

**EASTERN MEDIA INTERNATIONAL
CORPORATION AND SUBSIDIARIES**
Consolidated Financial Statements

With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Representation Letter

The entities that are required to be included in the combined financial statements of Eastern Media International Corporation as of and for the year ended December 31, 2025 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements," endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Eastern Media International Corporation and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Eastern Media International Corporation
Chairman: Liao, Shang Wen
Date: March 11, 2026

Independent Auditors' Report

To the Board of Directors of Eastern Media International Corporation:

Opinion

We have audited the accompanying consolidated financial statements of Eastern Media International Corporation and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and 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 (please refer to Other Matter paragraph), 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. 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 Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion.

Emphasis Matter

As stated in Note 13c and 27c(d), the lawsuit of the subsidiary, EHR, was failed in November 2024. The ruling declared that the resolutions passed during the company's shareholders' meeting on June 28, 2017 — specifically, the "capital reduction plan" and the "cash capital increase plan" — were invalid. As a result, the shareholder register of EHR would be restored to the shareholder structure prior to the resolutions passed at the June 28, 2017 shareholders' meeting. In accordance with the ruling, the Group adjusted the attribution ratio of equity as of the date of the ruling. Between June 2017 and November 2024, a total of \$517,771 thousand was reclassified from non-controlling interests to retained earnings. Subsequently, on March 5, 2025, the Ministry of Economic Affairs issued a letter restoring the registration status of EHR Hotels & Resorts Group Yilan to that as of December 20, 2016, in accordance with the court judgment. We did not modify the audit opinion as a result of this matter.

Other Matter

We did not audit the financial statements of partial companies, associates of the Group, which represented investments in other entities accounted for using the equity method. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for partial companies, is based solely on the reports of other auditors. The investments in partial companies accounted for using the equity method constituting 6.85% and 7.36% of consolidated total assets at December 31, 2025 and 2024, respectively, and the related share of profit of associates accounted for using the equity method constituting 40.75% and 31.09% of consolidated total loss before tax for the years then ended December 31, 2025 and 2024, respectively.

Eastern Media International Corporation has prepared its parent-company-only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unqualified opinion with other matters paragraph and unqualified opinion with emphasis paragraph and other matter paragraph respectively.

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 of the current period. 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.

1. Revenue recognition

Please refer to Note 4r "Revenue recognition" for accounting policy related to revenue recognition, and Note 29 "Revenue from contracts with customers" to the consolidated financial statements.

Description of key audit matter:

Major of the operating revenue sources of the Group are the services of warehousing, media advertising, and pet merchandise sales. The impact of revenue recognition on financial report is significant. Therefore, revenue recognition is one of the key matters in our audit.

How the matter was addressed in our audit:

In response to the risk mentioned above, we planned to perform the following audit procedures: understanding the sales and collection cycle, and sampling to test the effectiveness of manual control and internal control. Additionally, we would perform test of detail on revenue; as well as perform sales cut off test on the periods before and after the balance sheet date by inspecting relevant documents of sales transactions to determine whether sales had been appropriately recognized.

2. Right of use assets impairment

Please refer to Note 4o "Leases" and Note 4q "Impairment of non-financial assets" for accounting policy related to right-of-use assets impairment, and Note 17 " Right-of-use assets" to the consolidated financial statements.

Description of key audit matter:

The right-of-use assets of the Group constituted 26.01% of its consolidated assets. The assets mentioned above is likely to be influenced by the government policies and economic environments, which may result in the recoverability of the assets valued with discounted cash flow to be highly uncertain. Therefore, right-of-use assets impairment is one of the key matters in our audit.

How the matter was addressed in our audit:

In response to the risk mentioned above, we have performed the following audit procedures: evaluating the consistency of discounted cash flow and the future operating plans; the forecast of future cash flows; comparing the forecasted and historical data, past forecasts and actual conditions; evaluating the reasonableness of past management's estimates.

3. The investments accounted of using equity method impairment

Please refer to Note 41 " Investment in associates " and Note 4q "Impairment of non-financial assets" for accounting policy related to the investments accounted of using equity method impairment, and Note 12 " investments accounted for using equity method " to the consolidated financial statements.

Description of key audit matter:

The investments accounted of using equity method of the Group amounted to \$1,458,703 thousand, constituting 6.85% of its consolidated assets. The evaluation of the impairment on December 31 is significant to the consolidated financial statements. There are risks that the assumption of the financial performance and cash flows related to the Group's associates which Management uses remains a highly uncertainty. This risk may affect the recoverability of the asset mentioned above. Therefore, the evaluation of the investments accounted of using equity method impairment is one of the key matters in our audit.

How the matter was addressed in our audit:

In response to the risk mentioned above, we planned to perform the following audit procedures: obtaining the information on which the management relied to make assumptions and evaluations for the report made by external expert; engaging evaluation experts to assess the appropriateness of the evaluation methods and assumptions used by them, including the discount rate and the forecast of future cash flows; comparing the forecasted and historical data, past forecasts and actual conditions; evaluating the reasonableness of past management's estimates.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, 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.

Auditor's 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 auditor's 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 Republic of China 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 auditing standards generally accepted in the Republic of China, 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 auditor's 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group 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 of the current period 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 Hsin-Ting Huang and Chung-Che Chen.

KPMG
Taipei, Taiwan (Republic of China)
March 11, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and cash flows in accordance with the 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.

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
Current assets:				
1100 Cash and cash equivalents (Note 6)	\$ 3,205,042	15	\$ 2,473,386	13
1110 Current financial assets at fair value through profit or loss (Notes 7 and 36)	362,135	2	332,299	2
1151 Notes receivable, net (Notes 9, 29 and 37)	28,977	-	23,861	-
1170 Accounts receivable, net (Notes 9 and 29)	343,014	2	388,671	2
1180 Accounts receivable due from related parties, net (Notes 9, 29 and 36)	71,358	-	73,755	-
1200 Other receivables, net (Notes 7, 10 and 17)	171,826	1	171,595	1
1210 Other receivables due from related parties (Notes 10, 17 and 36)	17	-	4,060	-
130X Inventories (Notes 11 and 36)	406,899	2	422,542	2
1400 Current biological assets, net	8,679	-	10,425	-
1410 Prepayments (Note 36)	375,446	2	265,490	2
1476 Other current financial assets (Notes 6 and 37)	40,163	-	429,667	2
1479 Other current assets, others	6,338	-	2,873	-
	<u>5,019,894</u>	<u>24</u>	<u>4,598,624</u>	<u>24</u>
Non-current assets:				
1517 Non-current financial assets at fair value through other comprehensive income (Notes 8 and 36)	7,500	-	12,100	-
1550 Investments accounted for using equity method, net (Notes 12, 36 and 37)	1,458,703	7	1,433,829	7
1600 Property, plant and equipment (Notes 16, 35, 36 and 37)	8,502,357	40	6,182,722	32
1755 Right of use assets (Notes 17, 36 and 37)	5,540,723	26	6,501,898	33
1760 Investment Property (Note 18)	21,684	-	-	-
1780 Intangible assets	6,241	-	5,557	-
1840 Deferred tax assets (Note 26)	31,364	-	60,154	1
1920 Refundable deposits (Note 37)	381,178	2	412,528	2
1930 Long-term notes and accounts receivable (Notes 9, 29 and 37)	21,083	-	43,723	-
1940 Long-term notes and accounts receivable due from related parties (Notes 9, 29 and 36)	10,175	-	30,156	-
1975 Net defined benefit assets, non-current (Note 25)	21,771	-	6,109	-
1980 Other non-current financial assets (Notes 17 and 37)	274,128	1	178,640	1
1990 Other non-current assets, others (Note 38)	2,842	-	11,505	-
	<u>16,279,749</u>	<u>76</u>	<u>14,878,921</u>	<u>76</u>
Total assets	\$ 21,299,643	100	\$ 19,477,545	100

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets (Cont'd)
(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
Liabilities and Equity				
Current liabilities:				
2100 Short-term loans (Notes 19, 36 and 37)	\$ 671,373	3	\$ 61,000	-
2110 Short-term notes and bills payable (Notes 20 and 35)	99,793	-	49,956	-
2130 Current contract liabilities (Notes 29 and 37)	72,967	-	63,946	1
2150 Notes payable (Notes 21 and 35)	4,054	-	4,307	-
2170 Accounts payable (Note 21)	287,319	2	306,272	2
2180 Accounts payable due from related parties (Notes 21 and 36)	74,345	-	62,097	-
2200 Other payables (Notes 35 and 38)	1,322,547	7	1,185,106	6
2220 Other payables due from related parties (Notes 36)	10,409	-	19,430	-
2230 Current tax liabilities	5,557	-	31	-
2280 Current lease liabilities (Notes 24 and 36)	1,050,245	5	1,060,847	6
2310 Advance receipts	1,559	-	2,985	-
2320 Long-term liabilities, current portion (Notes 22, 23, 35, 36 and 37)	436,466	2	1,241,569	6
2399 Other current liabilities, others	31,185	-	31,608	-
	<u>4,067,819</u>	<u>19</u>	<u>4,089,154</u>	<u>21</u>
Non-current liabilities:				
2540 Long-term loans (Notes 22, 35, 36 and 37)	6,034,972	28	4,528,455	23
2570 Deferred tax liabilities (Note 26)	83	-	274	-
2580 Non-current lease liabilities (Notes 24 and 36)	4,747,214	22	5,648,826	29
2610 Long-term notes and accounts payable (Note 23)	50,929	-	30,017	-
2645 Guarantee deposits received (Note 36)	1,527	-	2,341	-
	<u>10,834,725</u>	<u>50</u>	<u>10,209,913</u>	<u>52</u>
Total liabilities	<u>14,902,544</u>	<u>69</u>	<u>14,299,067</u>	<u>73</u>
Equity attributable to owners of parent (Notes 8, 17, 27 and 36)				
3110 Capital stock	3,272,650	15	3,002,431	15
3200 Capital surplus	-	-	5,538	-
3300 Retained earnings	1,083,409	6	1,287,292	7
3400 Other equity interest	(58,172)	-	(42,898)	-
Total equity attributable to owners of parent	<u>4,297,887</u>	<u>21</u>	<u>4,252,363</u>	<u>22</u>
36XX Non-controlling interests (Notes 14 and 27)	2,099,212	10	926,115	5
Total equity	<u>6,397,099</u>	<u>31</u>	<u>5,178,478</u>	<u>27</u>
Total liabilities and equity	<u>\$ 21,299,643</u>	<u>100</u>	<u>\$ 19,477,545</u>	<u>100</u>

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		For the years ended December 31			
		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (Notes 29 and 36)	\$ 5,473,329	100	\$ 5,748,993	100
5000	Operating costs (Notes 11, 25, 30, 31 and 36)	3,628,317	66	3,894,446	68
	Gross profit from operations	1,845,012	34	1,854,547	32
6000	Operating expenses (Notes 11, 25, 30 and 31)	1,363,748	25	1,531,342	26
6450	Reversal of impairment loss determined in accordance with IFRS 9 (Note 9)	(2,201)	-	(1,880)	-
	Net operating gain	483,465	9	325,085	6
	Non-operating income and expenses:				
7100	Interest income (Notes 31 and 36)	42,724	1	39,498	1
7010	Other income (Notes 7, 8, 18, 31 and 36)	44,412	1	46,426	1
7020	Other gains and losses, net (Notes 16, 31 and 36)	132,962	2	198,480	3
7050	Finance costs (Notes 24, 31 and 36)	(319,390)	(6)	(317,507)	(6)
7060	Share of profit of associates accounted for using equity method (Note 12)	264,073	5	131,708	2
7900	Profit before tax	648,246	12	423,690	7
7950	Less: tax expenses (Note 26)	39,573	1	118,446	2
	Net profit	608,673	11	305,244	5
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Remeasurements of defined benefit plans	14,286	-	10,870	-
8312	Revaluation surplus (Note 17)	7,617	-	-	-
8316	Unrealized gain from investments in equity instruments measured at fair value through other comprehensive income	(18)	-	3,155	-
8320	Share of other comprehensive loss of associates accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	3,663	-	(5,776)	-
8349	Less: Income tax related to components of other comprehensive that will not be reclassified subsequently	-	-	-	-
	Total other comprehensive loss that will not be reclassified to profit or loss	25,548	-	8,249	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(590)	-	(54)	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(25,580)	-	63,156	1
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total other comprehensive income that will be reclassified to profit or loss	(26,170)	-	63,102	1
8300	Other comprehensive income, net of tax	(622)	-	71,351	1
	Total comprehensive income	\$ 608,051	11	\$ 376,595	6

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income (Cont'd)
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		For the years ended December 31			
		2025		2024	
		Amount	%	Amount	%
Profit (loss) attributable to:					
8610	Owners of parent	\$ 652,854	12	\$ 371,841	6
8620	Non-controlling interests	(44,181)	(1)	(66,597)	(1)
		<u>\$ 608,673</u>	<u>11</u>	<u>\$ 305,244</u>	<u>5</u>
Comprehensive income (loss) attributable to:					
8710	Owners of parent	\$ 652,251	12	\$ 443,112	7
8720	Non-controlling interests	(44,200)	(1)	(66,517)	(1)
		<u>\$ 608,051</u>	<u>11</u>	<u>\$ 376,595</u>	<u>6</u>
Earnings per share (Unit: NT\$) (Note 28)					
9750	Basic earnings per share	<u>\$</u>	<u>1.99</u>	<u>\$</u>	<u>1.14</u>
9850	Diluted earnings per share	<u>\$</u>	<u>1.99</u>	<u>\$</u>	<u>1.14</u>

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent													
	Share capital					Total other equity interest						Total equity attributable to owners of parent	Non-controlling interests	Total equity
						Retained earnings					Exchange differences on translation of foreign financial statements			
Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings										
Balance at January 1, 2024	\$3,002,431	\$ 15,992	\$ 313,375	\$ 346,610	(\$ 274,994)	(\$ 130,027)	(\$ 2,568)	\$ 31,115	\$ 3,301,934	\$ 915,907	\$4,217,841			
Profit (loss) for year ended December 31, 2024	-	-	-	-	371,841	-	-	-	371,841	(66,597)	305,244			
Other comprehensive income (loss), for the year ended December 31, 2024	-	-	-	-	12,689	62,925	(4,343)	-	71,271	80	71,351			
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	384,530	62,925	(4,343)	-	443,112	(66,517)	376,595			
Changes in subsidiaries accordance with the judgment (Note 27)	-	-	-	-	517,771	-	-	-	517,771	(517,771)	-			
Changes in subsidiaries (Note 27)	-	(10,454)	-	-	-	-	-	-	(10,454)	10,454	-			
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	584,042	584,042			
Balance at December 31, 2024	\$3,002,431	\$ 5,538	\$ 313,375	\$ 346,610	\$ 627,307	(\$ 67,102)	(\$ 6,911)	\$ 31,115	\$4,252,363	\$ 926,115	\$5,178,478			

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity (Cont'd)
(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent													
	Share capital					Total other equity interest						Total equity attributable to owners of parent	Non-controlling interests	Total equity
						Retained earnings					Exchange differences on translation of foreign financial statements			
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings									
Balance at January 1, 2025	\$3,002,431	\$ 5,538	\$ 313,375	\$ 346,610	\$ 627,307	(\$ 67,102)	(\$ 6,911)	\$ 31,115	\$ 4,252,363	\$ 926,115	\$5,178,478			
Profit (loss) for the nine months ended December 31, 2025	-	-	-	-	652,854	-	-	-	652,854	(44,181)	608,673			
Other comprehensive income, for the nine months ended December 31, 2025	-	-	-	-	15,052	(26,084)	2,812	7,617	(603)	(19)	(622)			
Total comprehensive income for the nine months ended December 31, 2025	-	-	-	-	667,906	(26,084)	2,812	7,617	652,251	(44,200)	608,051			
Legal reserve appropriated	-	-	62,731	-	(62,731)	-	-	-	-	-	-			
Special reserve appropriated	-	-	-	519,571	(519,571)	-	-	-	-	-	-			
Reversal of special reserve	-	-	-	(303,712)	303,712	-	-	-	-	-	-			
Cash dividends of ordinary share	-	-	-	-	(75,061)	-	-	-	(75,061)	-	(75,061)			
Stock dividends of ordinary share	270,219	-	-	-	(270,219)	-	-	-	-	-	-			
Proceeds from non-current financial assets at fair value through other comprehensive income	-	-	-	-	3,138	-	(3,138)	-	-	-	-			
Changes in subsidiaries	-	(5,538)	-	-	(526,128)	-	-	-	(531,666)	531,666	-			
Changes in investments accounted for using equity method	-	-	-	-	(3,519)	-	3,519	-	-	-	-			
Cash dividends contributed by subsidiaries	-	-	-	-	-	-	-	-	-	(118)	(118)			
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	685,749	685,749			
Balance at December 31, 2025	\$3,272,650	-	\$ 376,106	\$ 562,469	\$ 144,834	(\$ 93,186)	(\$ 3,718)	\$ 38,732	\$4,297,887	\$2,099,212	\$6,397,099			

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31	
	2025	2024
Cash flows (used in) from operating activities:		
Profit before tax	\$ 648,246	\$ 423,690
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	1,252,626	1,284,814
Amortization expense	12,540	15,031
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(135,616)	108,813
Interest expense	319,390	317,691
Interest income	(42,724)	(39,498)
Dividend income	(8,278)	(12,535)
Share of profit of associates and joint ventures accounted for using equity method	(264,073)	(131,708)
Gain on disposal of property, plant and equipment	(38)	(291,668)
Reversal of impairment loss determined in accordance with IFRS 9	(2,201)	(1,880)
Impairment loss on non-financial assets	-	10,002
Amounts from modification of lease contracts	328	(324)
Amounts from right-of-uses assets subleased	(449)	(2,469)
Loss on fair value adjustment of investment property	1,887	-
Total adjustments to reconcile profit	<u>1,133,392</u>	<u>1,256,269</u>
Changes in operating assets and liabilities:		
Changes in operating assets, net:		
Decrease in current financial assets at fair value through profit or loss	105,780	640,642
Decrease (increase) in notes receivable	14,203	(23,578)
Decrease in accounts receivable	51,258	27,917
Decrease (increase) in accounts receivable due from related parties	22,378	(17,244)
Decrease (increase) in other receivables	8,024	(7,515)
(Increase) decrease in inventories	(10,988)	23,140
Decrease in biological assets	1,746	3,363
Increase in prepayments	(108,672)	(86,925)
Increase in other current assets	(3,465)	(910)
Increase in net defined benefit assets	(1,376)	-
Total changes in operating assets, net	<u>78,888</u>	<u>558,890</u>
Changes in operating liabilities, net:		
Increase in contract liabilities	9,021	1,786
Decrease in notes payable	(198)	(1,103)
(Decrease) increase in accounts payable	(6,705)	1,063
Decrease in other payable	(125,836)	(2,940)
(Decrease) increase in advance receipts	(1,426)	969
Decrease in other current liabilities	(800)	(3,020)
Decrease in net defined benefit liability, non-current	-	(1,564)
Total changes in operating liabilities	<u>(125,944)</u>	<u>(4,809)</u>
Net changes in operating assets and liabilities	<u>(47,056)</u>	<u>554,081</u>
Total adjustments	<u>1,086,336</u>	<u>1,810,350</u>
Cash inflow from operations	<u>1,734,582</u>	<u>2,234,040</u>
Tax income paid	(6,950)	(32,713)
Net cash inflow from operating activities	<u>1,727,632</u>	<u>2,201,327</u>

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows (Cont'd)
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31	
	2025	2024
Cash flows from (used in) investing activities:		
Acquisition of non-current financial assets at fair value through other comprehensive income	\$ -	(\$ 1,445)
Proceeds from non-current financial assets at fair value through other comprehensive income	3,081	-
Acquisition of investments accounted for using equity method	(941)	-
Acquisition of property, plant and equipment	(2,051,844)	(1,913,164)
Proceeds from disposal of property, plant and equipment	623	512,322
(Increase) decrease in refundable deposits	31,350	(18,703)
Increase in other receivables	-	(20,000)
Increase in long-term notes and accounts receivable (including related parties)	11,335	9,968
Acquisition of intangible assets	(12,866)	(7,985)
Increase in other financial assets	281,714	(306,891)
Increase in other non-current assets	-	(4,560)
Interest received	42,717	38,308
Dividends received	226,991	16,546
Net cash flows used in investing activities	(1,467,840)	(1,695,604)
Cash flows from (used in) financing activities:		
Increase in short-term loans	641,373	99,000
Decrease in short-term loans	(31,000)	(423,559)
Increase in short-term notes and bills payable	50,000	(50,000)
Increase in long-term loans	1,906,168	1,735,414
Decrease in long-term loans	(1,014,391)	(172,707)
Decrease in notes payable	2,463	(42,073)
Increase in other payables	(8,339)	16
(Decrease) increase in guarantee deposits received	686	(2,271)
Payment of lease liabilities	(1,069,775)	(1,091,987)
Increase in long-term notes payable	(85,991)	55,953
Issuance cash dividends (including non-controlling interests)	(75,179)	-
Interest paid	(528,251)	(410,861)
Changes in non-controlling interests	685,749	584,042
Net cash flows from financing activities	473,513	280,967
Effect of exchange rate changes on cash and cash equivalents	(1,649)	3,823
Net increase (decrease) in cash and cash equivalents	731,656	790,513
Cash and cash equivalents at beginning of period	2,473,386	1,682,873
Cash and cash equivalents at end of period	\$ 3,205,042	\$ 2,473,386

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Notes To Consolidated Financial Statements

For The Years Ended December 31, 2025 And 2024

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

1. Company history

Eastern Media International Corporation (the “Company”) was established on May 14, 1975 to promote the private port silo business, and its warehouse officially opened in 1980 with the completion of its silo. In order to enhance the operating performance and expand the business scope, the Company merged with Grain Union Transport Ltd. on May 15, 1989. The Company’s shares listed on the Taiwan Stock Exchange, classified in the shipping category, on September 25, 1995. As the proportion of revenue from shipping has declined years by years, and the proportion of revenue from trading has increased to more than 50% of overall revenue, the Company’s stocks have changed classification to the retail sales category. The transfer was approved by the Taiwan Stock Exchange on July 1, 2014. In June 2019, the Group terminated all of the lease contracts of its shipping operations in advance. Since none of the operating segments owns more than 50% of overall revenue, the Company’s stocks have changed classification to other category, which was approved by the Taiwan Stock Exchange on June 1, 2021.

