

**All Cosmos Bio-Tech Holding Corporation
and Subsidiaries**

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

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
All Cosmos Bio-Tech Holding Corporation

Opinion

We have audited the accompanying consolidated financial statements of All Cosmos Bio-Tech Holding Corporation (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

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

Basis for Opinion

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

Key Audit Matters

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

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

Occurrence of Sales Revenue from Major Customers

The Group primarily focuses on the sale of bioorganic and biochemical compound fertilizers. Considering the higher inherent risk in revenue recognition and its significant impact on the Group's financial statements for major customers whose transaction amounts have significantly increased compared to the same period last year, we identified the occurrence of sales revenue from the aforementioned major customers as the key audit matter.

Refer to Notes 4 (n) and 25 to the consolidated financial statements for details on the accounting policy and relevant disclosures on revenue recognition.

The main audit procedures that we performed in respect of sales revenue from major customers included the following:

1. We obtained an understanding of the Group's internal control and operating procedures of the sales cycle, and we designed the corresponding audit procedures and tested the effectiveness of the internal controls associated with the risk mentioned above.
2. We performed substantive tests on sales revenue, selected samples from the general ledger of sales revenue, and checked the records against external supporting documents and documents of receivables to verify the occurrence of sales.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Cheng-Chuan Yu and Sheng-Tai Liang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2026

Notice to Readers

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

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

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,023,128	24	\$ 933,928	26
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	51,352	1	46,316	1
Financial assets at amortized cost - current (Notes 4, 9 and 34)	369,172	9	269,436	7
Trade receivables, net (Notes 4, 10 and 25)	774,708	18	587,783	16
Trade receivables from related parties (Notes 4, 25 and 33)	83,326	2	30,940	1
Other receivables (Notes 4 and 10)	4,816	-	4,270	-
Other receivables from related parties (Notes 4 and 33)	40	-	82	-
Current tax assets (Notes 4 and 27)	20,242	1	40,147	1
Inventories (Notes 4 and 11)	676,195	16	675,032	18
Prepayments (Note 19)	55,611	1	69,780	2
Other current assets (Note 19)	4,021	-	3,526	-
Total current assets	<u>3,062,611</u>	<u>72</u>	<u>2,661,240</u>	<u>72</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	4,834	-	5,326	-
Investments accounted for using the equity method (Notes 4 and 13)	34,051	1	27,376	1
Property, plant and equipment (Notes 4, 14 and 34)	743,840	18	777,899	21
Right-of-use assets (Notes 4, 15 and 34)	158,185	4	159,986	5
Investment properties (Note 16)	174,061	4	-	-
Goodwill (Notes 4 and 17)	405	-	383	-
Other intangible assets (Notes 4 and 18)	10,760	-	11,158	-
Deferred tax assets (Notes 4 and 27)	27,120	1	17,775	1
Other non-current assets (Note 19)	8,882	-	9,431	-
Total non-current assets	<u>1,162,138</u>	<u>28</u>	<u>1,009,334</u>	<u>28</u>
TOTAL	<u>\$ 4,224,749</u>	<u>100</u>	<u>\$ 3,670,574</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 20 and 34)	\$ 224,872	5	\$ 185,737	5
Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 21)	-	-	45	-
Contract liabilities - current (Notes 4 and 25)	1,804	-	2,591	-
Trade payables	172,141	4	80,204	2
Trade payables to related parties (Note 33)	10,067	-	8,775	-
Other payables (Note 22)	142,764	3	126,034	4
Other payables to related parties (Note 33)	379	-	220	-
Current tax liabilities (Notes 4 and 27)	32,551	1	16,826	1
Lease liabilities - current (Notes 4 and 15)	5,116	-	5,963	-
Current portion of long-term borrowings (Notes 20, 21 and 34)	23,908	1	51,938	1
Other current liabilities (Notes 22 and 33)	97	-	416	-
Total current liabilities	<u>613,699</u>	<u>14</u>	<u>478,749</u>	<u>13</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 20 and 34)	125,270	3	15,852	1
Deferred tax liabilities (Notes 4 and 27)	37,781	1	42,875	1
Lease liabilities - non-current (Notes 4 and 15)	2,119	-	2,119	-
Other non-current liabilities - others (Notes 4 and 22)	182	-	-	-
Net defined benefit liabilities - non-current (Notes 4 and 23)	777	-	673	-
Total non-current liabilities	<u>166,129</u>	<u>4</u>	<u>61,519</u>	<u>2</u>
Total liabilities	<u>779,828</u>	<u>18</u>	<u>540,268</u>	<u>15</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 24)				
Share capital				
Ordinary shares	<u>672,357</u>	<u>16</u>	<u>640,340</u>	<u>18</u>
Capital surplus	<u>782,370</u>	<u>19</u>	<u>782,370</u>	<u>21</u>
Retained earnings				
Legal reserve	258,624	6	245,658	6
Special reserve	317,313	7	512,043	14
Unappropriated earnings	<u>922,859</u>	<u>22</u>	<u>652,137</u>	<u>18</u>
Total retained earnings	<u>1,498,796</u>	<u>35</u>	<u>1,409,838</u>	<u>38</u>
Other equity	(210,437)	(5)	(317,313)	(9)
Total equity attributable to owners of the Company	2,743,086	65	2,515,235	68
NON-CONTROLLING INTERESTS (Note 24)	<u>701,835</u>	<u>17</u>	<u>615,071</u>	<u>17</u>
Total equity	<u>3,444,921</u>	<u>82</u>	<u>3,130,306</u>	<u>85</u>
TOTAL	<u>\$ 4,224,749</u>	<u>100</u>	<u>\$ 3,670,574</u>	<u>100</u>

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

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 25 and 33)				
Sales	\$ 2,949,023	100	\$ 2,458,636	100
OPERATING COSTS (Notes 11, 26 and 33)				
Cost of goods sold	<u>(2,119,553)</u>	<u>(72)</u>	<u>(1,790,045)</u>	<u>(73)</u>
GROSS PROFIT	<u>829,470</u>	<u>28</u>	<u>668,591</u>	<u>27</u>
OPERATING EXPENSES (Notes 26 and 33)				
Selling and marketing expenses	(232,766)	(8)	(233,401)	(10)
General and administrative expenses	(288,791)	(10)	(267,739)	(11)
Research and development expenses	(4,252)	-	(3,739)	-
Expected credit (loss) gain (Notes 10 and 33)	<u>(7,074)</u>	<u>-</u>	<u>(7,835)</u>	<u>-</u>
Total operating expenses	<u>(532,883)</u>	<u>(18)</u>	<u>(512,714)</u>	<u>(21)</u>
PROFIT FROM OPERATIONS	<u>296,587</u>	<u>10</u>	<u>155,877</u>	<u>6</u>
NON-OPERATING INCOME AND EXPENSES (Notes 26 and 33)				
Interest income	22,703	1	35,234	1
Other income	4,872	-	14,560	1
Other gains and losses	(17,065)	(1)	50,370	2
Finance costs	(14,532)	-	(6,083)	-
Share of profit of associates (Note 13)	<u>4,805</u>	<u>-</u>	<u>2,812</u>	<u>-</u>
Total non-operating income and expenses	<u>783</u>	<u>-</u>	<u>96,893</u>	<u>4</u>
PROFIT BEFORE INCOME TAX	297,370	10	252,770	10
INCOME TAX EXPENSE (Notes 4 and 27)	<u>(91,143)</u>	<u>(3)</u>	<u>(78,280)</u>	<u>(3)</u>
NET PROFIT FOR THE YEAR	<u>206,227</u>	<u>7</u>	<u>174,490</u>	<u>7</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 24 and 27)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 23)	(9)	-	76	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	<u>(747)</u>	<u>-</u>	<u>287</u>	<u>-</u>

(Continued)

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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

	2025		2024	
	Amount	%	Amount	%
Exchange differences on translation to the presentation currency	\$ 187,263	6	\$ 267,622	11
Income tax related to items that will not be reclassified subsequently to profit or loss	<u>2</u>	<u>-</u>	<u>(17)</u>	<u>-</u>
	<u>186,509</u>	<u>6</u>	<u>267,968</u>	<u>11</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(46,121)	(1)	(24,760)	(1)
Income tax relating to items that may be reclassified subsequently to profit or loss	<u>17</u>	<u>-</u>	<u>5,252</u>	<u>-</u>
	<u>(46,104)</u>	<u>(1)</u>	<u>(19,508)</u>	<u>(1)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>140,405</u>	<u>5</u>	<u>248,460</u>	<u>10</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 346,632</u>	<u>12</u>	<u>\$ 422,950</u>	<u>17</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 152,999	5	\$ 128,588	5
Non-controlling interests	<u>53,228</u>	<u>2</u>	<u>45,902</u>	<u>2</u>
	<u>\$ 206,227</u>	<u>7</u>	<u>\$ 174,490</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 259,868	9	\$ 323,377	13
Non-controlling interests	<u>86,764</u>	<u>3</u>	<u>99,573</u>	<u>4</u>
	<u>\$ 346,632</u>	<u>12</u>	<u>\$ 422,950</u>	<u>17</u>
EARNINGS PER SHARE (Note 28)				
From continuing operations				
Basic	<u>\$ 2.28</u>		<u>\$ 1.91</u>	
Diluted	<u>\$ 2.27</u>		<u>\$ 1.85</u>	

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

(Concluded)

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company						Other Equity		Total	Non-controlling Interests	Total Equity
	Share Capital		Capital Surplus	Retained Earnings			Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income			
	Number of Shares (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2024	64,034	\$ 640,340	\$ 781,838	\$ 231,923	\$ 422,189	\$ 690,096	\$ (512,043)	\$ -	\$ 2,254,343	\$ 559,851	\$ 2,814,194
Appropriation of 2023 earnings (Note 24)											
Legal reserve	-	-	-	13,735	-	(13,735)	-	-	-	-	-
Special reserve	-	-	-	-	89,854	(89,854)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(64,034)	-	-	(64,034)	-	(64,034)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	(42,804)	(42,804)
Net profit for the year ended December 31, 2024	-	-	-	-	-	128,588	-	-	128,588	45,902	174,490
Other comprehensive income for the year ended December 31, 2024, net of income tax (Note 24)	-	-	-	-	-	59	194,443	287	194,789	53,671	248,460
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	128,647	194,443	287	323,377	99,573	422,950
Changes in percentage of ownership interests in subsidiaries (Notes 24 and 29)	-	-	532	-	-	1,017	-	-	1,549	(1,549)	-
BALANCE AT DECEMBER 31, 2024	64,034	640,340	782,370	245,658	512,043	652,137	(317,600)	287	2,515,235	615,071	3,130,306
Appropriation of 2024 earnings (Note 24)											
Legal reserve	-	-	-	12,966	-	(12,966)	-	-	-	-	-
Special reserve	-	-	-	-	(194,730)	194,730	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(32,017)	-	-	(32,017)	-	(32,017)
Common stock dividends	3,202	32,017	-	-	-	(32,017)	-	-	-	-	-
Net profit for the year ended December 31, 2025	-	-	-	-	-	152,999	-	-	152,999	53,228	206,227
Other comprehensive loss for the year ended December 31, 2025, net of income tax (Note 24)	-	-	-	-	-	(7)	107,623	(747)	106,869	33,536	140,405
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	152,992	107,623	(747)	259,868	86,764	346,632
BALANCE AT DECEMBER 31, 2025	67,236	\$ 672,357	\$ 782,370	\$ 258,624	\$ 317,313	\$ 922,859	\$ (209,977)	\$ (460)	\$ 2,743,086	\$ 701,835	\$ 3,444,921

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

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

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

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 297,370	\$ 252,770
Adjustments for:		
Depreciation expense	64,140	52,332
Amortization expense	1,965	1,647
Expected credit loss recognized on trade receivables	7,074	7,835
Net gain on fair value changes of financial assets/liabilities at fair value through profit or loss	(3,057)	(5,775)
Finance costs	14,532	6,083
Interest income	(22,703)	(35,234)
Share of profit of associates	(4,805)	(2,812)
(Gain) loss on disposal of property, plant and equipment	2,555	(1,204)
Gain from lease modification	(100)	(39)
Gain on redemption of bonds payable	-	(5,771)
Unrealized loss on foreign exchange	19,735	21,795
Impairment loss recognized on goodwill	-	796
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	1,075	663
Trade receivables	(171,487)	(155,496)
Trade receivables from related parties	(47,982)	9,769
Other receivables	1,270	(568)
Inventories	28,221	(28,808)
Prepayments	14,282	(190)
Contract liabilities	(860)	1,534
Trade payables	85,230	(35,264)
Trade payables to related parties	1,584	(14,560)
Other payables	29,758	22,462
Other payables to related parties	-	(69)
Other current liabilities	-	(426)
Net defined benefit liabilities	146	66
Cash generated from operations	317,943	91,536
Interest received	20,927	35,315
Interest paid	(14,571)	(5,715)
Income tax paid	(71,297)	(66,950)
Net cash generated from operating activities	<u>253,002</u>	<u>54,186</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(107,065)	(161,772)
Proceeds from sale of financial assets at amortized cost	27,070	68,139
Purchase of financial assets at fair value through profit or loss	-	(10,128)
Proceeds from sale of financial assets at fair value through profit or loss	-	10,213

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ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

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

	2025	2024
Purchase of financial assets at fair value through other comprehensive income	\$ -	\$ (4,824)
Acquisition of subsidiaries	-	-
Payments for property, plant and equipment	(41,030)	(139,699)
Proceeds from disposal of property, plant and equipment	334	1,505
Increase in refundable deposits	-	(1,488)
Decrease in refundable deposits	1,065	-
Increase in other receivables from related parties	(4,197)	-
Decrease in other receivables from related parties	-	7,458
Payments for intangible assets	(1,017)	(2,549)
Payments for investment properties	(151,141)	-
Increase in prepayment for equipment	(1,818)	-
Decrease in prepayment for equipment	<u>-</u>	<u>4,689</u>
Net cash used in investing activities	<u>(277,799)</u>	<u>(228,456)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	431,272	187,548
Repayments of short-term borrowings	(384,033)	(24,827)
Repayments of bonds	(40,700)	(468,532)
Raise long-term debt	124,485	-
Repayments of long-term borrowings	(11,290)	(10,349)
Proceeds from guarantee deposits received	-	36
Proceeds from guarantee deposits paid out	(149)	-
Increase in other payables to related parties	138	267
Repayment of the principal portion of lease liabilities	(5,214)	(5,798)
Dividends paid to owners of the Company	(32,017)	(64,034)
Dividends paid to non-controlling interests	<u>-</u>	<u>(42,804)</u>
Net cash (used in) generated from financing activities	<u>82,492</u>	<u>(428,493)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>31,505</u>	<u>77,828</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	89,200	(524,935)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>933,928</u>	<u>1,458,863</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,023,128</u>	<u>\$ 933,928</u>

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

(Concluded)

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

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

1. GENERAL INFORMATION

All Cosmos Bio-Tech Holding Corporation (the “Company”) is a limited company incorporated in the Cayman Islands on March 26, 2010. The Company and its subsidiaries (collectively referred to as the “Group”) have reorganized in order to list the Company’s shares on the Taiwan Stock Exchange. On June 1, 2010, the Company issued new shares for 100% equity interest in All Cosmos Industries Sdn. Bhd. and completed the Group’s investment process. The major operating activities of the Group are the production and sale of Bio-organic and Bio-chemical compound fertilizers.

