HOTAI FINANCE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

JUNE 30, 2026 AND 2025

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

HOTAI FINANCE CO., LTD. AND SUBSIDIARIES

JUNE 30, 2026 AND 2025 CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REVIEW REPORT

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INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Hotai Finance Company Limited

Introduction

We have reviewed the accompanying consolidated balance sheets of Hotai Finance Co., Ltd. and its subsidiaries (the "Group") as at June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and six months then ended, as well as the consolidated statements of change in equity and of cash flows for the six months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these 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" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As explained in Notes 4(3) and 6(5), the financial statements of certain insignificant consolidated subsidiaries, investments accounted for under the equity method and the information disclosed in Note 13 were not reviewed by independent auditors. Total assets of these subsidiaries and investments accounted for under the equity method amounted to NT$6,960,452 thousand and NT$20,353,972 thousand, constituting 2.10% and 6.37% of the consolidated total assets as at June 30, 2026 and 2025, respectively, total liabilities amounted to NT$3,298,577 thousand and NT$12,178,729 thousand, constituting 1.14% and

4.37% of the consolidated total liabilities as at June 30, 2026 and 2025, respectively, and the total comprehensive income amounted to NT$14,925 thousand, NT$13,674 thousand, NT$42,243 thousand and NT$65,964 thousand, constituting 2.17%, 4.37%, 2.23% and 5.68% of the consolidated total comprehensive income for the three months and six months then ended, respectively.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for under the equity method been reviewed by independent auditors as described in the *Basis for qualified conclusion* section above, 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 the Group as at June 30, 2026 and 2025, and of its consolidated financial performance for the three months and six months then ended and its consolidated cash flows for the six months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

Wang, Fang-Yu　　Lin, Chia-Hung

For and on behalf of PricewaterhouseCoopers, Taiwan

August 11, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers Taiwan cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

HOTAI FINANCE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2026, DECEMBER 31, 2025 AND JUNE 30, 2025
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of June 30, 2026 and 2025 are reviewed, not audited)

	Assets	Notes	June 30, 2026 Amount	%	December 31, 2025 Amount	%	June 30, 2025 Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 4,931,503	2	$ 4,631,325	2	$ 4,595,720	1
1136	Current financial assets at amortised cost		354,460	-	387,446	-	-	-
1139	Hedging financial assets-current	6(2)	71,576	-	146,193	-	106,064	-
1150	Notes receivable, net	6(3) and 8	19,796,899	6	18,537,954	6	15,881,964	5
1170	Accounts receivable, net	6(3), 7 and 8	244,725,229	74	246,178,599	75	242,980,998	76
1196	Operating lease receivable, net		1,361	-	1,318	-	3,193	-
1197	Finance lease receivable, net	6(8) and 8	25,561,208	8	26,827,522	8	25,366,314	8
1200	Other receivables	7	241,311	-	148,511	-	160,915	-
130X	Inventories		5,835	-	6,930	-	5,618	-
1410	Prepayments	6(4) and 7	4,437,906	1	4,576,001	1	4,686,489	2
1476	Other current financial assets	8	365,213	-	196,177	-	155,686	-
11XX	**Total current assets**		300,492,501	91	301,637,976	92	293,942,961	92
	Non-current assets							
1517	Financial assets at fair value through other comprehensive income-non-current		1,783,225	1	139,286	-	28,225	-
1535	Non-current financial assets at amortised cost		584,458	-	400,547	-	-	-
1550	Investments accounted for using equity method	6(5)	960,098	-	979,537	-	1,638,569	1
1600	Property, plant and equipment, net	6(6) and 8	7,241,098	2	7,036,809	2	6,548,397	2
1755	Right-of-use assets	6(7)	486,520	-	431,065	-	394,391	-
1760	Investment property, net	6(9)	163,234	-	163,644	-	164,056	-
1780	Intangible assets	6(10)	1,810,847	1	1,842,580	1	497,268	-
1840	Deferred income tax assets		1,569,579	-	1,369,947	-	1,254,692	-
1930	Long-term notes and accounts receivable	6(3)	12,768,009	4	11,874,209	4	11,549,842	4
194D	Long-term finance lease receivable, net	6(8)	1,509,391	-	1,489,355	-	1,283,559	-
1990	Other non-current assets, others	8	2,363,375	1	2,220,538	1	2,082,419	1
15XX	**Total non-current assets**		31,239,834	9	27,947,517	8	25,441,418	8
1XXX	**Total assets**		$ 331,732,335	100	$ 329,585,493	100	$ 319,384,379	100

(Continued)

HOTAI FINANCE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2026, DECEMBER 31, 2025 AND JUNE 30, 2025
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of June 30, 2026 and 2025 are reviewed, not audited)

	Liabilities and Equity	Notes	June 30, 2026 Amount	%	December 31, 2025 Amount	%	June 30, 2025 Amount	%
	Liabilities							
	Current liabilities							
2100	Short-term loans	6(11)	$ 109,249,344	33	$ 100,930,048	31	$ 97,893,506	31
2110	Short-term notes and bills payable	6(12)	129,667,883	39	145,508,216	44	147,903,420	46
2126	Hedging financial liabilities-current	6(2)	1,123,333	-	687,433	-	991,661	-
2150	Notes payable		1,395,690	1	1,326,948	1	844,572	-
2170	Accounts payable		504,346	-	413,479	-	434,893	-
2180	Accounts payable - related parties	7	329,131	-	147,966	-	233,801	-
2200	Other payables	7	6,053,442	2	3,597,697	1	5,675,371	2
2230	Current income tax liabilities		925,328	-	872,384	-	777,468	-
2280	Current lease liabilities	7	73,050	-	72,510	-	71,748	-
2320	Bonds payable	6(13)	22,750,000	8	17,800,000	6	14,200,000	5
2320	Long-term liabilities, current portion	6(14)	9,723,847	2	343,689	-	203,776	-
2370	Current financial guarantee liabilities	12(2)	38,605	-	23,273	-	23,429	-
2399	Guarantee deposits received-current	6(15)	3,835,234	1	4,164,386	1	3,730,694	1
2399	Other current liabilities, others	7	70,949	-	138,147	-	93,700	-
21XX	**Total current liabilities**		285,740,182	86	276,026,176	84	273,078,039	85
	Non-current liabilities							
2540	Long-term loans	6(14)	1,389,447	1	8,733,259	3	4,508,429	2
2570	Deferred income tax liabilities	6(28)	813,909	-	805,840	-	589,255	-
2580	Lease liabilities-non-current	7	411,754	-	355,390	-	319,314	-
2645	Guarantee deposits received-non-current	6(15)	390,559	-	268,572	-	366,651	-
25XX	**Total non-current liabilities**		3,005,669	1	10,163,061	3	5,783,649	2
2XXX	**Total liabilities**		288,745,851	87	286,189,237	87	278,861,688	87
	Equity							
	Equity attributable to owners of parent							
	Share capital	6(17)						
3110	Common stock		6,231,505	2	6,231,505	2	6,231,505	2
3120	Preference stock		1,000,000	-	1,000,000	-	1,000,000	-
3150	Stock dividend to be distributed		186,945	-	-	-	-	-
	Capital surplus	6(18)						
3200	Capital surplus		17,139,974	5	17,139,974	5	17,139,974	6
	Retained earnings	6(19)						
3310	Legal reserve		3,457,993	1	3,120,400	1	3,120,400	1
3320	Special reserve		23,732	-	53,645	-	53,645	-
3350	Unappropriated earnings		9,994,227	3	10,936,093	4	9,189,740	3
	Other equity interest							
3400	Other equity interest		(157,054)	-	4,478	-	(298,286)	-
31XX	**Total equity attributable to shareholders of the parent**		37,877,322	11	38,486,095	12	36,436,978	12
36XX	Non-controlling interest		5,109,162	2	4,910,161	1	4,085,713	1
3XXX	**Total equity**		42,986,484	13	43,396,256	13	40,522,691	13
	Significant contingent liabilities and unrecognized contract commitments	9						
3X2X	**Total liabilities and equity**		$ 331,732,335	100	$ 329,585,493	100	$ 319,384,379	100

