117</u>

**For the year of 2024**

	<b>Financial assets at fair value through profit or loss</b>	<b>Financial assets at fair value through other comprehensive income</b>	<b>Total</b>
Balance at January 1	\$ 47,558	\$ 1,399,204	\$ 1,446,762
Additions	-	13,263	13,263
Transfer to equity method	-	( 13,263)	( 13,263)
Recognized in profit (other gains and losses)	( 6,610)	-	( 6,610)
Recognized in other comprehensive income (unrealized valuation gain or loss on financial assets at fair value through other comprehensive income)	-	150,270	150,270
Balance at December 31	<u>\$ 40,948</u>	<u>\$ 1,549,474</u>	<u>\$ 1,590,422</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Category of financial instrument</u>	
Investments in equity instruments	Purchase of stock via private offering which is subject to a three-year-lock-up period. In light of the impact on the target to be measured due to the restriction of transaction, a discount is imposed to reflect the restricted liquidity of the stock. The target to be measure is the stock of a public listed company. The Closing price at the day of measurement was adopted as the fair value of an unrestricted stock price. The fair value of the restricted stock price is then derived via the Black-Scholes model.

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

- a) The fair values of unlisted equity securities in ROC was estimated by the marketing valuation method. This method is based on the industry category, evaluation and operations of similar companies, or the net equity of the companies.
- b) Limited partnership was estimated based on the net equity.

c. Categories of financial instruments

	<u>December 31</u>	
	2025	2024
<u>Financial assets</u>		
Financial assets at FVTPL		
Financial assets mandatorily classified as at FVTPL	\$ 54,766	\$ 50,207
Financial assets at amortized cost (Note 1)	3,926,446	3,628,732
Financial assets at FVTOCI – Investments in equity instruments	5,821,678	5,686,118
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (Note	4,494,529	3,540,251

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable, net accounts receivable (including related parties), other receivables, and financial assets at amortized cost (current and non-current).

2) The balances included financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, accounts payable (including related parties), other payables, guarantee deposits received and long-term borrowings due within one year.

d. Financial Risk Management Objectives and Policies

The Group's major financial instruments include investments in equity instruments, accounts receivable, accounts payables, loans and lease liabilities. The financial management department of the Group provides services to the business departments, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in interest rate risk (see (a) below) and other price risk (see (b) below).

a) Interest rate risk

The Group was exposed to interest rate risk arising from short-term borrowing at New Taiwan dollar (NTD) market rates with a markup. Due to lower NTD borrowing rates and small borrowing position, the interest rate sensitivity is lower, and the interest rate risk is little risk to the

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

	December 31	
	2025	2024
Fair value interest rate risk		
Financial assets	\$ 642,722	\$ 969,394
Financial liabilities	507,618	347,715
Cash flow interest rate risk		
Financial assets	761,052	634,322
Financial liabilities	3,185,000	2,100,000

b) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities and mutual funds. The Group manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk was mainly concentrated on equity instruments operating in shares and open-end mutual funds quoted in the Taiwan Stock Exchange. In addition, the Group will evaluate the price by the closing price of the equity investments and the net asset value of the fund every month.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices of domestic listed equity securities(excluding private placement), which was hold by the Group calculated by \$ 3,344,535 thousand and \$ 3,134,764 thousand, had been 1% higher/lower, the pre-tax other comprehensive income for the year ended December 31, 2025 and 2024 would have increased/decreased by \$ 33,445 thousand and \$ 31,348 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Financial assets are exposed to the potential effects of outstanding contracts between the Group and its counterparty or other parties. Such effects include the credit risk concentration, components, contractual amounts, and other receivables of financial products engaged by the Group.

As at the end of the reporting period, the Group's maximum exposure to credit risk is due to the failure of counterparties to discharge an obligation, which is from the carrying amount of financial assets are recognized from consolidated financial reports.

In addition to the following paragraph, the main customers of its credit are good, and the Group will regularly annually review the customer's credit status, appropriately adjust the credit line, and will require customers to provide the necessary guarantees or trade by cash in special situations. The sales department understands the customer's credit status through external peer visits. The customers mentioned above, had no significant credit risk exposure.

Part of the concrete customers of the Group are individuals and small-scale enterprises, except for a few large customers are concrete construction companies, industry characteristics resulting in some small-scale enterprises. In addition to using credit limit controls to reduce credit risks and the relevant proceedings to protect their claims, the Group has set adequate allowance for bad debts for higher credit risk customers in accordance with company policy. The credit risk arising from its maximum possible amount is disclosed in the Note 11.

