

**CONTINENTAL HOLDINGS CORPORATION  
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**With Independent Auditors' Review Report  
For the Nine Months Ended September 30, 2025 and 2024**

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

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## Independent Auditors' Review Report

To the Board of Directors  
CONTINENTAL HOLDINGS CORPORATION:

### Introduction

We have reviewed the accompanying consolidated balance sheets of CONTINENTAL HOLDINGS CORPORATION and its subsidiaries as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2025 and 2024, as well as the changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, and 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

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the 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 conducted in accordance with the Standards on Auditing of the Republic of China 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.

### Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$35,636,995 thousand and \$27,144,700 thousand, constituting 37.03% and 32.32% of consolidated total assets; and total liabilities amounting to \$17,642,351 thousand and \$13,270,958 thousand, constituting 26.32% and 24.98% of consolidated total liabilities as of September 30, 2025 and 2024, respectively; as well as the total comprehensive income amounting to \$(5,098) thousand, \$(312,598) thousand, \$19,011 thousand and \$(720,783) thousand, constituting (0.56)%, 183.37%, 4.53% and (48.61)% of consolidated total comprehensive income for the three months and nine months ended September 30, 2025 and 2024, respectively.

Furthermore, as stated in Note 6(h), the other equity accounted investments of the CONTINENTAL HOLDINGS CORPORATION and its subsidiaries in its investee companies of \$1,495,205 thousand and \$1,577,265 thousand as of September 30, 2025 and 2024, respectively, and its equity in net earnings on these investee companies of \$(2,025) thousand, \$(22,779) thousand, \$(19,401) thousand and \$(21,388) thousand for the three months and nine months ended September 30, 2025 and 2024, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

### **Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of CONTINENTAL HOLDINGS CORPORATION and its subsidiaries as of September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months ended September 30, 2025 and 2024, as well as 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 Chen, Chung-Che and Han, Yi-Lien.

KPMG

Taipei, Taiwan (Republic of China)  
November 7, 2025

### **Notes to Readers**

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

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES****Consolidated Balance Sheets****September 30, 2025, December 31, 2024, and September 30, 2024****(Expressed in Thousands of New Taiwan Dollars)**

|                            |   | <u>September 30, 2025</u>   |                   | <u>December 31, 2024</u> |                   | <u>September 30, 2024</u> |                   |      |  |   |           | <u>September 30, 2025</u> |                   | <u>December 31, 2024</u> |                   | <u>September 30, 2024</u> |                   |
|----------------------------|---|-----------------------------|-------------------|--------------------------|-------------------|---------------------------|-------------------|------|--|---|-----------|---------------------------|-------------------|--------------------------|-------------------|---------------------------|-------------------|
| <b>Assets</b>              |   | <b>Amount</b>               | <b>%</b>          | <b>Amount</b>            | <b>%</b>          | <b>Amount</b>             | <b>%</b>          |      |  | <b>Liabilities and Equity</b>                               |           | <b>Amount</b>             | <b>%</b>          | <b>Amount</b>            | <b>%</b>          | <b>Amount</b>             | <b>%</b>          |
| <b>Current assets:</b>     |   |                             |                   |                          |                   |                           |                   |      |  | <b>Current liabilities:</b>                                 |           |                           |                   |                          |                   |                           |                   |
| 1100                       | Cash and cash equivalents (Note 6(a))   | \$ 7,455,873                | 8                 | 7,084,267                | 8                 | 6,005,769                 | 7                 | 2100 |  | Short-term borrowings (Note 6(o))                           | \$        | 23,744,503                | 25                | 21,976,838               | 25                | 19,656,042                | 24                |
| 1139                       | Current financial assets for hedging (Note 6(d))  | 111,513                     | -                 | 293,290                  | -                 | 230,089                   | -                 | 2110 |  | Short-term notes and bills payable (Note 6(p))              |           | 1,240,000                 | 1                 | 200,000                  | -                 | 900,000                   | 1                 |
| 1140                       | Current contract assets (Notes 6(aa) and 7)   | 5,861,424                   | 6                 | 5,092,716                | 6                 | 5,324,460                 | 7                 | 2126 |  | Current financial liabilities for hedging (Note 6(d))       |           | 3,804                     | -                 | 3,039                    | -                 | -                         | -                 |
| 1150                       | Notes receivable, net (Notes 6(e) and (aa))   | 2,824                       | -                 | 605                      | -                 | 30                        | -                 | 2130 |  | Current contract liabilities (Note 6(aa))                   |           | 14,786,921                | 15                | 10,817,965               | 12                | 9,996,895                 | 12                |
| 1170                       | Accounts receivable, net (Notes 6(e), (aa) and 7)   | 2,550,548                   | 2                 | 2,547,429                | 3                 | 2,447,519                 | 3                 | 2170 |  | Notes and accounts payable (Note 7)                         |           | 7,207,713                 | 8                 | 6,992,556                | 9                 | 6,707,353                 | 8                 |
| 1200                       | Other receivables, net (Notes 6(f) and 7)   | 485,316                     | 1                 | 539,151                  | 1                 | 585,409                   | 1                 | 2200 |  | Other payables (Note 7)                                     |           | 2,521,125                 | 3                 | 2,391,251                | 3                 | 1,987,206                 | 2                 |
| 1220                       | Current tax assets  | 167,318                     | -                 | 68,009                   | -                 | 87,628                    | -                 | 2230 |  | Current tax liabilities                                     |           | 165,607                   | -                 | 190,322                  | -                 | 210,409                   | -                 |
| 130X                       | Inventories (Notes 6(g) and 8)  | 37,593,328                  | 39                | 33,580,461               | 38                | 31,300,752                | 37                | 2250 |  | Current provisions (Note 6(t))                              |           | 214,719                   | -                 | 252,074                  | -                 | 227,276                   | -                 |
| 1410                       | Prepayments   | 1,837,161                   | 2                 | 1,541,623                | 2                 | 1,656,235                 | 2                 | 2280 |  | Current lease liabilities (Notes 6(s) and 7)                |           | 104,720                   | -                 | 102,354                  | -                 | 94,791                    | -                 |
| 1479                       | Other current assets, others (Notes 6(a) and 8)   | 3,998,363                   | 4                 | 3,769,839                | 4                 | 4,306,580                 | 5                 | 2310 |  | Advance receipts  |           | 150,068                   | -                 | 8,470                    | -                 | 48,501                    | -                 |
| 1480                       | Current assets recognised as incremental costs to obtain contract with customers          | <u>652,447</u>              | <u>1</u>          | <u>506,333</u>           | <u>1</u>          | <u>373,619</u>            | <u>-</u>          | 2321 |  | Bonds payable, current portion (Note 6(q))                  |           | 1,999,819                 | 2                 | -                        | -                 | -                         | -                 |
|                            |   | <u>60,716,115</u>           | <u>63</u>         | <u>55,023,723</u>        | <u>63</u>         | <u>52,318,090</u>         | <u>62</u>         | 2322 |  | Long-term borrowings, current portion (Note 6(r))           |           | 453,552                   | 1                 | 678,524                  | 1                 | 611,578                   | 1                 |
|                            |   |                             |                   |                          |                   |                           |                   | 2399 |  | Other current liabilities, others                           |           | <u>169,610</u>            | <u>-</u>          | <u>96,438</u>            | <u>-</u>          | <u>29,390</u>             | <u>-</u>          |
|                            |   |                             |                   |                          |                   |                           |                   |      |  |   |           | <u>52,762,161</u>         | <u>55</u>         | <u>43,709,831</u>        | <u>50</u>         | <u>40,469,441</u>         | <u>48</u>         |
| <b>Non-current assets:</b> |   |                             |                   |                          |                   |                           |                   |      |  | <b>Non-Current liabilities:</b>                             |           |                           |                   |                          |                   |                           |                   |
| 1510                       | Non-current financial assets at fair value through profit or loss (Note 6(b))             | 1,068,858                   | 1                 | 1,068,858                | 1                 | 1,068,858                 | 1                 |      |  | Bonds payable (Note 6(q))                                   |           | -                         | -                 | 1,999,278                | 2                 | 1,999,097                 | 3                 |
| 1517                       | Non-current financial assets at fair value through other comprehensive income (Note 6(c)) | 3,232,149                   | 3                 | 3,039,804                | 3                 | 3,743,499                 | 5                 | 2530 |  | Long-term borrowings (Note 6(r))                            |           | 13,622,851                | 15                | 11,353,309               | 14                | 10,062,472                | 12                |
| 1550                       | Investments accounted for using equity method, net (Notes 6(h) and 7)                     | 1,495,205                   | 2                 | 1,545,488                | 2                 | 1,577,265                 | 2                 | 2570 |  | Deferred tax liabilities                                    |           | 250,159                   | -                 | 247,786                  | -                 | 230,721                   | -                 |
| 1600                       | Property, plant and equipment (Notes 6(k) and 8)  | 9,938,824                   | 10                | 10,421,498               | 12                | 10,328,640                | 12                | 2580 |  | Non-current lease liabilities (Notes 6(s) and 7)            |           | 93,047                    | -                 | 34,580                   | -                 | 38,293                    | -                 |
| 1755                       | Right-of-use assets (Note 6(l))   | 195,762                     | -                 | 134,212                  | -                 | 130,902                   | -                 | 2610 |  | Long-term accounts payable (Note 6(v))                      |           | 121,940                   | -                 | 131,314                  | -                 | 126,768                   | -                 |
| 1760                       | Investment properties, net (Notes 6(m) and 8)   | 2,711,752                   | 3                 | 2,864,806                | 4                 | 2,867,855                 | 4                 | 2640 |  | Net defined benefit liability, non-current                  |           | 92,116                    | -                 | 94,382                   | -                 | 105,792                   | -                 |
| 1780                       | Intangible assets (Note 6(n))   | 7,446,427                   | 8                 | 5,105,658                | 6                 | 3,926,771                 | 5                 | 2645 |  | Guarantee deposits received                                 |           | <u>85,908</u>             | <u>-</u>          | <u>85,674</u>            | <u>-</u>          | <u>84,084</u>             | <u>-</u>          |
| 1840                       | Deferred tax assets   | 16,180                      | -                 | 16,107                   | -                 | 13,901                    | -                 |      |  |   |           | <u>14,266,021</u>         | <u>15</u>         | <u>13,946,323</u>        | <u>16</u>         | <u>12,647,227</u>         | <u>15</u>         |
| 1932                       | Long-term accounts receivable (Notes 6(e) and (aa))                                       | 8,184,327                   | 9                 | 7,059,284                | 8                 | 7,069,242                 | 8                 |      |  | <b>Total liabilities</b>                                    |           | <u>67,028,182</u>         | <u>70</u>         | <u>57,656,154</u>        | <u>66</u>         | <u>53,116,668</u>         | <u>63</u>         |
| 1990                       | Other non-current assets, others (Note 6(f))  | <u>1,219,688</u>            | <u>1</u>          | <u>1,111,719</u>         | <u>1</u>          | <u>933,686</u>            | <u>1</u>          |      |  | <b>Equity attributable to owners of parent (Note 6(y)):</b> |           |                           |                   |                          |                   |                           |                   |
|                            |   | 35,509,172                  | 37                | 32,367,434               | 37                | 31,660,619                | 38                | 3100 |  | Capital stock   |           | 8,232,160                 | 8                 | 8,232,160                | 9                 | 8,232,160                 | 10                |
|                            |   |                             |                   |                          |                   |                           |                   | 3200 |  | Capital surplus   |           | 6,884,015                 | 7                 | 6,884,015                | 8                 | 6,823,178                 | 8                 |
|                            |   |                             |                   |                          |                   |                           |                   | 3300 |  | Retained earnings   |           | 10,310,072                | 11                | 10,420,629               | 12                | 10,546,450                | 13                |
|                            |   |                             |                   |                          |                   |                           |                   | 3400 |  | Other equity  |           | <u>1,534,296</u>          | <u>2</u>          | <u>1,697,857</u>         | <u>2</u>          | <u>2,265,969</u>          | <u>2</u>          |
|                            |   |                             |                   |                          |                   |                           |                   |      |  |   |           | <u>26,960,543</u>         | <u>28</u>         | <u>27,234,661</u>        | <u>31</u>         | <u>27,867,757</u>         | <u>33</u>         |
|                            |   |                             |                   |                          |                   |                           |                   | 36XX |  | Non-controlling interests (Note 6(j))                       |           | <u>2,236,562</u>          | <u>2</u>          | <u>2,500,342</u>         | <u>3</u>          | <u>2,994,284</u>          | <u>4</u>          |
|                            |   |                             |                   |                          |                   |                           |                   |      |  | <b>Total equity</b>   |           | <u>29,197,105</u>         | <u>30</u>         | <u>29,735,003</u>        | <u>34</u>         | <u>30,862,041</u>         | <u>37</u>         |
| <b>Total assets</b>        |   | <b>\$ <u>96,225,287</u></b> | <b><u>100</u></b> | <b><u>87,391,157</u></b> | <b><u>100</u></b> | <b><u>83,978,709</u></b>  | <b><u>100</u></b> |      |  | <b>Total liabilities and equity</b>                         | <b>\$</b> | <b><u>96,225,287</u></b>  | <b><u>100</u></b> | <b><u>87,391,157</u></b> | <b><u>100</u></b> | <b><u>83,978,709</u></b>  | <b><u>100</u></b> |

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Comprehensive Income**

**For the nine months ended September 30, 2025 and 2024**

**(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

|      |  | For the three months ended September 30 |     |           |     | For the nine months ended September 30 |     |            |     |
|------|--|---|-----|-----------|-----|--|-----|------------|-----|
|      |  | 2025                                    |     | 2024      |     | 2025                                   |     | 2024       |     |
|      |  | Amount                                  | %   | Amount    | %   | Amount                                 | %   | Amount     | %   |
| 4000 | Operating revenues (Notes (aa) and 7)  | \$ 6,995,803                            | 100 | 8,189,981 | 100 | 22,119,199                             | 100 | 23,034,942 | 100 |
| 5000 | Operating costs (Notes 6(g), (w), 7 and 12)  | 6,116,036                               | 87  | 7,179,597 | 88  | 19,688,907                             | 89  | 20,147,222 | 87  |
|      | Gross profit from operations   | 879,767                                 | 13  | 1,010,384 | 12  | 2,430,292                              | 11  | 2,887,720  | 13  |
|      | Operating expenses (Notes 6(s), (w), (ab), 7 and 12):  |   |     |           |     |  |     |            |     |
| 6100 | Selling expenses   | 123,642                                 | 2   | 185,989   | 2   | 273,172                                | 1   | 409,321    | 2   |
| 6200 | Administrative expenses  | 473,169                                 | 7   | 446,223   | 5   | 1,392,525                              | 6   | 1,304,106  | 6   |
|      |  | 596,811                                 | 9   | 632,212   | 7   | 1,665,697                              | 7   | 1,713,427  | 8   |
|      | Net operating income   | 282,956                                 | 4   | 378,172   | 5   | 764,595                                | 4   | 1,174,293  | 5   |
|      | Non-operating income and expenses (Notes 6(ac) and 7):   |   |     |           |     |  |     |            |     |
| 7100 | Interest income  | 28,107                                  | -   | 23,905    | -   | 89,962                                 | -   | 73,655     | -   |
| 7010 | Other income   | 134,691                                 | 2   | 176,133   | 2   | 180,968                                | 1   | 246,703    | 1   |
| 7020 | Other gains and losses, net  | 212,314                                 | 3   | 217,866   | 3   | 428,766                                | 2   | 297,446    | 1   |
| 7050 | Finance costs, net(Notes 6(g) and 6(s))  | (185,769)                               | (2) | (183,888) | (3) | (594,397)                              | (3) | (548,370)  | (2) |
| 7060 | Share of profit (losses) of associates and joint ventures accounted for using equity method (Note 6(h))                    | (2,025)                                 | -   | (22,779)  | -   | (19,401)                               | -   | (21,388)   | -   |
|      |  | 187,318                                 | 3   | 211,237   | 2   | 85,898                                 | -   | 48,046     | -   |
| 7900 | Income before tax  | 470,274                                 | 7   | 589,409   | 7   | 850,493                                | 4   | 1,222,339  | 5   |
| 7950 | Less: Income tax expenses (Note 6(x))  | 61,872                                  | 1   | 119,166   | 1   | 160,937                                | 1   | 305,184    | 1   |
|      | Net income   | 408,402                                 | 6   | 470,243   | 6   | 689,556                                | 3   | 917,155    | 4   |
| 8300 | Other comprehensive income:  |   |     |           |     |  |     |            |     |
| 8310 | Items that will not be reclassified to profit or loss  |   |     |           |     |  |     |            |     |
| 8316 | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | 300,058                                 | 4   | (538,564) | (7) | 192,345                                | 1   | 371,865    | 2   |
| 8317 | Gains (losses) on hedging instrument   | 10,975                                  | -   | 62,249    | 1   | (7,283)                                | -   | 21,410     | -   |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss             | -                                       | -   | -         | -   | -                                      | -   | -          | -   |
|      | Components of other comprehensive income that will not be reclassified to profit or loss                                   | 311,033                                 | 4   | (476,315) | (6) | 185,062                                | 1   | 393,275    | 2   |
| 8360 | Items that will be reclassified to profit or loss  |   |     |           |     |  |     |            |     |
| 8361 | Exchange differences on translation of foreign financial statements  | 184,271                                 | 3   | (164,404) | (2) | (454,797)                              | (2) | 172,427    | 1   |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss                 | -                                       | -   | -         | -   | -                                      | -   | -          | -   |
|      | Components of other comprehensive income that will be reclassified to profit or loss                                       | 184,271                                 | 3   | (164,404) | (2) | (454,797)                              | (2) | 172,427    | 1   |
| 8300 | Other comprehensive income   | 495,304                                 | 7   | (640,719) | (8) | (269,735)                              | (1) | 565,702    | 3   |
|      | Total comprehensive income   | \$ 903,706                              | 13  | (170,476) | (2) | 419,821                                | 2   | 1,482,857  | 7   |
|      | Net income, attributable to:   |   |     |           |     |  |     |            |     |
| 8610 | Owners of parent   | \$ 423,448                              | 6   | 561,893   | 7   | 753,820                                | 3   | 1,312,044  | 6   |
| 8620 | Non-controlling interests  | (15,046)                                | -   | (91,650)  | (1) | (64,264)                               | -   | (394,889)  | (2) |
|      |  | \$ 408,402                              | 6   | 470,243   | 6   | 689,556                                | 3   | 917,155    | 4   |
|      | Total comprehensive income attributable to:  |   |     |           |     |  |     |            |     |
| 8710 | Owners of parent   | \$ 874,490                              | 13  | (21,460)  | -   | 590,259                                | 3   | 1,825,412  | 8   |
| 8720 | Non-controlling interests  | 29,216                                  | -   | (149,016) | (2) | (170,438)                              | (1) | (342,555)  | (1) |
|      |  | \$ 903,706                              | 13  | (170,476) | (2) | 419,821                                | 2   | 1,482,857  | 7   |
|      | Earnings per share (Note 6(z))   |   |     |           |     |  |     |            |     |
| 9750 | Basic earnings per share (NT dollars)  | \$ 0.51                                 |     | 0.68      |     | 0.92                                   |     | 1.59       |     |
| 9850 | Diluted earnings per share (NT dollars)  | \$ 0.51                                 |     | 0.68      |     | 0.92                                   |     | 1.59       |     |

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES****Consolidated Statements of Changes in Equity****For the nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

|  | Equity attributable to owners of parent |                 |                   |                 |                                  |             |   |           |   |           |                                       |                    |   |                           |              |
|--|---|-----------------|-------------------|-----------------|----------------------------------|-------------|---|-----------|---|-----------|---------------------------------------|--------------------|---|---------------------------|--------------|
|  |   |                 |                   |                 |                                  |             | Total other equity  |           |   |           |                                       |                    |   |                           |              |
|  | Capital stock                           |                 | Retained earnings |                 |                                  |             | Exchange differences on translation of foreign financial statements |           | Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income |           | Gains (losses) on hedging instruments | Total other equity | Total equity attributable to owners of parent | Non-controlling interests | Total equity |
|  | Common Stock                            | Capital surplus | Legal reserve     | Special reserve | Unappropriated retained earnings | Total       |   |           |   |           |                                       |                    |   |                           |              |
| Balance at January 1, 2024                           | \$ 8,232,160                            | 6,817,198       | 1,419,731         | 2,262,233       | 6,787,266                        | 10,469,230  | (673,352)   | 2,527,444 | (20,543)  | 1,833,549 | 27,352,137                            | 3,423,565          | 30,775,702                                    |                           |              |
| Net income   | -                                       | -               | -                 | -               | 1,312,044                        | 1,312,044   | -   | -         | -   | -         | 1,312,044                             | (394,889)          | 917,155                                       |                           |              |
| Other comprehensive income (loss)                    | -                                       | -               | -                 | -               | -                                | -           | 120,093   | 371,865   | 21,410  | 513,368   | 513,368                               | 52,334             | 565,702                                       |                           |              |
| Total comprehensive income (loss)                    | -                                       | -               | -                 | -               | 1,312,044                        | 1,312,044   | 120,093   | 371,865   | 21,410  | 513,368   | 1,825,412                             | (342,555)          | 1,482,857                                     |                           |              |
| Appropriation and distribution of retained earnings: |   |                 |                   |                 |                                  |             |   |           |   |           |                                       |                    |   |                           |              |
| Legal reserve appropriated                           | -                                       | -               | 169,713           | -               | (169,713)                        | -           | -   | -         | -   | -         | -                                     | -                  | -   |                           |              |
| Cash dividends                                       | -                                       | -               | -                 | -               | (1,234,824)                      | (1,234,824) | -   | -         | -   | -         | (1,234,824)                           | -                  | (1,234,824)                                   |                           |              |
| Reversal of special reserve                          | -                                       | -               | -                 | (1,355,143)     | 1,355,143                        | -           | -   | -         | -   | -         | -                                     | -                  | -   |                           |              |
| Disposal of subsidiaries                             | -                                       | -               | -                 | -               | -                                | -           | (80,948)  | -         | -   | (80,948)  | (80,948)                              | -                  | (80,948)                                      |                           |              |
| Changes in ownership interests in subsidiaries       | -                                       | 5,980           | -                 | -               | -                                | -           | -   | -         | -   | -         | 5,980                                 | (5,980)            | -   |                           |              |
| Cash dividends distributed by subsidiaries           | -                                       | -               | -                 | -               | -                                | -           | -   | -         | -   | -         | -                                     | (49,186)           | (49,186)                                      |                           |              |
| Changes in non-controlling interests                 | -                                       | -               | -                 | -               | -                                | -           | -   | -         | -   | -         | -                                     | (31,560)           | (31,560)                                      |                           |              |
| Balance at September 30, 2024                        | \$ 8,232,160                            | 6,823,178       | 1,589,444         | 907,090         | 8,049,916                        | 10,546,450  | (634,207)   | 2,899,309 | 867   | 2,265,969 | 27,867,757                            | 2,994,284          | 30,862,041                                    |                           |              |
| Balance at January 1,2025                            | \$ 8,232,160                            | 6,884,015       | 1,589,444         | 907,090         | 7,924,095                        | 10,420,629  | (499,349)   | 2,195,614 | 1,592   | 1,697,857 | 27,234,661                            | 2,500,342          | 29,735,003                                    |                           |              |
| Net income   | -                                       | -               | -                 | -               | 753,820                          | 753,820     | -   | -         | -   | -         | 753,820                               | (64,264)           | 689,556                                       |                           |              |
| Other comprehensive income (loss)                    | -                                       | -               | -                 | -               | -                                | -           | (348,623)   | 192,345   | (7,283)   | (163,561) | (163,561)                             | (106,174)          | (269,735)                                     |                           |              |
| Total comprehensive income (loss)                    | -                                       | -               | -                 | -               | 753,820                          | 753,820     | (348,623)   | 192,345   | (7,283)   | (163,561) | 590,259                               | (170,438)          | 419,821                                       |                           |              |
| Appropriation and distribution of retained earnings: |   |                 |                   |                 |                                  |             |   |           |   |           |                                       |                    |   |                           |              |
| Legal reserve appropriated                           | -                                       | -               | 253,016           | -               | (253,016)                        | -           | -   | -         | -   | -         | -                                     | -                  | -   |                           |              |
| Cash dividends                                       | -                                       | -               | -                 | -               | (864,377)                        | (864,377)   | -   | -         | -   | -         | (864,377)                             | -                  | (864,377)                                     |                           |              |
| Cash dividends distributed by subsidiaries           | -                                       | -               | -                 | -               | -                                | -           | -   | -         | -   | -         | -                                     | (61,586)           | (61,586)                                      |                           |              |
| Changes in non-controlling interests                 | -                                       | -               | -                 | -               | -                                | -           | -   | -         | -   | -         | -                                     | (31,756)           | (31,756)                                      |                           |              |
| Balance at September 30, 2025                        | \$ 8,232,160                            | 6,884,015       | 1,842,460         | 907,090         | 7,560,522                        | 10,310,072  | (847,972)   | 2,387,959 | (5,691)   | 1,534,296 | 26,960,543                            | 2,236,562          | 29,197,105                                    |                           |              |