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

HOTAI FINANCE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)
(Reviewed, not audited)

	Items	Notes	Three months ended June 30, 2026 Amount	%	Three months ended June 30, 2025 Amount	%	Six months ended June 30, 2026 Amount	%	Six months ended June 30, 2025 Amount	%
4000	Operating revenue	6(20) and 7	$ 5,758,473	100	$ 5,997,404	100	$ 11,564,100	100	$ 12,083,138	100
5000	Operating costs	6(21) and 7	(2,219,873)	(39)	(2,416,066)	(40)	(4,436,223)	(38)	(4,766,428)	(40)
5900	Gross profit		3,538,600	61	3,581,338	60	7,127,877	62	7,316,710	60
	Operating expenses	6(26)(27) and 7								
6100	Selling expenses		(783,141)	(14)	(811,885)	(14)	(1,556,358)	(14)	(1,696,674)	(14)
6200	General and administrative expenses		(632,981)	(11)	(490,199)	(8)	(1,317,321)	(11)	(1,003,333)	(8)
6450	Expected credit losses	12(2)	(940,646)	(16)	(1,252,026)	(21)	(1,959,697)	(17)	(2,627,337)	(22)
6000	Total operating expenses		(2,356,768)	(41)	(2,554,110)	(43)	(4,833,376)	(42)	(5,327,344)	(44)
6900	Operating profit		1,181,832	20	1,027,228	17	2,294,501	20	1,989,366	16
	Non-operating income and expenses									
7100	Interest income	6(22)	24,764	-	9,274	-	29,237	-	14,571	-
7010	Other income	6(23)	101,970	2	41,712	1	178,599	1	125,653	1
7020	Other gains and losses	6(24)	(10,950)	-	545	-	9,624	-	(7,314)	-
7050	Finance costs	6(25)	(2,395)	-	(2,094)	-	(4,677)	-	(4,330)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	6(5)	(7,064)	-	(4,321)	-	(19,439)	-	(8,668)	-
7000	Total non-operating income and expenses		106,325	2	45,116	1	193,344	1	119,912	1
7900	**Profit before income tax**		1,288,157	22	1,072,344	18	2,487,845	21	2,109,278	17
7950	Income tax expense	6(28)	(320,543)	(5)	(136,102)	(3)	(597,315)	(5)	(400,652)	(3)
8200	**Profit for the period**		$ 967,614	17	$ 936,242	15	$ 1,890,530	16	$ 1,708,626	14

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HOTAI FINANCE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)
(Reviewed, not audited)

	Items	Notes	Three months ended June 30, 2026 AMOUNT	%	Three months ended June 30, 2025 AMOUNT	%	Six months ended June 30, 2026 AMOUNT	%	Six months ended June 30, 2025 AMOUNT	%
	Other comprehensive income (loss) for the period									
	Components of other comprehensive income (loss) that may not be reclassified to profit or loss									
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income		($ 393,090)	(7)	$ 386	-	($ 392,675)	(3)	$ 436	-
8310	Total components of other comprehensive (loss) income that may not be reclassified to profit or loss		(393,090)	(7)	386	-	(392,675)	(3)	436	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss									
8361	Financial statement translation differences of foreign operations		88,086	2	(749,838)	(12)	308,507	2	(627,367)	(5)
8368	Gains on hedging instrument	6(2)	13,683	-	163,112	3	102,775	1	108,485	1
8399	Income tax related to components of other comprehensive (income) loss that will be reclassified to profit or loss	6(28)	12,776	-	(36,846)	(1)	(14,426)	-	(29,621)	-
8360	Total components of other comprehensive income (loss) that will be reclassified to profit or loss		114,545	2	(623,572)	(10)	396,856	3	(548,503)	(4)
8300	**Other comprehensive (loss) income for the period, net of tax**		($ 278,545)	(5)	($ 623,186)	(10)	$ 4,181	-	($ 548,067)	(4)
8500	**Total comprehensive income for the period**		$ 689,069	12	$ 313,056	5	$ 1,894,711	16	$ 1,160,559	10
	Profit, attributable to									
8610	Owners of the parent		$ 949,140	17	$ 902,488	14	$ 1,857,210	16	$ 1,629,577	13
8620	Non-controlling interest		18,474	-	33,754	1	33,320	-	79,049	1
			$ 967,614	17	$ 936,242	15	$ 1,890,530	16	$ 1,708,626	14
	Comprehensive income (loss) attributable to									
8710	Owners of the parent		$ 588,916	10	$ 632,627	10	$ 1,695,678	14	$ 1,384,936	12
8720	Non-controlling interest		100,153	2	(319,571)	(5)	199,033	2	(224,377)	(2)
			$ 689,069	12	$ 313,056	5	$ 1,894,711	16	$ 1,160,559	10
	Earnings per share (in dollars)									
9750	Basic earnings per share	6(29)	$	1.48	$	1.41	$	2.22	$	1.86
9850	Diluted earnings per share	6(29)	$	1.48	$	1.41	$	2.21	$	1.86

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

HOTAI FINANCE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

		Equity attributable to owners of the parent											
		Share capital				Retained earnings			Other equity interest				
	Notes	Common stock	Preference share	Stock dividend to be distributed	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Gains on hedging instruments	Total	Non-controlling interest	Total equity
Six months ended June 30, 2025														
Balance at January 1, 2025		$ 6,231,505	$ 1,000,000	$ -	$ 17,139,974	$ 2,814,851	$ 114,895	$ 10,108,913	($ 10,583)	$ 3,619	($ 46,681)	$ 37,356,493	$ 4,310,090	$ 41,666,583
Profit for the period		-	-	-	-	-	-	1,629,577	-	-	-	1,629,577	79,049	1,708,626
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	(343,596)	479	98,476	(244,641)	(303,426)	(548,067)
Total comprehensive income (loss) for the period		-	-	-	-	-	-	1,629,577	(343,596)	479	98,476	1,384,936	(224,377)	1,160,559
Appropriation and distribution of retained earnings														
Legal reserve	6(19)	-	-	-	-	305,549	-	(305,549)	-	-	-	-	-	-
Special reserve reversed	6(19)	-	-	-	-	-	(61,250)	61,250	-	-	-	-	-	-
Dividend on preferred stock	6(19)	-	-	-	-	-	-	(435,000)	-	-	-	(435,000)	-	(435,000)
Cash dividend on common stock	6(19)	-	-	-	-	-	-	(1,869,451)	-	-	-	(1,869,451)	-	(1,869,451)
Balance at June 30, 2025		$ 6,231,505	$ 1,000,000	$ -	$ 17,139,974	$ 3,120,400	$ 53,645	$ 9,189,740	($ 354,179)	$ 4,098	$ 51,795	$ 36,436,978	$ 4,085,713	$ 40,522,691
Six months ended June 30, 2026														
Balance at January 1, 2026		$ 6,231,505	$ 1,000,000	$ -	$ 17,139,974	$ 3,120,400	$ 53,645	$ 10,936,093	($ 12,376)	$ 4,899	$ 11,955	$ 38,486,095	$ 4,910,161	$ 43,396,256
Profit for the period		-	-	-	-	-	-	1,857,210	-	-	-	1,857,210	33,320	1,890,530
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	157,962	(392,675)	73,181	(161,532)	165,713	4,181
Total comprehensive income (loss) for the period		-	-	-	-	-	-	1,857,210	157,962	(392,675)	73,181	1,695,678	199,033	1,894,711
Appropriation and distribution of retained earnings														
Legal reserve	6(19)	-	-	-	-	337,593	-	(337,593)	-	-	-	-	-	-
Special reserve reversed	6(19)	-	-	-	-	-	(29,913)	29,913	-	-	-	-	-	-
Dividend on preferred stock	6(19)	-	-	-	-	-	-	(435,000)	-	-	-	(435,000)	-	(435,000)
Cash dividend on common stock	6(19)	-	-	-	-	-	-	(1,869,451)	-	-	-	(1,869,451)	(32)	(1,869,483)
Stock dividend on common stock	6(19)	-	-	186,945	-	-	-	(186,945)	-	-	-	-	-	-
Balance at June 30, 2026		$ 6,231,505	$ 1,000,000	$ 186,945	$ 17,139,974	$ 3,457,993	$ 23,732	$ 9,994,227	$ 145,586	($ 387,776)	$ 85,136	$ 37,877,322	$ 5,109,162	$ 42,986,484

