Hsin Kuang Steel Company Limited and Subsidiaries

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Hsin Kuang Steel Company Limited

Introduction

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

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Szu-Lan Chu and Cheng-Guan Yu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 5, 2026

<u>*Notice to Readers*</u>

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

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

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2026		December 31, 2025		March 31, 2025	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Notes 4 and 6)	$ 1,366,991	5	$ 1,269,648	4	$ 1,181,574	4
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	3,986,196	14	4,109,421	14	3,291,768	11
Financial assets at amortized cost - current (Notes 4, 9 and 30)	170,083	1	165,764	1	193,998	1
Contract assets - current (Note 23)	550,590	2	113,682	-	140,357	-
Notes receivable from unrelated parties (Notes 4, 10 and 30)	1,698,547	6	1,564,167	5	1,554,566	5
Trade receivables from unrelated parties (Notes 4 and 10)	2,985,423	10	2,174,273	8	4,031,285	13
Current tax assets (Notes 4 and 26)	4,898	-	4,888	-	45,770	-
Inventories (Notes 4, 5 and 11)	4,888,156	17	5,593,133	20	6,025,785	20
Prepayments	150,199	-	184,798	1	181,053	1
Other current assets (Notes 17 and 25)	10,210	-	14,996	-	11,656	-
Total current assets	15,811,293	55	15,194,770	53	16,657,812	55
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	516,373	2	632,260	2	685,714	2
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	1,726,239	6	2,184,490	8	2,346,350	8
Investments accounted for using the equity method (Notes 4, 13 and 30)	1,019,229	4	902,694	3	986,935	3
Property, plant and equipment (Notes 4, 14 and 30)	5,877,346	20	5,907,339	21	5,458,414	18
Right-of-use assets (Note 4)	5,951	-	6,561	-	4,842	-
Investment properties (Notes 4, 15 and 30)	3,405,682	12	3,419,492	12	3,460,930	12
Intangible assets (Notes 4 and 16)	74,990	-	77,615	-	38,840	-
Deferred tax assets (Notes 4 and 25)	82,042	-	92,945	-	93,971	1
Other non-current assets (Notes 10 and 17)	294,591	1	300,015	1	327,393	1
Total non-current assets	13,002,443	45	13,523,411	47	13,403,389	45
TOTAL	$ 28,813,736	100	$ 28,718,181	100	$ 30,061,201	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 4 and 18)	$ 6,979,961	24	$ 6,652,007	23	$ 8,236,516	28
Short-term bills payable (Notes 4 and 18)	539,534	2	489,609	2	579,515	2
Contract liabilities - current (Note 23)	383,938	1	378,987	1	894,068	3
Notes payable to unrelated parties (Notes 4 and 19)	457,199	2	399,974	1	368,669	1
Trade payables to unrelated parties (Notes 4 and 19)	271,083	1	266,097	1	205,434	1
Other payables (Note 20)	1,245,426	4	437,373	2	1,227,393	4
Current tax liabilities (Notes 4 and 25)	220,206	1	151,410	1	115,402	-
Current portion of long-term liabilities (Notes 4 and 18)	529,496	2	130,181	-	94,621	-
Other current liabilities	13,766	-	12,015	-	13,580	-
Total current liabilities	10,640,609	37	8,917,653	31	11,735,198	39
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 4 and 18)	6,673,974	23	7,109,942	25	6,998,611	23
Provisions - non-current (Note 4)	41,298	-	33,813	-	17,805	-
Deferred tax liabilities (Notes 4 and 25)	126,650	1	139,280	1	134,972	1
Net defined benefit liabilities - non-current (Notes 4 and 21)	12,168	-	12,953	-	14,273	-
Other non-current liabilities	44,166	-	47,666	-	45,941	-
Total non-current liabilities	6,898,256	24	7,343,654	26	7,211,602	24
Total liabilities	17,538,865	61	16,261,307	57	18,946,800	63
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 22)						
Share capital	3,211,463	11	3,211,463	11	3,211,463	11
Capital surplus	945,730	4	943,445	3	943,445	3
Retained earnings						
Legal reserve	1,611,942	6	1,611,942	6	1,611,942	5
Unappropriated earnings	4,491,917	15	5,224,059	18	3,859,364	13
Total retained earnings	6,103,859	21	6,836,001	24	5,471,306	18
Other equity	288,242	1	746,541	3	788,614	3
Total equity attributable to owners of the Company	10,549,294	37	11,737,450	41	10,414,828	35
NON-CONTROLLING INTERESTS	725,577	2	719,424	2	699,573	2
Total equity	11,274,871	39	12,456,874	43	11,114,401	37
TOTAL	$ 28,813,736	100	$ 28,718,181	100	$ 30,061,201	100

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

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 29)				
Sales	$ 3,766,848	82	$ 4,102,870	81
Other operating revenue	822,225	18	937,971	19
Total operating revenue	4,589,073	100	5,040,841	100
OPERATING COSTS				
Cost of goods sold (Notes 4, 11, 24 and 29)	(3,372,798)	(74)	(3,929,292)	(78)
Other operating costs	(648,443)	(14)	(772,349)	(15)
Total operating costs	(4,021,241)	(88)	(4,701,641)	(93)
GROSS PROFIT	567,832	12	339,200	7
OPERATING EXPENSES				
Selling and marketing expenses (Note 24)	(81,168)	(2)	(72,035)	(2)
General and administrative expenses (Notes 24 and 29)	(60,660)	(1)	(42,201)	(1)
Expected credit gain/(loss) (Note 10)	1,927	-	(480)	-
Total operating expenses	(139,901)	(3)	(114,716)	(3)
PROFIT FROM OPERATIONS	427,931	9	224,484	4
NON-OPERATING INCOME AND EXPENSES (Notes 4, 24 and 29)				
Interest income	757	-	354	-
Other income	15,937	-	20,008	-
Other losses	(198,670)	(4)	(419,361)	(8)
Finance costs	(104,469)	(2)	(102,763)	(2)
Share of profit or loss of associates and joint ventures accounted for using the equity method	5,247	-	(562)	-
Total non-operating income and expenses	(281,198)	(6)	(502,324)	(10)
PROFIT/(LOSS) BEFORE INCOME TAX	146,733	3	(277,840)	(6)
INCOME TAX EXPENSE (Note 25)	(66,925)	(1)	(60,004)	(1)
NET PROFIT/(LOSS) FOR THE PERIOD	79,808	2	(337,844)	(7)

(Continued)

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized (loss)/gain on investments in equity instruments at fair value through other comprehensive income	$ (458,988)	(10)	$ (93,275)	(2)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	689	-	485	-
Other comprehensive (loss)/income for the period, net of income tax	(458,299)	(10)	(92,790)	(2)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	$ (378,491)	(8)	$ (430,634)	(9)
NET PROFIT/(LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ 70,724	2	$ (339,087)	(7)
Non-controlling interests	9,084	-	1,243	-
	$ 79,808	2	$ (337,844)	(7)
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ (387,575)	(8)	$ (431,877)	(9)
Non-controlling interests	9,084	-	1,243	-
	$ (378,491)	(8)	$ (430,634)	(9)
EARNINGS/(LOSS) PER SHARE (Note 26)				
From continuing operations				
Basic	$ 0.22		$ (1.06)	
Diluted	$ 0.22		$ (1.06)	

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

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company									
	Share Capital			Retained Earnings		Other Equity				
	Number of Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2025	321,146	$ 3,211,463	$ 943,445	$ 1,456,003	$ 5,157,256	$ 5,557	$ 875,847	$ 11,649,571	$ 699,211	$ 12,348,782
Appropriation of 2024 earnings										
Legal reserve	-	-	-	155,939	(155,939)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(802,866)	-	-	(802,866)	-	(802,866)
Net loss for the three months ended March 31, 2025	-	-	-	-	(339,087)	-	-	(339,087)	1,243	(337,844)
Other comprehensive income/(loss) for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	485	(93,275)	(92,790)	-	(92,790)
Total comprehensive income/(loss) for the three months ended March 31, 2025	-	-	-	-	(339,087)	485	(93,275)	(431,877)	1,243	(430,634)
Changes of non-controlling interests	-	-	-	-	-	-	-	-	(881)	(881)
BALANCE AT MARCH 31, 2025	321,146	$ 3,211,463	$ 943,445	$ 1,611,942	$ 3,859,364	$ 6,042	$ 782,572	$ 10,414,828	$ 699,573	$ 11,114,401
BALANCE AT JANUARY 1, 2026	321,146	$ 3,211,463	$ 943,445	$ 1,611,942	$ 5,224,059	$ 4,017	$ 742,524	$ 11,737,450	$ 719,424	$ 12,456,874
Appropriation of 2025 earnings										
Cash dividends distributed by the Company	-	-	-	-	(802,866)	-	-	(802,866)	-	(802,866)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(5,967)	(5,967)
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	2,285	-	-	-	-	2,285	-	2,285
Net profit for the three months ended March 31, 2026	-	-	-	-	70,724	-	-	70,724	9,084	79,808
Other comprehensive income/(loss) for the three months ended March 31, 2026, net of income tax	-	-	-	-	-	689	(458,988)	(458,299)	-	(458,299)
Total comprehensive income/(loss) for the three months ended March 31, 2026	-	-	-	-	70,724	689	(458,988)	(387,575)	9,084	(378,491)
Changes of non-controlling interests	-	-	-	-	-	-	-	-	3,036	3,036
BALANCE AT MARCH 31, 2026	321,146	$ 3,211,463	$ 945,730	$ 1,611,942	$ 4,491,917	$ 4,706	$ 283,536	$ 10,549,294	$ 725,577	$ 11,274,871