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

|   | <b>For the nine months ended<br/>September 30</b> |                    |
|---|---|--------------------|
|   | <b>2025</b>                                       | <b>2024</b>        |
| <b>Cash flows from operating activities:</b>  |   |                    |
| Income before tax   | \$ 850,493  | 1,222,339          |
| <b>Adjustments:</b>   |   |                    |
| Adjustments to reconcile profit and loss:   |   |                    |
| Depreciation expense  | 348,605   | 419,608            |
| Amortization expense  | 58,872  | 54,455             |
| Interest expense (under operating costs)  | 593,856   | 547,828            |
| Interest income   | (89,962)  | (73,655)           |
| Dividend income   | (159,146)   | (215,958)          |
| Amortization of issuance costs on bonds payable   | 541   | 542                |
| Share of loss (gain) of associates and joint ventures accounted for using equity method | 19,401  | 21,388             |
| (Gain) loss on disposal of property, plant and equipment                                | (153)   | 190                |
| Gain on disposal of property, plant and equipment (under construction costs)            | (23,392)  | (60,894)           |
| Gain on disposal of investment properties   | (111,135)   | (57,534)           |
| Reversal of impairment loss on investment properties                                    | (298,753)   | -                  |
| Warranty provisions (write-off) recognition   | (26,583)  | (68,740)           |
| Gain on reversal of estimated account payable   | (187)   | (82)               |
| Gain on lease modification  | (21)  | -                  |
| Reclassification of prepaid equipment to construction in progress                       | 2,457   | -                  |
| <b>Total adjustments to reconcile profit and loss</b>                                   | <b>314,400</b>                                    | <b>567,148</b>     |
| <b>Changes in operating assets and liabilities:</b>                                     |   |                    |
| Changes in operating assets:  |   |                    |
| Contract assets   | (402,651)   | 58,527             |
| Notes receivable  | (2,219)   | 654                |
| Accounts receivable   | (1,515,605)                                       | (826,567)          |
| Other receivables   | 43,132  | (151,228)          |
| Inventories   | (4,158,694)                                       | (3,585,724)        |
| Prepayments   | (307,717)   | (609,595)          |
| Other current assets  | (159,612)   | (1,162,733)        |
| Current assets recognised as incremental costs to obtain contract with customers        | (146,114)   | (99,740)           |
| <b>Total changes in operating assets</b>  | <b>(6,649,480)</b>                                | <b>(6,376,406)</b> |
| Changes in operating liabilities:   |   |                    |
| Contract liabilities  | 4,108,646   | 4,464,761          |
| Notes and accounts payable  | 226,536   | 139,702            |
| Other payables  | 115,206   | 88,804             |
| Provisions  | (10,772)  | (11,224)           |
| Receipts in advance   | 142,631   | 8,417              |
| Other current liabilities   | 75,847  | (31,689)           |
| Net defined benefit liability   | (2,266)   | (3,583)            |
| <b>Total changes in operating liabilities</b>   | <b>4,655,828</b>                                  | <b>4,655,188</b>   |
| <b>Total changes in operating assets and liabilities</b>                                | <b>(1,993,652)</b>                                | <b>(1,721,218)</b> |
| <b>Total adjustments</b>  | <b>(1,679,252)</b>                                | <b>(1,154,070)</b> |
| Cash (outflow) inflow generated from operations   | (828,759)   | 68,269             |
| Interest received   | 93,406  | 58,938             |
| Interest paid   | (826,564)   | (702,444)          |
| Income taxes paid   | (288,830)   | (379,865)          |
| <b>Net cash flows used in operating activities</b>                                      | <b>(1,850,747)</b>                                | <b>(955,102)</b>   |

See accompanying notes to financial statements.



(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION AND ITS SUBSIDIARIES****Consolidated Statements of Cash Flows(CONT'D)****For the nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

|   | <b>For the nine months ended<br/>September 30</b> |                    |
|---|---|--------------------|
|   | <b>2025</b>                                       | <b>2024</b>        |
| <b>Cash flows from investing activities:</b>                        |   |                    |
| Acquisition of financial assets for hedging                         | (1,029,945)                                       | (475,986)          |
| Disposal of financial assets for hedging                            | 1,205,204   | 276,702            |
| Price of associates acquisition                                     | -   | (51,940)           |
| Acquisition of property, plant and equipment                        | (132,684)   | (265,074)          |
| Disposal of property, plant and equipment                           | 25,935  | 63,016             |
| Non-current other receivables                                       | (113,618)   | (205,713)          |
| Acquisition of intangible assets                                    | (2,345,783)                                       | (2,179,963)        |
| Disposal of investment properties                                   | 553,720   | 62,850             |
| Other financial assets  | (70,141)  | 1,018,135          |
| Other non-current assets  | (22,707)  | (12,382)           |
| Prepayments for business facilities                                 | (32,722)  | (98,149)           |
| Dividends received  | 190,028   | 267,618            |
| Long-term accounts payable  | (2)   | 2                  |
| <b>Net cash flow used in investing activities</b>                   | <b>(1,772,715)</b>                                | <b>(1,600,884)</b> |
| <b>Cash flows from financing activities:</b>                        |   |                    |
| Increase in short-term borrowings                                   | 41,015,443  | 35,536,232         |
| Decrease in short-term borrowings                                   | (38,986,047)                                      | (31,846,301)       |
| Increase in short-term notes and bills payable                      | 8,870,000   | 4,330,000          |
| Decrease in short-term notes and bills payable                      | (7,830,000)                                       | (4,230,000)        |
| Increase in long-term borrowings                                    | 12,629,441  | 9,769,178          |
| Decrease in long-term borrowings                                    | (10,638,906)                                      | (10,585,157)       |
| Guarantee deposits received   | 241   | 13,403             |
| Other payables  | (7,683)   | 27,686             |
| Payment of lease liabilities  | (70,289)  | (56,709)           |
| Cash dividends paid   | (925,963)   | (1,284,010)        |
| Change in non-controlling interests                                 | (31,756)  | (31,560)           |
| <b>Net cash flows from financing activities</b>                     | <b>4,024,481</b>                                  | <b>1,642,762</b>   |
| <b>Effect of exchange rate changes on cash and cash equivalents</b> | <b>(29,413)</b>                                   | <b>40,852</b>      |
| <b>Net increase (decrease) in cash and cash equivalents</b>         | <b>371,606</b>                                    | <b>(872,372)</b>   |
| <b>Cash and cash equivalents at beginning of year</b>               | <b>7,084,267</b>                                  | <b>6,878,141</b>   |
| <b>Cash and cash equivalents at end of year</b>                     | <b>\$ 7,455,873</b>                               | <b>6,005,769</b>   |

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

## **CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

**For the nine months ended September 30, 2025 and 2024**

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

#### **(1) Company history**

CONTINENTAL HOLDINGS CORPORATION ( “CHC” or “the Company”) was established through shares exchange with Continental Engineering Corp. (“CEC”) on April 8, 2010 and CEC became 100% - owned by the Company. On the same day, the Company was approved to be a listed Company by the FSC. The consolidated financial statements as of September 30, 2025 consist of the Company and all of its subsidiaries (“the Group”), and the interests in a jointly controlled entities and associates. Please refer to Note 14 for the Group’s main businesses.

#### **(2) Approval date and procedures of the consolidated financial statements**

The consolidated financial statements were approved and authorized for issue by the Board of Directors on November 7, 2025.

#### **(3) New standards, amendments and interpretations adopted**

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

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

- Amendments to IAS21 “Lack of Exchangeability”

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective.

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

| <b>Standards or Interpretations</b>                           | <b>Content of amendment</b>   | <b>Effective date per IASB</b>  |
|---|---|---|
| IFRS 18 “Presentation and Disclosure in Financial Statements” | <p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>• A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li> <li>• Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> <li>• Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul> | <p>January 1, 2027<br/> note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.</p> |

(Continued)

## CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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

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

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

#### (4) Summary of material accounting policies:

##### (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" (hereinafter referred to the Regulations), and IAS 34 “Interim Financial Reporting” which was endorsed and issued into effect by FSC. These consolidated financial statements do not include all of the information required by the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for the year-end consolidated financial statements.

Except for the following, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2024.

##### (b) Basis of consolidation

##### (i) Subsidiaries included in the consolidated financial statements

| Investor Company     | Subsidiary   | Main Business  | Percentage of ownership |                   |                    | Note         |
|----------------------|--|--|-------------------------|-------------------|--------------------|--------------|
|                      |  |  | September 30, 2025      | December 31, 2024 | September 30, 2024 |              |
| The Company and CCLC | Continental Engineering Corp. (CEC)                    | Civil, Building and M&E engineering  | 100.00 %                | 100.00 %          | 100.00 %           |              |
| The Company and CCLC | Continental Development Corp. (CDC)                    | Real estate development on residential, commercial, hotels and communities | 100.00 %                | 100.00 %          | 100.00 %           |              |
| The Company and CCLC | HDEC Corp. (HDEC)                                      | Environmental project development & Water treatment                        | 100.00 %                | 100.00 %          | 100.00 %           |              |
| The Company          | Continental Consulting Limited Company (CCLC)          | Management Consulting  | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| CEC                  | CEC International Corp. (CIC)                          | Investment and holding   | -                       | -                 | 100.00 %           | Note H and K |
| CEC                  | CEC International Corp. (India) Private Limited (CICI) | Civil and Building engineering   | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| CEC                  | CEC International Malaysia Sdn. Bhd. (CIMY)            | Civil and Building engineering   | 85.14 %                 | 85.14 %           | 85.14 %            | Note K       |

(Continued)

## CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

| Investor Company       | Subsidiary  | Main Business   | Percentage of ownership |                   |                    | Note         |
|------------------------|---|---|-------------------------|-------------------|--------------------|--------------|
|                        |   |   | September 30, 2025      | December 31, 2024 | September 30, 2024 |              |
| CEC                    | Continental Engineering Corporation(Hong Kong) Limited (CEC HK) | Civil and Building engineering  | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| CDC                    | CDC Commercial Development Corp. (CCD)                          | Real estate development and lease   | 80.65 %                 | 80.65 %           | 80.65 %            | Note K       |
| CDC                    | MEGA Capital Development Sdn. Bhd. (MEGA)                       | Real estate development on hotels   | 55.00 %                 | 55.00 %           | 55.00 %            | Note K       |
| CDC                    | Bangsar Rising Sdn. Bhd. (BANGSAR)                              | Real estate development on residential  | 60.00 %                 | 60.00 %           | 60.00 %            | Note K       |
| CDC                    | CDC Asset Management Malaysia Sdn. Bhd. (CDCAM)                 | Management consulting   | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| CDC                    | CDC US Corp.  | Investment and holding  | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| CDC US Corp.           | CDC Investment Management LLC                                   | Investment management   | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| CDC US Corp.           | Trimosa Holdings LLC  | Investment and holding  | 70.88 %                 | 70.88 %           | 70.88 %            | Note K       |
| CDC US Corp.           | 950 Property LLC  | Real estate development on residential  | 70.88 %                 | -                 | -                  | Note I and K |
| Trimosa Holdings LLC   | 950 Investment LLC  | Investment and holding  | 100.00 %                | 100.00 %          | 77.22 %            | Note G and K |
| 950 Investment LLC     | 950 Property LLC  | Real estate development on residential  | -                       | 100.00 %          | 100.00 %           | Note I and K |
| 950 Investment LLC     | 950 Hotel Property LLC  | Hotel industry  | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| 950 Investment LLC     | 950 Retail Property LLC   | Real estate lease and management  | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| 950 Hotel Property LLC | 950 F&B LLC   | Liquor sale   | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| HDEC                   | HDEC Construction Corp. (SDC)                                   | Construction of underground pipeline and environmental protection project, plumbing | 100.00 %                | 100.00 %          | 100.00 %           | Note K       |
| HDEC                   | North Shore Environment Corp. (NSC)                             | Sewer system design and construction in Danshui area, New Taipei City               | 100.00 %                | 100.00 %          | 100.00 %           | Note A and K |
| HDEC                   | Blue Whale Water Technologies Corp. (BWC)                       | Feng Shan River wastewater reclamation and reuse BTO project in Kaohsiung City      | 51.00 %                 | 51.00 %           | 51.00 %            | Note B and K |
| HDEC                   | HDEC (Puding) Environment Corp. (PDC)                           | Pu Ding area sewerage construction in Taoyuan City                                  | 100.00 %                | 100.00 %          | 100.00 %           | Note C and K |
| HDEC                   | HDEC-CTCI (Linhai) Corp. (LHC)                                  | Linhai wastewater reclamation and reuse BTO project in Kaohsiung City               | 55.00 %                 | 55.00 %           | 55.00 %            | Note D and K |
| HDEC                   | HDEC (Ciaotou) Water Treatment Corp. (CTC)                      | Ciaotou wastewater reclamation and reuse BTO project in Kaohsiung City              | 100.00 %                | 100.00 %          | 100.00 %           | Note E and K |
| HDEC                   | HDEC (Chengxi) Energy Corp. (CXC)                               | Aninan area incineration plant renewal in Tainan City                               | 100.00 %                | 100.00 %          | 100.00 %           | Note F and K |
| HDEC                   | HDEC (Baoshan) Water Treatment Crop. (HBS)                      | Wastewater Treatment and Water Reclamation  | 100.00 %                | -                 | -                  | Note J and K |

Note A: NSC was founded as a Special Purpose Company (SPC) to build then operate Danshui Area Sewer System BOT project in New Taipei City. The sewer system construction and facility will be transferred to the authority at the end of the concession period without condition.

(Continued)

## CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- Note B: BWC was founded as a SPC to perform the contract for Feng Shan River wastewater reclamation and reuse, which is a BTO project in Kaohsiung City. Upon the completion of the wastewater treatment plant, BWC will transfer all the operating assets to the authority and be engaged by the authority to operate the wastewater treatment plant and water recycling plant. BWC will transfer the operating rights to the authority without condition at the end of the operating period.
- Note C: PDC was founded as a SPC to build then operate Pu Ding area sewer system, which is a BOT project in Taoyuan City. The Pu Ding area sewer system will be transferred to the authority at the end of the concession period without condition.
- Note D: LHC was founded as a SPC to perform the contract for Kaohsiung coastal area wastewater reclamation and reuse, which is a BTO project in Kaohsiung City. Upon the completion of the wastewater treatment plant, BWC will transfer all the operating assets to the authority and be engaged by the authority to operate the wastewater treatment plant and water recycling plant. BWC will transfer the operating rights to the authority without condition at the end of the operating period.
- Note E: CTC was founded as a SPC to perform the contract for Kaohsiung Ciaotou water recycling, which is a BTO project in Kaohsiung City. Upon the completion of the water recycling plant, CTC will transfer all the operating assets to the authority and be engaged by the authority to operate the water recycling plant. CTC will transfer the operating rights to the authority without condition at the end of the operating period.
- Note F: CXC was founded as a SPC in accordance with the investment contract for the BOT of the Tainan Chengxi area waste incineration plant. The Chengxi area waste incineration plant will be transferred to the authority at the end of the concession period without condition.
- Note G: In 2024, the company acquired non-controlling interest, resulting in an increase in this shareholding ratio from 77.22% to 100%.
- Note H: The company underwent liquidation procedures in March 2024 as resolved by the management of CEC. In August 2024, the directors approved a capital reduction to offset losses and a repatriation of liquidation proceeds of USD 49 thousand to its investing company, CEC. The liquidation process was completed in January 2025.
- Note I: In June 2025, the Group conducted an organizational reorganization, whereby the equity interest in 950 Property LLC originally held by 950 Investment LLC was transferred to CDC US Corp. The Group's overall interest remained unchanged as a result of the reorganization.
- Note J: HBS was established in July 2025.
- Note K: The Company is a non-significant subsidiary, and its financial statements have not been reviewed.

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

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Employee benefits

The pension cost for an interim period was calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off event.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty**

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated financial statements, estimates and underlying assumptions are consistent with the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2024.

**(6) Explanation of significant accounts**

Except for the following disclosures, there were no significant differences in the disclosures of significant accounts between the consolidated financial statements for the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 6 for the related information of the consolidated financial statements for the year ended December 31, 2024.

(a) Cash and cash equivalents

|                  | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|------------------|-------------------------------|------------------------------|-------------------------------|
| Cash             | \$ 25,661                     | 24,558                       | 24,477                        |
| Cash in banks    | 3,298,213                     | 4,182,663                    | 3,422,238                     |
| Cash in transit  | -                             | 13                           | -                             |
| Time deposits    | 1,948,049                     | 946,502                      | 1,332,402                     |
| Cash equivalents | <u>2,183,950</u>              | <u>1,930,531</u>             | <u>1,226,652</u>              |
|                  | <u><b>\$ 7,455,873</b></u>    | <u><b>7,084,267</b></u>      | <u><b>6,005,769</b></u>       |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (i) The cash and cash equivalents were not pledged as collateral.
- (ii) Please refer to Note 8 for the time deposits in pledge and restricted bank deposits reclassified to other current assets.
- (iii) Please refer to Note 6(ad) for the sensitivity analysis and interest rate risk of financial assets and liabilities.

(b) Financial assets at fair value through profit or loss

|  | <u>September 30,<br/>2025</u> | <u>December 31,<br/>2024</u> | <u>September 30,<br/>2024</u> |
|--|-------------------------------|------------------------------|-------------------------------|
| Mandatorily measured at fair value through profit or loss: |                               |                              |                               |
| Non-derivative financial assets                            |                               |                              |                               |
| Stocks of unlisted company                                 | \$ <u>1,068,858</u>           | <u>1,068,858</u>             | <u>1,068,858</u>              |

- (i) The aforementioned financial assets were not pledged as collateral.
- (ii) Please refer to note 6(ad) for the credit risk and market risk.

(c) Financial assets at fair value through other comprehensive income

|  | <u>September 30,<br/>2025</u> | <u>December 31,<br/>2024</u> | <u>September 30,<br/>2024</u> |
|--|-------------------------------|------------------------------|-------------------------------|
| Equity investments at fair value through other comprehensive income: |                               |                              |                               |
| Listed common share — Evergreen Steel Corp.                          | \$ 2,479,959                  | 2,287,614                    | 3,039,039                     |
| Unlisted common share — Xinrong Enterprise                           | 747,866                       | 747,866                      | 700,770                       |
| Unlisted common share — Metro Consulting Service Ltd.                | 4,324                         | 4,324                        | 3,690                         |
| Total  | \$ <u>3,232,149</u>           | <u>3,039,804</u>             | <u>3,743,499</u>              |

- (i) The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term for strategic purposes.
- (ii) The Group recognized the dividends revenue of \$159,146 thousand and \$215,958 thousand related to equity investments designated at fair value through other comprehensive income for the nine months ended September 30, 2025 and 2024.
- (iii) There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments for the nine months ended September 30, 2025 and 2024.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iv) The aforementioned financial assets were not pledged as collateral.

(v) Please refer to note 6(ad) for the credit risk and market risk.

(d) Financial instruments used for hedging

|  | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|--|-------------------------------|------------------------------|-------------------------------|
| Cash flow hedge:                       |                               |                              |                               |
| Financial assets used for hedging      | \$ 111,513                    | 293,290                      | 230,089                       |
| Financial liabilities used for hedging | (3,804)                       | (3,039)                      | -                             |
| Total                                  | <u>\$ 107,709</u>             | <u>290,251</u>               | <u>230,089</u>                |

(i) The Group is exposed to certain foreign exchange risk arising from the payments made to overseas companies for the purchase of facilities, preparation of overseas related investment and some construction projects involving foreign consultant design fees, etc. The foreign exchange risk is estimated to be high, therefore, the Group decided to use derivative financial instruments for hedging purposes.

(ii) The items hedged and the hedge instrument held by the Group were as follows:

| <b>Item Hedged</b>        | <b>Hedge instrument</b>             | <b>Hedge instrument designated to be hedge and fair value</b> |                          |                           |
|---------------------------|-------------------------------------|---|--------------------------|---------------------------|
|                           |                                     | <b>September 30, 2025</b>                                     | <b>December 31, 2024</b> | <b>September 30, 2024</b> |
| Expected foreign assets   | Foreign deposits                    | \$ 113,400  | 288,659                  | 229,222                   |
|                           | Change in value of Foreign currency | (1,887)   | 4,631                    | (1,542)                   |
| Expected cash flow period |                                     | 2025~2026   | 2024~2025                | 2024~2025                 |

| <b>Item Hedged</b>           | <b>Hedge instrument</b> | <b>Hedge instrument designated to be hedge and fair value</b> |                          |                           |
|------------------------------|-------------------------|---|--------------------------|---------------------------|
|                              |                         | <b>September 30, 2025</b>                                     | <b>December 31, 2024</b> | <b>September 30, 2024</b> |
| Expected foreign liabilities | Forward exchange        | \$ (3,804)  | (3,039)                  | 2,409                     |
| Amount (National principal)  |                         | USD8,680 thousand   | JPY352,500 thousand      | JPY649,500 thousand       |
| Delivery Date                |                         | 2025.11~2028.01   | 2025.02~2025.03          | 2024.11~2025.03           |

(iii) The transactions of cash flow hedges for the nine months ended September 30, 2025 and 2024, were all effective.