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

HOTAI FINANCE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

SIX MONTHS ENDED JUNE 30, 2026 AND 2025

(Expressed in thousands of New Taiwan dollars)

(Reviewed, not audited)

	Notes	Six months ended June 30, 2026	Six months ended June 30, 2025
Cash Flows From Operating Activities			
Profit before tax		$ 2,487,845	$ 2,109,278
Adjustments to reconcile net profit to net cash from (used in) operating activities			
Income and expenses having no effect on cash flows			
Expected credit losses and financial guarantee expenses		3,213,766	3,436,861
Depreciation	6(26)	326,843	363,891
Amortization	6(10)(26)	45,149	14,952
Reversal of impairment loss recognized on leased assets	6(6)	(126)	(130)
Gains on financial assets at fair value through profit or loss	6(24)	(1,082)	(342)
Net losses (gains) on disposals of property, plant and equipment	6(24)	1,848	(3,530)
Loss on disposals of investments	6(24)	-	6,880
Interest expense	6(21)(25)	3,004,745	2,947,925
Interest income	6(20)(22)	(10,135,149)	(10,656,328)
Dividend income		(60,055)	-
Profit from lease modification	6(7)	-	(39)
Share of profit or loss of associates accounted for using equity method	6(5)	19,439	8,668
Changes in assets and liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		1,082	342
Notes and accounts receivable		(2,665,188)	4,458,383
Other receivables		(45,150)	51,948
Inventories		81,426	70,481
Prepayments		138,095	841,160
Net changes in liabilities relating to operating activities			
Notes and accounts payable		323,456	(452,030)
Other payables		(11,082)	(39,543)
Current financial guarantee liabilities		15,332	(1,235)
Other current liabilities, others		(67,198)	28,939
Cash (outflow) inflow generated from operations		(3,326,004)	3,186,531
Cash dividends received		60,055	-
Interest received		10,087,499	10,528,636
Interest paid		(2,873,430)	(2,944,940)
Income tax paid		(750,360)	(352,945)
Net cash flows from operating activities		3,197,760	10,417,282
Cash Flows From Investing Activities			
Acquisition of property, plant and equipment	6(31)	(382,864)	(602,170)
Acquisition of financial assets at fair value through other comprehensive income		(2,036,614)	-
Proceeds from disposal of property, plant and equipment		9,921	8,917
Acquisition of financial assets at amortised cost		(225,000)	-
Proceeds from disposal of financial assets at amortised cost		72,357	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		-	8,000
(Increase) decrease in other financial assets		(169,336)	2,241
Increase in other non-current assets		(293,179)	(334,713)
Net cash flows used in investing activities		(3,024,715)	(917,725)
Cash Flows From Financing Activities			
Increase (decrease) in short-term loans	6(32)	8,932,588	(22,551,031)
(Decrease) increase in short-term notes and bills payable	6(32)	(15,800,000)	28,091,092
Proceeds from long-term loans	6(32)	2,109,450	3,426,173
Repayments of long-term loans	6(32)	(73,104)	(419,098)
Proceeds from issuance of bonds payable	6(13)(32)	7,150,000	-
Repayments of bonds payable	6(13)(32)	(2,200,000)	(17,000,000)
Decrease in guarantee deposits received	6(32)	(207,165)	(777,826)
Decrease in other payables	6(32) and 7	(9,272)	(121,278)
Repayment of principal portion of lease liabilities	6(32)	(36,531)	(46,775)
Cash dividends paid from subsidiaries to non-controlling interests		(32)	-
Net cash flows used in financing activities		(134,066)	(9,398,743)
Effect of exchange rate changes		261,199	(490,925)
Increase (decrease) in cash and cash equivalents		300,178	(390,111)
Cash and cash equivalents at beginning of period		4,631,325	4,985,831
Cash and cash equivalents at end of period		$ 4,931,503	$ 4,595,720

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

HOTAI FINANCE CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(Reviewed, not audited)

1. HISTORY AND ORGANIZATION

Hotai Finance Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in installment sales and leases of vehicles and equipment, as well as solar energy business. Hozan Investment Co., Ltd. holds 45.395% ordinary equity interest in the Company. Hotai Motor Co. Ltd. is the Group's ultimate parent company.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorised for issuance by the Board of Directors on August 11, 2026.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments that came into effect as endorsed by the FSC and became effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2027 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note 1)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a hyperinflationary presentation currency'	January 1, 2027
Amendments to IAS 28, 'Amendments to the fair value option in IAS 28 investments in associates and joint ventures'	January 1, 2027 (Note 2)

Note 1：The entities shall apply IFRS 18 starting from January 1, 2028. Additionally, entities can choose to adopt IFRS 18 earlier.

Note 2：The entities shall apply the amendment simultaneously with IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 20, 'Regulatory assets and regulatory liabilities'	January 1, 2029

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2025, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim Financial Reporting' that came into effect as endorsed by the FSC.

B. The consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2025.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Hedging financial assets and liabilities.

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

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

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture.

Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

(f) For the six months ended June 30, 2026, except for Hoyun International Limited, Hoyun International Leasing Co., Ltd., He Jing Co., Ltd., He Jun Energy Co., Ltd., Hotai Finance Development Co., Ltd., which were evaluated and disclosed based on their reviewed financial statements, other subsidiaries included in the consolidated financial statements were evaluated and disclosed based on their unreviewed financial statements. For the six months ended June 30, 2025, except for Hoyun International Limited, Hoyun International Leasing Co., Ltd., He Jing Co., Ltd., which were evaluated and disclosed based on their reviewed financial statements, other subsidiaries included in the consolidated financial statements were evaluated and disclosed based on their unreviewed financial statements.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)			
Name of investor	Name of subsidiary	Main business activities	June 30, 2026	December 31, 2025	June 30, 2025	Description
Hotai Finance Co., Ltd.	Hoyun International Limited	General investment	50.50	50.50	50.50	
Hotai Finance Co., Ltd.	He Jing Co., Ltd.	Installment sales of various vehicles	81.00	81.00	81.00	
Hotai Finance Co., Ltd.	He Jun Energy Co., Ltd.	Solar energy business	80.00	80.00	80.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) June 30, 2026	December 31, 2025	June 30, 2025	Description
Hotai Finance Co., Ltd.	Hotai Finance Development Co., Ltd.	Installment sales of various equipment	100.00	100.00	100.00	
Hotai Finance Co., Ltd.	HFC (Cambodia) Microfinance PLC.	Financing and leasing business	66.00	66.00	35.00	Note 1
He Jun Energy Co., Ltd.	Wei Tien Energy Storage Co., Ltd.	Energy storage business	100.00	100.00	100.00	
He Jun Energy Co., Ltd.	Chaoyang Energy Co., Ltd.	Solar energy business	96.97	96.97	96.97	
He Jun Energy Co., Ltd.	Guang Yang Energy Co., Ltd.	Solar energy business	99.00	99.00	99.00	
He Jun Energy Co., Ltd.	XianYao Energy Co., Ltd.	Solar energy business	99.00	99.00	99.00	
He Jun Energy Co., Ltd.	Hejun Electricity Co., Ltd.	Electricity retailing business	100.00	100.00	100.00	
He Jun Energy Co., Ltd.	Tung Ching Energy Co., Ltd.	Solar energy business	100.00	100.00	100.00	
He Jun Energy Co., Ltd.	Tung Ching Green Energy Co., Ltd.	Solar energy business	100.00	100.00	100.00	
He Jun Energy Co., Ltd.	Billion Sunpower Co., Ltd.	Solar energy business	100.00	100.00	100.00	
He Jun Energy Co., Ltd.	Cheng Yo Technology Co., Ltd.	Solar energy business	100.00	100.00	100.00	
He Jun Energy Co., Ltd.	Pacific One Energy Ltd.	Solar energy business	100.00	100.00	100.00	
He Jun Energy Co., Ltd.	Ruei Yang Guang Dian Co., Ltd.	Solar energy business	100.00	100.00	100.00	
He Jun Energy Co., Ltd.	Jun Te Energy Co., Ltd.	Solar energy business	86.62	86.62	70.00	Note 2
Cheng Yo Technology Co., Ltd.	Hon Yang Energy Co., Ltd.	Solar energy business	100.00	100.00	100.00	
Hoyun International Limited	Hoyun International Leasing Co., Ltd.	Leasing, wholesale, retail of and support service for vehicles	100.00	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) June 30, 2026	December 31, 2025	June 30, 2025	Description
Hoyun International Leasing Co., Ltd.	Hoyun (Shanghai) Commercial Factoring Co., Ltd.	Factoring service	100.00	100.00	100.00	
Hoyun International Leasing Co., Ltd.	Hoyun (Shanghai) Vehicle Leasing Co., Ltd.	Leasing of vehicles	100.00	100.00	100.00	
Hoyun International Leasing Co., Ltd.	Hemei International Trade (Suzhou) Co., Ltd.	Goods trading business	100.00	100.00	100.00	
Hoyun International Leasing Co., Ltd.	Hoyun International Leasing Co., Ltd. Trust of Asset-Backed Securities for Supporting Industrial Upgrading of Small and Micro Enterprises in the Series 1 of 2024	Structured entity	-	-	-	Note 3
Hoyun International Leasing Co., Ltd.	Hoyun International Leasing Co., Ltd. Trust of Asset-Backed Securities for Hoyun Tong Ying, Series 1 of 2025	Structured entity	-	-	-	Note 4

Note 1: In December 2025, the Group acquired 31% of the shareholding of HFC (Cambodia) Microfinance PLC. amounting to US$20,890 thousand in cash. The subsidiary is consolidated since the shareholding ratio thereafter increased to 66%, obtaining control over the subsidiary. Please refer to Note 6(30).

Note 2: In December 2025, the subsidiary, He Jun Energy Co., Ltd., acquired 16.62% of the share capital of Jun Te Energy Co., Ltd. for $18,615 in cash. The shareholding ratio thereafter increased to 86.62%.

Note 3: The structured entity was a trust established in September 2024, which the Group does not have any direct or indirect shareholding. The structured entity is consolidated since the assessment of risks and rewards disclosed that the Group has control over the structured entity. The relevant termination procedures were completed in September 2025. Please refer to Note 6(8).

Note 4: The structured entity was a trust established in July 2025, which the Group does not have any direct or indirect shareholding. The structured entity is consolidated since the assessment of risks and rewards disclosed that the Group has control over the structured entity. Please refer to Note 6(8).

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: Not applicable.

E. Significant restrictions: Not applicable.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of June 30, 2026, December 31, 2025 and June 30, 2025, the non-controlling interest amounted to $5,109,162, $4,910,161 and $4,085,713, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest			
		June 30, 2026		December 31, 2025	
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Amount	Ownership (%)
Hoyun International Limited	China	$ 3,342,714	49.50%	$ 3,162,450	49.50%

		Non-controlling interest	
		June 30, 2025	
Name of subsidiary	Principal place of business	Amount	Ownership (%)
Hoyun International Limited	China	$ 2,891,983	49.50%

Summarised financial information of the subsidiaries:

Balance sheets

	Hoyun International Limited		
	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	$ 30,835,754	$ 32,034,609	$ 30,806,002
Non-current assets	4,723,772	4,607,035	4,177,979
Current liabilities	(28,485,980)	(29,994,197)	(28,806,960)
Non-current liabilities	(320,588)	(258,659)	(334,630)
Total net assets	$ 6,752,958	$ 6,388,788	$ 5,842,391

Statements of comprehensive income

	Hoyun International Limited	
	Three months ended June 30,	
	2026	2025
Revenue	$ 933,065	$ 1,057,580
Profit before income tax	22,625	55,009
Income tax expense	(1,881)	(14,825)
Profit for the period	20,744	40,184
Other comprehensive income (loss), net of tax	158,449	(714,847)
Total comprehensive income (loss) for the period	$ 179,193	($ 674,663)
Comprehensive income (loss) attributable to non-controlling interest	$ 88,700	($ 333,958)

	Hoyun International Limited	
	Six months ended June 30,	
	2026	2025
Revenue	$ 1,867,746	$ 2,212,223
Profit before income tax	54,033	169,859
Income tax expense	(10,051)	(44,003)
Profit for the period	43,982	125,856
Other comprehensive income (loss), net of tax	320,188	(613,936)
Total comprehensive income (loss) for the period	$ 364,170	($ 488,080)
Comprehensive income (loss) attributable to non-controlling interest	$ 180,253	($ 241,600)

Statements of cash flows

	Hoyun International Limited	
	Six months ended June 30,	
	2026	2025
Net cash provided by operating activities	$ 1,157,519	$ 1,193,523
Net cash (used in) provided by investing activities	(113,820)	6,477,350
Net cash used in financing activities	(1,615,808)	(8,383,160)
Effect of exchange rates on cash and cash equivalents	255,789	(490,925)
Decrease in cash and cash equivalents	(316,320)	(1,203,212)
Cash and cash equivalents, beginning of period	2,547,753	3,809,914
Cash and cash equivalents, end of period	$ 2,231,433	$ 2,606,702

(4) Income tax

A. The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

B. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognizes the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognized outside profit or loss is recognized in other comprehensive income or equity while the effect of the change on items recognized in profit or loss is recognized in profit or loss.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There have been no significant changes as of June 30, 2026. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2025.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	$ 2,082	$ 2,001	$ 1,857
Checking accounts and demand deposits	4,925,772	4,561,647	4,593,863
Cash equivalents			
Time deposits	3,649	67,677	-
	$ 4,931,503	$ 4,631,325	$ 4,595,720

The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

(2) Hedging financial assets and liabilities

	June 30, 2026		December 31, 2025	
	Current assets	Current liabilities	Current assets	Current liabilities
Cash flow hedges:				
Exchange rate risk and interest rate risk				
Cross-currency swaps	$ 6,621	($ 1,120,325)	$ 29,128	($ 687,433)
Interest rate swaps	64,955	(3,008)	117,065	-
	$ 71,576	($ 1,123,333)	$ 146,193	($ 687,433)

	June 30, 2025	
	Current assets	Current liabilities
Cash flow hedges:		
Exchange rate risk and interest rate risk		
Cross-currency swaps	$ 79,695	($ 991,661)
Interest rate swaps	26,369	-
	$ 106,064	($ 991,661)

A. Hedge accounting is applied to remove the accounting inconsistency between the hedging instrument and the hedged item. As the Group's New Taiwan dollar denominated loans are exposed to the impact of interest rates and foreign currency denominated loans are exposed to the impact of variable exchange rate and interest rates, the Group uses interest rate swaps and cross-currency swaps to control the exchange rate risk and interest rates under their acceptable range.

