

**Rich Honour International Designs Co.,  
Ltd. and Subsidiaries**

**Consolidated Financial Statements for the  
Nine Months Ended September 30, 2025 and 2024 and  
Independent Auditors' Review Report**

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Stockholders  
Rich Honour International Designs Co., Ltd.

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Rich Honour International Designs Co., Ltd. (formerly Service & Quality Group Co., Ltd., the “Company”) and subsidiaries (collectively referred to as the “Group”) as of September 30, 2025 and 2024, the related consolidated statements of comprehensive income for the nine months ended September 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

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

### **Conclusion**

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are I-Chen Lu and Ming-Chung Hsieh.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

November 12, 2025

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 review such consolidated financial statements are those generally applied in the Republic of China.*

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

# RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

| ASSETS  | September 30, 2025<br>(Reviewed) |            | December 31, 2024<br>(Audited) |            | September 30, 2024<br>(Reviewed) |            |
|---|----------------------------------|------------|--------------------------------|------------|----------------------------------|------------|
|   | Amount                           | %          | Amount                         | %          | Amount                           | %          |
| <b>CURRENT ASSETS</b>   |                                  |            |                                |            |                                  |            |
| Cash and cash equivalents (Note 6)  | \$ 1,617,424                     | 35         | \$ 1,406,448                   | 28         | \$ 1,455,618                     | 30         |
| Current financial assets at amortized cost (Notes 8 and 29)                                       | 211,078                          | 5          | 217,782                        | 4          | 219,807                          | 4          |
| Current contract assets (Note 21)   | 960,035                          | 21         | 1,333,853                      | 27         | 1,351,845                        | 28         |
| Notes receivables (Notes 9 and 19)  | -                                | -          | -                              | -          | 67                               | -          |
| Trade receivables (Notes 9 and 21)  | 541,321                          | 12         | 695,356                        | 14         | 638,481                          | 13         |
| Other receivables   | 10,530                           | -          | 7,154                          | -          | 7,612                            | -          |
| Current tax assets (Note 22)  | 4,018                            | -          | 20,697                         | -          | 20,916                           | -          |
| Inventories (Note 10)   | 59,737                           | 1          | 36,019                         | 1          | 45,699                           | 1          |
| Prepayments   | 193,421                          | 4          | 174,269                        | 4          | 189,933                          | 4          |
| Other current assets  | <u>18,589</u>                    | <u>1</u>   | <u>28,185</u>                  | <u>1</u>   | <u>26,489</u>                    | <u>1</u>   |
| Total current assets  | <u>3,616,153</u>                 | <u>79</u>  | <u>3,919,763</u>               | <u>79</u>  | <u>3,956,467</u>                 | <u>81</u>  |
| <b>NON-CURRENT ASSETS</b>   |                                  |            |                                |            |                                  |            |
| Financial assets at fair value through other comprehensive income-non-current<br>(Notes 7 and 27) | 50,770                           | 1          | 49,150                         | 1          | -                                | -          |
| Non-current financial assets at amortized cost (Notes 8 and 29)                                   | -                                | -          | 44,780                         | 1          | -                                | -          |
| Property, plant and equipment (Notes 12 and 29)   | 797,643                          | 17         | 849,896                        | 17         | 860,780                          | 18         |
| Right-of-use assets (Notes 13 and 29)   | 29,100                           | 1          | 36,834                         | 1          | 39,356                           | 1          |
| Investment properties (Note 14)   | 24,481                           | 1          | -                              | -          | -                                | -          |
| Other intangible assets (Note 15)   | 15,465                           | -          | 5,451                          | -          | 6,586                            | -          |
| Deferred tax assets (Note 23)   | 36,045                           | 1          | 25,860                         | 1          | 23,200                           | -          |
| Prepayments for business facilities   | -                                | -          | 2,140                          | -          | 2,140                            | -          |
| Refundable deposits   | 6,753                            | -          | 7,687                          | -          | 8,206                            | -          |
| Other non-current assets  | <u>4,784</u>                     | <u>-</u>   | <u>4,588</u>                   | <u>-</u>   | <u>4,597</u>                     | <u>-</u>   |
| Total non-current assets  | <u>965,041</u>                   | <u>21</u>  | <u>1,026,386</u>               | <u>21</u>  | <u>944,865</u>                   | <u>19</u>  |
| <b>TOTAL</b>  | <u>\$ 4,581,194</u>              | <u>100</u> | <u>\$ 4,946,149</u>            | <u>100</u> | <u>\$ 4,901,332</u>              | <u>100</u> |
| <b>LIABILITIES AND EQUITY</b>   |                                  |            |                                |            |                                  |            |
| <b>CURRENT LIABILITIES</b>  |                                  |            |                                |            |                                  |            |
| Short-term borrowings (Notes 16, 25, 27 and 29)   | \$ 59,000                        | 1          | \$ 76,500                      | 2          | \$ 76,500                        | 2          |
| Current contract liabilities (Note 21)  | 377,029                          | 7          | 349,100                        | 7          | 361,084                          | 7          |
| Trade payables (Note 17)  | 1,428,494                        | 29         | 1,503,224                      | 30         | 1,556,129                        | 32         |
| Other payables (Note 19)  | 182,681                          | 10         | 251,232                        | 5          | 223,201                          | 5          |
| Current tax liabilities (Note 23)   | 18,616                           | 1          | 53,015                         | 1          | 54,077                           | 1          |
| Lease liabilities - current (Notes 13 and 25)   | 7,743                            | -          | 8,814                          | -          | 8,766                            | -          |
| Other current liabilities   | <u>57,953</u>                    | <u>2</u>   | <u>56,546</u>                  | <u>1</u>   | <u>57,332</u>                    | <u>1</u>   |
| Total current liabilities   | <u>2,131,516</u>                 | <u>50</u>  | <u>2,298,431</u>               | <u>46</u>  | <u>2,337,089</u>                 | <u>48</u>  |
| <b>NON-CURRENT LIABILITIES</b>  |                                  |            |                                |            |                                  |            |
| Deferred tax liabilities (Note 23)  | 222,305                          | 5          | 256,999                        | 5          | 252,780                          | 5          |
| Lease liabilities - non-current (Notes 13 and 25)   | 4,596                            | 1          | 10,048                         | 1          | 12,270                           | -          |
| Other non-current liabilities   | <u>7,081</u>                     | <u>-</u>   | <u>6,252</u>                   | <u>-</u>   | <u>6,268</u>                     | <u>-</u>   |
| Total non-current liabilities   | <u>233,982</u>                   | <u>6</u>   | <u>273,299</u>                 | <u>6</u>   | <u>271,318</u>                   | <u>5</u>   |
| Total liabilities   | <u>2,365,498</u>                 | <u>55</u>  | <u>2,571,730</u>               | <u>52</u>  | <u>2,608,407</u>                 | <u>53</u>  |
| <b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 20)</b>                                     |                                  |            |                                |            |                                  |            |
| Share capital   |                                  |            |                                |            |                                  |            |
| Ordinary shares   | <u>660,000</u>                   | <u>14</u>  | <u>660,000</u>                 | <u>13</u>  | <u>660,000</u>                   | <u>13</u>  |
| Capital surplus   | <u>687,087</u>                   | <u>15</u>  | <u>687,087</u>                 | <u>14</u>  | <u>687,087</u>                   | <u>14</u>  |
| Retained earnings   |                                  |            |                                |            |                                  |            |
| Legal reserve   | 236,175                          | 5          | 193,921                        | 4          | 193,921                          | 4          |
| Special reserve   | 76,487                           | 2          | 108,028                        | 2          | 108,028                          | 2          |
| Unappropriated earning  | <u>678,114</u>                   | <u>12</u>  | <u>801,870</u>                 | <u>16</u>  | <u>709,322</u>                   | <u>15</u>  |
| Total retained earnings   | <u>990,776</u>                   | <u>19</u>  | <u>1,103,819</u>               | <u>22</u>  | <u>1,011,271</u>                 | <u>21</u>  |
| Other equity  | <u>(122,167)</u>                 | <u>(3)</u> | <u>(76,487)</u>                | <u>(1)</u> | <u>(65,433)</u>                  | <u>(1)</u> |
| Total equity  | <u>2,215,696</u>                 | <u>45</u>  | <u>2,374,419</u>               | <u>48</u>  | <u>2,292,925</u>                 | <u>47</u>  |
| <b>TOTAL</b>  | <u>\$ 4,581,194</u>              | <u>100</u> | <u>\$ 4,946,149</u>            | <u>100</u> | <u>\$ 4,901,332</u>              | <u>100</u> |

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

## RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

|  | For the Three Months Ended September 30 |             |                    |             | For the Nine Months Ended September 30 |             |                    |             |
|--|---|-------------|--------------------|-------------|--|-------------|--------------------|-------------|
|  | 2025                                    |             | 2024               |             | 2025                                   |             | 2024               |             |
|  | Amount                                  | %           | Amount             | %           | Amount                                 | %           | Amount             | %           |
| <b>OPERATING REVENUE</b>                 |   |             |                    |             |  |             |                    |             |
| (Notes 21 and 34)                        |   |             |                    |             |  |             |                    |             |
| Construction revenue                     | \$ 976,584                              | 95          | \$ 1,378,885       | 97          | \$ 2,629,244                           | 96          | \$ 3,833,926       | 98          |
| Service revenue                          | <u>53,814</u>                           | <u>5</u>    | <u>46,148</u>      | <u>3</u>    | <u>102,342</u>                         | <u>4</u>    | <u>96,685</u>      | <u>2</u>    |
| Total operating revenue                  | <u>1,030,398</u>                        | <u>100</u>  | <u>1,425,033</u>   | <u>100</u>  | <u>2,731,586</u>                       | <u>100</u>  | <u>3,930,611</u>   | <u>100</u>  |
| <b>OPERATING COSTS</b>                   |   |             |                    |             |  |             |                    |             |
| (Notes 10 and 22)                        |   |             |                    |             |  |             |                    |             |
| Construction costs                       | (765,979)                               | (74)        | (1,086,866)        | (76)        | (2,060,655)                            | (76)        | (2,940,482)        | (75)        |
| Service costs                            | <u>(14,760)</u>                         | <u>(2)</u>  | <u>(31,536)</u>    | <u>(2)</u>  | <u>(63,310)</u>                        | <u>(3)</u>  | <u>(86,622)</u>    | <u>(2)</u>  |
| Total operating costs                    | <u>(780,739)</u>                        | <u>(76)</u> | <u>(1,118,402)</u> | <u>(78)</u> | <u>(2,123,965)</u>                     | <u>(79)</u> | <u>(3,027,104)</u> | <u>(77)</u> |
| <b>GROSS PROFIT</b>                      | <u>249,659</u>                          | <u>24</u>   | <u>306,631</u>     | <u>22</u>   | <u>607,621</u>                         | <u>22</u>   | <u>903,507</u>     | <u>23</u>   |
| <b>OPERATING EXPENSES</b>                |   |             |                    |             |  |             |                    |             |
| (Notes 22 and 28)                        |   |             |                    |             |  |             |                    |             |
| Selling and marketing expenses           | (102,836)                               | (10)        | (98,949)           | (7)         | (273,154)                              | (10)        | (291,564)          | (8)         |
| General and administrative expenses      | (54,688)                                | (5)         | (64,080)           | (5)         | (166,104)                              | (6)         | (187,893)          | (5)         |
| Research and development expenses        | 5,135                                   | 1           | (2,895)            | -           | -                                      | -           | (8,012)            | -           |
| Expected credit gain (loss)              | <u>1,392</u>                            | <u>-</u>    | <u>(1,667)</u>     | <u>-</u>    | <u>9,279</u>                           | <u>1</u>    | <u>(8,087)</u>     | <u>-</u>    |
| Total operating expenses                 | <u>(150,997)</u>                        | <u>(14)</u> | <u>(167,591)</u>   | <u>(12)</u> | <u>(429,979)</u>                       | <u>(15)</u> | <u>(495,556)</u>   | <u>(13)</u> |
| <b>PROFIT FROM OPERATIONS</b>            | <u>98,662</u>                           | <u>10</u>   | <u>139,040</u>     | <u>10</u>   | <u>177,642</u>                         | <u>7</u>    | <u>407,951</u>     | <u>10</u>   |
| <b>NON-OPERATING INCOME AND EXPENSES</b> |   |             |                    |             |  |             |                    |             |
| (Note 22)                                |   |             |                    |             |  |             |                    |             |
| Interest income                          | 5,096                                   | -           | 4,958              | -           | 17,350                                 | 1           | 15,830             | 1           |
| Other income                             | 1,778                                   | -           | 14,568             | 1           | 12,650                                 | -           | 20,485             | -           |
| Other gains and losses                   | 18,509                                  | 2           | (632)              | -           | (2,521)                                | -           | 6,963              | -           |
| Finance costs                            | <u>(408)</u>                            | <u>-</u>    | <u>(489)</u>       | <u>-</u>    | <u>(1,398)</u>                         | <u>-</u>    | <u>(1,397)</u>     | <u>-</u>    |
| Total non-operating income and expenses  | <u>24,975</u>                           | <u>2</u>    | <u>18,405</u>      | <u>1</u>    | <u>26,081</u>                          | <u>1</u>    | <u>44,881</u>      | <u>1</u>    |
| <b>PROFIT BEFORE INCOME TAX</b>          | 123,637                                 | 12          | 157,445            | 11          | 203,723                                | 8           | 449,832            | 11          |
| <b>INCOME TAX EXPENSE</b>                |   |             |                    |             |  |             |                    |             |
| (Note 23)                                | <u>(25,197)</u>                         | <u>(2)</u>  | <u>(47,217)</u>    | <u>(3)</u>  | <u>(52,766)</u>                        | <u>(2)</u>  | <u>(119,834)</u>   | <u>(3)</u>  |
| <b>NET PROFIT FOR THE PERIOD</b>         | <u>98,440</u>                           | <u>10</u>   | <u>110,228</u>     | <u>8</u>    | <u>150,957</u>                         | <u>6</u>    | <u>329,998</u>     | <u>8</u>    |