The Company's business development is mainly based on diversification. In addition to land development, grain trading and consumer product development and sales, the Company has diversified into new businesses such as cross-strait trade platform and multimedia shopping through its investment in subsidiaries since 2009.

The main businesses of the Company and its subsidiaries (the “Group”) include forwarding, loading and unloading cargo onto/from ships, the handling and operation of wharf and transit shed facilities, selling pet food and supplies, providing pet beauty service, video advertising services and the production of related shows.

2. Approval date and procedures of the consolidated financial statements

The consolidated financial statements were authorized for issuance by the Board of Directors on March 11, 2026.

3. New standards, amendments and interpretations adopted

- a. The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its parent company only financial statements, from January 1, 2025:

- Amendments to IAS21 “Lack of Exchangeability”
- b. The impact of IFRS endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its consolidated financial statements:

- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”

- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities
 - Amendments to IFRS Accounting Standards Annual Improvements
 - Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature dependent Electricity”
- c. The impact of IFRS issued by IASB but not yet endorsed by the FSC

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined “operating profit” subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. 	<p>January 1, 2027</p> <p>Note: On September 25, 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 starting from fiscal year 2028.</p> <p>Companies that wish to apply the standard earlier may do so upon obtaining approval from the FSC.</p>

Standards or Interpretations	Content of amendment	Effective date per IASB
	<ul style="list-style-type: none"> • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. 	

The Group is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19.
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

4. Summary of significant accounting policies

The significant accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

a. Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. (hereinafter referred to as “IFRS endorsed by the FSC”).

b. Basis of consolidation

(a) Basis of preparation

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

- (a-1) Financial instruments at fair value through profit or loss are measured at fair value;
- (a-2) Financial assets at fair value through other comprehensive income are measured at fair value;
- (a-3) The defined benefit liabilities (assets) are measured at the plan assets less the present value of the defined benefit obligation, limited as explained in Note 4t,

(b) Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollars (NTD), which is the Company’s functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

c. Basis of consolidation

(a) Principles for preparing consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non controlling interests, even if this results in the non controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances. Changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

When the Group loses control over a subsidiary, it derecognizes the assets (including

any goodwill) and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any interest retained in the former subsidiary is measured at fair value when control is lost, with the resulting gain or loss being recognized in profit or loss. The Group recognizes as gain or loss in profit or loss the difference between (i) the fair value of the consideration received as well as any investment retained in the former subsidiary at its fair value at the date when control is lost; and (ii) the assets (including any goodwill), liabilities of the subsidiary as well as any related non-controlling interests at their carrying amounts at the date when control is lost, as gain or loss in profit or loss. When the Group loses control of its subsidiary, it accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if it had directly disposed of the related assets or liabilities.

(b) List of subsidiaries in the consolidated financial statements:

Name of Investing Company	Subsidiary name	Nature of business	Shareholding ratio		Explanation
			December 31, 2025	December 31, 2024	
The Company	Far Eastern Silo & Shipping (Panama) S.A. (FESS-Panama)	Investing activities	100.00%	100.00%	Note A
The Company	Far Eastern Investment Co., Ltd. (EIC)	Investing activities	97.90%	97.90%	Note A
The Company	Eastern International Lease Finance Co., Ltd. (EILF)	Leasing	53.77%	53.77%	Note A
The Company	Tung Kai Lease Finance Co., Ltd. (TKLF)	Leasing	53.76%	53.76%	Note A
The Company	ET New Media (ETtoday) Holdings Co., Ltd. (ET New Media)	Advertising	89.20%	89.20%	Note A
The Company	EHR Hotels & Resorts Group Yilan (EHR)	Leisure site management, catering business	60.35%	60.41%	Note A (Note 3)
The Company	Eastern Asset Co., Ltd. (Eastern Asset)	Real estate leasing	55.00%	55.00%	Note A
The Company	ET Pet Co., Ltd (ET Pet)	Pet food and supplies and providing pet beauty service	62.74%	62.74%	Note A (Note 2)
EIC	Eastern International Lease Finance Co., Ltd. (EILF)	Leasing	10.00%	10.00%	Note B
EIC	Tung Kai Lease Finance Co., Ltd. (TKLF)	Leasing	10.00%	10.00%	Note B
EIC	EHR Hotels & Resorts Group Yilan (EHR)	Leisure site management, catering business	13.20%	- %	Note B (Note 3)
EIC	ET New Media (ETtoday) Holdings Co., Ltd. (ET New Media)	Advertising	1.05%	1.05%	Note B
EILF	Tung Kai Lease Finance Co., Ltd. (TKLF)	Leasing	36.00%	36.00%	Note B
EILF	EHR Hotels & Resorts Group Yilan (EHR)	Leisure site management, catering business	13.20%	- %	Note B (Note 3)
TKLF	Eastern International Lease Finance Co., Ltd. (EILF)	Leasing	36.00%	36.00%	Note B
TKLF	EHR Hotels & Resorts Group Yilan (EHR)	Leisure site management, catering business	13.20%	- %	Note B (Note 3)
ET New Media	ET Pet Co., Ltd (ET Pet)	Pet food and supplies and providing pet beauty service	24.92%	24.92%	Note B (Note 2)
ET New Media	Dung sen shin guang yun Co., Ltd. (Dung sen shin guang yun)	Audiovisual and singing, information leisure	100.00%	100.00%	Note C
ET New Media	Dung sen min diau yun Co., Ltd. (Dung sen mu de tech)	Marketing, research and data collection	100.00%	100.00 %	Note C

Name of Investing Company	Subsidiary name	Nature of business	Shareholding ratio		Explanation
			December 31, 2025	December 31, 2024	
ET New Media	MOOD Internet Corporation Limited (MOOD)	Consulting management, market research and opinion poll	- %	- %	Note C (Note 1)
ET Pet	Care Pet Bio-Tech Company (Care Pet Bio-Tech)	Pet food and supplies and providing pet beauty service	73.40 %	70.00%	Note C (Note 4)
FESS-Panama	Grand Scene Media Corporation (GSMC-Cayman)	Investing activities	100.00%	100.00%	Note C
FESS-Panama	Eastern Media Communication (Hong Kong) Ltd. (Eastern Media Communication Hong Kong)	Investing activities	100.00%	100.00%	Note C
Eastern Media Communication (Hong Kong)	RICHNESS TRADING (SHANGHAI) CO.,LTD (RICHNESS TRADING (SHANGHAI))	Cosmetics, jewelry, and household sundries wholesaling and support services	100.00%	100.00%	Note C
GSMC-Cayman	GRAND SCENE TRADING (HONG KONG) LIMITED	Investing activities	100.00%	100.00%	Note C
GRAND SCENE TRADING (HONG KONG)	Nanjing Yun Fu Trading Ltd. (Nanjing Yun Fu)	Wholesale trading	100.00%	100.00%	Note C

Note A: The investee company is directly held over 50% by the Company

Note B: The investee company is directly held over 50% by the Group

Note C: The investee company is directly held over 50% by the Company's subsidiaries

Note 1: On February 26, 2024, ET New Media's Board of Directors resolved to make a consolidation by merger of MOOD. Meanwhile ET New Media was the surviving company. The reference date of merger was on February 29, 2024.

Note 2: On February 23, 2024, the board of directors of the subsidiary, ET Pet, resolved a capital injection by cash with an investment amount of \$400,000, and the reference date was on March 25, 2024. All shareholders did not inject capital with shareholding ratios this time. The Company participated in the cash capital injection by \$260,816, and shareholding of the Company was up to 62.74%. ET New Media participated in the cash capital injection by \$95,143, the shareholding of ET New Media dropped to 24.92%. The registrations were finished on April 30, 2024.

Note 3: Due to the failure of the lawsuit of EHR, the shareholding ratios of the Company, EIC, EILF and TKLF must be restored from 60.40%, 13.20%, 13.20% and 13.20% to 60.41%, 0%, 0% and 0% since the ruling date. The Board of Directors of EHR resolved on June 30, 2025, to conduct a cash capital increase of \$999,900. The reference date was on July 15, 2025. The capital increase was subscribed by the Company, EIC, EILF, and TKLF. After the capital injection, the shareholding ratios of the Company and EIC, EILF, and TKLF—were 60.35%, 13.20%, 13.20%, and 13.20%, respectively. The registration procedures were not finished by the reporting date. Please referred to Note 27 for the details.

Note 4: On July 7, 2025, the board of directors of the subsidiary, Care Pet Bio-Tech, resolved a capital injection by cash with an investment amount of \$40,000, and the reference date was on August 15, 2025. All shareholders did not inject capital with shareholding ratios. The Company participated in the cash capital injection by \$29,700, and shareholding of the company was up to 73.40%. The registrations were finished on September 3, 2025.

(c) Subsidiaries excluded from the consolidated financial statements: None.

d. Foreign currencies

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Nonmonetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognized in profit or loss, except for those differences relating to fair value through other comprehensive income

equity investment, which are recognized in other comprehensive income.

(b) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of any part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future. Exchange differences arising thereon form part of the net investment in the foreign operation and are recognized in other comprehensive income.

e. Classification of current and non current assets and liabilities

An asset is classified as current under one of the following criteria and all other assets are classified as non-current.

- (a) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- (b) It is held primarily for the purpose of trading;
- (c) It is expected to be realized within twelve months after the reporting period; or
- (d) The asset is cash or a cash equivalent (as IFRS 7 defined) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current.

An entity shall classify a liability as current when:

- (a) It is expected to be settled in the normal operating cycle;
- (b) It is held primarily for the purpose of trading;
- (c) It is due to be settled within twelve months after the reporting period; or
- (d) The Group does not have an unconditional right to defer settlement of at least twelve months after the reporting period.

Since the operating cycles of EILF and TKLF are more than one year, the classification of balance sheet accounts depends on whether their realization or settlement will be within or

beyond one year from the balance sheet date.

f. Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

g. Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(a) Financial assets

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

On initial recognition, financial assets are classified into the following categories: measured at amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(a-1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL :

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(a-2) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL :

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely

payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

(a-3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI (such as financial assets held for trading, financial assets evaluated permanence and managed on the basis of fair value) described as above are measured at FVTPL, including derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

(a-4) Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes :

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated — e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, and are consistent with the Group's continuing recognition of the assets.

(a-5) Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial assets on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers :

- contingent events that would change the amount or timing of cash flows ;
- terms that may adjust the contractual coupon rate, including variable rate features ;
- prepayment and extension features ; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non recourse features).

(a-6) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, notes and trade receivable, other receivable, refundable deposits and other financial assets).

The Group measures loss allowances at an amount equal to lifetime expected credit loss (ECL), except for the following which are measured as 12-month ECL :

- debt securities that are determined to have low credit risk at the reporting date ;
and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment as well as forward-looking information.

The Group assumes that the credit risk on a financial asset has increased

significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when the financial asset is more than 90 days past due or the debtor is unlikely to pay its credit obligations to the Group in full.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of ‘investment grade which is considered to be BBB or higher per Standard & Poor’s, Baa3 or higher per Moody’s or twA or higher per Taiwan Ratings.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probabilityweighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data :

- significant financial difficulty of the borrower or issuer ;
- a breach of contract such as a default or being more than 90 days past due ;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider ;
- it is probable that the borrower will enter bankruptcy or other financial reorganization ; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognized in other comprehensive income instead of reducing the carrying amount of the asset. The Group recognizes the amount of expected credit losses (or reversal) in profit or loss, as an impairment gain or loss.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the

amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(a-7) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(b) Financial liabilities and equity instruments

(b-1) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(b-2) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(b-3) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

h. Program to be broadcast

The program to be broadcast is a video to be broadcast, a program to be broadcast, and a program to be produced. The videos to be broadcast and the programs to be broadcast are recognized at the original cost, and measured at the lower of unamortized cost and

net realizable value. The programs to be produced are recognized on the base of actual input cost, and measured at the lower of cost and net realizable value.

i. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories and capitalized borrowing costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

j. Biological assets

Biological assets shall be measured at fair value, except when the fair value of the biological assets determined by the market cannot be obtained and the alternative estimate of fair value is unreliable, then the cost is measured by the accumulated depreciation. The cost of raising the cost and other related costs are capitalized in the current period, and the impairment test is carried out regularly every year, and the impairment loss is recognized for objective evidence of impairment.

k. Investment subsidiary

Goodwill is measured at the consideration transferred less the amounts of the identifiable assets acquired and liabilities assumed (generally at fair value) at the acquisition date. If the amount of net assets acquired and liabilities assumed exceeds the acquisition price, the Group reassesses whether it has correctly identified all of the assets acquired and liabilities assumed, and recognizes a gain for the excess.

All transaction costs relating to a business combination are recognized immediately as expenses when incurred, except for the issuance of debt or equity instruments.

The Group shall measure any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, if the non-controlling interests are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Other non controlling interests are evaluated by their fair value or by another basis permitted by the IFRSs endorsed by the FSC.

The change in ownership of the subsidiaries not causing losing control, are recognized as equity transaction. The Group recognizes directly in equity any difference between the carrying-amount of the investment and the fair value of the consideration paid or received.

l. Investment in associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of investment includes transaction costs. The carrying amount of investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group

recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual significant influence.

Gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of unrelated Group's interests in the associate.

When the Group's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method and measures the retained interest at fair value from the date when its investment ceases to be an associate. The difference between the fair value of retained interest and proceeds from disposing, and the carrying amount of the investment at the date the equity method was discontinued is recognized in profit or loss. The Group accounts for all the amounts previously recognized in other comprehensive income in relation to that investment on the same basis as would have been required if the associates had directly disposed of the related assets or liabilities. If a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss (or retained earnings) on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) (or retained earnings) when the equity method is discontinued.

When the Group subscribes to additional shares in an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment will differ from the amount of the Group's proportionate interest in the net assets of the associate. The Group records such a difference as an adjustment to investments, with the corresponding amount charged or credited to capital surplus. The aforesaid adjustment should first be adjusted under capital surplus. If the capital surplus resulting from changes in ownership interest is not sufficient, the remaining difference is debited to retained earnings. If the Group's ownership interest is reduced due to the additional subscription to the shares of the associate by other investors, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate will be reclassified to profit or loss on the same basis as would be required if the associate had directly disposed of the related assets or liabilities.

m. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is initially measured at cost and subsequently at fair value with any change therein recognized in profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in 'other equity - revaluation surplus' is transferred to retained earnings.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

n. Property, plant and equipment

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(b) Subsequent cost

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(c) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Buildings	19~25 years
Machines	0 years
Transportation equipment	2~5 years
Leasehold improvements	1~19 years
Miscellaneous equipment	1~20 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

o. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the

lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments for purchase or termination options that are reasonably certain to be exercised.
- An estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- there is a change in future lease payments arising from the change in an index or rate; or
- there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or
- there is a change of its assessment on whether it will exercise an extension or termination option; or
- there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of office equipment that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

In accordance with the practical expedient, the effect of the change in the lease

liability is reflected in profit or loss in the period in which the event or condition that triggers the rent concession occurs.

For sale-and-leaseback transactions, the Group applies the requirements for determining when a performance obligation is satisfied in IFRS15 to determine whether the transfer of an asset is accounted for as a sale of the asset. If the transfer of an asset satisfies the requirement of IFRS15 to be accounted for as a sale of the asset, the Group derecognizes the transferred asset, then measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained. Accordingly, the Group recognizes only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. For leaseback transaction, the Group applies the lessee accounting policy. If the transfer of an asset does not satisfy the requirement of IFRS15 to be accounted for as a sale of the asset, the Group continues to recognize the transferred asset and recognizes the financial liability equal to the transfer proceeds.

(b) As a lessor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

(c) Reclassification to investment property

When the use of a right-of-use asset changed to investment property, the right-of-use asset was reclassified to investment property at its fair value at the date of the change in use. Any gain arising from the remeasurement was recognized in profit or loss to the extent that it reversed any accumulated impairment losses previously recognized on the right-of-use asset, and the remaining difference was recognized in other comprehensive income and accumulated in "other equity – revaluation surplus of property." Any loss was recognized in profit or loss; however, to the extent that the decrease remained within the balance of the revaluation surplus of the right-of-use asset, it was recognized in other comprehensive income and deducted from the revaluation surplus within equity.

p. Intangible assets

(a) Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Other intangible assets, including customer relationships, patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(b) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic

benefits embodied in the specific asset to which it relates. All other expenditures, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

(c) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

Trademark rights	3 years
Computer software	1~8 years
Copyright	3 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

q. Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

r. Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below.

(a) Sale of goods

The Group is involved in E-commerce portal services, and sales of pet food and supplies and electronic tickets. Revenue can be reliably measured when the income is transferred, and future economic benefits are likely to be recognized as income when flowing into the company.

(b) Rendering of services

The Group is involved in loading and unloading, warehousing and pet beauty service, and recognizes relevant revenue during the financial reporting period of providing labor services.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

(c) Advertisement revenue

Advertising revenue is deducted from the agency commission and is recognized at the completion of the broadcast.

(d) Program authorization revenue

The program authorization revenue is recognized on an accrual basis based on the substance of the contract, or is recognized when the relevant program is delivered.

(e) Installment sales interest income

The Group engages in installment sales, wherein the amount exceeds the cash sales price, resulting in the difference to be recognized as unrealized interest income deducted to installment notes and accounts receivable, which interest is accounted for annually using the interest method over the installment period. The installment sales are transferred to the owner after the price has been fully paid.

(f) Course income

The Group provides media courses and recognizes relevant revenue during the financial reporting period of providing labor services.

In case of fixed-price contracts, the Group recognizes the income on the bases of the actual teaching hours as the reporting date.

(g) Customer Loyalty Program

Retail customers of the Group have the right to enjoy discount during future purchase with the points they collect. When points are collected from customer use or when the points expire as of a fiscal year, revenue from the points given will be recognized, and relevant contract liabilities will be adjusted accordingly.

(h) Membership income

The Group implemented a membership program and sold membership cards, offering more favorable point accumulation rates for cardholders compared to regular members. Revenue from providing such services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

s. Contract costs

Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Group recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- (a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
- (b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (c) the costs are expected to be recovered.

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Group cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations (or partially satisfied performance obligations), the Group recognizes these costs as expenses when incurred.

t. Employee benefits

(a) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(b) Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(c) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

u. Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses that are related to business combinations or recognized directly in equity or other comprehensive income all current and deferred taxes are recognized in profit or loss.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are not recognized except for the following:

- (a) temporary differences on the initial recognition of assets and liabilities (i) in a transaction that is not a business combination and that affects neither accounting nor taxable profits (losses) at the time of the transaction and (ii) in a transaction that did not generate comparing taxable income and temporary differences;
- (b) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (c) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if the following criteria are met:

- (a) the Group has a legally enforceable right to set off current tax assets against current

tax liabilities; and

(b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

(b-1) the same taxable entity; or

(b-2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

v. Business combination

The Group accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of (i) the consideration transferred (which is generally measured at fair value) and (ii) the amount of non-controlling interest in the acquiree, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Group recognized that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed.