The Group has no significant concentration of credit risk.

3) Liquidity risk

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

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

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

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

**December 31, 2025**

	<b>On Demand or Less than 3 Month</b>	<b>3 Months to 1 Year</b>	<b>1 Year to 5 Year</b>	<b>6 Year to 10 Year</b>
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 980,841	\$ -	\$ 8,966	\$ -
Lease liabilities	15,598	45,438	116,722	21,626
Variable interest rate liabilities	2,763,491	436,211	-	-
Fixed interest rate liabilities	320,000	-	-	-
	<u>\$ 4,079,930</u>	<u>\$ 481,649</u>	<u>\$ 125,688</u>	<u>\$ 21,626</u>

**December 31, 2024**

	<b>On Demand or Less than 3 Month</b>	<b>3 Months to 1 Year</b>	<b>1 Year to 5 Year</b>	<b>6 Year to 10 Year</b>
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 1,262,005	\$ -	\$ 8,650	\$ -
Lease liabilities	13,481	40,720	117,331	10,886
Variable interest rate liabilities	1,785,515	322,149	-	-
Fixed interest rate liabilities	170,000	-	-	-
	<u>\$ 3,231,001</u>	<u>\$ 362,869</u>	<u>\$ 125,981</u>	<u>\$ 10,886</u>

The amount included above for variable interest rate instruments for non-derivative financial liabilities was subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

## b) Financing facilities

Loan is an important resource of liquidity for the Company.

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
The short-term unsecured line of credit	\$ 4,590,000	\$ 5,495,358

### 33. TRANSACTIONS WITH RELATED PARTIES

Transactions, balance, income and expenses between the Corporation and subsidiaries (related parties of the Corporation) had been eliminated on consolidation and are not disclosed in this note. Except as disclosed in other notes, details of transactions between the Group and other related parties are disclosed below.

a. Name and relationship of related party

<u>Related Party Name</u>	<u>Relationships of the Group</u>
CHC Resources Corp.	The Group acts as key management
Universal Real Estate Development Co., Ltd.	The Group acts as key management
Creative Sensor Inc.	The Group acts as key management (a)
Sheng Yuan Investment Co., Ltd.	The key management of the Group
Bo-Chih Investment Co., Ltd.	Chairman of the Company
Yu-Sheng Investment Co., Ltd.	The key management of the Group
Pan Asia (Engineers&Constructors) Corp.	The Group acts as juristic supervisor
Pao Good Industrial Co., Ltd	Other related parties

a) The amounts of transactions and account balances disclosed in this note are all generated from related parties since May 31, 2024.

b. Sales of goods

<u>Account Items</u>	<u>Related Parties Category</u>	<u>For the Year Ended December 31</u>	
		<u>2025</u>	<u>2024</u>
Sales revenue	The Group acts as key management	\$ 93,442	\$ 129,351
	The Group acts as juristic supervisor	58,515	44,719
		<u>\$ 151,957</u>	<u>\$ 174,070</u>

The prices and terms to related parties were not significantly different from transactions with third parties. The credit terms were

c. Purchase of goods

<u>Related Parties Category</u>	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
The Group acts as key management	\$ 312,915	\$ 327,565
Other related parties	9,181	9,524
	<u>\$ 322,096</u>	<u>\$ 337,089</u>

The purchased of goods are mainly blast furnace slag and fly ash. The prices and terms to related parties were not significantly different from transaction with third parties. The credit terms were 30-65 days.

d. Receivables from related parties (Excluding contract assets)

<u>Account Items</u>	<u>Related Parties Category / Name</u>	<u>December 31</u>	
		<u>2025</u>	<u>2024</u>
Accounts receivable - related parties	The Group acts as key management	\$ 2,632	\$ 17,613
	The Group acts as juristic supervisor	10,597	4,010
	Less: Allowance for impairment loss	4	32
		<u>\$ 13,225</u>	<u>\$ 21,591</u>

The outstanding receivables from related parties are unsecured.

e. Payables to related parties

Account Items	Related Parties Category / Name	December 31	
		2025	2024
Accounts payable - related parties	The Group acts as key management	\$ 22,199	\$ 7,119
	Other related parties	2,137	2,076
		<u>\$ 24,336</u>	<u>\$ 9,195</u>
Other payables	The Group acts as key management	\$ -	\$ 75