(Continued)

## RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

|   | For the Three Months Ended September 30 |           |                   |          | For the Nine Months Ended September 30 |            |                   |          |
|---|---|-----------|-------------------|----------|--|------------|-------------------|----------|
|   | 2025                                    |           | 2024              |          | 2025                                   |            | 2024              |          |
|   | Amount                                  | %         | Amount            | %        | Amount                                 | %          | Amount            | %        |
| OTHER COMPREHENSIVE INCOME (LOSS)   |   |           |                   |          |  |            |                   |          |
| Items that may be reclassified subsequently to profit or loss:  |   |           |                   |          |  |            |                   |          |
| Exchange differences on translation of the financial statements of foreign operations                     | \$ 44,665                               | 4         | \$ 20,371         | 1        | \$ (59,125)                            | (2)        | \$ 53,244         | 1        |
| Unrealized (loss) gain on investment in debt instruments at fair value through other comprehensive income | 255                                     | -         | -                 | -        | 1,620                                  | -          | -                 | -        |
| Income tax related to items that may be reclassified subsequently to profit or loss (Note 23)             | (8,933)                                 | (1)       | (4,074)           | -        | 11,825                                 | -          | (10,649)          | -        |
| Other comprehensive income (loss) for the period, net of income tax                                       | <u>35,987</u>                           | <u>3</u>  | <u>16,297</u>     | <u>1</u> | <u>(45,680)</u>                        | <u>(2)</u> | <u>42,595</u>     | <u>1</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD  | <u>\$ 134,427</u>                       | <u>13</u> | <u>\$ 126,525</u> | <u>9</u> | <u>\$ 105,277</u>                      | <u>4</u>   | <u>\$ 372,593</u> | <u>9</u> |
| NET PROFIT (LOSS) ATTRIBUTABLE TO:  |   |           |                   |          |  |            |                   |          |
| Owners of the Company   | <u>\$ 98,440</u>                        | <u>10</u> | <u>\$ 110,228</u> | <u>8</u> | <u>\$ 150,957</u>                      | <u>6</u>   | <u>\$ 329,998</u> | <u>8</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:  |   |           |                   |          |  |            |                   |          |
| Owners of the Company   | <u>\$ 134,427</u>                       | <u>13</u> | <u>\$ 126,525</u> | <u>9</u> | <u>\$ 105,277</u>                      | <u>4</u>   | <u>\$ 372,593</u> | <u>9</u> |
| EARNINGS PER SHARE (Note 24)  |   |           |                   |          |  |            |                   |          |
| Basic   | <u>\$ 1.49</u>                          |           | <u>\$ 1.67</u>    |          | <u>\$ 2.29</u>                         |            | <u>\$ 5.00</u>    |          |
| Diluted   | <u>\$ 1.49</u>                          |           | <u>\$ 1.66</u>    |          | <u>\$ 2.28</u>                         |            | <u>\$ 4.98</u>    |          |

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

(Concluded)

# RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

|   | Capital Stock - Common Stock |                   | Capital Surplus   | Retained Earnings |                   |                         | Remeasurement of Defined Benefit Plans | Others  | Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income | Total Equity        |
|---|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------------|--|---|---|---------------------|
|   | Shares (In Thousands)        | Amount            |                   | Legal Reserve     | Special Reserve   | Unappropriated Earnings |  | Exchange Differences on Translation of the Financial Statements of Foreign Operations |   |                     |
| BALANCE, JANUARY 1, 2024  | 66,000                       | \$ 660,000        | \$ 687,087        | \$ 165,876        | \$ 91,906         | \$ 654,491              | \$ (7,194)                             | \$ (100,834)  | \$ -  | \$ 2,151,332        |
| Appropriation of 2023 earnings  |                              |                   |                   |                   |                   |                         |  |   |   |                     |
| Legal reserve   | -                            | -                 | -                 | 28,045            | -                 | (28,045)                | -                                      | -   | -   | -                   |
| Special reserve   | -                            | -                 | -                 | -                 | 16,122            | (16,122)                | -                                      | -   | -   | -                   |
| Cash dividends distributed by the Company   | -                            | -                 | -                 | -                 | -                 | (231,000)               | -                                      | -   | -   | (231,000)           |
| Net profit for the nine months ended September 30, 2024   | -                            | -                 | -                 | -                 | -                 | 329,998                 | -                                      | -   | -   | 329,998             |
| Other comprehensive income (loss) for the nine months ended September 30, 2024, net of income tax | -                            | -                 | -                 | -                 | -                 | -                       | -                                      | 42,595  | -   | 42,595              |
| Total comprehensive income (loss) for the nine months ended September 30, 2024                    | -                            | -                 | -                 | -                 | -                 | 329,998                 | -                                      | 42,595  | -   | 372,593             |
| BALANCE, SEPTEMBER 30, 2024   | <u>66,000</u>                | <u>\$ 660,000</u> | <u>\$ 687,087</u> | <u>\$ 193,921</u> | <u>\$ 108,028</u> | <u>\$ 709,322</u>       | <u>\$ (7,194)</u>                      | <u>\$ (58,239)</u>  | <u>\$ -</u>   | <u>\$ 2,292,925</u> |
| BALANCE, JANUARY 1, 2025  | 66,000                       | \$ 660,000        | \$ 687,087        | \$ 193,921        | \$ 108,028        | \$ 801,870              | \$ (7,194)                             | \$ (67,943)   | \$ (1,350)  | \$ 2,374,419        |
| Appropriation of 2024 earnings  |                              |                   |                   |                   |                   |                         |  |   |   |                     |
| Legal reserve   | -                            | -                 | -                 | 42,254            | -                 | (42,254)                | -                                      | -   | -   | -                   |
| Special reserve   | -                            | -                 | -                 | -                 | (31,541)          | 31,541                  | -                                      | -   | -   | -                   |
| Cash dividends distributed by the Company   | -                            | -                 | -                 | -                 | -                 | (264,000)               | -                                      | -   | -   | (264,000)           |
| Net profit for the nine months ended September 30, 2025   | -                            | -                 | -                 | -                 | -                 | 150,957                 | -                                      | -   | -   | 150,957             |
| Other comprehensive income (loss) for the nine months ended September 30, 2025, net of income tax | -                            | -                 | -                 | -                 | -                 | -                       | -                                      | (47,300)  | 1,620   | (45,680)            |
| Total comprehensive income (loss) for the nine months ended September 30, 2025                    | -                            | -                 | -                 | -                 | -                 | 150,957                 | -                                      | (47,300)  | 1,620   | 105,277             |
| BALANCE, SEPTEMBER 30, 2025   | <u>66,000</u>                | <u>\$ 660,000</u> | <u>\$ 687,087</u> | <u>\$ 236,175</u> | <u>\$ 76,487</u>  | <u>\$ 678,114</u>       | <u>\$ (7,194)</u>                      | <u>\$ (115,243)</u>   | <u>\$ 270</u>   | <u>\$ 2,215,696</u> |

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

# RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

|   | For the Nine Months Ended<br>September 30 |             |
|---|---|-------------|
|   | 2025                                      | 2024        |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>             |   |             |
| Income before income tax                                | \$ 203,723                                | \$ 449,832  |
| Adjustments for:  |   |             |
| Depreciation expense                                    | 36,187                                    | 36,465      |
| Amortization expense                                    | 7,261                                     | 5,758       |
| Expected credit (gain) / loss recognized                | (9,279)                                   | 8,087       |
| Finance costs   | 1,398                                     | 1,397       |
| Interest income   | (17,350)                                  | (15,830)    |
| Loss on disposal of property, plant and equipment, net  | 157                                       | 208         |
| Impairment loss on non-financial assets                 | 422                                       | 346         |
| Gain on lease modifications                             | (38)                                      | (1,100)     |
| Net changes in operating assets and liabilities         |   |             |
| Contract assets   | 373,818                                   | (240,140)   |
| Notes receivable  | -   | -           |
| Trade receivables                                       | 163,388                                   | 133,344     |
| Other receivables                                       | (2,409)                                   | (1,171)     |
| Inventories   | (23,782)                                  | (10,488)    |
| Prepayments   | (19,152)                                  | (87,031)    |
| Other current assets                                    | 9,596                                     | 2,853       |
| Contract liabilities                                    | 27,929                                    | (46,161)    |
| Notes payables  | -   | -           |
| Trade payables  | (74,730)                                  | 36,789      |
| Other payables  | (68,539)                                  | (2,169)     |
| Other current liabilities                               | 1,407                                     | 10,060      |
| Other non-current liabilities                           | 829                                       | 6,040       |
| Cash generated from operations                          | 610,836                                   | 287,089     |
| Interest received                                       | 16,383                                    | 15,721      |
| Interest paid   | (1,410)                                   | (1,402)     |
| Income tax paid   | (103,382)                                 | (102,993)   |
| Net cash generated from operating activities            | 522,427                                   | 198,415     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>             |   |             |
| Acquisition of financial assets at amortized cost       | (367,571)                                 | (2,014,684) |
| Disposal of financial assets at amortized cost          | 410,014                                   | 2,247,167   |
| Payment for property, plant and equipment               | (13,914)                                  | (10,199)    |
| Proceeds from disposal of property, plant and equipment | 30  | -           |
| Decrease in refundable deposits                         | 934                                       | 1,948       |
| Payments for intangible assets                          | (17,320)                                  | (5,675)     |

(Continued)



# RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

|   | For the Nine Months Ended<br>September 30 |                    |
|---|---|--------------------|
|   | 2025                                      | 2024               |
| Increase in other non-current assets                    | \$ (196)                                  | \$ (520)           |
| Increase in prepayments for equipment                   | -   | (2,140)            |
| Decrease in prepayments for equipment                   | <u>2,140</u>                              | <u>-</u>           |
| Net cash generated from investing activities            | <u>14,117</u>                             | <u>215,897</u>     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>             |   |                    |
| Increase in short-term borrowings                       | 175,500                                   | -                  |
| Decrease in short-term borrowings                       | (193,000)                                 | (13,000)           |
| Decrease in guarantee deposits received                 | -   | (42)               |
| Repayment of the principal portion of lease liabilities | (6,622)                                   | (6,171)            |
| Cash dividends  | <u>(264,000)</u>                          | <u>(231,000)</u>   |
| Net cash used in financing activities                   | <u>(288,122)</u>                          | <u>(250,213)</u>   |
| EFFECTS OF EXCHANGE RATE CHANGES ON CASH                | <u>(37,446)</u>                           | <u>27,405</u>      |
| NET INCREASE IN CASH AND CASH EQUIVALENTS               | 210,976                                   | 191,504            |
| CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD      | <u>1,406,448</u>                          | <u>1,264,114</u>   |
| CASH AND CASH EQUIVALENTS, END OF THE PERIOD            | <u>\$1,617,424</u>                        | <u>\$1,455,618</u> |

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

(Concluded)

# RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED September 30, 2025 and 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

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### 1. GENERAL INFORMATION

Rich Honour International Designs Co., Ltd. (hereinafter referred to as the “Company”) was founded in Taipei City and commenced operating in December 2014. The Company is mainly engaged in interior decoration and renovation as well as landscape and interior design. The Company was reorganized as a company limited by shares in June 2018.

The Company’s stock was listed on the Taiwan Stock Exchange in August 2020.

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

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on November 12, 2025.

### 3. APPLICATION OF NEW AND REVISED STANDARDS, AMENDMENTS 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 “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

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

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

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

#### 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.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group's financial position and financial performance.

- 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<br/>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                                      |
| IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)             | 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”

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Corporation and its subsidiaries 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 Corporation and its subsidiaries shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Corporation and its subsidiaries 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 Corporation and its subsidiaries as a whole, the Corporation and its subsidiaries 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 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 SIGNIFICANT ACCOUNTING POLICIES

##### a. Statement of compliance

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

##### b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values, investment properties and contingent considerations assumed in business combinations.

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

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

##### c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company.

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 used by the Company.

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

See Note 11, Table 7 and Table 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other significant accounting policies

Except for the following, refer to the consolidated financial statements for the year ended December 31, 2024.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

**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 about 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 economic environment on the cash flow projection, growth rates, discount rates, profit abilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

For the material accounting judgments and key sources of estimation uncertainty except as noted below, refer to the consolidated financial statements for the year ended December 31, 2024.