(e) Notes and accounts receivable(including related-party)

|                               | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|-------------------------------|-------------------------------|------------------------------|-------------------------------|
| Notes receivable              | \$ 2,824                      | 605                          | 30                            |
| Accounts receivable           | 2,550,548                     | 2,547,429                    | 2,447,519                     |
| Long-term accounts receivable | 8,184,327                     | 7,059,284                    | 7,069,242                     |
| Less: Allowance for bad debts | -                             | -                            | -                             |
|                               | <u>\$ 10,737,699</u>          | <u>9,607,318</u>             | <u>9,516,791</u>              |

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes receivable, accounts receivable and long-term accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information. The expected credit losses of the notes receivable, accounts receivable and long-term accounts receivable were as follows:

|                             | <b>September 30, 2025</b>        |  |                                     |
|-----------------------------|----------------------------------|--|-------------------------------------|
|                             | <b>Gross carrying<br/>amount</b> | <b>Weighted-<br/>average loss<br/>rate</b> | <b>Loss allowance<br/>provision</b> |
| Not overdue                 | \$ 10,556,751                    | -  | -                                   |
| Pass due less than one year | 2,694                            | -  | -                                   |
| Pass due over one year      | 178,254                          | -  | -                                   |
|                             | <b>\$ 10,737,699</b>             |  | <b>-</b>                            |
|                             | <b>December 31, 2024</b>         |  |                                     |
|                             | <b>Gross carrying<br/>amount</b> | <b>Weighted-<br/>average loss<br/>rate</b> | <b>Loss allowance<br/>provision</b> |
| Not overdue                 | \$ 9,300,549                     | -  | -                                   |
| Pass due less than one year | 250,475                          | -  | -                                   |
| Pass due over one year      | 56,294                           | -  | -                                   |
|                             | <b>\$ 9,607,318</b>              |  | <b>-</b>                            |
|                             | <b>September 30, 2024</b>        |  |                                     |
|                             | <b>Gross carrying<br/>amount</b> | <b>Weighted-<br/>average loss<br/>rate</b> | <b>Loss allowance<br/>provision</b> |
| Not overdue                 | \$ 9,210,786                     | -  | -                                   |
| Pass due less than one year | 250,475                          | -  | -                                   |
| Pass due over one year      | 55,530                           | -  | -                                   |
|                             | <b>\$ 9,516,791</b>              |  | <b>-</b>                            |

The notes and accounts receivable were not pledged as collateral.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(f) Other receivables

|  | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--|-----------------------|----------------------|-----------------------|
| Other receivables—lending of capital<br>(including other non-current assets) | \$ 1,087,532          | 973,914              | 883,747               |
| Other receivables—lawsuit  | 372,388               | 398,256              | 394,893               |
| Other receivables—related parties  | 4,095                 | 7,649                | 3,882                 |
| Other (including other non-current<br>assets)                                | 194,219               | 195,924              | 132,418               |
| Less: Allowance for bad debts  | -                     | -                    | -                     |
|  | <u>\$ 1,658,234</u>   | <u>1,575,743</u>     | <u>1,414,940</u>      |

Please refer to Note 6(ad) for the credit risk information.

(g) Inventories

|                                     | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|-------------------------------------|-----------------------|----------------------|-----------------------|
| Hotel:                              |                       |                      |                       |
| Catering                            | \$ 4,435              | 6,416                | 6,657                 |
| Real estate:                        |                       |                      |                       |
| Real estate held for sale           | 9,482,638             | 10,245,433           | 10,222,851            |
| Land held for development           | 4,108,159             | 4,142,070            | 2,696,320             |
| Building construction in progress   | 24,493,231            | 19,469,421           | 18,344,552            |
| Prepayment for land                 | -                     | 276,864              | 574,046               |
| Subtotal                            | 38,084,028            | 34,133,788           | 31,837,769            |
| Less: Allowance for impairment loss | (495,135)             | (559,743)            | (543,674)             |
|                                     | <u>\$ 37,593,328</u>  | <u>33,580,461</u>    | <u>31,300,752</u>     |

- (i) For the three months and nine months ended September 30, 2025 and 2024, the details of the cost of inventory were as follows:

|   | For the three months ended<br>September 30 |                | For the nine months ended<br>September 30 |                  |
|---|--|----------------|---|------------------|
|   | 2025                                       | 2024           | 2025                                      | 2024             |
| Inventory that has been sold            | \$ 45,711                                  | 533,722        | 423,857                                   | 2,313,615        |
| Write-down (reversal) of<br>inventories | (12,369)                                   | -              | (32,282)                                  | 309,550          |
| Effect in exchange rates                | -  | 1,313          | -   | 5,776            |
| Total                                   | <u>\$ 33,342</u>                           | <u>535,035</u> | <u>391,575</u>                            | <u>2,628,941</u> |

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Capitalizing interest costs were as follows:

|                              | For the three months ended<br>September 30 |                      | For the nine months ended<br>September 30 |                      |
|------------------------------|--|----------------------|---|----------------------|
|                              | 2025                                       | 2024                 | 2025                                      | 2024                 |
| Capitalized interests        | \$ <u>79,624</u>                           | <u>51,238</u>        | <u>207,609</u>                            | <u>130,781</u>       |
| Capitalization interest rate | <u>2.5%~6.48%</u>                          | <u>2.3945%~6.48%</u> | <u>2.5%~6.48%</u>                         | <u>2.2692%~6.59%</u> |

(iii) Please refer to Note 8 for the inventories of the Group had been pledged as collateral.

(h) Investments accounted for using equity method

|            | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|------------|-----------------------|----------------------|-----------------------|
| Associates | \$ <u>1,495,205</u>   | <u>1,545,488</u>     | <u>1,577,265</u>      |

(i) Associates

The Group's significant associates were as follows:

| Name of<br>associates                                  | Nature of<br>Relationship with<br>the Group   | Main operating<br>location/Registered<br>Country of<br>the Company | Percentage of ownership or voting power |                      |                       |
|--|---|--|---|----------------------|-----------------------|
|  |   |  | September 30,<br>2025                   | December 31,<br>2024 | September 30,<br>2024 |
| CTCI - HDEC<br>(Chungli)<br>Corp. (CTCI -<br>HDEC)     | SPC, mainly responsible<br>for the sewerage system<br>BOT project in Chung-<br>Li area, Taoyuan City. | Taiwan   | 49.00 %                                 | 49.00 %              | 49.00 %               |
| Fanlu<br>Construction<br>Industry Co.,<br>Ltd. (Fanlu) | Real estate   | Taiwan   | 35.00 %                                 | 35.00 %              | 35.00 %               |

The financial figures of the Group's significant associates are summarized in the following tables. In order to reflect the adjustments made to the fair value upon share acquisition and the differences in accounting policies, adjustments for the amounts presented on the financial statements of associates in accordance with IFRSs has been made to such financial figures.

1) Summary of CTCI - HDEC's financial figures

|                         | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|-------------------------|-----------------------|----------------------|-----------------------|
| Current assets          | \$ 1,175,984          | 698,547              | 585,198               |
| Non-current assets      | 3,820,345             | 3,223,403            | 3,291,480             |
| Current liabilities     | (1,304,837)           | (545,964)            | (695,834)             |
| Non-current liabilities | (1,965,152)           | (1,628,718)          | (1,435,423)           |
| Net assets              | \$ <u>1,726,340</u>   | <u>1,747,268</u>     | <u>1,745,421</u>      |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|   | For the three months ended<br>September 30 |                | For the nine months ended<br>September 30 |                |
|---|--|----------------|---|----------------|
|   | 2025                                       | 2024           | 2025                                      | 2024           |
| Revenues  | <u>\$ 494,844</u>                          | <u>223,542</u> | <u>742,480</u>                            | <u>615,419</u> |
| Net income / Total comprehensive income                 | <u>\$ 23,481</u>                           | <u>9,684</u>   | <u>42,097</u>                             | <u>68,180</u>  |
| Net assets attributable to the Group, beginning balance | \$ 834,402                                 | 850,512        | 856,162                                   | 821,569        |
| Additions   | -  | -              | -   | 51,940         |
| Dividend  | -  | -              | (30,882)                                  | (51,660)       |
| Total comprehensive income attributable to the Group    | 11,505                                     | 4,745          | 20,627                                    | 33,408         |
| Net assets attributable to the Group, ending balance    | <u>\$ 845,907</u>                          | <u>855,257</u> | <u>845,907</u>                            | <u>855,257</u> |

2) Summary of Fanlu's financial figures

|                         | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|-------------------------|-----------------------|----------------------|-----------------------|
| Current assets          | \$ 5,610,642          | 7,087,603            | 8,665,205             |
| Non-current assets      | 134,162               | 148,326              | 142,741               |
| Current liabilities     | (489,615)             | (5,266,373)          | (6,745,012)           |
| Non-current liabilities | (3,400,000)           | -                    | -                     |
| Net assets              | <u>\$ 1,855,189</u>   | <u>1,969,556</u>     | <u>2,062,934</u>      |

  

|   | For the three months ended<br>September 30 |                 | For the nine months ended<br>September 30 |                  |
|---|--|-----------------|---|------------------|
|   | 2025                                       | 2024            | 2025                                      | 2024             |
| Revenues  | <u>\$ 49,225</u>                           | <u>-</u>        | <u>1,229,028</u>                          | <u>-</u>         |
| Net loss/ Total comprehensive income                    | <u>\$ (38,657)</u>                         | <u>(78,642)</u> | <u>(114,367)</u>                          | <u>(156,560)</u> |
| Net assets attributable to the Group, beginning balance | \$ 662,828                                 | 749,532         | 689,326                                   | 776,804          |
| Total Comprehensive income attributable to the Group    | (13,530)                                   | (27,524)        | (40,028)                                  | (54,796)         |
| Net assets attributable to the Group, ending balance    | <u>\$ 649,298</u>                          | <u>722,008</u>  | <u>649,298</u>                            | <u>722,008</u>   |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (ii) The aforementioned investments accounted for using equity method were not pledged as collateral.
- (iii) The investments accounted for using equity method, net income (losses) and other comprehensive income attributable to the Group were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

(i) Changes in a parent's ownerships in a subsidiary

The Group did not have any transaction with non-controlling interests between January 1 and September 30, 2025.

In March, 2024, the Group acquired the equities of Trimosa Holdings LLC Corporation and 950 Investment LLC Corporation for USD \$1,000 thousand in cash. For details on the changes in ownership interests, please refer to Note 4(b).

The effects of the changes in shareholdings were as follows:

|  | <b>Amount</b>   |
|--|-----------------|
| Carrying amount of non-controlling interest on acquisition       | \$ 37,980       |
| Consideration paid to non-controlling interests                  | (32,000)        |
| Capital surplus - changes in ownership interests in subsidiaries | <u>\$ 5,980</u> |

(j) Material non-controlling interest of subsidiaries

| <b>Subsidiaries</b>           | <b>Country of registration</b> | <b>Equity ownership of non-controlling interest</b> |                          |                           |
|-------------------------------|--------------------------------|---|--------------------------|---------------------------|
|                               |                                | <b>September 30, 2025</b>                           | <b>December 31, 2024</b> | <b>September 30, 2024</b> |
| CDC US Corp. and subsidiaries | The United States              | 29.12 %   | 29.12 %                  | 29.12 %                   |

The following information of the aforementioned subsidiaries have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Adjustments were made to reflect the fair value adjustment made during the acquisition and relevant difference in accounting principles between the Company and its subsidiaries as at the acquisition date. Intra-group transactions were not eliminated.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Summary of CDC US Corp. and subsidiaries' financial figures

|                          | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|--------------------------|-------------------------------|------------------------------|-------------------------------|
| Current assets           | \$ 3,796,694                  | 4,398,762                    | 4,356,452                     |
| Non-current assets       | 4,818,316                     | 5,299,901                    | 5,149,438                     |
| Current liabilities      | (3,466,342)                   | (4,965,743)                  | (4,709,976)                   |
| Non-current liabilities  | (122,350)                     | (131,314)                    | (126,768)                     |
| Net assets               | <u>\$ 5,026,318</u>           | <u>4,601,606</u>             | <u>4,669,146</u>              |
| Non-controlling interest | <u>\$ 1,332,167</u>           | <u>1,346,412</u>             | <u>1,687,502</u>              |

|   | <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>        |
| Revenues  | <u>\$ 168,602</u>                                  | <u>198,261</u>   | <u>582,126</u>                                    | <u>646,667</u>     |
| Net loss  | \$ (130,256)                                       | (313,760)        | (487,024)   | (1,029,910)        |
| Other comprehensive income  | -  | -                | -   | -                  |
| Total comprehensive income  | <u>\$ (130,256)</u>                                | <u>(313,760)</u> | <u>(487,024)</u>                                  | <u>(1,029,910)</u> |
| Net loss attributable to non-controlling interest                   | <u>\$ (39,367)</u>                                 | <u>(141,196)</u> | <u>(144,119)</u>                                  | <u>(463,319)</u>   |
| Total comprehensive income attributable to non-controlling interest | <u>\$ (39,367)</u>                                 | <u>(141,196)</u> | <u>(144,119)</u>                                  | <u>(463,319)</u>   |

(k) Property, plant and equipment

|                                 | <b>Land</b>         | <b>Buildings</b> | <b>Machinery</b> | <b>Transportation<br/>equipment</b> | <b>Computer<br/>equipment</b> | <b>Office<br/>equipment</b> | <b>Operating<br/>equipment</b> | <b>Total</b>      |
|---------------------------------|---------------------|------------------|------------------|-------------------------------------|-------------------------------|-----------------------------|--------------------------------|-------------------|
| Cost or deemed cost:            |                     |                  |                  |                                     |                               |                             |                                |                   |
| Balance at January 1, 2025      | \$ 2,765,320        | 7,395,305        | 1,269,387        | 214,758                             | 127,734                       | 204,675                     | 156,145                        | 12,133,324        |
| Additions                       | -                   | 1,426            | 86,348           | 15,918                              | 20,890                        | 3,812                       | 4,290                          | 132,684           |
| Reclassification                | -                   | -                | 50,218           | 5,865                               | 1,664                         | -                           | -                              | 57,747            |
| Disposals                       | -                   | -                | (160,899)        | (7,477)                             | (358)                         | (1,520)                     | (19)                           | (170,273)         |
| Effect of exchange rate changes | (34,201)            | (382,589)        | (4,308)          | (162)                               | (257)                         | (3,095)                     | (7,522)                        | (432,134)         |
| Balance at September 30, 2025   | <u>\$ 2,731,119</u> | <u>7,014,142</u> | <u>1,240,746</u> | <u>228,902</u>                      | <u>149,673</u>                | <u>203,872</u>              | <u>152,894</u>                 | <u>11,721,348</u> |
| Balance at January 1, 2024      | \$ 2,342,257        | 6,878,889        | 1,361,207        | 200,455                             | 98,792                        | 181,660                     | 141,827                        | 11,205,087        |
| Additions                       | -                   | 504              | 186,914          | 16,377                              | 9,132                         | 47,975                      | 4,172                          | 265,074           |
| Reclassification                | 365,248             | 47,843           | 65,002           | -                                   | 5,120                         | 1,763                       | -                              | 484,976           |
| Disposals                       | -                   | -                | (240,152)        | (9,653)                             | -                             | (1,077)                     | (45)                           | (250,927)         |
| Effect of exchange rate changes | 60,596              | 372,535          | 1,207            | 101                                 | 285                           | 1,376                       | 10,889                         | 446,989           |
| Balance at September 30, 2024   | <u>\$ 2,768,101</u> | <u>7,299,771</u> | <u>1,374,178</u> | <u>207,280</u>                      | <u>113,329</u>                | <u>231,697</u>              | <u>156,843</u>                 | <u>12,151,199</u> |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                                 | <u>Land</u>         | <u>Buildings</u> | <u>Machinery</u> | <u>Transportation<br/>equipment</u> | <u>Computer<br/>equipment</u> | <u>Office<br/>equipment</u> | <u>Operating<br/>equipment</u> | <u>Total</u>      |
|---------------------------------|---------------------|------------------|------------------|-------------------------------------|-------------------------------|-----------------------------|--------------------------------|-------------------|
| Depreciation :                  |                     |                  |                  |                                     |                               |                             |                                |                   |
| Balance at January 1, 2025      | \$ -                | 703,882          | 577,463          | 136,323                             | 76,974                        | 141,875                     | 75,309                         | 1,711,826         |
| Depreciation                    | -                   | 128,939          | 76,605           | 17,305                              | 14,856                        | 15,027                      | 17,124                         | 269,856           |
| Disposals                       | -                   | -                | (158,878)        | (7,120)                             | (358)                         | (1,520)                     | (7)                            | (167,883)         |
| Effect of exchange rate changes | -                   | (24,532)         | (1,088)          | (161)                               | (290)                         | (1,498)                     | (3,706)                        | (31,275)          |
| Balance at September 30, 2025   | <u>\$ -</u>         | <u>808,289</u>   | <u>494,102</u>   | <u>146,347</u>                      | <u>91,182</u>                 | <u>153,884</u>              | <u>88,720</u>                  | <u>1,782,524</u>  |
| Balance at January 1, 2024      | \$ -                | 486,207          | 821,700          | 126,549                             | 65,409                        | 130,441                     | 44,547                         | 1,674,853         |
| Depreciation                    | -                   | 130,442          | 163,981          | 15,264                              | 9,039                         | 13,905                      | 20,008                         | 352,639           |
| Reclassification                | -                   | 23,051           | -                | -                                   | -                             | -                           | -                              | 23,051            |
| Disposals                       | -                   | -                | (240,152)        | (7,382)                             | -                             | (1,071)                     | (10)                           | (248,615)         |
| Effect of exchange rate changes | -                   | 15,148           | 169              | 98                                  | 207                           | 353                         | 4,656                          | 20,631            |
| Balance at September 30, 2024   | <u>\$ -</u>         | <u>654,848</u>   | <u>745,698</u>   | <u>134,529</u>                      | <u>74,655</u>                 | <u>143,628</u>              | <u>69,201</u>                  | <u>1,822,559</u>  |
| Carrying amounts:               |                     |                  |                  |                                     |                               |                             |                                |                   |
| Balance, at January 1, 2025     | <u>\$ 2,765,320</u> | <u>6,691,423</u> | <u>691,924</u>   | <u>78,435</u>                       | <u>50,760</u>                 | <u>62,800</u>               | <u>80,836</u>                  | <u>10,421,498</u> |
| Balance at September 30, 2025   | <u>\$ 2,731,119</u> | <u>6,205,853</u> | <u>746,644</u>   | <u>82,555</u>                       | <u>58,491</u>                 | <u>49,988</u>               | <u>64,174</u>                  | <u>9,938,824</u>  |
| Balance at September 30, 2024   | <u>\$ 2,768,101</u> | <u>6,644,923</u> | <u>628,480</u>   | <u>72,751</u>                       | <u>38,674</u>                 | <u>88,069</u>               | <u>87,642</u>                  | <u>10,328,640</u> |

- (i) Please refer to Note 6(ac) for the details of the gain and loss on disposal of property, plant and equipment.
- (ii) Please refer to Note 8 for the property, plant and equipment had been pledged as collateral for long-term borrowing, short-term borrowing and constructions guarantee.

(l) Right-of-use assets

|                                 | <u>Land</u>       | <u>Buildings</u> | <u>Transportation<br/>equipment</u> | <u>Total</u>   |
|---------------------------------|-------------------|------------------|-------------------------------------|----------------|
| <b>Cost:</b>                    |                   |                  |                                     |                |
| Balance at January 1, 2025      | \$ 88,320         | 181,806          | 5,477                               | 275,603        |
| Additions                       | 93,426            | 38,743           | 2,040                               | 134,209        |
| Disposals                       | (15,564)          | (27,691)         | -                                   | (43,255)       |
| Effect of exchange rate changes | -                 | (794)            | -                                   | (794)          |
| Balance at September 30, 2025   | <u>\$ 166,182</u> | <u>192,064</u>   | <u>7,517</u>                        | <u>365,763</u> |
| Balance at January 1, 2024      | \$ 66,620         | 171,365          | 6,463                               | 244,448        |
| Additions                       | 9,432             | 42,838           | -                                   | 52,270         |
| Disposals                       | (633)             | (26,362)         | (1,341)                             | (28,336)       |
| Effect of exchange rate changes | -                 | 791              | -                                   | 791            |
| Balance at September 30, 2024   | <u>\$ 75,419</u>  | <u>188,632</u>   | <u>5,122</u>                        | <u>269,173</u> |

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|  | <u>Land</u>       | <u>Buildings</u> | <u>Transportation<br/>equipment</u> | <u>Total</u>   |
|--|-------------------|------------------|-------------------------------------|----------------|
| <b>Depreciation and impairment losses:</b> |                   |                  |                                     |                |
| Balance at January 1, 2025                 | \$ 51,687         | 86,675           | 3,029                               | 141,391        |
| Depreciation                               | 22,552            | 45,476           | 1,499                               | 69,527         |
| Disposals                                  | (15,564)          | (24,966)         | -                                   | (40,530)       |
| Effect of exchange rate changes            | -                 | (387)            | -                                   | (387)          |
| Balance at September 30, 2025              | <u>\$ 58,675</u>  | <u>106,798</u>   | <u>4,528</u>                        | <u>170,001</u> |
| Balance at January 1, 2024                 | \$ 33,920         | 71,617           | 2,430                               | 107,967        |
| Depreciation                               | 15,358            | 40,842           | 1,560                               | 57,760         |
| Disposals                                  | (589)             | (25,989)         | (1,341)                             | (27,919)       |
| Effect of exchange rate changes            | -                 | 463              | -                                   | 463            |
| Balance at September 30, 2024              | <u>\$ 48,689</u>  | <u>86,933</u>    | <u>2,649</u>                        | <u>138,271</u> |
| <b>Carrying amounts:</b>                   |                   |                  |                                     |                |
| Balance at January 1, 2025                 | <u>\$ 36,633</u>  | <u>95,131</u>    | <u>2,448</u>                        | <u>134,212</u> |
| Balance at September 30, 2025              | <u>\$ 107,507</u> | <u>85,266</u>    | <u>2,989</u>                        | <u>195,762</u> |
| Balance at September 30, 2024              | <u>\$ 26,730</u>  | <u>101,699</u>   | <u>2,473</u>                        | <u>130,902</u> |

(m) Investment properties

|   | <u>Owned</u>                     |                  |                  |
|---|----------------------------------|------------------|------------------|
|   | <u>Land and<br/>improvements</u> | <u>Buildings</u> | <u>Total</u>     |
| <b>Cost or deemed cost:</b>                 |                                  |                  |                  |
| Balance at January 1, 2025                  | \$ 2,863,996                     | 635,621          | 3,499,617        |
| Disposals                                   | (442,585)                        | -                | (442,585)        |
| Balance at September 30, 2025               | <u>\$ 2,421,411</u>              | <u>635,621</u>   | <u>3,057,032</u> |
| Balance at January 1, 2024                  | \$ 7,963,125                     | 698,510          | 8,661,635        |
| Reclassification                            | (5,094,303)                      | (61,601)         | (5,155,904)      |
| Disposals                                   | (4,826)                          | (1,288)          | (6,114)          |
| Balance at September 30, 2024               | <u>\$ 2,863,996</u>              | <u>635,621</u>   | <u>3,499,617</u> |
| <b>Depreciation and impairment losses :</b> |                                  |                  |                  |
| Balance at January 1, 2025                  | \$ 349,356                       | 285,455          | 634,811          |
| Depreciation                                | -                                | 9,222            | 9,222            |
| Reversal of impairment loss                 | (298,753)                        | -                | (298,753)        |
| Balance at September 30, 2025               | <u>\$ 50,603</u>                 | <u>294,677</u>   | <u>345,280</u>   |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                               | <b>Owned</b>                     |                  |                     |
|-------------------------------|----------------------------------|------------------|---------------------|
|                               | <b>Land and<br/>improvements</b> | <b>Buildings</b> | <b>Total</b>        |
| Balance at January 1, 2024    | \$ 349,356                       | 297,046          | 646,402             |
| Depreciation                  | -                                | 9,209            | 9,209               |
| Reclassification              | -                                | (23,051)         | (23,051)            |
| Disposals                     | -                                | (798)            | (798)               |
| Balance at September 30, 2024 | <u>\$ 349,356</u>                | <u>282,406</u>   | <u>631,762</u>      |
| Carrying amounts:             |                                  |                  |                     |
| Balance at January 1, 2025    | <u>\$ 2,514,640</u>              | <u>350,166</u>   | <u>2,864,806</u>    |
| Balance at September 30, 2025 | <u>\$ 2,370,808</u>              | <u>340,944</u>   | <u>2,711,752</u>    |
| Balance at September 30, 2024 | <u>\$ 2,514,640</u>              | <u>353,215</u>   | <u>2,867,855</u>    |
| Fair value:                   |                                  |                  |                     |
| Balance at September 30, 2025 |                                  |                  | <u>\$ 4,687,238</u> |
| Balance at December 31, 2024  |                                  |                  | <u>\$ 4,903,325</u> |
| Balance at September 30, 2024 |                                  |                  | <u>\$ 4,759,317</u> |

Please refer to Note 8 for the investment properties had been pledged as collateral for long-term borrowings and construction guarantee.