The Company’s shares have been listed on the Taiwan Stock Exchange since June 2017.

The functional currency of the Company is the Malaysian Ringgit. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since the Company’s shares are listed on the Taiwan Stock Exchange.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on March 12, 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 Financial Supervisory Commission (FSC)

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Group’s accounting policies.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note)</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

Amendments to IFRS 9 and IFRS 7 “Amendments to the
Classification and Measurement of Financial Instruments”

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

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

- a) 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.
- b) 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.
- c) 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.

2) 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.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
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.

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

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

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

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other 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

For the convenience of readers, 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 consolidated financial statements shall prevail.

a. Statement of compliance

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

b. Basis of preparation

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

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, 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. Classification of current and non-current assets and liabilities

Current assets include:

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

Current liabilities include:

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

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

d. Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of 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 of 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.

Refer to Note 12 and Table 7 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

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

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

When a business combination is achieved in stages, the Group's previously held equity interest in an acquiree is remeasured to fair value at the acquisition date, and the resulting gain or loss is recognized in profit or loss.

f. Foreign currencies

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

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

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting the financial statements, the financial statements of the Company and its foreign operations (including subsidiaries and associates) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate). The exchange differences accumulated in equity, which resulted from the translation of the assets and liabilities of the entities in the Group from functional currencies to the presentation currency, are not subsequently reclassified to profit or loss.

g. Inventories

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

h. Investments in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture. The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate.

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

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

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

i. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation.

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

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

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

j. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties include right-of-use assets and properties under construction that meet the definition of investment properties. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognized using the straight-line method.

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

k. Goodwill

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

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

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

l. Intangible assets

1) Intangible assets acquired separately

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

2) Derecognition of intangible assets

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

m. Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

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

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

n. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i. Financial assets at FVTPL

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

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

ii. Financial assets at amortized cost

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

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

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables at amortized cost and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

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

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

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

- i) Significant financial difficulty of the issuer or the borrower;
- ii) Breach of contract, such as a default;
- iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

- iv) The disappearance of an active market for that financial asset because of financial difficulties.

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

- iii. Investments in equity instruments at FVTOCI

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

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

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

- b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses (ECLs) on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime ECLs for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

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

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

- i. Internal or external information show that the debtor is unlikely to pay its creditors.
- ii. Financial asset is more than 270 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

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

c) Derecognition of financial assets

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

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

2) Financial liabilities

a) Subsequent measurement

Except the following situation, all financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities at FVTPL

Financial liabilities held by the Group are held for trading. Financial liabilities held for trading are stated at fair value, and any interest paid on such financial liabilities is recognized in finance costs; any remeasurement gains and losses on such financial liabilities are recognized in other gains or losses.

Fair value is determined in the manner described in Note 32.

b) Derecognition of financial liabilities

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

3) Convertible bonds

The conversion option component of the convertible bonds issued by the Group, which will be settled other than by the exchange of a fixed amount of cash or other financial assets for a fixed number of the Company's own equity instruments, is classified as a derivative financial liability.

On initial recognition, the derivative financial liability component of the convertible bonds is recognized at fair value, and the initial carrying amount of the non-derivative financial liability component is determined by deducting the amount of the derivative financial liability component from the fair value of the hybrid instrument as a whole. In subsequent periods, the non-derivative financial liability component of the convertible bonds is measured at amortized cost using the effective interest method. The derivative financial liability component is measured at fair value, and the changes in fair value are recognized in profit or loss. Transaction costs that relate to the issuance of the convertible notes are allocated to the derivative financial liability component and the non-derivative financial liability component in proportion to their relative fair values. Transaction costs relating to the derivative financial liability component are recognized immediately in profit or loss. Transaction costs relating to the non-derivative financial liability component are included in the carrying amount of the liability component.

4) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument; in which event, the timing of the recognition in profit or loss depends on the nature of the hedging relationship. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

o. Revenue recognition

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

Revenue from the sale of goods

Revenue from the sale of goods comes from sales of Bio-organic and Bio-chemical fertilizers and health supplement. Revenue from these sale is recognized when the goods are delivered and shipped to the customer's specific location because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods and bears the risks of obsolescence. Trade receivables are recognized currently. The transaction price received is recognized as a contract liability until the goods have been delivered to the customer.

p. Leases

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

1) The Group as lessor

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

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

2) The Group as lessee

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

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

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

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. Lease liabilities are presented on a separate line in the consolidated balance sheets.

q. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than the above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

r. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

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

Net defined benefit liabilities represent the actual deficit in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

s. Taxation

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

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

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

2) Deferred tax

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

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

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

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

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

3) Current and deferred taxes

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of the inflation and interest rate fluctuations on the cash flow projections, growth rate, discount rate, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

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

6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	2025	2024
Cash on hand	\$ 477	\$ 524
Checking accounts and demand deposits	931,504	837,532
Cash equivalents		
Time deposits with original maturities of 3 months or less	<u>91,147</u>	<u>95,872</u>
	<u>\$ 1,023,128</u>	<u>\$ 933,928</u>

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

	<u>December 31</u>	
	2025	2024
Time deposits with original maturities of 3 months or less	3.00%-3.70%	3.10%-4.71%

7. FINANCIAL INSTRUMENTS AT FVTPL

	<u>December 31</u>	
	2025	2024
<u>Financial assets at FVTPL - current</u>		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward contracts	\$ 738	\$ -
Non-derivative financial assets		
Mutual funds	<u>50,614</u>	<u>46,316</u>
	<u>\$ 51,352</u>	<u>\$ 46,316</u>
<u>Financial liabilities at FVTPL - current</u>		
Financial liabilities held for trading		
Derivative financial liabilities (not under hedge accounting)		
Convertible options (Note 21)	<u>\$ -</u>	<u>\$ 45</u>

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

December 31, 2025

	Currency	Maturity Date	Notional Amount (In Thousands)
Buy	USD/MYR	January 23, 2026	USD200/MYR833
Buy	USD/MYR	February 20, 2026	USD200/MYR832
Buy	USD/MYR	February 13, 2026	USD200/MYR818

(Continued)

	Currency	Maturity Date	Notional Amount (In Thousands)
Buy	USD/MYR	March 13, 2026	USD200/MYR817
Buy	USD/MYR	April 17, 2026	USD200/MYR817
Buy	USD/MYR	January 22, 2026	USD200/MYR827
Buy	USD/MYR	February 27, 2026	USD200/MYR816

(Concluded)

8. FINANCIAL ASSETS AT FVTOCI

	December 31	
	2025	2024
<u>Investments in equity instruments - non-current</u>		
Domestic investments		
Unlisted shares	<u>\$ 4,834</u>	<u>\$ 5,326</u>

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 as 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

	December 31	
	2025	2024
<u>Current</u>		
Time deposits with original maturities of more than 3 months	\$ 167,674	\$ 125,348
Restricted bank deposits (a)	<u>201,498</u>	<u>144,088</u>
	<u>\$ 369,172</u>	<u>\$ 269,436</u>
<u>Market rate intervals</u>		
Time deposits with original maturities of more than 3 months	2.35%-3.65%	2.50%-3.90%
Restricted bank deposits	1.75%-3.20%	2.00%-2.75%

- a. Refer to Note 34 for information relating to the restricted time deposits pledged as collaterals for borrowings by the Group.
- b. The Group's exposure and the external credit ratings are continuously monitored. The Group reviews changes in bond yields and other publicly available information and makes an assessment whether there has been a significant increase in credit risk since the last period to the reporting date. After the assessment, the Group estimates that there were no expected credit losses on the financial assets at amortized cost.

10. TRADE RECEIVABLES AND OTHER RECEIVABLES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount	\$ 798,425	\$ 604,363
Less: Allowance for impairment loss	<u>(23,717)</u>	<u>(16,580)</u>
	<u>\$ 774,708</u>	<u>\$ 587,783</u>
<u>Other receivables</u>		
Interest receivables	\$ 3,879	\$ 2,103
Others	<u>937</u>	<u>2,167</u>
	<u>\$ 4,816</u>	<u>\$ 4,270</u>

a. Trade receivables

The average credit period of sales of goods is 60 to 90 days. No interest is 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. The Group uses other publicly available financial information or its own trading records to rate its major customers.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are estimated using a provision matrix prepared by reference to the past default records of the customer, the customer's current financial position as well as the GDP forecasts. 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 its trade receivable in the event of when there is evidence indicating that particular receivable is in severe financial difficulty and there is no realistic prospect of recovery. For those trade receivable written off, the Group continues to engage in enforcement activity to attempt to recover the outstanding. A reversal of bad debts is recognized in profit or loss when recovery is made.

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

December 31, 2025

	Not Past Due	1 to 90 Days Past Due	91 to 180 Days Past Due	181 to 270 Days Past Due	Over 270 Days Past Due	Total
Expected credit loss rate	0.05%-0.74%	0.29%-3.72%	3.51%-27.11%	12.09%-48.91%	100.00%	
Gross carrying amount	\$ 512,438	\$ 260,089	\$ 11,288	\$ 3,652	\$ 10,958	\$ 798,425
Loss allowance (Lifetime ECLs)	<u>(2,609)</u>	<u>(7,442)</u>	<u>(1,896)</u>	<u>(812)</u>	<u>(10,958)</u>	<u>(23,717)</u>
Amortized cost	<u>\$ 509,829</u>	<u>\$ 252,647</u>	<u>\$ 9,392</u>	<u>\$ 2,840</u>	<u>\$ -</u>	<u>\$ 774,708</u>

December 31, 2024

	Not Past Due	1 to 90 Days Past Due	91 to 180 Days Past Due	181 to 270 Days Past Due	Over 270 Days Past Due	Total
Expected credit loss rate	0.03%-0.56%	0.22%-3.32%	1.80%-19.45%	8.33%-43.21%	100.00%	
Gross carrying amount	\$ 447,390	\$ 134,571	\$ 7,255	\$ 4,254	\$ 10,893	\$ 604,363
Loss allowance (Lifetime ECLs)	<u>(1,187)</u>	<u>(2,247)</u>	<u>(801)</u>	<u>(1,452)</u>	<u>(10,893)</u>	<u>(16,580)</u>
Amortized cost	<u>\$ 446,203</u>	<u>\$ 132,324</u>	<u>\$ 6,454</u>	<u>\$ 2,802</u>	<u>\$ -</u>	<u>\$ 587,783</u>

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

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$ 16,580	\$ 7,700
Add: Net provision of loss allowance	6,650	7,908
Less: Net remeasurement of loss allowance	(498)	-
Foreign exchange translation differences	<u>985</u>	<u>972</u>
Balance at December 31	<u>\$ 23,717</u>	<u>\$ 16,580</u>

b. Other receivables

Other receivables primarily included interest receivables and others. The Group continuously monitors past default experience of the counterparties and analyzes their current financial position. Based on the aforementioned information, the Group then assesses the expected credit loss and considers whether credit risk has significantly increased from the last period to the reporting date. As of December 31, 2025 and 2024, the Group estimates that there was no expected credit loss on other receivables.