**6. CASH AND CASH EQUIVALENTS**

|   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---|-------------------------------|------------------------------|-------------------------------|
| Cash on hand  | \$ 1,490                      | \$ 1,574                     | \$ 1,609                      |
| Checking accounts and demand deposits                                       | 602,809                       | 839,178                      | 950,440                       |
| Cash equivalents (investments with original maturities of 3 months or less) |                               |                              |                               |
| Time deposits   | <u>1,013,125</u>              | <u>565,696</u>               | <u>503,569</u>                |
|   | <u>\$1,617,424</u>            | <u>\$1,406,448</u>           | <u>\$1,455,618</u>            |

**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

|  | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|--|-------------------------------|------------------------------|-------------------------------|
| <u>Financial assets at fair value through other comprehensive income (FVOCI)-non-current</u> |                               |                              |                               |
| Debt instruments   |                               |                              |                               |
| Domestic investments   |                               |                              |                               |
| Company Bonds  | <u>\$ 50,770</u>              | <u>\$ 49,150</u>             | <u>\$ -</u>                   |

## 8. FINANCIAL ASSETS AT AMORTIZED COST

|  | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--|-----------------------|----------------------|-----------------------|
| <u>Current</u>   |                       |                      |                       |
| Domestic investments   |                       |                      |                       |
| Time deposits with original maturities of more than 3 months (a) | \$ 30,000             | \$ 36,892            | \$ 54,420             |
| Restricted time deposits (b)                                     | 25,293                | 20,494               | 20,651                |
| Foreign investments  |                       |                      |                       |
| Time deposits with original maturities of more than 3 months (a) | 155,465               | 158,969              | 144,736               |
| Restricted time deposits (c)                                     | <u>320</u>            | <u>1,427</u>         | <u>-</u>              |
|  | <u>\$ 211,078</u>     | <u>\$ 217,782</u>    | <u>\$ 219,807</u>     |

### Non-current

#### Foreign investments

|                              |             |                  |             |
|------------------------------|-------------|------------------|-------------|
| Restricted time deposits (b) | <u>\$ -</u> | <u>\$ 44,780</u> | <u>\$ -</u> |
|------------------------------|-------------|------------------|-------------|

- a. As of September 30, 2025, December 31, 2024 and September 30, 2024, the annual interest rate for the time deposits with an original maturity date beyond 3 months was 1.43%-1.65%, 1.40%-4.15% and 1.18%-5.18%, respectively.
- b. As of September 30, 2025, December 31, 2024 and September 30, 2024, the annual interest rate for the restricted time deposits was 1.66%, 1.43%-1.66% and 1.57%-1.65%, respectively.
- c. As of September 30, 2025, December 31, 2024, the interest rate for the restricted time deposits invested by the consolidated company was 0.1% and 0.2%, respectively.
- d. Refer to Note 29 for information on the pledge of financial assets measured at amortized cost.

## 9. NOTES RECEIVABLES AND TRADE RECEIVABLES

|                                     | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|-------------------------------------|-----------------------|----------------------|-----------------------|
| <u>Notes receivables</u>            |                       |                      |                       |
| At amortized cost                   |                       |                      |                       |
| Gross carrying amount               | \$ -                  | \$ -                 | \$ 67                 |
| Less: Allowance for impairment loss | <u>-</u>              | <u>-</u>             | <u>-</u>              |
|                                     | <u>\$ -</u>           | <u>\$ -</u>          | <u>\$ 67</u>          |

(Continued)

|                                     | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b>    |
|-------------------------------------|-------------------------------|------------------------------|----------------------------------|
| <u>Trade receivables</u>            |                               |                              |                                  |
| At amortized cost                   |                               |                              |                                  |
| Gross carrying amount               | \$ 576,449                    | \$ 739,837                   | \$ 681,526                       |
| Less: Allowance for impairment loss | <u>(35,128)</u>               | <u>(44,481)</u>              | <u>(43,045)</u>                  |
|                                     | <u>\$ 541,321</u>             | <u>\$ 695,356</u>            | <u>\$ 638,481</u><br>(Concluded) |

a. Notes receivables

The Group determines if there is objective evidence indicating that a note receivable is impaired and assesses its impairment amount. Notes receivable with no objective evidence for impairment are recognized as loss allowance for accounts receivable based on the lifetime expected credit losses.

If there is any evidence indicating that the counterparty is faced with severe financial difficulties and that the Group is not able to reasonably expect any recoverable amount, the Group directly writes off the relevant notes receivable and will continue to pursue recourse actions. All amounts recovered through recourse are recognized in profit or loss.

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

September 30, 2024

|                               | <b>Not Past<br/>Due</b> | <b>1-60 Days</b> | <b>61-90 Days</b> | <b>91 to 120 Days</b> | <b>Over 120 Days</b> | <b>Total</b> |
|-------------------------------|-------------------------|------------------|-------------------|-----------------------|----------------------|--------------|
| Gross carrying amount         | \$ 67                   | \$ -             | \$ -              | \$ -                  | \$ -                 | \$ 67        |
| Loss allowance (Lifetime ECL) | <u>-</u>                | <u>-</u>         | <u>-</u>          | <u>-</u>              | <u>-</u>             | <u>-</u>     |
| Amortized cost                | <u>\$ 67</u>            | <u>\$ -</u>      | <u>\$ -</u>       | <u>\$ -</u>           | <u>\$ -</u>          | <u>\$ 67</u> |

b. Trade receivables

The Group carries out transactions mostly with creditworthy counterparties in line with its policy. The Group continues to monitor its exposure to credit risk and the credit rating of counterparties. To mitigate the credit risk, the management of the Group conducts credit approval and other monitoring procedures to ensure appropriate actions have been taken for the recovery of overdue accounts receivable. In addition, the Group reviews the recoverable amount of accounts receivable one by one on the balance sheet date to make sure appropriate impairment losses have been set aside for accounts receivable that cannot be recovered. Thus, the management of the Company believes that the credit risk that the Group is exposed to has mitigated significantly.

The Group recognizes the loss allowance for trade receivables based on the lifetime expected credit losses. The lifetime expected credit losses are calculated using a provision matrix with consideration of the clients' historical default record and current financial position. Since the Group's historical experience of credit losses shows no significant difference in the type of loss between different clients, the clients are not further classified in the provision matrix. The Group only sets the expected credit loss rate based on the days overdue of trade receivables.



The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. e.g. the counterparty is undergoing liquidation or the debt is over 2 years old, that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

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

September 30, 2025

|   | <b>0-183 Days</b> | <b>184-365 Days</b> | <b>1-1.5 Years</b> | <b>1.5 -2 Years</b> | <b>Over2 Years</b> | <b>Individual Assessment</b> | <b>Total</b>      |
|---|-------------------|---------------------|--------------------|---------------------|--------------------|------------------------------|-------------------|
| The expected credit loss rate                 | 0%                | 2%-20%              | 5%-40%             | 10%-40%             | 100%               | 100%                         |                   |
| Gross carrying amount                         | \$ 516,407        | \$ 12,901           | \$ 3,716           | \$ 9,741            | \$ 11,725          | \$ 21,959                    | \$ 576,449        |
| Loss allowance (Lifetime ECL)                 | -                 | (211)               | (192)              | (1,041)             | (11,725)           | -                            | (13,169)          |
| Loss allowance (Individual client assessment) | -                 | -                   | -                  | -                   | -                  | (21,959)                     | (21,959)          |
| Amortized cost                                | <u>\$ 516,407</u> | <u>\$ 12,690</u>    | <u>\$ 3,524</u>    | <u>\$ 8,700</u>     | <u>\$ -</u>        | <u>\$ -</u>                  | <u>\$ 541,321</u> |

December 31, 2024

|   | <b>0-183 Days</b> | <b>184-365 Days</b> | <b>1-1.5 Years</b> | <b>1.5 -2 Years</b> | <b>Over2 Years</b> | <b>Individual Assessment</b> | <b>Total</b>      |
|---|-------------------|---------------------|--------------------|---------------------|--------------------|------------------------------|-------------------|
| The expected credit loss rate                 | 0%                | 2%-20%              | 5%-40%             | 10%-40%             | 100%               | 100%                         |                   |
| Gross carrying amount                         | \$ 659,296        | \$ 14,450           | \$ 19,775          | \$ 4,756            | \$ 10,401          | \$ 31,159                    | \$ 739,837        |
| Loss allowance (Lifetime ECL)                 | -                 | (401)               | (1,795)            | (725)               | (10,401)           | -                            | (13,322)          |
| Loss allowance (Individual client assessment) | -                 | -                   | -                  | -                   | -                  | (31,159)                     | (31,159)          |
| Amortized cost                                | <u>\$ 659,296</u> | <u>\$ 14,049</u>    | <u>\$ 17,980</u>   | <u>\$ 4,031</u>     | <u>\$ -</u>        | <u>\$ -</u>                  | <u>\$ 695,356</u> |

September 30, 2024

|   | <b>0-183 Days</b> | <b>184-365 Days</b> | <b>1-1.5 Years</b> | <b>1.5 -2 Years</b> | <b>Over2 Years</b> | <b>Individual Assessment</b> | <b>Total</b>      |
|---|-------------------|---------------------|--------------------|---------------------|--------------------|------------------------------|-------------------|
| The expected credit loss rate                 | 0%                | 2%-20%              | 5%-40%             | 10%-40%             | 100%               | 100%                         |                   |
| Gross carrying amount                         | \$ 608,156        | \$ 24,145           | \$ 5,725           | \$ 2,385            | \$ 9,956           | \$ 31,159                    | \$ 681,526        |
| Loss allowance (Lifetime ECL)                 | -                 | (859)               | (558)              | (513)               | (9,956)            | -                            | (11,886)          |
| Loss allowance (Individual client assessment) | -                 | -                   | -                  | -                   | -                  | (31,159)                     | (31,159)          |
| Amortized cost                                | <u>\$ 608,156</u> | <u>\$ 23,286</u>    | <u>\$ 5,167</u>    | <u>\$ 1,872</u>     | <u>\$ -</u>        | <u>\$ -</u>                  | <u>\$ 638,481</u> |

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

|                                   | <b>For the Nine Months Ended<br/>September 30</b> |                  |
|-----------------------------------|---|------------------|
|                                   | <b>2025</b>                                       | <b>2024</b>      |
| Balance at January 1              | \$ 44,481   | \$ 34,912        |
| Add: Provision for loss allowance | -   | 8,087            |
| Less: Reversal of loss allowance  | (9,279)   | -                |
| Foreign exchange gains and losses | <u>(74)</u>                                       | <u>46</u>        |
| Balance at September 30           | <u>\$ 35,128</u>                                  | <u>\$ 43,045</u> |

## 10. INVENTORIES

|                  | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|------------------|-------------------------------|------------------------------|-------------------------------|
| Raw materials    | \$ 16,582                     | \$ 13,012                    | \$ 16,058                     |
| Work in progress | <u>43,155</u>                 | <u>23,007</u>                | <u>29,641</u>                 |
|                  | <u>\$ 59,737</u>              | <u>\$ 36,019</u>             | <u>\$ 45,699</u>              |

The costs of inventories recognized as costs of goods sold for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024 were 765,979 thousand, 1,086,866 thousand, 2,060,655 thousand and 2,940,482 thousand, respectively. For the three months ended September 30, 2024, and for the nine months ended September 30, 2024, loss from price recovery of inventory that cost of goods sold included were 296 thousand, 346 thousand, 422 thousand and 346 thousand, respectively.

## 11. SUBSIDIARIES

### a. Subsidiaries included in the consolidated financial statements

| Investor                           | Investee                           | Nature of Activities   | <b>Proportion of Ownership (%)</b> |                              |                               |
|------------------------------------|------------------------------------|--|------------------------------------|------------------------------|-------------------------------|
|                                    |                                    |  | <b>September 30,<br/>2025</b>      | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
| The Company                        | Rich Honour Fabricating Co., Ltd.  | Manufacture of millwork  | 100%                               | 100%                         | 100%                          |
| The Company                        | Yuqiao Interior Designs Co., Ltd.  | Interior decoration  | 100%                               | 100%                         | 100%                          |
| The Company                        | RHG INC.                           | Investment   | 100%                               | 100%                         | 100%                          |
| RHG INC.                           | RH International Designs Co., Ltd. | Architectural decoration and design, architectural construction projects, and construction and installation services | 100%                               | 100%                         | 100%                          |
| RH International Designs Co., Ltd. | Giant Web Trading                  | Wholesale of architectural decoration materials and furniture  | Note                               | Note                         | 100%                          |

(Continued)

| Investor                           | Investee   | Nature of Activities  | Proportion of Ownership (%) |                   |                    |
|------------------------------------|--|---|-----------------------------|-------------------|--------------------|
|                                    |  |   | September 30, 2025          | December 31, 2024 | September 30, 2024 |
| RH International Designs Co., Ltd. | Rich Honour Design & Consulting (Shanghai) Co., Ltd. | Architectural decoration and renovation design and consulting                     | 100%                        | 100%              | 100%               |
| RH International Designs Co., Ltd. | RHY ASIA LIMITED                                     | Investment  | 100%                        | 100%              | 100%               |
| RH International Designs Co., Ltd. | RHQ Furniture Co., Ltd.                              | Production and sale of millwork, metal products, and furniture of other materials | 57.8%                       | 57.8%             | 57.8%              |
| RHY ASIA LIMITED                   | RHQ HOLDINGS LIMITED                                 | Investment  | 100%                        | 100%              | 100%               |
| RHQ HOLDINGS LIMITED               | RHQ Furniture Co., Ltd.                              | Production and sale of millwork, metal products, and furniture of other materials | 42.2%                       | 42.2%             | 42.2%              |

(Concluded)

Note: Giant Web Trading's liquidation was completed in November, 2024.