(n) Intangible assets

|                                   | <b>Goodwill</b>  | <b>Service<br/>Concession<br/>Agreements</b> | <b>Other</b> | <b>Total</b>     |
|-----------------------------------|------------------|--|--------------|------------------|
| Cost:                             |                  |  |              |                  |
| Balance at January 1, 2025        | \$ 30,249        | 5,642,668                                    | 5,063        | 5,677,980        |
| Additions                         | -                | 2,400,002                                    | -            | 2,400,002        |
| Effect of exchange rate changes   | -                | -  | (361)        | (361)            |
| Balance at September 30, 2025     | <u>\$ 30,249</u> | <u>8,042,670</u>                             | <u>4,702</u> | <u>8,077,621</u> |
| Balance at January 1, 2024        | \$ 30,249        | 2,265,842                                    | 4,742        | 2,300,833        |
| Additions                         | -                | 2,179,963                                    | -            | 2,179,963        |
| Effect of exchange rate changes   | -                | -  | 145          | 145              |
| Balance at September 30, 2024     | <u>\$ 30,249</u> | <u>4,445,805</u>                             | <u>4,887</u> | <u>4,480,941</u> |
| Amortization and impairment loss: |                  |  |              |                  |
| Balance at January 1, 2025        | \$ -             | 572,322                                      | -            | 572,322          |
| Amortization                      | -                | 58,872                                       | -            | 58,872           |
| Balance at September 30, 2025     | <u>\$ -</u>      | <u>631,194</u>                               | <u>-</u>     | <u>631,194</u>   |
| Balance at January 1, 2024        | \$ -             | 499,715                                      | -            | 499,715          |
| Amortization                      | -                | 54,455                                       | -            | 54,455           |
| Balance at September 30, 2024     | <u>\$ -</u>      | <u>554,170</u>                               | <u>-</u>     | <u>554,170</u>   |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
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|                               | <u>Goodwill</u> | <u>Service<br/>Concession<br/>Agreements</u> | <u>Other</u> | <u>Total</u> |
|-------------------------------|-----------------|--|--------------|--------------|
| Carrying amounts:             |                 |  |              |              |
| Balance at January 1, 2025    | \$ 30,249       | 5,070,346                                    | 5,063        | 5,105,658    |
| Balance at September 30, 2025 | \$ 30,249       | 7,411,476                                    | 4,702        | 7,446,427    |
| Balance at September 30, 2024 | \$ 30,249       | 3,891,635                                    | 4,887        | 3,926,771    |

(i) Amortization expenses of intangible assets are recorded under operating costs.

(ii) The intangible assets were not pledged as collateral.

(o) Short-term borrowings

|   | <u>September 30,<br/>2025</u> | <u>December 31,<br/>2024</u> | <u>September 30,<br/>2024</u> |
|---|-------------------------------|------------------------------|-------------------------------|
| Unsecured loans                               | \$ 10,001,640                 | 8,160,538                    | 7,789,899                     |
| Secured loans                                 | 13,772,152                    | 13,837,750                   | 11,866,143                    |
| Less: Sponsorship fee for the joint loan bank | (29,289)                      | (21,450)                     | -                             |
|   | <u>\$ 23,744,503</u>          | <u>21,976,838</u>            | <u>19,656,042</u>             |
| Unused credit limit                           | \$ 31,679,015                 | 35,813,533                   | 38,493,970                    |
| Range of interest rate                        | <u>1.925%~7.40%</u>           | <u>1.88%~7.65%</u>           | <u>1.8643%~8.4%</u>           |

Please refer to Note 8 for the details of the related assets pledged as collateral.

(p) Short-term notes and bills payable

|               | <u>September 30,<br/>2025</u> | <u>December 31,<br/>2024</u> | <u>September 30,<br/>2024</u> |
|---------------|-------------------------------|------------------------------|-------------------------------|
| Bills payable | \$ 1,240,000                  | 200,000                      | 900,000                       |

Please refer to Note 8 for details of the related assets pledged as collateral.

(q) Bonds payable

|                                       | <u>September 30,<br/>2025</u> | <u>December 31,<br/>2024</u> | <u>September 30,<br/>2024</u> |
|---------------------------------------|-------------------------------|------------------------------|-------------------------------|
| Secured ordinary bonds issued         | \$ 2,000,000                  | 2,000,000                    | 2,000,000                     |
| Unamortized discount on bonds payable | (181)                         | (722)                        | (903)                         |
| Current portion of bonds payable      | (1,999,819)                   | -                            | -                             |
|                                       | <u>\$ -</u>                   | <u>1,999,278</u>             | <u>1,999,097</u>              |

(i) There were no issued, repurchased or redeemed of bonds payable for the nine months ended September 30, 2025 and 2024. Please refer to Note 6(q) for the related information of the consolidated financial statements for the year ended December 31, 2024.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
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(ii) Please refer to Note 6(ac) for the interest expenses.

(r) Long-term borrowings

|   | September 30,<br>2025 | December 31,<br>2024  | September 30,<br>2024 |
|---|-----------------------|-----------------------|-----------------------|
| Unsecured loans   | \$ 5,809,000          | 4,606,000             | 4,442,000             |
| Secured loans   | 8,275,898             | 7,434,788             | 6,241,352             |
| Less: current portion   | (453,552)             | (678,524)             | (611,578)             |
| Less: sponsorship fee for the<br>joint loan bank and Quota<br>Establishment Fee | (8,495)               | (8,955)               | (9,302)               |
| Total   | <u>\$ 13,622,851</u>  | <u>11,353,309</u>     | <u>10,062,472</u>     |
| Unused credit limit   | <u>\$ 9,830,951</u>   | <u>12,217,766</u>     | <u>15,761,896</u>     |
| Range of interest rate  | <u>2.125%~7.7605%</u> | <u>2.125%~7.7605%</u> | <u>2.13%~7.76047%</u> |

(i) Please refer to Note 8 for the details of the related assets pledged as collateral.

(ii) The loan agreement requires the Group to maintain certain financial ratios; please refer to Note 6(r) of the consolidated financial statements for the year ended December 31, 2024. The Group did not violate any terms in its loan agreements as of September 30, 2025, December 31 and September 30, 2024.

(s) Lease liabilities

|             | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|-------------|-----------------------|----------------------|-----------------------|
| Current     | \$ <u>104,720</u>     | <u>102,354</u>       | <u>94,791</u>         |
| Non-current | \$ <u>93,047</u>      | <u>34,580</u>        | <u>38,293</u>         |

Please refer to Note 6(ad) for the maturity analysis.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
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The amounts recognized in profit or loss were as follows:

|   | For the three months ended<br>September 30 |              | For the nine months ended<br>September 30 |               |
|---|--|--------------|---|---------------|
|   | 2025                                       | 2024         | 2025                                      | 2024          |
| Interest on lease liabilities   | \$ <u>1,249</u>                            | <u>752</u>   | <u>3,513</u>                              | <u>2,239</u>  |
| Variable lease payments not included in the measurement of lease liabilities              | \$ <u>2,843</u>                            | <u>2,325</u> | <u>8,823</u>                              | <u>8,115</u>  |
| Expenses relating to short-term leases  | \$ <u>9,372</u>                            | <u>5,235</u> | <u>24,944</u>                             | <u>21,896</u> |
| Expenses relating to leases of low-value, excluding short-term leases of low-value assets | \$ <u>4,991</u>                            | <u>2,833</u> | <u>13,448</u>                             | <u>7,170</u>  |

The amounts recognized in the statement of cash flows were as follows :

|                               | For the nine months ended<br>September 30 |               |
|-------------------------------|---|---------------|
|                               | 2025                                      | 2024          |
| Total cash outflow for leases | \$ <u>121,017</u>                         | <u>96,129</u> |

(i) Real estate leases

The Group leases land and buildings for its office space, work station and staff dormitory which leases typically run for a period of one to ten years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in local price indices.

(ii) Other leases

In addition, the Group leases office equipment, machinery and parking spot, with lease terms of one to three years which are short-term, leases of low-value, or variable lease payments items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(t) Provision

|                     | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|---------------------|-----------------------|----------------------|-----------------------|
| Warranties          | \$ 147,933            | 145,765              | 112,220               |
| After-sales service | 44,835                | 68,848               | 70,001                |
| Onerous contract    | 21,951                | 37,461               | 45,055                |
|                     | \$ <u>214,719</u>     | <u>252,074</u>       | <u>227,276</u>        |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
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There were no significant changes of provision for the nine months ended September 30, 2025 and 2024. Please refer to Note 6(t) for the related information of the consolidated financial statements for the year ended December 31, 2024.

(u) Operating leases

There were no significant additions of operating leases for the nine months ended September 30, 2025 and 2024. Please refer to Note 6(u) for the related information of the consolidated financial statements for the year ended December 31, 2024.

(v) Long-term accounts payable

The Group established subsidiaries in the United States in 2017.

Due to the agreements entered into by the Group with its prior shareholders, the Group will have to pay after the completion of the construction projects of its subsidiaries. Unpaid amount to September 30, 2025, December 31 and September 30, 2024, are \$121,940 thousand, \$131,314 thousand and \$126,768 thousand, respectively.

(w) Employee benefits

(i) Defined benefit plans

There were no material market volatility, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2024 and 2023.

Expenses recognized in profit or loss :

|                    | For the three months ended<br>September 30 |            | For the nine months ended<br>September 30 |              |
|--------------------|--|------------|---|--------------|
|                    | 2025                                       | 2024       | 2025                                      | 2024         |
| Operating costs    | \$ 198                                     | 248        | 559                                       | 763          |
| Operating expenses | 672  | 732        | 2,050                                     | 2,177        |
|                    | <u>\$ 870</u>                              | <u>980</u> | <u>2,609</u>                              | <u>2,940</u> |

(ii) Defined contribution plans

According to the defined contribution plans, the contributions of the Group to the Bureau of Labor Insurance for the employees' pension benefits were as follows:

|                    | For the three months ended<br>September 30 |               | For the nine months ended<br>September 30 |               |
|--------------------|--|---------------|---|---------------|
|                    | 2025                                       | 2024          | 2025                                      | 2024          |
| Operating costs    | \$ 15,595                                  | 13,958        | 46,155                                    | 41,345        |
| Operating expenses | 9,753                                      | 8,613         | 28,524                                    | 24,911        |
|                    | <u>\$ 25,348</u>                           | <u>22,571</u> | <u>74,679</u>                             | <u>66,256</u> |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(x) Income Tax

(i) Income tax expenses

|                                   | For the three months ended<br>September 30 |                | For the nine months ended<br>September 30 |                |
|-----------------------------------|--|----------------|---|----------------|
|                                   | 2025                                       | 2024           | 2025                                      | 2024           |
| Current income tax expenses       |  |                |   |                |
| Current period                    | \$ 26,218                                  | 117,638        | 133,540                                   | 321,705        |
| Land value increment tax          | 35,729                                     | 1,528          | 36,005                                    | 18,857         |
| Surtax on unappropriated earnings | -  | -              | 2,881                                     | 14,629         |
| Adjustment for prior periods      | (75)                                       | -              | (11,489)                                  | (50,007)       |
|                                   | <u>\$ 61,872</u>                           | <u>119,166</u> | <u>160,937</u>                            | <u>305,184</u> |

(ii) Status of approval of income tax

- 1) The Company's income tax returns for the year up to 2019 have been assessed by the tax authorities.
- 2) The Group's income tax returns have been assessed by the tax authorities were as follows:

| <u>Year of assessed</u> | <u>Company</u>  |
|-------------------------|---|
| 2019                    | CEC, and CDC  |
| 2023                    | PDC, HDEC, CCLC, CXC, CCD (2021 not yet assessed), BWC, LHC, NSC, SDC and CTC |

(iii) Global minimum top-up tax

The Group's has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

The Group's had subsidiaries registered in Malaysia and Hong Kong, where local governments have enacted or substantively enacted legislation regarding the Pillar Two Income Tax Act, which took effect from January 1, 2025. The Group assessed that it did not have a significant impact on its consolidated financial statement for the second quarter of 2025. The Group will continue to monitor the impact of the Pillar Two Income Tax Act on its future financial performance.

(y) Capital and other equity

Except for the following disclosure, there were no significant changes for capital and other equity for the nine months ended September 30, 2025 and 2024. For the related information, please refer to Note 6(y) of the consolidated financial statements for the year ended December 31, 2024.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Capital surplus

|   | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|---|-----------------------|----------------------|-----------------------|
| Additional paid-in capital  | \$ 6,397,913          | 6,397,913            | 6,397,913             |
| Treasury share transactions   | 406,518               | 406,518              | 406,518               |
| Difference between consideration and carrying amount of subsidiaries acquired or disposed | -                     | -                    | 1,971                 |
| Change in ownership interests in subsidiaries   | 79,584                | 79,584               | 16,776                |
|   | <u>\$ 6,884,015</u>   | <u>6,884,015</u>     | <u>6,823,178</u>      |

In accordance with the R.O.C. Company Act, the realized capital surplus can only be reclassified as share capital or distributed as cash dividends after offsetting losses. The aforementioned capital surplus includes share premiums and donation gains. In accordance with the Securities Offering and Issuance Guidelines, the amount of capital surplus to increase share capital shall not exceed 10% of the actual share capital amount.

(ii) Retained earnings

In accordance with the Company's articles of incorporation, net income of the current period should firstly be offset against losses in the previous years and income tax, then with 10% of which be appropriated as legal reserve. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. In addition, special reserve will be appropriated base on operating requirements and regulations. The remaining net income plus the undistributed earnings shall be distributed according to the distribution plan. If the Company incurs no accumulated deficit, a minimum of 30% of the amount of shareholders' dividends shall be distributed based on the net earnings, and at least 30% of the total dividends shall be distributed in cash.

The distribution plan shall issue new shares, which should be proposed by the Board of Directors and submitted to the shareholders' meeting for approval, and pay cash dividends which should be adopted by a majority votes of the directors present at the board meeting attended by two-thirds of the directors, thereafter, to be reported at the shareholders' meeting.

1) Legal Reserve

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

(Continued)



**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Special Reserve

The Company applied the exemptions at the first-time adoption of IFRSs Accounting Standards increased its retained earnings by \$4,448,666 thousand, which were resulted from unrealized revaluation increments, exchange differences on translation of foreign financial statements, and the fair value of investment properties being used as the cost on initial recognitions at the transition date, as well as the amount of \$2,592,640 thousand being appropriated to special reserve according to Ruling issued by the FSC. The aforementioned special reserve may be reversed in proportion with the usage, disposal, or reclassification of the related assets, and then, be distributed afterwards. In the first quarter of 2024, the Company reclassified \$1,355,143 thousand to retained earnings due to the realization of assets. As of September 30, 2025, December 31 and September 30, 2024, the special reserve related to all IFRSs adjustments amounted to \$907,090 thousand.

A portion of current-period earnings and undistributed prior-period earnings shall be reclassified as special earnings reserve during earning distribution. The amount to be reclassified should equal the current-period total net reduction of other stockholders' equity. Similarly, a portion of undistributed prior-period earnings shall be reclassified as special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other stockholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other stockholders' equity shall qualify for additional distributions.

3) Earnings distribution

The amounts of cash dividends on the appropriations of earnings for 2024 and 2023 had been approved during the board meeting on March 5, 2025, and March 8, 2024, respectively. The other distributions on the appropriations of earnings for 2024 and 2023 had been approved during the shareholders' meeting on June 17, 2025 and June 3, 2024, respectively. The relevant dividend distributions to shareholders were as follows:

|   | <b>2024</b>         |                     | <b>2023</b>         |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | <b>Amount per</b>   | <b>Total Amount</b> | <b>Amount per</b>   | <b>Total Amount</b> |
|   | <b>share</b>        |                     | <b>share</b>        |                     |
|   | <b>(NT dollars)</b> |                     | <b>(NT dollars)</b> |                     |
| Dividends distributed to common shareholders: |                     |                     |                     |                     |
| Cash  | \$ <u>1.05</u>      | <u>864,377</u>      | <u>1.50</u>         | <u>1,234,824</u>    |

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Other equity

|  | Exchange<br>differences on<br>translation of<br>foreign<br>financial<br>statements | Unrealized<br>gains (losses)<br>on financial<br>assets<br>measured at<br>fair value<br>through other<br>comprehensive<br>income | Gains<br>(losses) on<br>hedging<br>instruments | Total            |
|--|--|---|--|------------------|
| Balance at January 1, 2025   | \$ (499,349)   | 2,195,614   | 1,592  | 1,697,857        |
| Exchange differences on foreign operations   | (348,623)  | -   | -  | (348,623)        |
| Unrealized gains from financial assets measured at fair value through other comprehensive income | -  | 192,345   | -  | 192,345          |
| Change in fair value of hedging instrument   | -  | -   | (7,283)  | (7,283)          |
| Balance at September 30, 2025  | <u>\$ (847,972)</u>  | <u>2,387,959</u>  | <u>(5,691)</u>                                 | <u>1,534,296</u> |
| Balance at January 1, 2024   | \$ (673,352)   | 2,527,444   | (20,543)                                       | 1,833,549        |
| Exchange differences on foreign operations   | 120,093  | -   | -  | 120,093          |
| Disposal of subsidiaries   | (80,948)   | -   | -  | (80,948)         |
| Unrealized gains from financial assets measured at fair value through other comprehensive income | -  | 371,865   | -  | 371,865          |
| Change in fair value of hedging instrument   | -  | -   | 21,410   | 21,410           |
| Balance at September 30, 2024  | <u>\$ (634,207)</u>  | <u>2,899,309</u>  | <u>867</u>                                     | <u>2,265,969</u> |

(z) Earnings per share

|  | For the three months ended<br>September 30 |                | For the nine months ended<br>September 30 |                  |
|--|--|----------------|---|------------------|
|  | 2025                                       | 2024           | 2025                                      | 2024             |
| <b>Basic earnings per share</b>  |  |                |   |                  |
| Net income attributable to ordinary shareholders   | <u>\$ 423,448</u>                          | <u>561,893</u> | <u>753,820</u>                            | <u>1,312,044</u> |
| Weighted average number of ordinary shares (Basic)   | <u>823,216</u>                             | <u>823,216</u> | <u>823,216</u>                            | <u>823,216</u>   |
| Basic earnings per share (NT dollars)  | <u>\$ 0.51</u>                             | <u>0.68</u>    | <u>0.92</u>                               | <u>1.59</u>      |
| <b>Diluted earnings per share</b>  |  |                |   |                  |
| Net income attributable to ordinary shareholders (after adjusting the effects of all dilutive potential ordinary shares) | <u>\$ 423,448</u>                          | <u>561,893</u> | <u>753,820</u>                            | <u>1,312,044</u> |
| Weighted average number of ordinary shares (Basic)   | 823,216                                    | 823,216        | 823,216                                   | 823,216          |
| Effect of dilutive potential ordinary shares   |  |                |   |                  |
| Effect of the employee share bonus   | <u>165</u>                                 | <u>242</u>     | <u>214</u>                                | <u>329</u>       |
| Weighted average number of ordinary shares (after adjusting the effects of all dilutive potential ordinary shares)       | <u>823,381</u>                             | <u>823,458</u> | <u>823,430</u>                            | <u>823,545</u>   |
| Diluted earnings per share (NT dollars)  | <u>\$ 0.51</u>                             | <u>0.68</u>    | <u>0.92</u>                               | <u>1.59</u>      |

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(aa) Revenue from contracts with customers