All acquisition-related transaction costs are expensed as incurred, except for the issuance of debt or equity instruments.

For each business combination, the Group measures any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, if the non-controlling interests are present ownership interests and entitle their holders to a proportionate share of the Group's net assets in the event of liquidation. Other components of non-controlling interests are measured at their acquisition-date fair values, unless another measurement basis is required by the IFRSs endorsed by the FSC.

w. Earnings per share

The Group discloses the Company's basic and diluted earnings (loss) per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to the ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares.

x. Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these consolidated financial statements, management has made judgments and estimates about the future, including climate-related risks and opportunities, that affect the

application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to estimates are recognised prospectively in the period of the change and future periods.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is as follows:

- a. The Group is the single largest shareholder of an investee with less than 50% of the voting rights of it and concludes that the Group does not control but has significant influence over it.

It is stated in Note 12 that the Group is the single largest shareholder of EHS with 25.87% of the voting rights of the investee. Considering the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other shareholders and the voting patterns at previous shareholders' meetings, which indicate that other shareholders are not passive, the Group is not able to appoint more than half of the members of EHS's governing body. Therefore, the Group cannot direct the relevant activities of EHS and does not control EHS. Management of the Group considered the Group as exercising significant influence over EHS and; therefore, classified it as an associate of the Group.

It is stated in Note 12 that the Group is the single largest shareholder of Natural Beauty with 30% of the voting rights of the investee. After considering Natural Beauty is a listed company in Hong Kong, the independent executive directors and non-executive directors have the right to execute their own duty. Furthermore, the board of Natural Beauty directs the relevant activities, and none shareholder is able to appoint enough board members to direct the board's decision. Therefore, the Group cannot direct the relevant activities of Natural Beauty and does not control Natural Beauty. Management of the Group considered the Group as exercising significant influence over Natural Beauty and; therefore, classified it as an associate of the Group.

- b. Lease term

The Group determines the lease term as the non-cancellable period of the lease, together with periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option, and periods covered by an option to terminate the lease if the lessee is reasonably not to exercise that option. In assessing whether a lessee is reasonably to exercise the options, the Group considers all relevant facts and circumstances that create an economic incentive for the lessee. The Group reassesses whether it is reasonably certain to exercise an extension option or not to exercise the option upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee. If there is a change in the lease term, the Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Please refer to Note 17 and 24.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

- a. The loss allowance of trade receivables

The Group has estimated the loss allowance of trade receivables that is based on the risk of a default occurring and the rate of expected credit loss. The Group has considered

historical experience, current economic conditions and forward-looking information at the reporting date to determine the assumptions to be used in calculating the impairments and the selected inputs. The relevant assumptions and input values, please refer to Note 9.

b. Valuation of inventories

As inventories are stated at the lower of cost or net realizable value, the Group estimates the net realizable value of inventories for obsolescence and unmarketable items at the end of the reporting period and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions as to future demand within a specific time horizon. Due to the rapid industrial transformation, there may be significant changes in the net realizable value of inventories. Please refer to Note 11 for further description of the valuation of inventories.

c. Impairment of investments accounted for using equity method

The Group immediately recognizes impairment losses on its net investment in an associate when there is an indication that the investment may be impaired and the carrying amount may not be recoverable. The Group's management evaluates the impairment based on the estimated future cash flows expected to be generated by the associate, including assumptions on the growth rate of revenue and profit and also takes into consideration market conditions and industry development when evaluating the appropriateness of the relevant assumptions. Please refer to Note 12 for further description of the valuation of the impairment of investments accounted for using equity method.

d. Impairment of property, plant and equipment, and right-of-use assets

In the process of evaluating the potential impairment, the Group is required to make subjective judgments in determining the independent cash flows, useful lives, expected future income and expenses related to the specific asset groups considering of the nature of the industry. Any changes in these estimates based on changed economic conditions or business strategies and could result in significant impairment charges or reversal in future years. Refer to Note 16 and 17 for further description of the key assumptions used to determine the recoverable amount.

e. Measurement of defined benefit obligations

Accrued pension liabilities and resulting pension expenses under defined benefit pension plans are calculated using the Projected Unit Credit Method. Actuarial assumptions comprise the discount rate, rate of employee turnover, future salary increase rate, etc. Changes in economic circumstances and market conditions will affect these assumptions and may have a material impact on the amount of the expense and the liability. Refer to Note 25 for further description of the actuarial assumptions and sensitivity analysis.

f. Recognition of deferred tax assets

As of December 31, 2025 and 2024, the carrying amounts of deferred tax assets in relation to unused tax losses were \$31,364 and \$60,154, respectively. As of December 31, 2025 and 2024, no deferred tax assets have been recognized on tax losses of \$776,281 and \$921,327, respectively, due to the unpredictability of future profit streams. The realizability of deferred tax assets mainly depends on whether sufficient future profit or taxable temporary differences will be available. In cases where the actual future profit generated is less than expected, a material reversal of deferred tax assets may arise, which would be recognized in profit or loss for the period in which such a reversal takes place.

g. Investment property measured at fair value

The Group's investment properties were subsequently measured using the discounted

cash flow analysis under the income approach, and the inputs used in the fair value measurement technique were classified as Level 3. Please refer to Note 18 for the details.

h. Estimation uncertainty in customer loyalty programs

The Group's customer loyalty programs involved future redemption obligations, and the related liabilities were required to be estimated and recognized as of the reporting date. Because customer redemption behavior was affected by promotional campaigns, point expiration, customer activity levels, and changes in channel/product mix, key management's estimates of the expected redemption rate, breakage rate, and fulfillment costs were subject to uncertainty. Differences between these estimates and actual results would affect the recognition of contract liabilities and the recognition of revenue and costs in future periods. Please refer to Note 29 for the details.

The Group's accounting policies include measuring financial and nonfinancial assets and liabilities at fair value through profit or loss.

The Group strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identifiable assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data.

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date. Please refer to Note 32, Financial instruments, for assumptions used in measuring fair value

6. Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand	\$ 9,652	\$ 10,918
Cash in banks	3,195,390	1,956,446
Cash equivalents	-	506,022
	\$ 3,205,042	\$ 2,473,386

a. Bank time deposits whose original maturity date exceeds three months are classified as other current financial assets. The deposit accounts of nil, and \$346,393 which did not meet the definition of cash and cash equivalents, were classified as other current financial assets for December 31, 2025 and 2024, respectively.

b. Please refer to Note 32 for the fair value sensitivity analysis and interest rate risk of the financial assets and liabilities.

7. Financial assets at fair value through profit or loss

	December 31, 2025	December 31, 2024
Financial assets designated as at fair value through profit or loss:		
Non-derivative financial assets		
Stocks listed on domestic markets	\$ 362,135	\$ 332,299

- a. Please refer to Note 31 for the remeasurement of fair value.
- b. For the years ended December 31, 2025 and 2024, the dividends from financial assets designated as at fair value through profit or loss were \$6,147 and \$9,734, respectively.
- c. As of December 31, 2025 and 2024, the amount of \$350 and \$240 outstanding (recorded as other receivables) for the dividends from financial assets at fair value through profit or loss had been fully received by the Group as of the reporting date.
- d. No financial assets at fair value through profit or loss mentioned above were pledged as collateral.

8. Financial assets at fair value through other comprehensive income

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Equity investments at fair value through other comprehensive income:		
Unlisted common shares domestic Company	<u>\$ 7,500</u>	<u>\$ 12,100</u>

a. Equity investments at fair value through other comprehensive income

The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term for strategic purposes.

For the years ended December 31, 2025 and 2024, the Group recognized the dividends of \$2,131 and \$2,801 related to equity instruments measured at fair value through other comprehensive income, respectively.

The Company disposed of all preferred shares of TA SHEE RESORT CO., LTD., which were classified as financial assets measured at fair value through other comprehensive income, in April 2025 for a total consideration of \$4,600. A cumulative disposal gain of \$3,138 was recognized and reclassified from other equity to retained earnings.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments as of December 31, 2024.

- b. For credit risk and market risk; please refer to Note 32 and 33.
- c. No financial assets mentioned above were pledged as collateral.

9. Notes and accounts receivable (including related parties)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Notes receivable-generated from operation	\$ 5,101	\$ 2,581
Installment notes receivable	26,295	26,148
Accounts receivable	457,889	508,637
Long-term notes and accounts receivable	32,770	79,078
Less: Allowance for doubtful accounts	(42,470)	(44,655)
Unrealized interest revenue	(4,978)	(11,623)
	<u>\$ 474,607</u>	<u>\$ 560,166</u>

The Group applies the simplified approach to provide for its expected credit losses, i.e., the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The Group also obtained sufficient collateral when necessary to mitigate the risk of financial losses.

The loss allowance provision in warehousing segment was determined as follows:

	December 31, 2025		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 24,723	- %	-

	December 31, 2024		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 20,481	- %	-

The loss allowance provision in trading segment was determined as follows:

	December 31, 2025		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision (Note)
Current	\$ 66,455	- %	\$ -

	December 31, 2024		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision (Note)
Current	\$ 66,486	- %	\$ -

The loss allowance provision in media segment was determined as follows:

	December 31, 2025		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 287,041	0~0.1%	281
1 to 30 days past due	16,015	0~2.18%	348
31 to 60 days past due	6,823	0~15.07%	1,003
More than 91 days past due	101	100%	101
	\$ 309,980		\$ 1,733

	December 31, 2024		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 343,301	0~0.12%	409
1 to 30 days past due	14,665	0~3.45%	506
61 to 90 days past due	1,050	3.31~68.36%	718
More than 91 days past due	163	100%	163
	\$ 359,179		\$ 1,796

The loss allowance provision in other segments was determined as follows:

	December 31, 2025		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision (Note)
Current	\$ 69,684	0~1%	214
1 to 30 days past due	608	0~18.29%	41
31 to 60 days past due	604	0~19.99%	40
61 to 90 days past due	600	0~21.67%	40
More than 91 days past due	8,017	100%	8,017
	\$ 79,513		\$ 8,352

	December 31, 2024		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision (Note)
Current	\$ 105,773	0~1.29%	300
1 to 30 days past due	2,034	0~19.97%	406
31 to 60 days past due	2,041	0~21.67%	442
61 to 90 days past due	2,068	0~23.33%	483
More than 91 days past due	8,168	100%	8,168
	\$ 120,084		\$ 9,799

Note: As of December 31, 2025 and 2024, the receivables amounted to \$36,406 and \$38,591 were unrecoverable due to the financial difficulty of the customers. Therefore, the Group had recognized the allowance for doubtful accounts for all of its receivables.

The movement in the allowance for notes and accounts receivable was as follows:

	For the years ended December 31	
	2025	2024
Balance on January 1	\$ 44,655	\$ 46,535
Recognition of reversal of impairment losses	(2,201)	(1,880)
Amounts written off	(1)	-
Effect of exchange rate fluctuations	17	-
Balance on December 31	\$ 42,470	\$ 44,655

Please refer to Note 37 for the details of the installment notes receivable pledged as collateral.

10. Other receivables and other notes receivable (including related parties)

	December 31, 2025	December 31, 2024
Other accounts receivable—loans to associates	\$ 119,000	\$ 119,000
Other accounts receivable—others	54,660	58,472
Less: Loss allowance	(1,817)	(1,817)
	\$ 171,843	\$ 175,655

a. As of December 31, 2025 and 2024, the Group had recognized the same amount of allowance as bills past due.

b. For credit risk and market risk; please refer to Note 32 and 33.

11. Inventories

	December 31, 2025	December 31, 2024
Goods held for sale	\$ 387,202	\$ 393,332
Raw materials and others (including fuel)	39,618	63,639
Less: Allowance for inventory valuation losses	(19,921)	(34,429)
	\$ 406,899	\$ 422,542

a. Except for cost of goods sold, the rest components of operating cost were as follows:

	For the years ended December 31	
	2025	2024
(Reversal) loss of inventory valuation	(14,508)	16,116
Written-off	3,725	4,367
Loss on physical inventory	2,466	3,337
Operating expense	7,884	10,230
	(\$ 433)	\$ 34,050

b. The reason why the Group recognized inventory valuation recovery gains was inventory clearance.

c. No inventories were pledged as collateral on December 31, 2025 and 2024, respectively.

12. Investments accounted for using equity method

a. The Group's financial information for investments accounted for using the equity method at the reporting date was as follows:

	December 31, 2025	December 31, 2024
Natural Beauty bio-technology Limited (Natural Beauty)	\$ 971,348	\$ 1,068,346
Eastern Home Shopping & Leisure Co., Ltd (EHS)	486,510	365,483
Chong Rui Pet International Ltd.	845	-
Jiangsu Sen Fu Da Media Technology Co., Ltd.	-	-
	\$ 1,458,703	\$ 1,433,829

b. Affiliates which are material to the Group consisted of the following:

Affiliate Name	Within the Group Nature of Relationship	Main operating location	Proportion of shareholding and voting rights	
			December 31, 2025	December 31, 2024
Natural Beauty	Sales of beauty and cosmetic products and providing beauty service	Taiwan and China	30.00%	30.00%
EHS	Wholesale and retail of various commodities, materials and equipment	Taiwan, Hong Kong and China	25.87%	25.87%

(a) Natural Beauty Bio-Technology Limited

Natural Beauty Bio-Technology Limited ("Natural Beauty") was one of the listing companies in Hong Kong Exchanges and Clearing Limited ("Hong Kong Exchange"). Its fair value is as follows:

	December 31, 2025	December 31, 2024
Fair value	\$ 1,188,412	\$ 1,229,889

The following consolidated financial information of significant affiliates had been adjusted according to individually prepared IFRS financial statements of these affiliates:

	December 31, 2025	December 31, 2024
Current assets	\$ 1,429,733	\$ 1,219,133
Non-current assets	2,317,745	2,044,166
Liabilities	(1,813,203)	(1,373,568)
Net assets	\$ 1,934,275	\$ 1,889,731
Net assets attributable to investee	\$ 1,934,275	\$ 1,889,731
	For the years ended December 31	
	2025	2024
Operating revenue	\$ 2,147,116	\$ 1,455,344
Net (loss) income	\$ 40,270	(\$ 426,391)
Other comprehensive (loss) income	85,437	(96,898)
Total comprehensive (loss) income	\$ 125,707	(\$ 523,289)
Comprehensive (loss) income attributable to investee	\$ 125,707	(\$ 523,289)
Share of net assets attributable to the Group of beginning balance	\$ 566,919	\$ 677,187
Comprehensive (loss) income attributable to the Group	37,712	(156,987)
Effect of exchange rate fluctuations	(24,348)	46,719
Subtotal	580,282	566,919
Add: Goodwill	346,593	361,535
Trademark	313,238	326,742
Property, plant and equipment	424,197	496,589
Other intangible assets in useful life (e.g., memberships and patents, etc.)	36,656	77,669
Effect of exchange rate fluctuations	(2,297)	(2,429)
Less: adjustment for inventories	(11,334)	(11,823)
Impairment loss	(715,988)	(746,856)
Book value of net assets attributable to the Group of ending balance	\$ 971,348	\$ 1,068,346

(b) Eastern Home Shopping & Leisure Co., Ltd.

The following consolidated financial information of significant affiliates had been adjusted according to individually prepared IFRS financial statements of these affiliates:

	December 31, 2025	December 31, 2024
Current assets	\$ 6,284,529	\$ 5,564,401
Non-current assets	6,611,271	6,466,092
Liabilities	(11,022,553)	(10,615,827)
Net assets	\$ 1,873,247	\$ 1,414,666
Non-controlling interests, attributable to investee	(\$ 7,464)	\$ 1,811
Net assets attributable to investee	\$ 1,880,711	\$ 1,412,855

	For the years ended December 31	
	2025	2024
Operating revenue	\$ 15,929,704	\$ 18,380,642
Net income	1,309,102	1,254,994
Other comprehensive (loss) income	(4,615)	19,918
Total comprehensive income	\$ 1,304,487	\$ 1,274,912
Comprehensive income (loss) attributable to non-controlling interests	(\$ 9,275)	(\$ 189)
Comprehensive income attributable to investee	\$ 1,313,762	\$ 1,275,101
Share of net assets attributable to the Group of beginning balance	\$ 365,483	\$ 35,635
Comprehensive income attributable to the Group	339,850	329,848
Dividends received from associates	(218,823)	-
Share of net assets attributable to the Group of ending balance	\$ 486,510	\$ 365,483

- c. The Group's financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	December 31, 2025	December 31, 2024
Carrying amount of individually insignificant associates' equity	\$ 845	\$ -
	For the years ended December 31	
	2025	2024
Attributable to the Group:		
Loss from continuing operations	(\$ 96)	\$ -
Other comprehensive loss	-	-
Total comprehensive loss	(\$ 96)	\$ -

Note: Care Pet Bio-Tech acquired a 50% equity interest in Chong Rui Pet International Ltd. (Chong Rui) in February 2025. However, based on an assessment of core technologies and the ability to direct relevant activities, the Care Pet Bio-Tech determined that it does not have substantive control over Chong Rui and therefore did not include it as a consolidated entity.

- d. Natural Beauty was engaged in the business of beauty products and related operations. Therefore, the management of the Group carried out an impairment test for these investments, comparing the carrying amount of the investment with its recoverable amount. For the years ended December 31, 2025 and 2024, in determining the value in use of the investment, the Group estimated the present value of the cash flows arose from the operation of the invested company and from the ultimate disposal by using the discount rate 7.47% and 8.84%, respectively. Based on the assessment, the recoverable amount of Natural Beauty was higher than its carrying amount. There was no indication of impairment in 2025 and 2024.
- e. Please refer to Note 37 for the details of the investments accounted for using equity method pledged as collateral.

13. Acquire a subsidiary

- a. On November 10, 2025, August 4, 2025, October 30, 2024 and July 10, 2024, the board of directors of the subsidiary, Eastern Asset, resolved a capital injection by cash with an investment amount of \$800,000, \$700,000, \$200,000 and \$1,000,000, respectively. The reference dates were on December 10, 2025, August 25, 2025, December 25, 2024 and August 26, 2024. The capital injections were participated by the Company and EHS in proportion to the shareholding ratio. The registrations were completed on January 27, 2026, September 30, 2025, January 16, 2025 and September 11, 2024.
- b. On February 23, 2024, the board of directors of the subsidiary, ET Pet, resolved a capital injection by cash with an investment amount of \$400,000, and the reference date was on March 25, 2024. All shareholders did not inject capital with shareholding ratios this time. The Company participated in the cash capital injection by \$260,816, and shareholding of the Company was up to 62.74%. ET New Mdeia participated in the cash capital injection by \$95,143, the shareholding of ET New Media dropped to 24.92%. The registrations were finished on April 30, 2024.
- c. Due to the failure of the lawsuit of EHR, the shareholding ratios of the Company, EIC, EILF and TKLF must be restored from 60.40%, 13.20%, 13.20% and 13.20% to 60.41%, 0%, 0% and 0% since the ruling date in November 2024. On June 30, 2025, the board of directors of the subsidiary, EHR, resolved a capital injection by cash with an investment amount of \$999,900, and the reference date was on July 15, 2025. The capital injections were participated by the Company, EIC, EILF and TKLF. The proportion of this capital injections were 60.35%, 13.20%, 13.20% and 13.20%. Please referred to Note 27 for the details.
- d. On July 7, 2025, the board of directors of the subsidiary, Care Pet Bio-Tech, resolved a capital injection by cash with an investment amount of \$40,000, and the reference date was on August 15, 2025. All shareholders did not inject capital with shareholding ratios this time. ET Pet participated in the cash capital injection by \$29,700, and shareholding of ET Pet was up to 73.40%. The registrations were finished on September 3, 2025.

14. Material non-controlling interests of subsidiaries

Non-controlling interests of subsidiaries material to the Group are as follows:

Subsidiary name	Main operating location	Percentage of non-controlling interests	
		December 31, 2025	December 31, 2024
Eastern Asset	Taiwan	45.00%	45.00%

The following information of the aforementioned subsidiaries had been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Included in this information were the fair value adjustment and accounting policies adjustment made during the acquisition and relevant difference in accounting principles between the Group as at the acquisition date. Intragroup transactions were not eliminated in this information.