b. Subsidiaries excluded from the consolidated financial statements: None

## 12. PROPERTY, PLANT AND EQUIPMENT

|  | Freehold Land     | Buildings         | Machinery and Equipment | Transportation Equipment | Office Equipment | Leasehold Improvements | Other Equipment  | Property under Construction | Total              |
|--|-------------------|-------------------|-------------------------|--------------------------|------------------|------------------------|------------------|-----------------------------|--------------------|
| <u>Cost</u>                                      |                   |                   |                         |                          |                  |                        |                  |                             |                    |
| Balance at January 1, 2025                       | \$ 503,511        | \$ 636,299        | \$ 43,033               | \$ 13,368                | \$ 4,874         | \$ 63,092              | \$ 64,728        | \$ 401                      | \$1,329,306        |
| Additions  | -                 | -                 | 27                      | 10,374                   | 64               | 198                    | 3,251            | -                           | 13,914             |
| Disposals  | -                 | -                 | (218)                   | -                        | (47)             | -                      | (1,343)          | -                           | (1,608)            |
| Transfers to investment properties               | -                 | (38,677)          | -                       | -                        | -                | -                      | -                | -                           | (38,677)           |
| Effects of foreign currency exchange differences | -                 | (24,224)          | (1,537)                 | (523)                    | (82)             | (2,123)                | (1,414)          | (19)                        | (29,922)           |
| Balance at September 30, 2025                    | <u>\$ 503,511</u> | <u>\$ 573,398</u> | <u>\$ 40,305</u>        | <u>\$ 23,219</u>         | <u>\$ 4,809</u>  | <u>\$ 61,167</u>       | <u>\$ 65,222</u> | <u>\$ 382</u>               | <u>\$1,273,013</u> |
| <u>Accumulated depreciation</u>                  |                   |                   |                         |                          |                  |                        |                  |                             |                    |
| Balance at January 1, 2025                       | \$ -              | \$ 342,689        | \$ 33,982               | \$ 10,600                | \$ 3,839         | \$ 39,129              | \$ 49,171        | \$ -                        | \$ 479,410         |
| Depreciation expenses                            | -                 | 18,535            | 1,363                   | 1,173                    | 342              | 4,128                  | 3,430            | -                           | 28,971             |
| Disposals  | -                 | -                 | (85)                    | -                        | (45)             | -                      | (1,291)          | -                           | (1,421)            |
| Transfers to investment properties               | -                 | (13,745)          | -                       | -                        | -                | -                      | -                | -                           | (13,745)           |
| Effects of foreign currency exchange differences | -                 | (13,619)          | (1,174)                 | (472)                    | (66)             | (1,399)                | (1,115)          | -                           | (17,845)           |
| Balance at September 30, 2025                    | <u>\$ -</u>       | <u>\$ 333,860</u> | <u>\$ 34,086</u>        | <u>\$ 11,301</u>         | <u>\$ 4,070</u>  | <u>\$ 41,858</u>       | <u>\$ 50,195</u> | <u>\$ -</u>                 | <u>\$ 475,370</u>  |
| Carrying amount at September 30, 2025            | <u>\$ 503,511</u> | <u>\$ 293,610</u> | <u>\$ 7,219</u>         | <u>\$ 11,918</u>         | <u>\$ 739</u>    | <u>\$ 19,309</u>       | <u>\$ 15,027</u> | <u>\$ 382</u>               | <u>\$ 797,643</u>  |
| Carrying amount at January 1, 2025               | <u>\$ 503,511</u> | <u>\$ 293,610</u> | <u>\$ 9,051</u>         | <u>\$ 2,768</u>          | <u>\$ 1,035</u>  | <u>\$ 23,963</u>       | <u>\$ 15,557</u> | <u>\$ 401</u>               | <u>\$ 849,896</u>  |

(Continued)

|   | Freehold<br>Land  | Buildings         | Machinery<br>and<br>Equipment | Transportation<br>Equipment | Office<br>Equipment | Leasehold<br>Improvements | Other<br>Equipment | Property<br>under<br>Construction | Total              |
|---|-------------------|-------------------|-------------------------------|-----------------------------|---------------------|---------------------------|--------------------|-----------------------------------|--------------------|
| <b>Cost</b>   |                   |                   |                               |                             |                     |                           |                    |                                   |                    |
| Balance at January 1, 2024                          | \$ 503,511        | \$ 616,113        | \$ 41,683                     | \$ 11,215                   | \$ 4,803            | \$ 60,387                 | \$ 59,076          | \$ 387                            | \$1,297,175        |
| Additions   | -                 | 2,274             | 28                            | 803                         | 12                  | 1,031                     | 6,051              | -                                 | 10,199             |
| Disposals   | -                 | -                 | -                             | -                           | -                   | -                         | (1,900)            | -                                 | (1,900)            |
| Effects of foreign currency<br>exchange differences | -                 | 23,270            | 1,456                         | 496                         | 78                  | 2,010                     | 1,330              | 18                                | 28,658             |
| Balance at September 30,<br>2024                    | <u>\$ 503,511</u> | <u>\$ 641,657</u> | <u>\$ 43,167</u>              | <u>\$ 12,514</u>            | <u>\$ 4,893</u>     | <u>\$ 63,428</u>          | <u>\$ 64,557</u>   | <u>\$ 405</u>                     | <u>\$1,334,132</u> |
| <b>Accumulated depreciation</b>                     |                   |                   |                               |                             |                     |                           |                    |                                   |                    |
| Balance at January 1, 2024                          | \$ -              | \$ 307,623        | \$ 31,081                     | \$ 10,007                   | \$ 3,239            | \$ 31,937                 | \$ 45,569          | \$ -                              | \$ 429,456         |
| Depreciation expenses                               | -                 | 19,358            | 1,624                         | 202                         | 420                 | 4,738                     | 3,328              | -                                 | 29,670             |
| Disposals   | -                 | -                 | -                             | -                           | -                   | -                         | (1,692)            | -                                 | (1,692)            |
| Effects of foreign currency<br>exchange differences | -                 | 12,137            | 1,042                         | 443                         | 58                  | 1,203                     | 1,035              | -                                 | 15,918             |
| Balance at September 30,<br>2024                    | <u>\$ -</u>       | <u>\$ 339,118</u> | <u>\$ 33,747</u>              | <u>\$ 10,652</u>            | <u>\$ 3,717</u>     | <u>\$ 37,878</u>          | <u>\$ 48,240</u>   | <u>\$ -</u>                       | <u>\$ 473,352</u>  |
| Carrying amount at<br>September 30, 2024            | <u>\$ 503,511</u> | <u>\$ 302,539</u> | <u>\$ 9,420</u>               | <u>\$ 1,862</u>             | <u>\$ 1,176</u>     | <u>\$ 25,550</u>          | <u>\$ 16,317</u>   | <u>\$ 405</u>                     | <u>\$ 860,780</u>  |

(Concluded)

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                | 17-40 years |
| Machinery and equipment  | 4-10 years  |
| Transportation equipment | 4-5 years   |
| Office equipment         | 4-5 years   |
| Leasehold improvements   | 5-15 years  |
| Other equipment          | 1-20 years  |

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 29.

### 13. LEASE ARRANGEMENTS

#### a. Right-of-use assets

|                        | September 30,<br>2025 | December<br>31, 2024 | September 30,<br>2024 |
|------------------------|-----------------------|----------------------|-----------------------|
| <u>Carrying amount</u> |                       |                      |                       |
| Land                   | \$ 16,924             | \$ 18,127            | \$ 18,438             |
| Buildings              | <u>12,176</u>         | <u>18,707</u>        | <u>20,918</u>         |
|                        | <u>\$ 29,100</u>      | <u>\$ 36,834</u>     | <u>\$ 39,356</u>      |

The changes of right-of-use assets are as follows:

|  | <b>For the Three Months Ended<br/>September 30</b> |                 | <b>For the Nine Months Ended<br/>September 30</b> |                  |
|--|--|-----------------|---|------------------|
|  | <b>2025</b>  | <b>2024</b>     | <b>2025</b>                                       | <b>2024</b>      |
| <u>Additions to right-of-use assets</u>                |  |                 | <u>\$ 137</u>                                     | <u>\$ 17,242</u> |
| <u>Depreciation charge for<br/>right-of-use assets</u> |  |                 |   |                  |
| Land   | \$ 119   | \$ 129          | \$ 369  | \$ 381           |
| Buildings  | 2,229  | 2,211           | 6,668   | 6,082            |
| Transportation equipment                               | <u>-</u>   | <u>-</u>        | <u>-</u>  | <u>332</u>       |
|  | <u>\$ 2,348</u>                                    | <u>\$ 2,340</u> | <u>\$ 7,037</u>                                   | <u>\$ 6,795</u>  |

b. Lease liabilities

|                        | <b>September 30,<br/>2025</b> | <b>December<br/>31, 2024</b> | <b>September 30,<br/>2024</b> |
|------------------------|-------------------------------|------------------------------|-------------------------------|
| <u>Carrying amount</u> |                               |                              |                               |
| Current                | <u>\$ 7,743</u>               | <u>\$ 8,814</u>              | <u>\$ 8,766</u>               |
| Non-current            | <u>\$ 4,596</u>               | <u>\$ 10,048</u>             | <u>\$ 12,270</u>              |

Range of discount rate for lease liabilities was as follows:

|           | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|-----------|-------------------------------|------------------------------|-------------------------------|
| Buildings | 2.13%-2.26%                   | 2.13%-2.26%                  | 2.13%-2.26%                   |

c. Material lease-in activities and terms

The Group leases certain land and buildings for the use of plants, offices, and warehouses with lease terms of 1 to 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing all or any portion of the underlying assets without the lessors' consent.

d. Other lease information

|   | <b>For the Three Months Ended<br/>September 30</b> |               | <b>For the Nine Months Ended<br/>September 30</b> |                 |
|---|--|---------------|---|-----------------|
|   | <b>2025</b>  | <b>2024</b>   | <b>2025</b>                                       | <b>2024</b>     |
| Expenses relating to short-term leases      | <u>\$ 537</u>                                      | <u>\$ 580</u> | <u>\$ 1,668</u>                                   | <u>\$ 2,239</u> |
| Expenses relating to low-value asset leases | <u>\$ 15</u>                                       | <u>\$ 10</u>  | <u>\$ 45</u>                                      | <u>\$ 40</u>    |
| Total cash outflow for leases               |  |               | <u>\$ 8,589</u>                                   | <u>\$ 8,811</u> |

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

## 14. INVESTMENT PROPERTIES

|  | <b>Completed<br/>Investment<br/>Properties</b>                  |
|--|---|
|  | <b>For the Nine<br/>Months Ended<br/>September 30,<br/>2025</b> |
| <u>Cost</u>                                      |   |
| Balance at January 1                             | \$ -  |
| Transfers from property, plant, and equipment    | 38,677  |
| Effects of foreign currency exchange differences | <u>(425)</u>  |
| Balance at September 30                          | <u>\$ 38,252</u>  |
| <u>Accumulated amortization</u>                  |   |
| Balance at January 1,                            | \$ -  |
| Depreciation expenses                            | 179   |
| Transfers from property, plant, and equipment    | 13,745  |
| Effects of foreign currency exchange differences | <u>(153)</u>  |
| Balance at September 30                          | <u>\$ 13,771</u>  |
| Carrying amounts at September 30                 | <u>\$ 24,481</u>  |

The abovementioned investment properties are leased out for 1 year. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

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

|           |          |
|-----------|----------|
| Buildings | 20 years |
|-----------|----------|

The total amount of future lease payments to be received from leasing investment properties under operating leases is as follows:

|        | <b>September 30,<br/>2025</b> |
|--------|-------------------------------|
| Year 1 | <u>\$ 499</u>                 |

The fair value of the investment property was not assessed by an independent valuer, but was determined solely by the consolidated company's management using a valuation model commonly used by market participants with a Level 3 input. This assessment referenced market evidence of similar property transaction prices, and the resulting fair value is as follows:

|            | <u>September 30</u> |             |
|------------|---------------------|-------------|
|            | <u>2025</u>         | <u>2024</u> |
| Fair value | <u>\$ 38,286</u>    | <u>\$ -</u> |

## 15. OTHER INTANGIBLE ASSETS

|  | <u>Computer Software</u>         |                  |
|--|----------------------------------|------------------|
|  | <u>For the Nine Months Ended</u> |                  |
|  | <u>September 30</u>              |                  |
|  | <u>2025</u>                      | <u>2024</u>      |
| <u>Cost</u>                                      |                                  |                  |
| Balance at January 1                             | \$ 54,131                        | \$ 56,647        |
| Additions  | 17,320                           | 5,675            |
| Disposals  | (441)                            | -                |
| Effects of foreign currency exchange differences | <u>(875)</u>                     | <u>771</u>       |
| Balance at September 30                          | <u>\$ 70,135</u>                 | <u>\$ 63,093</u> |
| <u>Accumulated amortization</u>                  |                                  |                  |
| Balance at January 1,                            | \$ 48,680                        | \$ 50,028        |
| Amortization expenses                            | 7,261                            | 5,758            |
| Disposals  | (441)                            | -                |
| Effects of foreign currency exchange differences | <u>(830)</u>                     | <u>721</u>       |
| Balance at September 30                          | <u>\$ 54,670</u>                 | <u>\$ 56,507</u> |
| Carrying amounts at September 30                 | <u>\$ 15,465</u>                 | <u>\$ 6,586</u>  |

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

|                   |              |
|-------------------|--------------|
| Computer software | 1 to 5 years |
|-------------------|--------------|

## 16. BORROWINGS

### Short-term Borrowings

|  | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--|-----------------------|----------------------|-----------------------|
| Secured borrowings (Notes 25, 27 and 29) |                       |                      |                       |
| Bank loans                               | <u>\$ 59,000</u>      | <u>\$ 76,500</u>     | <u>\$ 76,500</u>      |

The ranges of weighted average effective interest rate of bank loans were 2.24%, 2.23%-2.27%, and 2.19%-2.25% per annum as September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

## 17. NOTES PAYUABLE AND TRADE PAYABLES

The average credit period for purchase of goods is 60 days. Interest is not included in the accounts payable stated. The Group reviews any payments not yet made on a regular basis to ensure that all payables can be paid back within the pre-agreed term of credit.