11. INVENTORIES

	December 31	
	2025	2024
Merchandise	\$ 25,077	\$ 38,992
Finished goods	60,224	55,134
Work in progress	12,612	12,595
Raw materials	474,411	500,397
Inventory in transit	<u>103,871</u>	<u>67,914</u>
	<u>\$ 676,195</u>	<u>\$ 675,032</u>

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2025 and 2024 was \$2,119,553 thousand and \$1,790,045 thousand, respectively.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

The entities included in the preparation of these consolidated financial statements are as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		Remark
			2025	2024	
The Company	All Cosmos Industries Sdn. Bhd.	Manufacturing and sales of Bio-organic and Bio-chemical compound fertilizers	100	100	
	Sabah Softwoods Hybrid Fertiliser Sdn. Bhd.	Manufacturing and sales of Bio-organic and Bio-chemical compound fertilizers	55	55	
	PT All Cosmos Indonesia	Sales of Bio-organic and Bio-chemical compound fertilizers	99	99	
	PT All Cosmos Biotek	Manufacturing and sales of Bio-organic and Bio-chemical compound fertilizers	83	83	
All Cosmos Industries Sdn. Bhd.	GK Bio International Sdn. Bhd.	Wholesale of probiotics	60	60	
	PT All Cosmos Indonesia	Sales of Bio-organic and Bio-chemical compound fertilizers	1	1	
	Arif Efektif Sdn. Bhd.	Research and development of effective microorganisms for Bio-organic and Bio-chemical compound fertilizers	49	49	Note 1
	Kinabalu Life Sciences Sdn. Bhd.	Research and development of effective microorganisms for waste disposal of oil-palm	60	60	
	Cosmos Nutriscience Sdn. Bhd.	Manufacture and sales of health care food and biotechnology research and development	80	80	
GK Bio International Sdn. Bhd.	Eastern Eckare Malaysia Sdn. Bhd.	Sales of health care food and cosmetics	60	60	
	All Cosmos Biotech (Vietnam) Co., Ltd	Sales of high-efficiency bio-organic and biochemical compound fertilizers	100	-	Note 2
	GKB Singapore Pte. Ltd.	Wholesale of probiotics	100	100	

Note 1: The Group and its substantive related party separately hold 49% and 31% interest in Arif Efektif Sdn. Bhd. Their combined holding shares exceed 50% of the total shares outstanding. Hence, the Group has substantive control over Arif Efektif Sdn. Bhd. and has included it as part of the Group.

Note 2: All Cosmos Industries Sdn. Bhd. ("ACI"), a subsidiary of the Company, established a Vietnamese subsidiary, All Cosmos Biotech (Vietnam) Co., Ltd. ("ACBV"), in March 2025. The registered capital is VND 503,820 thousand, and the capital injection was completed in May 2025.

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
	2025	2024
Sabah Softwoods Hybrid Fertiliser Sdn. Bhd.	45%	45%

Refer to Table 7 for the information on the principal places of business and the countries of incorporation.

Name of Subsidiary	Profit Allocated to Non-controlling Interests		Accumulated Non-controlling Interests	
	For the Year Ended December 31		December 31	
	2025	2024	2025	2024
Sabah Softwoods Hybrid Fertiliser Sdn. Bhd.	\$ <u>33,903</u>	\$ <u>34,755</u>	\$ <u>470,474</u>	\$ <u>410,974</u>

Summarized financial information of the subsidiary that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

Sabah Softwoods Hybrid Fertiliser Sdn. Bhd.

	December 31	
	2025	2024
Current assets	\$ 875,351	\$ 736,135
Non-current assets	285,038	264,867
Current liabilities	(96,089)	(69,758)
Non-current liabilities	<u>(18,802)</u>	<u>(17,969)</u>
Equity	\$ <u>1,045,498</u>	\$ <u>913,275</u>
Equity attributable to:		
Owners of the Company	\$ 575,024	\$ 502,301
Non-controlling interests	<u>470,474</u>	<u>410,974</u>
	\$ <u>1,045,498</u>	\$ <u>913,275</u>
	For the Year Ended December 31	
	2025	2024
Revenue	\$ <u>857,047</u>	\$ <u>662,329</u>
Profit for the year	\$ 75,339	\$ 77,233
Other comprehensive income for the year	<u>-</u>	<u>-</u>
Total comprehensive income for the year	\$ <u>75,339</u>	\$ <u>77,233</u>
Profit attributable to:		
Owners of the Company	\$ 41,436	\$ 42,478
Non-controlling interests	<u>33,903</u>	<u>34,755</u>
	\$ <u>75,339</u>	\$ <u>77,233</u>

(Continued)

	For the Year Ended December 31	
	2025	2024
Total comprehensive income attributable to:		
Owners of the Company	\$ 41,436	\$ 42,478
Non-controlling interests	<u>33,903</u>	<u>34,755</u>
	<u>\$ 75,339</u>	<u>\$ 77,233</u>
Cash inflow (outflow) from:		
Operating activities	\$ 12,077	\$ 50,801
Investing activities	(9,365)	(40,289)
Financing activities	37,814	(87,073)
Effects of foreign currency exchange	<u>19,848</u>	<u>29,284</u>
Net cash outflow	<u>\$ 60,374</u>	<u>\$ (47,277)</u>
		(Concluded)

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in Associates

	December 31	
	2025	2024
Associate that is not individually material		
Sawit Ecoshield Sdn. Bhd.	<u>\$ 34,051</u>	<u>\$ 27,376</u>
	For the Year Ended December 31	
	2025	2024
The Group's share of:		
Profit for the year	<u>\$ 4,805</u>	<u>\$ 2,812</u>

Refer to Table 7 "Information on Investees" for the nature of activities, the principal places of business and the country of incorporation of the associates.

Investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on financial statements, which have not been audited. The management believes there is no material impact on the aforementioned financial statements, which have not been audited.

14. PROPERTY, PLANT AND EQUIPMENT

Assets Used by the Group

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Furniture, Fixture and Equipment	Leasehold Improvements	Other Equipment	Property under Construction	Total
Cost									
Balance at January 1, 2025	\$ 28,158	\$ 427,706	\$ 466,295	\$ 27,872	\$ 11,570	\$ 8,837	\$ 122,455	\$ 229,037	\$ 1,321,930
Additions	-	51	6,576	4,048	2,271	-	2,518	8,343	23,807
Disposals	-	-	(1,707)	(631)	(104)	(2,823)	(607)	-	(5,872)
Reclassification (Note)	-	162,475	20,346	-	2,621	-	25,550	(209,633)	1,359
Effects of foreign currency exchange differences	1,604	22,688	26,219	1,583	784	321	6,710	(15,621)	44,288
Transfers to investment properties	-	(13,097)	-	-	-	-	-	-	(13,097)
Balance at December 31, 2025	<u>\$ 29,762</u>	<u>\$ 599,823</u>	<u>\$ 517,729</u>	<u>\$ 32,872</u>	<u>\$ 17,142</u>	<u>\$ 6,335</u>	<u>\$ 156,626</u>	<u>\$ 12,126</u>	<u>\$ 1,372,415</u>
Accumulated depreciation									
Balance at January 1, 2025	\$ -	\$ 97,608	\$ 354,656	\$ 18,313	\$ 6,189	\$ 1,129	\$ 66,136	\$ -	\$ 544,031
Depreciation expense	-	16,688	21,507	3,424	1,708	246	11,354	-	54,927
Disposals	-	-	(1,701)	(631)	(25)	(487)	(139)	-	(2,983)
Reclassification (Note)	-	-	-	-	238	-	(238)	-	-
Effects of foreign currency exchange differences	-	6,031	21,308	1,095	435	49	4,271	-	33,189
Transfers to investment properties	-	(589)	-	-	-	-	-	-	(589)
Balance at December 31, 2025	<u>\$ -</u>	<u>\$ 119,738</u>	<u>\$ 395,770</u>	<u>\$ 22,201</u>	<u>\$ 8,545</u>	<u>\$ 937</u>	<u>\$ 81,384</u>	<u>\$ -</u>	<u>\$ 628,575</u>
Carrying amount at December 31, 2025	<u>\$ 29,762</u>	<u>\$ 480,085</u>	<u>\$ 121,959</u>	<u>\$ 10,671</u>	<u>\$ 8,597</u>	<u>\$ 5,398</u>	<u>\$ 75,242</u>	<u>\$ 12,126</u>	<u>\$ 743,840</u>
Cost									
Balance at January 1, 2024	\$ 25,736	\$ 382,407	\$ 415,963	\$ 23,277	\$ 9,664	\$ 8,076	\$ 103,478	\$ 139,858	\$ 1,108,459
Additions	-	-	16,287	5,405	1,745	-	6,742	97,915	128,094
Disposals	-	-	(6,837)	(3,784)	(78)	-	(646)	-	(11,345)
Reclassification (Note)	-	8,938	1,380	760	(690)	-	2,774	(12,482)	680
Effects of foreign currency exchange differences	2,422	36,361	39,502	2,214	929	761	10,107	3,746	96,042
Balance at December 31, 2024	<u>\$ 28,158</u>	<u>\$ 427,706</u>	<u>\$ 466,295</u>	<u>\$ 27,872</u>	<u>\$ 11,570</u>	<u>\$ 8,837</u>	<u>\$ 122,455</u>	<u>\$ 229,037</u>	<u>\$ 1,321,930</u>
Accumulated depreciation									
Balance at January 1, 2024	\$ -	\$ 81,248	\$ 310,517	\$ 17,383	\$ 5,109	\$ 654	\$ 52,389	\$ -	\$ 467,300
Depreciation expense	-	8,363	20,832	2,700	1,227	397	8,854	-	42,375
Disposals	-	-	(6,561)	(3,784)	(68)	-	(631)	-	(11,044)
Reclassification (Note)	-	-	47	469	(576)	-	239	-	179
Effects of foreign currency exchange differences	-	7,997	29,821	1,545	497	78	5,285	-	45,223
Balance at December 31, 2024	<u>\$ -</u>	<u>\$ 97,608</u>	<u>\$ 354,656</u>	<u>\$ 18,313</u>	<u>\$ 6,189</u>	<u>\$ 1,129</u>	<u>\$ 66,136</u>	<u>\$ -</u>	<u>\$ 544,031</u>
Carrying amount at December 31, 2024	<u>\$ 28,158</u>	<u>\$ 330,098</u>	<u>\$ 111,639</u>	<u>\$ 9,559</u>	<u>\$ 5,381</u>	<u>\$ 7,708</u>	<u>\$ 56,319</u>	<u>\$ 229,037</u>	<u>\$ 777,899</u>

Note: The net amount of reclassification pertains to the transfer of right-of-use assets and prepaid equipment to and from other intangible assets.

The Group did not recognize or reverse impairment loss for the years ended December 31, 2025 and 2024.

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

Buildings	
Main buildings	33-52 years
Others	10-50 years
Machinery and equipment	3-10 years
Transportation equipment	5-8 years
Furniture, fixture and equipment	3-10 years
Leasehold improvements	3-25 years
Other equipment	10 years

Property, plant and equipment used by the Group and pledged as collateral for borrowings are set out in Note 34.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Carrying amount</u>		
Land	\$ 148,974	\$ 150,229
Buildings	6,832	6,426
Transportation equipment	<u>2,379</u>	<u>3,331</u>
	<u>\$ 158,185</u>	<u>\$ 159,986</u>
	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Additions to right-of-use assets	<u>\$ 5,880</u>	<u>\$ 4,122</u>
Depreciation charge for right-of-use assets		
Land	\$ 3,929	\$ 4,241
Buildings	4,080	4,529
Transportation equipment	<u>1,073</u>	<u>1,189</u>
	<u>\$ 9,082</u>	<u>\$ 9,959</u>

In addition to the additions and recognized depreciation charges listed above, the right of use assets of the Group was not significant increased, subletting and impaired for the years ended December 31, 2025 and 2024.

b. Lease liabilities

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Carrying amount</u>		
Current	<u>\$ 5,116</u>	<u>\$ 5,963</u>
Non-current	<u>\$ 2,119</u>	<u>\$ 2,119</u>

Range of discount rates for lease liabilities was as follows:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Buildings	3.12%-5.37%	3.10%-6.69%
Transportation equipment	2.14%	2.14%

c. Other lease information

	For the Year Ended December 31	
	2025	2024
Expenses relating to short-term leases	<u>\$ 13,546</u>	<u>\$ 10,382</u>
Expenses relating to low-value asset leases	<u>\$ 2,006</u>	<u>\$ 2,149</u>
Total cash outflow for leases	<u>\$ (21,049)</u>	<u>\$ (18,804)</u>

Certain worker hostels and furniture, fixtures and equipment are qualified as short-term and low-value asset leases by the Group. The Group has elected to apply the recognition exemption and did not recognize relevant leases as right-of-use assets and the corresponding lease liability.

Right-of-use assets used by the Group and pledged as collaterals for borrowings are set out in Note 34.