The outstanding accounts payables from related parties are unsecured and would be paid in cash.

f. Prepayments

Account Items	Related Parties Category / Name	December 31	
		2025	2024
Prepayments	The Group acts as key management	\$ -	\$ 764

g. Lease arrangements - Group is lessee

Account Items	Related Parties Category / Name	For the Year Ended December 31	
		2025	2024
Lease expense	The Company acts as key management	\$ 1,800	\$ 1,800

The Company leases an office in Tainan from a related party (where the Company's key payments are determined based on prevailing market rates for similar assets, and fixed lease).

Lease expenses include short-term lease expenses. The total future lease payments for short-term leases are as follows:

	December 31	
	2025	2024
Total amount of lease payments to be paid in the future	\$ 1,800	\$ 1,800

h. Lease arrangements - Group is lessor

The Group leased its office building to related parties under operating leases for a term of 1-2 years. The rental prices are determined with reference to the market standards and charged on a monthly basis.

Total lease payment to be collected in the future is summarized as follows:

Related Party Category	December 31	
	2025	2024
The Group acts as key management	\$ 3,207	\$ 3,207
The key management of the Group	46	92
The chairman of our company	23	46
	<u>\$ 3,276</u>	<u>\$ 3,345</u>

Total lease revenue is summarized as follows:

Related Party Category	For the Year Ended December 31	
	2025	2024
The Group acts as key management	\$ 5,498	\$ 5,498
The key management of the Group	46	46
The chairman of our company	23	23
	<u>\$ 5,567</u>	<u>\$ 5,567</u>

i. Other related parties transactions

Research Fees	For the Year Ended December 31	
	2025	2024
The Group acts as key management	\$ 358	\$ 254

j. Compensation of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$ 51,465	\$ 50,180
Post-employment benefits	1,067	1,068
	<u>\$ 52,532</u>	<u>\$ 51,248</u>

The remuneration of directors and key executives was determined by the remuneration committee according to the performance of individuals and market trends.

### 34. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for lease performance bonds and natural gas performance bonds of Port of Taichung, Taiwan

	<b>Carrying Amount</b>	
	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Pledged time deposits		
Current	\$ 67	\$ 67
Non-current	8,010	8,010
	<u>\$ 8,077</u>	<u>\$ 8,077</u>

### 35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

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

a. Unrecognized commitments are as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
	Acquisition of property, plant and	<u>\$ 225,834</u>

b. The promissory notes are as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
	Promissory notes	<u>\$ 105,080</u>

These notes were provided as engineering performance bonds, which could be refunded when the guarantee is terminated

c. Unused letters of credit are as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
	Unused letters of credit for purchase of	<u>\$ 84,971</u>

### 36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than Group's individual functional currency and the exchange rates between foreign currencies and respective functional currency were disclosed. The significant financial assets denominated in foreign currencies

(In Thousands of New Taiwan Dollars and Foreign Currencies)

December 31, 2025

<u>Financial Assets</u>	<u>Foreign Currencies</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
Monetary items			
USD	\$ 1,429	31.430	\$ 44,903
RMB	927	4.496	4,167
JPY	108,336	0.2010	21,754

December 31, 2024

<u>Financial Assets</u>	<u>Foreign Currencies</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Monetary items</u>			
USD	\$ 519	32.785	\$ 17,023
RMB	926	4.478	4,149
JPY	108,488	0.2099	22,772

The foreign currency risk of the Group is mainly exposed to USD. The following information was aggregated by the foreign currencies other than Group's individual functional currency and the exchange rates between foreign currencies and respective functional currency were disclosed. The exchange rate gains and losses of foreign currencies with significance (including realized and non-realized) are summarized as follows:

<u>Functional Currencies</u>	<u>For the Year Ended December 31</u>			
	<u>2025</u>		<u>2024</u>	
	<u>Exchange Rate</u>	<u>Net Foreign Exchange Gain</u>	<u>Exchange Rate</u>	<u>Net Foreign Exchange Gain</u>
NTD	1(NTD:NTD)	(\$ 760)	1(NTD:NTD)	\$ 1,497