B. Transaction information associated with the Group adopting hedge accounting is as follows:

	June 30, 2026							Six months ended June 30, 2026		
Hedging instruments	Notional amount (in thousand dollars)		Contract period	Assets carrying amount	Liabilities carrying amount	Changes in fair value in relation to recognizing hedge ineffectiveness basis		Average exchange rates	Average interest rates	Gains (losses) on valuation of ineffective hedge that will be recognized in financial assets/liabilities at fair value through profit or loss
Cash flow hedges:										
Exchange rate risk										
Interest rate risk										
Cross-currency swap transactions	USD	72,000	2026/3/23~ 2026/7/10	$ 6,621	$ -	$	-	31.95	1.99	$ -
	JPY	70,440,000	2025/7/16~ 2028/5/26	-	(159,115)		-	0.197~0.203	2.03~2.44	-
	JPY	28,105,000	2023/10/23~ 2028/6/9	-	(961,210)		-	0.047~0.051	3.31~4.20	-
Interest rate swap transactions	TWD	22,250,000	2025/4/24~ 2027/6/28	64,955	(3,008)		-	-	1.44~1.48	-

	December 31, 2025							Year ended December 31, 2025		
Hedging instruments	Notional amount (in thousand dollars)		Contract period	Assets carrying amount	Liabilities carrying amount	Changes in fair value in relation to recognizing hedge ineffectiveness basis		Average exchange rates	Average interest rates	Gains (losses) on valuation of ineffective hedge that will be recognized in financial assets/liabilities at fair value through profit or loss
Cash flow hedges:										
Exchange rate risk										
Interest rate risk										
Cross-currency swap transactions	USD	30,000	2024/3/28~ 2026/3/27	$ -	($ 15,034)	$	-	31.96	1.84	$ -
	JPY	38,800,000	2024/2/20~ 2028/5/26	29,128	(71,799)		-	0.20~0.21	1.98~2.44	-
	JPY	28,315,000	2023/10/23~ 2028/6/9	-	(600,600)		-	0.05	3.31~4.20	-
Interest rate swap transactions	TWD	22,250,000	2025/4/24~ 2027/6/28	117,065	-		-	-	1.44~1.48	-

		June 30, 2025					Six months ended June 30, 2025		
Hedging instruments	Notional amount (in thousand dollars)		Contract period	Assets carrying amount	Liabilities carrying amount	Changes in fair value in relation to recognizing hedge ineffectiveness basis	Average exchange rates	Average interest rates	Gains (losses) on valuation of ineffective hedge that will be recognized in financial assets/liabilities at fair value through profit or loss
Cash flow hedges:									
Exchange rate risk									
Interest rate risk									
Cross-currency swap transactions	USD	102,000	2024/3/28~ 2026/3/27	$ -	($240,374)	$ -	31.96~32.55	1.77~1.84	$ -
	USD	20,000	2025/4/8~ 2025/7/10	-	(59,373)	-	33.05	1.90	-
	JPY	47,729,948	2024/2/20~ 2026/2/12	-	(602,154)	-	0.21~0.23	1.92~2.36	-
	JPY	31,353,000	2023/10/23~ 2028/6/9	79,695	(89,760)	-	0.05	3.31~4.20	-
Interest rate swap transactions	TWD	22,250,000	2025/4/24~ 2027/6/28	26,369	-	-	-	1.44~1.48	-

	June 30, 2026	
Hedged items	Liabilities carrying amount	Valuation on liabilities' fair value hedges
Cash flow hedges:		
Exchange rate risk and interest rate risk		
Long-term and short-term loans	$ 45,018,654	($ 1,131,068)

	December 31, 2025	
Hedged items	Liabilities carrying amount	Valuation on liabilities' fair value hedges
Cash flow hedges:		
Exchange rate risk and interest rate risk		
Long-term and short-term loans	$ 37,200,151	($ 515,401)

	June 30, 2025	
Hedged items	Liabilities carrying amount	Valuation on liabilities' fair value hedges
Cash flow hedges:		
Exchange rate risk and interest rate risk		
Long-term and short-term loans	$ 42,841,231	($ 908,483)

C. Cash flow hedges

	Six months ended June 30, 2026
Other equity - cash flow hedge reserve	
At January 1	($ 37,812)
Add: Gains on hedge effectiveness recognized in other comprehensive income	171,264
Less: Reclassified to profit or loss as the hedged item has affected the profit and loss	(68,489)
Less: Income tax relating to the hedge effectiveness recognized in other comprehensive income	(14,426)
At June 30	$ 50,537

	Six months ended June 30, 2025
Other equity - cash flow hedge reserve	
At January 1	($ 102,049)
Add: Gains on hedge effectiveness recognized in other comprehensive income	154,524
Less: Reclassified to profit or loss as the hedged item has affected the profit and loss	(46,039)
Less: Income tax relating to the hedge effectiveness recognized in other comprehensive income	(29,621)
At June 30	($ 23,185)

To hedge exposed exchange rate risk and interest rate risk arising from loans, the Group entered into interest rate swap and cross-currency swap agreements. The effective portion with respect to the changes in the fair value of the hedging instruments is deferred as cash flow hedge reserve, which is recognized under other comprehensive income, and will be directly included in the exchange gains (loss) on foreign currency and finance costs when the hedged items are subsequently paid the principal or interest.

(3) Notes and accounts receivable, net (including long-term notes and accounts receivable)

	June 30, 2026	December 31, 2025	June 30, 2025
Installment notes receivable	$ 20,497,381	$ 18,979,485	$ 16,397,544
Installment accounts receivable	291,707,427	293,360,826	290,763,808
Accounts receivable	113,528	118,761	125,649
Less: Unrealized interest revenue	(30,385,103)	(31,327,613)	(31,981,599)
	281,933,233	281,131,459	275,305,402
Less: Allowance for doubtful accounts	(4,643,096)	(4,540,697)	(4,892,598)
Notes and accounts receivable, net	$ 277,290,137	$ 276,590,762	$ 270,412,804

As of June 30, 2026, December 31, 2025 and June 30, 2025, notes and accounts receivable pledged as collaterals amounted to $4,976,018, $5,617,524 and $5,510,082, respectively. Please refer to Note 8 for the related information.

A. The ageing analysis of accounts and notes receivable that were past due but not impaired is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Not past due	$ 279,178,393	$ 278,357,279	$ 271,993,797
31 to 60 days	1,231,025	1,255,773	1,149,440
61 to 90 days	667,493	554,475	794,506
91 to 120 days	501,426	544,597	495,422
121 to 150 days	86,252	300,180	523,584
Over 151 days	268,644	119,155	348,653
	$ 281,933,233	$ 281,131,459	$ 275,305,402

The above ageing analysis was based on past due date. Additionally, 31 days overdue shall be defined as delinquent based on the risk management policy.