The financial information of Eastern Asset was as follows:

	December 31, 2025	December 31, 2024
Current assets	\$ 1,697,814	\$ 1,458,194
Non-current assets	8,036,701	5,782,195
Current liabilities	(736,168)	(453,283)
Non-current liabilities	(4,071,008)	(3,321,338)
Net assets	\$ 4,927,339	\$ 3,465,768

	For the years ended December 31	
	2025	2024
Operating revenue	\$ -	\$ -
Net loss	(38,429)	(14,336)
Other comprehensive income	-	-
Total comprehensive loss	(\$ 38,429)	(\$ 14,336)

	For the years ended December 31	
	2025	2024
Net cash flows used in operating activities	(\$ 128,282)	(\$ 85,123)
Net cash flows used in investing activities	(1,858,496)	(1,597,161)
Net cash flows used in financing activities	2,120,531	2,092,678
Net increase (decrease) in cash and cash equivalents	\$ 133,753	\$ 410,394

The details of non-controlling interests – Eastern assets were as follows :

	For the years ended December 31	
Balance on January 1	\$ 1,559,596	\$ 1,026,047
Net loss	(17,293)	(6,451)
Changes in non-controlling interests	675,000	540,000
Balance on December 31	\$ 2,217,303	\$ 1,559,596

15. Loss of control of subsidiaries

On February 26, 2024, ET New Media's Board of Directors resolved to make a consolidation by merger of MOOD. Meanwhile ET New Media was the surviving company. The reference date of merger was on February 29, 2024.

16. Property, plant and equipment

a. The cost, depreciation, and impairment loss of the property, plant and equipment of the Group were as follows:

	Land	Buildings	Transportation equipment	Leasehold improvements	Construction in progress	Other equipment	Total
Cost or deemed cost:							
Balance on January 1, 2025	\$ 445,595	\$ 959,941	\$ 12,784	\$ 1,151,664	\$ 4,780,300	\$ 179,090	\$ 7,529,374
Additions	-	-	-	98,047	2,359,008	7,499	2,464,554
Transfers	-	-	-	30,588	-	(13,171)	17,417
Disposals / Written-off	-	-	(2,078)	(67,244)	-	(52,747)	(122,069)
Write off - sublease	-	-	-	(2,018)	-	(1,620)	(3,638)
Balance on December 31, 2025	\$ 445,595	\$ 959,941	\$ 10,706	\$ 1,211,037	\$ 7,139,308	\$ 119,051	\$ 9,885,638
Balance on January 1, 2024	\$ 596,742	\$ 1,020,714	\$ 13,391	\$ 911,623	\$ 2,895,223	\$ 212,557	\$ 5,650,250
Additions	-	-	3,930	299,505	1,885,077	18,404	2,206,916
Transfers	-	-	-	85,026	-	(625)	84,401
Disposals / Written-off	(151,147)	(60,773)	(4,537)	(135,354)	-	(49,495)	(401,306)
Write off - sublease	-	-	-	(9,136)	-	(1,751)	(10,887)
Balance on December 31, 2024	\$ 445,595	\$ 959,941	\$ 12,784	\$ 1,151,664	\$ 4,780,300	\$ 179,090	\$ 7,529,374
Depreciation and impairment loss:							
Balance on January 1, 2025	\$ -	\$ 954,480	\$ 7,327	\$ 283,089	\$ -	\$ 101,756	\$ 1,346,652
Depreciation	-	596	2,050	133,103	-	36,198	171,947
Transfers	-	-	-	-	-	(13,385)	(13,385)
Disposals / Written-off	-	-	(1,945)	(67,244)	-	(52,744)	(121,933)
Balance on December 31, 2025	\$ -	\$ 955,076	\$ 7,432	\$ 348,948	\$ -	\$ 71,825	\$ 1,383,281
Balance on January 1, 2024	\$ -	\$ 983,517	\$ 9,045	\$ 281,410	\$ -	\$ 106,112	\$ 1,380,084
Depreciation	-	2,153	2,819	127,030	-	45,383	177,385
Transfers	-	-	-	-	-	(625)	(625)
Disposals / Written-off	-	(31,190)	(4,537)	(135,353)	-	(49,114)	(220,194)
Impairment loss	-	-	-	10,002	-	-	10,002
Balance on December 31, 2024	\$ -	\$ 954,480	\$ 7,327	\$ 283,089	\$ -	\$ 101,756	\$ 1,346,652

	Land	Buildings	Transportation equipment	Leasehold improvements	Construction in progress	Other equipment	Total
Carrying amounts:							
December 31, 2025	\$ 445,595	\$ 4,865	\$ 3,274	\$ 862,089	\$ 7,139,308	\$ 47,226	\$ 8,502,357
January 1, 2024	\$ 596,742	\$ 37,197	\$ 4,346	\$ 630,213	\$ 2,895,223	\$ 106,445	\$ 4,270,166
December 31, 2024	\$ 445,595	\$ 5,461	\$ 5,457	\$ 868,575	\$ 4,780,300	\$ 77,334	\$ 6,182,722

- b. The land rights obtained by Eastern Asset and the Company respectively are expected to be used to build the headquarters of the Eastern Media Group and nearby areas, and the interest expenses of loans during the planning and construction period will be capitalized. For the years ended December 31, 2025 and 2024, the interest rates were at 3.41%~3.66% and 3.28%~3.66%, respectively. Details were as follows:

For the years ended December 31

	2025	2024
Interest expense on loans	\$ 106,363	\$ 72,746

- c. To revitalize assets, the Company sold its office located in Taipei City with the sale price set at \$950 per ping in November 2024. Later in December 2024, the Company leased back the office and signed a contract with a lease term of 60 months. The transaction resulted in a gain of \$329,001, of which \$291,061 was recognized as a realized gain on the sale and leaseback, and \$37,940 was classified as an unrealized gain. The monthly lease payment was \$1,066. Please refer to Note 17 for the details.
- d. Please refer to Note 37 for the details of the property, plant and equipment pledged as collateral.

17. Right-of-use assets

- a. The cost, depreciation, and impairment loss of the land and equipment, buildings, media exhibition boards and transportation equipment of the Group were as follows:

	Land and equipment	Buildings	Outdoor advertising boards	Transportation equipment	Total
Right of use asset costs:					
Balance on January 1, 2025	\$ 5,332,032	\$ 1,294,120	\$ 2,677,526	\$ 4,050	\$ 9,307,728
Additions	-	121,012	-	807	121,819
Write off - lease modification	-	29,913	5,366	62	35,341
Write off - lease ending	-	(124,945)	-	(1,050)	(125,995)
Write off - sublease	-	8,626	-	-	8,626
Revaluation surplus	-	7,617	-	-	7,617
Write off - investment property	-	(26,152)	-	-	(26,152)
Balance on December 31, 2025	\$ 5,332,032	\$ 1,310,191	\$ 2,682,892	\$ 3,869	\$ 9,328,984
Balance on January 1, 2024	\$ 5,330,416	\$ 1,378,421	\$ 2,644,001	\$ 4,442	\$ 9,357,280
Additions	-	239,640	471,989	2,453	714,082
Write off - lease modification	3,495	7,805	(96,984)	(1,374)	(87,058)
Write off - lease ending	(1,879)	(294,610)	(341,480)	(1,471)	(639,440)
Write off - sublease	-	(37,136)	-	-	(37,136)
Balance on December 31, 2024	\$ 5,332,032	\$ 1,294,120	\$ 2,677,526	\$ 4,050	\$ 9,307,728

	Land and equipment	Buildings	Outdoor advertising boards	Transportation equipment	Total
Accumulated depreciation and impairment losses:					
Balance on January 1, 2025	\$ 1,352,564	\$ 562,497	\$ 889,187	\$ 1,582	\$ 2,805,830
Depreciation	228,469	200,635	674,147	1,426	1,104,677
Write off - lease modification	-	-	(72)	-	(72)
Write off - lease ending	-	(124,945)	-	(1,050)	(125,995)
Write off - sublease	-	6,402	-	-	6,402
Write off - investment property	-	(2,581)	-	-	(2,581)
Balance on December 31, 2025	\$ 1,581,033	\$ 642,008	\$ 1,563,262	\$ 1,958	\$ 3,788,261
Balance on January 1, 2024	\$ 1,125,755	\$ 658,482	\$ 547,293	\$ 2,320	\$ 2,333,850
Depreciation	228,688	218,097	683,374	1,267	1,131,426
Write off - lease modification	-	(7,939)	-	(534)	(8,473)
Write off - lease ending	(1,879)	(294,610)	(341,480)	(1,471)	(639,440)
Write off - sublease	-	(11,533)	-	-	(11,533)
Balance on December 31, 2024	\$ 1,352,564	\$ 562,497	\$ 889,187	\$ 1,582	\$ 2,805,830
Carrying amounts:					
December 31, 2025	\$ 3,750,999	\$ 668,183	\$ 1,119,630	\$ 1,911	\$ 5,540,723
January 1, 2024	\$ 4,204,661	\$ 719,939	\$ 2,096,708	\$ 2,122	\$ 7,023,430
December 31, 2024	\$ 3,979,468	\$ 731,623	\$ 1,788,339	\$ 2,468	\$ 6,501,898

- b. In March 2020, Group subsidiary Eastern Asset cooperated with the Economic Development Bureau of the New Taipei City Government and the North District Office of the State-owned Property Administration on the “Linkou International Media Park Investment Promotion Project” and signed a contract to establish land usage rights. The duration of the land usage rights is 50 years from the date of registration of the land usage, and the land usage was set up on April 13, 2020. During the duration of the contract, Eastern Asset shall pay rent to the North Branch of the State-owned Property Administration of the Ministry of Finance each year at a certain rate of the announced land price. While constructing the areas, the cost would be listed under property, plant and equipment. Please refer to Note 16 for the details.

Eastern Asset also signed an investment contract with the Economic Development Bureau of New Taipei City Government in March 2020. The main contents of the contract are as follows:

- (a) Development and operation period: 50 years from the date of establishment and registration of land usage rights.
 - (b) Development royalties: The total amount is \$200,000 under the right-of-use assets account.
 - (c) Operating royalties: Starting from the date of operation, the actual net operating income of each base for the year is multiplied by the percentage of operating royalties contained in the contract to the net operating income to calculate the actual operating royalties payable by each base.
 - (d) Performance bond: The performance bond has been paid according to the contract amounting to \$200,000 under the guarantee deposits paid account. However, on September 6, 2022, the guarantee deposits paid account was retrieved and replaced it with a joint performance bond issued by the bank also amounting to \$200,000.
- c. In May 2022, the Company signed a contract with the North District Office of the State-owned Property Administration to establish land usage rights. The duration of the

land usage rights is 70 years from the date of registration, and the land usage was set up on May 3, 2022. In the duration of the contract, the Company shall pay rent to the North Branch of the State-owned Property Administration of the Ministry of Finance each year at a certain rate of the announced land price. While constructing the areas, the cost would be listed under property, plant and equipment. Please refer to Note 16 for the details.

- d. The land rights obtained by Eastern Asset and the Company respectively are expected to be used to build the headquarters of the Eastern Media Group and nearby areas, and the depreciation expenses of the right-of-use assets and the interest expenses of lease liabilities during the planning and construction period will be capitalized. The interest rates were at 2.75%~3.25%. Details were as follows:

	For the years ended December 31	
	2025	2024
Right-of-use assets depreciation expense	\$ 23,998	\$ 23,997
Interest expense on lease liabilities	\$ 23,742	\$ 24,012

The above accounts are listed under property, plant and equipment. Please refer to Note 16 for details.

- e. ET New Media, ET Pet and Care Pet Bio-Tech subleased its leasehold properties partially in financial leasing. The durations of subleases were the same as the original leases. The maturity analysis of lease payments receivable under operating subleases was as follows:

	December 31, 2025	December 31, 2024
Within 1 year	\$ 18,505	\$ 21,416
1-3 years	31,583	36,311
3-5 years	25,089	25,216
More than 5 years	15,863	23,101
Total subleasing investment	91,040	106,044
Unearned finance income	(9,066)	(10,850)
Lease payments receivables (current and non-current)	\$ 81,974	\$ 95,194

For credit risk; please refer to Note 32.

- f. The Company leased back the office it sold, leading the increase in right-of-ues assets at \$20,967. The unrealized gain would be amortized during the lease. Details were as follows:

	For the years ended December 31	
	2025	2024
Balance at January 1	\$ 37,716	\$ -
Increase during the year	-	37,940
Recognized in profit or loss		
Deduction of depreciation expense	(6,502)	(224)
Transfers	(14,026)	-
Balance on December 31	\$ 17,188	\$ 37,716

- g. Reclassified to investment properties

In September 2025, the Copmany subleased a portion of its leased office premises to a third party and reclassified the related right-of-use asset to investment properties at its

fair value on the date of change in use. The difference of \$7,617 between the carrying amount and the fair value of the right-of-use asset on the date of change in use was recognized in “Other comprehensive income – revaluation surplus.” The valuation techniques and significant unobservable inputs used to determine the fair value of the right-of-use asset on the date of change in use were consistent with those applied to investment properties as of the reporting date. Please refer to Note 18 for the details.

h. Impairment losses

The recoverable amount of outdoor advertising boards is calculated based on the value in use, and the value in use in turn is calculated based on the pre-tax cash flow forecast of the financial forecast for the remaining lease period of the outdoor advertising boards. As the years ended December 31, 2025 and 2024, the discount rates used to estimate the value in use were 12.21% and 11.86%. The discount rate is a pre-tax rate measured on the basis of the estimated industry weighted average cost of capital, and the risk premium is adjusted to reflect the increased risk of general investment in equity and the specific systemic risk of cash-generating units.

The cash flow estimation is based on the financial budget of the remaining lease period of the outdoor advertising boards estimated by the management. The estimation of EBITDA during the financial budget period is based on past experience, actual operating results and future lease expiry dates. Considering the nature of the outdoor media business, the management believes that the aforementioned forecast period is reasonable. The relevant operating income is estimated based on past experience and actual operating conditions, taking into account the market environment and the growth of the industry market. It also estimates operating costs and expenses based on past experience and changes in various costs and expenses, and calculates the recoverable amount using the pre-tax discount rate. The values of these key assumptions represent the management's assessment of the future trend of the outdoor media space operation business, while taking external and internal information (historical information) into account.

After the estimation, there was no indication of impairment in 2025 and 2024.

i. Please refer to Note 37 for the details of the right-of-use assets pledged as collateral.

18. Investment properties

a. The details of the investment properties of the Group were as follows:

	Right of use assets
Balance on January 1, 2025	\$ -
Transfers	23,571
Revaluation surplus	(1,887)
Balance on December 31, 2025	\$ 21,684

Investment properties consist of office buildings leased by the Group to third parties under operating leases, as well as right-of-use assets that represent leasehold interests. For additional information, please refer to Notes 17 and 30.

The fair value measurements of the Group's investment properties are classified within Level 3 of the fair value hierarchy. A reconciliation of the carrying amounts at the beginning and end of the period for Level 3 measurements is presented in the aforementioned movement schedule. There were no transfers into or out of Level 3 during the period.

b. As of December 31, 2025, the fair value of the investment properties was \$21,682. The fair value was determined based on an appraisal performed by Mr. Po-Lin Chen of Zonetai real estate appraisers firm, who was qualified real estate appraisers in Taiwan.

The right-of-used assets in investment properties were buildings located in Da'an District, Taipei City, which the Group subleased to third parties under operating lease arrangements.

The lease term of the investment properties is five years, and the lessees do not have any preferential purchase options for the investment properties upon the expiry of the lease term.

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

	December 31, 2025	December 31, 2024
Within 1 year	\$ 4,229	\$ -
1-3 years	2,467	-
Lease payments receivables	\$ 6,696	\$ -

For the years ended December 31, 2025 and 2024, the rental revenue from the investment properties were \$2,190 and \$-, respectively.

d. The fair value of investment properties is measured using the income approach, and the significant assumptions are as follows. When the estimated future net cash inflows increase or the discount rate decreases, the fair value will increase.

	December 31, 2025	December 31, 2024
Future cash inflows from investment properties	\$ 25,181	\$ -
Future cash outflows from investment properties	1,527	-
Net future cash inflows from investment properties	\$ 23,654	\$ -

The contractual monthly rental income of the Group, the prevailing monthly rental rates in the areas where the investment properties are located, and the monthly rental rates of similar comparable properties in the market are all approximately \$1 to \$2 per ping. The Group also collected rental deposits from lessees ranging from \$360 to \$720.

The projected future cash inflows from investment properties included rental income and interest income on deposits. Rental income was estimated based on the Company's existing lease contracts and prevailing market rental rates, taking into account the expected annual growth rate of rentals, over an income analysis period of approximately four years. Interest income on deposits was estimated using the one-year time deposit interest rate. Idle and refurbishment losses were estimated on the assumption that there was no vacancy or deduction for refurbishment losses for the leased portions before the expiry of the contracts, and such losses were reflected in the cash flow projections only after the expiry of the contracts.

The projected future cash outflows from investment properties included insurance premiums, management fees, repair and maintenance expenses and amortized agency fees, which were estimated based on the current level of expenditures and taking into account changes in the construction cost index.

The discount rate was determined with reference to the two-year postal time deposit rate announced by Chunghwa Post Co., Ltd. plus 0.75 percentage points, and

by taking into consideration the liquidity, risk, potential for appreciation and ease of management of the subject property.

e. Quantified information of significant unobservable inputs was as follows:

Valuation technique	Significant unobservable inputs	Interrelationship between significant unobservable inputs and fair value measurement
<p>The discounted cash flow (DCF) analysis under the income approach was adopted as the valuation method. During the lease term, the contractual rents under the Group's lease agreements were used for the valuation, and upon expiry of the lease term, market rents were adopted. The discounted cash flow analysis under the income approach referred to a method whereby the net income for each period over the forecast horizon of the subject property's discounted future cash flows was discounted at an appropriate discount rate and aggregated to derive the value of the subject property. This method was applied to the valuation of real estate held for investment purposes.</p>	<ul style="list-style-type: none"> ● Risk-adjusted discount rate (3.6%, as of December 31, 2025) 	<p>The estimated fair value increased (or decreased) when the risk-adjusted discount rate decreased (or increased).</p>

f. No investment properties were pledged as collateral on December 31, 2025 and 2024, respectively.

19. Short-term loans

Details of short-term loans of the Group were as follows:

	December 31, 2025	December 31, 2024
Unsecured bank loans	\$ 395,548	\$ 11,000
Secured bank loans	275,825	50,000
Total	<u>\$ 671,373</u>	<u>\$ 61,000</u>
Unused credit lines	<u>\$ 588,627</u>	<u>\$ 1,650,000</u>

a. Please refer to Note 21 for the details of the interest rates.

b. Please refer to Note 36 for the details of endorsements and guarantees and Note 37 for the details of the related assets pledged as collateral.

20. Short-term notes and bills

Details of short-term notes and bills of the Group were as follows:

	December 31, 2025	December 31, 2024
No guarantees to pay commercial promissory notes	\$ 100,000	\$ 50,000
Less: discount amount	(207)	(44)
Carrying amount	\$ 99,793	\$ 49,956
Unused credit lines	\$ 100,000	\$ 500,000

a. Please refer to Note 21 for the details of the interest rates.

b. Please refer to Note 36 for the details of endorsements and guarantees.

21. Notes payable and accounts payable (including related parties)

	December 31, 2025	December 31, 2024
Generated from operation		
Notes payable	\$ 1,598	\$ 4,307
Accounts payable	361,664	368,369
Non-generated from operation	2,456	-
	\$ 365,718	\$ 372,676

a. Notes payable which were not generated from operation were 12 periods of repayment checks issued to the leasing company. Since there were demands for short-term working capital of the Group, the Group signed loan contracts with leasing companies. The loaning duration was lasting for one year.

b. The interest rates in short-term loans, short-term notes and bills and notes payable are 2.06%~3.68% and 2.5%~3.625% on December 31, 2025 and 2024, respectively.

22. Long-term loans

Details, conditions, and terms of long-term loans of the Group were as follows:

	December 31, 2025	December 31, 2024
Unsecured loans	\$ 50,000	\$ 51,040
Secured bank loans	6,387,104	5,494,287
Less: Current portion	(295,547)	(994,381)
Syndicated loans	(84,370)	-
hosting fees		
Fees	(22,215)	(22,491)
Total	\$ 6,034,972	\$ 4,528,455
Duration years	115~126	114~126
Unused credit lines	\$ 3,770,021	\$ 2,610,001

a. Please refer to Note 23 for the details of the interest rates.

b. The Group had a secured bank loan as of December 31, 2025. The Group was required to comply with specific covenants regarding debt and interest ratios at the end of each fiscal year. In the event of a breach of these financial ratios, the bank had the right to increase the loan interest rate. The Group also continuously reviewed the impact of

subsequent operating performance on compliance with the aforementioned financial ratios.

- c. On December 22, 2025, the Group entered into a syndicated loan agreement with Mega Bank and four other financial institutions, with a total credit line of \$6,580,000. According to the special covenants stipulated in the agreement, starting from the first full fiscal year after the commencement of full operations, Eastern asset is required during the credit period to meet the financial ratio requirements regarding the equity ratio and the principal-and-interest coverage ratio at each year-end. These financial ratios shall be reviewed annually, based on the borrower's audited financial statements for each fiscal year. If the financial ratio requirements are not met, the banks have the right to increase the loan interest rate and guarantee fee rate.
- d. Please refer to Note 36 for the details of endorsements and guarantees and Note 37 for the details of the related assets pledged as collateral.