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

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income/(loss) before income tax	$ 146,733	$ (277,840)
Adjustments for:		
Depreciation expense	77,429	66,520
Amortization expense	2,955	2,268
Expected credit (gain on reversal) loss recognized on trade receivables	(1,927)	480
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	249,986	403,770
Finance costs	104,469	102,763
Interest income	(757)	(354)
Dividend income	(12,749)	(10,020)
Loss on disposal of property, plant and equipment	2,257	-
Share of (profit)/loss of associates	(5,247)	562
(Reversal of write-downs)/write-downs of inventories	(34,928)	14,797
Net (gain)/loss on foreign currency exchange	(32,468)	18,698
Recognition of provisions	7,486	3,298
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(10,876)	(73,177)
Contract assets	(436,908)	(37,179)
Notes receivable	(134,284)	182,649
Trade receivables	(809,476)	(1,394,344)
Other receivables	5,075	(2,810)
Inventories	739,904	221,474
Prepayments	31,567	39,423
Other current assets	1,335	142
Notes payable	57,225	37,433
Trade payables	5,006	15,795
Other payables	(4,350)	(32,359)
Contract liabilities	4,951	184,140
Other current liabilities	(1,756)	3,277
Net defined benefit liabilities	(786)	(932)
Cash used in operations	(50,134)	(531,526)
Interest received	757	354
Dividends received	11,126	8,583
Income tax paid	(62)	(78)
Net cash used in operating activities	(38,313)	(522,667)

(Continued)

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	$ (4,319)	$ (20,656)
Acquisition of associates	(109,000)	-
Payments for property, plant and equipment	(2,038)	(3,815)
Proceeds from disposal of property, plant and equipment	603	-
Increase in other non-current assets	(377)	-
Increase in prepayments for equipment	(24,213)	(29,562)
Increase in refundable deposits	-	(150)
Net cash used in investing activities	(139,344)	(54,183)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	5,476,927	6,621,091
Decrease in short-term borrowings	(5,117,877)	(5,991,384)
Increase/(decrease) in short-term bills payable	50,000	(30,000)
Proceeds from long-term borrowings	46,970	121,490
Repayments of long-term borrowings	(84,362)	(81,202)
Increase in guarantee deposits received	7	-
Interest paid	(99,847)	(93,233)
Change in non-controlling interests	3,036	(881)
Net cash generated from financing activities	274,854	545,881
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	146	84
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	97,343	(30,885)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,269,648	1,212,459
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 1,366,991	$ 1,181,574

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

1. GENERAL INFORMATION

Hsin Kuang Steel Company Limited (the "Company") was incorporated in January 1967. The original paid-in-capital was NT$200 thousand, and ordinary shares were issued subsequently for promoting business expansion and a sound financial structure. The Company's share was approved to be listed on the Taipei Exchange (TPEx) in April 1997 and was approved to transfer to the Taiwan Stock Exchange (TWSE) in August 2000. The Company's shares have been listed on the TWSE since September 2000 under the approval of the Financial Supervisory Commission (FSC) of the Republic of China. The Company and its subsidiaries (collectively referred to as the "Group") mainly engages in the cutting, stamping and sale of various steel products, including steel coils, steel plates, round steel bar, stainless steel, alloy steel, special steel and SuperDyma. For the principal operating activities of the Company's subsidiaries, please refer to Note 12.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on May 5, 2026.

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

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

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

   1) Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

      a) The amendments to the application guidance of classification of financial assets

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

         i. If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,

            - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and

            - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

ii. To clarify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

iii. To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

b) The amendments to the application guidance of derecognition of financial liabilities

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

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

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

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

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

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

1) Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

The amendments stipulate that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group's interest as an unrelated investor in the associate or joint venture, i.e., the Group's share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group's interest as an unrelated investor in the associate or joint venture, i.e., the Group's share of the gain or loss is eliminated.

2) IFRS 18 "Presentation and Disclosure in Financial Statements"

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

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

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

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

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

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

See Note 12 and Table 6 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

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

Retirement benefits

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

When developing material accounting estimates, the Group considers the possible impact of climate change and related government policies and regulations, inflation and interest rate fluctuations, volatility in financial markets, US reciprocal tariffs on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The same material accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2025.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$ 1,410	$ 1,428	$ 1,453
Checking accounts and demand deposits	1,365,581	1,268,220	1,180,121
	$ 1,366,991	$ 1,269,648	$ 1,181,574

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

	March 31, 2026	December 31, 2025	March 31, 2025
Bank balance	0.01%-0.725%	0.01%-0.725%	0.002%-0.8%

As of March 31, 2026, December 31, 2025 and March 31, 2025, pledged time deposits and restricted demand deposits were NT$160,883 thousand, NT$156,564 thousand and NT$193,998 thousand, respectively, and were classified as financial assets at amortized cost (refer to Note 9).

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets - current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic and foreign listed shares	$ 3,751,827	$ 3,801,724	$ 3,058,885
Mutual funds	164,361	172,106	103,384
Derivative instruments (not under hedge accounting)			
Foreign exchange forward contracts*	70,008	135,591	129,499
	$ 3,986,196	$ 4,109,421	$ 3,291,768
Financial assets - non-current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic emerging market shares	$ 278,244	$ 394,131	$ 531,100
Domestic unlisted shares	238,129	238,129	154,614
	$ 516,373	$ 632,260	$ 685,714

* At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amounts (In Thousands)
March 31, 2026			
Buy	NTD/USD	2026.4-2026.11	NTD826,230/USD28,150
Sell	USD/NTD	2026.6	USD1,950/NTD61,211
December 31, 2025			
Buy	NTD/USD	2026.1-2026.11	NTD1,569,712/USD54,436
March 31, 2025			
Buy	NTD/USD	2025.4-2025.11	NTD2,434,274/USD77,988

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2026	December 31, 2025	March 31, 2025
Non-current			
Investments in equity instruments	$ 1,726,239	$ 2,184,490	$ 2,346,350

Investments in equity instruments at FVTOCI

	March 31, 2026	December 31, 2025	March 31, 2025
Non-current			
Domestic investments			
Listed shares and emerging market shares			
Ordinary shares - China Steel Corporation	$ 485,746	$ 488,316	$ 687,700
Ordinary shares - Century Wind Power Co., Ltd.	1,004,550	1,460,670	1,409,085
Unlisted shares			
Ordinary shares - Envirolink Corporation	16,800	16,800	19,250
Ordinary shares - Linkou Entertainment Corporation	4,751	4,751	4,224
Ordinary shares - Shin Ji Technology Corporation	3,726	3,726	4,761
Ordinary shares - Hua Mian Corporation	1,043	1,043	1,045
	1,516,616	1,975,306	2,126,065
Foreign investments			
Unlisted shares			
Ordinary shares - China Steel and Nippon Steel Vietnam Stock Company	167,877	168,175	178,972
Ordinary shares - Century International Co., Ltd.	41,746	41,009	41,313
	209,623	209,184	220,285
	$ 1,726,239	$ 2,184,490	$ 2,346,350

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

9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Domestic investments			
Pledged time deposits (a)	$ 39,276	$ 39,264	$ 57,404
Restricted demand deposits (a)	121,607	117,300	136,594
Time deposits with original maturities of more than 3 months (b)	9,200	9,200	-
	$ 170,083	$ 165,764	$ 193,998

a. The ranges of interest rates for pledged time deposits and restricted demand deposits were 0.2%-1.44% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025.

b. The interest rate for time deposits with original maturities of more than 3 months was 1.39% as of March 31, 2026 and December 31, 2025.

c. Refer to Note 30 for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OVERDUE RECEIVABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable			
Operating - unrelated parties	$ 1,700,045	$ 1,565,761	$ 1,556,058
Less: Allowance for impairment loss	(1,498)	(1,594)	(1,492)
	$ 1,698,547	$ 1,564,167	$ 1,554,566
Trade receivables			
At amortized cost - unrelated parties	$ 2,990,987	$ 2,178,178	$ 4,047,121
Less: Allowance for impairment loss	(5,564)	(3,905)	(15,836)
	$ 2,985,423	$ 2,174,273	$ 4,031,285
Overdue receivables (presented under other non-current assets)			
Overdue receivables	$ 72,337	$ 74,706	$ 73,880
Less: Allowance for impairment loss	(8,874)	(12,364)	(8,017)
	$ 63,463	$ 62,342	$ 65,863

a. Notes receivable and trade receivables

The average credit period for sales of goods is 90-150 days. No interest was charged on trade receivables. The Group adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is obtained from other publicly available financial source or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix considering the past default records of the debtor, an analysis of the debtor's current financial position, any credit insurance and recoverable amount as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

The following table details the loss allowance of notes receivable and trade receivables based on the Group's provision matrix.