## 18. RETIREMENT BENEFIT PLANS

### Defined contribution plan

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

## 19. OTHER PAYABLES

|                                    | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|------------------------------------|-----------------------|----------------------|-----------------------|
| Payables for salaries or bonuses   | \$ 87,422             | \$ 167,716           | \$ 106,351            |
| Payables for employee compensation | 12,248                | 16,643               | 27,791                |
| Payables for director remuneration | 2,160                 | 2,880                | 4,440                 |
| Payables for pension               | 2,248                 | 2,376                | 2,374                 |
| Payables for tax                   | 21,042                | 4,705                | 26,635                |
| Payables for insurance             | 36,014                | 36,644               | 36,737                |
| Others                             | <u>21,547</u>         | <u>20,268</u>        | <u>18,873</u>         |
|                                    | <u>\$ 182,681</u>     | <u>\$ 251,232</u>    | <u>\$ 223,201</u>     |



## 20. EQUITY

### a. Share capital

#### Ordinary shares

|   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---|-------------------------------|------------------------------|-------------------------------|
| Shares authorized (in thousands of shares)            | <u>100,000</u>                | <u>100,000</u>               | <u>100,000</u>                |
| Shares authorized                                     | <u>\$ 1,000,000</u>           | <u>\$ 1,000,000</u>          | <u>\$ 1,000,000</u>           |
| Shares issued and fully paid (in thousands of shares) | <u>66,000</u>                 | <u>66,000</u>                | <u>66,000</u>                 |
| Shares issued and fully paid                          | <u>\$ 660,000</u>             | <u>\$ 660,000</u>            | <u>\$ 660,000</u>             |

### b. Capital surplus

|   | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---|-------------------------------|------------------------------|-------------------------------|
| May be used to offset a deficit, distributed as cash dividends, or transferred to share capital |                               |                              |                               |
| Issuance of ordinary shares   | <u>\$ 687,087</u>             | <u>\$ 687,087</u>            | <u>\$ 687,087</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, that limited to a certain percentage of the Company's capital surplus each year.

### c. Retained earnings and dividend policy

The Company's profit in a fiscal year shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit (appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company's paid-in capital), setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be authorized by the board of directors to adopt a special resolution to distribute dividends and bonuses in cash and a report of such distribution should 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 22-g.

According to Article 237 of Company Act, 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 deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

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

|                 | <b>Appropriation of Earnings</b> |             | <b>Dividends Per Share (NT\$)</b> |             |
|-----------------|----------------------------------|-------------|-----------------------------------|-------------|
|                 | <b>2024</b>                      | <b>2023</b> | <b>2024</b>                       | <b>2023</b> |
| Legal reserve   | \$ 42,254                        | \$ 28,045   | \$ -                              | \$ -        |
| Special reserve | (31,541)                         | 16,122      | -                                 | -           |
| Cash dividends  | 264,000                          | 231,000     | 4.00                              | 3.50        |

The above appropriation for cash dividends were resolved by the Company's board of directors on March 12, 2025 and March 13, 2024, respectively. The other proposed appropriations were resolved by the shareholders in their meeting on May 28, 2025 and May 30, 2024, respectively.

## 21. REVENUE

|                           | <b>For the Three Months Ended<br/>September 30</b> |                     | <b>For the Nine Months Ended<br/>September 30</b> |                     |
|---------------------------|--|---------------------|---|---------------------|
|                           | <b>2025</b>  | <b>2024</b>         | <b>2025</b>                                       | <b>2024</b>         |
| Revenue from construction | \$ 976,584   | \$ 1,378,885        | \$ 2,629,244                                      | \$ 3,833,926        |
| Revenue from service      | <u>53,814</u>                                      | <u>46,148</u>       | <u>102,342</u>                                    | <u>96,685</u>       |
|                           | <u>\$ 1,030,398</u>                                | <u>\$ 1,425,033</u> | <u>\$ 2,731,586</u>                               | <u>\$ 3,930,611</u> |

### a. Contract information

There are construction delay penalty clauses in the Group's decoration contracts. The Group estimates the contract price based on the most possible amount and with reference to past contracts with similar conditions and scales.

Where the fulfillment of performance obligations cannot be measured reliably, construction revenue is recognized to the extent where the costs that occurred to fulfill the performance obligations are expected to be recoverable.

### b. Contract balances

|  | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> | <b>January 1,<br/>2024</b> |
|--|-------------------------------|------------------------------|-------------------------------|----------------------------|
| <u>Contract balances</u>               |                               |                              |                               |                            |
| Notes and trade receivable<br>(Note 9) | <u>\$ 541,321</u>             | <u>\$ 695,356</u>            | <u>\$ 638,548</u>             | <u>\$ 780,025</u>          |
| Contract assets                        |                               |                              |                               |                            |
| Construction retention                 | \$ 60,702                     | \$ 103,724                   | \$ 124,382                    | \$ 114,016                 |
| Decoration projects                    | <u>899,333</u>                | <u>1,230,129</u>             | <u>1,227,463</u>              | <u>997,689</u>             |
|  | <u>\$ 960,035</u>             | <u>\$ 1,333,853</u>          | <u>\$ 1,351,845</u>           | <u>\$ 1,111,705</u>        |
| Contract liabilities                   |                               |                              |                               |                            |
| Decoration projects                    | <u>\$ 377,029</u>             | <u>\$ 349,100</u>            | <u>\$ 361,084</u>             | <u>\$ 407,245</u>          |

Revenue in the three months that was recognized from the contract liability balance at the beginning of the year and from the performance obligations satisfied in the previous periods was summarized as follows:

|  | For the Three Months Ended<br>September 30 |                  | For the Nine Months Ended<br>September 30 |                   |
|--|--|------------------|---|-------------------|
|  | 2025                                       | 2024             | 2025                                      | 2024              |
| From contract liabilities at the start of the year |  |                  |   |                   |
| Decoration projects                                | <u>\$ 37,613</u>                           | <u>\$ 41,372</u> | <u>\$ 167,557</u>                         | <u>\$ 327,071</u> |

c. Partially completed contracts

As of September 30, 2025, the aggregate amount of the transaction price allocated to the unfulfilled performance obligations was 2,583,109 thousand. The Group will recognize it as construction revenue based on the progress of each project in the following year.

## 22. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

|                                    | For the Three Months Ended<br>September 30 |                 | For the Nine Months Ended<br>September 30 |                  |
|------------------------------------|--|-----------------|---|------------------|
|                                    | 2025                                       | 2024            | 2025                                      | 2024             |
| Interest income                    |  |                 |   |                  |
| Bank deposits                      | \$ 4,132                                   | \$ 3,106        | \$ 14,328                                 | \$ 8,477         |
| Financial assets at amortized cost | 963  | 1,850           | 3,019                                     | 7,343            |
| Others                             | <u>1</u>                                   | <u>2</u>        | <u>3</u>                                  | <u>10</u>        |
|                                    | <u>\$ 5,096</u>                            | <u>\$ 4,958</u> | <u>\$ 17,350</u>                          | <u>\$ 15,830</u> |

b. Other income

|                               | For the Three Months Ended<br>September 30 |                  | For the Nine Months Ended<br>September 30 |                  |
|-------------------------------|--|------------------|---|------------------|
|                               | 2025                                       | 2024             | 2025                                      | 2024             |
| Government grants             | \$ 129                                     | \$ 12,104        | \$ 6,611                                  | \$ 12,218        |
| Rental income                 | 332  | 1,147            | 2,498                                     | 3,447            |
| Gain on modification of lease | -  | -                | 38  | 1,100            |
| Others                        | <u>1,317</u>                               | <u>1,317</u>     | <u>3,503</u>                              | <u>3,720</u>     |
|                               | <u>\$ 1,778</u>                            | <u>\$ 14,568</u> | <u>\$ 12,650</u>                          | <u>\$ 20,485</u> |

c. Other gains and losses

|  | For the Three Months Ended<br>September 30 |                 | For the Nine Months Ended<br>September 30 |                 |
|--|--|-----------------|---|-----------------|
|  | 2025                                       | 2024            | 2025                                      | 2024            |
| Loss on disposal of property,<br>plant and equipment | \$ (108)                                   | \$ (10)         | \$ (157)                                  | \$ (208)        |
| Net foreign exchange gains<br>(losses)               | 19,236                                     | (618)           | (2,078)                                   | 7,175           |
| Others   | <u>(619)</u>                               | <u>(4)</u>      | <u>(286)</u>                              | <u>(4)</u>      |
|  | <u>\$ 18,509</u>                           | <u>\$ (632)</u> | <u>\$ (2,521)</u>                         | <u>\$ 6,963</u> |

d. Finance costs

|                               | For the Three Months Ended<br>September 30 |               | For the Nine Months Ended<br>September 30 |                 |
|-------------------------------|--|---------------|---|-----------------|
|                               | 2025                                       | 2024          | 2025                                      | 2024            |
| Interest on bank loans        | \$ 333                                     | \$ 466        | \$ 1,144                                  | \$ 1,136        |
| Interest on lease liabilities | <u>75</u>                                  | <u>123</u>    | <u>254</u>                                | <u>261</u>      |
|                               | <u>\$ 408</u>                              | <u>\$ 489</u> | <u>\$ 1,398</u>                           | <u>\$ 1,397</u> |

e. Depreciation and amortization

|  | For the Three Months Ended<br>September 30 |                  | For the Nine Months Ended<br>September 30 |                  |
|--|--|------------------|---|------------------|
|  | 2024                                       | 2024             | 2024                                      | 2024             |
| An analysis of depreciation by<br>function |  |                  |   |                  |
| Operating cost                             | \$ 2,556                                   | \$ 2,728         | \$ 7,896                                  | \$ 8,218         |
| Operating expenses                         | 9,176                                      | 9,559            | 28,112                                    | 28,247           |
| Other gains and losses                     | <u>179</u>                                 | <u>-</u>         | <u>179</u>                                | <u>-</u>         |
|  | <u>\$ 11,911</u>                           | <u>\$ 12,287</u> | <u>\$ 36,187</u>                          | <u>\$ 36,465</u> |
| An analysis of amortization by<br>function |  |                  |   |                  |
| Operating cost                             | \$ 94                                      | \$ 26            | \$ 147                                    | \$ 76            |
| Operating expenses                         | <u>2,495</u>                               | <u>2,383</u>     | <u>7,114</u>                              | <u>5,682</u>     |
|  | <u>\$ 2,589</u>                            | <u>\$ 2,409</u>  | <u>\$ 7,261</u>                           | <u>\$ 5,758</u>  |

f. Employee benefits expense

|   | For the Three Months Ended<br>September 30 |                   | For the Nine Months Ended<br>September 30 |                   |
|---|--|-------------------|---|-------------------|
|   | 2024                                       | 2024              | 2024                                      | 2024              |
| Post-employment benefits<br>(Note 17)                   |  |                   |   |                   |
| Defined contribution plans                              | \$ 8,770                                   | \$ 8,883          | \$ 25,781                                 | \$ 26,103         |
| Other employee benefits                                 | <u>157,569</u>                             | <u>174,499</u>    | <u>462,337</u>                            | <u>509,766</u>    |
| Total employee benefits<br>expense                      | <u>\$ 166,339</u>                          | <u>\$ 183,382</u> | <u>\$ 488,118</u>                         | <u>\$ 535,869</u> |
| An analysis of employee<br>benefits expense by function |  |                   |   |                   |
| Operating costs   | \$ 43,040                                  | \$ 45,384         | \$ 132,437                                | \$ 133,573        |
| Operating expenses                                      | <u>123,299</u>                             | <u>137,998</u>    | <u>355,681</u>                            | <u>402,296</u>    |
|   | <u>\$ 166,339</u>                          | <u>\$ 183,382</u> | <u>\$ 488,118</u>                         | <u>\$ 535,869</u> |

g. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at rates of no less than 3% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders on May 28, 2025 of the Company resolved the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less 15% of the compensation of employees as compensation distributions for non-executive employees.

The estimated compensation of employees and the remuneration of directors for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024 are as follows:

Accrual rate

|                           | For the Nine Months Ended<br>September 30 |       |
|---------------------------|---|-------|
|                           | 2025                                      | 2024  |
| Compensation of employees | 3.00%                                     | 4.00% |
| Remuneration of directors | 1.02%                                     | 0.51% |

Amount

|                           | For the Three Months Ended<br>September 30 |                 | For the Nine Months Ended<br>September 30 |                  |
|---------------------------|--|-----------------|---|------------------|
|                           | 2025                                       | 2024            | 2025                                      | 2024             |
| Compensation of employees | <u>\$ 3,992</u>                            | <u>\$ 8,126</u> | <u>\$ 6,330</u>                           | <u>\$ 16,002</u> |
| Remuneration of directors | <u>\$ 720</u>                              | <u>\$ 840</u>   | <u>\$ 2,160</u>                           | <u>\$ 2,040</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.

The appropriations of compensation of employees and remuneration of directors for 2024 and 2023 resolved by the board of directors on March 12, 2025 and March 13, 2024, respectively, as follows:

|                           | <b>For the Year Ended December 31</b> |                  |
|---------------------------|---------------------------------------|------------------|
|                           | <b>2024</b>                           | <b>2023</b>      |
| Compensation of employees | <u>\$ 16,643</u>                      | <u>\$ 11,789</u> |
| Remuneration of directors | <u>\$ 2,880</u>                       | <u>\$ 2,400</u>  |

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.