B. The expected recovery of the Group's installment notes and accounts receivable is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Not later than one year	$ 113,735,516	$ 112,123,039	$ 108,998,174
Over 1 year	198,469,292	200,217,272	198,163,178
	$ 312,204,808	$ 312,340,311	$ 307,161,352

C. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(4) Prepayments

	June 30, 2026	December 31, 2025	June 30, 2025
Prepayments	$ 2,824,455	$ 2,828,555	$ 2,793,211
Prepaid commission	1,005,506	1,146,332	1,332,238
Prepaid insurance premiums	52,830	45,135	55,582
Others	555,115	555,979	505,458
	$ 4,437,906	$ 4,576,001	$ 4,686,489

(5) Investments accounted for using equity method

	June 30, 2026	December 31, 2025	June 30, 2025
Heng Fong Energy Co., Ltd.	$ 379,680	$ 389,466	$ 395,333
Kai Lan Power Co., Ltd	341,930	353,326	359,460
Zheng-Ren Energy Co., Ltd.	142,800	142,676	132,207
Hotai Mobility Service Co., Ltd.	76,358	74,311	73,484
Gochabar Co., Ltd.	19,330	19,758	19,929
HFC (Cambodia) Microfinance PLC.	-	-	509,965
Grinnodot Inc.	-	-	148,191
	$ 960,098	$ 979,537	$ 1,638,569

A. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarized below:

As of June 30, 2026, December 31, 2025 and June 30, 2025, the carrying amount of the Group's individually immaterial associates amounted to $960,098, $979,537 and $1,638,569, respectively.

	Three months ended June 30,	
	2026	2025
Comprehensive loss for the period	($ 7,064)	($ 60,931)

	Six months ended June 30,	
	2026	2025
Comprehensive loss for the period	($ 19,439)	($ 62,234)

B. The Group's investments have no quoted market price. The share of profit or loss of investments accounted for using the equity method amounted to ($7,064), ($4,321), ($19,439) and ($8,668) for the three months and six months ended June 30, 2026 and 2025, respectively, which were determined based on the investees' unreviewed financial statements for the same periods.

C. In December 2025, the Group acquired an additional 31% of the shareholding of HFC (Cambodia) Microfinance PLC. amounting to US$20,890 thousand in cash. The subsidiary is consolidated since the shareholding ratio thereafter increased to 66%, obtaining control over the subsidiary.

D. In April 2024, the Group acquired 5% of the shareholding of Grinnodot Inc. amounting to $37,273 and participated in a cash capital increase of the company amounting to $111,819. As a result, shareholding ratio increased to 20%. In December 2025, the Group sold its share in subsidiary Grinnodot Inc amounting to $18,615, reducing the shareholding ratio to 17.56% and losing significant influence. As a result, the remaining investment is recognized as financial assets at fair value through other comprehensive income.

E. In September 2025 and January 2024, the Group participated in a cash capital increase of Zheng-Ren Energy Co., Ltd. amounting to $14,000 and $68,250, respectively. The shareholding ratio remained unchanged at 35%. Although the Group is the single largest shareholder of Zheng-Ren Energy Co., Ltd., the combined shareholdings of the other two major shareholders (not related parties) exceed the Group's shareholdings, which indicates that the Group has no real ability to direct the relevant activities and therefore assessed that it does not have control over the company and only has significant influence over it.

(6) Property, plant and equipment

	2026									
			Furniture and fixtures			Transportation equipment				
	Land	Buildings and structures	Owner-occupied	Lease (Note 1)	Subtotal	Owner-occupied	Lease (Note 1)	Subtotal	Leasehold improvements	Total
At January 1										
Cost	$ 1,128,878	$ 319,086	$ 5,433,691	$ 154,374	$ 5,588,065	$ 123,722	$ 1,905,745	$ 2,029,467	$ 114,657	$ 9,180,153
Accumulated depreciation and impairment	-	(24,739)	(780,156)	(72,511)	(852,667)	(56,366)	(1,157,422)	(1,213,788)	(52,150)	(2,143,344)
	$ 1,128,878	$ 294,347	$ 4,653,535	$ 81,863	$ 4,735,398	$ 67,356	$ 748,323	$ 815,679	$ 62,507	$ 7,036,809
Opening net book amount as at January 1	$ 1,128,878	$ 294,347	$ 4,653,535	$ 81,863	$ 4,735,398	$ 67,356	$ 748,323	$ 815,679	$ 62,507	$ 7,036,809
Additions	-	-	342,301	604	342,905	5,859	50,904	56,763	514	400,182
Disposal	-	-	(8,617)	-	(8,617)	(1,532)	-	(1,532)	(1,620)	(11,769)
Reclassifications	-	-	-	(732)	(732)	-	(79,599)	(79,599)	-	(80,331)
Transfers from prepayments for business facilities	-	-	142,838	-	142,838	-	7,804	7,804	-	150,642
Depreciation	-	(3,432)	(118,807)	(12,211)	(131,018)	(13,817)	(131,628)	(145,445)	(8,676)	(288,571)
Gain on reversal of impairment loss	-	-	-	126	126	-	-	-	-	126
Net exchange differences	-	-	513	-	513	2,602	30,090	32,692	805	34,010
Closing net book amount as At June 30	$ 1,128,878	$ 290,915	$ 5,011,763	$ 69,650	$ 5,081,413	$ 60,468	$ 625,894	$ 686,362	$ 53,530	$ 7,241,098
At June 30										
Cost	$ 1,128,878	$ 319,086	$ 5,898,455	$ 126,286	$ 6,024,741	$ 129,498	$ 1,814,558	$ 1,944,056	$ 104,821	$ 9,521,582
Accumulated depreciation and impairment	-	(28,171)	(886,692)	(56,636)	(943,328)	(69,030)	(1,188,664)	(1,257,694)	(51,291)	(2,280,484)
	$ 1,128,878	$ 290,915	$ 5,011,763	$ 69,650	$ 5,081,413	$ 60,468	$ 625,894	$ 686,362	$ 53,530	$ 7,241,098

Note 1: The assets are for lease purposes offered by the Company and the subsidiary. When the leased assets are available to be sold instead of leasing to others, the carrying amounts are recorded as inventories. When they are sold, the payments arising from the sales and related costs are reclassified as sales revenue and cost of sales.

Note 2: Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

Note 3: The borrowing costs capitalised as part of property, plant and equipment amounted to $3,661 and the range of the interest rates for such capitalisation is 1.8980%~2.0772%.