March 31, 2026

	Not Past Due	1 to 30 Days Past Due	31 Days to 1 Year Past Due	1 to 2 Years Past Due	Over 2 Years Past Due	Total
Expected credit loss rate	0.08%	13.34%	29.78%	0.00%	0.00%	
Gross carrying amount	$ 4,678,654	$ 1,387	$ 10,991	$ -	$ -	$ 4,691,032
Loss allowance (Lifetime ECLs)	(3,604)	(185)	(3,273)	-	-	(7,062)
Amortized cost	$ 4,675,050	$ 1,202	$ 7,718	$ -	$ -	$ 4,683,970

December 31, 2025

	Not Past Due	1 to 30 Days Past Due	31 Days to 1 Year Past Due	1 to 2 Years Past Due	Over 2 Years Past Due	Total
Expected credit loss rate	0.10%	17.10%	17.96%	0.00%	0.00%	
Gross carrying amount	$ 3,730,956	$ 1,076	$ 11,907	$ -	$ -	$ 3,743,939
Loss allowance (Lifetime ECLs)	(3,176)	(184)	(2,139)	-	-	(5,499)
Amortized cost	$ 3,727,780	$ 892	$ 9,768	$ -	$ -	$ 3,738,440

March 31, 2025

	Not Past Due	1 to 30 Days Past Due	31 Days to 1 Year Past Due	1 to 2 Years Past Due	Over 2 Years Past Due	Total
Expected credit loss rate	0.07%	17.14%	92.90%	0.00%	0.00%	
Gross carrying amount	$ 5,542,975	$ 56,184	$ 4,020	$ -	$ -	$ 5,603,179
Loss allowance (Lifetime ECLs)	(3,965)	(9,628)	(3,735)	-	-	(17,328)
Amortized cost	$ 5,539,010	$ 46,556	$ 285	$ -	$ -	$ 5,585,851

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	For the Three Months Ended March 31	
	2026	**2025**
Balance at January 1	$ 5,499	$ 7,236
Add: Net remeasurement of loss allowance	4,118	10,092
Add: Net remeasurement of loss allowance	(96)	-
Less: Reclassification	(2,459)	-
Balance at March 31	$ 7,062	$ 17,328

Compared to January 1, 2026 and 2025, the increase in loss allowance of NT$1,563 thousand and NT$10,092 thousand at March 31, 2026 and 2025, respectively, resulted from the changes in the gross carrying amounts of notes receivables and trade receivables, which increased by NT$947,093 thousand and NT$1,221,307 thousand, respectively.

Refer to Note 30 for information relating to notes receivable pledged as security for borrowings.

b. Overdue receivables

Overdue receivable balances that were past due but for which no allowance for impairment loss was recognized were NT$63,463 thousand, NT$62,342 thousand and NT$65,863 thousand as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively, which are disclosed in the aging analysis below. The Group did not recognize an allowance for impairment loss, because there was no significant change in the credit quality and the amounts were still considered recoverable. The Group holds collateral or other credit enhancements for these balances. In addition, the Group did not have the legal right to offset the overdue receivables with trade payables from the same counterparty.

The aging of overdue receivables that were past due but not impaired was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Over 1 year	$ 63,463	$ 62,342	$ 65,863

The above aging schedule was based on the number of days from the invoice date.

The movements of the loss allowance of overdue receivables were as follows:

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	$ 12,364	$ 21,517
Less: Net remeasurement of loss allowance	(5,949)	(9,612)
Add: Reclassification	2,459	(3,888)
Balance at March 31	$ 8,874	$ 8,017

The Group recognized impairment losses on overdue receivables amounting to NT$8,874 thousand, NT$12,364 thousand and NT$8,017 thousand as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively. These amounts were mainly related to the customers for whom the Group was pursuing legal claims. The net remeasurement amount was calculated as the difference between the overdue receivables' carrying amount and the present value of expected recoverable amount.

11. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	$ 4,006,857	$ 4,786,696	$ 5,044,694
Finished goods	745,861	724,663	649,494
Work in process	19,212	15,217	22,033
Raw materials in transit	116,226	66,557	309,564
	$ 4,888,156	$ 5,593,133	$ 6,025,785

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

	For the Three Months Ended March 31	
	2026	2025
Cost of inventories sold	$ 3,407,726	$ 3,914,495
(Reversal of) inventory write-downs	(34,928)	14,797
	$ 3,372,798	$ 3,929,292

As of March 31, 2026, December 31, 2025 and March 31, 2025, the allowance for inventory write-downs were NT$13,288 thousand, NT$48,216 thousand and NT$89,551 thousand, respectively.

Inventory write-downs were reversed as a result of the fluctuation in the market price of the steel market.

12. SUBSIDIARIES

			Proportion of Ownership (%)		
Investor	Investee	Nature of Business	March 31, 2026	December 31, 2025	March 31, 2025
Hsin Kuang Steel Corporation	Hsin Yuan Investment Co., Ltd.	Investment	100.00	100.00	100.00
Hsin Kuang Steel Corporation	Hsin Ho Fa Metal Co., Ltd.	Sale of metal products for architecture	83.37	83.37	83.37
Hsin Kuang Steel Corporation	Sinpao Investment Co., Ltd.	Investment	100.00	100.00	100.00
Hsin Kuang Steel Corporation	APEX Wind Power Equipment Manufacturing Company Limited	Manufacturing of metal structures, architectural components and energy related equipment	66.14	66.14	66.14
Hsin Kuang Steel Corporation	Hsin Ching International Co., Ltd.	Leasing and warehousing	60.00	60.00	60.00
Hsin Kuang Steel Corporation	Hsin Cheng Logistics Development Co., Ltd.	Leasing and warehousing	100.00	100.00	100.00
Hsin Kuang Steel Corporation	Mason Metal Industry Co., Ltd.	Cutting and processing of automobile steel plate	80.00	80.00	80.00
Hsin Kuang Steel Corporation	Hsin Wei Solar Co., Ltd.	Power generation for non-metal industries	90.00	90.00	49.00
Hsin Yuan Investment Co., Ltd.	APEX Wind Power Equipment Manufacturing Company Limited	Manufacturing of metal structures, architectural components and energy related equipment	1.00	1.00	1.00
Hsin Yuan Investment Co., Ltd.	Hsin Hua Steel Industry Co., Ltd.	Processing and manufacturing of metal structures, architectural components and steel products	100.00	100.00	100.00
Hsin Yuan Investment Co., Ltd.	Hsin Yuan Hsin Industrial Co., Ltd.	Processing and manufacturing of steel products	100.00	100.00	100.00

(Continued)

Investor	Investee	Nature of Business	Proportion of Ownership (%) March 31, 2026	December 31, 2025	March 31, 2025
Hsin Ho Fa Metal Co., Ltd.	APEX Wind Power Equipment Manufacturing Company Limited	Manufacturing of metal structures, architectural components and energy related equipment	2.73	2.73	2.73
Sinpao Investment Co., Ltd.	Mason Metal Industry Co., Ltd.	Cutting and processing of automobile steel plate	1.00	1.00	1.00

(Concluded)

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2026	December 31, 2025	March 31, 2025
Investments in associates	$ 1,019,229	$ 902,694	$ 986,935

As of March 31, 2025, the Group held a 49% equity interest in Hsin Wei Solar Co., Ltd., which was accounted for as an investment in an associate. In order to expand its renewable energy business and strengthen its vertical integration strategy in the photovoltaic sector, the Group acquired 8,200 thousand ordinary shares of Hsin Wei Solar Co., Ltd. on October 16, 2025 at a price of NT$11.09 per share, for a total consideration of NT$90,938 thousand. Following the transaction, the Group's ownership interest increased from 49% to 90%, and the Group obtained control over the investee. Accordingly, Hsin Wei Solar Co., Ltd. has been accounted for as a subsidiary since the acquisition date.

a. Investments in associates

	March 31, 2026	December 31, 2025	March 31, 2025
Material associate	$ 1,019,229	$ 902,694	$ 877,634
Associates that are not individually material	-	-	109,301
	$ 1,019,229	$ 902,694	$ 986,935

1) Material associates

Name of Associate	Nature of Business	Proportion of Ownership and Voting Rights March 31, 2026	December 31, 2025	March 31, 2025
SunnyRich Multifunction Solar Power Co., Ltd.	Renewable energy private power generation equipment	21.07%	20.00%	20.00%

The Company pledged 86,000 thousand shares of SunnyRich Multifunction Solar Power Co., Ltd. as collateral for bank borrowings (refer to Note 30 and Table 1).