## 23. INCOME TAXES

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

The major components of tax expense were as follows:

|                                       | <b>For the Three Months Ended</b> |                  | <b>For the Nine Months Ended</b> |                   |
|---------------------------------------|-----------------------------------|------------------|----------------------------------|-------------------|
|                                       | <b>September 30</b>               |                  | <b>September 30</b>              |                   |
|                                       | <b>2025</b>                       | <b>2024</b>      | <b>2025</b>                      | <b>2024</b>       |
| Current tax                           |                                   |                  |                                  |                   |
| In respect of the current period      | \$ 27,901                         | \$ 36,308        | \$ 77,011                        | \$ 114,352        |
| Income tax on unappropriated earnings | -                                 | -                | 7,392                            | 264               |
| Adjustments for prior year            | <u>(32)</u>                       | <u>896</u>       | <u>1,451</u>                     | <u>263</u>        |
|                                       | 27,869                            | 37,204           | 85,854                           | 114,879           |
| Deferred tax                          |                                   |                  |                                  |                   |
| In respect of the current period      | <u>(2,672)</u>                    | <u>10,013</u>    | <u>(33,088)</u>                  | <u>4,955</u>      |
|                                       | <u>\$ 25,197</u>                  | <u>\$ 47,217</u> | <u>\$ 52,766</u>                 | <u>\$ 119,834</u> |

### b. Income tax recognized in other comprehensive income

|   | <b>For the Three Months Ended</b> |                 | <b>For the Nine Months Ended</b> |                  |
|---|-----------------------------------|-----------------|----------------------------------|------------------|
|   | <b>September 30</b>               |                 | <b>September 30</b>              |                  |
|   | <b>2025</b>                       | <b>2024</b>     | <b>2025</b>                      | <b>2024</b>      |
| <u>Deferred tax</u>   |                                   |                 |                                  |                  |
| In respect of the current period                              |                                   |                 |                                  |                  |
| Exchange differences on the translation of foreign operations | <u>\$ 8,933</u>                   | <u>\$ 4,074</u> | <u>\$ (11,825)</u>               | <u>\$ 10,649</u> |

c. Income tax assessment

The profit-seeking enterprise income tax returns of the Company and subsidiaries, RHG INC., Yuqiao Interior Designs Co., Ltd., and Rich Honour Fabricating Co., Ltd., as of 2023 have been approved by the tax authority. The other subsidiaries have filed their income tax returns by the deadline specified by the local governments.

**24. EARNINGS PER SHARE**

**Unit: NT\$ Per Share**

|                            | <b>For the Three Months Ended<br/>September 30</b> |                | <b>For the Nine Months Ended<br/>September 30</b> |                |
|----------------------------|--|----------------|---|----------------|
|                            | <b>2025</b>  | <b>2024</b>    | <b>2025</b>                                       | <b>2024</b>    |
| Basic earnings per share   | <u>\$ 1.49</u>                                     | <u>\$ 1.67</u> | <u>\$ 2.29</u>                                    | <u>\$ 5.00</u> |
| Diluted earnings per share | <u>\$ 1.49</u>                                     | <u>\$ 1.66</u> | <u>\$ 2.28</u>                                    | <u>\$ 4.98</u> |

The weighted average number of shares outstanding used for the earnings per share computation was as follows:

**Net Profit for the Period**

|  | <b>For the Three Months Ended<br/>September 30</b> |                   | <b>For the Nine Months Ended<br/>September 30</b> |                   |
|--|--|-------------------|---|-------------------|
|  | <b>2025</b>  | <b>2024</b>       | <b>2025</b>                                       | <b>2024</b>       |
| Profit attributable to owners of the Company | <u>\$ 98,440</u>                                   | <u>\$ 110,228</u> | <u>\$ 150,957</u>                                 | <u>\$ 329,998</u> |

**Ordinary Shares**

|  | <b>For the Three Months Ended<br/>September 30</b> |               | <b>For the Nine Months Ended<br/>September 30</b> |               |
|--|--|---------------|---|---------------|
|  | <b>2025</b>  | <b>2024</b>   | <b>2025</b>                                       | <b>2024</b>   |
| Weighted-average number of ordinary shares used in computation of basic earnings per share       | 66,000   | 66,000        | 66,000  | 66,000        |
| Effect of potential dilutive common stock:   |  |               |   |               |
| Compensation of employees  | <u>132</u>   | <u>214</u>    | <u>198</u>  | <u>265</u>    |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share | <u>66,132</u>                                      | <u>66,214</u> | <u>66,198</u>                                     | <u>66,265</u> |

The Group may settle the compensation of employees in cash or shares; therefore, it is assumed that the entire amount of the compensation will be settled in shares, and the resulting potential shares are 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.

## 24. CASH FLOW INFORMATION

### Changes in liabilities arising from financing activities

For the Nine Months ended September 30, 2025

|                             | Balance as of<br>January 1,<br>2025 | Cash Flows         | Non-cash Changes |                | Balance as of<br>September 30,<br>2025 |
|-----------------------------|-------------------------------------|--------------------|------------------|----------------|--|
|                             |                                     |                    | New Leases       | Other          |  |
| Short-term borrowings       | \$ 76,500                           | \$ (17,500)        | \$ -             | \$ -           | \$ 59,000                              |
| Guarantee deposits received | 228                                 | -                  | -                | -              | 228                                    |
| Lease liabilities           | <u>18,862</u>                       | <u>(6,622)</u>     | <u>137</u>       | <u>(38)</u>    | <u>12,339</u>                          |
|                             | <u>\$ 95,590</u>                    | <u>\$ (24,122)</u> | <u>\$ 137</u>    | <u>\$ (38)</u> | <u>\$ 71,567</u>                       |

For the Nine Months ended September 30, 2024

|                             | Balance as of<br>January 1,<br>2024 | Cash Flows         | Non-cash Changes |                   | Balance as of<br>September 30,<br>2024 |
|-----------------------------|-------------------------------------|--------------------|------------------|-------------------|--|
|                             |                                     |                    | New Leases       | Other             |  |
| Short-term borrowings       | \$ 89,500                           | \$ (13,000)        | \$ -             | \$ -              | \$ 76,500                              |
| Guarantee deposits received | 270                                 | (42)               | -                | -                 | 228                                    |
| Lease liabilities           | <u>11,065</u>                       | <u>(6,171)</u>     | <u>17,242</u>    | <u>(1,100)</u>    | <u>21,036</u>                          |
|                             | <u>\$100,835</u>                    | <u>\$ (19,213)</u> | <u>\$ 17,242</u> | <u>\$ (1,100)</u> | <u>\$ 97,764</u>                       |

## 26. 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 shareholders through the optimization of the debt and equity balance. The Group's key management reviews the Group's capital structure on a quarterly basis, which includes consideration of the costs and risks of various operations. Based on the recommendations of the key management, the Group finances its working capital by borrowing from banks and raising additional capital in cash.

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

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



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

## 27. FINANCIAL INSTRUMENTS

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

The management of the Group believes the carrying amount of the Group's financial instruments not measured at fair value are close to the fair value.

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

#### Fair value hierarchy

#### September 30, 2025

|                                   | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
|-----------------------------------|----------------|----------------|----------------|
| <u>Financial assets at FVTOCI</u> |                |                |                |
| Debt instruments                  |                |                |                |
| — Domestic Bonds                  | \$ 50,770      | \$ -           | \$ -           |

#### December 31, 2024

|                                   | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
|-----------------------------------|----------------|----------------|----------------|
| <u>Financial assets at FVTOCI</u> |                |                |                |
| Debt instruments                  |                |                |                |
| — Domestic Bonds                  | \$ 49,150      | \$ -           | \$ -           |

For the nine months ended September 30, 2025 and 2024, there was no transfer of fair value measurement between Level 1 and Level 2.

### c. Categories of financial instruments

|  | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|--|-------------------------------|------------------------------|-------------------------------|
| <u>Financial assets</u>                          |                               |                              |                               |
| Financial assets at FVTOCI                       |                               |                              |                               |
| Debt instruments                                 | \$ 50,770                     | \$ 49,150                    | \$ -                          |
| Financial assets at amortized cost (Note 1)      | 2,380,353                     | 2,371,520                    | 2,321,585                     |
| <u>Financial liabilities</u>                     |                               |                              |                               |
| Financial liabilities at amortized cost (Note 2) | 1,567,870                     | 1,643,717                    | 1,717,248                     |

Note 1: The balances included financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivables, trade receivables, other receivables and refundable deposits.

Note 2: The balances included financial liabilities at amortized cost, which comprise short-term borrowings, notes payable, trade payables and other payables.

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, equity and debt investments, trade receivables, other receivables, trade payables, other payables, and borrowings. The financial management department of the merged company provides services to each business unit, coordinates operations in the domestic financial market, and monitors and manages the financial risks associated with the merged company's operations through internal risk reporting based on risk level and width. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

a) Foreign currency risk

The Group is a multinational operation, so it is subject to foreign currency risks arising from a variety of different currencies. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the period are set out in Note 32.

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar and RMB dollar.

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

|                | U.S. Dollar                               |          | RMB Dollar                                |        |
|----------------|---|----------|---|--------|
|                | For the Nine Months Ended<br>September 30 |          | For the Nine Months Ended<br>September 30 |        |
|                | 2025                                      | 2024     | 2025                                      | 2024   |
| Pre-tax profit | \$ 1,439                                  | \$ 1,396 | \$ 681                                    | \$ 538 |

The result was mainly attributable to the exposure on the foreign currency bank deposits and outstanding trade receivables that were not hedged at the end of the period.

As a result of an increase or decrease in the balance of bank deposits denominated in U.S. dollar and RMB dollar .

b) Interest rate risk

The Group's exposure to fair value interest rate risk is on the Group's borrowings at fixed interest rates.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to cash flow interest rate at the end of the reporting period were as follows:

|                                    | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|------------------------------------|-------------------------------|------------------------------|-------------------------------|
| Financial value interest rate risk |                               |                              |                               |
| Financial liabilities              | \$ 12,339                     | \$ 18,862                    | \$ 21,036                     |
| Cash flows interest rate risk      |                               |                              |                               |
| Financial assets                   | 59,000                        | 76,500                       | 76,500                        |

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the period was outstanding for the whole year. A 1% increase or decrease is 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 nine months ended September 30, 2025 and 2024 would have decreased/increased by 443 thousand and 574 thousand, respectively, which was mainly a result of variable-interest-rate short-term borrowings.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the period, 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 obligation could be equal to the total of the carrying amount of the respective recognized financial assets as stated in the balance sheets.

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 September 30, 2025, December 31, 2024 and September 30, 2024, the Group had available unutilized short-term bank loan facilities set out in below.

|                                    | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|------------------------------------|-------------------------------|------------------------------|-------------------------------|
| Secured bank overdraft facilities: |                               |                              |                               |
| Amount used                        | \$ 214,935                    | \$ 205,354                   | \$ 175,547                    |
| Amount unused                      | <u>1,034,978</u>              | <u>947,200</u>               | <u>878,942</u>                |
|                                    | <u>1,249,913</u>              | <u>1,152,554</u>             | <u>1,054,489</u>              |

As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group have guaranteed disbursed facilities of 155,935 thousand, 128,854 thousand and 99,047 thousand, respectively.

## 28. TRANSACTIONS WITH RELATED PARTIES

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

### a. Related party name and category

| <u>Related Party Name</u>    | <u>Related Party Category</u> |
|------------------------------|-------------------------------|
| Ting-Yu Yang                 | Director of the Company       |
| E Felix Investment Co., Ltd. | Related parties               |

### b. Sales

| <b>Line Items</b> | <b>Related Party<br/>Category/Name</b>              | <b>For the Three Months Ended<br/>September 30</b> |             | <b>For the Nine Months Ended<br/>September 30</b> |              |
|-------------------|---|--|-------------|---|--------------|
|                   |   | <b>2025</b>  | <b>2024</b> | <b>2025</b>                                       | <b>2024</b>  |
| Sales revenue     | Related parties/ E<br>Felix Investment<br>Co., Ltd. | <u>\$ -</u>  | <u>\$ -</u> | <u>\$ -</u>                                       | <u>\$ 10</u> |

The sales of goods to related parties involve customized goods and services. The selling price are were made at market prices and discounted to reflect the quantity of goods sold and the relationships between the parties.

c. Lease arrangements

| Line Items    | Related Party Category/Name      | For the Three Months Ended September 30 |        | For the Nine Months Ended September 30 |          |
|---------------|----------------------------------|---|--------|--|----------|
|               |                                  | 2025                                    | 2024   | 2025                                   | 2024     |
| Lease expense | Related parties/<br>Ting-Yu Yang | \$ 450                                  | \$ 487 | \$ 1,394                               | \$ 1,441 |

The rent is based on the general market rate and is paid on a half-year basis.