	2025									
			Furniture and fixtures			Transportation equipment				
	Land	Buildings and structures	Owner-occupied	Lease (Note 1)	Subtotal	Owner-occupied	Lease (Note 1)	Subtotal	Leasehold improvements	Total
At January 1										
Cost	$ 1,096,073	$ 273,529	$ 4,289,298	$ 236,180	$ 4,525,478	$ 143,941	$ 1,952,909	$ 2,096,850	$ 99,662	$ 8,091,592
Accumulated depreciation and impairment	-	(18,173)	(582,726)	(159,453)	(742,179)	(49,996)	(1,011,713)	(1,061,709)	(34,859)	(1,856,920)
	$ 1,096,073	$ 255,356	$ 3,706,572	$ 76,727	$ 3,783,299	$ 93,945	$ 941,196	$ 1,035,141	$ 64,803	$ 6,234,672
Opening net book amount as at January 1	$ 1,096,073	$ 255,356	$ 3,706,572	$ 76,727	$ 3,783,299	$ 93,945	$ 941,196	$ 1,035,141	$ 64,803	$ 6,234,672
Additions	32,805	45,557	421,589	8,134	429,723	4,352	59,705	64,057	12,857	584,999
Disposal	-	-	(8)	-	(8)	(5,087)	-	(5,087)	(292)	(5,387)
Reclassifications	-	-	-	(3,807)	(3,807)	(43)	(69,213)	(69,256)	-	(73,063)
Transfers from prepayments for business facilities	-	-	192,788	-	192,788	-	13,945	13,945	-	206,733
Depreciation	-	(3,134)	(92,850)	(24,869)	(117,719)	(14,054)	(173,477)	(187,531)	(8,042)	(316,426)
Gain on reversal of impairment loss	-	-	-	130	130	-	-	-	-	130
Net exchange differences	-	-	(1,165)	-	(1,165)	(7,391)	(72,643)	(80,034)	(2,062)	(83,261)
Closing net book amount as At June 30	$ 1,128,878	$ 297,779	$ 4,226,926	$ 56,315	$ 4,283,241	$ 71,722	$ 699,513	$ 771,235	$ 67,264	$ 6,548,397
At June 30										
Cost	$ 1,128,878	$ 319,086	$ 4,900,430	$ 150,835	$ 5,051,265	$ 115,162	$ 1,698,524	$ 1,813,686	$ 104,900	$ 8,417,815
Accumulated depreciation and impairment	-	(21,307)	(673,504)	(94,520)	(768,024)	(43,440)	(999,011)	(1,042,451)	(37,636)	(1,869,418)
	$ 1,128,878	$ 297,779	$ 4,226,926	$ 56,315	$ 4,283,241	$ 71,722	$ 699,513	$ 771,235	$ 67,264	$ 6,548,397

Note 1: The assets are for lease purposes offered by the Company and the subsidiary. When the leased assets are available to be sold instead of leasing to others, the carrying amounts are recorded as inventories. When they are sold, the payments arising from the sales and related costs are reclassified as sales revenue and cost of sales.

Note 2: Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

Note 3: The borrowing costs capitalised as part of property, plant and equipment amounted to $2,784 and the range of the interest rates for such capitalisation is 2.2055%~2.2865%

(7) Lease transactions - lessee

A. The Group leases various assets including buildings, equipment and parking spaces. Rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
	Carrying amount	Carrying amount	Carrying amount
Land	$ 59,680	$ 46,822	$ 48,218
Buildings and structures	426,840	384,243	346,173
	$ 486,520	$ 431,065	$ 394,391

	Three months ended June 30,	
	2026	2025
	Depreciation charge	Depreciation charge
Land	$ 1,281	$ 811
Buildings and structures	17,846	22,355
	$ 19,127	$ 23,166

	Six months ended June 30,	
	2026	2025
	Depreciation charge	Depreciation charge
Land	$ 2,095	$ 1,597
Buildings and structures	35,767	45,458
	$ 37,862	$ 47,055

C. For the three months and six months ended June 30, 2026 and 2025, the additions to right-of-use assets were $43,389, $13,035, $91,091 and $39,981, respectively.

D. The information on profit or loss in relation to lease contracts is as follows:

	Three months ended June 30,	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 2,395	$ 2,094
Expense on short-term lease contracts and leases of low-value assets	11,721	3,443
Expense on variable lease payments	15,714	12,758

	Six months ended June 30,	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 4,677	$ 4,330
Expense on short-term lease contracts and leases of low-value assets	22,742	6,969
Profit from lease modification	-	39
Expense on variable lease payments	28,124	22,362

E. For the six months ended June 30, 2026 and 2025, the Group's total cash outflow for leases were $92,074 and $80,436, respectively.

(8) Leasing arrangements - lessor

A. The Group leases various assets including machinery and equipment, vehicles and multifunction printers. Rental contracts are typically made for periods of 1 to 6 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. The Group leases machinery and equipment and vehicles under a finance lease. Based on the terms of the lease contract, the ownership of the assets will be transferred to lessees when the leases expire. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended June 30,	
	2026	2025
Finance income from the net investment in the finance lease	$ 746,713	$ 813,529

	Six months ended June 30,	
	2026	2025
Finance income from the net investment in the finance lease	$ 1,517,238	$ 1,733,780

C. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Next 1 year	$ 20,535,666	$ 21,212,560	$ 20,271,830
Next 2 years	7,331,742	7,598,799	6,823,892
Next 3 years	2,414,143	2,554,846	2,123,567
Next 4 years	1,070,905	1,038,376	861,985
Next 5 years	516,680	538,218	430,392
Next 6 years	138,973	144,617	145,248
	$ 32,008,109	$ 33,087,416	$ 30,656,914

D. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Undiscounted lease payments	$ 32,008,109	$ 33,087,416	$ 30,656,914
Less : Unearned finance income	(3,378,141)	(3,529,843)	(3,150,566)
	28,629,968	29,557,573	27,506,348
Less : Allowance for doubtful accounts	(1,559,369)	(1,240,696)	(856,475)
Net investment in the lease	$ 27,070,599	$ 28,316,877	$ 26,649,873

(a) In July 2025, the Group securitized its financial assets by transferring financing lease receivables with an aggregate carrying amount of RMB 997 million to HUANENG GUICHENG TRUST CORP., LTD. These assets were placed into a trust for the issuance of asset-backed securities. The trust qualifies as a structured entity, as defined, with stringent contractual clauses that restrict the decision-making powers of the entity. The significant activities are predetermined in the contract, which is directed by the Group, thereby granting the Group control over the structured entity. As described in Note 4(3), the structured entity is included in the consolidated financial statements.

The issued asset-backed securities were divided into senior tranches amounting to RMB 740 million and subordinated tranches amounting to RMB 257 million. The Group subscribed to all of the subordinated asset-backed securities, thereby receiving RMB 740 million in cash, which was recognized as short-term borrowings. The key characteristics of the issued asset-backed securities are as follows:

Class of asset-backed securities	Issue amount (In thousands)	Expected due date	Interest rate	Payment frequency
Senior	RMB 740,000	August 27, 2026	3.00%	Monthly
Subordinated	RMB 256,715	September 27, 2029	None	None (Note)

Note: The principal and interest payments of the subordinate asset-backed notes will commence after the principal and interest of the senior notes have been fully paid. As of June 30, 2026, the amount of the issued asset-backed is $2,095,512.

(b) In September 2024, the Group securitized its financial assets by transferring financing lease receivables with an aggregate carrying amount of RMB 1.5 billion to HUANENG GUICHENG TRUST CORP., LTD. These assets were placed into a trust for the issuance of asset-backed securities. The trust qualifies as a structured entity, as defined, with stringent contractual clauses that restrict the decision-making powers of the entity. The significant activities are predetermined in the contract, which is directed by the Group, thereby granting the Group control over the structured entity. As described in Note 4(3), the structured entity is included in the consolidated financial statements.

The issued asset-backed securities were divided into senior tranches amounting to RMB 1.11 billion and subordinated tranches amounting to RMB 390 million. The Group subscribed to all of the subordinated asset-backed securities, thereby receiving RMB 1.11 billion in cash, which was recognized as short-term borrowings. The key characteristics of the issued asset-backed securities are as follows:

Class of asset-backed securities	Issue amount (In thousands)	Expected due date	Interest rate	Payment frequency
Senior	RMB 1,100,000	September 27, 2025	3.15%	Monthly
Subordinated	RMB 390,000	April 27, 2029	None	None (Note)

Note: The principal and interest payments of the subordinate asset-backed notes will commence after the principal and interest of the senior notes have been fully paid.

The senior asset-backed notes of the Group's securitization special purpose trust issued in September 2024 were fully paid, and the trust was terminated pursuant to the trust agreement. The related termination procedures were completed in September 2025. As the structured entity has been dissolved, the Group has ceased to consolidate it.

(c) As of June 30, 2026, December 31, 2025 and June 30, 2025, leasing notes receivable and lease receivable pledged as collaterals amounted to $11,211,213, $11,468,311 and $8,923,568, respectively. Please refer to Note 8 for the related information.