SunnyRich Multifunction Solar Power Corporation

	March 31	
	2026	2025
Current assets	$ 2,867,953	$ 2,193,694
Non-current assets	16,309,314	14,247,627
Current liabilities	(936,041)	(947,937)
Non-current liabilities	(13,404,827)	(11,092,200)
Equity	$ 4,836,399	$ 4,401,184
Proportion of the Group's ownership	21.07%	20%
Equity attributable to the Group	$ 1,019,029	$ 880,237
Carrying amount	$ 1,019,229	$ 877,634

	For the Three Months Ended March 31	
	2026	2025
Operating revenue	$ 258,435	$ 238,672
Net income	$ 22,902	$ 20,375
Total comprehensive income	$ 22,902	$ 20,375

2) Aggregate information of associates that are not individually material is as follows:

	For the Three Months Ended March 31, 2025
The Group's share of:	
Net loss	$ (512)
Total comprehensive loss	$ (512)

14. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2026	December 31, 2025	March 31, 2025
Assets used by the Group	$ 5,877,346	$ 5,907,339	$ 5,458,414
Carrying amount per category			
Freehold land	$ 3,702,717	$ 3,702,717	$ 3,702,717
Buildings	894,565	900,133	928,707
Equipment	1,074,333	1,098,583	612,853
Transportation equipment	67,410	57,509	59,810
Miscellaneous equipment	83,505	93,289	115,713
Leasehold improvements	26,169	27,416	30,874
Property under construction and equipment awaiting inspection	28,647	27,692	7,740
	$ 5,877,346	$ 5,907,339	$ 5,458,414

Except for depreciation recognized, the Group did not have significant addition, disposal or impairment for the three months ended March 31, 2026 and 2025. The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives as follows:

Buildings	
Main buildings	10-55 years
Building construction	3-20 years
Equipment	
Main equipment	5-20 years
Equipment maintenance	3-8 years
Transportation equipment	
Trucks and automotive	5-8 years
Stackers	5-9 years
Automotive accessories	3-5 years
Miscellaneous equipment	
Computer equipment	3-10 years
Office equipment and construction	3-10 years
Leasehold improvements	3-15 years

The Group purchased land located in Guanyin and Taibao for operational use from 2005 to 2020. As of March 31, 2026, the total land space purchased was 50,004.07 square meters, with a carrying amount of NT$227,268 thousand. The law stipulates that an entity may not have ownership of land which is registered for agricultural purposes. Therefore, the Group held the land through the signing of the real estate trust agreement with an individual. As a protective measure, the Group signed a contract with the landowner who held the land ownership certificate and registered the ownership certificate, which stated that all the rights and obligations of the land belong to the Group.

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 30.

15. INVESTMENT PROPERTIES

	March 31, 2026	December 31, 2025	March 31, 2025
Completed investment properties	$ 3,405,682	$ 3,419,492	$ 3,460,930

The investment properties were leased out for 2 to 10 years, without an option to extend. The lease contracts contain market review clauses to adjust the lease expense in the event that the lessees exercise their options to renew the lease. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

In addition to the fixed lease payments, the lease contracts also indicate that the lease payments should be adjusted every 2 or 3 years on the basis of the increase in Price Index.

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

	March 31, 2026	December 31, 2025	March 31, 2025
Year 1	$ 341,888	$ 327,476	$ 366,618
Year 2	326,924	301,131	313,024
Year 3	288,587	267,397	295,821
Year 4	212,623	218,667	256,753
Year 5	197,102	213,570	209,965
Year 6 onwards	-	36,024	197,102
	$ 1,367,124	$ 1,364,265	$ 1,639,283

The investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Main buildings	25-55 years
Building construction	6-15 years
Leasehold improvements	5-15 years

The determination of fair value was performed by independent qualified professional appraisers at the end of each reporting period. The fair value was measured by using Level 3 inputs. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value	$ 7,757,138	$ 7,757,820	$ 7,855,371

The investment properties pledged as collateral for bank borrowings are set out in Note 30.

16. OTHER INTANGIBLE ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
Computer software	$ 63,578	$ 66,049	$ 38,840
Power purchase agreement	11,412	11,566	-
	$ 74,990	$ 77,615	$ 38,840

The additions in other intangible assets of the Group for the three months ended March 31, 2026 and 2025 were mainly due to the external purchase of software and power purchase agreement acquired through business acquisition. Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	1-10 years
Power purchase agreement	20 years

17. OTHER ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Other receivables	$ 5,653	$ 9,104	$ 10,421
Temporary payments	500	500	-
Payment on behalf of others	4,057	5,392	1,235
	$ 10,210	$ 14,996	$ 11,656
Non-current			
Refundable deposits	$ 108,723	$ 108,723	$ 106,124
Prepayments for equipment	114,901	120,808	128,562
Overdue receivables	63,463	62,342	65,863
Prepayments	6,917	7,753	26,662
Others	587	389	182
	$ 294,591	$ 300,015	$ 327,393

18. BORROWINGS

a. Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings (Notes 28 and 30)			
Bank loans	$ 72,000	$ 72,000	$ 82,000
Issuance credit payable	910,367	1,022,800	970,555
	982,367	1,094,800	1,052,555
Unsecured borrowings			
Line of credit borrowings (Note 28)	$ 1,905,000	$ 1,616,001	$ 1,840,000
Issuance credit payable	4,092,594	3,941,206	5,343,961
	5,997,594	5,557,207	7,183,961
	$ 6,979,961	$ 6,652,007	$ 8,236,516

The range of weighted average effective interest rates on bank loans was 1.88%-4.94%, 1.9%-5.32% and 1.82%-5.55% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

b. Short-term bills payable

	March 31, 2026	December 31, 2025	March 31, 2025
Commercial paper (Notes 28 and 30)	$ 540,000	$ 490,000	$ 580,000
Less: Discount on short-term bills payable	(466)	(391)	(485)
	$ 539,534	$ 489,609	$ 579,515

Outstanding short-term bills payable were as follows:

March 31, 2026

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral	Carrying Amount of Collateral
Commercial paper						
Corporation A	$ 100,000	$ 135	$ 99,865	2.17%	-	$ -
Corporation B	160,000	76	159,924	2.16%-2.28%	-	-
Corporation C	130,000	188	129,812	2.17%-2.18%	-	-
Corporation D	150,000	67	149,933	2.17%	-	-
	$ 540,000	$ 466	$ 539,534			

December 31, 2025

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral	Carrying Amount of Collateral
Commercial paper						
Corporation A	$ 100,000	$ 130	$ 99,870	2.17%	-	$ -
Corporation B	130,000	173	129,827	2.17%-2.24%	-	-
Corporation C	110,000	6	109,994	2.17%-2.24%	-	-
Corporation D	150,000	82	149,918	2.17%	-	-
	$ 490,000	$ 391	$ 489,609			

March 31, 2025

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral	Carrying Amount of Collateral
Commercial paper						
Corporation A	$ 100,000	$ 35	$ 99,965	2.17%	Head office	$ 18,147
Corporation B	200,000	87	199,913	2.18%-2.24%	-	-
Corporation C	130,000	243	129,757	2.18%-2.24%	-	-
Corporation D	150,000	120	149,880	2.18%	-	-
	$ 580,000	$ 485	$ 579,515			

c. Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings (Note 30)			
Syndicated bank loans - Mega International Commercial Bank (1)	$ 6,000,000	$ 6,000,000	$ 6,000,000
Bank loans - Chang Hwa Bank Sanchungpu Branch (2)	171,875	177,083	192,708
Bank loans - Land Bank of Taiwan (3)	537,700	537,700	537,700
Bank loans - Mega International Commercial Bank (4)	81,818	98,182	147,273
Bank loans - Banking Division of Far Eastern International Bank (5)	-	-	8,333
Bank loans - First Commercial Bank (6)	55,846	60,466	214,802
Bank loans - First Commercial Bank (7)	64,454	65,551	-
Bank loans - Bank SinoPac (8)	221,573	230,163	-
Bank loans - O-Bank (9)	74,982	76,495	-
	7,208,248	7,245,640	7,100,816
Less: Current portions	(529,496)	(130,181)	(94,621)
Syndicated loan fees	(4,778)	(5,517)	(7,584)
	(534,274)	(135,698)	(102,205)
Long-term borrowings	$ 6,673,974	$ 7,109,942	$ 6,998,611

1) The Company signed a joint credit line contract with Mega International Commercial Bank, and such syndicated loan was collateralized by the Company's freehold land and plant (refer to Note 30). The credit line of loan item A-1 is NT$3,500,000 thousand, A-2 is NT$4,500,000 thousand, B is NT$5,000,000 thousand and the total credit line of loan items A and B shall be not more than NT$8,000,000 thousand, which is a revolving credit line within 5 years from the date of first use. When the credit line of the loan is used for the first time, the entire outstanding balance of the syndicated bank loan - Yushan Bank, which was signed in 2018, will be paid off in advance. The first period is 36 months after the date of first use. Thereafter, every 12 months is considered one period, and the total credit line will decrease within 3 periods. The revolving credit line will be reduced by 10% at the end of the first period, reduced by 20% at the end of the second period, and the remaining credit line will be totally cancelled upon the expiry of the credit period.