(i) Disaggregation of revenue

| For the three months ended September 30, 2025             |                                     |                                    |  |                         |
|---|-------------------------------------|------------------------------------|--|-------------------------|
|   | <b>Construction<br/>Engineering</b> | <b>Real Estate<br/>Development</b> | <b>Environmental<br/>Project<br/>Development &amp;<br/>Water<br/>Treatment</b> | <b>Total</b>            |
| Primary geographical markets:                             |                                     |                                    |  |                         |
| Taiwan  | \$ 5,145,577                        | 231,756                            | 1,339,621  | 6,716,954               |
| Other   | <u>32,765</u>                       | <u>246,084</u>                     | <u>-</u>   | <u>278,849</u>          |
|   | <b><u>\$ 5,178,342</u></b>          | <b><u>477,840</u></b>              | <b><u>1,339,621</u></b>  | <b><u>6,995,803</u></b> |
| Main products:  |                                     |                                    |  |                         |
| Construction engineering                                  | \$ 5,159,675                        | -                                  | -  | 5,159,675               |
| Environmental project<br>development & water<br>treatment | -                                   | -                                  | 1,339,621  | 1,339,621               |
| Real estate revenue                                       | -                                   | 208,333                            | -  | 208,333                 |
| Rental revenue  | 4,916                               | 41,336                             | -  | 46,252                  |
| Other   | <u>13,751</u>                       | <u>228,171</u>                     | <u>-</u>   | <u>241,922</u>          |
|   | <b><u>\$ 5,178,342</u></b>          | <b><u>477,840</u></b>              | <b><u>1,339,621</u></b>  | <b><u>6,995,803</u></b> |
| For the three months ended September 30, 2024             |                                     |                                    |  |                         |
|   | <b>Construction<br/>Engineering</b> | <b>Real Estate<br/>Development</b> | <b>Environmental<br/>Project<br/>Development &amp;<br/>Water<br/>Treatment</b> | <b>Total</b>            |
| Primary geographical markets:                             |                                     |                                    |  |                         |
| Taiwan  | \$ 4,578,168                        | 865,523                            | 2,461,162  | 7,904,853               |
| Other   | <u>9,950</u>                        | <u>275,178</u>                     | <u>-</u>   | <u>285,128</u>          |
|   | <b><u>\$ 4,588,118</u></b>          | <b><u>1,140,701</u></b>            | <b><u>2,461,162</u></b>  | <b><u>8,189,981</u></b> |
| Main products:  |                                     |                                    |  |                         |
| Construction engineering                                  | \$ 4,541,020                        | -                                  | -  | 4,541,020               |
| Environmental project<br>development & water<br>treatment | -                                   | -                                  | 2,460,995  | 2,460,995               |
| Real estate revenue                                       | -                                   | 874,217                            | -  | 874,217                 |
| Rental revenue  | 4,914                               | 41,423                             | 167  | 46,504                  |
| Other   | <u>42,184</u>                       | <u>225,061</u>                     | <u>-</u>   | <u>267,245</u>          |
|   | <b><u>\$ 4,588,118</u></b>          | <b><u>1,140,701</u></b>            | <b><u>2,461,162</u></b>  | <b><u>8,189,981</u></b> |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

| <b>For the nine months ended September 30, 2025</b>       |                                     |                                    |  |                          |
|---|-------------------------------------|------------------------------------|--|--------------------------|
|   | <b>Construction<br/>Engineering</b> | <b>Real Estate<br/>Development</b> | <b>Environmental<br/>Project<br/>Development &amp;<br/>Water<br/>Treatment</b> | <b>Total</b>             |
| Primary geographical markets:                             |                                     |                                    |  |                          |
| Taiwan  | \$ 14,305,757                       | 605,678                            | 6,375,564  | 21,286,999               |
| Other   | <u>37,385</u>                       | <u>794,815</u>                     | <u>-</u>   | <u>832,200</u>           |
|   | <b><u>\$ 14,343,142</u></b>         | <b><u>1,400,493</u></b>            | <b><u>6,375,564</u></b>  | <b><u>22,119,199</u></b> |
| Main products:  |                                     |                                    |  |                          |
| Construction engineering                                  | \$ 14,305,122                       | -                                  | -  | 14,305,122               |
| Environmental project<br>development & water<br>treatment | -                                   | -                                  | 6,375,564  | 6,375,564                |
| Real estate revenue                                       | -                                   | 593,518                            | -  | 593,518                  |
| Rental revenue  | 13,312                              | 114,986                            | -  | 128,298                  |
| Other   | <u>24,708</u>                       | <u>691,989</u>                     | <u>-</u>   | <u>716,697</u>           |
|   | <b><u>\$ 14,343,142</u></b>         | <b><u>1,400,493</u></b>            | <b><u>6,375,564</u></b>  | <b><u>22,119,199</u></b> |
| <b>For the nine months ended September 30, 2024</b>       |                                     |                                    |  |                          |
|   | <b>Construction<br/>Engineering</b> | <b>Real Estate<br/>Development</b> | <b>Environmental<br/>Project<br/>Development &amp;<br/>Water<br/>Treatment</b> | <b>Total</b>             |
| Primary geographical markets:                             |                                     |                                    |  |                          |
| Taiwan  | \$ 13,175,676                       | 3,509,682                          | 5,460,793  | 22,146,151               |
| Other   | <u>39,492</u>                       | <u>849,299</u>                     | <u>-</u>   | <u>888,791</u>           |
|   | <b><u>\$ 13,215,168</u></b>         | <b><u>4,358,981</u></b>            | <b><u>5,460,793</u></b>  | <b><u>23,034,942</u></b> |
| Main products:  |                                     |                                    |  |                          |
| Construction engineering                                  | \$ 13,140,611                       | -                                  | -  | 13,140,611               |
| Environmental project<br>development & water<br>treatment | -                                   | -                                  | 5,460,626  | 5,460,626                |
| Real estate revenue                                       | -                                   | 3,603,725                          | -  | 3,603,725                |
| Rental revenue  | 15,380                              | 104,391                            | 167  | 119,938                  |
| Other   | <u>59,177</u>                       | <u>650,865</u>                     | <u>-</u>   | <u>710,042</u>           |
|   | <b><u>\$ 13,215,168</u></b>         | <b><u>4,358,981</u></b>            | <b><u>5,460,793</u></b>  | <b><u>23,034,942</u></b> |

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Contract balances

|  | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--|-----------------------|----------------------|-----------------------|
| Notes receivable   | \$ 2,824              | 605                  | 30                    |
| Accounts receivable (including long-term accounts receivable)          | 10,734,875            | 9,606,713            | 9,516,761             |
| Less: Allowance for impairment   | -                     | -                    | -                     |
| Total  | <u>\$ 10,737,699</u>  | <u>9,607,318</u>     | <u>9,516,791</u>      |
| Contract assets-construction engineering                               | \$ 1,449,132          | 1,053,089            | 982,193               |
| Contract assets-retention receivables                                  | 4,412,292             | 4,039,627            | 4,342,267             |
| Total  | <u>\$ 5,861,424</u>   | <u>5,092,716</u>     | <u>5,324,460</u>      |
| Contract liabilities-construction engineering                          | \$ 7,082,601          | 4,955,614            | 4,980,630             |
| Contract liabilities-environment project development & water treatment | 362,443               | 257,861              | -                     |
| Contract liabilities-advance real estate receipts                      | 7,328,631             | 5,601,364            | 5,003,337             |
| Contract liabilities-advance rent receipts                             | 13,246                | 3,126                | 12,928                |
| Total  | <u>\$ 14,786,921</u>  | <u>10,817,965</u>    | <u>9,996,895</u>      |

- 1) Please refer to Note 6(e) for the accounts receivable and allowance for impairment.
- 2) Please refer to Note 6(t) for the onerous contracts.
- 3) The amounts of revenue recognized for the nine months ended September 30, 2025 and 2024 that were included in the contract liability balance at the beginning of the year were \$(34) thousand, \$108,752 thousand, \$17,814 thousand and \$451,458 thousand, respectively.
- 4) Please refer to Note 9 for the amounts of the above contracts.

(ab) Remuneration for employees and directors

The Company resolved at the shareholders' meeting to amend the Company's Articles of Incorporation on June 17, 2025. Under the revised Articles of Incorporation, remuneration for employees and directors is appropriated at the rate of 0.5% (of which 0.1% shall be reserved specifically for non-executive employees) and a rate of no more than 0.5%, respectively, if there is a profit for the year. The Company should make up for its prior year's accumulated deficit before any appropriation of profits. Employees of subsidiaries may also be entitled to the employee remuneration in the form of cash or stock. Based on the Company's articles of incorporation prior to the amendment, remuneration for employees and directors is appropriated at the rate of 0.5% and a rate of no more than 0.5%, respectively, of the income before tax. The Company should make up its prior year's accumulated deficit before any appropriation of profits. Employees of subsidiaries may also be entitled to the employee remuneration in the form of cash or stock.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

For the three months and nine months ended September 30, 2025 and 2024, the Company estimated its employee remuneration to be \$2,128 (of which \$425 thousand is remuneration for non-executive employees) thousand \$3,179 thousand, \$3,746 (of which \$749 thousand is remuneration for non-executive employees) thousand and \$7,446 thousand and its director's remuneration to be \$0. The estimated amounts mentioned above are calculated based on income before tax, excluding the remuneration to employees and directors of each period, multiplied it by the percentage of remuneration to employees and directors as specified in the Company's articles. These remunerations were expensed under operating expenses in the respective periods. If the distribution in the following year is different from the estimate, the difference will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year.

For the year ended December 31, 2024 and 2023, the Company amounted its employee remuneration to be \$6,772 thousand and \$9,961 thousand and its director's remuneration to be \$0, there were no differences with the actual distribution. Related information would be available at the Market Observation Post System website.

(ac) Non-operating income and expenses

(i) Interest income

|                                    | For the three months ended<br>September 30 |               | For the nine months ended<br>September 30 |               |
|------------------------------------|--|---------------|---|---------------|
|                                    | 2025                                       | 2024          | 2025                                      | 2024          |
| Interest income from bank deposits | \$ 14,302                                  | 15,278        | 61,621                                    | 53,184        |
| Other interest income              | 13,805                                     | 8,627         | 28,341                                    | 20,471        |
|                                    | <u>\$ 28,107</u>                           | <u>23,905</u> | <u>89,962</u>                             | <u>73,655</u> |

(ii) Other income

|                                      | For the three months ended<br>September 30 |                | For the nine months ended<br>September 30 |                |
|--------------------------------------|--|----------------|---|----------------|
|                                      | 2025                                       | 2024           | 2025                                      | 2024           |
| Dividend income                      | \$ 128,229                                 | 166,699        | 159,146                                   | 215,958        |
| Income from counter-party default    | -  | 19             | -   | 38             |
| Gain on overdue payables written off | 187  | -              | 187                                       | 82             |
| Other income-other                   | 6,275                                      | 9,415          | 21,635                                    | 30,625         |
|                                      | <u>\$ 134,691</u>                          | <u>176,133</u> | <u>180,968</u>                            | <u>246,703</u> |

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Other gains and losses

|  | For the three months ended<br>September 30 |                | For the nine months ended<br>September 30 |                |
|--|--|----------------|---|----------------|
|  | 2025                                       | 2024           | 2025                                      | 2024           |
| Net gain(losses) on disposals of property, plant and equipment | \$ (10)                                    | (488)          | 153                                       | (190)          |
| Net gains on disposals of investment properties                | 111,135                                    | -              | 111,135                                   | 57,534         |
| Gains on disposals of investments                              | -  | 80,948         | -   | 80,948         |
| Net foreign exchange gains (losses)                            | 101,189                                    | 209,316        | 18,760                                    | 232,714        |
| Reversal of impairment loss                                    | -  | -              | 298,753                                   | -              |
| Other losses   | -  | (71,910)       | (35)                                      | (73,560)       |
|  | <u>\$ 212,314</u>                          | <u>217,866</u> | <u>428,766</u>                            | <u>297,446</u> |

(iv) Financial costs

|  | For the three months ended<br>September 30 |                | For the nine months ended<br>September 30 |                |
|--|--|----------------|---|----------------|
|  | 2025                                       | 2024           | 2025                                      | 2024           |
| Interest expenses-borrowings                                       | \$ 278,051                                 | 231,341        | 834,418                                   | 665,286        |
| Interest expenses-bonds payables (including amortization expenses) | 6,098                                      | 6,098          | 18,294                                    | 18,294         |
| Interest expenses-lease liabilities                                | 1,249                                      | 752            | 3,513                                     | 2,239          |
| Less: capitalized interest and other                               | (99,629)                                   | (54,303)       | (261,828)                                 | (137,449)      |
|  | <u>\$ 185,769</u>                          | <u>183,888</u> | <u>594,397</u>                            | <u>548,370</u> |

(ad) Financial instruments

(i) Credit risk

1) Credit risk exposure

As of September 30, 2025, December 31 and September 30, 2024, the Group's maximum credit risk exposure resulting from un-collectability of accounts receivable from transaction parties and financial losses from offering financial guarantee was as follows:

- The book value of financial assets and contract assets recognized on the balance sheet; and

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- The financial guarantee provided by the Group amounted to \$4,286,675 thousand, \$5,175,675 thousand and \$5,175,675 thousand, respectively.

2) Credit risk concentrations

Clients of the Group are concentrated in the real estate development industry and government entities. To minimize credit risks, the Group assesses the financial positions of the clients periodically and requests collateral or guarantees if necessary. The Group also evaluates the collectability of receivables and the provision for doubtful accounts on a regular basis. The relevant losses on bad debts are generally under the Group's expectation.

3) Receivables of credit risk

Please refer to Nnote 6(e) for the credit risk exposure of notes receivable, accounts receivable and long-term accounts receivable.

Other financial assets at amortized cost includes other receivables.

All of these financial assets are considered to have low risk, and thus the impairment provision recognized during the period was limited to 12 months expected losses. There were no recognition or reversal of impairment losses for the nine month ended September 30, 2025 and 2024

(ii) Liquidity risk

The Group manages and maintains appropriate positions of cash and cash equivalents, as well as the resources of funding which are adequate and cost-effective to ensure that it has sufficient liquidity to meet its operation requirements for at least 12 months in the future.

The followings table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

|   | <u>Carrying<br/>amount</u> | <u>Contractual<br/>cash flows</u> | <u>Within 1<br/>year</u> | <u>1-5<br/>years</u> | <u>More than<br/>5 years</u> |
|---|----------------------------|-----------------------------------|--------------------------|----------------------|------------------------------|
| <b>September 30, 2025</b>                 |                            |                                   |                          |                      |                              |
| Non-derivative financial liabilities      |                            |                                   |                          |                      |                              |
| Secured loans                             | \$ 22,010,266              | 24,851,856                        | 2,251,041                | 17,439,855           | 5,160,960                    |
| Unsecured loans                           | 15,810,640                 | 16,566,153                        | 8,722,517                | 7,834,066            | 9,570                        |
| Short-term notes and bills payable        | 1,240,000                  | 1,240,000                         | 1,240,000                | -                    | -                            |
| Bonds payable (including current portion) | 1,999,819                  | 2,011,000                         | 2,011,000                | -                    | -                            |
| Accounts and notes payable                | 7,207,713                  | 7,207,713                         | 3,646,742                | 3,394,340            | 166,631                      |
| Other payables                            | 2,521,125                  | 2,521,125                         | 1,336,090                | 1,185,035            | -                            |
| Guarantee deposit received                | 85,908                     | 85,908                            | 968                      | 73,801               | 11,139                       |
| Long-term accounts payable                | 121,940                    | 121,940                           | -                        | 121,940              | -                            |
| Lease liabilities                         | 197,767                    | 206,863                           | 79,013                   | 122,356              | 5,494                        |

(Continued)



**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|   | <u>Carrying<br/>amount</u> | <u>Contractual<br/>cash flows</u> | <u>Within 1<br/>year</u> | <u>1-5<br/>years</u> | <u>More than<br/>5 years</u> |
|---|----------------------------|-----------------------------------|--------------------------|----------------------|------------------------------|
| Derivative financial liabilities                            |                            |                                   |                          |                      |                              |
| Forward foreign exchange contracts for<br>hedging purposes: |                            |                                   |                          |                      |                              |
| Hedging financial liabilities                               | 3,804                      | 3,804                             | 807                      | 2,997                | -                            |
|   | <u>\$ 51,198,982</u>       | <u>54,816,362</u>                 | <u>19,288,178</u>        | <u>30,174,390</u>    | <u>5,353,794</u>             |
| <b>December 31, 2024</b>                                    |                            |                                   |                          |                      |                              |
| Non-derivative financial liabilities                        |                            |                                   |                          |                      |                              |
| Secured loans   | \$ 21,242,133              | 23,851,821                        | 3,657,705                | 14,903,046           | 5,291,070                    |
| Unsecured loans   | 12,766,538                 | 13,489,509                        | 6,318,528                | 7,170,981            | -                            |
| Short-term notes and bills payable                          | 200,000                    | 200,000                           | 200,000                  | -                    | -                            |
| Bonds payable   | 1,999,278                  | 2,022,000                         | 11,000                   | 2,011,000            | -                            |
| Accounts and notes payable                                  | 6,992,556                  | 6,992,556                         | 3,830,502                | 2,996,663            | 165,391                      |
| Other payables  | 2,391,251                  | 2,391,251                         | 1,280,224                | 1,111,027            | -                            |
| Guarantee deposit received                                  | 85,674                     | 85,674                            | 963                      | 76,723               | 7,988                        |
| Long-term accounts payable                                  | 131,314                    | 131,314                           | -                        | 131,314              | -                            |
| Lease liabilities   | 136,934                    | 142,431                           | 70,970                   | 64,569               | 6,892                        |
| Derivative financial liabilities                            |                            |                                   |                          |                      |                              |
| Forward foreign exchange contracts for<br>hedging purposes: |                            |                                   |                          |                      |                              |
| Hedging financial liabilities                               | 3,039                      | 3,039                             | 3,039                    | -                    | -                            |
|   | <u>\$ 45,948,717</u>       | <u>49,309,595</u>                 | <u>15,372,931</u>        | <u>28,465,323</u>    | <u>5,471,341</u>             |
| <b>September 30, 2024</b>                                   |                            |                                   |                          |                      |                              |
| Non-derivative financial liabilities                        |                            |                                   |                          |                      |                              |
| Secured loans   | \$ 18,099,165              | 20,938,595                        | 3,449,177                | 14,221,176           | 3,268,242                    |
| Unsecured loans   | 12,230,927                 | 12,982,720                        | 5,726,804                | 7,255,916            | -                            |
| Short-term notes and bills payable                          | 900,000                    | 900,000                           | 900,000                  | -                    | -                            |
| Bonds payable   | 1,999,097                  | 2,022,000                         | 11,000                   | 2,011,000            | -                            |
| Accounts and notes payable                                  | 6,707,353                  | 6,707,353                         | 3,410,061                | 3,130,358            | 166,934                      |
| Other payables  | 1,987,206                  | 1,987,206                         | 750,073                  | 1,237,133            | -                            |
| Guarantee deposit received                                  | 84,084                     | 84,084                            | 36                       | 75,956               | 8,092                        |
| Long-term accounts payable                                  | 126,768                    | 126,768                           | -                        | 126,768              | -                            |
| Lease liabilities   | 133,084                    | 136,892                           | 70,773                   | 65,950               | 169                          |
|   | <u>\$ 42,267,684</u>       | <u>45,885,618</u>                 | <u>14,317,924</u>        | <u>28,124,257</u>    | <u>3,443,437</u>             |

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Currency risk

1) Exposure to currency risk

|                              | September 30, 2025  |                  |         |         | December 31, 2024   |                  |           | September 30, 2024  |                  |           |
|------------------------------|---------------------|------------------|---------|---------|---------------------|------------------|-----------|---------------------|------------------|-----------|
|                              | Foreign<br>currency | Exchange<br>rate | NTD     |         | Foreign<br>currency | Exchange<br>rate | NTD       | Foreign<br>currency | Exchange<br>rate | NTD       |
| <b>Financial Assets</b>      |                     |                  |         |         |                     |                  |           |                     |                  |           |
| <u>Monetary items</u>        |                     |                  |         |         |                     |                  |           |                     |                  |           |
| USD : NTD                    | \$                  | 10,377           | 30.4450 | 315,904 | 16,282              | 32.7850          | 533,788   | 16,422              | 31.6500          | 519,731   |
| HKD : NTD                    |                     | 3,770            | 3.9130  | 14,752  | 8,235               | 4.2220           | 34,769    | 9,642               | 4.0750           | 39,290    |
| MYR : NTD                    |                     | 136,913          | 7.2410  | 991,384 | 138,214             | 7.3389           | 1,014,343 | 140,964             | 7.6829           | 1,083,016 |
| INR : NTD                    |                     | 517,172          | 0.3429  | 177,338 | 517,172             | 0.3829           | 198,025   | 517,172             | 0.3777           | 195,336   |
| USD : MYR                    |                     | 362              | 4.2080  | 11,030  | 343                 | 4.4755           | 11,243    | 336                 | 4.1220           | 10,637    |
| <b>Financial Liabilities</b> |                     |                  |         |         |                     |                  |           |                     |                  |           |
| <u>Monetary items</u>        |                     |                  |         |         |                     |                  |           |                     |                  |           |
| USD : MYR                    |                     | 20,735           | 4.2080  | 631,277 | 21,450              | 4.4755           | 703,238   | 21,450              | 4.1220           | 678,893   |

2) Sensitivity analysis

The Group's exchange rate risk comes mainly from currency exchange gains and losses on the translation of the foreign cash and cash equivalents, accounts receivable, other receivables, borrowings, accounts payable, other payables, etc. A strengthening (weakening) of 1% of the NTD against foreign currencies for the nine months ended September 30, 2025 and 2024 would have increased or decreased the income before tax by \$7,747 thousand and by \$9,467 thousand, and the equity by \$1,044 thousand and \$2,224 thousand due to cash flow hedges, respectively. The analysis assumes that all other variables remain constant and is performed on the same basis for prior year.

3) Foreign exchange gains or losses of monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the nine months ended September 30, 2025 and 2024, foreign exchange gain (loss) (including realized and unrealized portions) amounted to \$18,760 thousand and \$232,714 thousand, respectively.

(iv) Interest rate risk

Please refer to the notes on liquidity risk management for Group's interest rate exposure to its financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure in interest rates on the derivative and non-derivative financial instruments on the reporting date.

Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year.

If the interest rate increases or decreases by 1%, the Group's income before tax will decrease or increase by \$231,174 thousand and \$187,130 thousand for the nine months ended September 30, 2025 and 2024, respectively, with all other variable factors remain constant. This is mainly due to the Group's borrowing at variable rates.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(v) Other market price risk

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

| Price of securities at the reporting date | For the nine months ended September 30 |            |                                      |            |
|---|--|------------|--------------------------------------|------------|
|   | 2025                                   |            | 2024                                 |            |
|   | Other comprehensive Income after tax   | Net Income | Other comprehensive Income after tax | Net Income |
| Increase 1%                               | \$ 32,321                              | 10,689     | 37,435                               | 10,689     |
| Decrease 1%                               | \$ (32,321)                            | (10,689)   | (37,435)                             | (10,689)   |

(vi) Fair value of financial instruments

1) Categories and fair value of financial instruments

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required :

|  | September 30, 2025  |                  |          |                  |                  |
|--|---------------------|------------------|----------|------------------|------------------|
|  | Carrying amount     | Fair Value       |          |                  |                  |
|  |                     | Level 1          | Level 2  | Level 3          | Total            |
| <b>Financial assets at fair value through profit or loss</b>             |                     |                  |          |                  |                  |
| Unlisted common shares   | \$ 1,068,858        | -                | -        | 1,068,858        | 1,068,858        |
| <b>Financial assets for hedging</b>                                      | \$ 111,513          | 111,513          | -        | -                | 111,513          |
| <b>Financial assets at fair value through other comprehensive income</b> |                     |                  |          |                  |                  |
| Listed common shares   | \$ 2,479,959        | 2,479,959        | -        | -                | 2,479,959        |
| Unlisted common shares   | 752,190             | -                | -        | 752,190          | 752,190          |
| Subtotal   | 3,232,149           | 2,479,959        | -        | 752,190          | 3,232,149        |
| <b>Total</b>   | <b>\$ 4,412,520</b> | <b>2,591,472</b> | <b>-</b> | <b>1,821,048</b> | <b>4,412,520</b> |
| <b>Financial liabilities for hedging</b>                                 | <b>\$ 3,804</b>     | <b>3,804</b>     | <b>-</b> | <b>-</b>         | <b>3,804</b>     |
|  | December 31, 2024   |                  |          |                  |                  |
|  | Carrying amount     | Fair Value       |          |                  |                  |
|  |                     | Level 1          | Level 2  | Level 3          | Total            |
| <b>Financial assets at fair value through profit or loss</b>             |                     |                  |          |                  |                  |
| Unlisted common shares   | \$ 1,068,858        | -                | -        | 1,068,858        | 1,068,858        |
| <b>Financial assets for hedging</b>                                      | \$ 293,290          | 293,290          | -        | -                | 293,290          |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|  | December 31, 2024   |                  |          |                  |                  |
|--|---------------------|------------------|----------|------------------|------------------|
|  | Carrying amount     | Fair Value       |          |                  |                  |
|  |                     | Level 1          | Level 2  | Level 3          | Total            |
| <b>Financial assets at fair value through other comprehensive income</b> |                     |                  |          |                  |                  |
| Listed common shares   | 2,287,614           | 2,287,614        | -        | -                | 2,287,614        |
| Unlisted common shares   | 752,190             | -                | -        | 752,190          | 752,190          |
| Subtotal   | \$ 3,039,804        | 2,287,614        | -        | 752,190          | 3,039,804        |
| <b>Total</b>   | <b>\$ 4,401,952</b> | <b>2,580,904</b> | <b>-</b> | <b>1,821,048</b> | <b>4,401,952</b> |
| <b>Financial liabilities for hedging</b>                                 | <b>\$ 3,039</b>     | <b>3,039</b>     | <b>-</b> | <b>-</b>         | <b>3,039</b>     |
| <b>September 30, 2024</b>  |                     |                  |          |                  |                  |
|  | Carrying amount     | Fair Value       |          |                  |                  |
|  |                     | Level 1          | Level 2  | Level 3          | Total            |
| <b>Financial assets at fair value through profit or loss</b>             |                     |                  |          |                  |                  |
| Unlisted common shares   | \$ 1,068,858        | -                | -        | 1,068,858        | 1,068,858        |
| <b>Financial assets for hedging</b>                                      | <b>\$ 230,089</b>   | <b>230,089</b>   | <b>-</b> | <b>-</b>         | <b>230,089</b>   |
| <b>Financial assets at fair value through other comprehensive income</b> |                     |                  |          |                  |                  |
| Listed common shares   | \$ 3,039,039        | 3,039,039        | -        | -                | 3,039,039        |
| Unlisted common shares   | 704,460             | -                | -        | 704,460          | 704,460          |
| Subtotal   | 3,743,499           | 3,039,039        | -        | 704,460          | 3,743,499        |
| <b>Total</b>   | <b>\$ 5,042,446</b> | <b>3,269,128</b> | <b>-</b> | <b>1,773,318</b> | <b>5,042,446</b> |

2) Valuation techniques for financial instruments measured at fair value

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Measurements of financial instrument with an active market are as follows:

- Listed stock are financial assets which have standard provision and trade in an active market, and their fair value are determined by market quoted price respectively.