The subsidiary rents office space from the company's board of directors, with the rental fee based on the rental levels of similar assets.

d. Remuneration of key management personnel

| Related Party Categories     | For the Three Months Ended September 30 |                  | For the Nine Months Ended September 30 |                  |
|------------------------------|---|------------------|--|------------------|
|                              | 2025                                    | 2024             | 2025                                   | 2024             |
| Short-term employee benefits | \$ 12,047                               | \$ 16,485        | \$ 43,169                              | \$ 47,766        |
| Post-employment benefits     | 258                                     | 257              | 771                                    | 785              |
| Share-based payments         | 1,340                                   | 3,310            | 4,193                                  | 4,226            |
|                              | <u>\$ 13,645</u>                        | <u>\$ 20,052</u> | <u>\$ 48,133</u>                       | <u>\$ 52,777</u> |

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

## 29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings, tariff guarantee for imported raw material or the deposits for hiring foreign workers:

|   | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|--------------------|-------------------|--------------------|
| Pledged deposits (classified as current financial assets at amortized cost)           | \$ 25,293          | \$ 20,494         | \$ 20,651          |
| Restricted demand deposits (classified as current financial assets at amortized cost) | 320                | 1,427             | -                  |
| Pledged deposits (classified as non-current financial assets at amortized cost)       | -                  | 44,780            | -                  |
| Right-of-use assets   | 16,924             | 18,127            | 18,438             |
| Land and buildings, net   | <u>539,456</u>     | <u>548,961</u>    | <u>551,667</u>     |
|   | <u>\$ 581,993</u>  | <u>\$ 633,789</u> | <u>\$ 590,756</u>  |

### 30. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

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

As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group's promissory notes issued for performance of construction contracts amounted to 359,269 thousand, 344,506 thousand and 320,673 thousand, respectively.

### 31. OTHER ITEMS

The Company and its subsidiary, Rich Honour Fabricating Co., Ltd., entrusted KIM & CHANG lawsuits against as of May 30, 2023 Sein Space T.H Co., Ltd. for KRW 992,593 thousand (approximately 24,087 thousand) and KRW 292,528 thousand (approximately 7,072 thousand), respectively. All the litigation costs should be borne by Sein Space T.H Co., Ltd..

The defendant, Sein Space T.H Co., Ltd., filed a counterclaim against the plaintiffs, asserting that the payments have been completed and seeking related damages at June 20, 2024. As of September 27, 2024, the court held that the defendant's claim was groundless and rejected the defendant's counterclaim. The court issued a ruling in favor of the Company and Rich Honour Fabricating Co., Ltd. on May 28, 2025. As of now, the Company and Rich Honour Fabricating Co., Ltd. have recovered KRW 292,056 thousand (approximately 7,100 thousand) and KRW 86,072 thousand (approximately 2,100 thousand) in accounts receivable, respectively. And collection will continue in the future.

### 32. 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 the foreign currencies and the respective functional currencies were as follows:

(In Thousands of Foreign Currency and New Taiwan Dollars)

September 30, 2025

|                         | Foreign<br>Currencies | Exchange Rate    | Carrying<br>Amount |
|-------------------------|-----------------------|------------------|--------------------|
| <u>Financial assets</u> |                       |                  |                    |
| Monetary items          |                       |                  |                    |
| USD                     | \$ 4,726              | 30.445 (USD:NTD) | \$ 143,878         |
| RMB                     | 15,956                | 4.271 (RMB:NTD)  | 68,149             |
| AUD                     | 1,137                 | 20.11 (AUD:NTD)  | 22,855             |
| KRW                     | 1,930,735             | 0.0219 (KRW:NTD) | 42,322             |
| EUR                     | 572                   | 35.77 (EUR:NTD)  | 20,468             |

December 31, 2024

|                         | <b>Foreign<br/>Currencies</b> | <b>Exchange Rate</b> | <b>Carrying<br/>Amount</b> |
|-------------------------|-------------------------------|----------------------|----------------------------|
| <u>Financial assets</u> |                               |                      |                            |
| Monetary items          |                               |                      |                            |
| USD                     | \$ 3,036                      | 32.785 (USD:NTD)     | \$ 99,547                  |
| RMB                     | 7,615                         | 4.478 (RMB:NTD)      | 34,098                     |
| AUD                     | 1,286                         | 20.39 (AUD:NTD)      | 26,223                     |
| KRW                     | 1,699,026                     | 0.023 (KRW:NTD)      | 38,160                     |
| EUR                     | 434                           | 34.14 (EUR:NTD)      | 14,827                     |
| JPY                     | 83,334                        | 0.21 (JPY:NTD)       | 17,492                     |

September 30, 2024

|                         | <b>Foreign<br/>Currencies</b> | <b>Exchange Rate</b> | <b>Carrying<br/>Amount</b> |
|-------------------------|-------------------------------|----------------------|----------------------------|
| <u>Financial assets</u> |                               |                      |                            |
| Monetary items          |                               |                      |                            |
| USD                     | \$ 4,411                      | 31.65 (USD:NTD)      | \$ 139,593                 |
| RMB                     | 11,886                        | 4.523 (RMB:NTD)      | 53,762                     |
| AUD                     | 1,271                         | 21.93 (AUD:NTD)      | 27,871                     |
| KRW                     | 2,168,752                     | 0.024 (KRW:NTD)      | 52,766                     |
| JPY                     | 53,136                        | 0.223 (AUD:NTD)      | 11,812                     |

For the three months ended September 30, 2025 and 2024 , and for nine months ended September 30, 2025 and 2024 , realized and unrealized net foreign exchange gains (losses) were 19,236 thousand, (618) thousand, (2,078) thousand and 7,175 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions in the Group.

### **33. SEPARATELY DISCLOSED ITEMS**

a. Information about significant transactions:

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

b. Information on investees: Table 7

c. Information on investments in mainland China

- 1) The name of the mainland investee company, main business items, paid-in capital, investment methods, capital remittances and exits, shareholding ratio, investment gains and losses, investment book amount at the end of the period, repatriated investment gains and losses, and investment limits in mainland China: Table 8
- 2) The following significant transactions, prices, payment terms, and unrealized gains and losses occurred directly or indirectly with the investee company in mainland China via the third region: None.
  - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
  - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
  - c) The amount of property transactions and the amount of the resultant gains or losses.
  - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
  - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
  - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

### 33. SEGMENTS INFORMATION

a. Segment revenue and results

The Group's only has one operating segment, namely the Decoration Business Department. The Decoration Business Department is mainly engaged in interior decoration and renovation, landscape and interior design, and other services.

The Group's operating segment is measured mainly based on operating profits and losses which are also used as a basis for assessing its performance. The measurement basis is the same as that for the preparation of financial statements. For relevant segment revenues and operating results, please see the consolidated statement of comprehensive income.

b. Geographical information

The Group's operates in two principal geographical areas - Taiwan and China.

The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical location are detailed below:



|        | <b>Revenue from External Customers</b> |                     |                                  |                     |
|--------|--|---------------------|----------------------------------|---------------------|
|        | <b>For the Three Months Ended</b>      |                     | <b>For the Nine Months Ended</b> |                     |
|        | <b>September 30</b>                    |                     | <b>September 30</b>              |                     |
|        | <b>2025</b>                            | <b>2024</b>         | <b>2025</b>                      | <b>2024</b>         |
| Taiwan | \$ 902,065                             | \$ 931,228          | \$ 2,217,185                     | \$ 2,579,130        |
| China  | <u>128,333</u>                         | <u>493,805</u>      | <u>514,401</u>                   | <u>1,351,481</u>    |
|        | <u>\$ 1,030,398</u>                    | <u>\$ 1,425,033</u> | <u>\$ 2,731,586</u>              | <u>\$ 3,930,611</u> |

**RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES**

**FINANCING PROVIDED TO OTHERS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| No.<br>(Note 1) | Lender                                      | Borrower                          | Financial Statement Account       | Related Party | Highest Balance for the Period | Ending Balance | Actual Amount Borrowed | Interest Rate (%) | Nature of Financing  | Business Transaction Amount | Reasons for Short-term Financing | Allowance for Impairment Loss | Collateral |      | Financing Limit for Each Borrower (Note2) | Aggregate Financing Limit (Note2) | Note   |
|-----------------|---|-----------------------------------|-----------------------------------|---------------|--------------------------------|----------------|------------------------|-------------------|----------------------|-----------------------------|----------------------------------|-------------------------------|------------|------|---|-----------------------------------|--------|
|                 |   |                                   |                                   |               |                                |                |                        |                   |                      |                             |                                  |                               | Item       | Item |   |                                   |        |
| 0               | Rich Honour International Designs Co., Ltd. | Rich Honour Fabricating Co., Ltd. | Other receivable -related parties | Y             | \$ 130,000                     | \$ 130,000     | \$ 95,000              | 2.24%             | Short-term financing | \$ -                        | Business turnover                | \$ -                          | None       | \$ - | \$ 221,570                                | \$ 886,278                        | Note 3 |
| 1               | RHG INC.                                    | Rich Honour Fabricating Co., Ltd. | Other receivable -related parties | Y             | 50,000                         | 50,000         | -                      | 2.24%             | Short-term financing | -                           | Business turnover                | -                             | None       | -    | 109,788                                   | 439,154                           | Note 3 |
| 2               | RH International Designs Co., Ltd.          | RHQ Furniture Co., Ltd.           | Other receivable -related parties | Y             | 59,794                         | 59,794         | -                      | 3.90%             | Short-term financing | -                           | Business turnover                | -                             | None       | -    | 1,014,416                                 | 1,014,416                         | Note 3 |

Note 1: Number column description:

- (1) "0" is reserved for the issuer.
- (2) Each investee company is numbered in sequential order starting from 1.

Note 2: The field shall be filled out with the limit on loans to individual borrowers and on total loans set by each company according to the Operating Procedures for Loaning of Funds to Others and the method for calculating the limit on loans to individual borrowers and on total loans shall be described in the Remarks field.

- (1) For companies having the need of short-term financing with Rich Honour International Designs Co., Ltd., the amount of total funds loaned to such companies shall be limited to the net worth in the Company's financial statements for the most recent period reviewed by CPAs 2,215,696 (thousand) × 40% = 886,278 (thousand); the amount of funds loaned to one such company shall be limited to the net worth 2,215,696 (thousand) × 10% = 221,570 (thousand).
- (2) For companies having the need of short-term financing with RHG INC., the amount of total funds loaned to such companies shall be limited to the net worth in its financial statements for the most recent period reviewed by CPAs 1,097,884 (thousand) × 40% = 439,154 (thousand); the amount of funds loaned to one such company shall be limited to the net worth 1,097,884 (thousand) × 10% = 109,788 (thousand).
- (3) For companies having the need of short-term financing with RH International Designs Co., Ltd., the amount of total funds loaned to such companies shall be limited to the net worth in its financial statements for the most recent period reviewed by CPAs 1,014,416 (thousand) × 100% = 1,014,416 (thousand); the amount of funds loaned to one such company shall be limited to the net worth 1,014,416 (thousand) × 100% = 1,014,416 (thousand).

Note 3: Written off in the consolidated statement.

**RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES**

**ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025  
(In Thousands of New Taiwan Dollars)**

| No.<br>(Note 1) | Endorser/Guarantor                          | Endorsee/Guarantee                          |                          | Limit on<br>Endorsement/<br>Guarantee<br>Given on<br>Behalf of<br>Each Party<br>(Note 3) | Maximum<br>Amount<br>Endorsed/<br>Guaranteed<br>During the<br>Period<br>(Note 4) | Outstanding<br>Endorsement/<br>Guarantee at<br>the End of the<br>Period<br>(Note 5) | Actual<br>Amount<br>Borrowed<br>(Note 6) | Amount<br>Endorsed/<br>Guaranteed<br>by Collateral | Ratio of<br>Accumulated<br>Endorsement/<br>Guarantee to<br>Net Equity in<br>Latest<br>Financial<br>Statements<br>(%) | Aggregate<br>Endorsement/<br>Guarantee<br>Limit<br>(Note 3) | Endorsement/<br>Guarantee<br>Given by<br>Parent on<br>Behalf of<br>Subsidiaries<br>(Note 7) | Endorsement/<br>Guarantee<br>Given by<br>Subsidiaries<br>on Behalf of<br>Parent<br>(Note 7) | Endorsement/<br>Guarantee<br>Given on<br>Behalf of<br>Companies in<br>Mainland<br>China<br>(Note 7) | Note |
|-----------------|---|---|--------------------------|--|--|---|--|--|--|---|---|---|---|------|
|                 |   | Name  | Relationship<br>(Note 2) |  |  |   |  |  |  |   |   |   |   |      |
| 0               | Rich Honour International Designs Co., Ltd. | RHG INC.                                    | (2)                      | \$ 2,215,696   | \$ 100,000   | \$ 100,000  | \$ -                                     | \$ -   | 4.51%  | \$2,215,696   | Y   | N   | N   |      |
| 0               | Rich Honour International Designs Co., Ltd. | Rich Honour Fabricating Co., Ltd.           | (2)                      | 2,215,696  | 200,000  | 200,000   | 59,000                                   | -  | 9.03%  | 2,215,696   | Y   | N   | N   |      |
| 1               | RHG INC.                                    | Rich Honour International Designs Co., Ltd. | (3)                      | 1,097,884  | 800,000  | 650,000   | 438,358                                  | 278,483  | 36.11%   | 1,097,844   | N   | Y   | N   |      |
| 2               | RH International Designs Co., Ltd.          | RHQ Furniture Co., Ltd.                     | (4)                      | 1,014,416  | 140,943  | 140,943   | -  | -  | 6.36%  | 1,014,416   | Y   | N   | Y   |      |

Note 1: Number column description:

- (1) "0" is reserved for the issuer.
- (2) Each investee company is numbered in sequential order starting from 1.

Note 2: The relationship between the endorser/guarantor and endorsed/guaranteed company is classified into seven categories as follows. It is only necessary to mark the type:

- (1) A business associated company.
- (2) A company where the Company holds more than 50% of shares with voting rights directly and indirectly.
- (3) A company holding more than 50% of shares with voting rights in the Company directly and indirectly.
- (4) A company where the Company holds up to 90% or more of shares with voting rights directly and indirectly.
- (5) A company providing mutual guarantees for another company in the same industry or for joint builders for undertaking a construction project as required by the contract.
- (6) A company for which all capital contribution shareholders provide endorsements/guarantees proportionally to their shareholding percentages due to a co-investment relationship.
- (7) Joint and several securities provided by companies in the same industry for each other for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act.