23. Long term notes and accounts payable

	December 31, 2025	December 31, 2024
Generated from operation	\$ 61,848	\$ 28,346
Non-generated from operation	130,000	248,859
Less: Current portion	(140,919)	(247,188)
	\$ 50,929	\$ 30,017

- a. Long-term notes payable were 18 to 30 periods of repayment checks. Since there were demands for working capital of the Group, the Group signed installment purchase contracts.
- b. The interest rates in long-term loans and long-term notes and accounts payable are 2.535%~4.825% and 2.058%~4.825% on December 31, 2025 and 2024, respectively.

24. Lease liabilities

Book value of the Group's lease liabilities were as follows:

	December 31, 2025	December 31, 2024
Current	\$ 1,050,245	\$ 1,060,847
Non-current	\$ 4,747,214	\$ 5,648,826

For the maturity analysis, please refer to Note 32.

Lease amounts recognized as profit or loss were as follows:

	For the years ended December 31	
	2025	2024
Interest on lease liabilities	\$ 168,471	\$ 186,283
Interest capitalized on lease liabilities	\$ 23,742	\$ 24,012
Variable lease payments not included in the measurement of lease liabilities	\$ 29,361	\$ 31,857
Expenses relating to short term leases	\$ 369,677	\$ 403,442
Expenses relating to leases of low value assets, excluding short term leases of low value assets	\$ 2,096	\$ 1,294

Lease amounts recognized in the Statements of Cash Flows were as follows:

	For the years ended December 31	
	2025	2024
Total cash outflow for leases	\$ 1,663,122	\$ 1,738,875

a. For the years ended December 31, 2025 and 2024, newly added lease liabilities amounted to \$121,819 and \$752,022, respectively, and the interest rates were 3.5% and 3.25%~3.5%, respectively. Lease period ending dates extend from February 2026 to May 2092 and from March 2025 to May 2092, respectively. However, for the years ended December 31, 2025 and 2024, the group negotiated modifications to its contracts in consideration of its operating conditions, thereby reducing lease liabilities by \$35,742 and \$(78,909), respectively. The information on modifications of the Group's lease contracts, please refer to Note 17 and 31.

b. Leases of land and equipment, and buildings

As of December 31, 2025 and 2024, the Group leased land and buildings for its warehousing operations, office space and retail stores, and the land rights of the group headquarters. The leases of office space typically run for a period of 20 years, retail stores for 1 to 10 years, and land usage rights for 50 to 70 years. Some leases included an option to renew the lease for an additional period of the same duration after the end of the contract term.

The Group subleased its leasehold properties partially in financial leasing. Please refer to Note 17 for the details.

The Group subleased its leasehold properties as investment properties partially in operating leasing. Please refer to Note 18 for the details.

Some leases of office buildings contained extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which lease is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

c. Other leases

The Group leases outdoor advertising boards and transportation equipment with lease terms of three to five years. In some cases, the Group has options to extend lease terms at the end of the contract term.

The Group also leases IT equipment and machinery with contract terms of one to three years. These leases are short-term or leases of low value items. The Group has elected not to recognize right of use assets and lease liabilities for these leases.

d. Sale and lease back

The Company sold its office in November 2024. Later in December 2024, the Company leased back the office and signed a contract with a lease term of 5 years. This transaction made the Company get more funds with revitalizing its assets.

25. Employee benefits

a. Defined benefit plans

The Group determined the movement in the present value of the defined benefit obligations and fair value of plan assets as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Present value of defined benefit obligations	\$ 97,192	\$ 115,897
Fair value of plan asset	<u>(118,963)</u>	<u>(122,006)</u>
Net defined benefit (assets) liabilities	<u>(\$ 21,771)</u>	<u>(\$ 6,109)</u>

(a) Composition of plan assets

The Group allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

The Group's Bank of Taiwan labor pension reserve account balance amounted to \$118,963 as of December 31, 2025. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

(b) Movements in present value of the defined benefit obligations

The movement in present value of the defined benefit obligations for the years ended December 31, 2025 and 2024 were as follows:

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Defined benefit obligations on January 1	\$ 115,897	\$ 134,922
Current service cost and interest	2,050	2,196
Remeasurements of the net defined benefit liability:		
—Actuarial losses (gains) due to experience adjustments	(4,828)	852
Benefits paid by the plan	(15,927)	(22,073)
Others	-	-
Defined benefit obligations on December 31	<u>\$ 97,192</u>	<u>\$ 115,897</u>

(c) Movements of defined benefit plan assets

The movements in the present value of the defined benefit plan assets for the years ended December 31, 2025 and 2024 were as follows:

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Fair value of plan assets on January 1	\$ 122,006	\$ 128,597
Interest revenue	1,610	1,351
Remeasurements of the net defined liability:		
—Return on plan assets (excluding interest for the period)	9,458	11,722
Contributions made from employer	1,816	2,409
Benefits paid by the plan	(15,927)	(22,073)
Fair value of plan assets on December 31	<u>\$ 118,963</u>	<u>\$ 122,006</u>

(d) Expenses recognized in profit and loss

The expenses recognized in profit or loss for the years ended December 31, 2025 and 2024 were as follows:

	For the years ended December 31	
	2025	2024
Service cost of the period	\$ 520	\$ 779
Net interest on net defined benefit liability	(80)	66
	\$ 440	\$ 845
Operating cost	\$ 382	\$ 574
General and administrative expense	58	271
	\$ 440	\$ 845

(e) Actuarial valuations

The principal actuarial assumptions at the reporting date were as follows:

	December 31, 2025	December 31, 2024
Discount rate	1.2%	1.32%
Future salary increase	1%	1%

The expected allocation payment to be made by the Group to the defined benefit plans for the one-year period after the reporting date is \$1,784.

The weighted-average lifetime of the defined benefits plans is nil.

(f) Sensitivity analysis

When calculating the present value of the defined benefit obligations, the Group uses judgments and estimations to determine the actuarial assumptions, including employee turnover rates and future salary changes, as of the financial statement date. Any changes in the actuarial assumptions may significantly impact the amount of the defined benefit obligations.

As of December 31, 2025 and 2024, the changes in the principal actuarial assumptions will impact on the present value of defined benefit obligation as follows:

	Impact on present value of defined benefit obligations	
	Increase	Decrease
December 31, 2025		
Discount of 0.50%	(\$ 17)	\$ 21
Future salary change of 0.50%	\$ 21	(\$ 17)
December 31, 2024		
Discount of 0.50%	(\$ 176)	\$ 187
Future salary change of 0.50%	\$ 187	(\$ 177)

The sensitivity analysis assumed all other variables remain constant during the measurement. This may not be representative of the actual change in defined benefit obligation as some of the variable may be correlated in the actual situation. The model used in the sensitivity analysis is the same as the defined benefit obligation liability.

The analysis is performed on the same basis for prior year.

b. Defined contribution plans

The Group contributed 6% of the employees' monthly wages to the Labor Pension personal accounts at the Bureau of Labor Insurance in accordance with the provisions of

the Labor Pension Act. The Group contributed a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

For the years ended December 31, 2025 and 2024, the Group contributed \$54,317 and \$63,280, respectively, under the pension plan to the Bureau of Labor Insurance.

26. Income taxes

- a. The components of income tax for the years ended December 31, 2025 and 2024 were as follows:

	For the years ended December 31	
	2025	2024
Current income tax expense		
Current period	\$ 1,290	\$ 26,410
Undistributed earnings additional tax	9,076	-
Adjustment for prior periods	608	506
	<u>10,974</u>	<u>26,916</u>
Deferred tax expense		
Origination and reversal of temporary differences	28,599	91,530
Income tax (profit) expense	\$ 39,573	\$ 118,446

The reconciliation of income tax and loss before tax was as follows:

	For the years ended December 31	
	2025	2024
Profit (loss) before tax	\$ 648,246	\$ 423,690
Income tax on pre tax financial income calculated at the domestic rates applicable to profits in the country concerned	129,649	84,738
Differences of income tax rate in foreign countries	(1,459)	8,985
Investment gain or loss from domestic investment accounted for using equity method	(52,815)	(26,342)
Other adjustments in accordance with tax laws	(74,875)	(42,385)
Prior years' adjustment	608	506
Undistributed earnings additional tax	9,076	-
Income basic tax	790	1,414
Deferred income taxes	28,599	91,530
Total	\$ 39,573	\$ 118,446

- b. Deferred tax assets and liabilities

- (a) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	December 31,	December 31,
	2025	2024
Tax effect of deductible temporary differences	\$ 285,488	\$ 272,613
The carryforward of unused tax losses	776,281	921,327
	\$ 1,061,769	\$ 1,193,940

The R.O.C. Income Tax Act allows net losses, as assessed by the tax authorities, to offset taxable income over a period of ten years for local tax reporting purposes.

Deferred tax assets have not been recognized in respect of these items because it is

not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

As of December 31, 2025, the information of the Group's unutilized business unused tax losses for which no deferred tax assets were recognized are as follows:

Year of Occurrence	Remaining Creditable Amount	Year of Expiration
2016	\$ 250,598	2026
2017	251,221	2027
2018	554,958	2028
2019	369,412	2029
2020	387,854	2030
2021	178,585	2031
2022	203,544	2032
2023	1,029,260	2033
2024	429,161	2034
2025	226,810	2035
	\$ 3,881,403	

(b) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for the years ended December 31, 2025 and 2024, were as follows:

	For the years ended December 31	
	2025	2024
Deferred Tax Assets:		
Balance, January 1	\$ 60,154	\$ 151,410
Recognized in profit or loss	(28,790)	(91,256)
Balance, December 31	\$ 31,364	\$ 60,154
	For the years ended December 31	
	2025	2024
Deferred Tax Liabilities:		
Balance, January 1	\$ 274	\$ -
Recognized in profit or loss	(191)	274
Balance, December 31	\$ 83	\$ 274

- c. The Company's tax returns for the years through 2022 were examined and approved by the tax authority. Its subsidiaries'- EIC, EILF, TKLF, ET New Media, EHR, Eastern asset, Dung sen shin guang yun, Dung sen min diau yun, ET Pet and Care Pet Bio-Tech tax returns for the years through 2023 were examined and approved by the tax authority.

27. Capital and other equity

a. Ordinary shares

As of December 31, 2025 and 2024, the total value of nominal ordinary shares amounted to \$15,000,000 with a par value of \$10 (dollars) per share. The total numbers of shares were 327,265 and 300,243 thousand shares, respectively.

The shareholders' meeting approved the resolution that the Company capitalized retained earnings to issue 27,022 thousand new shares, each with a par value of NT\$10. The Company's board of directors approved the reference date for this resolution was on July 15, 2025. The registration procedures were finished on December 23, 2025. For further information, please refer to the Market Observation Post System.

b. Capital surplus

The balances of capital surplus as of December 31, 2025 and 2024, were as follows:

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Difference between consideration and carrying-amount of subsidiaries acquired or disposed	\$ -	\$ 5,538

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

For the year ended December 31, 2024, due to the changes in subsidiaries, the Company recognized a reduction in capital surplus of \$10,454.

c. Retained earnings

(a) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

(b) Special reserve

By choosing to apply exemptions granted under IFRS 1 First time Adoption of International Financial Reporting Standards during the Company's first-time adoption of the International Financial Reporting Standards (IFRSs) endorsed by the Financial Supervisory Commission, unrealized revaluation gains recognized under shareholders' equity and cumulative translation adjustments (gains) shall be reclassified as investment property at the adoption date. In accordance with permit as issued by the Financial Supervisory Commission, an increase in retained earnings due to the first-time adoption of IFRSs shall be reclassified as a special earnings reserve during earnings distribution, and when the relevant asset is used, disposed of, or reclassified, this special earnings reserve shall be reversed as distributable earnings proportionately.

A portion of current period earnings and undistributed prior period earnings shall be reclassified as a special earnings reserve during earnings distribution. The amount to be reclassified should be equal to the difference between the total net current period reduction of special earnings reserve resulting from the first-time adoption of IFRSs and the carrying amount of other shareholders' equity as stated above. Similarly, a portion of undistributed prior period earnings shall be reclassified as a special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes in other shareholders' equity pertaining to prior periods due to the first-time adoption of IFRSs. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

(c) Earnings distribution

In respect to the Company's dividend policy, in order to cope with the Company's diversified operations and the capital expenditure required for future expansion of the scope of operations and long-term financial planning, it can be based on the needs of the business climate and industry changes and take into account the interests of

shareholders, making appropriate assignments or reservations. Any profit in the annual financial statements shall be paid to all taxes and dues in accordance with the laws and make up for any accumulated deficits, and then set aside 10% of said profits as legal reserve, provided such legal reserve amounts to the total paid-in capital, this provision shall not apply. As well as special reserve appropriation and reversal in accordance with the laws or regulations of the competent authority. If there is still a profit, and the undistributed profit at the beginning of the same period (including adjustment of the amount of undistributed profit), the Board of Directors shall prepare a profit distribution proposal and submit it to the General Meeting of Shareholders for resolution: 1. Shareholders' dividends are allocated with distributable earnings, which shall not be less than 15% of the current year's distributable earnings and; 2. the cash dividend shall not be less than 10% of the current year; 3. however, if the balance of the distributable earnings of the current year minus the beginning undistributed earnings is less than NT\$0.1 per share, the Company may exempt from this provision.

Distribution of the earnings in the preceding paragraph is authorized after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting; by means of issuing new shares, a resolution shall be submitted to the shareholders' meeting in accordance with the regulations.

On February 26, 2024, the Company's Board of Directors resolved to make a capital reduction, and would not distribute dividends this year for there was net loss in 2023. The capital reduction for 2023 was passed in the shareholder's meeting on May 27, 2024.

The appropriation of 2024 earnings concerning cash dividends had been approved by the Company's board of directors on March 5, 2025. The rest appropriations of 2024 earnings were resolved by the shareholder's meeting on May 26, 2025. The appropriation was as follows:

	<u>Amount</u>
	<u>2024</u>
Legal reserve	\$ 62,731
Special reserve-appropriated in according with specific need	519,571
Reversal of special reserve-appropriated according to the amount debited to shareholders' equipment lawfully	(303,712)
Cash dividends	75,061
Stock dividends	270,219

The appropriation of 2025 earnings concerning cash dividends had been approved by the Company's board of directors on March 11, 2026. The rest appropriations of 2025 earnings would be resolved by the shareholder's meeting on May 20, 2026. The appropriation was as follows:

	<u>Amount</u>
	<u>2025</u>
Legal reserve	\$ 14,139
Special reserve-appropriated in according with specific need	15,273
Reversal of special reserve-appropriated according to the amount debited to shareholders' equipment lawfully	(519,571)

	<u>Amount</u>
	<u>2025</u>
Cash dividends	130,906
Stock dividends	291,812

For further information, please refer to the Market Observation Post System.

- (d) The subsidiary, EHR, resolved at its Board of Directors meeting on March 17, 2017 to deliberate on the proposals for a capital reduction and a cash capital increase. Subsequently, on May 22, 2017, the Board resolved to convene the 2017 Annual Shareholders' Meeting. On June 28, 2017, the Shareholders' Meeting resolved to approve Proposal 1: "Capital Reduction" and Proposal 2: "Cash Capital Increase." In accordance with these resolutions, ET Ocean proceeded to implement the capital reduction and increase, and completed the registration of changes with the Ministry of Economic Affairs.

However, shareholders Kao ○-Wen, Kao ○, Kao ○-Chen, and Hsiao ○-Ling filed a lawsuit claiming that the aforementioned shareholders' meeting was unlawful. After years of litigation, the Supreme Court ruled in November 2024 that the resolutions passed at the June 28, 2017 Shareholders' Meeting—namely the "Capital Reduction" and "Cash Capital Increase" proposals—were invalid. The ruling is final and binding. Accordingly, the shareholder structure of EHR shall revert to that in place prior to the June 28, 2017 Shareholders' Meeting.

Based on this ruling, the shareholding percentages of the Company and its subsidiaries—EIC, EILF, and TKLF—in EHR will revert from the current 60.40%, 13.20%, 13.20%, and 13.20%, respectively, to 60.41%, 0%, 0%, and 0% as of the date of the ruling. As a result, 60.41% of EHR's shareholders' equity will be attributable to the Company and its subsidiaries, with the remaining 39.59% attributable to non-controlling interests.

The Group adjusted the equity attribution ratios on the date the ruling became final, resulting in an increase in retained earnings of \$517,771 and a corresponding decrease in non-controlling interests of \$517,771 for the period from June 2017 to November 2024.

When EHR undertook another capital reduction and capital increase in 2025, the Company's ownership interest in EHR may be subject to further changes. Accordingly, the Company appropriated a special reserve of \$519,571.

To improve its capital structure, EHR convened a shareholders' meeting on June 20, 2025, and resolved to approve a capital reduction to offset accumulated losses. The reference date was on July 8, 2025 with an amount of \$699,900. In addition, the Board of Directors resolved on June 30, 2025, to conduct a cash capital increase of \$999,900. The reference date was on July 15, 2025. The capital increase was subscribed by the Company, EIC, EILF, and TKLF with the amount \$603,450, \$132,000, \$132,000 and \$132,000, respectively. After the capital reduction and increase, the shareholding ratios of the Company and EIC, EILF, and TKLF—were 60.35%, 13.20%, 13.20%, and 13.20%, respectively. Since all shareholders did not inject capital with shareholding ratios this time, this made changes in retained earnings and capital surplus amounting \$523,940 and \$5,538, respectively. As for the non-controlling interests, there was an increase at \$529,478. The registration procedures were not finished by the reporting date.

- (e) In 2025, due to the changes in subsidiaries, the Company recognized a reduction in retained earnings of \$2,188.

d. Other equity (net of tax)

(a)

	Foreign currency translation differences for foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Revaluation surplus	Total
Balance on January 1, 2025	(\$ 67,102)	(\$ 6,911)	\$ 31,115	(\$ 42,898)
Exchange differences on foreign operation	(590)	-	-	(590)
Change in other comprehensive income of associates accounted for using equity method	(25,494)	2,830	-	(22,664)
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	(18)	-	(18)
Proceed unrealized losses from financial assets measured at fair value through other comprehensive income	-	(3,138)	-	(3,138)
Change in investments accounted for using equity method	-	3,519	-	3,519
Revaluation surplus	-	-	7,617	7,617
Balance on December 31, 2025	<u>(\$ 93,186)</u>	<u>(\$ 3,718)</u>	<u>\$ 38,732</u>	<u>(\$ 58,172)</u>

	Foreign currency translation differences for foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Revaluation surplus	Total
Balance on January 1, 2024	(\$ 130,027)	(\$ 2,568)	\$ 31,115	(\$ 101,480)
Exchange differences on foreign operation	(54)	-	-	(54)
Change in other comprehensive income of associates accounted for using equity method	62,979	(7,498)	-	55,481
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	3,155	-	3,155
Balance on December 31, 2024	<u>(\$ 67,102)</u>	<u>(\$ 6,911)</u>	<u>\$ 31,115</u>	<u>(\$ 42,898)</u>

(b) As of December 31, 2025, partial right-of-use assets were subleased as operating leasing; therefore, the Group made a reclassification from right-of-use assets into investment properties. Please refer to Note 17 for the details.

28. Earnings per share

The basic earnings per share were calculated as follows:

	For the years ended December 31	
	2025	2024
Basic earnings per share		
Profit attributable to ordinary shareholders of the Company	\$ 652,854	\$ 371,841
The weighted average number of ordinary shares outstanding (thousand shares)	327,265	327,265
	\$ 1.99	\$ 1.14
Diluted earnings per share		
Profit attributable to ordinary shareholders of the Company	\$ 652,854	\$ 371,841
The weighted average number of ordinary shares outstanding (thousand shares)	327,265	327,265
Effect of dilutive potential ordinary shares:		
Employee stock bonus	80	297
Loss attributable to ordinary shareholders of the Company (weighted average number of ordinary shares (diluted) on December 31)	327,345	327,562
	\$ 1.99	\$ 1.14

On May 26, 2025, the shareholders' meeting resolved to capitalize retained earnings. The reference date was on July 15, 2025. While calculating EPS, the influence of capitalization was retrospectively adjusted.