   During the loan period, the current ratio, debt ratio and interest earned ratio, which are calculated based on the audited annual consolidated financial report, should comply with the criteria in the credit line contract. If the financial ratio do not comply with the criteria in the contract, the Group should remedy it from the date of submission of the annual consolidated financial statements to the next review date. It will not be considered a breach of the contract if the financial ratios are remedied and comply with the contract within the remediation period. The weighted average effective interest rates were 2.19%-2.24%, 2.20%-2.25% and 2.20%-2.25% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

2) In April 2019, Hsin Ho Fa Metal Co., Ltd. acquired NT$250,000 thousand of bank loans from Chang Hwa Bank Sanchungpu Branch, secured by the freehold land (refer to Note 30), which mature in April 2034. The grace period is 3 years, during which interest shall be paid by the 26th of each month. Starting from April 26, 2022, the repayment of principal is divided into 48 equal installments of every 3 months, and the principal as well as interest calculated on the outstanding principal shall be paid by the 26th of each month. The weighted average effective interest rates were 2.19% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025.

3) In July 2024, APEX Wind Power Equipment Manufacturing Company Limited acquired NT$537,700 thousand of bank loans from the Land Bank of Taiwan, with land (refer to Note 30) as the collateral, which will mature in July 2027. The principal of the loan is repayable in one lump sum upon maturity, where interest is repayable on a monthly basis starting from the date of the initial drawdown. The weighted average effective interest rates were 2.13% per annum as of March 31, 2026, December 31, 2024 and March 31, 2025.

4) In November 2017, Mason Metal Industry Co., Ltd. acquired NT$300,000 thousand of bank loans from Mega International Commercial Bank, secured by the freehold land and buildings (refer to Note 30), which will mature in June 2027. Starting from the borrowing date, interest will be paid once a month, and the principal will be repaid in installments. The weighted average effective interest rates were 2.36% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025.

5) In May 2023, Hsin Ching International Co., Ltd. acquired NT$100,000 thousand of unsecured bank loans from Far Eastern International Bank, which will mature in May 2025. The principal shall be repaid in 24 equal installments on the 5th of each month, and interest is calculated on the outstanding principle which shall be paid on the 5th of each month. The loan was fully repaid in May 2025. The weighted average effective interest rate was 2.42% per annum as of March 31, 2025.

6) Xin Hua Steel Co., Ltd. entered into an unsecured medium-term loan agreement with First Commercial Bank. The loan was drawn down in installments starting in October 2025 and will mature in 2027. Interest is payable monthly from the drawdown date, and the principal will be repaid in a lump sum at maturity. The weighted average effective interest rates were 2.23% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025.

7) The borrowings of Hsin Wei Solar Co., Ltd. from First Commercial Bank are secured by a pledge of power generation equipment in accordance with the loan agreement (see Note 30). The loan amounted to NT$75,340 thousand, was drawn in July 2023 and October 2024, and will mature in July 2038. Interest is payable monthly from the borrowing date, and the principal is repayable in installments. The weighted average effective interest rates were 2.73% per annum as of March 31, 2026 and December 31, 2025.

8) The borrowings of Hsin Wei Solar Co., Ltd. from Bank SinoPac are secured by a pledge of power generation equipment in accordance with the loan agreement (see Note 30). The Company borrowed a total of NT$284,260 thousand between February 2018 and April 2025, with a maturity date in April 2032. Interest is payable monthly from the borrowing date, and the principal is repayable in installments. The weighted average effective interest rates were 2.63%-2.87% and 2.63%-2.83% per annum as of March 31, 2026 and December 31, 2025, respectively.

9) The borrowings of Hsin Wei Solar Co., Ltd. from O-Bank are secured by a pledge of power generation equipment in accordance with the loan agreement (see Note 30). The loan amounted to NT$77,000 thousand, was drawn in April 2023, and will mature in April 2028. Interest is payable monthly from the borrowing date. The weighted average effective interest rates were 2.73% per annum as of March 31, 2026 and December 31, 2025.

19. NOTES PAYABLE AND TRADE PAYABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Notes payable			
Operating - unrelated parties	$ 457,199	$ 399,974	$ 368,669
Trade payables			
Operating - unrelated parties	$ 271,083	$ 266,097	$ 205,434

20. OTHER PAYABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Payables for salaries and bonuses	$ 159,927	$ 210,972	$ 153,880
Other accrued expenses	122,360	106,433	119,619
Other payables	117,297	86,529	120,702
Dividends payable	808,832	-	802,866
Interest payable	37,010	33,439	30,326
	$ 1,245,426	$ 437,373	$ 1,227,393

21. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2026 and 2025, the pension expenses of defined benefit plans were NT$208 thousand and NT$132 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2025 and 2024, respectively.

22. EQUITY

a. Share capital

Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares authorized (in thousands)	360,000	360,000	360,000
Shares authorized	$ 3,600,000	$ 3,600,000	$ 3,600,000
Number of shares issued and fully paid (in thousands)	321,146	321,146	321,146
Shares issued	$ 3,211,463	$ 3,211,463	$ 3,211,463

The shares issued had a par value of NT$10. Each share entitles the rights to dividends and to vote.

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*			
Share premiums	$ 906,797	$ 906,797	$ 906,797
May only be used to offset a deficit			
Changes in net equity in associates and joint ventures under the equity method	2,285	-	-
May not be used for any purpose (2)			
Employee share options	36,648	36,648	36,648
	$ 945,730	$ 943,445	$ 943,445

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

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve of 10% of the remaining profit until the legal reserve equals the Company's paid-in capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. If the aforementioned dividends, legal reserve and capital surplus are to be distributed in cash, the board of directors may be authorized to pass the resolution with more than two-thirds of the directors' attendance and more than half of the votes of attending directors, which shall be reported in the board of directors. For the policies on the distribution of compensation of employees and remuneration of directors and supervisors, refer to compensation of employees and remuneration of directors in Note 24-g.

To ensure the interests of shareholders and the Company's sustainable development, the Company adopts a balanced dividends policy. The dividends payment principle shall be determined on the basis of the current and forthcoming development plan, considering the investing environment, demanding for funds, domestic and foreign competition, and shareholders' interests. The Company shall, in accordance with the capital budget plan for the following year, determine the most appropriate dividend policy. After the board of directors resolve the distribution plan, such plan will be subject to the resolution in the shareholders' meeting.

Dividends may be distributed in cash or shares. Among the dividends payment, no less than 30% shall be distributed in cash.

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

The appropriations of earnings for the years ended December 31, 2025 and 2024, which were proposed by the Company's board of directors on March 10, 2026 and approved in shareholder's meeting on May 29, 2025, respectively, were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2025	**2024**
Legal reserve	$ 102,561	$ 155,939
Cash dividends	$ 802,866	$ 802,866
Cash dividends per share (NT$)	$ 2.50	$ 2.50

The appropriation of earnings for the year ended December 31, 2025 is subject to the resolution in the shareholders' meeting to be held on May 25, 2026.

d. Other equity items

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

	For the Three Months Ended March 31	
	2026	**2025**
Balance at January 1	$ 4,017	$ 5,557
Exchange differences on translating the financial statements of foreign operations	689	485
Balance at March 31	$ 4,706	$ 6,042

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

	For the Three Months Ended March 31	
	2026	**2025**
Balance at January 1	$ 742,524	$ 875,847
Recognized for the period		
Unrealized gain/(loss) - equity instruments	(458,988)	(93,275)
Balance at March 31	$ 283,536	$ 782,572

e. Non-controlling interests

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	$ 719,424	$ 699,211
Share of profit for the period	9,084	1,243
Dividends distributed by subsidiaries	(5,967)	-
Non-controlling interests	3,036	(881)
Balance at March 31	$ 725,577	$ 699,573

23. REVENUE

	For the Three Months Ended March 31	
	2026	2025
Revenue from contracts with customers		
Revenue from sales of goods	$ 3,766,848	$ 4,102,870
Revenue from processing	4,504	41,897
Construction contract revenue	711,627	805,944
Rental income	87,879	90,130
Other income	18,215	-
	$ 4,589,073	$ 5,040,841

a. Contract balances

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Trade receivables (Note 10)	$ 2,985,423	$ 2,174,273	$ 4,031,285	$ 2,635,929
Contract assets - current				
Construction of properties	$ 550,590	$ 113,682	$ 140,357	$ 100,229
Processing and manufacturing	-	-	-	949
	$ 550,590	$ 113,682	$ 140,357	$ 103,178
Contract liabilities - current				
Sales of goods	$ 375,856	$ 330,655	$ 462,913	$ 206,338
Construction of properties	8,082	48,332	431,155	503,590
	$ 383,938	$ 378,987	$ 894,068	$ 709,928

b. Refer to Note 35 for details of revenue.