Measurements of fair value of financial instruments without an active market are based on a valuation technique. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique including a model using observable market data at the reporting date.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Measurements of financial instrument without an active market are as follows:

- Equity instruments without quoted price: The Group extrapolated fair value by present earning value method. The main assumption is cash flow from future earnings based on investors' expectation, and the cash flow is discounted by rate of return which is based on the time value of currency and investment risk.
- Equity instruments without quoted price: The Group extrapolated fair value by market approach. The main assumption is surplus multiplier based on comparable quoted market price. The estimates include adjustments of lack of market liquidity.

3) Transfer between Levels

There were no transfers of levels for the nine months ended September 30, 2025 and 2024.

4) The movement of Level 3

|  | <b>Financial assets at<br/>fair value through<br/>profit or loss</b>   | <b>Financial assets at fair<br/>value through other<br/>comprehensive income</b> |
|--|--|--|
|  | <b>Non-derivative<br/>financial assets<br/>mandatorily measured<br/>at fair value through<br/>profit or loss</b> | <b>Equity instruments<br/>without quoted<br/>market price</b>                    |
| Balance at September 30, 2025<br>(the beginning of the year) | \$ <u>1,068,858</u>  | <u>752,190</u>   |
| Balance at September 30, 2024<br>(the beginning of the year) | \$ <u>1,068,858</u>  | <u>704,460</u>   |

5) Quantified information for significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include "financial assets at fair value through profit or loss – equity investments" and "financial assets at fair value through other comprehensive income– equity investments".

The fair value measurement was categorized as Level 3 in the hierarchy of equity instruments without active market has several significant unobservable inputs. The significant unobservable inputs of equity instruments without an active market are not related because they are independent from each other.

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# CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

| Item  | Valuation Technique         | Significant unobservable input  | Relationship between input and fair value  |
|---|-----------------------------|---|--|
| Financial assets at fair value through profit or loss-equity investments without an active market             | Discounted cash flow method | · Return on equity (September 30, 2025, December 31 and September 30, 2024 were 11.0732%, 11.0732% and 11.2466%, respectively)  | · The higher return of equity, the lower the fair value.   |
| Financial assets at fair value through other comprehensive income-equity investments without an active market | Market Method               | · The multiplier of price-to-earnings ratio (September 30, 2025, December 31 and September 30, 2024 were 17.61, 17.61 and 17.17, respectively)<br>· Market illiquidity discount (September 30, 2025, December 31 and September 30, 2024 were 75%) | · The higher multiplier of price-to-earnings ratio, the higher the fair value.<br>· The higher market illiquidity discount, the lower the fair value.      |
| Financial assets at fair value through other comprehensive income-equity investments without an active market | Income Method               | · The growth rate of earnings-per-share (September 30, 2025, December 31 and September 30, 2024 were 0%)<br>· Weighted average cost of capital (September 30, 2025, December 31 and September 30, 2024 were 5%)                                   | · The higher the growth rate of earnings-per-share, the higher the fair value.<br>· The higher weighted average cost of capital, the lower the fair value. |

### 6) Fair value measurements in level 3 - sensitivity analysis of reasonable possible alternative assumptions

The valuation for Level 3 financial instruments is reasonable. However, the result may change if applying different evaluation model or parameter. For fair value measurements in level 3, changing one or more assumptions would have the following effects:



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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|   |                                     |    | Change<br>up or<br>down | Profit or loss      |                       | Other comprehensive<br>income |                       |
|---|-------------------------------------|----|-------------------------|---------------------|-----------------------|-------------------------------|-----------------------|
|   |                                     |    |                         | Favorable<br>change | Unfavorable<br>change | Favorable<br>change           | Unfavorable<br>change |
|   | Input                               |    |                         |                     |                       |                               |                       |
| Financial assets at fair value<br>through other comprehensive<br>income |                                     |    |                         |                     |                       |                               |                       |
| Equity instruments without an<br>active market                          | Market liquidity<br>discount        | 5% | \$                      | -                   | -                     | 49,858                        | (49,858)              |
| Equity instruments without an<br>active market                          | Weighted average<br>cost of capital | 1% | \$                      | -                   | -                     | 192                           | (181)                 |
| <b>December 31, 2024</b>  |                                     |    |                         |                     |                       |                               |                       |
| Financial assets at fair value<br>through profit or loss                |                                     |    |                         |                     |                       |                               |                       |
| Equity instruments without<br>an active market                          | Market liquidity<br>discount        | 1% | \$                      | 3,799               | (3,780)               | -                             | -                     |
| Financial assets at fair value<br>through other comprehensive<br>income |                                     |    |                         |                     |                       |                               |                       |
| Equity instruments without<br>an active market                          | Market liquidity<br>discount        | 5% | \$                      | -                   | -                     | 49,858                        | (49,858)              |
| Equity instruments without<br>an active market                          | Weighted average<br>cost of capital | 1% | \$                      | -                   | -                     | 192                           | (181)                 |
| <b>September 30, 2024</b>   |                                     |    |                         |                     |                       |                               |                       |
| Financial assets at fair value<br>through profit or loss                |                                     |    |                         |                     |                       |                               |                       |
| Equity instruments without<br>an active market                          | Return on equity                    | 1% | \$                      | 2,956               | (2,941)               | -                             | -                     |
| Financial assets at fair value<br>through other comprehensive<br>income |                                     |    |                         |                     |                       |                               |                       |
| Equity instruments without an<br>active market                          | Market liquidity<br>discount        | 5% | \$                      | -                   | -                     | 46,718                        | (46,718)              |
| Equity instruments without an<br>active market                          | Weighted average<br>cost of capital | 1% | \$                      | -                   | -                     | 164                           | (155)                 |

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

(ae) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note 6(ae) of the consolidated financial statements for the year ended December 31, 2024.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(af) Capital Management

The objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to Note 6(af) for the further details of the consolidated financial statements for the year ended December 31, 2024.

(ag) Non-cash investing and financing activities

(i) Please refer to Note 6(l) for the acquisition right-of-use assets by leasing.

(ii) Reclassification of assets:

|  | For the three months ended<br>September 30 |            | For the nine months ended<br>September 30 |                  |
|--|--|------------|---|------------------|
|  | 2025                                       | 2024       | 2025                                      | 2024             |
| Prepayments for business facilities \$ reclassified to property, plant and equipment | 1,664                                      | -          | 57,747                                    | 59,071           |
| Investment properties reclassified to inventories                                    | -  | -          | -   | 4,729,055        |
| Investment properties reclassified to property, plant and equipment                  | -  | 603        | -   | 403,798          |
|  | <u>\$ 1,664</u>                            | <u>603</u> | <u>57,747</u>                             | <u>5,191,924</u> |

(iii) Reconciliation of liabilities arising from financing activities were as follow:

|  | January 1,<br>2025   | Cash flows       | Non-cash changes                |                |                                 | September<br>30, 2025 |
|--|----------------------|------------------|---------------------------------|----------------|---------------------------------|-----------------------|
|  |                      |                  | Foreign<br>exchange<br>movement | Other          | Changes<br>in lease<br>payments |                       |
| Short-term borrowings                                      | \$ 21,976,838        | 2,029,396        | (253,892)                       | (7,839)        | -                               | 23,744,503            |
| Long-term borrowings<br>(including due within one<br>year) | 12,031,833           | 1,990,535        | 53,575                          | 460            | -                               | 14,076,403            |
| Lease liabilities  | 136,934              | (70,289)         | (341)                           | -              | 131,463                         | 197,767               |
| Bonds payable (including due<br>within one year)           | 1,999,278            | -                | -                               | 541            | -                               | 1,999,819             |
|  | <u>\$ 36,144,883</u> | <u>3,949,642</u> | <u>(200,658)</u>                | <u>(6,838)</u> | <u>131,463</u>                  | <u>40,018,492</u>     |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|  | <b>January 1,<br/>2024</b> | <b>Cash flows</b> | <b>Non-cash changes</b>                  |                 |   | <b>September<br/>30, 2024</b> |
|--|----------------------------|-------------------|--|-----------------|---|-------------------------------|
|  |                            |                   | <b>Foreign<br/>exchange<br/>movement</b> | <b>Other</b>    | <b>Changes<br/>in lease<br/>payment</b> |                               |
| Short-term borrowings                                      | \$ 15,865,691              | 3,689,931         | 123,629                                  | (23,209)        | -                                       | 19,656,042                    |
| Long-term borrowings<br>(including due within one<br>year) | 11,459,928                 | (815,979)         | 29,641                                   | 460             | -                                       | 10,674,050                    |
| Lease liabilities  | 138,424                    | (56,709)          | (484)                                    | -               | 51,853                                  | 133,084                       |
| Bonds payable  | 1,998,555                  | -                 | -  | 542             | -                                       | 1,999,097                     |
|  | <b>\$ 29,462,598</b>       | <b>2,817,243</b>  | <b>152,786</b>                           | <b>(22,207)</b> | <b>51,853</b>                           | <b>32,462,273</b>             |

**(7) Related-party transactions**

**(a) Parent Group and Ultimate Controlling Party**

Montrion Corporation is the parent company of the Group.

**(b) Names and relationship with related parties**

| <b>Name of related party</b>                  | <b>Relationship with the Group</b>             |
|---|--|
| CTCI-HDEC (Chungli) Corp. (CTCI-HDEC)         | Investment for using equity method (Associate) |
| Fanlu Construction Industry Co., Ltd. (Fanlu) | Investment for using equity method (Associate) |
| Han-De Construction Co., LTD                  | Other related party                            |
| Wei-Dar Development Co., Ltd.                 | Other related party                            |
| Metropolis Property Management Corporation    | Other related party                            |
| TSRC Corporation                              | Other related party                            |
| WV Corporation                                | Other related party                            |
| Hao Ran Foundation                            | Other related party                            |
| La Mer Corporation                            | Other related party                            |
| Wang o Fan                                    | Other related party                            |

**(c) Significant transaction with related parties**

**(i) Contracted construction**

| <b>For the nine months ended<br/>September 30, 2025</b> | <b>Total Contract<br/>Amount<br/>(Before tax)</b> | <b>Current<br/>Amount</b> | <b>Accumulated<br/>Amount</b> |
|---|---|---------------------------|-------------------------------|
| Associate (CTCI-HDEC)                                   | \$ 9,442,055                                      | 179,043                   | 1,499,280                     |
| Associate (Fanlu)                                       | \$ 2,015,271                                      | 76,679                    | 1,966,691                     |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

| <b>For the nine months ended<br/>September 30, 2024</b> | <b>Total Contract<br/>Amount<br/>(Before tax)</b> | <b>Current<br/>Amount</b> | <b>Accumulated<br/>Amount</b> |
|---|---|---------------------------|-------------------------------|
| Associate (CTCI-HDEC)                                   | \$ <u>6,607,731</u>                               | <u>315,175</u>            | <u>1,288,715</u>              |
| Associate (Fanlu)                                       | \$ <u>2,015,271</u>                               | <u>604,921</u>            | <u>1,837,382</u>              |

According to contracted construction regulations, the construction contract price is determined based on the budget of each construction, plus reasonable administrative handling fees. The amount shall be approved by the management team.

(ii) Labor services 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>   |
| Associates | \$ <u>13,182</u>                                   | <u>12,494</u> | <u>32,024</u>                                     | <u>24,629</u> |

The group provided the operation and maintenance services of the sewage treatment plant . The terms and pricing of transactions are not significantly difference from general transactions.

(iii) Other operating revenues

|                       | <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>   |
| Associates            | \$ 1,000   | -            | 7,092   | 4,495         |
| Other related parties | 1,087  | 2,618        | 5,407   | 7,876         |
|                       | <u>\$ 2,087</u>                                    | <u>2,618</u> | <u>12,499</u>                                     | <u>12,371</u> |

The Group provides engineering and project management consulting services to the related parties. The terms and pricing of transactions are not significantly difference from general transactions.

(iv) Purchases

|                       | <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> |
| Other related parties | \$ <u>43</u>                                       | <u>31</u>   | <u>129</u>  | <u>102</u>  |

The price and the payment term concluded with related parties are not significantly different to the price and payment term concluded with external third parties.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(v) Contract Assets

|            | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|------------|-----------------------|----------------------|-----------------------|
| Associates | \$ <u>369,594</u>     | <u>211,418</u>       | <u>249,220</u>        |

(vi) Receivables from related parties

|   | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|---|-----------------------|----------------------|-----------------------|
| Accounts receivable-Other related parties | \$ -                  | 1,071                | 975                   |
| Accounts receivable-Associates            | 38,460                | 39,258               | 19,714                |
| Other receivables-Other related parties   | -                     | 79                   | -                     |
| Other receivables-Associates              | <u>4,095</u>          | <u>7,570</u>         | <u>3,882</u>          |
|   | \$ <u>42,555</u>      | <u>47,978</u>        | <u>24,571</u>         |

(vii) Payables to related parties

|                                      | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--------------------------------------|-----------------------|----------------------|-----------------------|
| Other payables-Other related parties | \$ <u>21</u>          | <u>433</u>           | <u>472</u>            |

(viii) Rental

1) Rental revenues

|                       | For the three months ended<br>September 30 |            | For the nine months ended<br>September 30 |              |
|-----------------------|--|------------|---|--------------|
|                       | 2025                                       | 2024       | 2025                                      | 2024         |
| Other related parties | \$ <u>775</u>                              | <u>763</u> | <u>2,338</u>                              | <u>2,277</u> |

The rental is in reference to the nearby rental market value for parking spaces, and is paid on a monthly basis.

2) Rental costs

The Group leased an office building and a warehouse from other related parties. For the three months and nine months ended September 30, 2025 and 2024, the Group recognized the amount of \$49 thousand, \$69 thousand, \$163 thousand and \$222 thousand as interest expenses, respectively. As of September 30, 2025, December 31 and September 30, 2024, the balance of lease liabilities amounted to \$10,254 thousand, \$13,565 thousand and \$14,648 thousand, respectively.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ix) Transaction of properties

In March 2024, the Group sold transportation equipment to other related parties for \$495 thousand (before tax), without losses on disposal of assets, wherein the full amount had been fully collected as of the reporting date.

(x) Endorsements and Guarantees

|                       | <b>Guarantee<br/>classification</b> | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|-----------------------|-------------------------------------|-------------------------------|------------------------------|-------------------------------|
| Associate (CTCI-HDEC) | Guarantee for bank loans            | \$ 3,089,675                  | 3,089,675                    | 3,089,675                     |
| Associate (Fanlu)     | Guarantee for bank loans            | 1,197,000                     | 2,086,000                    | 2,086,000                     |
|                       |                                     | <u>\$ 4,286,675</u>           | <u>5,175,675</u>             | <u>5,175,675</u>              |

(xi) Other

1) Interest revenues

|            | <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>  |
| Associates | <u>\$ 1,921</u>                                    | <u>2,626</u> | <u>3,069</u>                                      | <u>3,873</u> |

2) Other expenses

|                       | <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>   |
| Other related parties | <u>\$ 8,117</u>                                    | <u>7,596</u> | <u>25,392</u>                                     | <u>23,611</u> |

3) Other income

|                       | <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>  |
| Associates            | \$ 2,617   | 2,522        | 6,980   | 6,726        |
| Other related parties | 19   | 18           | 61  | 60           |
|                       | <u>\$ 2,636</u>                                    | <u>2,540</u> | <u>7,041</u>                                      | <u>6,786</u> |

4) In June 2025, the Group subscribed for 5,194,000 new shares from its associate, CTCI-HDEC, totaling \$51,940 thousand.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(d) Key Management Personnel Transaction

|                              | For the three months ended<br>September 30 |               | For the nine months ended<br>September 30 |                |
|------------------------------|--|---------------|---|----------------|
|                              | 2025                                       | 2024          | 2025                                      | 2024           |
| Short-term employee benefits | \$ <u>41,109</u>                           | <u>36,362</u> | <u>160,149</u>                            | <u>134,109</u> |

As of September 30, 2025 and 2024, the Group provides 18 vehicles at a cost of \$31,960 thousand and 16 vehicles at a cost of \$27,453 thousand, respectively, for the key management personnel.

**(8) Assets pledged as security**

| Asset                                      | Purpose of pledge                          | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|--|--|-----------------------|----------------------|-----------------------|
| Inventories (development corp.)            | Loan collateral                            | \$ 22,753,885         | 22,139,040           | 22,150,131            |
| Restricted deposits (other current assets) | Time deposits collateral                   | 139,024               | 129,110              | 150,735               |
| Property, plant and equipment              | Loan collateral and construction guarantee | 7,748,322             | 8,588,568            | 8,542,529             |
| Investment properties, net                 | Loan collateral and construction guarantee | <u>2,318,800</u>      | <u>2,326,807</u>     | <u>2,329,476</u>      |
| Total                                      |  | \$ <u>32,960,031</u>  | <u>33,183,525</u>    | <u>33,172,871</u>     |

**(9) Significant commitments and contingencies**

(a) Major commitments were as follows:

(i) The Group's details of sales of completed construction and real estate were listed below:

|   | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|---|-----------------------|----------------------|-----------------------|
| Total sales of completed construction and real estate | \$ <u>28,691,917</u>  | <u>26,431,468</u>    | <u>25,203,213</u>     |
| Receipts based on the contracts                       | \$ <u>7,328,631</u>   | <u>5,601,364</u>     | <u>5,003,337</u>      |

(ii) As of September 30, 2025, December 31 and September 30, 2024, the Group has entered into contracts for the purchase of land but for which it has not received the legal title amounted to \$0 thousand, \$1,497,287 thousand and \$1,316,416 thousand, within which, \$0 thousand, \$274,925 thousand and \$571,881 thousand had been paid.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (iii) Total price of the construction contracts entered into by the Group and the total collected/billed amounts according to the contract are listed below:

|                            | September 30,<br>2025 | December 31,<br>2024 | September 30,<br>2024 |
|----------------------------|-----------------------|----------------------|-----------------------|
| Total contract amount—NTD  | \$ 230,107,308        | 192,841,434          | 183,232,815           |
| — INR                      | 35,135,402            | 35,084,322           | 35,074,796            |
| — HKD                      | 4,162,379             | 4,162,379            | 4,592,635             |
| — MOP                      | 853,803               | 853,803              | 982,544               |
| Accumulated billing amount | 143,014,796           | 143,549,241          | 144,671,695           |

- (iv) Service Concession agreements

The Group has entered into a service concession plan on sewage treatment with the government in the form of either a BOT project (Build–operate–transfer) or a wastewater reclamation and reuse BTO project (Build–transfer–operate). The primary terms of the contracts are summarized as follows:

- 1) During the project concession period, in accordance with the government's appointed service form, the Group (i) provides construction, operation and maintenance to the facilities for sewage treatment, and (ii) acquires the construction and operation right of the wastewater reclamation and reuse facilities as well as the sewage treatment facilities.
- 2) The Group has the right to use the aforesaid facilities and land to provide related sewage treatment services during the concession period, and obtains interest based on the price in the construction contract and price index.
- 3) The government will control and supervise the Group's service scope leveraged from the use of the facilities.
- 4) When there is significant violation to the clause in the service concession agreement, both the Group and the government will be able to terminate the agreement.
- 5) During the concession period, the Group is the nominal registrant entitled to the ownership of the land and sewage treatment facilities. After the concession period, in accordance with the construction and operation agreement, the plants and facilities shall be restored back to their normal operating conditions and reverted to the government without conditions.
- 6) Three years before the expiration date, the Group is entitled to submit an application for extending the contract; if the Group's operating performance is qualified to apply for a renewal of contract, it is given a preferential right to submit the renewal application to the authority.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- 7) The Group's construction and operation contracts with the government were as follows:

| <b>The subsidiary<br/>as an operator</b> | <b>Location</b> | <b>Grantor</b>  | <b>Agreement type</b>                      | <b>Concession period</b>    |
|--|-----------------|-----------------|--|-----------------------------|
| NSC                                      | Danshui area    | New Taipei City | BOT of wastewater                          | May 2005~ May 2040          |
| PDC                                      | Pu Ding area    | Taoyuan City    | BOT of wastewater                          | January 2021~December 2055  |
| BWC                                      | Kaohsiung area  | Kaohsiung City  | BTO of wastewater<br>reclamation and reuse | August 2016~August 2033     |
| LHC                                      | Kaohsiung area  | Kaohsiung City  | BTO of wastewater<br>reclamation and reuse | October 2018~December 2036  |
| CTC                                      | Kaohsiung area  | Kaohsiung City  | BTO of wastewater<br>reclamation and reuse | October 2022~October 2040   |
| CXC                                      | Tainan area     | Tainan City     | BOT of incineration plant                  | February 2023~February 2048 |

- (v) The Group's outstanding stand by letter of credit are as follows:

|                                       | <b>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> | <b>September 30,<br/>2024</b> |
|---------------------------------------|-------------------------------|------------------------------|-------------------------------|
| Outstanding stand by letter of credit | <u><u>\$ 25,096</u></u>       | <u><u>194,446</u></u>        | <u><u>271,327</u></u>         |

- (b) Contingent liability:

- (i) As of September 30, 2025, December 31 and September 30, 2024, the Group provided promissory notes for contract performance, issuance of commercial paper, and construction warranty, amounted to \$69,795,132 thousand, \$60,740,048 thousand and \$61,052,117 thousand, respectively.
- (ii) As of September 30, 2025, December 31 and September 30, 2024, promissory notes receivable for construction contracts amounted to \$17,186,490 thousand, \$16,730,887 thousand and \$15,443,081 thousand, respectively.