29. Revenue from contracts with customers

a. Details of revenue

	For the years ended December 31				
	2025				
	Warehousing	Trading	Media	Others	Total
Main services:					
Sales revenue	\$ -	\$ 1,930,779	\$ -	\$ -	\$ 1,930,779
Media revenue	-	-	1,781,148	-	1,781,148
Loading and storage revenue	1,412,083	-	-	-	1,412,083
Other revenue	-	214,545	126,038	8,736	349,319
	\$ 1,412,083	\$ 2,145,324	\$ 1,907,186	\$ 8,736	\$ 5,473,329
	For the years ended December 31				
	2024				
	Warehousing	Trading	Media	Others	Total
Main services:					
Sales revenue	\$ -	\$ 2,038,113	\$ 681	\$ -	\$ 2,038,794
Media revenue	-	-	1,846,073	-	1,846,073
Loading and storage revenue	1,549,851	-	-	-	1,549,851
Other revenue	-	236,330	67,633	10,312	314,275
	\$ 1,549,851	\$ 2,274,443	\$ 1,914,387	\$ 10,312	\$ 5,748,993

b. Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Notes receivable-generated from operation	\$ 5,101	\$ 2,581	\$ 3,501
Installment notes receivable	26,295	26,148	17,360
Accounts receivable	457,889	508,637	496,243
Long-term installment notes receivable	32,770	79,078	86,118
Less: Allowance for doubtful accounts	(42,470)	(44,655)	(46,535)
Unrealized interest revenue	(4,978)	(11,623)	(11,437)
	\$ 474,607	\$ 560,166	\$ 545,250
Contract liability –			
Commodity Gift Certificates and Special Offer Points	\$ 1,869	\$ 3,724	\$ 6,353
Contract liability advertising services	38,277	24,045	22,616
Contract liability others	32,821	36,177	33,191
Total	\$ 72,967	\$ 63,946	\$ 62,160

(a) Please refer to Note 9 for the details of accounts receivable and its impairment.

(b) The major change in the balance of contract assets and contract liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received. There were no significant changes.

For the years ended 2025 and 2024, there were \$53,176 and \$48,777 transferred into revenue from the beginning balance of contract liabilities, respectively.

30. Remuneration of employees

The revised articles were passed in the shareholders' meeting on May 26, 2025. If the Company records a profit for the year (defined as pre-tax earnings before deduction of employee remuneration and director remuneration), and after offsetting accumulated losses, no less than 1% of the remaining amount shall be allocated as employee remuneration (of which no less than 20% of the employee remuneration shall be distributed to base-level employees), and no more than 1% shall be allocated as director remuneration. The allocated amounts shall be recognized as expenses for the current year.

In original articles, the Company makes a profit during the year (referring to profit before tax minus the profit before the distribution of employee compensation), then after deducting any accumulated loss, no less than 1% of the balance shall be allocated as employee compensation, and no more than 1% of the balance shall be allocated as director's compensation.

The company's employee compensation and remuneration of directors and supervisors for the years ended December 31, 2025 and 2024 were \$1,816, \$1,816 \$4,935 and \$4,935, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors, multiplied by the percentage of remuneration to employees. These remunerations were expensed under operating costs or expenses during those periods.

The differences between the actual distributed amounts, as determined by the board of directors, and those recognized in the financial statements, if any, shall be accounted for as changes in accounting estimates and recognized in profit or loss in the following year. The numbers of shares to be distributed were calculated based on the closing price of the Company's ordinary shares, one day before the date of the meeting of Board of Directors.

For further information about employee compensation and remuneration of directors and supervisors of 2024, please refer to the Market Observation Post System.

31. Non-operating income and expenses

a. Interest income

The details of interest income of the Group were as follows:

	For the years ended December 31	
	2025	2024
Interest income from bank deposits	\$ 26,067	\$ 25,801
Interest income from financial assets measured at amortized cost	3,373	1,152
Other interest income	13,284	12,545
	\$ 42,724	\$ 39,498

b. Other income

The details of other revenue of the Group were as follows:

	For the years ended December 31	
	2025	2024
Rental income	\$ 10,548	\$ 16,616
Dividend income	8,278	12,535
Other revenue (Note)	25,586	17,275
	\$ 44,412	\$ 46,426

c. Other gains and losses

The details of other gains and losses were as follows:

	For the years ended December 31	
	2025	2024
Gain on disposal of property, plant, and equipment	\$ 38	\$ 291,668
Lease modification (loss) benefits	(328)	324
Right-of-uses assets subleased benefits	449	2,469
Foreign exchange (loss) gain	(35,991)	15,493
Net gain (loss) on evaluation of financial assets at fair value through profit or loss	135,616	(108,813)
Loss on fair value adjustment of investment property	(1,887)	-
Impairment loss on property, plant, and equipment	-	(10,002)
Other income	35,065	7,341
	\$ 132,962	\$ 198,480

d. Finance costs

The Group's finance costs were as follows:

	For the years ended December 31	
	2025	2024
Interest expenses – lease liabilities	\$ 168,471	\$ 186,283
Interest expenses – bank loans	112,278	108,006
Finance expense	38,641	23,402
	<u>319,390</u>	<u>317,691</u>
Less: operating costs	-	(184)
	<u>\$ 319,390</u>	<u>\$ 317,507</u>

32. Financial instruments

a. Credit risk

(a) Credit risk exposure

As of December 31, 2025 and 2024, the maximum credit exposure for the Group originates from possible non-fulfillment of obligations by counterparties and from financial losses arising from financial guarantees provided by the Company, mainly from:

- The carrying amount of financial assets recognized in the consolidated balance sheet; and
- The amount of liabilities as a result from the Group providing financial guarantees to its customers was \$4,932,426 and \$4,664,478.

(b) Concentration of credit risk

The Group caters to a large group of customers; therefore, there is no concentration of regional credit risk.

For credit risk exposure of notes and accounts receivable, please refer to Note 9.

All of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses. Regarding how the financial instruments are considered to have low credit risk, please refer to Note 4g.

As of December 31, 2025 and 2024, there was no allowance for notes and accounts receivable.

b. Liquidity risk

The following are the contractual maturities of financial liabilities of the Group, including estimated interest payments and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-3 years</u>	<u>3-5 years</u>	<u>More than 5 years</u>
December 31, 2025						
Non derivative financial liabilities						
Loans	\$ 7,001,892	\$ 8,437,182	\$ 1,187,845	\$ 2,171,146	\$ 1,391,909	\$ 3,686,282
Short term notes and bills payable	99,793	100,000	100,000	-	-	-
Payables (current and non-current)	1,890,522	1,896,160	1,844,198	51,962	-	-
Lease liabilities (current and non-current)	5,797,459	7,144,069	1,210,266	1,458,242	852,206	3,623,355
Guarantee deposits received	1,527	1,527	-	1,527	-	-
	<u>\$ 14,791,193</u>	<u>\$ 17,578,938</u>	<u>\$ 4,342,309</u>	<u>\$ 3,682,877</u>	<u>\$ 2,244,115</u>	<u>\$ 7,309,637</u>

	Carrying amount	Contractual cash flows	Within 1 year	1-3 years	3-5 years	More than 5 years
December 31, 2024						
Non derivative financial liabilities						
Loans	\$ 5,583,836	\$ 6,765,925	\$ 1,239,551	\$ 793,446	\$ 1,124,796	\$ 3,608,132
Short term notes and bills payable	49,956	50,000	50,000	-	-	-
Payables (current and non-current)	1,854,417	1,860,436	1,830,236	30,200	-	-
Lease liabilities (current and non-current)	6,709,673	8,231,661	1,251,137	2,050,807	954,996	3,974,721
Guarantee deposits received	2,341	2,341	-	2,341	-	-
	<u>\$ 14,200,223</u>	<u>\$ 16,910,363</u>	<u>\$ 4,370,924</u>	<u>\$ 2,876,794</u>	<u>\$ 2,079,792</u>	<u>\$ 7,582,853</u>

The Group does not expect that the cash flows included in the maturity analysis could occur significantly earlier or in significantly different amounts.

The Group manages and maintains sufficient levels of cash and cash equivalents to support group operations and mitigate the impact of cash flow fluctuations. The management of the Group supervises the utilization of bank credit facilities and ensures compliance with loan agreement terms.

c. Exchange rate risk

(a) Exposure to exchange rate risk

The Group's financial assets and liabilities exposed to exchange rate risk were as follows:

	December 31, 2025			December 31, 2024		
	Foreign Currency	Exchange Rate	TWD	Foreign Currency	Exchange Rate	TWD
Financial assets						
Monetary items						
USD:TWD	\$ 3,042	31.43	\$ 95,615	\$ 2,026	32.785	\$ 66,410
USD:HKD	217	7.7836	6,833	822	7.7653	26,940
CNY:TWD	36	4.496	161	247	4.478	1,105
USD:CNY	42	6.9907	1,320	42	7.3213	1,375
HKD:TWD	123	4.038	496	77,178	4.222	325,844
Non-monetary items						
USD:TWD	\$ 31,584	31.43	\$ 992,691	\$ 33,486	32.785	\$ 1,097,825
CNY:HKD	572	1.1134	2,572	857	1.0607	3,837
HKD:USD	243,366	0.1285	980,699	261,067	0.1288	1,098,976

(b) Sensitivity analysis

The Group's exposure to exchange rate risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, loans, accounts payable, and other payables that are denominated in foreign currency. If the TWD, when compared with each major foreign currency, had appreciated or depreciated 1% (with other factors remaining constant on the reporting date), net profit before tax would have respectively increased or decreased by \$1,044 and \$4,217 for the years ended December 31, 2025 and 2024, respectively. The analysis is performed on the same basis for both periods.

As the Group deals in diverse foreign currencies, gains or losses on foreign exchange are summarized as a single amount. For the the years ended December 31, 2025 and 2024, foreign currency exchange (losses) gains (including realized and unrealized) amounted \$(35,991) and \$15,493, respectively.

d. Interest rate analysis

The interest risk exposure of the Group's financial assets and liabilities is described in the note on market risk management.

The following sensitivity analysis is based on the exposure to interest rate risk of the derivative and non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities on the

reporting date have been outstanding for the whole year. The Group's internal management reported the increases/decreases in interest rates, and changes in interest rates of one basis point are considered by management to be reasonably possible.

If the interest rate had increased or decreased by 1% and assuming all other variable factors remained constant, the Group's net profit after tax would have respectively decreased or increased by \$(29,055) and \$(28,244) for the the years ended December 31, 2025 and 2024. This is mainly due to the Group's variable rate deposit and borrowing.

e. Other market price risk

Sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

Price of securities at reporting date	For the years ended December 31		For the years ended December 31	
	2025		2024	
	Other comprehensive income after tax	Net income	Other comprehensive income after tax	Net income
Increasing 3%	\$ 225	\$ 10,864	\$ 363	\$ 9,969
Decreasing 3%	(225)	(10,864)	(363)	(9,969)

f. Fair value of financial instruments

(a) Fair value hierarchy

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and for equity investments that has no quoted prices in the active markets and whose fair value cannot be reliably measured, disclosure of fair value information is not required:

December 31, 2025	Book Value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 362,135	\$ 362,135	\$ -	\$ -	\$ 362,135
Financial assets at fair value through other comprehensive income	7,500	-	-	7,500	7,500
Financial assets at fair value through profit or loss					
Cash and cash equivalents	3,205,042				
Notes and accounts receivable (including related parties)	443,349				
Other receivables (including related parties)	171,843				
Other current financial assets	40,163				
Long-term notes and accounts payable (including related parties)	31,258				
Refundable deposits	381,178				
Other non-current financial assets	274,128				

December 31, 2025	Book Value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortized cost					
Short-term loans	\$ 671,373				
Short term notes and bills payable	99,793				
Notes and accounts payable (including related parties)	365,718				
Other payables (including related parties)	1,332,956				
Long-term loans (including current portion of long-term loans)	6,330,519				
Lease liabilities (current and non-current)	5,797,459				
Long-term notes and accounts payable (including current portion of long-term notes and accounts payable)	191,848				
Guarantee deposits received	1,527				

December 31, 2024	Book Value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 332,299	\$ 332,299	\$ -	\$ -	\$ 332,299
Financial assets at fair value through other comprehensive income	12,100	-	4,600	7,500	12,100
Financial assets at fair value through profit or loss					
Cash and cash equivalents	2,473,386				
Notes and accounts receivable (including related parties)	486,287				
Other receivables (including related parties)	175,655				
Other current financial assets	429,667				
Long-term notes and accounts payable (including related parties)	73,879				
Refundable deposits	412,528				
Other non-current financial assets	178,640				
Financial liabilities measured at amortized cost					
Short-term loans	61,000				
Short term notes and bills payable	49,956				
Notes and accounts payable (including related parties)	372,676				
Other payables (including related parties)	1,204,536				
Long-term loans (including current portion of long-term loans)	5,522,836				
Lease liabilities (current and non-current)	6,709,673				

December 31, 2024	Book Value	Fair value			Total
		Level 1	Level 2	Level 3	
Long-term notes and accounts payable (including current portion of long-term notes and accounts payable)	\$ 277,205				
Guarantee deposits received	2,341				

(b) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

(b-1) Financial assets measured at amortized cost and financial liabilities measured at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are adopted. If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted price are available, estimates shall be used. The estimates and assumptions used in the evaluation method shall be the discounted value of cash flows to estimate the fair value.

(c) Valuation techniques for financial instruments measured at fair value

(c-1) Non-derivative financial instruments

If there is a quoted market price in an active market for a financial instrument, the fair value is based on the quoted market price in an active market. The fair value of listed (over-the-counter) equity instruments and debt instruments with quoted prices in active markets are based on quoted market prices on major exchanges and over-the-counter (OTC) central government bond marketplaces, which are judged to be popular securities.

A financial instrument is publicly quoted in an active market if quoted prices are readily and consistently available from exchanges, brokers, underwriters, industry associations, pricing services authorities, or regulatory authorities, and if those prices represent prices that are representative of actual and regularly occurring fair market activity. If the above conditions are not met, the market is considered inactive. In general, large bid-ask spreads, significant increases in bid-ask spreads, or low trading volume are indicators of an inactive market.

The fair values of the Group's financial assets and liabilities, such as shares, funds and bonds of listed companies, with standard terms and conditions and traded in active markets, are determined by reference to quoted market prices, respectively.

Except for the above-mentioned financial instruments for which there is an active market, the fair values of other financial instruments are based on valuation techniques or quoted prices with reference to counterparties.

(c-2) Derivative financial instruments

Derivative financial instruments are valued based on widely accepted valuation models, such as discounted and option pricing models. Structured interest rate derivative financial instruments are valued using an appropriate option pricing model (e.g., Black-Scholes model) or other

valuation techniques, such as Monte Carlo simulation.

- (d) Transfers between Level 1 and Level 2
There was no transfer between Level 1 and Level 2 for the years ended December 31, 2025 and 2024.
- (e) Reconciliation of Level 3 fair values
There was no change in fair value through other comprehensive income recognized for the years ended December 31, 2025 and 2024
- (f) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group’s financial instruments that use Level 3 inputs to measure fair value are “Financial assets at fair value through other comprehensive income.”

Quantified information of significant unobservable inputs was as follows:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Interrelationship between significant unobservable inputs and fair value measurement</u>
Financial assets at fair value through other comprehensive income equity investments without an active market	Market comparable companies	<ul style="list-style-type: none"> • Price to book ratio multiple (1.76 and 1.74 as of December 31, 2025 and 2024, respectively) • Discount for lack of marketability (20%) 	<ul style="list-style-type: none"> • The higher the multiple, the higher the fair value • The higher the discount, the lower the fair value
Financial assets at fair value through other comprehensive income equity investments without an active market	Net Asset Value Method	<ul style="list-style-type: none"> • Net Asset Value 	<ul style="list-style-type: none"> • Not applicable

- (g) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The Group’s fair value measurement of financial instruments is reasonable, but using different evaluation models or evaluation parameters may result in different evaluation results. For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects:

	<u>Inputs</u>	<u>Rate increasing or decreasing</u>	<u>Other comprehensive income</u>	
			<u>Favourable</u>	<u>Unfavourable</u>
December 31, 2025				
Financial assets at fair value through other comprehensive income Equity investments without an active market	Price to book ratio multiple	1%	\$ 174	(\$ 174)
Equity investments without an active market	Discount for lack of marketability	1%	174	(174)

	Inputs	Rate increasing or decreasing	Other comprehensive income	
			Favourable	Unfavourable
December 31, 2024				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Price to book ratio multiple	1%	\$ 171	(\$ 171)
Equity investments without an active market	Discount for lack of marketability	1%	171	(171)

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

33. Financial risk management

a. Overview

The Group is exposed to the following risks due to usage of financial instruments:

- (a) Credit risk
- (b) Liquidity risk
- (c) Market risk

This note describes the Group's information concerning risk exposure and the Group's targets, policies and procedures to measure and manage the risks. For more quantitative information about the financial instruments, please refer to related notes to the financial statements.

b. Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has deputized the management of core business departments to develop and monitor the Group's risk management policies. Management reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

c. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty of a financial instrument fails to meet its contractual obligations, which arises principally from the Group's receivables from customers and financial instruments.

(a) Accounts receivable and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. For the year ended December 31, 2025, 10% of the Group's revenue was not concentrated with a single customer; therefore, there was

no significant concentration of credit risk.

The Risk Management Committee has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases, bank references. Purchase limits are established for each customer and represent the maximum open amount without requiring approval from the Risk Management Committee; these limits are reviewed periodically. The Group would not trade with clients who cannot meet the basic credit rating requirement through regular review.

The Group monitored customer credit risk, customers are grouped according to their credit characteristics. Trade and other receivables relate mainly to the Group's wholesale customers. Customers that are graded as "high risk" are placed on a restricted customer list and monitored by the Risk Management Committee, and future sales are made on a prepayment basis.

The Group established a credit policy to obtain the necessary collateral to mitigate risks arising from financial loss due to default risk.

The Group has set up an allowance for impairment to reflect the estimate of incurred losses with respect to trade receivables. The collectible status of the allowance for doubtful accounts is divided into five stages: normal, noticeable, recoverable, recoverable with difficulty, and uncollectible. The Group recognizes the balance of the accounts receivable as impairment loss.

(b) Investment

The credit risk exposure of the bank deposits, fixed income investments, and other financial instruments is measured and monitored by the General Manager's office. The Group only deals with financial institutions, corporations and organizations with a credit rating of investment grade or higher; therefore, there are no significant doubts regarding default on the above financial instruments, and as a result, there is no significant credit risk.

(c) Guarantee

The Group's policy is to provide financial guarantees only to subsidiaries. As of December 31, 2025 and 2024, no other guarantees were outstanding.

d. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

As of December 31, 2025 and 2024, the Group had unused bank credit lines for short term borrowings amounting to \$4,458,648 and \$4,760,001, respectively. According to the Group's evaluation, the working funds of the Group are sufficient to meet its entire contractual obligations and non hedging forward exchange contracts; therefore, management does not expect any significant issue regarding liquidity risk. The Company revised the plan for real estate and investments, which is expected to improve liquidity risk. Equity investments recorded as financial assets carried at cost do not have reliable market prices and are expected to have liquidity risk.

e. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily the New Taiwan Dollar (TWD), US Dollar (USD), and Chinese Yuan (CNY). The currencies used in these transactions are the TWD, EUR, and USD.

Interest is denominated in the same currency as borrowings. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group, and the main currency is the New Taiwan Dollar and US Dollar.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short term imbalances.

(b) Interest rate risk

The Group's interest rate risk is managed by maintaining an appropriate combination of fixed and floating interest rates. The Group periodically evaluates the hedging activities and makes the interest rate and risk preference consistent, so that the hedging strategies are most cost effective.

(c) Other market price risk

The Group is exposed to equity price risk due to the investments in equity securities. This is a strategic investment and is not held for trading. The Group does not actively trade in these investments since the management of the Group monitors and manages the equity investments by holding different investment portfolios. The Group's management will adjust the investment portfolios of stocks and bonds based on the market price. The significant components of the investment portfolios are individually managed.

34. Capital management

Based on current operating characteristics and future development of the Group and external environmental changes, the Group is planning for the need of operating usage, research and development expenses and dividend payment, the Group meets its objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return to shareholders, to safeguard the interests of related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

The Group uses the debt-to-equity ratio to manage capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, other equity interest, and non controlling interests plus net debt.

As at December 31, 2025, the Group's capital management strategy is consistent with the prior year as at December 31, 2024, ensure financing at a reasonable cost. The Group's debt to equity ratios at the balance sheet dates were as follows:

	December 31, 2025	December 31, 2024
Total liabilities	\$ 14,902,544	\$ 14,299,067
Less: cash and cash equivalents	(3,205,042)	(2,473,386)
Net debt	11,697,502	11,825,681
Total Equity	6,397,099	5,178,478
Total capital	\$ 18,094,601	\$ 17,004,159
Net Debt-to-equity ratio	64.65%	69.55%

As of December 31, 2025, the decrease in the debt-to-equity ratio was due to the change in equity. The balance of equity increased significantly in 2025.