24. NET PROFIT AND OTHER COMPREHENSIVE INCOME FROM CONTINUING OPERATIONS

a. Other income

	For the Three Months Ended March 31	
	2026	2025
Dividend income		
Financial assets at FVTPL	$ 12,749	$ 9,787
Financial assets at FVTOCI	-	233
Others	3,188	9,988
	$ 15,937	$ 20,008

b. Other gains/(losses)

	For the Three Months Ended March 31	
	2026	2025
Loss on disposal of property, plant and equipment	$ (2,257)	$ -
Net gains or losses on financial assets and financial liabilities		
Mandatorily classified as at FVTPL	(249,987)	(403,770)
Net foreign exchange gains (losses)	53,574	(15,591)
	$ (198,670)	$ (419,361)

c. Finance costs

	For the Three Months Ended March 31	
	2026	2025
Interest on bank loans	$ 104,567	$ 102,807
Interest on lease liabilities	44	31
Less: Amounts included in the cost of qualifying assets	(142)	(75)
	$ 104,469	$ 102,763

Information about capitalized interest was as follows:

	For the Three Months Ended March 31	
	2026	2025
Capitalized interest	$ 142	$ 75
Capitalization rate	2.5%	2.5%

d. Operating expenses directly related to investment properties

	For the Three Months Ended March 31	
	2026	2025
Direct operating expenses of investment properties generating rental income	$ 28,960	$ 26,703

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
Property, plant and equipment	$ 63,009	$ 52,219
Investment properties	13,810	13,822
Right-of-use assets	610	479
Intangible assets	2,775	2,039
Long-term prepayments	180	229
	$ 80,384	$ 68,788
An analysis of depreciation by function		
Operating costs	$ 72,161	$ 61,091
Operating expenses	5,268	5,429
	$ 77,429	$ 66,520
An analysis of amortization by function		
Operating costs	$ 599	$ 870
Operating expenses	2,356	1,398
	$ 2,955	$ 2,268

f. Employee benefits expense

	For the Three Months Ended March 31	
	2026	2025
Short-term employee benefits	$ 141,153	$ 118,489
Post-employment benefits (Note 21)		
Defined contribution plans	3,576	3,540
Defined benefit plans	208	132
	$ 144,937	$ 122,161
An analysis of employee benefits expense by function		
Operating costs	$ 77,350	$ 73,416
Operating expenses	67,587	48,745
	$ 144,937	$ 122,161

g. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at the rates of no less than 3% and no higher than 3%, respectively, of net profit before income tax, compensation of employees and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company expect to resolve the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 40% of the compensation of employees as compensation distributions for non-executive employees.

The compensation of employees and remuneration of directors for the three months ended March 31, 2026 and 2025 were as follows:

Accrual rate

	For the Three Months Ended March 31	
	2026	**2025**
Compensation of employees	3%	3%
Remuneration of directors	3%	3%

Amount

	For the Three Months Ended March 31	
	2026	**2025**
Compensation of employees	$ 3,725	$ -
Remuneration of directors	$ 3,725	$ -

If there is a change in the amounts after the consolidated financial statements were authorized for issuance, the differences are recorded as a change in the accounting estimate.

The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Company's board of directors on March 10, 2026 and March 11, 2025, respectively, were as follows:

	For the Year Ended December 31	
	2025	**2024**
	Cash	**Cash**
Compensation of employees	$ 38,579	$ 47,801
Remuneration of directors	$ 38,579	$ 47,801

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

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

h. Gains or losses on foreign currency exchange

	For the Three Months Ended March 31	
	2026	2025
Foreign exchange gains	$ 93,225	$ 21,345
Foreign exchange losses	(39,652)	(36,936)
Net gains/(losses)	$ 53,573	$ (15,591)

25. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2026	2025
Current tax		
In respect of the current period	$ 62,715	$ 27,205
Income tax on unappropriated earnings	6,010	29,925
Adjustments for prior years	124	55
	68,849	57,185
Deferred tax		
In respect of the current period	(1,924)	2,819
Income tax expense recognized in profit or loss	$ 66,925	$ 60,004

b. Income tax recognized in other comprehensive income

	For the Three Months Ended March 31	
	2026	2025
Deferred tax		
In respect of the current period:		
Translation of foreign operations	$ 172	$ 121
Total income tax expense recognized in other comprehensive income	$ 172	$ 121

c. Income tax assessments

The income tax returns through 2024 and income tax returns on unappropriated earnings through 2023 of the Company and its subsidiaries, except for Hsin Kuang Steel Corporation and Hsin Yuan Hsin Industrial Co., Ltd., have been assessed by the tax authorities.

26. EARNINGS (LOSS) PER SHARE

	For the Three Months Ended March 31	
	2026	2025
Basic earnings (loss) per share		
From continuing operations	$ 0.22	$ (1.06)
Diluted earnings (loss) per share		
From continuing operations	$ 0.22	$ (1.06)

The earnings/(loss) and weighted average number of ordinary shares outstanding used in the computation of earnings/(loss) per share from continuing operations are as follows:

Net profit (loss) for the period

	For the Three Months Ended March 31	
	2026	2025
Earnings/(loss) used in the computation of basic earnings/(loss) per share	$ 70,724	$ (339,087)
Earnings/(loss) used in the computation of diluted earnings/(loss) per share	$ 70,724	$ (339,087)

Weighted average number of ordinary shares outstanding (in thousand shares)

	For the Three Months Ended March 31	
	2026	2025
Weighted average number of ordinary shares used in the computation of basic earnings/(loss) per share	321,146	321,146
Effect of potentially dilutive ordinary shares:		
Compensation of employees	94	-
Weighted average number of ordinary shares used in the computation of diluted earnings/(loss) per share	321,240	321,146

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

27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged over the past 5 years.

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

The Group is not subject to any externally imposed capital requirements.

The key management personnel of the Group review the Group's capital structure on a quarterly basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

28. FINANCIAL INSTRUMENTS

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

The management believes that the carrying amounts of financial assets and liabilities that are not measured at fair value approximate their fair values.

b. Financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic and foreign listed shares	$ 3,751,827	$ -	$ -	$ 3,751,827
Domestic emerging market shares	278,244	-	-	278,244
Domestic unlisted shares	-	-	238,129	238,129
Mutual funds	164,361	-	-	164,361
Derivative instruments	-	70,008	-	70,008
	$ 4,194,432	$ 70,008	$ 238,129	$ 4,502,569
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 1,490,296	$ -	$ -	$ 1,490,296
Domestic unlisted shares	-	-	26,320	26,320
Foreign unlisted shares	-	-	209,623	209,623
	$ 1,490,296	$ -	$ 235,943	$ 1,726,239

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic and foreign listed shares	$ 3,801,724	$ -	$ -	$ 3,801,724
Domestic emerging market shares	394,131	-	-	394,131
Domestic unlisted shares	-	-	238,129	238,129
Mutual funds	172,106	-	-	172,106
Derivative instruments	-	135,591	-	135,591
	$ 4,367,961	$ 135,591	$ 238,129	$ 4,741,681
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 1,948,986	$ -	$ -	$ 1,948,986
Domestic unlisted shares	-	-	26,320	26,320
Foreign unlisted shares	-	-	209,184	209,184
	$ 1,948,986	$ -	$ 235,504	$ 2,184,490

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic and foreign listed shares	$ 3,058,885	$ -	$ -	$ 3,058,885
Domestic emerging market shares	531,100	-	-	531,100
Domestic unlisted shares	-	-	154,614	154,614
Mutual funds	103,384	-	-	103,384
Derivative instruments	-	129,499	-	129,499
	$ 3,693,369	$ 129,499	$ 154,614	$ 3,977,482
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 2,096,785	$ -	$ -	$ 2,096,785
Domestic unlisted shares	-	-	29,280	29,280
Foreign unlisted shares	-	-	220,285	220,285
	$ 2,096,785	$ -	$ 249,565	$ 2,346,350

There were no transfers between Levels 1 and 2 in the current and prior periods.