- (c) Other

- (i) In April 2005, the Group filed a lawsuit against Kao Nan Region Construction Office for the East West Expressway (Kao Nan), demanding for the compensation fee of \$466,671 thousand for the dispute concerning the extension of the construction of the highway between Wujia and Shangliao. During the 2nd verdict in February 2014, Taiwan High Court Kaohsiung Branch decided that Kao Nan should pay the amount of \$243,206 thousand to the Group (including interest). However, the Group disagreed with the Court's decision and appealed to the Supreme Court regarding the matter. On the other hand, Kao Nan also appealed to the Supreme Court stating that the compensation amount decided by the High Court was unreasonable. In June 2014, the Supreme Court overturned the decision made by the High Court during the 2nd verdict and handed over this case back to the High Court for another decision. In September 2018, Taiwan High Court Kaohsiung Branch decided that Kao Nan should pay the amount of \$318,498 thousand to the Group (excluding interest). Both the Group and Kao Nan Region Construction Office appeal against the decision. In March 19, 2020, the Supreme Court decided the Group won partially in this case and the Kao Nan Construction Office should pay the amount of \$91,411 thousand (excluding interest) to the Group, who had received the amounts of \$86,667 thousand and \$5,909 thousand (both including interest) in May and July of 2020, respectively. In September 2025, the Taiwan High Court Kaohsiung Branch, in its second

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

retrial judgment, ordered Kao Nan's engineering department to pay the Group a total of \$229,791 thousand, with interest to be calculated separately. However, the Group disagreed with the court's decision, hence, intends to file an appeal to the Supreme Court.

- (ii) In the Indian Metro project of “Design and construction of TBM tunnel and underground stations bw chandpole, Badi chouper and reversal line”, the Group and the client Jaipur Metro Rail Corporation Limited (JMRC), have disputes over the repair warranty and other contract-related expense claims. Due to the disputes, JMRC requested the bank to encash the guarantee bond \$221,758 thousand (INR\$646,713 thousand) that guaranteed by the bank for the Group on April 5, 2024. In order to maintain a good creditworthiness record, the Group provided the guarantee bond (recorded as other receivable) to the bank, wherein JMRC was able to receive the whole amount on April 8, 2024. The aforementioned project has started operations in September 2020. The Group believes that the project has been completed and delivered in accordance with the contract and has fulfilled its warranty and repair obligations. As the result, the Group is not convinced by JMRC's reasons for requesting the encashment of the guarantee bond and are seeking legal remedies to request JMRC to return the encashed project guarantee bond.

**(10) Losses due to major disasters: None**

**(11) Subsequent events: None**

**(12) Other**

(a) Personnel expenses, depreciation, depletion and amortization are summarized as follows:

|                   | For the three months ended September 30, 2025 |                    |         | For the three months ended September 30, 2024 |                    |         |
|-------------------|---|--------------------|---------|---|--------------------|---------|
|                   | Operating costs                               | Operating expenses | Total   | Operating costs                               | Operating expenses | Total   |
| Employee benefits |   |                    |         |   |                    |         |
| Salary            | 479,979                                       | 246,605            | 726,584 | 452,257                                       | 227,447            | 679,704 |
| Labor and health  | 40,208  | 17,071             | 57,279  | 35,893  | 15,059             | 50,952  |
| Pension           | 16,738  | 11,266             | 28,004  | 15,467  | 10,190             | 25,657  |
| Others            | 53,052  | 31,437             | 84,489  | 83,593  | 35,903             | 119,496 |
| Depreciation      | 100,671                                       | 15,653             | 116,324 | 123,415                                       | 13,495             | 136,910 |
| Amortization      | 19,624  | -                  | 19,624  | 18,151  | -                  | 18,151  |

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                   | For the nine months ended<br>September 30, 2025 |                       |           | For the nine months ended<br>September 30, 2024 |                       |           |
|-------------------|---|-----------------------|-----------|---|-----------------------|-----------|
|                   | Operating<br>costs                              | Operating<br>expenses | Total     | Operating<br>costs                              | Operating<br>expenses | Total     |
| Employee benefits |   |                       |           |   |                       |           |
| Salary            | 1,413,429                                       | 730,171               | 2,143,600 | 1,273,097                                       | 638,372               | 1,911,469 |
| Labor and health  | 123,742   | 54,878                | 178,620   | 106,741   | 47,478                | 154,219   |
| Pension           | 50,571  | 32,301                | 82,872    | 45,802  | 29,460                | 75,262    |
| Others            | 162,704   | 91,454                | 254,158   | 201,272   | 101,141               | 302,413   |
| Depreciation      | 301,435   | 47,170                | 348,605   | 381,187   | 38,421                | 419,608   |
| Amortization      | 58,872  | -                     | 58,872    | 54,455  | -                     | 54,455    |

(b) Seasonal operation :

The Group's operation do not affect by seasonal or periodicity reason.

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**CONTINENTAL HOLDINGS CORPORATION**  
**Notes to Consolidated Financial Statements**

**(13) Other disclosures****(a) Information on significant transactions**

The following information on significant transactions are disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers:

**(i) Loans provided to other parties:**

(In Thousands of New Taiwan Dollars)

| Number | Name of lender     | Name of borrower                   | Account name      | Related party | Highest balance of financing to other parties during the period | Ending balance | Actual usage amount during the period | Range of interest rates during the period | Purposes of fund financing for the borrower (Note 2) | Transaction amount for businesses between two parties | Reasons for short-term financing          | Allowance for bad debt | Collateral |       | Maximum amount of loans provided to a single enterprise (Note 1) | Maximum amount of loans (Note 1) |
|--------|--------------------|------------------------------------|-------------------|---------------|---|----------------|---------------------------------------|---|--|---|---|------------------------|------------|-------|--|----------------------------------|
|        |                    |                                    |                   |               |   |                |                                       |   |  |   |   |                        | Item       | Value |  |                                  |
| 0      | CHC                | CDC                                | Other receivables | Yes           | 300,000   | 300,000        | 300,000                               | 1.92%                                     | 2  | -   | Replenish working capital                 | -                      | -          | -     | 5,392,109  | 10,784,217                       |
| 0      | CHC                | CDC                                | Other receivables | Yes           | 500,000   | 500,000        | 500,000                               | 2.05%                                     | 2  | -   | Replenish working capital                 | -                      | -          | -     | 5,392,109  | 10,784,217                       |
| 1      | CDC                | Bangsar Rising Sdn. Bhd.           | Other receivables | Yes           | 322,825   | 312,811        | 304,122                               | 2.50%                                     | 2  | -   | Land purchases and operation requirements | -                      | -          | -     | 6,535,422  | 6,535,422                        |
| 1      | CDC                | MEGA Capital Development Sdn. Bhd. | Other receivables | Yes           | 888,846   | 861,275        | 687,258                               | 2.50%                                     | 2  | -   | Land purchases and operation requirements | -                      | -          | -     | 6,535,422  | 6,535,422                        |
| 1      | CDC                | Grand River D.Limited              | Other receivables | No            | 1,218,595   | 1,218,595      | 1,087,532                             | 2.525%                                    | 2  | -   | Operation requirements                    | -                      | -          | -     | 6,535,422  | 6,535,422                        |
| 2      | CEC                | CDC                                | Other receivables | Yes           | 1,000,000   | 1,000,000      | 1,000,000                             | Taibor+0.5%                               | 2  | -   | Operation requirements                    | -                      | -          | -     | 2,785,446  | 2,785,446                        |
| 3      | CDC US Corporation | 950 Investment LLC                 | Other receivables | Yes           | 506,377   | 464,287        | 464,287                               | 5.00%                                     | 2  | -   | Loan Repayment                            | -                      | -          | -     | 1,209,143  | 1,209,143                        |

Note 1: The total amount of loans provided to others is limited to 40% of net equity value. The amount of loans to a single business enterprise is limited to 20% of net equity value. Relevant calculation are as follows:

CHC:

Maximum amount of loans is limited to 40% of net equity value: \$26,960,543 thousand  $\times$  40% = 10,784,217 thousand

Maximum amount of loans provided to a single business enterprise is limited to 20% of net equity value: \$26,960,543 thousand  $\times$  20% = 5,392,109 thousand

The total amount of loans provided to others is limited to 40% of net equity value. The amount of loans to a single business enterprise is limited to 40% of net equity value. Relevant calculation are as follows:

CDC:

Maximum amount of loans is limited to 40% of net equity value: \$16,338,555 thousand  $\times$  40% = 6,535,422 thousand

Maximum amount of loans provided to a single business enterprise is limited to 40% of net equity value: \$16,338,555 thousand  $\times$  40% = 6,535,422 thousand

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**CONTINENTAL HOLDINGS CORPORATION**  
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The total amount of loans provided to others is limited to 40% of net equity value. The amount of loans to a single business enterprise is limited to 40% of net equity value. Relevant calculation are as follows:

CEC:

Maximum amount of loans is limited to 40% of net equity value: \$6,963,615 thousand  $\times$  40% = 2,785,446 thousand

Maximum amount of loans provided to a single business enterprise is limited to 40% of net equity value: \$6,963,615 thousand  $\times$  40% = 2,785,446 thousand

The total amount of loans provided to others is limited to 40% of net equity value. The amount of loans to a single business enterprise is limited to 40% of net equity value. Relevant calculation are as follows:

CDC US Corporation:

Maximum amount of loans is limited to 40% of net equity value: \$3,022,857 thousand  $\times$  40% = 1,209,143 thousand

Maximum amount of loans provided to a single business enterprise is limited to 40% of net equity value: \$3,022,857 thousand  $\times$  40% = 1,209,143 thousand

Note 2: The above transactions were eliminated when preparing the consolidated financial statements.

Note 3: Financing purposes:

- 1) Business dealings: 1
- 2) Short-term financing needs: 2

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

| No. | Name of guarantor | Counter-party of guarantee and endorsement       |                               | Maximum amount of guarantees and endorsements for a specific enterprise | Highest balance of guarantees and endorsements during the period | Balance of guarantees and endorsements as of reporting date | Actual usage amount during the period | Property pledged for guarantees and endorsements (Amount) | Ratio of accumulated amounts of guarantees and endorsements over net worth in the latest financial statements | Maximum amount of guarantees and endorsements | Parent company' sendorsements/ guarantees to third parties on behalf of subsidiary | Subsidiary' s endorsements/ guarantees to third parties on behalf of parent company | Endorsements/ guarantees to third parties on behalf of companies in Mainland China |
|-----|-------------------|--|-------------------------------|---|--|---|---------------------------------------|---|---|---|--|---|--|
|     |                   | Name   | Relationship with the Company |   |  |   |                                       |   |   |   |  |   |  |
| 0   | CHC               | HDEC   | 2                             | 107,842,172   | 4,320,882  | 3,520,882   | 1,789,736                             | -   | 13.06 %   | 107,842,172                                   | Y  | N   | N  |
| 0   | CHC               | CEC  | 2                             | 107,842,172   | 15,908,701   | 14,548,367  | 6,484,036                             | -   | 53.96 %   | 107,842,172                                   | Y  | N   | N  |
| 1   | CEC               | CDC  | 4 and 7                       | 13,927,230  | 1,071,000  | 1,071,000   | 339,470                               | -   | 15.38 %   | 13,927,230                                    | N  | N   | N  |
| 2   | CDC               | CDC US Corporation                               | 2                             | 32,677,110  | 166,025  | 152,225   | -                                     | -   | 0.93 %  | 32,677,110                                    | N  | N   | N  |
| 2   | CDC               | CCD  | 2                             | 32,677,110  | 1,885,000  | 1,885,000   | 1,885,000                             | -   | 11.54 %   | 32,677,110                                    | N  | N   | N  |
| 2   | CDC               | 950 Property LLC                                 | 2 and 6                       | 32,677,110  | 753,421  | 690,797   | 690,569                               | -   | 4.23 %  | 32,677,110                                    | N  | N   | N  |
| 2   | CDC               | 950 Hotel Property LLC & 950 Retail Property LLC | 2 and 6                       | 32,677,110  | 2,165,630  | -   | -                                     | -   | - %   | 32,677,110                                    | N  | N   | N  |
| 2   | CDC               | 950 Investment LLC                               | 2 and 6                       | 32,677,110  | 1,562,966  | 1,562,966   | 1,481,649                             | -   | 9.57 %  | 32,677,110                                    | N  | N   | N  |
| 2   | CDC               | BANGSAR RISING SDN. BHD.                         | 2 and 6                       | 32,677,110  | 188,315  | 182,473   | 46,071                                | -   | 1.12 %  | 32,677,110                                    | N  | N   | N  |

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| No. | Name of guarantor       | Counter-party of guarantee and endorsement |                               | Maximum amount of guarantees and endorsements for a specific enterprise | Highest balance of guarantees and endorsements during the period | Balance of guarantees and endorsements as of reporting date | Actual usage amount during the period | Property pledged for guarantees and endorsements (Amount) | Ratio of accumulated amounts of guarantees and endorsements over net worth in the latest financial statements | Maximum amount of guarantees and endorsements | Parent company' sendorsements/ guarantees to third parties on behalf of subsidiary | Subsidiary' s endorsements/ guarantees to third parties on behalf of parent company | Endorsements/ guarantees to third parties on behalf of companies in Mainland China |
|-----|-------------------------|--|-------------------------------|---|--|---|---------------------------------------|---|---|---|--|---|--|
|     |                         | Name                                       | Relationship with the Company |   |  |   |                                       |   |   |   |  |   |  |
| 2   | CDC                     | MEGA Capital Development Sdn. Bhd.         | 2 and 6                       | 32,677,110  | 413,651  | 379,269   | 347,202                               | -   | 2.32 %  | 32,677,110                                    | N  | N   | N  |
| 2   | CDC                     | Fanlu                                      | 6                             | 32,677,110  | 2,086,000  | 1,197,000   | 1,190,000                             | -   | 7.33 %  | 32,677,110                                    | N  | N   | N  |
| 3   | CCD                     | CDC  | 3                             | 10,676,580  | 5,250,000  | 5,250,000   | 2,319,472                             | 4,729,055   | 196.69 %  | 10,676,580                                    | N  | N   | N  |
| 4   | HDEC                    | NSC  | 2                             | 48,495,256  | 2,495,000  | 2,395,000   | 1,640,000                             | -   | 39.51 %   | 48,495,256                                    | N  | N   | N  |
| 4   | HDEC                    | PDC  | 2                             | 48,495,256  | 2,045,000  | 2,045,000   | 1,216,500                             | -   | 33.74 %   | 48,495,256                                    | N  | N   | N  |
| 4   | HDEC                    | CTC  | 2                             | 48,495,256  | 3,100,000  | 3,100,000   | 2,569,000                             | -   | 51.14 %   | 48,495,256                                    | N  | N   | N  |
| 4   | HDEC                    | CXC  | 2                             | 48,495,256  | 4,900,100  | 4,900,100   | 3,590,000                             | -   | 80.83 %   | 48,495,256                                    | N  | N   | N  |
| 4   | HDEC                    | LHC  | 2 and 6                       | 48,495,256  | 1,100,000  | 770,000   | 679,795                               | -   | 12.70 %   | 48,495,256                                    | N  | N   | N  |
| 4   | HDEC                    | BWC  | 2 and 6                       | 48,495,256  | 229,500  | 127,500   | 25,500                                | -   | 2.10 %  | 48,495,256                                    | N  | N   | N  |
| 4   | HDEC                    | CTCI-HDEC                                  | 6                             | 48,495,256  | 3,089,675  | 3,089,675   | 1,369,008                             | -   | 50.97 %   | 48,495,256                                    | N  | N   | N  |
| 4   | HDEC                    | CEC  | 4 and 5                       | 48,495,256  | 183,586  | -   | -                                     | -   | - %   | 48,495,256                                    | N  | N   | N  |
| 4   | HDEC                    | CDC  | 4                             | 48,495,256  | 1,251,600  | 1,251,600   | 1,105,591                             | -   | 20.65 %   | 48,495,256                                    | N  | N   | N  |
| 5   | SDC                     | HDEC                                       | 3                             | 386,736   | 100  | 100   | 100                                   | -   | 0.21 %  | 386,736                                       | N  | N   | N  |
| 5   | SDC                     | NSC  | 4                             | 386,736   | 200  | 200   | 100                                   | -   | 0.41 %  | 386,736                                       | N  | N   | N  |
| 6   | 950 Investment LLC      | 950 Hotel Property LLC                     | 2                             | 8,575,074   | 66,410   | 60,890  | 60,890                                | -   | 1.42 %  | 8,575,084                                     | N  | N   | N  |
| 7   | 950 Hotel Property LLC  | 950 Investment LLC                         | 3                             | 4,114,642   | 2,104,095  | 2,104,095   | 1,994,625                             | 4,531,189   | 102.27 %  | 4,114,642                                     | N  | N   | N  |
| 8   | 950 Retail Property LLC | 950 Investment LLC                         | 3                             | 174,388   | 100,905  | 100,905   | 95,655                                | 214,636   | 115.72 %  | 174,388                                       | N  | N   | N  |

Note 1: According to the policy of CHC, the total amount of endorsements/guarantees is limited to four times the net equity value in accordance with the Company's most recent financial statements: \$26,960,543 thousand  $\times$  4 = \$107,842,172 thousand

The total amount of endorsements/guarantees provided to a single business is limited to four times the net equity value in accordance with the Company's most recent financial statements: \$26,960,543 thousand  $\times$  4 = \$107,842,172 thousand

According to the policy of CEC, the total amount of endorsements/guarantees is limited to six times the net equity value in accordance with the Company's most recent financial statements in the event of joint liability in joint ventures with other companies in the same industry: \$6,963,615 thousand  $\times$  6 = \$41,781,690 thousand

The total amount of endorsements/guarantees provided to a single business is limited to three times the net equity value in accordance with the Company's most recent financial statements: \$6,963,615 thousand  $\times$  3 = \$20,890,845 thousand

According to the policy of CEC, the total amount of endorsements/guarantees is limited to two times the net equity value in accordance with the Company's most recent financial statements except in the event of joint liability in joint ventures with other companies in the same industry: \$6,963,615 thousand  $\times$  2 = \$13,927,230 thousand

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**CONTINENTAL HOLDINGS CORPORATION**

**Notes to Consolidated Financial Statements**

The total amount of endorsements/guarantees provided to a single business is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$6,963,615 \text{ thousand} \times 2 = \$13,927,230 \text{ thousand}$

According to the policy of CDC, the total amount of endorsements/guarantees is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$16,338,555 \text{ thousand} \times 2 = \$32,677,110 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$16,338,555 \text{ thousand} \times 2 = \$32,677,110 \text{ thousand}$

According to the policy of CCD the total amount of endorsements/guarantees is limited to four times the net equity value in accordance with the Company's most recent financial statements:  $\$2,669,145 \text{ thousand} \times 4 = \$10,676,580 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to four times the net equity value in accordance with the Company's most recent financial statements:  $\$2,669,145 \text{ thousand} \times 4 = \$10,676,580 \text{ thousand}$

According to the policy of HDEC, the total amount of endorsements/guarantees is limited to eight times the net equity value in accordance with the Company's most recent financial statements:  $\$6,061,907 \text{ thousand} \times 8 = \$48,495,256 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to eight times the net equity value in accordance with the Company's most recent financial statements:  $\$6,061,907 \text{ thousand} \times 8 = \$48,495,256 \text{ thousand}$

According to the policy of SDC, the total amount of endorsements/guarantees is limited to eight times the net equity value in accordance with the Company's most recent financial statements:  $\$48,342 \text{ thousand} \times 8 = \$386,736 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to eight times the net equity value in accordance with the Company's most recent financial statements:  $\$48,342 \text{ thousand} \times 8 = \$386,736 \text{ thousand}$

According to the policy of 950 Investment LLC, the total amount of endorsements/guarantees is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$4,287,542 \text{ thousand} \times 2 = \$8,575,084 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$4,287,542 \text{ thousand} \times 2 = \$8,575,084 \text{ thousand}$

According to the policy of 950 Hotel Property LLC, the total amount of endorsements/guarantees is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$2,057,321 \text{ thousand} \times 2 = \$4,114,642 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$2,057,321 \text{ thousand} \times 2 = \$4,114,642 \text{ thousand}$

According to the policy of 950 Retail Property LLC, the total amount of endorsements/guarantees is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$87,194 \text{ thousand} \times 2 = \$174,388 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$87,194 \text{ thousand} \times 2 = \$174,388 \text{ thousand}$

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Note 2: Seven categories between relationship with the endorser/guarantor:

- 1) Having business relationship.
- 2) The endorser / guarantor parent company directly and indirectly holds more than 50% of voting shares of the endorsed / guaranteed subsidiary.
- 3) The endorser / guarantor subsidiary which directly and indirectly be held more than 50% voting shares by the endorsed / guaranteed parent company.
- 4) The endorser / guarantor company and the endorsed / guaranteed party both be held more than 90% by the parent company.
- 5) Company that is mutually protected under contractual requirements based on the needs of the contractor.
- 6) Company that is endorsed by its shareholders in accordance with its shareholding ratio because of the joint investment relationship.
- 7) Performance guarantees for presale contracts under the Consumer Protection Act.