35. Investing and financing activities not affecting current cash flow

The Group's investing activities which did not affect the current cash flow for the years ended December 31, 2025 and 2024, were as follows:

	For the years ended December 31	
	2025	2024
Acquisition of property, plant and equipment	\$ 2,464,554	\$ 2,206,916
Add: Notes payable January 1	2,512	-
Other payables January 1	445,408	274,923
Less: Interest and depreciation capitalization	(154,103)	(120,755)
Notes payable December 31	-	(2,512)
Other payables December 31	(706,527)	(445,408)
Cash paid in this period	\$ 2,051,844	\$ 1,913,164

For the details for obtaining right-of-use assets by leasing, please refer to Note 17.

The Group's financing activities which did not affect the current cash flow for the years ended December 31, 2025 and 2024, were as follows:

	January 1, 2025	Cash flows	Non-cash changes		December 31, 2025
			Discount	Amortization of financing use commitment fees	
Short term notes and bills payable	\$ 49,956	\$ 50,000	(\$ 163)	\$ -	\$ 99,793
Long-term loans	5,522,836	891,777	-	(84,094)	6,330,519
Total	\$ 5,572,792	\$ 941,777	(\$ 163)	(\$ 84,094)	\$ 6,430,312

	January 1, 2024	Cash flows	Non-cash changes		December 31, 2024
			Discount	Amortization of financing use commitment fees	
Short term notes and bills payable	\$ 99,779	(\$ 50,000)	\$ 177	\$ -	\$ 49,956
Long-term loans	3,958,832	1,562,707	-	1,297	5,522,836
Total	\$ 4,058,611	\$ 1,512,707	\$ 177	\$ 1,297	\$ 5,572,792

36. Related party transactions

a. Names and relationship with related parties

The followings are entities that have had transactions with related party during the period covered in the consolidated financial statements:

<u>Name of related party</u>	<u>Relationship with the Group</u>
Eastern Home Shopping & Leisure Co., Ltd. (EHS)	An associate
Natural Beauty Bio-Technology Co., Ltd. (Natural Beauty)	An associate
Eastern New Retail Department (EIM) Co., Ltd. (ET New Retail Department)	An associate
Chong Rui Pet International Ltd. (Chong Rui)	An associate
Dongsen Personal Insurance Agent Co., Ltd.	Other related parties
Eastern E-Commerce Co., Ltd. (Eastern E-Commerce)	Other related parties
Eastern Beauty Company Ltd.	Other related parties
Quantum Entertainment Production Co., Ltd. (Quantum Entertainment)	Other related parties
Chinese Non-Store Retailer Association (Non-Store)	Other related parties
EIP TV Co., Ltd. (EIP)	Other related parties
Xu Bon Development Co., Ltd. (Xu Bon)	Other related parties
Dongsen Social Welfare Foundation (Dongsen Social Welfare)	Other related parties
Sen Yue Chuan Bo Co., Ltd. (Sen Yue Chuan Bo)	Other related parties
Asia Animal Medical Association (AAMA)	Other related parties
Taiwan Information and Communication Association	Other related parties
E-Happy Travel Co., Ltd. (E-Happy Travel)	Other related parties
Asia Biotech & Beauty Association	Other related parties
Dongsen Health Biomedical Co., Ltd. (Dongsen Health Biomedical)	Other related parties
Dongsen Health Biotechnology Co., Ltd. (Dongsen Health Biotechnology)	Other related parties
Fortune Enterprise Co., Ltd. (Fortune Enterprise)	Other related parties
Dongsen Culture Foundation (Dongsen Culture)	Other related parties
FAR RICH INTERNATIONAL CORPORATION (FAR RICH)	Key management
All Directors, Supervisors, general manager and vice personnel general of the Group	Key management personnel

b. Significant transactions with related parties

(a) Sales of goods and services

The amounts of significant sales transactions between the Group and related parties were as follows:

	For the years ended December 31	
	2025	2024
Associates	\$ 105,988	\$ 86,271
Other related parties	29,501	19,594
Key management	10,749	10,628
	\$ 146,238	\$ 116,493

The above revenues consist of program production revenue and project planning service revenue.

Transaction terms for the above are the same as those for ordinary transactions.

(b) Purchase of goods

(b-1) The amounts of significant purchase transactions between the Group and related parties were as follows:

	For the years ended December 31	
	2025	2024
Associates	\$ 7,187	\$ 4,945
Other related parties	-	(12)
	\$ 7,187	\$ 4,933

(b-2) The amount of programs production and other between the Group and related parties were as follows:

	For the years ended December 31	
	2025	2024
Associates	\$ 712	\$ 1,160
Other related parties	74,685	76,311
Key management	11,771	11,772
	\$ 87,168	\$ 89,243

Transaction terms for the above are the same as those for ordinary transactions.

(c) Receivables

Accounts	Related parties	December 31, 2025	December 31, 2024
Long-term accounts receivable	EIP	\$ 10,175	\$ 30,156
Accounts receivable	Associates	1,168	1,137
Accounts receivable	EHS	34,688	39,581
Accounts receivable	ET New Retail Department	12,927	12,270
Accounts receivable	Other related parties	1,261	738
Accounts receivable	EIP	20,284	18,999
Accounts receivable	Key management	1,030	1,030
Other receivables	Associates	-	85
Other receivables	Natural Beauty	15	535
Other receivables	EHS	-	1,234
Other receivables	Asia Biotech & Beauty Association	2	-
Other receivables	Other related parties	-	142
		\$ 81,550	\$ 105,907

The Group took installment sale with EIP, and collecting installment notes receivable at an annual interest rate of 4.5% plus interest. In addition, the interest received by the Group was \$1,803 and \$2,642 for the years ended December 31, 2025 and 2024, respectively.

(d) Payables

Accounts	Related parties	December 31, 2025	December 31, 2024
Accounts payable	Associates	\$ 4,185	\$ 3,733
Accounts payable	EIP	34,608	28,529
Accounts payable	Xu Bon	35,552	29,835
Other payables	Associates	154	155
Other payables	EHS	8,566	13,759
Other payables	ET New Retail Department	786	3,049
Other payables	Other related parties	16	243
		\$ 83,867	\$ 79,303

(e) Prepayments, advance receipts and contract liabilities

Details of advance receipts / prepayments from related parties to the Group were as follows:

Accounts	Related parties	December 31, 2025	December 31, 2024
Prepayments	Other related parties	\$ 6,487	\$ 7,116
Contract liabilities	Associates	\$ -	\$ 10
Contract liabilities	Other related parties	75	173
		\$ 75	\$ 183

(f) Endorsement / Guarantee provided

For the years ended December 31, 2025 and 2024 the remuneration paid to related parties for providing guarantees on the loans taken out by the Group was amounted to \$3,188 and \$2,679, respectively. As of December 31, 2025 and 2024, the Group's remuneration payable was amounted to \$887 and \$724, respectively.

(g) Leases

(g-1) The Group rents out part of its office space and equipment to fulfill related parties' business requirements. The rental revenues for the years ended December 31, 2025 and 2024 were amounted to \$1,230 and \$1,177, respectively.

(g-2) As the Group applied on the remission of short-term lease contract of IFRS 16, the rental expenses for the years ended December 31, 2025 and 2024 were amounted to \$12,344 and \$6,793, respectively.

(g-3) The Group leased right-of-use of office spaces and pet stores from its related party in August and December 2022, respectively. The lease terms of the two contracts were 2 years and 10 years, respectively; the rental is based on similar asset's market rental rates. In April 2024, the Group adjusted the rentals, thereby reducing right-of-use assets and lease liabilities by \$2,453. During 2025, the Group negotiated modifications to its contracts in consideration of its operating conditions, thereby reducing lease liabilities by \$7,813. For the years ended December 31, 2025 and 2024, the interest expenses of lease liabilities were \$81 and \$405, respectively. As of December 31, 2025 and 2024, the ending balance of lease liabilities was \$883 and \$10,646, respectively.

(g-4) The Group subleased its leasehold office spaces partially in financial leasing to its related party in August 2024. The initial investment was \$3,164 and the duration of sublease was 17 months. Later in April 2025, the Group terminated some leases, thereby reducing financial leasing by \$1,508. The rental was based on similar asset's market rental rates. For the year ended December 31, 2025 and 2024, the interest revenue of subleases was \$15 and \$44, respectively. As of December 31, 2025 and 2024 the ending balance of financial leasing (recorded as other receivables due from related parties) was nil and \$2,064, respectively.

(g-5) Transaction terms for the above are the same as those for ordinary transactions.

(h) Acquisition of property, plant and equipment

Related parties	For the years ended December 31	
	2025	2024
Associates	\$ -	\$ 272

(i) Other

(i-1) As of December 31, 2024, the Group received guarantee deposits of \$1,500 from other related parties for business transactions and related purposes. The guarantee deposits were returned in 2025.

(i-2) For the years ended December 31, 2025 and 2024, the Group paid operating fees to associates, key management, and other related parties to fulfill its business requirements were amounted to \$17,977 and \$20,687, respectively.

(i-3) In order to follow its operating plan, the Group donated \$2,500 and \$3,750 to related parties in related industries for the years ended December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, the Group's donation payable was amounted to nil and \$1,500, respectively.

(i-4) For the years ended December 31, 2025 and 2024, the Group received non-operating revenue from related parties amounted to \$861 and \$264, respectively.

(i-5) For the years ended December 31, 2025 and 2024, related parties paid the remuneration of directors to the Company was \$200 and nil, respectively.

(i-6) In February 2025, the Group obtained 50% shares of Chong Rui at \$941. The transaction amount has been paid in full.

(i-7) In April 2025, the Company disposed current financial assets at fair value through profit or loss at \$4,600 to key management and generated disposal gain of \$3,141. The transaction amount has been fully received.

(i-8) In April 2025, the Company disposed non-current financial assets at fair value through other comprehensive income at \$4,600 to Fortune Enterprise and generated disposal gain of \$3,138. The transaction amount has been fully received.

c. Key management personnel compensation

	For the years ended December 31	
	2025	2024
Short-term employee benefits	\$ 82,197	\$ 87,019

37. Pledged assets

Pledged assets of the Group were as follows:

Assets	Purpose of pledge	December 31, 2025	December 31, 2024
Property, plant and equipment	Short-term and long-term loans	\$ 8,097,763	\$ 5,778,743
Investments accounted for using equity method	Long-term loans	1,420,197	1,405,536

Assets	Purpose of pledge	December 31, 2025	December 31, 2024
Other current financial assets-demand deposits	Reserve and its interest	20,261	53,567
Other current financial assets-demand deposits	Security for issuance of travel vouchers at travel fair	19,902	29,707
Refundable deposits	Bid bonds, performance bonds and security deposits	326,007	359,492
Other non-current financial assets – reserve account	Deposit in long-term loans	198,814	91,092
Investments accounted for using equity method for subsidiary (Note 1)	Long-term loans	-	-
Right-of-use assets	Long-term loans	1,092,872	1,116,870
Notes receivable and long-term notes and accounts receivable	Notes payable (Note 2)	-	15,776
		<u>\$ 11,175,816</u>	<u>\$ 8,850,783</u>

Note 1: The investments accounted for using equity method for subsidiary's stocks have been written off in the preparation of consolidated financial statement.

Note 2: The assets were pledged to TKLF.

38. Significant commitments and contingencies

a. Major commitments were as follows:

(a) The Company and its subsidiary-EHR had signed contracts relating to manage resorts in Linkuo and Yilan, and also had signed services agreements relating to the hotel's business and authorization with Formosa international hotels corporation. The Company and EHR should pay expenses proportionally while the services provided by Formosa international hotels corporation achieve the standards as the contracts recorded.

(b) Unrecognized contractual commitments:

The Group's unrecognized contractual commitments are as follows:

	December 31, 2025	December 31, 2024
Total contract price	<u>\$ 10,018,136.</u>	<u>\$ 8,253,265</u>
Accounted amount	<u>\$ 5,984,873</u>	<u>\$ 4,277,104</u>

(c) Others:

Items	Purpose	December 31, 2025	December 31, 2024
Joint performance bond issued by the bank	Performance bond for the investment invitation of the Group's headquarter	<u>\$ 200,000</u>	<u>\$ 200,000</u>

b. Contingent liabilities were as follows:

(a) On October 27, 2008, the Securities and Futures Investors Protection Center (the SFIPC) filed a lawsuit to the Taipei District Court against the ex-chairman and the general manager of the Company, together with all the previous directors and supervisors, alleging the offense of gaining an illegal benefit for Chia Hsin and Synthetic Fiber Co., Ltd. as well as for the family members of the ex-chairman. The prosecution is based on the alleged ill-gotten assets from the Company by means of false commodity transactions and capital increment in the name of Eastern International Lease Finance

Co., Ltd. and Tung Kai Lease Finance Co., Ltd. (both are subsidiaries of the Company). The SFIPC also demanded the compensation of \$41,038. The Taipei District Court ruled that the Company violated the Commercial Company Act. However, both the ex-chairman and the general manager were acquitted, and not only did the Company did not bear any losses from the said transaction above, but on the contrary, it gained a profit amounting to \$6,894, plus an additional 5% interest arising from the delayed payment amounting to \$6,884 with a total amount around \$13,000. In other words, the transaction did not do any damage to the Company and its shareholders. As a result, the appeal filed against the Company was denied by the Taipei District Court on December 5, 2012. However, the SFIPC was not satisfied with the decision made by the court. Therefore, it filed another appeal, this time with the Taiwan High Court, demanding compensation amounting to \$22,664. The appeal was denied on December 3, 2013. Nevertheless, the SFIPC filed an appeal once more with the Taiwan High Court on December 24, 2013. The case was transferred from the Supreme Court to the High Court on April 23, 2015, for further investigation. On May 10, 2017, the Taiwan High Court ruled against SFIPC. Therefore, SFIPC filed an appeal to the Supreme Court on June 6, 2017. On February 23, 2021, The Taiwan High Court has ruled on October 1, 2024, stating that the company and its board members should compensate investors who suffered damages due to inaccurate financial reports. However, throughout the case, the prosecutor has never charged anyone with falsifying financial reports. The final criminal judgment has not established that a financial fraud occurred, and it has even acknowledged that the transactions between the company and Chia Hsin and Synthetic Fiber Co., Ltd. regarding bulk materials not only did not result in any damages but actually generated profits, as previously mentioned. Therefore, the company filed an appeal on October 29, 2024. Furthermore, on May 13, 2025, a notice was received from the Supreme Court stating that the original judgment, except for the portion concerning provisional execution, has been vacated and remanded to the Taiwan High Court, and the case is not yet finalized.

- (b)The Company established a legal affair department and hired external counselors to handle its legal affairs. As of December 31, 2025 and 2024, all unsettled lawsuits had no impact on its financial and business operation.

39. Losses Due to Major Disasters: None.

40. Subsequent Events: None.

41. Other

A summary of current period employee benefits, depreciation, and amortization, by function, is as follows:

By function	For the years ended December 31		
	2025		
By nature	Operating cost	Operating expense	Total
Employee benefits			
Salary	\$ 500,597	\$ 632,172	\$ 1,132,769
Health and labor insurance	51,869	60,471	112,340
Pension	24,406	30,351	54,757
Remuneration of directors	-	30,926	30,926
Others	7,958	8,555	16,513
Depreciation expense	993,405	259,221	1,252,626
Amortization expense	4,533	8,007	12,540

By function	For the years ended December 31		
	2024		
By nature	Operating cost	Operating expense	Total
Employee benefits			
Salary	\$ 597,225	\$ 737,207	\$ 1,334,432
Health and labor insurance	60,489	71,013	131,502
Pension	28,475	35,650	64,125
Remuneration of directors	-	31,600	31,600
Others	9,968	11,340	21,308
Depreciation expense	978,134	306,680	1,284,814
Amortization expense	4,430	10,601	15,031

42. Other disclosures

a. Information on significant transactions:

The following is the information on significant transactions required by the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the Group for the years ended December 31, 2025.

- (a) Please refer to Table 1 for the loans to other parties.
- (b) Please refer to Table 2 for the guarantees and endorsements for other parties.
- (c) Please refer to Table 3 for the securities held as of December 31, 2025 (excluding investment in subsidiaries, associates and joint ventures).
- (d) Total purchases from or sales to related parties of at least \$100 million or 20% of the paid-in capital: None.
- (e) Please refer to Table 4 for the receivables from related parties of at least \$100 million or 20% of the paid-in capital.
- (f) Please refer to Table 5 for the business relationships and significant intercompany transactions.

b. Information on investees

Please refer to Table 6 or the information on investees for the year ended December 31, 2025.

c. Information on investment in Mainland China

- (a) Please refer to Table 7 for the relevant information such as the name and main business items of the investee company in Mainland China.

- (b) Please refer to Table 7 for the limitation on investment in Mainland China
(c) Please refer to Table 7 for the significant transactions with investee companies in Mainland China.

43. Segment information

a. General Information

The Group's reportable segments are warehousing, trading, media, and tourism. The warehousing segment operates a cargo storage business; the trading segment operates a retail business; the media segment operates a channel agency and advertising business; the tourism segment operates a hotel and catering business.

b. Reportable segment profit or loss, segment assets, segment liabilities, and their measurement and reconciliation

The Group uses the internal management report that the chief operating decision maker reviews as the basis to determine resource allocation and make a performance evaluation. The internal management report includes profit before taxation, excluding any extraordinary activity and foreign exchange gain or losses, because taxation, extraordinary activity, and foreign exchange gains or losses are managed on a group basis, and hence they are not able to be allocated to each reportable segment. In addition, not all reportable segments include depreciation and amortization of significant non cash items. The reportable amount is similar to that in the report used by the chief operating decision maker.

Except for the recognition and measurement of pension cost, which is on a cash basis, there was no material inconsistency between the accounting policies of the operating segments and the accounting policies described in Note 4. The intercompany transaction price was the same as that with other customers, and the price was based on the market value.

The Group's operating segment information and reconciliation are as follows:

For the year ended December 31, 2025						
	Warehousing	Trading	Media	Tourism	Others	Total
Revenue:						
Revenue from external customers	\$1,412,083	\$2,145,324	\$1,907,186	\$ -	\$ 8,736	\$5,473,329
Interest revenue	-	4,379	3,115	2,680	32,550	42,724
Total revenue	\$1,412,083	\$2,149,703	\$1,910,301	\$ 2,680	\$ 41,286	\$5,516,053
Interest expense	90,525	43,508	62,847	42,258	80,252	319,390
Depreciation and amortization	314,710	207,386	513,590	-	229,480	1,265,166
Share of profit of associates and joint ventures accounted for using equity method	-	335,589	-	-	(71,516)	264,073
Reportable segment profit or loss before tax	\$ 467,340	\$ 248,756	\$ 12,349	(\$ 48,342)	(\$ 31,857)	\$ 648,246
For the year ended December 31, 2024						
	Warehousing	Trading	Media	Tourism	Others	Total
Revenue:						
Revenue from external customers	\$1,549,851	\$2,274,443	\$1,914,387	\$ -	\$ 10,312	\$5,748,993
Interest revenue	-	5,114	3,625	412	30,347	39,498
Total revenue	\$1,549,851	\$2,279,557	\$1,918,012	\$ 412	\$ 40,659	\$5,788,491
Interest expense	95,854	43,250	79,720	35,351	63,332	317,507
Depreciation and amortization	282,793	257,565	738,030	-	21,457	1,299,845
Share of profit of associates and joint ventures accounted for using equity method	-	319,594	-	-	(187,886)	131,708
Material non-monetary item: Impairment losses	-	10,002	-	-	-	10,002
Reportable segment profit or loss before tax	\$ 473,253	\$ 100,487	(\$ 153,769)	(\$ 56,145)	\$ 59,864	\$ 423,690

Information on the Group's reportable segment assets and liabilities were not provided to the chief operating decision maker, so the related information is not disclosed.

c. Information about products and services

Information on the Group's reportable segments (excluding discontinued operation amount) is classified by different products and services, and the relevant information is disclosed in the revenue from external customers. Therefore, the Group would not make any additional disclosure regarding the revenue from external customers by products and services.

d. Geographical information

In presenting information on the basis of geography, segment revenue is based on the geographical location of customers, and segment assets are based on the geographical location of the assets.