### 37. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries and associates). (Table 3)
- 4) Total purchases from or sales to related parties amounting to at least NT\$ 100 million or 20% of the paid-in capital. (Table 4)
- 5) Receivables from related parties amounting to at least NT\$ 100 million or 20% of the paid-in capital. (N/A)
- 6) Intercompany relationships and significant intercompany transactions. (Table 6)

b. Related information on investees. (Table 5)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income or loss of investee and investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment from the mainland China area. (N/A)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: (N/A)

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: (N/A)

c) The amount of property transactions and the amount of the resultant gains or losses: (N/A)

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: (N/A)

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: (N/A)

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: (N/A)

### 38. SEGMENT INFORMATION

#### a. Operating segments information

The identification of reportable departments is based on the operation and management model of the Group management. Based on product categories, the identification is divided into departments such as building materials business and asset management center-provide information to key operating decision-makers for allocating resources and evaluating segment performance.

The Group's reportable segments are as

- 1) Building materials segment - production, sales and research segment of cement, concrete and gypsum board.
- 2) Others - mainly the management segment of reinvested companies and segments that are not part of the building materials segment.

#### b. Segment revenues and operating results

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

##### For the year of 2025

	<u>Building Materials Segment</u>	<u>Others</u>	<u>Adjustment and Elimination</u>	<u>Total</u>
Revenue from external customers	\$ 7,797,610	\$ 122,606	\$ -	\$ 7,920,216
Inter-segment revenues	17,497	-	( 17,497)	-
Total Segment revenues	<u>\$ 7,815,107</u>	<u>\$ 122,606</u>	<u>(\$ 17,497)</u>	<u>\$ 7,920,216</u>
Segment profit and loss	<u>\$ 1,553,016</u>	<u>\$ 695,842</u>	<u>(\$ 148,807)</u>	<u>\$ 2,100,051</u>
Interest expenses				( 54,611)
Profit before income tax				<u>\$ 2,045,440</u>

##### For the year of 2024

	<u>Building Materials Segment</u>	<u>Others</u>	<u>Adjustment and Elimination</u>	<u>Total</u>
Revenue from external customers	\$ 7,927,604	\$ 26,130	\$ -	\$ 7,953,734
Inter-segment revenues	17,964	-	( 17,964)	-
Total Segment revenues	<u>\$ 7,945,568</u>	<u>\$ 26,130</u>	<u>(\$ 17,964)</u>	<u>\$ 7,953,734</u>
Segment profit and loss	<u>\$ 1,363,451</u>	<u>\$ 578,378</u>	<u>(\$ 91,802)</u>	<u>\$ 1,850,027</u>
Interest expenses				( 42,931)
Profit before income tax				<u>\$ 1,807,096</u>

Segment income represented profit before tax earned by each segment without income tax. These amounts provide information to key operating decision-makers for allocating resources and evaluating segment performance.

The chief operating decision maker of the Group makes decisions based on the operating results of each segment, there was no information about the assessment of assets and liabilities classified through business activity performance, thence only listing revenue and results of reportable segments.

#### c. Geographical information

The Group's operations are mainly in Taiwan, ROC. The Group has no significant revenues from foreign customers. Please refer to consolidated balance sheets for the information of non-current assets.

The Group operates primarily in two regions – Taiwan and the USA.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are as follows:

Revenue from External Customers	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Taiwan	\$ 7,821,770	\$ 7,953,734
USA	98,446	-
Total	<u>\$ 7,920,216</u>	<u>\$ 7,953,734</u>

#### d. Revenue from major products and services

Please refer to Note 24 (b).

#### e. Information about major customers

For the years 2025 and 2024, no single customer accounted for 10% or more of the Group's total consolidated revenue.

UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
 FOR THE YEAR ENDED DECEMBER 31, 2025  
 (In Thousands of New Taiwan Dollars)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature for Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limits for Each Borrower (Note 2)	Aggregate Financing Limits (Note 3)
													Item	Value		
0	The Company	Uneo Inc.	Other receivables	Yes	\$ 100,000	\$ 100,000	\$ -	1.964	For short-term financing	\$ -	Operating capital	\$ -	None	\$ -	\$ 9,672,575	\$ 9,672,575
0	The Company	UCC Investment Co., Ltd.	Other receivables	Yes	800,000	800,000	-	1.964	For short-term financing	-	Operating capital	-	None	-	9,672,575	9,672,575
0	The Company	Universal Ready-mixed Concrete Industry Co., Ltd.	Other receivables	Yes	300,000	300,000	-	1.964	For short-term financing	-	Operating capital	-	Land and Plant	300,000	9,672,575	9,672,575
1	Tainan Ready-mixed Concrete Industry Co., Ltd.	The Company	Other receivables	Yes	400,000	-	-	1.45	For short-term financing	-	Operating capital	-	None	-	389,646	389,646

Note 1: a: "0" is the Company.

b: Subsidiaries are numbered from "1".