16. INVESTMENT PROPERTIES

	Completed Investment Properties	Investment Properties under Construction	Total
<u>Cost</u>			
Balance on January 1, 2025	\$ -	\$ -	\$ -
Additions	151,141	-	151,141
Transfers (to) from property, plant and equipment	-	13,097	13,097
Effects of foreign currency exchange differences	<u>9,746</u>	<u>844</u>	<u>10,590</u>
Balance on December 31, 2025	<u>\$ 160,887</u>	<u>\$ 13,941</u>	<u>\$ 174,828</u>
<u>Accumulated depreciation and impairment</u>			
Balance on January 1, 2025	\$ -	\$ -	\$ -
Transfers (to) from property, plant and equipment	-	589	589
Depreciation expenses	-	131	131
Effects of foreign currency exchange differences	<u>-</u>	<u>47</u>	<u>47</u>
Balance on December 31, 2025	<u>\$ -</u>	<u>\$ 767</u>	<u>\$ 767</u>
Carrying amount at December 31, 2025	<u>\$ 160,887</u>	<u>\$ 13,174</u>	<u>\$ 174,061</u>

The investment properties are leased out for 3 years with no option to extend. The lease contracts do not contain market review clauses. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

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

	December 31, 2025
Year 1	\$ 463
Year 2	463
Year 3	<u>231</u>
	<u>\$ 1,157</u>

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

Buildings	50 years
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The determination of fair value was performed by independent qualified professional valuers, and the fair value was measured using Level 3 inputs. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. The significant unobservable inputs used include discount rates. The fair value as appraised was as follows:

	December 31, 2025
Fair value	<u>\$ 175,061</u>

17. GOODWILL

	<u>For the Year Ended December 31</u>	
	2025	2024
<u>Cost</u>		
Balance at January 1	\$ 6,445	\$ 5,891
Effects of foreign currency exchange differences	<u>367</u>	<u>554</u>
Balance at December 31	<u>\$ 6,812</u>	<u>\$ 6,445</u>
<u>Accumulated impairment losses</u>		
Balance at January 1	\$ 6,062	\$ 4,783
Impairment losses recognized	-	796
Effects of foreign currency exchange differences	<u>345</u>	<u>483</u>
Balance at December 31	<u>\$ 6,407</u>	<u>\$ 6,062</u>
Carrying amounts at December 31	<u>\$ 405</u>	<u>\$ 383</u>

The Group acquired Arif Efektif Sdn. Bhd. and EEMSB and recognized goodwill in relation to investment costs exceeding the fair value of the identifiable assets and assumed liabilities on the acquisition date.

Based on the impairment test performed for the year ended December 31, 2024, the actual business revenue growth of EEMSB post-acquisition did not meet expectations. As a result, the recoverable amount of the goodwill was assessed as zero, leading to the recognition of a goodwill impairment loss of \$796 thousand, which was recorded under other income and losses. No impairment loss was recognized or reversed in the year 2025.

18. OTHER INTANGIBLE ASSETS

	Computer Software	Special Technology	Total
<u>Cost</u>			
Balance at January 1, 2025	\$ 9,443	\$ 9,491	\$ 18,934
Additions	1,017	-	1,017
Effects of foreign currency exchange differences	<u>575</u>	<u>541</u>	<u>1,116</u>
Balance at December 31, 2025	<u>\$ 11,035</u>	<u>\$ 10,032</u>	<u>\$ 21,067</u>
	Computer Software	Special Technology	Total
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2025	\$ 6,352	\$ 1,424	\$ 7,776
Amortization expense	1,023	942	1,965
Effects of foreign currency exchange differences	<u>424</u>	<u>142</u>	<u>566</u>
Balance at December 31, 2025	<u>\$ 7,799</u>	<u>\$ 2,508</u>	<u>\$ 10,307</u>
Carrying amount at December 31, 2025	<u>\$ 3,236</u>	<u>\$ 7,524</u>	<u>\$ 10,760</u>
<u>Cost</u>			
Balance at January 1, 2024	\$ 5,660	\$ 8,675	\$ 14,335
Additions	2,549	-	2,549
Reclassification (Note)	571	-	571
Effects of foreign currency exchange differences	<u>663</u>	<u>816</u>	<u>1,479</u>
Balance at December 31, 2024	<u>\$ 9,443</u>	<u>\$ 9,491</u>	<u>\$ 18,934</u>
	Computer Software	Special Technology	Total
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2024	\$ 4,829	\$ 434	\$ 5,263
Amortization expense	736	911	1,647
Reclassification (Note)	290	-	290
Effects of foreign currency exchange differences	<u>497</u>	<u>79</u>	<u>576</u>
Balance at December 31, 2024	<u>\$ 6,352</u>	<u>\$ 1,424</u>	<u>\$ 7,776</u>
Carrying amount at December 31, 2024	<u>\$ 3,091</u>	<u>\$ 8,067</u>	<u>\$ 11,158</u>

Note: The reclassification was from property, plant and equipment and prepayments.

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

Computer software	5 years
Special technology	10 years

The Group did not recognize or reverse impairment loss for the years ended December 31, 2025 and 2024.

19. OTHER ASSETS

	<u>December 31</u>	
	2025	2024
<u>Current</u>		
Prepayments		
Prepayments for purchase	\$ 7,788	\$ 3,227
Office supplies	23,946	28,786
Input tax	11,014	29,138
Others	<u>12,863</u>	<u>8,629</u>
	<u>\$ 55,611</u>	<u>\$ 69,780</u>
Other		
Refundable deposits	<u>\$ 4,021</u>	<u>\$ 3,526</u>
<u>Non-current</u>		
Refundable deposits	\$ 6,894	\$ 8,011
Prepayment for equipment	<u>1,988</u>	<u>1,420</u>
	<u>\$ 8,882</u>	<u>\$ 9,431</u>

20. BORROWINGS

a. Short-term borrowings

	<u>December 31</u>	
	2025	2024
<u>Secured borrowings (Note 34)</u>		
Bank loans	\$ 160,080	\$ 67,541
<u>Unsecured borrowings</u>		
Line of credit borrowings	<u>64,792</u>	<u>118,196</u>
	<u>\$ 224,872</u>	<u>\$ 185,737</u>

The range of interest rates on bank loans was 3.66% to 5.35% and 5.09% to 5.68% per annum as of December 31, 2024 and 2023, respectively.

b. Long-term borrowings

	<u>December 31</u>	
	2025	2024
<u>Secured borrowings (Note 34)</u>		
Bank loans*	\$ 149,178	\$ 27,139
Less: Current portion	<u>(23,908)</u>	<u>(11,287)</u>
Long-term borrowings	<u>\$ 125,270</u>	<u>\$ 15,852</u>

* The details of the bank loans are as follows:

	<u>Effective</u>	<u>December 31</u>	
	<u>Rate</u>	2025	2024
<u>Variable rate</u>			
AmIslamic Bank medium-term secured loan in a total amount of MYR7,500 thousand, from March 22, 2022 to May 1, 2027, repayable in monthly installments of principal and interest started from April 5, 2022.	4.50%	\$ 16,748	\$ 27,139
RHB Bank long-term secured loan with a total borrowing amount of MYR17,329 thousand. The loan period is from September 23, 2025 to October 5, 2034, with principal and interest repaid in monthly installments commencing November 5, 2025.	3.95%	<u>132,430</u>	<u>-</u>
Long-term borrowings		<u>\$ 149,178</u>	<u>\$ 27,139</u>

21. BONDS PAYABLE

	<u>December 31,</u>
	<u>2024</u>
Unsecured domestic convertible bonds	\$ 40,700
Unamortized bond discount	<u>(49)</u>
	40,651
Less: Current portion	<u>(40,651)</u>
	<u>\$ -</u>

On September 21, 2022, the Company issued the first three-year zero coupon unsecured domestic convertible bonds with a par value of \$100 thousand and an aggregate principal amount of \$500,000 thousand. The following items are primary clauses in the prospectus:

a. Term

The three-year period is starting from September 21, 2022 to September 21, 2025.

b. Date and method of payment of interest and principal

As the bonds bear 0% interest, no interest payment schedule or method has been set. Except for cases where the bonds are converted to the Company's ordinary shares, put options will be exercised by the bondholders, and the bonds will be redeemed prior to maturity, or where the Company repurchases the bonds from securities firms or cancelled them, the bonds will be paid at par in cash at maturity.

c. Conversion

The bondholder has the right during the conversion period, from December 22, 2022 (3 months after the issue date) to September 21, 2025 (the maturity date), to convert its bonds into ordinary shares, except for the period of suspension of transfer according to the law: (i) the period beginning on the 15th trading day prior to the book closure date for the distribution of shares or cash dividends, the subscription of new shares due to a capital increase; (ii) the period beginning on the date of a capital reduction until one day prior to the trading day on which the shares of the Company are reissued after such reduction; and (iii) the day of conversion (subscription) during the changes of the face value of stock until the day before the start of trading of the new shares issued through exchange.

The price used by the Company in determining the number of ordinary shares to be issued upon conversion was initially NT\$79 per share. The conversion price will be adjusted according to the formula stated in the prospectus, should there be any changes in the issuance of ordinary shares. Due to the distribution of cash dividends by the Company, the conversion price as of December 31, 2024, was adjusted to NT\$74.2 per share. Effective from August 21, 2025, the conversion price is further adjusted to NT\$69.8 per share.

d. Redemption

From December 22, 2022 (3 months after the issue date) to August 12, 2025 (40 days prior to the maturity date), if the closing price of the Company's ordinary shares listed on the stock exchange exceeds 30% of the conversion price for 30 consecutive trading days, the Company can redeem all the bonds before the maturity date.

From December 22, 2022 (3 months after the issue date) to August 12, 2025 (40 days prior to the maturity date), if the balance of the outstanding convertible bonds is lower than 10% of the original principal amount, the Company can redeem all the bonds before the maturity date.

e. Put option of the bondholders

From September 21, 2024 onwards (2 years after the issue date), bondholders can request the Company to redeem the bonds in cash at 102.01% of the principal amount (the yield to put is 1%). The Company announced on July 17, 2024, that bondholders may exercise their put option with the base date for the put option set as September 21, 2024.

In September 2024, bondholders exercised their put option, resulting in the company's repurchase of 4,593 units of the first unsecured domestic convertible bonds at a redemption price of \$459,300 thousand, plus interest of \$9,232 thousand. The repurchase was recorded as a derecognition of payable convertible bonds and financial liabilities measured at FVTPL, amounting to \$458,549 thousand and \$15,754 thousand, respectively. A redemption gain of \$5,771 thousand was recognized and presented under other gains and losses.

The convertible corporate bonds amounting to \$40,700 thousand, issued by the Company, matured upon expiration on September 21, 2025, and were redeemed at par value.

Movements of the host liability instrument and the conversion option derivative instrument in 2025 and 2024 were as follows:

	Host Liability Instruments	Conversion Option Derivative Instruments
Balance at January 1, 2025	\$ 40,651	\$ 45
Interest expense	49	-
Redemption of convertible bonds	(40,700)	-
Gain on fair value	<u>-</u>	<u>(45)</u>
Balance at December 31, 2025	<u>\$ -</u>	<u>\$ -</u>
Balance at January 1, 2024	\$ 498,589	\$ 19,500
Interest expense	611	-
Redemption of convertible bonds	(458,549)	(15,754)
Gain on fair value	<u>-</u>	<u>(3,701)</u>
Balance at December 31, 2024	<u>\$ 40,651</u>	<u>\$ 45</u>

22. OTHER LIABILITIES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Other payables		
Payable for salaries and bonuses (including compensation of employees and remuneration of directors)	\$ 45,357	\$ 27,864
Payable for pension fees	6,449	4,211
Payable for freight	31,031	25,611
Payable for purchasing equipment and construction	1,562	18,785
Payable for commission	7,561	11,158
Payable for professional service fees	5,000	5,342
Payable for maintenance	7,108	5,461
Payable for taxes	2,202	8,079
Payable for marketing expenses	14,138	3,729
Payable for utilities	2,061	2,172
Payable for royalties	2,751	1,711
Payable for welfare	136	147
Others	<u>17,408</u>	<u>11,764</u>
	<u>\$ 142,764</u>	<u>\$ 126,034</u>
Other liabilities		
Guarantee deposits received	<u>\$ 97</u>	<u>\$ 416</u>
<u>Non-current</u>		
Other liabilities		
Guarantee deposits received	<u>\$ 182</u>	<u>\$ -</u>

23. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits in accordance with local regulation. Except for the abovementioned, the Group does not have any other retirement or pension plans for employees.

b. Defined benefit plans

The subsidiary in Indonesia adopted a defined benefit plan and actuarial calculations are conducted in accordance with the local Labor Standards Act.