Regions	For the years ended December 31	
	2025	2024
External revenue :		
Taiwan	\$ 5,348,011	\$ 5,648,304
Hong Kong	2,385	15,052
The USA	122,933	85,637
	\$ 5,473,329	\$ 5,748,993
Non-current assets :		
Taiwan	\$ 14,073,847	\$ 12,701,682

Non current assets include property, plant and equipment, intangible assets, right of use assets, and other non current assets, excluding financial instruments, deferred tax assets and pension fund assets.

e. Information about major customers

The Group does not concentrate on a single customer; therefore, there is no need to disclose any information.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Loans to other parties

For the year ended December 31, 2025

(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 1

No.	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period %	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Company	EHR	Other receivables - related parties	Yes	\$ 150,000	\$ 150,000	\$ 100,000	3.50	2	-	Operation requirements	-	-	-	\$ 1,719,154 (Note 2)	\$ 2,578,731 (Note 2)
0	"	ET New Media	"	Yes	700,000	650,000	650,000	3.50	2	-	"	-	-	-	1,719,154 (Note 2)	2,578,731 (Note 2)
0	"	Care Pet Bio-Tech	"	Yes	100,000	100,000	40,000	3.50	2	-	"	-	-	-	1,719,154 (Note 2)	2,578,731 (Note 2)
0	"	EILF	"	Yes	120,000	120,000	57,000	3.50	2	-	"	-	-	-	1,719,154 (Note 2)	2,578,731 (Note 2)
1	EIC	ET New Media	"	Yes	350,000	250,000	250,000	3.50	2	-	"	-	-	-	393,168 (Note 3)	589,752 (Note 3)
1	"	Dung sen min diau yun	"	Yes	10,000	-	-	3.50	2	-	"	-	-	-	393,168 (Note 3)	589,752 (Note 3)
1	"	Dung sen shin guang yun	"	Yes	1,000	1,000	200	3.50	2	-	"	-	-	-	393,168 (Note 3)	589,752 (Note 3)
1	"	Care Pet Bio-Tech	"	Yes	30,000	-	-	3.50	2	-	"	-	-	-	393,168 (Note 3)	589,752 (Note 3)
2	TKLF	ET New Media	"	Yes	225,000	210,000	210,000	3.50	2	-	"	-	-	-	301,388 (Note 4)	452,082 (Note 4)
2	"	Dung sen min diau yun	"	Yes	10,000	-	-	3.50	2	-	"	-	-	-	301,388 (Note 4)	452,082 (Note 4)
2	"	A li shan dong fang ming shu	Other receivables	No	20,000	20,000	20,000	9.00	2	-	"	-	Longtan land mortgage	\$ 28,438	37,674 (Note 4)	452,082 (Note 4)

(to be continued)

(continued)

No.	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period %	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
2	TKLF	Lido International Management	Other receivables	No	\$ 29,000	\$ 29,000	\$ 29,000	8.5	2	-	Operation requirements	-	Shiding land mortgage	\$ 33,514	\$ 37,674 (Note 5)	\$ 452,082 (Note 5)
3	EILF	ET New Media	Other receivables - related parties	Yes	170,000	170,000	120,000	3.5	2	-	"	-	-	-	267,577 (Note 5)	401,366 (Note 5)
3	"	Lido International Management	Other receivables	No	20,000	20,000	20,000	8.5	2	-	"	-	Shiding land mortgage	28,254	33,447 (Note 5)	401,366 (Note 5)
3	"	DE-NIAN INTERNATIONAL INC.	"	No	28,000	28,000	28,000	8	2	-	"	-	Gongliao land mortgage	31,169	33,447 (Note 5)	401,366 (Note 5)
3	"	JN AGRICULTURE CORPORATION	"	No	22,000	22,000	22,000	8	2	-	"	-	Gongliao land mortgage	24,490	33,447 (Note 5)	401,366 (Note 5)

Note 1: Lending of capital has the following two types:

- (1) Those with business dealings.
- (2) The necessity for short-term financing.

Note 2: The Company's total amount available for lending shall not exceed 60% of its net worth. For subsidiaries where the Company holds more than 50% of the shares, the individual amount available for lending shall not exceed 40% of its net worth in the most recent financial statements. For subsidiaries where the Company holds less than 50% of the shares, the individual amount available for lending shall not exceed 5% of its net worth in the most recent financial statements.

Note 3: For EIC, the aggregate amount available for lending shall not exceed 60% of its net worth in the most recent financial statements. The individual amount available for lending to its parent company, subsidiaries or to its parent company's subsidiary company shall not exceed 40% of its net worth in the most recent financial statements.

Note 4: For TKLF, the aggregate amount available for lending shall not exceed 60% of its net worth in the most recent financial statements. The individual amount available for lending to its parent company or to its parent company's subsidiary company shall not exceed 40% of its net worth in the most recent financial statements. The individual amount available for lending shall not exceed 5% of its net worth in the most recent financial statements.

Note 5: For EILF, the aggregate amount available for lending shall not exceed 60% of its net worth in the most recent financial statements. The individual amount available for lending to its parent company or to its parent company's subsidiary company shall not exceed 40% of its net worth in the most recent financial statements. The individual amount available for lending to other companies short-term financing facility, if necessary, shall not exceed 5% of its net worth in the most recent financial statements.

Note 6: The aforementioned intercompany transactions have been eliminated in the consolidated financial statements.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Guarantees and endorsements for other parties

For the year ended December 31, 2025

(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 2

No.	Name of guarantor	Counter party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements / guarantees to third parties on behalf of subsidiary	Subsidiary endorsements / guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 1)										
0	The Company	ET New Media	2	\$ 17,191,543 (Note 2)	\$ 613,556	\$ 578,835	\$ 236,360	\$ -	13.47%	\$ 17,191,543 (Note 2)	Y	N	N
0	"	EHR	2	17,191,543 (Note 2)	2,576,000	1,264,000	704,000	-	29.41%	17,191,543 (Note 2)	Y	N	N
0	"	Eastern Asset	2	17,191,543 (Note 2)	9,494,000	9,494,000	1,925,000	-	220.90%	17,191,543 (Note 2)	Y	N	N
0	"	ET Pet	2	17,191,543 (Note 2)	1,537,000	1,240,000	424,559	117,586	28.85%	17,191,543 (Note 2)	Y	N	N
0	"	Care Pet Bio-Tech	2	17,191,543 (Note 2)	153,000	95,000	74,507	-	2.21%	17,191,543 (Note 2)	Y	N	N
1	EIC	The Company	3	5,256,574 (Note 3)	925,000	925,000	888,000	331,263	94.11%	5,256,574 (Note 3)	N	Y	N
2	FESS-Panama	The Company	3	3,003,382 (Note 4)	1,000,000	1,000,000	680,000	971,348	100.74%	3,003,382 (Note 4)	N	Y	N

Note 1: The relationship between the one providing endorsements/guarantees and the one receiving endorsements/guarantees is classified into seven types:

- (1) The intercompany business transaction
- (2) Companies in which the Company directly and indirectly holds more than 50% of the voting rights.
- (3) Companies that directly and indirectly hold more than 50% of the voting shares of the Company.
- (4) The Company holds, directly or indirectly, 90% or more of the voting shares of the Company.
- (5) Company that is mutually protected under contractual requirements based on the needs of the contractor.
- (6) Company that is endorsed by its shareholders in accordance with its shareholding ratio because of the joint investment relationship.
- (7) Performance guarantees for pre-sale contracts under the Consumer Protection Act.

Note 2: The Company's aggregate amount allows endorsement or guarantee that does not exceed 400% of its net worth in the most recent financial statements. The individual amount allows endorsement or guarantee to subsidiaries where the Group holds more than 50% of the shares that does not exceed 400% of its net worth in the most recent financial statements.

Note 3: For EIC, the aggregate amount allows an endorsement or guarantee that does not exceed 500% of its total assets in the most recent financial statements. The individual amount allows endorsement or guarantee to the Company that does not exceed 500% of its total assets.

Note 4: FESS-Panama's aggregate amount allows endorsement or guarantee that does not exceed 300% of its net worth in the most recent financial statements. The individual amount allows endorsement or guarantee to the company which holds FESS-Panama more than 50% of the shares that does not exceed 300% of its net worth in the most recent financial statements.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Securities held

December 31, 2025

(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 3

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Highest percentage of Owner ship	Note
				Shares/Units	Carrying value	Percentage of ownership	Fair value		
The Company	Formosa Plastics corporation	-	Financial assets at fair value through profit or loss	4,670,000	\$ 182,130	0.07 %	\$ 182,130	0.07 %	
"	Kaohsiung Harbor Stevedoring Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	750,000	7,500	15.00 %	7,500	15.00 %	
"	Leo Exploitation Co., Ltd.	-	"	165,663	-	11.43 %	-	11.43 %	
"	TAIWAN PINEAPPLE CORPORATION	-	"	1,134,269	-	1.89 %	-	1.89 %	
EILF	Taiwan Semiconductor Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss	40,000	62,000	- %	62,000	- %	
"	EVA AIRWAYS CORPORATION	-	"	400,000	14,620	0.01 %	14,620	0.01 %	
TKLF	Taiwan Semiconductor Manufacturing Co., Ltd.	-	"	30,000	46,500	- %	46,500	- %	
"	Wistron Corporation	-	"	250,000	37,625	0.01 %	37,625	0.01 %	
"	DELTA ELECTRONICS, INC.	-	"	20,000	19,260	- %	19,260	- %	

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Receivables from related parties of at least \$100 million or 20% of the paid-in capital

December 31, 2025

(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 4

Name of company	Counter party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
The Company	ET New Media	Subsidiary	\$ 651,906	Not applicable	\$ -	-	\$ 1,906	\$ -
The Company	EHR	Subsidiary	100,204	Not applicable	-	-	204	-
EIC	ET New Media	Subsidiary	250,719	Not applicable	-	-	719	-
EILF	ET New Media	Subsidiary	120,345	Not applicable	-	-	345	-
TKLF	ET New Media	Subsidiary	210,604	Not applicable	-	-	604	-

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Business relationships and significant intercompany transactions
December 31, 2025
(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 5

No.	Name of company	Name of counter party	Nature of relationship	Intercompany transactions			Percentage of the consolidated net revenue or total assets
				Account name	Amount	Trading terms	
0	The Company	ET New Media	1	Other receivables - related parties	\$ 651,906	Refer to contract terms or market price	3.06%
0	The Company	EHR	1	Other receivables - related parties	100,204	Refer to contract terms or market price	0.47%
1	EIC	ET New Media	3	Other receivables - related parties	250,719	Refer to contract terms or market price	1.18%
2	EILF	ET New Media	3	Other receivables - related parties	120,345	Refer to contract terms or market price	0.57%
3	TKLF	ET New Media	3	Other receivables - related parties	210,604	Refer to contract terms or market price	0.99%

Note 1 : For the inter-company business relationship and transaction condition in the "Number" column, the labeling method is as follows:

1. Parent company - 0.
2. Subsidiaries - in sequence from 1.

Note 2 : Relationship is classified into three types:

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

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Information on investees

For the year ended December 31, 2025

(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 6

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Ending balance			Highest percentage of Owner ship	Net income (losses) of investee	Share of profits/ losses of investee	Note
				December 31, 2025	December 31, 2024	Shares/Units	Percentage of ownership	Carrying value				
The Company	FESS-Panama	Panama	Holding company	\$ 2,253,531 (\$USD 71,700)	\$ 2,350,685 (\$USD 71,700)	71,700	100.00%	992,691	100.00%	(83,822)	(83,822)	Subsidiary
The Company	EIC	Taiwan	General investing	342,117	342,117	88,110,000	97.90%	962,278	97.90%	256,137	250,759	Subsidiary
The Company	EILF	Taiwan	Leasing	391,195	391,195	47,604,809	53.77%	359,690	53.77%	48,745	26,210	Subsidiary
The Company	TKLF	Taiwan	Leasing	391,613	391,613	49,651,356	53.76%	405,096	53.76%	70,139	37,710	Subsidiary
The Company	ET Pet	Taiwan	Pet food and supplies and providing pet beauty service	439,209	439,209	43,920,883	62.74%	(73,754)	62.74%	(81,692)	(51,257)	Subsidiary
The Company	EHS	Taiwan	Department stores, supermarkets, online stores	81,978	81,978	6,637,500	6.51%	122,485	6.51%	1,318,377	85,862	Associate (Note 1)
The Company	ET New Media	Taiwan	Advertising, online newspaper, Produce a broadcast program	535,225	535,225	53,522,508	89.20%	(1,079,043)	89.20%	(49,975)	(44,580)	Subsidiary
The Company	EHR	Taiwan	Management & consultancy services, leisure site management, catering business, sports training business, catering business	603,511	359,931	60,351,057	60.35%	(226,072)	60.41%	(46,689)	(28,193)	Subsidiary (Notes 1 and 2)
The Company	Eastern Asset	Taiwan	Real estate leasing	2,750,000	1,925,000	275,000,000	55.00%	2,710,036	55.00%	(38,429)	(21,136)	Subsidiary
EIC	ET New Media	Taiwan	Advertising, online newspaper, Produce a broadcast program	6,275	6,275	627,492	1.05%	(12,651)	1.05%	(49,975)	Exempt from disclosure	Subsidiary
EIC	EHS	Taiwan	Department stores, supermarkets, online stores	243,794	243,794	19,726,660	19.36%	364,025	19.36%	1,318,377	"	Associate (Note 1)
EIC	TKLF	Taiwan	Leasing	77,115	77,115	9,235,035	10.00%	75,347	10.00%	70,139	"	Subsidiary
EIC	EILF	Taiwan	Leasing	74,464	74,464	8,853,440	10.00%	66,894	10.00%	48,745	"	Subsidiary
EIC	EHR	Taiwan	Management & consultancy services, leisure site management, catering business, sports training business, catering business	132,000	-	13,200,000	13.20%	(49,447)	13.20%	(46,689)	"	Subsidiary (Notes 2)
TKLF	EILF	Taiwan	Leasing	269,766	269,766	31,872,384	36.00%	240,819	36.00%	48,745	"	Subsidiary
TKLF	EHR	Taiwan	Management & consultancy services, leisure site management, catering business, sports training business, catering business	132,000	-	13,200,000	13.20%	(49,447)	13.20%	(46,689)	"	Subsidiary (Notes 2)
EILF	TKLF	Taiwan	Leasing	278,342	278,342	33,246,125	36.00%	271,249	36.00%	70,139	"	Subsidiary
EILF	EHR	Taiwan	Management & consultancy services, leisure site management, catering business, sports training business, catering business	132,000	-	13,200,000	13.20%	(49,447)	13.20%	(46,689)	"	Subsidiary (Notes 2)

(to be continued)

(continued)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Ending balance			Highest percentage of Owner ship	Net income (losses) of investee	Share of profits/ losses of investee	Note
				December 31, 2025	December 31, 2024	Shares/Units	Percentage of ownership	Carrying value				
FESS-Panama	GSMC-Cayman	Cayman Islands	Holding company	\$ 66,003	\$ 88,520	210,000	100.00%	\$ 13,214	100.00%	(\$ 198)	Exempt from disclosure	Subsidiary
FESS-Panama	Eastern Media Communication (Hong Kong)	Hong Kong	Holding company	(USD 2,100)	(USD 2,700)	27,469,840	100.00%	1,510	100.00%	(1,285)	"	Subsidiary
FESS-Panama	Natural Beauty	Cayman Islands	Holding company	1,109,168	1,156,986	600,630,280	30.00%	971,348	30.00%	40,270	"	Associate (Note 1)
GSMC-Cayman	GRAND SCENE TRADING (HONG KONG)	Hong Kong	Holding company	(USD 35,291)	(USD 35,291)	1,230,000	100.00%	7,841	100.00%	84	"	Subsidiary
ET New Media	Dung sen shin guang yun	Taiwan	Audiovisual and singing, information leisure	2,188,268	2,287,981	300,000	100.00%	(214)	100.00%	(1,007)	"	Subsidiary
ET New Media	Dung sen min diau yun	Taiwan	Consulting management, market research and opinion poll	(HKD 541,919)	(HKD 541,919)	500,000	100.00%	4,044	100.00%	352	"	Subsidiary
ET New Media	ET Pet	Taiwan	Pet food and supplies and providing pet beauty service	49,636	71,475	17,442,850	24.92%	(29,291)	24.92%	(81,692)	"	Subsidiary
ET Pet	Care Pet Bio-Tech	Taiwan	Pet food and supplies and providing pet beauty service	(USD 1,579)	(USD 2,180)	3,670,040	73.40%	(25,995)	73.40%	(24,209)	"	Subsidiary
Care Pet Bio-Tech	Chong Rui Pet International Ltd.	Taiwan	Pet food and supplies and providing pet beauty service	3,000	3,000	-	50.00%	845	50.00%	(192)	"	Associate (Note 3)
				5,000	5,000	-						
				174,429	174,429							
				36,700	7,000							
				941	-							

Note 1: For the details of the investments accounted for using equity method pledged as collateral of the Group please refer to Notes 12 and 37.

Note 2: Due to the failure of EHR's lawsuit, the shareholding ratio of the Company, EIC, EILF and TKLF must be restored from 60.40%, 13.20%, 13.20% and 13.20% to 60.41%, 0%, 0% and 0% since the ruling date.

Consequently, the number of shares increased without a corresponding increase in the investment amount. The Company, EIC, EILF and TKLF adjusted the investment into prepayments (recognized as other non-current assets). Between June 2017 and November 2024, the amount was \$694,600, \$151,800, \$151,800 and \$151,800, respectively. The Board of Directors of EHR resolved on June 30, 2025, to conduct a cash capital increase of \$999,900. The reference date was on July 15, 2025. The capital increase was subscribed by the Company, EIC, EILF, and TKLF. After the capital injection, the shareholding ratios of the Company and EIC, EILF, and TKLF—were 60.35%, 13.20%, 13.20%, and 13.20%, respectively. Please refer to Note 27 for the details.

Note 3: Chong Rui is a limited company and did not issue stocks. Accordingly, the number of shares held was zero.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Information on investment in Mainland China
For the year ended December 31, 2025
(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)
Table 7

1. Relevant information such as the name and main business items of the investee company in Mainland China:

Name of investee	Main businesses and products	Total amount of paid in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2025	Net income (losses) of the investee	Percentage of ownership	Highest Percentage of ownership	Investment income (losses)	Book Value	Accumulated remittance of earnings in current period
					Outflow	Inflow							
Eastern Enterprise Development (Shanghai) Ltd	Operating international circulation logistics business	\$ -	Note 2	\$ 1,027,761	\$ -	\$ -	\$ 1,027,761	\$ -	- %	- %	\$ -	\$ -	\$ -
RICHNESS TRADING (SHANGHAI)	Retail of cosmetics, jewelry and groceries	1,127,481	Note 3	1,197,483	-	-	1,197,483	(1,034)	100.00 %	100.00 %	(1,034)	(1,021)	-
Nanjing Yun Fu	Wholesale trading	46,708	Note 4	94,290	-	-	94,290	(201)	100.00 %	100.00 %	(201)	3,593	-
Jiangsu Sen Fu Da	Research and development of film and television technology	44,960	Note 5	-	-	-	-	-	34.00 %	34.00 %	-	-	-
Shanghai Natural Beauty Fuli Cosmetics Company Limited	Production and sale of beauty care products and provision of beauty and body care services	449,236	Note 3	-	-	-	-	(12,596)	30.00 %	30.00 %	(3,779)	173,319	-
Shanghai Natural Beauty Bio-Med Company Limited	Sales of health care products	96,757	Note 3	-	-	-	-	5,814	30.00 %	30.00 %	1,744	35,435	-
Shanghai Natural Beauty Fuli Cosmetics Company Limited	Production and sale of beauty care products and provision of beauty and body care services	1,090,145	Note 3	-	-	-	-	(17,778)	30.00 %	30.00 %	(5,333)	343,473	-

(to be continued)

(continued)

Note 1: Except that the investment gain (loss) of RICHNESS TRADING (SHANGHAI) and Nanjing Yun Fu was recognized based on the financial statements audited by the same audit team of the Company, the rest of the investment gain (loss) was recognized based on financial statements audited by other audit teams.

Note 2: The Group indirectly made the investment through FESS-Panama, and was complete disposal of all shares on April 23, 2018.

Note 3: The Group indirectly invested through FESS-Panama.

Note 4: The Group indirectly invested through FESS-Panama, and the investment was handling capital reduction and returning shares of CNY \$9,467 on February 1, 2018, the amount of the share is remitted back to the GRAND SCENE TRADING (HONG KONG).

Note 5: The Group indirectly invested t through Nanjing Ji Cheng on August 30, 2012.

Note 6: The amount in the table is translated by the spot rate on the financial reporting date and the average rate throughout the year.

2. Limitation on investment in Mainland China:

Company Name	Accumulated Investment in Mainland China as of December 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
The Company	\$ 2,319,534	\$ 4,109,670	\$ 3,838,258

Note: The limit on investment was determined by 60% of the individual or consolidated total net worth whichever is higher.

3. Significant transactions with investee companies in Mainland China:

For the Group's significant direct or indirect transactions (eliminated when compiling the consolidated financial statements) with investee companies in Mainland China for the years ended December 31, 2025, please refer to "Information on significant transactions" above.