Note 2: The upper limit for each borrower is 40% of the Company's net asset value as stated in the latest financial statements; The upper limit for a subsidiary to a single enterprise is 40% of the net value of the subsidiary's most recent financial statements that have been audited (reviewed) by CPAs.

Note 3: The aggregate limit for each borrower is 40% of the Company's net asset value as stated in the latest financial statements; The aggregate limit for a subsidiary to a single enterprise is 40% of the net value of the subsidiary's most recent financial statements that have been audited (reviewed) by CPAs.

## UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

## ENDORSEMENTS/GUARANTEES PROVIDED

FOR THE YEAR ENDED DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser / Guarantor	Endorsee / Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed / Guaranteed During the Period	Outstanding Endorsement / Guarantee at the End of the Period (Note 6)	Actual Borrowing Amount	Amount Endorsed / Guaranteed by Collaterals	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 4, Note 5, Note 7)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 2)										
0	The Company	UCC Investment Co., Ltd.	(1)	\$ 875,000	\$ 350,000	\$ 350,000	\$ 110,000	\$ -	1	\$ 24,181,437	Y	N	N
		Uneo Inc.	(1)	310,000	50,000	50,000	-	-	-	24,181,437	Y	N	N
		Universal Ready-mixed Concrete Industry Co., Ltd.	(1)	132,329	120,000	120,000	-	-	-	24,181,437	Y	N	N
1	Kaohsiung Pier Transportation Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	(3)	494,565	341,607	341,607	-	-	345	989,130	N	N	N
		The Company	(2)	494,565	319,928	183,468	-	-	185	989,130	N	Y	N
2	UCC Investment Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	(3)	5,834,417	292,405	292,405	-	-	25	11,668,834	N	N	N
		The Company	(2)	5,834,417	1,633,498	1,633,498	-	-	140	11,668,834	N	Y	N
3	Universal Ready-mixed Concrete Industry Co., Ltd.	The Company	(2)	643,867	157,561	157,561	-	-	24	643,867	N	Y	N

Note 1: a: "0" is the Company.

b: Subsidiaries are numbered from "1".

Note 2: (1) The endorser / guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed / guaranteed subsidiary.

(2) The endorser / guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed / guaranteed company.

(3) The endorsed / guaranteed company owns directly and indirectly more than 50% voting shares of the endorser / guarantor parent company.

Note 3: The upper limit for the Company is equivalent to the capital of the endorsee; the upper limit for subsidiaries is equivalent to the net asset value of the subsidiaries as stated in its latest financial statements except that it is five times of the net asset value of Kaohsiung Pier Transportation Co., Ltd. and UCC Investment Co., Ltd.

Note 4: The upper limit for the Company is equivalent to the net asset value of the Company.

Note 5: The upper limit for the subsidiary is equivalent to the net asset value of the subsidiary as stated in its latest financial statements, unless the Company or other subsidiaries give more guarantee.

Note 6: The limits were approved by the board of directors.

Note 7: The maximum limit of endorsements and guarantees provided by Kaohsiung Pier Transportation Co., Ltd. and UCC Investment Co., Ltd. is equivalent to ten times the net asset value of the subsidiaries as stated in their latest financial statements.

**UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES**

**MARKETABLE SECURITIES HELD**

**DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars)**

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2025				Note
				Shares/ Units	Carrying Value	Percentage of Ownership (%)	Fair Value Or Net Equity	
The Company	Listed shares							
	Prince Housing & Development Corp.	The juristic director of the Company acts as juristic director	Financial assets at FVTOCI - current	40,621,948	\$ 332,694	2.50	\$ 332,694	
	CTBC Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	28,441,983	1,427,788	0.14	1,427,788	
	CHC Resources Corp.	The Company acts as juristic director	Financial assets at FVTOCI - current	17,020,254	1,196,523	6.85	1,196,523	
	Privately offered shares							
	Creative Sensor Inc.	The Company acts as juristic director	Financial assets at FVTOCI - non - current	11,700,000	504,270	8.49	504,270	
	Unlisted shares							
UCC Investment Co., Ltd.	Grand Bills Finance Corp.	The Company acts as juristic director	Financial assets at FVTOCI - non - current	43,999,488	722,472	8.14	722,472	
	Universal Real Estate Development Co., Ltd.	The Company acts as juristic director	Financial assets at FVTOCI - non - current	24,864,000	482,113	16.44	482,113	
	Listed shares							
	Prince Housing & Development Corp.	The juristic director of the Company acts as juristic director	Financial assets at FVTOCI - current	42,645,900	349,270	2.63	349,270	
	Privately offered shares							
	Creative Sensor Inc.	The Company acts as juristic director	Financial assets at FVTOCI - non - current	8,100,000	349,110	5.88	349,110	
	Unlisted shares							
Pan Asia (Engineers&Constructors) Corp.	Subsidiary of the Company acts as juristic supervisor	Financial assets at FVTOCI - non-current	4,033,643	303,653	2.71	303,653		

## UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

FOR THE YEAR ENDED DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Purchaser/Seller	Counterparty	Relationship	Transaction Details				Differences in transaction terms compared to third party transactions		Notes/Accounts Receivable (Payable)		Note
			Purchases/Sales	Amount	Percentage of Total Purchases (Sales) (%)	Credit Period	Unit Price	Credit Period	Balance	Percentage of Total Notes/Accounts Receivable (Payable)	
The Company	Kaohsiung Pier Transportation Co., Ltd.	Subsidiary-100%	Freight expense	\$ 339,132	10	45 - 60 days after acceptance	Note	Equivalent	(\$ 23,049)	( 2)	
	CHC Resources Corp.	The Group acts as key management	Purchase	253,039	7	30 - 65 days after acceptance	Equivalent	Equivalent	( 14,061)	( 1)	
Huan-Chung International Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	Same ultimate parent company	Sale	182,024	( 16)	90-120 days after sale	Equivalent	Equivalent	28,683	2	

Note: There is no comparison on the purchase price between related parties and the third parties because there is no similar product.

## UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

## INFORMATION ON INVESTEEES

FOR THE YEAR ENDED DECEMBER 31, 2025

(Amounts In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		December 31, 2025			Net Income (Loss) of the Investee	Share of Profits/Losses of Investee	Note
				December 31, 2025	December 31, 2024	Shares	Percentage of Ownership	Carrying Amount			
The Company	Huan-Chung International Co., Ltd.	Taichung city	Import, export, and sale of cement, cement material, fuel, and production	\$ 69,993	\$ 69,993	6,999,333	69.99	\$ 132,597	\$ 36,214	\$ 25,350	
	Chiayi Ready-mixed Concrete Industry Co., Ltd.	Chiayi County	Manufacturing and marketing of ready-mixed concrete	65,157	65,157	6,583,874	86.63	83,285	( 3,318)	( 2,875)	
	Kaohsiung Pier Transportation Co., Ltd.	Kaohsiung city	Trucking operation	74,580	74,580	7,560,000	100.00	98,913	3,505	3,505	
	UCC Investment Co., Ltd.	Taipei city	Investment activities	650,000	650,000	87,500,000	100.00	1,166,191	39,407	39,407	
	Universal Ready-mixed Concrete Industry Co., Ltd.	Taichung city	Manufacturing and marketing of ready-mixed concrete and gravel	46,102	33,887	7,894,503	59.66	390,876	80,972	49,295	
	Uneo Inc.	Taipei city	Marketing of electronic products	941,671	341,671	31,000,000	100.00	668,046	4,605	4,605	
	Li-Yong Development Co., Ltd.	Taipei city	Investment activities, trading for real estate and leasing business	20,000	20,000	2,000,000	100.00	19,133	( 146)	( 146)	
	Lio-Ho Machine Works Ltd.	Taoyuan city	Manufacturing and marketing of metal parts and automotive components	174,997	174,997	89,581,468	29.86	11,396,579	1,727,544	515,844	
	Tainan Ready-mixed Concrete Industry Co., Ltd.	Tainan city	Additional processing and marketing of ready-mixed concrete and cement	238,180	238,180	2,023,624	67.45	1,010,430	11,146	7,402	
	Bao Horng Cement Corporation	Yilan County	Manufacturing and sales of cement and furnace slag related products	36	-	1,562	0.01	40	26,684	4	
UCC Investment Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	Taichung city	Manufacturing and marketing of ready-mixed concrete and gravel	8,128	8,128	260,892	1.97	8,128			
	Chiayi Ready-mixed Concrete Industry Co., Ltd.	Chiayi County	Manufacturing and marketing of ready-mixed concrete	12	12	1,056	0.01	12			
	Huan-Chung International Co., Ltd.	Taichung city	Import, export, and sale of cement, cement material, fuel, and production	13	13	667	0.01	13			
	Tainan Ready-mixed Concrete Industry Co., Ltd.	Tainan city	Additional processing and marketing of ready-mixed concrete and cement	178	178	10,000	0.33	178			
	Lio-Ho Machine Works Ltd.	Taoyuan city	Manufacturing and marketing of metal parts and automotive components	93	93	1,680	-	93			
	Bao Horng Cement Corporation	Yilan County	Manufacturing and sales of cement and furnace slag related products	41,547	41,583	2,556,086	26.91	66,708			
Uneo Inc.	Tekscan Holdco, Inc.	USA	Investment activities	529,983	-	1,000	100.00	557,707			
Tekscan Holdco, Inc.	Tekscan, Inc.	USA	Manufacturing and marketing of electronic products	529,983	-	1,000,000	100.00	557,707			

## UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

## INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

FOR THE YEAR ENDED DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

No.	Company name	Counterparty	Relationship (Note 1)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets (%)
				Financial Statement Accounts	Amount	Transaction terms	
0	The Company	Kaohsiung Pier Transportation Co., Ltd.	(1)	Freight expense	\$ 339,132	The prices to related parties were not significantly different from those to third parties. Credit terms were 45 - 60 days after acceptance.	4
		Kaohsiung Pier Transportation Co., Ltd.	(1)	Accounts payable	23,049	The prices to related parties were not significantly different from those to third parties. Credit terms were 45 - 60 days after acceptance.	-
		Kaohsiung Pier Transportation Co., Ltd.	(1)	Other payables	20,382	The prices to related parties were not significantly different from those to third parties. Credit terms were 45 - 60 days after acceptance.	-
		Uneo Inc.	(1)	Sales revenue	17,497	The sales prices have no comparison with those from third parties, net 60 days after shipment.	-
		Uneo Inc.	(1)	Accounts receivable	3,340	The sales prices have no comparison with those from third parties, net 60 days after shipment.	-
		Huan-Chung International Co., Ltd.	(1)	Cost of goods sold	65,042	The prices to related parties were not significantly different from those to third parties. Credit terms were 90 - 120 days after acceptance.	1
		Huan-Chung International Co., Ltd.	(1)	Prepayments	3,958	The prices to related parties were not significantly different from those to third parties. Credit terms were 90 - 120 days after acceptance.	-
		Universal Ready-mixed Concrete Industry Co., Ltd.	(1)	Sales revenue	21,919	The prices to related parties were not significantly different from those to third parties. Credit terms were 90 - 120 days after shipment.	-
		Universal Ready-mixed Concrete Industry Co., Ltd.	(1)	Accounts receivable	4,851	The prices to related parties were not significantly different from those to third parties. Credit terms were 90 - 120 days after shipment.	-
		Universal Ready-mixed Concrete Industry Co., Ltd.	(1)	Other revenue	28,023	30 days from the end of the month, as per contract	-
1	Huan-Chung International Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	(1)	Other accounts	2,934	30 days from the end of the month, as per contract	-
		Universal Ready-mixed Concrete Industry Co., Ltd.	(3)	Sales revenue	182,024	The prices to related parties were not significantly different from those to third parties. Credit terms were 90 - 120 days after shipment.	2
2	Universal Ready-mixed Concrete Industry Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	(3)	Accounts receivable	28,683	The prices to related parties were not significantly different from those to third parties. Credit terms were 90 - 120 days after shipment.	-
		Kaohsiung Pier Transportation Co., Ltd.	(3)	Freight expense	4,767	The prices to related parties were not significantly different from those to third parties. Credit terms were 45 - 60 days after acceptance.	-

Note 1: The transaction relationships with the counterparties are as follows:

No. 1: Represents transactions from parent Company to subsidiary.

No. 2: Represents transactions from the subsidiary to the parent Company.

No. 3: Represents transactions among subsidiaries.

Note 2: All the transactions had been eliminated when preparing consolidated financial statements.