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

For the three months ended March 31, 2026

Financial Assets	At FVTPL Equity Instruments	At FVTOCI Equity Instruments	Total
Balance at January 1	$ 238,129	$ 235,504	$ 473,633
Recognized in other comprehensive income (unrealized gain/(loss) on financial assets at FVTOCI)	-	(298)	(298)
Recognized in other comprehensive income (exchange differences on translation of the financial statements of foreign operations)	-	737	737
Balance at March 31	$ 238,129	$ 235,943	$ 474,072

For the three months ended March 31, 2025

Financial Assets	At FVTPL Equity Instruments	At FVTOCI Equity Instruments	Total
Balance at January 1	$ 154,614	$ 255,700	$ 410,314
Recognized in other comprehensive income (unrealized gain/(loss) on financial assets at FVTOCI)	-	(6,658)	(6,658)
Recognized in other comprehensive income (exchange differences on translation of the financial statements of foreign operations)	-	523	523
Balance at March 31	$ 154,614	$ 249,565	$ 404,179

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

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign currency forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates discounted at a rate that reflects the credit risk of various counterparties.

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

The fair values of domestic unlisted equity instruments were determined using the market approach and invest-based approach. In this approach, the fair value is appraised based on the market selling price of similar items, such as assets, liabilities, or the groups of assets and liabilities. The significant unobservable factors used are described below, an increase in long-term revenue growth rates, long-term pre-tax operating margin, a decrease in the weighted average cost of capital, or the discount for lack of marketability used in isolation would result in increases in the fair values.

c. Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	$ 4,502,569	$ 4,741,681	$ 3,977,482
Financial assets at amortized cost (1)	6,393,230	5,344,917	7,133,410
Financial assets at FVTOCI			
Equity instruments	1,726,239	2,184,490	2,346,350
Financial liabilities			
Financial liabilities at amortized cost (2)	16,696,673	15,485,183	17,710,759

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, overdue receivables, refundable deposits, pledged time deposits and restricted demand deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term and long-term loans, short-term bills payable, notes payable, trade payables and other payables.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity investments, derivative financial instruments, notes receivable, trade receivables, overdue receivables, short-term bills payable, notes payable, trade payables, other payables, and borrowings. The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed them primarily to the financial risks of changes in foreign currency exchange rates (see "a. foreign currency risk" below) and interest rates (see "b. interest rate risk" below). The Group entered into a variety of derivative financial instruments to manage their exposure to foreign currency risk and interest rate risk, including:

a) Foreign exchange forward contracts to hedge the exchange rate risk arising on the import and export of steel plates;

b) Interest rate swaps to mitigate the risk of rising interest rates.

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

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets, monetary liabilities (including those eliminated on consolidation) and the derivatives exposed to foreign currency risk at the end of reporting period are set out in Note 33.

Sensitivity analysis

The Group was mainly exposed to USD, JPY and EUR.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and their adjusted translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit below would be negative.

	USD Impact	
	For the Three Months Ended March 31	
	2026	**2025**
Profit or loss	$ 21,441 (i)	$ 18,399 (i)

	JPY Impact	
	For the Three Months Ended March 31	
	2026	**2025**
Profit or loss	$ (261) (ii)	$ (328) (ii)

	EUR Impact	
	For the Three Months Ended March 31	
	2026	**2025**
Profit or loss	$ (97) (iii)	$ (94) (iii)

i. This was mainly attributable to the exposure on outstanding USD letters of credit, trade payables, other payables, trade receivables and bank deposits, which were not hedged at the end of the reporting period.

ii. This was mainly attributable to the exposure on outstanding JPY bank deposits, which were not hedged at the end of the reporting period.

iii. This was mainly attributable to the exposure on outstanding EUR bank deposits, which were not hedged at the end of the reporting period.

The Group's sensitivity to foreign currency increased during recent years mainly due to the increase in purchases which resulted in an increase in USD letters of credit.

In management's opinion, sensitivity analysis was unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group was exposed to interest rate risk because entities of the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and the defined risk appetite, ensuring that the most cost-effective hedging strategies are applied.

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

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
Financial liabilities	$ 539,534	$ 489,609	$ 580,000
Cash flow interest rate risk			
Financial assets	921,868	958,882	839,269
Financial liabilities	14,183,430	13,892,131	15,329,750

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100-basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100-basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2026 and 2025 would have decreased/increased by NT$33,337 thousand and NT$35,749 thousand, respectively, which was mainly a result of the changes in the variable interest rate bank deposits and loans.

c) Other price risk

The Group was exposed to equity price risk through their investments in domestic and foreign listed equity securities. The Group have appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

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

If equity prices had been 1% higher/lower, pre-tax profit for the three months ended March 31, 2026 and 2025 would have increased/decreased by NT$44,338 thousand and NT$38,555 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the three months ended March 31, 2026 and 2025 would have increased/decreased by NT$149,813 thousand and NT$185,029 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTOCI.

The Group’s sensitivity to investments in equity securities has not changed significantly from the prior year.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the year, the Group’s maximum exposure to credit risk, which may cause a financial loss to the Group due to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In order to minimize credit risk, management of the Group have delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group review the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts. In this regard, management believes the Group’s credit risk was significantly reduced.

The Group’s trade receivables are from a large number of customers. Ongoing credit evaluation is performed on the financial condition of trade receivables and, where appropriate, credit guarantee insurance cover is purchased.

The Group did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. The concentration of credit risk to any other counterparty did not exceed 10% of the gross monetary assets of the Group at any time during the three months ended March 31, 2026 and 2025.

The Group’s concentration of credit risk by geographical locations was mainly in Taiwan, which accounted for 98%, 97% and 100% of the total trade receivables as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

The credit risk on derivatives was limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group’s operations and mitigate the effects of fluctuations in cash flows. Bank loans are a source of liquidity for the Group. The Group’s management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. The Group had available unutilized bank loan facilities set out in (b) below.

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

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

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

March 31, 2026

	On Demand or Less Than 1 Month	**1-3 Months**	**3 Months to 1 Year**	**1-5 Years**	**5+ Years**
Non-derivative financial liabilities					
Non-interest bearing	$ 539,181	$ 283,370	$ 304,035	$ 52,842	$ -
Variable interest rate liabilities	996,618	2,558,029	3,954,810	6,559,376	114,597
Fixed interest rate liabilities	540,000	-	-	-	-
	$ 2,075,799	$ 2,841,399	$ 4,258,845	$ 6,612,218	$ 114,597

December 31, 2025

	On Demand or Less Than 1 Month	**1-3 Months**	**3 Months to 1 Year**	**1-5 Years**	**5+ Years**
Non-derivative financial liabilities					
Non-interest bearing	$ 458,296	$ 249,497	$ 378,476	$ 54,825	$ -
Variable interest rate liabilities	816,666	1,772,022	4,193,501	6,988,765	121,177
Fixed interest rate liabilities	390,000	100,000	-	-	-
	$ 1,664,962	$ 2,121,519	$ 4,571,977	$ 7,043,590	$ 121,177

March 31, 2025

	On Demand or Less Than 1 Month	**1-3 Months**	**3 Months to 1 Year**	**1-5 Years**	**5+ Years**
Non-derivative financial liabilities					
Non-interest bearing	$ 407,923	$ 976,664	$ 371,005	$ 47,356	$ -
Variable interest rate liabilities	1,610,440	3,531,692	3,189,006	6,910,069	88,542
Fixed interest rate liabilities	450,000	130,000	-	-	-
	$ 2,468,363	$ 4,638,356	$ 3,560,011	$ 6,957,425	$ 88,542

b) Financing facilities

	March 31, 2026	December 31, 2025	March 31, 2025
Secured bank loan facilities which may be extended by mutual agreement:			
Amount used	$ 5,340,607	$ 5,176,630	$ 5,725,495
Amount unused	819,923	754,460	1,187,815
	$ 6,160,530	$ 5,931,090	$ 6,913,310
Unsecured bank loan facilities:			
Amount used	$ 11,280,116	$ 10,518,176	$ 12,008,306
Amount unused	9,118,344	11,049,824	7,309,724
	$ 20,398,460	$ 21,568,000	$ 19,318,030

29. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related parties and their relationship with the Company:

Related Party	Relationship with the Company
Hsin Kuang Steel Tian-Cheng Charity Foundation	The Foundation's Chairman is the representative of the corporate director of the Company
SunnyRich Multifunction Solar Power Co., Ltd.	Associate
Hsin Wei Solar Co., Ltd.	Associate (a 90%-owned subsidiary included in the consolidated financial statements from October 16, 2025)

b. Other revenue

Related Party Category/Name	For the Three Months Ended March 31, 2025
Associate	
Hsin Wei Solar Co., Ltd.	$ 22

c. Lease arrangements - the Group is lessor

Future lease payments receivable are as follows:

Related Party Category/Name	March 31, 2025
Associate	
Hsin Wei Solar Co., Ltd.	$ 147,829

Lease income was as follows:

Related Party Category/Name	For the Three Months Ended March 31, 2025
Associate	
Hsin Wei Solar Co., Ltd.	$ 2,195

d. Endorsements and guarantees

Please refer to Table 1 for information of endorsements/guarantees by the Company for SunnyRich Multifunction Solar Power Co., Ltd.

e. Other transactions with related parties

1) Other transactions with related parties

Line Item	Related Party Category/Name	For the Three Months Ended March 31	
		2026	2025
Donations	Hsin Kuang Steel Tian-Cheng Charity Foundation	$ 12,000	$ 12,000

2) Increase of investment in related parties

In March 2026, the Group participated in the cash capital increase of SunnyRich Multifunction Solar Power Co., Ltd. and increased its investment by NT$109,000 thousand, resulting in an increase in its shareholding percentage from 20% to 21.07%.

f Remuneration of key management personnel

The amount of the remuneration of directors and key management personnel were as follows:

	For the Three Months Ended March 31	
	2026	2025
Short-term employee benefits	$ 21,851	$ 7,853

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

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings, collateral for construction contracts and rental guarantee deposits:

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$ 227,376	$ 314,969	$ 418,693
Pledged time deposits (classified as financial assets at amortized cost)	39,276	39,264	57,404
Restricted demand deposits (classified as financial assets at amortized cost)	121,607	117,300	136,594
Investments accounted for using the equity method	904,579	902,694	877,633
Freehold land	2,756,381	2,756,381	2,779,741
Buildings, net	629,495	636,188	676,095
Investment properties - land	147,026	147,026	147,026
Investment properties - buildings	568,532	571,795	581,583
Machinery and equipment	614,481	631,132	123,014
	$ 6,008,753	$ 6,116,749	$ 5,797,783

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of March 31, 2026 and 2025 were as follows:

Significant Commitments

a. As of March 31, 2026, December 31, 2025 and March 31, 2025, unused letters of credit for purchases of raw materials and machinery and equipment were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
NTD	$ 602,429	$ 337,779	$ 577,317
USD	39,309	24,838	37,628
JPY	354,170	181,585	8,122

b. Unrecognized commitments were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Acquisition of property, plant and equipment	$ 419,228	$ 418,830	$ 380,998

32. SIGNIFICANT EVENTS AFTER REPORTING PERIOD

On November 8, 2022, the Company's Board of Directors resolved to apply to the Industrial Development Bureau of the Ministry of Economic Affairs (now restructured as the Industrial Development Administration) for the registration and purchase of industrial land, Lot (1), Phase IV, Section 1, Lunwei West, Changbin Industrial Park. The Company intends to take possession of the land in April, 2026. The sale price, as reviewed and approved by the Industrial Park Administration of the Ministry of Economic Affairs in accordance with Article 46 of the Industrial Innovation Act, has been adjusted from NT$443,878 thousand (inclusive of the Industrial Park Development and Management Fund) to NT$490,453 thousand, and was duly reported to the board of directors on April 7, 2026.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

March 31, 2026

	Foreign Currency	Exchange Rate		Carrying Amount
Financial assets				
Monetary items				
USD	$ 3,492	31.99	(USD:NTD)	$ 111,738
EUR	262	36.75	(EUR:NTD)	9,628
JPY	522,802	0.20	(JPY:NTD)	104,822
				$ 226,188
Financial liabilities				
Monetary items				
USD	74,708	32.00	(USD:NTD)	$ 2,390,303

December 31, 2025

	Foreign Currency	Exchange Rate		Carrying Amount
Financial assets				
Monetary items				
USD	$ 3,341	31.43	(USD:NTD)	$ 104,986
EUR	262	36.77	(EUR:NTD)	9,644
JPY	279,802	0.20	(JPY:NTD)	56,184
				$ 170,848
Financial liabilities				
Monetary items				
USD	93,384	31.43	(USD:NTD)	$ 2,935,049

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 3,348	33.20 (USD:NTD)	$ 111,157
EUR	262	35.92 (EUR:NTD)	9,410
JPY	121,400	0.22 (JPY:NTD)	27,036
			$ 147,603
Financial liabilities			
Monetary items			
USD	82,790	33.20 (USD:NTD)	$ 2,749,050

The significant (realized and unrealized) foreign exchange gains (losses) were as follows:

	For the Three Months Ended March 31			
	2026		2025	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
USD	30.611 (USD:NTD)	$ 53,280	31.655 (USD:NTD)	$ (16,435)

34. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

1) Financing provided to others: (N/A)

2) Endorsements/guarantees provided: (Table 1)

3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 2)

4) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: (Table 3)

5) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: (Table 4)

6) Other: Intercompany relationships and significant intercompany transactions (Table 5)

b. Information on investees (Table 6)

c. Information on investments in mainland China

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

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

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year

c) The amount of property transactions and the amount of the resultant gains or losses

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

35. SEGMENT INFORMATION

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

- Steel:
  - Direct sales
  - Manufacturing sales
- Construction projects
- Leases
- Other income

a. Segments revenue and results

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

	Steel - Direct Sales	Steel - Manufacturing Sales	Construction Projects	Other income	Leases	Total
For the three months ended March 31, 2026						
Revenue from external customers	$ 2,165,470	$ 1,605,882	$ 711,627	$ 18,215	$ 87,879	$ 4,589,073
Inter-segment revenue	202,640	46,931	49,559	-	24,136	323,266
Segment revenue	2,368,110	1,652,813	761,186	18,215	112,015	4,912,339
Eliminations	(202,640)	(46,931)	(49,559)	-	(24,136)	(323,266)
Consolidated revenue	$ 2,165,470	$ 1,605,882	$ 711,627	$ 18,215	$ 87,879	$ 4,589,073
Segment income	$ 206,646	$ 170,886	$ 127,739	$ 3,641	$ 58,920	$ 567,832
Share of profits/(losses) of associates accounted for using the equity method						$ 5,247
Interest income						757
Other income						3,188
Loss on disposal of property, plant and equipment						(2,257)
Net foreign exchange gains						53,573
Loss on valuation of financial instruments						(249,986)
Allocation of headquarter administration costs and directors' remunerations						(139,901)
Finance costs						(104,469)
Dividend income						12,749
Profit before tax						$ 146,733

	Steel - Direct Sales	Steel - Manufacturing Sales	Construction	Leases	Total
For the three months ended March 31, 2025					
Revenue from external customers	$ 2,696,775	$ 1,447,992	$ 805,944	$ 90,130	$ 5,040,841
Inter-segment revenue	41,804	5,841	17,543	21,394	86,582
Segment revenue	2,738,579	1,453,833	823,487	111,524	5,127,423
Eliminations	(41,804)	(5,841)	(17,543)	(21,394)	(86,582)
Consolidated revenue	$ 2,696,775	$ 1,447,992	$ 805,944	$ 90,130	$ 5,040,841
Segment income	$ 134,967	$ 33,717	$ 107,089	$ 63,427	$ 339,200
Share of profits/(losses) of associates accounted for using the equity method					$ (562)
Interest income					354
Other income					9,988
Net foreign exchange losses					(15,591)
Loss on valuation of financial instruments					(403,770)
Allocation of headquarter administration costs and directors' remunerations					(114,716)
Finance costs					(102,763)
Cash dividends					10,020
Loss before tax					$ (277,840)

Segment profit represents the profit before tax earned by each segment without allocation of headquarter administration costs and directors' remunerations, share of profits/(losses) of associates accounted for using the equity method, lease income, interest income, gains or losses on disposal of property, plant and equipment, gains or losses on disposal of investments, foreign exchange gains/(losses), revaluation gains or losses on financial instruments, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment total assets and liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Segment assets			
From continuing operations			
Steel - direct sales	$ 8,272,540	$ 8,354,155	$ 10,121,252
Steel - manufacturing sales	6,923,852	6,731,587	7,441,994
Construction projects	783,374	343,742	345,032
Leases	3,480,323	3,468,690	3,508,990
Total segment assets	19,460,089	18,898,174	21,417,268
Unallocated	9,353,647	9,820,007	8,643,933
Consolidated total assets	$ 28,813,736	$ 28,718,181	$ 30,061,201
Segment liabilities			
From continuing operations			
Steel - direct sales	$ 4,571,005	$ 4,338,244	$ 5,885,921
Steel - manufacturing sales	3,916,022	3,596,466	4,466,097
Construction projects	272,894	132,911	447,866
Leases	6,476	3,591	2,972
Total segment liabilities	8,766,397	8,071,212	10,802,856
Unallocated	8,772,468	8,190,095	8,143,944
Consolidated total liabilities	$ 17,538,865	$ 16,261,307	$ 18,946,800