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

	December 31	
	2025	2024
Present value of defined benefit obligation	\$ 777	\$ 673
Fair value of plan assets	<u>-</u>	<u>-</u>
Deficit	<u>777</u>	<u>673</u>
Net defined benefit liabilities	<u>\$ 777</u>	<u>\$ 673</u>

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2025	\$ <u>673</u>	\$ <u>-</u>	\$ <u>673</u>
Service cost			
Current service cost	100	-	100
Net interest expense	<u>47</u>	<u>-</u>	<u>47</u>
Recognized in profit or loss	<u>147</u>	<u>-</u>	<u>147</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	-	-
Actuarial (gain) loss			
Changes in financial assumptions	20	-	20
Experience adjustments	<u>(11)</u>	<u>-</u>	<u>(11)</u>
Recognized in other comprehensive income	<u>9</u>	<u>-</u>	<u>9</u>
Contributions from the employer	<u>-</u>	<u>-</u>	<u>-</u>
Effects of foreign currency exchange	<u>(52)</u>	<u>-</u>	<u>(52)</u>
Balance at December 31, 2025	<u>\$ 777</u>	<u>\$ -</u>	<u>\$ 777</u>

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2024	\$ 669	\$ -	\$ 669
Service cost			
Current service cost	91	-	91
Net interest expense	45	-	45
Recognized in profit or loss	<u>136</u>	<u>-</u>	<u>136</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	-	-
Actuarial (gain) loss			
Changes in financial assumptions	(13)	-	(13)
Experience adjustments	<u>(63)</u>	<u>-</u>	<u>(63)</u>
Recognized in other comprehensive income	<u>(76)</u>	<u>-</u>	<u>(76)</u>
Contributions from the employer	<u>(70)</u>	<u>-</u>	<u>(70)</u>
Effects of foreign currency exchange	<u>14</u>	<u>-</u>	<u>14</u>
Balance at December 31, 2024	<u>\$ 673</u>	<u>\$ -</u>	<u>\$ 673</u> (Concluded)

Through the defined benefit plans under the Labor Standards Act, the Corporation is exposed to the following risks:

- 1) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.
- 2) Salary risk: The present value of the defined benefit obligation is calculated using the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	December 31	
	2025	2024
Discount rate (%)	6.77	7.12
Expected rate of salary increase (%)	4.00	4.00

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2025	2024
Discount rate		
1% increase	<u>\$ 34</u>	<u>\$ 33</u>
1% decrease	<u>\$ (38)</u>	<u>\$ (36)</u>
Expected rate of salary increase		
1% increase	<u>\$ (35)</u>	<u>\$ (33)</u>
1% decrease	<u>\$ 32</u>	<u>\$ 31</u>

The above sensitivity analysis may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions will occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2025	2024
Expected contributions to the plan for the next year	<u>\$ 146</u>	<u>\$ 158</u>
Average duration of the defined benefit obligation	12.89 years	14.75 years

24. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2025	2024
Shares authorized (in thousands of shares)	<u>600,000</u>	<u>600,000</u>
Shares authorized	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>67,236</u>	<u>64,034</u>
Shares issued	<u>\$ 672,357</u>	<u>\$ 640,340</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

At the shareholders' meeting held on June 16, 2025, the Company approved a capitalization of retained earnings through the issuance of 3,202 thousand new shares with a par value of \$10 per share, amounting to a total of \$32,017 thousand. The record date for the capital increase was set as August 21, 2025.

b. Capital surplus

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
May be used to offset a deficit, distributed as <u>cash dividends, or transferred to share capital (*)</u>		
Issuance of ordinary shares	\$ 775,964	\$ 775,964
Exercise of employee share options	2,675	2,675
Forfeited employee share options	2,862	2,862
The difference between consideration paid and the carrying amount of subsidiaries' net assets during actual acquisition	532	532
<u>May not be used for any purpose</u>		
Others	<u>337</u>	<u>337</u>
	<u>\$ 782,370</u>	<u>\$ 782,370</u>

* 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 Articles, where the Company made a profit every six months of the fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, 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. If the distribution is in the form of shares, it shall be resolved in the shareholders' meeting; if the distribution is in the form of cash, resolution shall be made in the board of directors' meeting and a report of such distribution shall be submitted in the shareholders' meeting. For the policies on the distribution of compensation of employees and remuneration of directors, refer to compensation of employees and remuneration of directors in Note 26 (g).

The Company's Articles also stipulate that dividends may be distributed in shares or in cash. Cash dividends shall be no less than 50% of the total dividends distributed.

An appropriation of earnings to a 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.

When a special reserve is appropriated for cumulative net debit balance reserves from a prior period, the sum of net profit for the current period and items other than net profit that are included directly in the unappropriated earnings for the current period is used if the prior unappropriated earnings are not sufficient.

The appropriations of earnings for 2024 and 2023 were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2024	2023
Legal reserve	\$ <u>12,966</u>	\$ <u>13,735</u>
Special reserve	\$ <u>(194,730)</u>	\$ <u>89,854</u>
Cash dividends	\$ <u>32,017</u>	\$ <u>64,034</u>
Share dividends	\$ <u>32,017</u>	\$ <u>-</u>
Cash dividends per share (NT\$)	\$ 0.5	\$ 1.00
Share dividends per share (NT\$)	\$ 0.5	\$ -

The above appropriations for cash dividends were resolved by the Company's board of directors on March 13, 2025 and March 14, 2024; the other proposed appropriations were resolved by the shareholders in their meetings on June 16, 2025 and June 21, 2024, respectively.

On August 26 2025 and August 27, 2024, the Company's board of directors resolved not to distribute appropriations of the semi-annual earnings in 2025 and 2024, respectively.

The appropriation of earnings for 2025 which were proposed by the Company's board of directors on March 12, 2026 were as follows:

	For the Year Ended December 31, 2025
Legal reserve	\$ <u>15,299</u>
Special reserve	\$ <u>(106,876)</u>
Cash dividends	\$ <u>67,236</u>
Cash dividends per share (NT\$)	\$ 1.00

The above appropriation for cash dividends has been resolved by the Company's board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on June 16, 2026.

d. Special reserve

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$ 512,043	\$ 422,189
Appropriations in respect (reversal) of		
Debits (reversal of the debit) to other equity items	<u>(194,730)</u>	<u>89,854</u>
Balance at December 31	<u>\$ 317,313</u>	<u>\$ 512,043</u>

According to the Articles, special reserve should be appropriated for the amount equal to the difference between the net debit balance reserve of other equity items and the balance of special reserve appropriated on the reporting date. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and is thereafter distributed.

e. Other equity items

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

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$ (317,600)	\$ (512,043)
Recognized for the year		
Exchange differences on translation to the presentation currency	149,092	211,076
Exchange differences on translation of the financial statements of foreign operations	(41,486)	(21,885)
Related income tax	<u>17</u>	<u>5,252</u>
Balance at December 31	<u>\$ (209,977)</u>	<u>\$ (317,600)</u>

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

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$ 287	\$ -
Recognized for the year		
Unrealized gains - equity instruments	<u>(747)</u>	<u>287</u>
Balance at December 31	<u>\$ (460)</u>	<u>\$ 287</u>

f. Non-controlling interests

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$ 615,071	\$ 559,851
Share in profit for the year	53,228	45,902
Other comprehensive income (loss) during the year		
Exchange differences on translation to the presentation currency	38,171	56,546
Exchange differences on translation of the financial statements of foreign operations	(4,635)	(2,875)
Cash dividends distribution by subsidiaries	-	(42,804)
Changes in proportions of ownership in subsidiaries (Note 29)	<u>-</u>	<u>(1,549)</u>
Balance at December 31	<u>\$ 701,835</u>	<u>\$ 615,071</u>

25. REVENUE

	For the Year Ended December 31	
	2025	2024
Fertilizer revenue	\$ 2,638,683	\$ 2,190,628
Health supplements revenue	<u>310,340</u>	<u>268,008</u>
	<u>\$ 2,949,023</u>	<u>\$ 2,458,636</u>

a. Contract information

Revenue from the sale of goods

The Group's revenue mainly comes from the sale of bio-organic and bio-chemical compound fertilizers and health supplements. All goods are sold at agreed-upon prices.

b. Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Trade receivables (including related parties)	<u>\$ 858,034</u>	<u>\$ 618,723</u>	<u>\$ 443,609</u>
Contract liabilities - current	<u>\$ 1,804</u>	<u>\$ 2,591</u>	<u>\$ 907</u>

Revenue recognized in the current year that was included in the contract liability balance at the beginning of the year and from the performance obligations satisfied in the previous period was summarized as follows:

	<u>For the Year Ended December 31</u>	
	2025	2024
From contract liabilities at the start of the year		
Sale of goods	<u>\$ 2,591</u>	<u>\$ 907</u>

c. Disaggregation of revenue

Refer to Note 39 for details of disaggregation of revenue.

26. NET PROFIT

a. Interest income

	<u>For the Year Ended December 31</u>	
	2025	2024
Bank deposits	\$ 17,811	\$ 30,228
Financial assets at amortized cost	4,892	4,537
Loans to related parties (Note 33)	<u>-</u>	<u>469</u>
	<u>\$ 22,703</u>	<u>\$ 35,234</u>

b. Other income

	<u>For the Year Ended December 31</u>	
	2025	2024
Insurance compensation income	\$ 95	\$ 9,529
Rental income	389	40
Others	<u>4,388</u>	<u>4,991</u>
	<u>\$ 4,872</u>	<u>\$ 14,560</u>

c. Other gains and losses

	<u>For the Year Ended December 31</u>	
	2025	2024
Gain/(loss) on disposal of property, plant and equipment	\$ (2,555)	\$ 1,204
Net foreign exchange gains (h)	(17,667)	38,377
Gain on redemption of bonds payable (Note 21)	-	5,771
Gain from lease modification	100	39
Fair values changes of financial assets and liabilities		
Financial assets mandatorily classified as at FVTPL	3,012	2,074
Financial liabilities held for trading	45	3,701
Impairment loss on goodwill	<u>-</u>	<u>(796)</u>
	<u>\$ (17,065)</u>	<u>\$ 50,370</u>

d. Finance costs

	<u>For the Year Ended December 31</u>	
	2025	2024
Interest on bank loans	\$ 14,200	\$ 4,997
Interest on lease liabilities	283	475
Interest on convertible bonds payable	<u>49</u>	<u>611</u>
	<u>\$ 14,532</u>	<u>\$ 6,083</u>

e. Depreciation and amortization

	<u>For the Year Ended December 31</u>	
	2025	2024
An analysis of depreciation by function		
Operating costs	\$ 39,922	\$ 28,645
Operating expenses	<u>24,218</u>	<u>23,687</u>
	<u>\$ 64,140</u>	<u>\$ 52,332</u>
An analysis of amortization by function		
Operating expenses	<u>\$ 1,965</u>	<u>\$ 1,647</u>

f. Employee benefits expense

	<u>For the Year Ended December 31</u>	
	2025	2024
Post-employment benefits		
Defined contribution plan	\$ 18,311	\$ 15,182
Defined benefit plans	147	136
Other employee benefits	<u>267,435</u>	<u>233,079</u>
Total employee benefits expense	<u>\$ 285,893</u>	<u>\$ 248,397</u>

(Continued)

	For the Year Ended December 31	
	2025	2024
An analysis of employee benefits expense by function		
Operating costs	\$ 87,586	\$ 80,346
Operating expenses	<u>198,307</u>	<u>168,051</u>
	<u>\$ 285,893</u>	<u>\$ 248,397</u>
		(Concluded)

g. Compensation of employees and remuneration of directors

According to the Articles, the Company accrues compensation of employees at rates of no less than 1% and no higher than 10% and remuneration of directors at rates of no higher than 10%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and the remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Company's board of directors on March 12, 2026 and March 13, 2025, respectively, are as follows:

Accrual rate

	For the Year Ended December 31	
	2025	2024
Compensation of employees	3%	3%
Remuneration of directors	2%	2%

Amount

	For the Year Ended December 31			
	2025		2024	
	Cash	Shares	Cash	Shares
Compensation of employees	<u>\$ 4,445</u>	\$ -	<u>\$ 4,061</u>	\$ -
Remuneration of directors	<u>\$ 2,963</u>	-	<u>\$ 2,707</u>	-

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

There is 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, 2024 and 2023.

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

h. Gains and losses on foreign currency exchange

	For the Year Ended December 31	
	2025	2024
Foreign exchange gains	\$ 92,746	\$ 152,640
Foreign exchange losses	<u>(110,413)</u>	<u>(114,263)</u>
	<u>\$ (17,667)</u>	<u>\$ 38,377</u>

27. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follow:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of the current year	\$ 109,202	\$ 73,100
Adjustments for prior year	<u>(3,024)</u>	<u>5,325</u>
	106,178	78,425
Deferred tax		
In respect of the current year	<u>(15,035)</u>	<u>(145)</u>
Income tax expense recognized in profit or loss	<u>\$ 91,143</u>	<u>\$ 78,280</u>

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

	For the Year Ended December 31	
	2025	2024
Profit before tax	<u>\$ 297,370</u>	<u>\$ 252,770</u>
Income tax expense calculated at the statutory rate (24%)	\$ 71,369	\$ 60,665
Nondeductible expenses in determining taxable income	2,245	7,591
Tax-exempt income	(1,787)	(1,013)
Unrecognized loss carryforwards	16,658	12,943
Unrecognized deductible temporary differences	(2,137)	(364)
Adjustments for prior years' tax	(3,024)	5,325
Effects of different tax rate of group entities operating in other jurisdictions	<u>7,819</u>	<u>(6,867)</u>
Income tax expense recognized in profit or loss	<u>\$ 91,143</u>	<u>\$ 78,280</u>

The main source of income of the Group is the subsidiaries in Malaysia, whose tax rate is 24%, and the tax rate of the subsidiaries in Indonesia is 22%. Tax rates used by other entities operating in other jurisdictions are based on the tax laws in each jurisdiction.