Note 3: The field shall be filled out with the limit on endorsements/guarantees for individuals and on total endorsements/guarantees set by each company according to the Operating Procedures for Endorsement/Guarantees for Others and the method for calculating the limit on endorsements/guarantees for individuals and on total endorsements/guarantees shall be described in the Remarks field.

(1) The Company's total amount of external endorsements/guarantees shall not exceed 100% of the net worth of the Company.

$$\frac{\text{Net worth of Rich Honour International Designs Co., Ltd.}}{2,215,696} \times \frac{\text{Limit}}{100\%} = 2,215,696 \text{ (thousand)}$$

(2) Endorsements/guarantees of Rich Honour International Designs Co., Ltd. for a single enterprise shall not exceed 20% of its net worth. However, its endorsements/guarantees for companies in which it holds 50% of voting rights directly and indirectly or which hold 50% of voting rights in it directly and indirectly are limited to 100% of its net worth.

(3) The Company's endorsements/guarantees for a single enterprise shall not exceed 20% of the net worth of the Company. However, the Company's endorsements/guarantees for companies in which the Company holds 50% of voting rights directly and indirectly or which hold 50% of voting rights in the Company directly and indirectly are limited to 100% of the Company's net worth. RHG INC.'s total amount of external endorsements/guarantees shall not exceed 100% of its net worth.

$$\frac{\text{Net worth of RHG INC.}}{1,097,884} \times \frac{\text{Limit}}{100\%} = 1,097,884 \text{ (thousand)}$$

(4) Endorsements/guarantees of RHG INC. for a single enterprise shall not exceed 20% of its net worth. However, its endorsements/guarantees for companies in which it holds 50% of voting rights directly and indirectly or which hold 50% of voting rights in it directly and indirectly are limited to 100% of its net worth.

(5) The amounts of external endorsements/guarantees of RH International Designs Co. Ltd. shall not exceed 100% of its net worth.

$$\frac{\text{Net worth of RH International Designs Co., Ltd.}}{1,014,416} \times \frac{\text{Limit}}{100\%} = 1,014,416 \text{ (thousand)}$$

(6) Endorsements/guarantees of RH International Designs Co., Ltd. for a single enterprise shall not exceed 20% of its net worth. However, its endorsements/guarantees for companies in which it holds 50% of voting rights directly and indirectly or which hold 50% of voting rights in it directly and indirectly are limited to 100% of its net worth.

Note 4: The maximum balance of endorsements/guarantees for others in the current year.

Note 5: A company assumes the liability for endorsement or guarantee for its endorsement/guarantee contracts signed with or bill facilities approved by banks as of the end of a year. In case of other related endorsements/guarantees, they shall be included in the endorsement/guarantee balance.

Note 6: The field shall be filled out with the endorsed/guaranteed company's actual drawdown amount below the endorsement/guarantee balance.

Note 7: The field shall be filled out with a Y for a listed OTC parent company's endorsements/guarantees for its subsidiaries, subsidiaries' endorsements/guarantees for their listed OTC parent company, endorsements/guarantees for the operations in Mainland China.

**RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES**

**MARKETABLE SECURITIES HELD**

**SEPTEMBER 30, 2025**

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

| Holding Company Name                        | Type and Name of Marketable Securities   | Relationship with the Holding Company | Financial Statement Account   | September 30, 2025 |                 |                             |            | Note |
|---|--|---------------------------------------|---|--------------------|-----------------|-----------------------------|------------|------|
|   |  |                                       |   | Number of Shares   | Carrying Amount | Percentage of Ownership (%) | Fair Value |      |
| Rich Honour International Designs Co., Ltd. | Domestic Company Bonds<br>The Second Issue of 2024 for unsecured Cumulative Subordinated Corporate Bonds of Nan Shan Life Insurance Co., Ltd. Series A | None                                  | Financial assets at fair value through other comprehensive income (FVOCI) | 500                | \$ 50,770       | -                           | \$ 50,770  |      |

**RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Buyer                                       | Related Party                     | Relationship | Transaction Details |            |               |               | Abnormal Transaction             |               | Notes/Accounts Receivable (Payable) |               | Note |
|---|-----------------------------------|--------------|---------------------|------------|---------------|---------------|----------------------------------|---------------|-------------------------------------|---------------|------|
|   |                                   |              | Purchase/<br>Sale   | Amount     | % of<br>Total | Payment Terms | Unit Price                       | Payment Terms | Ending<br>Balance                   | % of<br>Total |      |
| Rich Honour International Designs Co., Ltd. | Rich Honour Fabricating Co., Ltd. | Subsidiary   | Purchase            | \$ 178,662 | 7%            | 30 days       | Base on the Group pricing policy | -             | Trade payables<br>\$ 141,096        | 10%           |      |
| RH International Designs Co., Ltd.          | RHQ Furniture Co., Ltd.           | Subsidiary   | Purchase            | 220,973    | 8%            | 30 days       | Base on the Group pricing policy | -             | Trade payables<br>\$ 148,088        | 10%           |      |

**RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES**

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

**SEPTEMBER 30, 2025**

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

| Company Name                     | Related Party                               | Relationship | Ending Balance | Turnover Rate | Overdue |               | Amounts Received in Subsequent Period | Allowance for Impairment Loss |
|----------------------------------|---|--------------|----------------|---------------|---------|---------------|---------------------------------------|-------------------------------|
|                                  |   |              |                |               | Amount  | Actions Taken |                                       |                               |
| Rich Honour Fabricating Co., Ltd | Rich Honour International Designs Co., Ltd. | Subsidiary   | \$ 141,096     | 1.36          | \$ -    | -             | \$ 31,109                             | \$ -                          |
| RHQ Furniture Co., Ltd.          | Rich Honour International Designs Co., Ltd. | Subsidiary   | 148,088        | 2.08          | -       | -             | -                                     | -                             |

**RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES**

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Number<br>(Note 1) | Investee Company  | Counterparty                      | Relationship<br>(Note 2) | Transaction Details               |            |  | % of Total Sales or<br>Assets<br>(Note 3) |
|--------------------|---|-----------------------------------|--------------------------|-----------------------------------|------------|--|---|
|                    |   |                                   |                          | Financial Statement Account       | Amount     | Payment Terms  |   |
| 0                  | Rich Honour International Designs Co., Ltd.               | Rich Honour Fabricating Co., Ltd. | 1                        | Purchases                         | \$ 178,662 | 30 days  | 7   |
| 0                  | Rich Honour International Designs Co., Ltd.               | Rich Honour Fabricating Co., Ltd. | 1                        | Trade payable-related parties     | 141,096    | 30 days  | 3   |
| 0                  | Rich Honour International Designs Co., Ltd.               | Rich Honour Fabricating Co., Ltd. | 1                        | Other receivables-related parties | 95,000     | Calculated based on contract<br>agreement and market interest rate | 2   |
| 0                  | Rich Honour International Designs Co., Ltd.               | RHQ Furniture Co., Ltd.           | 1                        | Purchases                         | 220,973    | 30 days  | 8   |
| 0                  | Rich Honour International Designs Co., Ltd.               | RHQ Furniture Co., Ltd.           | 1                        | Trade payable -related parties    | 148,088    | 30 days  | 3   |
| 1                  | Rich Honour International Designs (Shanghai)<br>Co., Ltd. | RHQ Furniture Co., Ltd.           | 3                        | Purchases                         | 52,803     | 30 days  | 2   |

Note 1: Intercompany relationships and significant intercompany transactions information are represented within the number column as follows:

- a. Number 0 represents the parent company.
- b. Number 1 represents subsidiaries.

Note 2: The flows of transactions between the counterparties of the transactions are represented as follows:

- a. "1" represents transactions from parent company to subsidiary.
- b. "2" represents transactions from subsidiary to parent company.
- c. "3" represents transactions between subsidiaries.

Note 3: The amounts of asset accounts and liability accounts are calculated as a percentage of the consolidated total assets. The amounts of income accounts are calculated as a percentage of the consolidated total sales.

Note 4: The y might decide if an important transaction should be indicated in the table based on the materiality principle.

Note 5: All the above transactions were written off in the consolidated statement.



**RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES**

**INFORMATION ON INVESTEEES  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025  
(In Thousands of New Taiwan Dollars and H.K. Dollars)**

| Investor Company                      | Investee Company<br>(Notes 1 and 2) | Location  | Main Businesses and Products | Original Investment Amount |                        | As of September 30, 2025 |     |                    | Net Income of<br>the Investee<br>(Note 2(2)) | Share of Profit<br>(Note 2(3)) | Note |
|---------------------------------------|-------------------------------------|-----------|------------------------------|----------------------------|------------------------|--------------------------|-----|--------------------|--|--------------------------------|------|
|                                       |                                     |           |                              | September 30,<br>2025      | December 31,<br>2023   | Stocks<br>(Thousands)    | %   | Carrying<br>Amount |  |                                |      |
| The Company                           | Rich Honour Fabricating Co., Ltd.   | Taiwan    | Manufacture of millwork      | \$ 248,000                 | \$ 248,000             | Not Available            | 100 | \$ 165,763         | \$ (3,493)                                   | \$ (3,493)                     |      |
| The Company                           | Yuqiao Interior Designs Co., Ltd.   | Taiwan    | Interior decoration          | 5,000                      | 5,000                  | Not Available            | 100 | 2,126              | (316)  | (316)                          |      |
| The Company                           | RHG INC.                            | Taiwan    | Investment                   | 1,021,965                  | 1,021,965              | 10,000                   | 100 | 1,097,884          | (17,400)                                     | (17,400)                       |      |
| RH International Designs Co.,<br>Ltd. | RHY ASIA Limited                    | Hong Kong | Investment                   | 133,942<br>(HKD 34,230)    | 133,942<br>(HKD34,230) | Not Available            | 100 | 116,554            | (7,708)                                      | (7,708)                        |      |
| RHY ASIA Limited                      | RHQ Holding Limited                 | Hong Kong | Investment                   | 15,691<br>(HKD 4,010)      | 15,691<br>(HKD 4,010)  | Not Available            | 100 | 114,921            | (7,387)                                      | (7,387)                        |      |

Note 1: For the disclosure of information on the overseas investee companies of a public company, if it has set up an overseas holding company whose main financial statements should be consolidated statements in accordance with local laws and regulations, the public company may only disclose the relevant information on such holding company.

Note 2: The following fields shall be filled out as follows if the situation described in Note 1 is not applicable:

- (1) The “Name of investee company,” “Place of registration,” “Scope of primary business,” “Initial investment amount,” and “Shareholding at the end of period” fields shall be filled out in descending order based on the investment status of RH (public company) and each of the investee companies directly or indirectly controlled by RH. The relationship (e.g. a subsidiary or a sub-subsidiary) between each investee company and RH (public company) shall be indicated in the Remarks field.
- (2) The “Profit/loss of investee company in the current period” field shall be filled out with the amount of profits/losses of each investee company in the current period.
- (3) The “Profit/loss from investments recognized in the current period” field may be filled out only with the amount of profits/losses of each directly invested subsidiary and equity-accounted investee company of RH (public company). There is no need to provide other information. When filling out the “Amount of profits/losses of each directly invested subsidiary recognized in the current period” field, make sure that the amount of profits/losses of each subsidiary in the current period includes the profits/losses from their investments that should be recognized pursuant to the regulations.

**RICH HONOUR INTERNATIONAL DESIGNS CO., LTD. AND SUBSIDIARIES**

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025  
(In Thousands of New Taiwan Dollars and RMB Dollars)**

| Investee Company                                     | Main Businesses and Products   | Paid-in Capital       | Method of Investment (Note 1) | Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024 | Remittance of Fund |        | Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2025 | Net Income (Loss) of the Investee | % Ownership of Direct or Indirect Investment | Investment Gain (Loss) (Note 2) | Carrying Amount as of September 30, 2025 | Accumulated Repatriation of Investment Income as of September 30, 2025 | Note |
|--|--|-----------------------|-------------------------------|---|--------------------|--------|--|-----------------------------------|--|---------------------------------|--|--|------|
|  |  |                       |                               |   | Outward            | Inward |  |                                   |  |                                 |  |  |      |
| Rich Honour Design & Consulting (Shanghai) Co., Ltd. | Architectural decoration and renovation design and consulting  | \$ 5,303<br>RMB 1,242 | Direct investment             | \$ -  | \$ -               | \$ -   | \$ -   | \$ 937                            | 100  | \$ 937                          | \$ 6,539                                 | \$ -   |      |
| RH International Designs Co., Ltd.                   | Architectural decoration and design, architectural construction projects, and construction and installation services | 85,420<br>RMB 20,000  | Direct investment             | 47,887  | -                  | -      | 47,887   | (28,589)                          | 100  | (28,589)                        | 1,014,416                                | 1,577,129  |      |
| RHQ Furniture Co., Ltd.                              | Production and sale of wood millwork, metal products, and furniture of other materials                               | 322,315<br>RMB 75,466 | Direct investment             | -   | -                  | -      | -  | (17,491)                          | 100  | (17,491)                        | 267,236                                  | -  |      |

| Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2025 | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|--|--|---|
| \$47,887   | \$106,358  | \$658,730   |

Note 1: The amounts were translated into NTD at a spot exchange rate of NTD 4.271/RMB 1 on September 30, 2025.

Note 2: The carrying amounts were calculated based on the net equity value of the investee company on September 30, 2025, reviewed by CPA