(iii) Securities held as of September 30, 2025 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

| Name of holder | Category and name of security              | Relationship with company | Account name  | Ending balance |                |                             |            | Note |
|----------------|--|---------------------------|---|----------------|----------------|-----------------------------|------------|------|
|                |  |                           |   | Shares/Units   | Carrying value | Percentage of ownership (%) | Fair value |      |
| CEC            | Evergreen Steel Corp.                      | -                         | Non-current financial assets at fair value through other comprehensive income | 25,645,907     | 2,479,959      | 6.15 %                      | 2,479,959  |      |
| CEC            | Xinrong Enterprise                         | -                         | Non-current financial assets at fair value through other comprehensive income | 12,256,347     | 747,866        | 8.45 %                      | 747,866    |      |
| CEC            | Metro Consulting Service Ltd.              | -                         | Non-current financial assets at fair value through other comprehensive income | 300,000        | 4,324          | 6.00 %                      | 4,324      |      |
| CEC            | International Property & Finance Co., Ltd. | -                         | Non-current financial assets at fair value through other comprehensive income | 26,301         | -              | 1.64 %                      | -          |      |
| CEC            | Shin Yu Energy Development Co., Ltd.       | -                         | Non-current financial assets at fair value through other comprehensive income | 22,405,297     | -              | 9.00 %                      | -          |      |
| CDC            | Grand River D. Limited                     | -                         | Non-current financial assets at fair value through profit or loss             | 51,436,803     | 1,068,858      | 10.00 %                     | 1,068,858  |      |

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

| Name of company | Related party | Relationship                 | Transaction details   |             |                                     |                                       | Transactions with terms different from others |               | Notes/Accounts receivable (payable) |   | Note |
|-----------------|---------------|------------------------------|-----------------------|-------------|-------------------------------------|---------------------------------------|---|---------------|-------------------------------------|---|------|
|                 |               |                              | Purchase/Sale         | Amount      | Percentage of total purchases/sales | Payment terms                         | Unit price                                    | Payment terms | Ending balance                      | Percentage of total notes/accounts receivable (payable) |      |
| CEC             | CDC           | Related party of the Company | Construction contract | (2,810,038) | 16.34%                              | Same as those in general transactions | -   | -             | 1,025,713                           | 16.70%  |      |
| CDC             | CEC           | Related party of the Company | Construction project  | 2,810,038   | 57.55%                              | Same as those in general transactions | -   | -             | (1,025,713)                         | 79.30%  |      |
| HDEC            | NSC           | Parent and subsidiary        | Construction contract | (194,520)   | 5.83%                               | Same as those in general transactions | -   | -             | 37,109                              | 1.69%   |      |

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| Name of company | Related party | Relationship                 | Transaction details   |             |                                     |                                       | Transactions with terms different from others |               | Notes/Accounts receivable (payable) |   | Note |
|-----------------|---------------|------------------------------|-----------------------|-------------|-------------------------------------|---------------------------------------|---|---------------|-------------------------------------|---|------|
|                 |               |                              | Purchase/Sale         | Amount      | Percentage of total purchases/sales | Payment terms                         | Unit price                                    | Payment terms | Ending balance                      | Percentage of total notes/accounts receivable (payable) |      |
| NSC             | HDEC          | Parent and subsidiary        | Construction project  | 194,520     | 65.40%                              | Same as those in general transactions | -   | -             | (37,109)                            | 79.46%  |      |
| HDEC            | PDC           | Parent and subsidiary        | Construction contract | (144,308)   | 4.33%                               | Same as those in general transactions | -   | -             | 85,530                              | 3.90%   |      |
| PDC             | HDEC          | Parent and subsidiary        | Construction project  | 144,308     | 46.45%                              | Same as those in general transactions | -   | -             | (85,530)                            | 65.55%  |      |
| SDC             | HDEC          | Parent and subsidiary        | Construction contract | (134,246)   | 43.09%                              | Same as those in general transactions | -   | -             | 51,883                              | 52.96%  |      |
| HDEC            | SDC           | Parent and subsidiary        | Construction project  | 134,246     | 4.50%                               | Same as those in general transactions | -   | -             | (51,883)                            | 11.56%  |      |
| HDEC            | CXC           | Parent and subsidiary        | Construction contract | (1,072,426) | 32.16%                              | Same as those in general transactions | -   | -             | 734,104                             | 33.44%  |      |
| CXC             | HDEC          | Parent and subsidiary        | Construction project  | 1,072,426   | 46.71%                              | Same as those in general transactions | -   | -             | (734,104)                           | 59.91%  |      |
| HDEC            | CTC           | Parent and subsidiary        | Construction contract | (893,772)   | 26.80%                              | Same as those in general transactions | -   | -             | 615,460                             | 28.04%  |      |
| CTC             | HDEC          | Parent and subsidiary        | Construction project  | 893,772     | 61.97%                              | Same as those in general transactions | -   | -             | (615,460)                           | 99.64%  |      |
| HDEC            | CTCI-HDEC     | Related company              | Construction contract | (242,800)   | 7.28%                               | Same as those in general transactions | -   |               | 332,041                             | 15.13%  |      |
| CTCI-HDEC       | HDEC          | Related company              | Construction contract | 242,800     | 37.69%                              | Same as those in general transactions | -   |               | (332,041)                           | 37.38%  |      |
| SDC             | PDC           | Related party of the Company | Construction contract | (174,420)   | 55.99%                              | Same as those in general transactions | -   |               | 44,053                              | 44.97%  |      |
| PDC             | SDC           | Related party of the Company | Construction project  | 174,420     | 56.14%                              | Same as those in general transactions | -   |               | (44,053)                            | 33.76%  |      |

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(v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

| Name of company | Counter-party | Relationship                 | Ending balance                | Turnover rate | Overdue |              | Amounts received in subsequent period | Allowance for bad debts |
|-----------------|---------------|------------------------------|-------------------------------|---------------|---------|--------------|---------------------------------------|-------------------------|
|                 |               |                              |                               |               | Amount  | Action taken |                                       |                         |
| CEC             | CDC           | Related party of the Company | Accounts receivable 1,025,713 | 4.23          | -       | -            | 384,398                               | -                       |
| HDEC            | CXC           | Parent and subsidiary        | Accounts receivable 734,104   | 2.32          | -       | -            | 132,000                               | -                       |
| HDEC            | CTC           | Parent and subsidiary        | Accounts receivable 615,460   | 2.55          | -       | -            | 3,244                                 | -                       |
| HDEC            | CTCI-HDEC     | Associate                    | Accounts receivable 332,041   | 1.50          | -       | -            | 233,382                               | -                       |

(vi) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

| No. | Name of company | Name of counter-party | Relationship | Intercompany transactions       |           |                                      |  |
|-----|-----------------|-----------------------|--------------|---------------------------------|-----------|--------------------------------------|--|
|     |                 |                       |              | Account name                    | Amount    | Trading terms                        | Percentage of the consolidated net revenue or total assets |
| 0   | CHC             | CDC                   | 1            | Other receivables               | 800,441   | Same as those in normal transactions | 0.83%  |
| 1   | CCLC            | CEC                   | 3            | Operating revenues              | 126,931   | Same as those in normal transactions | 0.57%  |
|     |                 | CEC                   | 3            | Accounts receivable             | 14,550    | Same as those in normal transactions | 0.02%  |
|     |                 | CDC                   | 3            | Operating revenues              | 29,440    | Same as those in normal transactions | 0.13%  |
|     |                 | HDEC                  | 3            | Operating revenues              | 47,178    | Same as those in normal transactions | 0.21%  |
| 2   | CEC             | CDC                   | 3            | Operating revenue               | 2,810,038 | Same as those in normal transactions | 12.70%   |
|     |                 | CDC                   | 3            | Accounts receivable             | 384,398   | Same as those in normal transactions | 0.40%  |
|     |                 | CDC                   | 3            | Contract asset                  | 641,315   | Same as those in normal transactions | 0.67%  |
|     |                 | CDC                   | 3            | Other receivables               | 1,000,003 | Same as those in normal transactions | 1.04%  |
|     |                 | CDC                   | 3            | Interest revenue                | 15,620    | Same as those in normal transactions | 0.07%  |
|     |                 | CCLC                  | 3            | Administrative expenses         | 126,931   | Same as those in normal transactions | 0.57%  |
|     |                 | CCLC                  | 3            | Other payables                  | 14,550    | Same as those in normal transactions | 0.02%  |
| 3   | CDC             | CHC                   | 2            | Other payables                  | 800,441   | Same as those in normal transactions | 0.83%  |
|     |                 | CEC                   | 3            | Operating costs                 | 2,810,038 | Same as those in normal transactions | 12.70%   |
|     |                 | CEC                   | 3            | Accounts payable                | 1,025,713 | Same as those in normal transactions | 1.07%  |
|     |                 | CEC                   | 3            | Other payables                  | 1,000,003 | Same as those in normal transactions | 1.04%  |
|     |                 | CEC                   | 3            | Interest expense                | 15,620    | Same as those in normal transactions | 0.07%  |
|     |                 | MEGA                  | 3            | Other receivables               | 904,173   | Same as those in normal transactions | 0.94%  |
|     |                 | MEGA                  | 3            | Interest revenues               | 12,951    | Same as those in normal transactions | 0.06%  |
|     |                 | BANGSAR               | 3            | Other receivables               | 356,867   | Same as those in normal transactions | 0.37%  |
|     |                 | CCLC                  | 3            | Administrative expenses         | 29,440    | Same as those in normal transactions | 0.13%  |
|     |                 | CCD                   | 3            | Other-non-current assets -other | 330,000   | Same as those in normal transactions | 0.34%  |
| 4   | CCD             | CDC                   | 3            | Guarantee deposits received     | 330,000   | Same as those in normal transactions | 0.34%  |
| 5   | MEGA            | CDC                   | 3            | Other payables                  | 904,173   | Same as those in normal transactions | 0.94%  |
|     |                 | CDC                   | 3            | Interest expense                | 12,951    | Same as those in normal transactions | 0.06%  |

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| No. | Name of company | Name of counter-party | Relationship | Intercompany transactions |           |                                      |  |
|-----|-----------------|-----------------------|--------------|---------------------------|-----------|--------------------------------------|--|
|     |                 |                       |              | Account name              | Amount    | Trading terms                        | Percentage of the consolidated net revenue or total assets |
| 6   | BANGSAR         | CDC                   | 3            | Other payables            | 356,867   | Same as those in normal transactions | 0.37%  |
| 7   | HDEC            | NSC                   | 3            | Operating revenues        | 194,520   | Same as those in normal transactions | 0.88%  |
|     |                 | NSC                   | 3            | Accounts receivable       | 33,435    | Same as those in normal transactions | 0.03%  |
|     |                 | NSC                   | 3            | Contract assets           | 3,674     | Same as those in normal transactions | -%   |
|     |                 | SDC                   | 3            | Operating costs           | 134,246   | Same as those in normal transactions | 0.61%  |
|     |                 | SDC                   | 3            | Accounts payable          | 51,883    | Same as those in normal transactions | 0.06%  |
|     |                 | PDC                   | 3            | Operating revenues        | 144,308   | Same as those in normal transactions | 0.65%  |
|     |                 | PDC                   | 3            | Accounts receivable       | 15,781    | Same as those in normal transactions | 0.02%  |
|     |                 | PDC                   | 3            | Contract assets           | 69,749    | Same as those in normal transactions | 0.07%  |
|     |                 | CTC                   | 3            | Operating revenues        | 893,772   | Same as those in normal transactions | 4.04%  |
|     |                 | CTC                   | 3            | Accounts receivable       | 421,763   | Same as those in normal transactions | 0.44%  |
|     |                 | CTC                   | 3            | Contract assets           | 193,697   | Same as those in normal transactions | 0.20%  |
|     |                 | CXC                   | 3            | Operating revenue         | 1,072,426 | Same as those in normal transactions | 4.85%  |
|     |                 | CXC                   | 3            | Accounts receivable       | 543,914   | Same as those in normal transactions | 0.57%  |
|     |                 | CXC                   | 3            | Contract assets           | 190,190   | Same as those in normal transactions | 0.20%  |
|     |                 | CCLC                  | 3            | Administrative expenses   | 47,178    | Same as those in normal transactions | 0.21%  |
| 8   | NSC             | HDEC                  | 3            | Operating costs           | 194,520   | Same as those in normal transactions | 0.88%  |
|     |                 | HDEC                  | 3            | Accounts payable          | 37,109    | Same as those in normal transactions | 0.03%  |
| 9   | SDC             | HDEC                  | 3            | Operating revenues        | 134,246   | Same as those in normal transactions | 0.61%  |
|     |                 | HDEC                  | 3            | Accounts receivable       | 15,979    | Same as those in normal transactions | 0.02%  |
|     |                 | HDEC                  | 3            | Contract assets           | 35,904    | Same as those in normal transactions | 0.04%  |
|     |                 | PDC                   | 3            | Operating revenues        | 174,420   | Same as those in normal transactions | 0.79%  |
|     |                 | PDC                   | 3            | Accounts receivable       | 27,661    | Same as those in normal transactions | 0.03%  |
|     |                 | PDC                   | 3            | Contract assets           | 16,392    | Same as those in normal transactions | 0.02%  |
| 10  | PDC             | HDEC                  | 3            | Operating costs           | 144,308   | Same as those in normal transactions | 0.65%  |
|     |                 | HDEC                  | 3            | Accounts payable          | 85,530    | Same as those in normal transactions | 0.09%  |
|     |                 | SDC                   | 3            | Operating cost            | 174,420   | Same as those in normal transactions | 0.79%  |
|     |                 | SDC                   | 3            | Accounts payable          | 44,053    | Same as those in normal transactions | 0.05%  |
| 11  | CTC             | HDEC                  | 3            | Operating costs           | 893,772   | Same as those in normal transactions | 4.04%  |
|     |                 | HDEC                  | 3            | Accounts payable          | 615,460   | Same as those in normal transactions | 0.64%  |
| 12  | CXC             | HDEC                  | 3            | Operating costs           | 1,072,426 | Same as those in normal transactions | 4.85%  |
|     |                 | HDEC                  | 3            | Accounts payable          | 734,104   | Same as those in normal transactions | 0.77%  |

Note 1: For transactions between the Company and its subsidiaries, numbers are assigned as follows:

- 1) 0 represents the Company.
- 2) 1~11 represent subsidiaries

Note 2: Relationships are as follows:

- 1) 1. the Company to subsidiary.
- 2) 2. subsidiary to the Company.
- 3) 3. subsidiary to other subsidiary.

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## (b) Information on investees:

(In Thousands of New Taiwan Dollars)

| Name of investor | Name of investee                                       | Location  | Main businesses and products  | Original investment amount |                   | Balance as of September 30, 2025 |                         |                | Net income (losses) of investee | Share of profits/losses of investee | Note   |
|------------------|--|-----------|---|----------------------------|-------------------|----------------------------------|-------------------------|----------------|---------------------------------|-------------------------------------|--------|
|                  |  |           |   | September 30, 2025         | December 31, 2024 | Shares                           | Percentage of ownership | Carrying value |                                 |                                     |        |
| CHC              | CEC  | Taiwan    | Civil, Building and M&E engineering   | 6,884,583                  | 6,884,583         | 372,061,987                      | 99.99 % (Note 2)        | 6,539,473      | 571,191                         | 411,571                             | Note 1 |
| CHC              | CDC  | Taiwan    | Real estate development on residential, commercial, hotels and communities          | 6,220,745                  | 6,220,745         | 666,733,726                      | 99.99 % (Note 2)        | 16,338,552     | (84,702)                        | (84,702)                            | Note 1 |
| CHC              | HDEC   | Taiwan    | Environmental project development & Water treatment                                 | 2,860,365                  | 2,860,365         | 436,899,838                      | 99.99 % (Note 3)        | 6,061,905      | 531,494                         | 531,494                             | Note 1 |
| CHC              | CCLC   | Taiwan    | Management consulting   | 20,000                     | 20,000            | -                                | 100.00 %                | 20,528         | (4,472)                         | (4,472)                             | -      |
| CEC              | CEC International Corp. (India) Private Limited        | India     | Civil and Building engineering  | 497,839                    | 497,839           | 73,981,492                       | 100.00 %                | 14,954         | 3,548                           | Disclosure not required             | -      |
| CEC              | CEC International Malaysia SDN. BHD                    | Malaysia  | Civil and Building engineering  | 179,257                    | 179,257           | 22,340,476                       | 85.14 %                 | 5,431          | (309)                           | "                                   | -      |
| CEC              | Continental Engineering Corporation(Hong Kong) Limited | Hong Kong | Civil and Building engineering  | 10,815                     | 10,815            | 3,000,000                        | 100.00 %                | 766            | (39)                            | "                                   | -      |
| CDC              | BANGSAR RISING SDN. BHD.                               | Malaysia  | Real estate development on residential  | 4,444                      | 4,444             | 600,000                          | 60.00 %                 | (39,393)       | (9,980)                         | "                                   | -      |
| CDC              | CCD  | Taiwan    | Real estate development and lease   | 976,539                    | 976,539           | 48,198,292                       | 80.65 %                 | 2,113,361      | (48,735)                        | "                                   | -      |
| CDC              | Fanlu  | Taiwan    | Real estate development on residential and hotels                                   | 915,950                    | 915,950           | 91,595,000                       | 35.00 %                 | 649,298        | (114,367)                       | "                                   | -      |
| CDC              | MEGA Capital Development SDN. BHD.                     | Malaysia  | Real estate development on hotels   | 7,375                      | 7,375             | 825,000                          | 55.00 %                 | (119,917)      | 32,630                          | "                                   | -      |
| CDC              | CDC US Corporation                                     | The U.S.  | Investment and holding  | 5,500,673                  | 4,420,559         | 5,000,000                        | 100.00 %                | 3,694,151      | (342,905)                       | "                                   | -      |
| CDC              | CDC Asset Management Malaysia Sdn. Bhd.                | Malaysia  | Management consulting   | 7,524                      | 7,524             | 1,000,000                        | 100.00 %                | 10,353         | 664                             | "                                   | -      |
| HDEC             | SDC  | Taiwan    | Construction of underground pipeline and environmental protection project, plumbing | 119,600                    | 49,600            | 10,000,000                       | 100.00 %                | 139,780        | 30,476                          | "                                   | -      |
| HDEC             | NSC  | Taiwan    | Environmental project   | 1,112,000                  | 1,112,000         | 166,000,000                      | 100.00 %                | 2,833,504      | 138,478                         | "                                   | -      |
| HDEC             | BWC  | Taiwan    | Environmental project   | 362,100                    | 362,100           | 37,740,000                       | 51.00 %                 | 447,755        | 79,428                          | "                                   | -      |
| HDEC             | PDC  | Taiwan    | Environmental project   | 540,000                    | 540,000           | 64,496,000                       | 100.00 %                | 707,516        | 50,891                          | "                                   | -      |
| HDEC             | CTCI-HDEC  | Taiwan    | Environmental project   | 786,940                    | 786,940           | 81,046,000                       | 49.00 %                 | 845,907        | 42,097                          | "                                   | -      |
| HDEC             | LHC  | Taiwan    | Environmental project   | 55,000                     | 385,000           | 6,600,000                        | 55.00 %                 | 140,955        | 88,267                          | "                                   | -      |

(Continued)

**(English Translation of Financial Report Originally Issued in Chinese)**

**CONTINENTAL HOLDINGS CORPORATION**  
**Notes to Consolidated Financial Statements**

| Name of investor | Name of investee | Location | Main businesses and products   | Original investment amount |                   | Balance as of September 30, 2025 |                         |                | Net income (losses) of investee | Share of profits/losses of investee | Note |
|------------------|------------------|----------|--|----------------------------|-------------------|----------------------------------|-------------------------|----------------|---------------------------------|-------------------------------------|------|
|                  |                  |          |  | September 30, 2025         | December 31, 2024 | Shares                           | Percentage of ownership | Carrying value |                                 |                                     |      |
| HDEC             | CTC              | Taiwan   | Environmental project  | 1,300,000                  | 850,000           | 132,005,000                      | 100.00 %                | 1,322,178      | (292)                           | Disclosure not required             | -    |
| HDEC             | CXC              | Taiwan   | Environmental project  | 2,200,000                  | 1,500,000         | 236,720,000                      | 100.00 %                | 2,490,769      | 104,986                         | "                                   | -    |
| HDEC             | HBS              | Taiwan   | Environmental project  | 100,000                    | -                 | 10,000,000                       | 100.00 %                | 99,923         | (77)                            | "                                   | -    |
| CCLC             | CEC              | Taiwan   | Civil, Building and M&E engineering  | 1                          | 1                 | 84                               | - %<br>(Note 4)         | 2              | 571,191                         | "                                   | -    |
| CCLC             | CDC              | Taiwan   | Real estate development on residential, commercial, hotels and communities | 3                          | 3                 | 113                              | - %<br>(Note 4)         | 3              | (84,702)                        | "                                   | -    |
| CCLC             | HDEC             | Taiwan   | Environmental project development & Water treatment                        | 1                          | 1                 | 162                              | - %<br>(Note 5)         | 2              | 531,494                         | "                                   | -    |

Note 1: The information on investment income/loss was derived from the investees' financial statements audited by the auditors for the same period.

Note 2: The shareholding ratio is 99.99998% at the end of the period.

Note 3: The shareholding ratio is 99.99996% at the end of the period.

Note 4: The shareholding ratio is 0.00002% at the end of the period.

Note 5: The shareholding ratio is 0.00004% at the end of the period.

(c) Information on investment in Mainland China: None

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(14) Segment information**

| For the three months ended September 30, 2025 |                             |                            |   |                  |                             |                   |
|---|-----------------------------|----------------------------|---|------------------|-----------------------------|-------------------|
|   | Construction<br>Engineering | Real Estate<br>Development | Environmental<br>project<br>Development &<br>Water<br>Treatment | Investment       | Adjustment<br>and write-off | Total             |
| Revenue:                                      |                             |                            |   |                  |                             |                   |
| Segment revenues from external customers      | \$ 5,178,342                | 477,840                    | 1,339,621   | -                | -                           | 6,995,803         |
| Intersegment revenues                         | 1,076,013                   | -                          | -   | 525,810          | (1,601,823)                 | -                 |
| Total revenues                                | <u>\$ 6,254,355</u>         | <u>477,840</u>             | <u>1,339,621</u>  | <u>525,810</u>   | <u>(1,601,823)</u>          | <u>6,995,803</u>  |
| Reportable segment profit or loss             | <u>\$ 367,785</u>           | <u>63,905</u>              | <u>144,425</u>  | <u>419,614</u>   | <u>(525,455)</u>            | <u>470,274</u>    |
| For the three months ended September 30, 2024 |                             |                            |   |                  |                             |                   |
|   | Construction<br>Engineering | Real Estate<br>Development | Environmental<br>project<br>Development &<br>Water<br>Treatment | Investment       | Adjustment<br>and write-off | Total             |
| Revenue:                                      |                             |                            |   |                  |                             |                   |
| Segment revenues from external customers      | \$ 4,588,119                | 1,140,700                  | 2,461,162   | -                | -                           | 8,189,981         |
| Intersegment revenues                         | 878,982                     | -                          | -   | 729,026          | (1,608,008)                 | -                 |
| Total revenues                                | <u>\$ 5,467,101</u>         | <u>1,140,700</u>           | <u>2,461,162</u>  | <u>729,026</u>   | <u>(1,608,008)</u>          | <u>8,189,981</u>  |
| Reportable segment profit or loss             | <u>\$ 352,236</u>           | <u>74,901</u>              | <u>229,217</u>  | <u>633,245</u>   | <u>(700,190)</u>            | <u>589,409</u>    |
| For the nine months ended September 30, 2025  |                             |                            |   |                  |                             |                   |
|   | Construction<br>Engineering | Real Estate<br>Development | Environmental<br>project<br>Development &<br>Water<br>Treatment | Investment       | Adjustment<br>and write-off | Total             |
| Revenues:                                     |                             |                            |   |                  |                             |                   |
| Segment revenues from external customers      | \$ 14,343,142               | 1,400,493                  | 6,375,564   | -                | -                           | 22,119,199        |
| Intersegment revenues                         | 2,865,628                   | -                          | -   | 1,057,440        | (3,923,068)                 | -                 |
| Total revenues                                | <u>\$ 17,208,770</u>        | <u>1,400,493</u>           | <u>6,375,564</u>  | <u>1,057,440</u> | <u>(3,923,068)</u>          | <u>22,119,199</u> |
| Reportable segment profit or loss             | <u>\$ 571,888</u>           | <u>(187,607)</u>           | <u>739,036</u>  | <u>740,687</u>   | <u>(1,013,511)</u>          | <u>850,493</u>    |
| For the nine months ended September 30, 2024  |                             |                            |   |                  |                             |                   |
|   | Construction<br>Engineering | Real Estate<br>Development | Environmental<br>project<br>Development &<br>Water<br>Treatment | Investment       | Adjustment<br>and write-off | Total             |
| Revenues:                                     |                             |                            |   |                  |                             |                   |
| Segment revenues from external customers      | \$ 13,215,168               | 4,358,981                  | 5,460,793   | -                | -                           | 23,034,942        |
| Intersegment revenues                         | 2,047,497                   | -                          | -   | 1,777,411        | (3,824,908)                 | -                 |
| Total revenues                                | <u>\$ 15,262,665</u>        | <u>4,358,981</u>           | <u>5,460,793</u>  | <u>1,777,411</u> | <u>(3,824,908)</u>          | <u>23,034,942</u> |
| Reportable segment profit or loss             | <u>\$ 672,083</u>           | <u>78,286</u>              | <u>617,609</u>  | <u>1,484,484</u> | <u>(1,630,123)</u>          | <u>1,222,339</u>  |