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2025	2024
<u>Deferred tax</u>		
In respect of the current year		
Exchange differences on translation of the financial statements of foreign operations	\$ (17)	\$ (5,252)
Remeasurement of defined benefit plan	<u>(2)</u>	<u>17</u>
	<u>\$ (19)</u>	<u>\$ (5,235)</u>

c. Current tax assets and liabilities

	December 31	
	2025	2024
Current tax assets		
Tax refund receivables	<u>\$ 20,242</u>	<u>\$ 40,147</u>
Current tax liabilities		
Income tax payables	<u>\$ 32,551</u>	<u>\$ 16,826</u>

d. Deferred tax assets and liabilities

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

For the year ended December 31, 2025

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
<u>Deferred tax assets</u>					
Temporary differences					
Exchange differences on translation of the financial statements of foreign operations	\$ 6,503	\$ -	\$ 17	\$ 372	\$ 6,892
Unrealized exchange losses	172	4,072	-	269	4,468
Allowance for impaired receivables	3,358	1,059	-	250	4,467
Allowance for impaired inventories	3,310	(369)	-	165	3,106
Lease liabilities	3,192	(963)	-	120	2,349
Others	<u>1,240</u>	<u>4,201</u>	<u>2</u>	<u>195</u>	<u>5,638</u>
	<u>\$ 17,775</u>	<u>\$ 7,955</u>	<u>\$ 19</u>	<u>\$ 1,371</u>	<u>\$ 27,120</u>
<u>Deferred tax liabilities</u>					
Temporary differences					
Depreciation of property, plant and equipment	\$ 38,408	\$ (4,843)	\$ -	\$ 1,875	\$ 35,440
Unrealized exchange gains	1,382	(1,305)	-	(5)	72
Right-of-use assets	<u>3,085</u>	<u>(932)</u>	<u>-</u>	<u>116</u>	<u>2,269</u>
	<u>\$ 42,875</u>	<u>\$ (7,080)</u>	<u>\$ -</u>	<u>\$ 1,986</u>	<u>\$ 37,781</u>

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
<u>Deferred tax assets</u>					
Temporary differences					
Exchange differences on translation of the financial statements of foreign operations	\$ 942	\$ -	\$ 5,252	\$ 309	\$ 6,503
Unrealized exchange losses	-	165	-	7	172
Allowance for impaired receivables	1,811	1,321	-	226	3,358
Allowance for impaired inventories	3,934	(954)	-	330	3,310
Lease liabilities	3,309	(411)	-	294	3,192
Others	741	490	(17)	26	1,240
	<u>\$ 10,737</u>	<u>\$ 611</u>	<u>\$ 5,235</u>	<u>\$ 1,192</u>	<u>\$ 17,775</u>
<u>Deferred tax liabilities</u>					
Temporary differences					
Depreciation of property, plant and equipment	\$ 31,296	\$ 3,999	\$ -	\$ 3,113	\$ 38,408
Unrealized exchange gains	4,138	(3,020)	-	264	1,382
Right-of-use assets	3,309	(513)	-	289	3,085
	<u>\$ 38,743</u>	<u>\$ 466</u>	<u>\$ -</u>	<u>\$ 3,666</u>	<u>\$ 42,875</u>

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

	<u>December 31</u>	
	2025	2024
Deductible temporary differences		
Allowance for impaired inventories	<u>\$ 5,458</u>	<u>\$ 7,405</u>
Loss carryforwards	<u>\$ 27,654</u>	<u>\$ 12,517</u>

- f. Income tax assessments

As of December 31, 2025, the Group did not have any claim or litigation regarding tax assessment.

28. EARNINGS PER SHARE

	<u>For the Year Ended December 31</u>	
	2025	2024
Basic earnings per share	<u>\$ 2.28</u>	<u>\$ 1.91</u>
Diluted earnings per share	<u>\$ 2.27</u>	<u>\$ 1.85</u>

When calculating earnings per share, the effect of bonus shares has been retrospectively adjusted. The record date for the bonus share issuance is August 21, 2025. As a result of the retrospective adjustment, basic and diluted earnings per share for the period from January 1, 2024 to December 31, 2024 were revised as follows:

	<u>In NT\$ per share</u>	
	<u>Before Retrospective Adjustment January 1, 2024 to December 31, 2024</u>	<u>After Retrospective Adjustment January 1, 2024 to December 31, 2024</u>
Basic earnings per share	<u>\$ 2.01</u>	<u>\$ 1.91</u>
Diluted earnings per share	<u>\$ 1.94</u>	<u>\$ 1.85</u>

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

Net Profit for the Year

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Profit for the year attributable to owners of the Company	<u>\$ 152,999</u>	<u>\$ 128,588</u>
Net income used in the computation of basic earnings per share	\$ 152,999	\$ 128,588
Effects of potentially dilutive ordinary shares		
After-tax interest and evaluation of convertible bonds	<u> -</u>	<u> (3,090)</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 152,999</u>	<u>\$ 125,498</u>

Weighted Average Number of Ordinary Shares Outstanding (In Thousand Shares)

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Weighted average number of ordinary shares used in the computation of basic earnings per share	67,236	64,034
Effects of potentially dilutive ordinary shares		
Compensation of employees	133	102
Convertible bonds	<u> -</u>	<u> 549</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>67,369</u>	<u>64,685</u>

The Group may settle compensation of employees in cash or shares; therefore the Group assumes that the entire amount of the compensation 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.

29. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In July 2024, CNSB issued newly shares for cash, and shares subscribed by ACI and its non-controlling interests shareholder. As ACI did not subscribe in proportion to its existing ownership, its shareholding decreased from 92% to 80% after the completion of the equity transaction.

The above transaction was accounted for as an equity transaction, since the Group did not cease to have control over this subsidiary.

For the year ended December 31, 2024

	CNSB
Cash consideration paid	\$ (8,564)
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>10,113</u>
Differences recognized from equity transactions	<u>\$ 1,549</u>
<u>Line items adjusted for equity transactions</u>	
Unappropriated earnings	\$ 1,017
Capital surplus - differences between consideration paid and the carrying amount of subsidiaries' net assets during actual acquisitions	<u>532</u>
	<u>\$ 1,549</u>

30. CASH FLOWS INFORMATION

a. Non-cash transaction

For the years ended December 31, 2025 and 2024, the Group entered into the following non-cash investing activities which were not reflected in the consolidated statements of cash flows:

As of December 31, 2025 and 2024, the payables for purchasing equipment and constructors (recognized as other payables and other payables to related parties) were \$1,562 thousand and \$18,785 thousand, respectively.

b. Changes in liabilities from financing activities

For the year ended December 31, 2025

	Opening Balance	Cash Flows	Non-cash Changes				Others	Closing Balance
			New Leases	Lease Modification	Interest Expenses	Exchange Differences		
Short-term borrowings	\$ 185,737	\$ 47,689	\$ -	\$ -	\$ -	\$ (8,554)	\$ -	\$ 224,872
Long-term borrowings	27,139	113,195	-	-	-	8,844	-	149,178
Guarantee deposits received	416	(149)	-	-	-	12	-	279
Lease liabilities	8,082	(5,214)	5,880	(1,862)	283	349	(283)	7,235
Bonds payable	40,651	(40,700)	-	-	49	-	-	-
Other payables to related parties	<u>220</u>	<u>138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21</u>	<u>-</u>	<u>379</u>
	<u>\$ 262,245</u>	<u>\$ 114,959</u>	<u>\$ 5,880</u>	<u>\$ (1,862)</u>	<u>\$ 332</u>	<u>\$ 672</u>	<u>\$ (283)</u>	<u>\$ 381,943</u>

For the year ended December 31, 2024

	Opening Balance	Cash Flows	Non-cash Changes					Others	Closing Balance
			New Leases	Lease Modification	Interest Expenses	Gain on redemption of bonds	Exchange Differences		
Short-term borrowings	\$ -	\$ 162,721	\$ -	\$ -	\$ -	\$ -	\$ 23,016	\$ -	\$ 185,737
Long-term borrowings	34,657	(10,349)	-	-	-	-	2,831	-	27,139
Guarantee deposits received	346	36	-	-	-	-	34	-	416
Lease liabilities	9,844	(5,798)	4,122	(808)	475	-	722	(475)	8,082
Bonds payable	498,589	(468,532)	-	-	611	(5,771)	-	15,754	40,651
Other payables to related parties	-	267	-	-	-	-	(47)	-	220
	<u>\$ 543,436</u>	<u>\$ (321,655)</u>	<u>\$ 4,122</u>	<u>\$ (808)</u>	<u>\$ 1,086</u>	<u>\$ (5,771)</u>	<u>\$ 26,556</u>	<u>\$ 15,279</u>	<u>\$ 262,245</u>

31. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged.

The management of the Group periodically reviews its capital structure. As part of the review, the management considers the cost of capital, and the risks associated with each borrowing and the financial ratio required to determine the reasonable scale of capital structure of the Group. The Group balances its overall capital structure by distributing dividend, issuing new shares and obtaining loans.

32. FINANCIAL INSTRUMENTS

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

Except as detailed below, the Group's management believes that the carrying amount of financial assets and financial liabilities that are not measured at fair value approximates the fair value.

December 31, 2024

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds	<u>\$ 40,651</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,423</u>	<u>\$ 40,423</u>

For the measurement of fair value of the liability component of the convertible bond included in Level 3, the Group assumes that the bond will be redeemed at maturity and determines the risk discount rate with reference to the interest rate of borrowings of companies in the same industry, then extrapolates the per-hundred price.

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

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative instruments	\$ -	\$ 738	\$ -	\$ 738
Mutual funds	<u>50,614</u>	<u>-</u>	<u>-</u>	<u>50,614</u>
	<u>\$ 50,614</u>	<u>\$ 738</u>	<u>\$ -</u>	<u>\$ 51,352</u>
Financial assets at FVTOCI				
Investments in equity instruments - domestic unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,834</u>	<u>\$ 4,834</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	<u>\$ 46,316</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,316</u>
Financial assets at FVTOCI				
Investments in equity instruments - domestic unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,326</u>	<u>\$ 5,326</u>
Financial liabilities at FVTPL				
Convertible bonds options	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 45</u>

There were no transfers between Levels 1 and 2 for the years ended December 31, 2025 and 2024.

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

For the year ended December 31, 2025

Financial Assets	<u>At FVTOCI</u> <u>Equity</u> <u>Instruments</u>
Balance at January 1	\$ 5,326
Recognized in profit or loss (other gains and losses)	-
Recognized in other comprehensive income	(747)
Effects of foreign currency exchange differences	<u>255</u>
Balance at December 31	<u>\$ 4,834</u>

Financial Liabilities	<u>At FVTPL</u> Convertible Bonds Options
Balance at January 1	\$ 45
Recognized in profit or loss (other gains and losses)	<u>(45)</u>
Balance at December 31	<u>\$ -</u>

For the year ended December 31, 2024

Financial Assets	<u>At FVTPL</u> Structured Deposits	<u>At FVTOCI</u> Equity Instruments
Balance at January 1	\$ -	\$ -
Additions	10,128	4,824
Disposals	(10,213)	-
Recognized in profit or loss (other gains and losses)	86	-
Recognized in other comprehensive income	-	287
Effects of foreign currency exchange differences	<u>(1)</u>	<u>215</u>
Balance at December 31	<u>\$ -</u>	<u>\$ 5,326</u>

Financial Liabilities	<u>At FVTPL</u> Convertible Bonds Options
Balance at January 1	\$ 19,500
Disposals	(15,754)
Recognized in profit or loss (other gains and losses)	<u>(3,701)</u>
Balance at December 31	<u>\$ 45</u>

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Derivatives - foreign exchange forward contracts	Fair value of foreign exchange forward contracts is measured on the basis of quotations provided by financing institutions.

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

<u>Financial Instruments</u>	<u>Valuation Technique and Inputs</u>
Structured deposits	Discounted cash flow: Eliminating future cash flow based on the contractual rate of return.
Domestic unlisted shares	Market approach: Refers to the transaction prices of similar assets or comparable targets and uses the implied value multiples and relevant transaction information from those prices to assess fair value.
Derivatives - convertible bond options	Binary tree model: By considering factors including the duration of bonds, the share price and its volatility, exercise price, risk-free rate, risk discount rate and liquidity risk.

c. Categories of financial instruments

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets</u>		
FVTPL		
Mandatorily classified as at FVTPL	\$ 51,352	\$ 46,316
Amortized cost (1)	2,266,105	1,837,976
FVTOCI		
Investments in equity instruments	4,834	5,326
<u>Financial liabilities</u>		
FVTPL		
Held for trading	-	45
Amortized cost (2)	644,961	428,375

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, trade receivables, trade receivables from related parties, other receivables, other receivables from related parties, financial assets at amortized cost and refundable deposits.
- 2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, trade payables, trade payables to related parties, other payables (excluding payable for salaries and bonuses, payable for pension fees, payable for taxes, payable for welfare and insurance), other payables to related parties, bonds payable, current portion of long-term borrowings, long-term borrowings, and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, trade payables, bonds payable, lease liabilities 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 seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provided written principles on foreign currency 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 is 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 it primarily to the financial risks of changes in foreign currency risk, interest risk and other price risk. The Group entered into forward foreign exchange contracts to hedge the foreign currency risk arising from the importations denominated in United States dollar.

a) Foreign currency risk

The Group has foreign currency-denominated transactions, which expose the Group to foreign currency risk. Foreign currency risk is managed by the delegated team, which regularly reviews the positions of assets and liabilities affected by foreign currencies and utilizes the foreign exchange forward contracts to manage the exchange rate exposures.

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the year are set out in Note 37.

Sensitivity analysis

The Group is mainly exposed to the fluctuations of United States dollars (USD) and New Taiwan dollars (NTD).

The following table details the Group's sensitivity to a 5% increase and decrease in 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 5%. The sensitivity analysis included only outstanding foreign currency-denominated monetary items (e.g., trade receivables, trade payables and borrowings) and adjusted their translation at the end of the year for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit and other equity associated with functional currency strengthening 5% against the relevant foreign currency. For a 5% weakening of functional currency against the relevant foreign currency, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

	USD Impact	
	For the Year Ended December 31	
	2025	2024
Profit or loss (i)	\$ (2,889)	\$ 2,586
	NTD Impact	
	For the Year Ended December 31	
	2025	2024
Profit or loss (ii)	\$ 27	\$ (1,978)

i. The result was mainly attributable to the exposure of outstanding bank deposits, trade receivables, trade payables and borrowings in USD that were not hedged at the end of the year.

ii. The result was mainly attributable to the exposure of outstanding bank deposits and bonds payable in NTD that were not hedged at the end of the year.

The Group's sensitivity to foreign currency decreased during the current year mainly, due to the increase in USD denominated borrowings and a decrease in NTD denominated bonds payable.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates.

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

	<u>December 31</u>	
	2025	2024
Fair value interest rate risk		
Financial assets	\$ 460,319	\$ 366,990
Financial liabilities	102,523	48,733
Cash flow interest rate risk		
Financial assets	520,651	749,841
Financial liabilities	278,762	212,876

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 year. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the year was outstanding for the whole year. A 1% 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 1% higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$2,419 thousand and \$5,370 thousand, respectively, which was mainly a result of the change in interest rate on its floating rate bank deposits and borrowings.

The Group's sensitivity to interest rates decreased during the current year mainly due to the increase in cash flow interest rate risk in relation to financial liabilities.

c) Other price risk

The Group was exposed to price risk through its investments in money market fund instruments, which were classified as financial assets at FVTPL and financial assets at FVTOCI. The investments are held for strategic purposes. The Group manages this exposure by maintaining a portfolio of investments with lower risks.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to money market funds price risks at the end of the year.

If money market funds and equity prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2025 and 2024, would have increased/decreased by \$506 thousand and \$463 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and pre-tax other comprehensive income for the year ended December 31, 2025 and 2024 would have increased/decreased by \$48 thousand \$53 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

The Group's sensitivity to equity prices increased during the current year, mainly due to the increase of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group. At the end of the year, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligations and due to financial guarantees provided by the Group, could be equal to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The Group's concentration of credit risk was 39% and 42% of total trade receivables as of December 31, 2025 and 2024, respectively, and was attributable to the three largest customers of the Group.

In order to minimize credit risk, the management of the Group 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 receivables.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2025 and 2024, the Group had available unutilized short-term bank loan facilities set out in (c) below.

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

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have 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 tables included both interest and principal cash flows.

Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

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

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 239,224	\$ 31,209	\$ 296	\$ 182	\$ -
Lease liabilities	878	916	2,892	3,252	-
Floating interest rate liabilities	67,670	5,374	87,743	84,981	60,860
Fixed interest rate liabilities	<u>69,920</u>	<u>25,695</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 377,692</u>	<u>\$ 63,194</u>	<u>\$ 90,931</u>	<u>\$ 88,415</u>	<u>\$ 60,860</u>

Additional information on the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 4,686</u>	<u>\$ 3,252</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 113,249	\$ 61,304	\$ 295	\$ -	\$ -
Lease liabilities	534	1,057	4,662	2,451	-
Floating interest rate liabilities	1,525	3,085	200,137	16,794	-
Fixed interest rate liabilities	<u>-</u>	<u>-</u>	<u>40,700</u>	<u>-</u>	<u>-</u>
	<u>\$ 115,308</u>	<u>\$ 65,446</u>	<u>\$ 245,794</u>	<u>\$ 19,245</u>	<u>\$ -</u>

Additional information on the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 6,253</u>	<u>\$ 2,451</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The amount included the above floating interest rate instruments for both non-derivative financial assets and liabilities were subject to change if changes in floating interest rates differ from those estimates of interest rates determined at the end of the year.

b) Liquidity and interest rate risk tables for derivative financial liabilities

The following table detailed the Group's liquidity analysis for its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed was determined by reference to the projected interest rates as illustrated by the yield curves at the end of the year.

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Net settled</u>					
Foreign exchange forward contracts	<u>\$ 103</u>	<u>\$ 484</u>	<u>\$ 151</u>	<u>\$ -</u>	<u>\$ -</u>

c) Financing facilities

	December 31	
	2025	2024
Secured bank loan facilities:		
Amount used	\$ 356,851	\$ 116,191
Amount unused	<u>1,235,672</u>	<u>1,302,522</u>
	<u>\$ 1,592,523</u>	<u>\$ 1,418,713</u>
Unsecured bank loan facilities:		
Amount used	\$ 64,792	\$ 118,196
Amount unused	<u>48,594</u>	<u>-</u>
	<u>\$ 113,386</u>	<u>\$ 118,196</u>

33. 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. Details of transactions between the Group and other related parties are disclosed as follows.

a. Related party names and categories

<u>Related Names</u>	<u>Related Party Categories</u>
Sabah Softwoods Berhad	Related party in substance
Sawit Kinabalu Seeds Sdn. Bhd.	Related party in substance
Borneo Samudera Sdn. Bhd.	Related party in substance
Bongalio Development Sdn. Bhd.	Related party in substance
Kalabakan Plantation Sdn. Bhd.	Related party in substance
Oscar Kinabalu Sdn. Bhd.	Related party in substance
Bagahak Plantation Sdn. Bhd.	Related party in substance
Saplantco Sdn. Bhd.	Related party in substance
Sawit Ecoshield Sdn. Bhd.	Associate
Grape King Bio Ltd.	Related party in substance
Tan Chek Yen	Related party in substance
Peng Shih Hao	Key management personnel

b. Operating revenue

Line Item	Related Party Category/Name	For the Year Ended December 31	
		2025	2024
Sales	Related parties in substance		
	Sabah Softwoods Berhad	\$ 268,287	\$ 311,706
	Others	208,935	31,403
	Associate	<u>27,338</u>	<u>42,189</u>
		<u>\$ 504,560</u>	<u>\$ 385,298</u>

The selling price for related parties is calculated with reference to the applicable market price. The credit terms for the related parties are comparable to those for unrelated parties.

c. Purchase of goods

Related Party Category/Name	For the Year Ended December 31	
	2025	2024
Related parties in substance	<u>\$ 43,687</u>	<u>\$ 52,949</u>

Purchases of goods for related parties are calculated with reference to general market conditions. The payment terms for the related parties are comparable to those of unrelated parties.

d. Receivables from related parties (excluding loans to related parties)

Line Item	Related Party Category/Name	December 31	
		2025	2024
Trade receivables	Related parties in substance	\$ 78,356	\$ 25,108
	Associates	<u>5,593</u>	<u>5,994</u>
		83,949	31,102
Less: Allowance for impairment loss		<u>(623)</u>	<u>(162)</u>
		<u>\$ 83,326</u>	<u>\$ 30,940</u>
Other receivables	Associates	<u>\$ 40</u>	<u>\$ 82</u>

The outstanding receivables from related parties are unsecured.

The Group measures the loss allowance for trade receivables from related parties at an amount equal to lifetime ECLs. The expected credit losses on trade receivables from related parties are estimated using a provision matrix prepared by reference to the past default experience of the debtor and the debtor's current financial position. The following table details the loss allowance of trade receivables from related parties based on the Group's provision matrix.

Trade receivables from related parties

December 31, 2025

	Not Past Due	1 to 90 Days Past Due	91 to 180 Days Past Due	181 to 270 Days Past Due	Over 270 Days Past Due	Total
Expected credit loss rate	0.44%	-	-	-	100%	
Gross carrying amount	\$ 83,693	\$ -	\$ -	\$ -	\$ 257	\$ 83,949
Loss allowance (Lifetime ECLs)	<u>(366)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(257)</u>	<u>(623)</u>
Amortized cost	<u>\$ 83,327</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,326</u>

December 31, 2024

	Not Past Due	1 to 90 Days Past Due	91 to 180 Days Past Due	181 to 270 Days Past Due	Over 270 Days Past Due	Total
Expected credit loss rate	0.42%	3.87%	-	-	100%	
Gross carrying amount	\$ 30,235	\$ 867	\$ -	\$ -	\$ -	\$ 31,102
Loss allowance (Lifetime ECLs)	<u>(128)</u>	<u>(34)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(162)</u>
Amortized cost	<u>\$ 30,107</u>	<u>\$ 833</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,940</u>

The movements of the loss allowance of trade receivables from related parties were as follows:

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Balance at January 1	\$ 162	\$ 218
Add: Net provision of loss allowance	424	-
Less: Net remeasurement of loss allowance	-	(73)
Foreign exchange translation differences	<u>37</u>	<u>17</u>
Balance at December 31	<u>\$ 623</u>	<u>\$ 162</u>

e. Payables to related parties (excluding loans from related parties)

Line Item	Related Party Category/Name	<u>December 31</u>	
		<u>2025</u>	<u>2024</u>
Trade payables	Related parties in substance	<u>\$ 10,067</u>	<u>\$ 8,775</u>
Other payables	Related parties in substance		
	Tan Chek Yen	\$ -	\$ -
	Other	<u>379</u>	<u>220</u>
		<u>\$ 379</u>	<u>\$ 220</u>

The outstanding payables to related parties are unsecured.

f. Lease arrangements - Group is lessee

Related Party Category/Name	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Lease expense</u>		
Related parties in substance	<u>\$ 632</u>	<u>\$ 506</u>

The Group leased an employees' dormitory from related parties in substance. The lease agreement was negotiated by both parties, and the rental was paid monthly.

g. Loans to related parties

Interest income

Related Party Category/Name	For the Year Ended December 31	
	2025	2024
Associate Sawit Ecoshield Sdn. Bhd.	<u>\$ -</u>	<u>\$ 469</u>

The Group provided its associate with unsecured short-term loans at rates comparable to market interest rates. These loans are expected to be collected within one year and assessed that there were no expected credit losses.

h. Remuneration of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	<u>\$ 27,732</u>	<u>\$ 31,903</u>

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

34. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	December 31	
	2025	2024
Financial assets at amortized cost - current	\$ 201,498	\$ 144,088
Land	29,762	28,158
Buildings, net	326,475	317,369
Right-of-use assets	<u>110,744</u>	<u>107,032</u>
	<u>\$ 668,479</u>	<u>\$ 596,647</u>

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group as of December 31, 2025 and 2024 were as follows:

Unrecognized commitments were as follows:

	December 31	
	2025	2024
Acquisition of property, plant and equipment	<u>\$ 2,694</u>	<u>\$ 2,240</u>

36. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On March 12, 2026, the Board of Directors approved a capital increase plan for YPJ Plantations Sdn. Bhd. to inject IDR 15,000,000 thousand into its subsidiary, PT All Cosmos Biotek. Upon completion of the capital increase, the Company's shareholding percentage in the subsidiary will decrease from 83% to 75%. As of the date of authorization of these consolidated financial statements, YPJ Plantations Sdn. Bhd. has not yet completed the capital injection.

37. 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:

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 9,509	4.1827 (USD:MYR)	\$ 308,040
USD	57	17,213 (USD:IDR)	1,843
NTD	548	0.1291 (NTD:MYR)	548

Financial liabilities

Monetary items			
USD	5,990	4.1827 (USD:MYR)	193,893
USD	3,980	17,213 (USD:IDR)	128,942

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 13,912	4.6085 (USD:MYR)	\$ 469,799
USD	532	16,577 (USD:IDR)	17,971
NTD	1,088	0.1365 (NTD:MYR)	1,088

Financial liabilities

Monetary items			
USD	6,931	4.6085 (USD:MYR)	234,018
USD	5,983	16,577 (USD:IDR)	202,037
NTD	40,651	0.1365 (NTD:MYR)	40,651

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

	For the Year Ended December 31			
	2025		2024	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
USD	4.2809 (USD:MYR)	<u>\$ (13,703)</u>	4.5736 (USD:MYR)	<u>\$ (3,740)</u>
USD	16,465 (USD:IDR)	<u>\$ (19,949)</u>	15,881 (USD:IDR)	<u>\$ (13,951)</u>
NTD	0.1374 (NTD:MYR)	<u>\$ 2,102</u>	0.1422 (NTD:MYR)	<u>\$ 58,165</u>

38. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

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

b. Information on investees (Table 7)

c. Information on investments in mainland China (None)

39. 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 All Cosmos Industries Sdn. Bhd. (ACI), Sabah Softwoods Hybrid Fertiliser Sdn. Bhd. (SSHF) and others.

The details of the Group's reportable segments were as follows:

a. Segment revenues and results

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

	Segment Revenue		Segment Income	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2025	2024	2025	2024
ACI	\$ 1,358,544	\$ 1,053,619	\$ 117,788	\$ (21,752)
SSHF	773,784	617,527	85,682	83,028
Others	<u>816,695</u>	<u>787,490</u>	<u>118,330</u>	<u>117,872</u>
	<u>\$ 2,949,023</u>	<u>\$ 2,458,636</u>	321,800	179,148
Interest income			22,703	35,234
Other income			4,872	14,560
Other gains and losses			(17,065)	50,370
Finance costs			(14,532)	(6,083)
Share of profit or loss of associates			4,805	2,812
General administration costs and remuneration of directors			<u>(25,213)</u>	<u>(23,271)</u>
Profit before tax			<u>\$ 297,370</u>	<u>\$ 252,770</u>

Segment revenue reported above represents revenue generated from external customers. The inter-segment sales for the years ended December 31, 2025 and 2024 have both been eliminated.

Segment profit represents the profit before tax earned by each segment without allocation of general administration costs and remuneration of directors, share of profit or loss of associates, interest income, other income, other gains and losses, 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

Segment total assets and liabilities are not provided to the chief operating decision maker and thus not required to be disclosed.

c. Revenue from major products

The following is an analysis of the Group's revenue from its major products.

	For the Year Ended December 31	
	2025	2024
Bio-chemical fertilizers	\$ 2,638,683	\$ 2,190,628
Health supplements	<u>310,340</u>	<u>268,008</u>
	<u>\$ 2,949,023</u>	<u>\$ 2,458,636</u>

d. Geographical information

The Group operates mainly in Malaysia.

The Group's revenue from external customers by location of customers and information on its non-current assets by location of assets are detailed below.

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31	
	2025	2024	2025	2024
Malaysia	\$ 2,379,029	\$ 1,900,040	\$ 843,681	\$ 675,736
Others	<u>569,994</u>	<u>558,596</u>	<u>245,153</u>	<u>274,727</u>
	<u>\$ 2,949,023</u>	<u>\$ 2,458,636</u>	<u>\$ 1,088,834</u>	<u>\$ 950,463</u>

Non-current assets exclude financial assets at FVTPL - non-current, investments accounted for using the equity method, goodwill, deferred tax assets and refundable deposits.

e. Information on major customers

Single customers contributing 10% or more to the Group's revenue in 2025 and 2024 were as follows:

	For the Year Ended December 31			
	2025		2024	
	Amount	%	Amount	%
Group A	NA(Note)	-	\$ 311,706	13
Group B	NA(Note)	-	261,763	11

Note: The amount of revenue does not reach 10% of the total revenue of the Group.

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

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

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Year (Note 2)	Ending Balance (Note 2)	Actual Amount Borrowed (Notes 2 and 3)	Interest Rate %	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
0	The Company	PT All Cosmos Biotek	Other receivables from related parties	Yes	\$ 54,082	\$ 54,082	\$ 54,082	6.7	Short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 548,617	\$ 1,097,234
1	All Cosmos Industries Sdn. Bhd.	The Company	Other receivables from related parties	Yes	193,631	193,631	193,631	4.3	Short-term financing	-	Operating capital	-	-	-	568,982	758,643
		Cosmos Nutriscience Sdn. Bhd.	Other receivables from related parties	Yes	13,941	13,941	12,392	4.3	Short-term financing	-	Operating capital	-	-	-	568,982	758,643

Note 1: a The total amount of loans made by the Company to others with short-term financing needs shall not exceed 40% of the net asset value of the Company in its latest financial statements; the financing limit for each individual borrower is 20% of the Company's net asset value in its latest financial statements.

b. The total amount of loans made from the subsidiaries to others with short-term financing needs shall not exceed 40% of the net asset value of the subsidiary in its latest financial statements; the financing limit for each individual borrower is 30% of the subsidiary's net asset value in its latest financial statements.

Note 2: The highest balance for the current year, the ending balance and the actual borrowing amount were translated at the exchange rate at the end of the reporting period.

Note 3: The transactions were eliminated in the consolidated financial statements.

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Year (Note 3)	Outstanding Endorsement/ Guarantee at the End of the Year (Notes 2 and 3)	Actual Amount Borrowed (Note 3)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	The Company	All Cosmos Industries Sdn. Bhd.	The Company directly and indirectly hold more than 50% voting share of the investee company.	\$ 1,783,006	\$ 1,299,247	\$ 1,299,247	\$ 228,720	\$ -	47.36	\$ 2,743,086	Yes	No	No
		PT All Cosmos Indonesia	The Company directly and indirectly hold more than 50% voting share of the investee company.	1,783,006	263,900	263,900	-	-	9.62	2,743,086	Yes	No	No
		PT All Cosmos Biotek	The Company directly and indirectly hold more than 50% voting share of the investee company.	1,783,006	263,900	263,900	-	-	9.62	2,743,086	Yes	No	No

Note 1: a. The total amount of endorsements/guarantee provided shall not aggregate more than 100% of the Company's net asset value in its latest financial statement. The total limit on endorsement/guarantee given on behalf of each party shall not exceed 65% of the Company's net asset value in its latest financial statement.

b. The guarantees provided by PT All Cosmos Indonesia and PT All Cosmos Biotek arose because it was not practicable to reasonably allocate the Company's shared endorsement and guarantee credit limits.

Note 2: The transactions were eliminated in the consolidated financial statements.

Note 3: The maximum amount for the year, the ending balance for the year and the actual borrowing amount were translated at the exchange rate at the end of the reporting period.

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Number of Shares and Shareholding Ratio Otherwise Stated)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	<u>Stocks</u> Taiwan Exosome Co., Ltd.	None	Financial assets at FVTOCI - non-current	2,048,149	\$ 4,834	0.99	\$ 4,834	Note 2
All Cosmos Industries Sdn. Bhd.	<u>Mutual funds</u> AHAM AHIMAN MONEY MARKET FUND	None	Financial assets at FVTPL - current	10,896,795	50,614	-	50,614	Note 2

Note 1: The term securities as used in this table refers to equity instruments, debt instruments, beneficiary certificates, and securities derived from the foregoing items that fall within the scope of IFRS 9, Financial Instruments.

Note 2: There is no restriction due to collateral, pledge loan or other arrangement.

Note 3: For information related to investments in subsidiaries and associates, please refer to Table 7.

TABLE 4**ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES**

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer/Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases/Sales	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
All Cosmos Industries Sdn. Bhd.	PT All Cosmos Indonesia	The company has same ultimate parent company	Sales	\$ (373,915)	(22)	120 days	NA (Same as the Group's usual list prices)	NA (Same as the Group's usual terms)	\$ 55,015	11	Note
Sabah Softwoods Hybrid Fertiliser Sdn. Bhd.	Sabah Softwoods Berhad	Substantive related party	Sales	(268,287)	(31)	60 days	NA (Same as the Group's usual list prices)	NA (Same as the Group's usual terms)	29,258	16	
	Borneo Samudera Sdn Bhd	Substantive related party	Sales	(169,712)	(20)	60 days	NA (Same as the Group's usual list prices)	NA (Same as the Group's usual terms)	38,942	21	
PT All Cosmos Indonesia	All Cosmos Industries Sdn. Bhd.	The company has same ultimate parent company	Purchases	373,915	94	120 days	NA (Same as the Group's usual list prices)	NA (Same as the Group's usual terms)	(55,015)	100	Note

Note: The transactions were eliminated in the consolidated financial statements.

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025**

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance (Note)	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
All Cosmos Industries Sdn. Bhd.	The Company	Ultimate parent company	\$ 201,475	-	\$ -	-	\$ -	\$ -

Note: The transactions were eliminated in the consolidated financial statements.

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars and Malaysian Ringgit)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transactions Details				
				Financial Statement Accounts	Amount in MYR	Amount in NT\$	Payment Terms	% to Total Sales or Assets
0	The Company	All Cosmos Industries Sdn. Bhd.	a	Endorsement/guarantee	\$ 167,747	\$ 1,299,247	Financing (including accrued interest and other expenses in total NT\$5,554 thousands)	31
		PT All Cosmos Indonesia	a	Endorsement/guarantee	34,072	263,900		6
		PT All Cosmos Biotek	a	Endorsement/guarantee	34,072	263,900		6
		PT All Cosmos Biotek	a	Other receivables	7,700	59,636		1
1	All Cosmos Industries Sdn. Bhd.	The Company	b	Other receivables	26,013	201,475	Financing (including accrued interest and other expenses in total NT\$7,884 thousands)	5
		Cosmos Nutriscience Sdn. Bhd.	c	Other receivables	2,360	18,280	Financing (including accrued interest and other expenses in total NT\$5,888 thousands)	-
		PT All Cosmos Indonesia	c	Sales revenue	51,389	373,915	Sales price is based on market price and transfer pricing within the Group; payment terms is net 120 days	13
			c	Trade receivables	7,103	55,015		1
2	Arif Efektif Sdn. Bhd.	Sabah Softwoods Hybrid Fertiliser Sdn. Bhd.	c	Sales revenue	9,897	72,008	Sales price is based on market price and transfer pricing within the Group; payment terms is net 30 days	2
		All Cosmos Industries Sdn. Bhd.	c	Sales revenue	2,285	16,626	Sales price is based on market price and transfer pricing within the Group; payment terms is net 60 days	1
3	Sabah Softwoods Hybrid Fertiliser Sdn. Bhd.	All Cosmos Industries Sdn. Bhd.	c	Sales revenue	11,443	83,263	Sales price is based on market price and transfer pricing within the Group; payment terms is net 60 days	3
			c	Trade receivables	6,124	47,431		1
3	PT All Cosmos Biotek	PT All Cosmos Indonesia	c	Sales revenue	2,410	7,533	Sales price is based on market price and transfer pricing within the Group; payment terms is net 30 days	1

Note 1: Business relationship between the parent company and its subsidiaries are coded as follows:

- The Company (parent company) is "0".
- The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The relationship between transaction company and counterparty is classified into the following three categories:

- The Company to subsidiary.
- Subsidiary to the Company.
- Subsidiary to another subsidiary.

(Continued)

Note 3: For balance sheet items, the percentage column shows the percentage of ending balance of the item to the consolidated total assets; for income statement items, this column shows the percentage of the accumulated amount of the transactions in the reporting period to the consolidated total operating revenue for the reporting period.

Note 4: Except for investments accounted for using the equity method recognized at the historical exchange rate, all assets and liabilities were translated at the exchange rate (MYR1=NT\$7.745257) at the end of the reporting period. All net income statement items were translated at the average exchange rate (MYR1= NT\$7.276115).

Note 5: The transactions were eliminated in the consolidated financial statements.

Note 6: This table discloses significant transactions with amounts of at least NT\$10,000 thousand.

(Concluded)

ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
The Company	All Cosmos Industries Sdn. Bhd.	Johor Bahru, Malaysia	Manufacturing and sales of Bio-organic and Bio-chemical compound fertilizers	\$ 292,969 (MYR 30,000)	\$ 292,969 (MYR 30,000)	30,000,000	100	\$ 1,890,924 (MYR 244,140)	\$ 86,684 (MYR 11,913)	\$ 87,304 (MYR 11,999)	Notes 1 and 2
	Sabah Softwoods Hybrid Fertiliser Sdn. Bhd.	Lahad Datu, Malaysia	Manufacturing and sales of Bio-organic and Bio-chemical compound fertilizers	292,053 (MYR 33,000)	292,053 (MYR 33,000)	33,000,000	55	574,890 (MYR 74,225)	75,339 (MYR 10,354)	41,342 (MYR 5,682)	Notes 1, 2 and 3
	PT All Cosmos Indonesia	North Sumatra, Indonesia	Sales of Bio-organic and Bio-chemical compound fertilizers	9,925 (IDR 3,960,000)	9,925 (IDR 3,960,000)	79,200	99	152,595 (MYR 19,702)	37,860 (MYR 5,203)	37,494 (MYR 5,153)	Notes 1 and 2
	PT All Cosmos Biotek	North Sumatra, Indonesia	Manufacturing and sales of Bio-organic and Bio-chemical compound fertilizers	241,765 (IDR 108,640,000)	241,765 (IDR 108,640,000)	108,640	83	156,120 (MYR 20,157)	-36,803 (MYR -5,058)	-30,719 (MYR -4,222)	Note 1
	GK Bio International Sdn. Bhd.	Kuala Lumpur, Malaysia	Wholesale of probiotics	26,048 (MYR 3,600)	26,048 (MYR 3,600)	3,600,000	60	206,214 (MYR 26,625)	85,430 (MYR 11,741)	51,258 (MYR 7,045)	Note 1
All Cosmos Industries Sdn. Bhd.	PT All Cosmos Indonesia	North Sumatra, Indonesia	Sales of Bio-organic and Bio-chemical compound fertilizers	102 (IDR 40,000)	102 (IDR 40,000)	800	1	103 (MYR 13)	37,860 (MYR 5,203)	379 (MYR 52)	Note 1
	Arif Efektif Sdn. Bhd.	Johor Bahru, Malaysia	Research and development of effective microorganisms for Bio-organic and Bio-chemical compound fertilizers	2,349 (MYR 245)	2,349 (MYR 245)	245,000	49	43,338 (MYR 5,595)	6,394 (MYR 879)	2,238 (MYR 308)	Notes 1 and 2
	Kinabalu Life Sciences Sdn. Bhd.	Lahad Datu, Malaysia	Research and development of effective microorganisms for waste disposal of oil-palm	17,559 (MYR 2,400)	17,559 (MYR 2,400)	2,400,000	60	22,881 (MYR 2,954)	316 (MYR 43)	189 (MYR 26)	Note 1
	Cosmos Nutriscience Sdn. Bhd.	Johor Bahru, Malaysia	Manufacturing and sales of health care food and research and development biotechnology	17,021 (MYR 2,400)	17,021 (MYR 2,400)	2,400,000	80	-7,361 (MYR -950)	-11,785 (MYR -1,620)	-9,428 (MYR -1,296)	Note 1
	Eastern Eckare Malaysia Sdn. Bhd.	Kuala Lumpur, Malaysia	Sales of health care food and cosmetics	30,724 (MYR 4,500)	30,724 (MYR 4,500)	4,500,000	60	-2,965 (MYR -383)	-24,483 (MYR -3,365)	-14,690 (MYR -2,019)	Note 1
	All Cosmos Biotech (Vietnam) Co. Ltd	Ho Chi Minh City, Vietnam	Sales of Bio-organic and Bio-chemical compound fertilizers	645 (VND 503,820)	- (VND -)	Note 4	100	545 (MYR 70)	-80 (MYR -11)	-80 (MYR -11)	Note 1
Sabah Softwoods Hybrid Fertiliser Sdn. Bhd.	Sawit Ecoshield Sdn. Bhd.	Lahad Datu, Malaysia	Manufacturing and sales of biological vaccines	14,788 (MYR 2,000)	14,788 (MYR 2,000)	2,000,000	40	34,051 (MYR 4,396)	12,012 (MYR 1,651)	4,805 (MYR 660)	
GK Bio International Sdn. Bhd.	GKB Singapore Pte. Ltd.	Singapore	Wholesale of probiotics	- (SIN -)	- (SIN -)	1	100	- (SIN -)	- (SIN -)	- (SIN -)	Note 1

Note 1: The transactions were eliminated in the consolidated financial statements.

Note 2: Realized/unrealized gross profit on intercompany transactions were included in the carrying amount and share of profit or loss.

Note 3: A subsidiary with a material non-controlling interest.

Note 4: The company has not issued shares.