E. The ageing analysis of lease receivable that were past due but not impaired is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Not past due	$ 26,690,490	$ 28,318,481	$ 26,138,409
31 to 60 days	273,618	179,369	307,864
61 to 90 days	179,235	156,394	239,298
91 to 120 days	145,276	177,221	162,915
121 to 150 days	119,747	144,912	182,452
Over 151 days	1,221,602	581,196	475,410
	$ 28,629,968	$ 29,557,573	$ 27,506,348

The above ageing analysis was based on past due date. In addition, 31 days overdue shall be defined as delinquent based on the risk management policy.

F. For the three months and six months ended June 30, 2026 and 2025, the Group recognized rent income in the amounts of $132,973, $165,006, $276,693 and $347,420, respectively, based on the operating lease agreement, which does not include variable lease payments.

G. The maturity analysis of the lease payments under the operating leases is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Next 1 year	$ 253,614	$ 320,235	$ 214,790
Next 2 years	113,331	146,988	119,183
Next 3 years	46,285	55,466	43,501
Next 4 years	12,616	13,188	9,647
Next 5 years	10,030	10,062	2,878
Beyond next 6 years	10,500	15,296	4,651
	$ 446,376	$ 561,235	$ 394,650

(9) Investment property

	2026		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 125,590	$ 41,887	$ 167,477
Accumulated depreciation	-	(3,833)	(3,833)
	$ 125,590	$ 38,054	$ 163,644
At January 1	$ 125,590	$ 38,054	$ 163,644
Depreciation charge	-	(410)	(410)
At June 30	$ 125,590	$ 37,644	$ 163,234
At June 30			
Cost	$ 125,590	$ 41,887	$ 167,477
Accumulated depreciation	-	(4,243)	(4,243)
	$ 125,590	$ 37,644	$ 163,234

	2025		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 125,590	$ 41,887	$ 167,477
Accumulated depreciation	-	(3,011)	(3,011)
	$ 125,590	$ 38,876	$ 164,466
At January 1	$ 125,590	$ 38,876	$ 164,466
Depreciation charge	-	(410)	(410)
At June 30	$ 125,590	$ 38,466	$ 164,056
At June 30			
Cost	$ 125,590	$ 41,887	$ 167,477
Accumulated depreciation	-	(3,421)	(3,421)
	$ 125,590	$ 38,466	$ 164,056

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Three months ended June 30,	
	2026	2025
Rental income from investment property	$ 828	$ 829
Direct operating expenses arising from the investment property that generated rental income during the period (including depreciation expense)	$ 547	$ 552

	Six months ended June 30,	
	2026	2025
Rental income from investment property	$ 1,657	$ 1,658
Direct operating expenses arising from the investment property that generated rental income during the period (including depreciation expense)	$ 752	$ 757

B. The fair value of the investment property held by the Group was $178,588, $171,515 and $168,004 as at June 30, 2026, December 31, 2025 and June 30, 2025, respectively. The values are based on the recent transaction prices of similar properties in the respective regions of investment properties, taking into account factors such as location, scale, and usage. The appraisal belonged to the third level of fair value.

(10) Intangible assets

	2026				
	Goodwill	Business License	Computer Software	Purchase agreements	Total
At January 1					
Cost	$ 233,111	$ 1,196,034	$ 2,302	$ 484,165	$ 1,915,612
Accumulated amortization and impairment	-	-	(1,588)	(71,444)	(73,032)
	$ 233,111	$ 1,196,034	$ 714	$ 412,721	$ 1,842,580
At January 1	$ 233,111	$ 1,196,034	$ 714	$ 412,721	$ 1,842,580
Amortization charge	-	(30,076)	(122)	(14,951)	(45,149)
Net exchange differences	(2,351)	15,759	8	-	13,416
Closing net book amount as At June 30	$ 230,760	$ 1,181,717	$ 600	$ 397,770	$ 1,810,847
At June 30					
Cost	$ 230,760	$ 1,212,017	$ 2,333	$ 484,165	$ 1,929,275
Accumulated amortization and impairment	-	(30,300)	(1,733)	(86,395)	(118,428)
	$ 230,760	$ 1,181,717	$ 600	$ 397,770	$ 1,810,847

	2025		
	Goodwill	Purchase agreements	Total
At January 1			
Cost	$ 69,597	$ 484,165	$ 553,762
Accumulated amortization and impairment	-	(41,542)	(41,542)
	$ 69,597	$ 442,623	$ 512,220
At January 1	$ 69,597	$ 442,623	$ 512,220
Amortization charge	-	(14,952)	(14,952)
Closing net book amount as At June 30	$ 69,597	$ 427,671	$ 497,268
At June 30			
Cost	$ 69,597	$ 484,165	$ 553,762
Accumulated amortization and impairment	-	(56,494)	(56,494)
	$ 69,597	$ 427,671	$ 497,268

A. Details of amortization on intangible assets are as follows:

	Three months ended June 30,	
	2026	2025
Operating costs	$ 7,476	$ 7,476
Operating expenses	15,187	-
	$ 22,663	$ 7,476

	Six months ended June 30,	
	2026	2025
Operating costs	$ 14,951	$ 14,952
Operating expenses	30,198	-
	$ 45,149	$ 14,952

B. The business license, which is a microfinance license, was acquired through the consolidation of HFC (Cambodia) Microfinance PLC. Please refer to Note 6(30).

(11) Short-term loans

	June 30, 2026	December 31, 2025	June 30, 2025
Type of loans			
Bank loans			
Credit loans	$ 48,596,847	$ 34,857,586	$ 44,882,850
Mid-term syndicated loans for working capital	60,124,557	63,924,232	52,612,676
Notes payable from securitization	471,700	2,088,887	340,336
Other short-term loans	56,240	59,343	57,644
	$ 109,249,344	$ 100,930,048	$ 97,893,506
Interest rates	1.05%~9.50%	1.30%~10.00%	0.77%~4.80%

As of June 30, 2026, December 31, 2025 and June 30, 2025, the descriptions of borrowings are as follows:

A. The Group uses interest rate swap and cross currency swap agreement to control the exchange rate risk and interest rate risk. After the interest rate swap and cross currency swap, the rate range of short-term loans were 1.80%~9.50%, 1.77%~10.00% and 1.44%~4.20%, respectively.

B. The Company has entered into a mid-term syndicated contract for a credit line of $13,250,000 with 20 financial institutions including CTBC Bank Co., Ltd., in order to fulfill its working capital. The duration is 36 months (from June 1, 2026 to June 1, 2029). The loan can be drawn several times. Of the total loan, $5,900,000 is non-revolving and the payment term is to repay the full drawn amount at the maturity date. The remaining amount of $7,350,000 is revolving and the payment term is to repay the full drawn amount at the maturity date.

C. The Company has entered into a mid-term syndicated contract for a credit line of $15,000,000 with 14 financial institutions including E.SUN Bank and Bank of Taiwan, in order to fulfill its working capital. The duration is 36 months (from June 29, 2026 to June 29, 2029). The loan can be drawn several times. Of the total loan, $6,500,000 is non-revolving and the payment term is to repay the full drawn amount at the maturity date. The remaining amount of $13,000,000 is revolving and the payment term is to repay the full drawn amount at the maturity date.

D. The subsidiary, Hoyun International Leasing Co., Ltd., has entered into a mid-term syndicated contract for a credit line of RMB 875 million with 11 financial institutions including Fubon Bank (China) Co., Ltd in order to fulfill its working capital. Within nine months from the agreement date (from April 25, 2025 to January 25, 2026), the loan can be drawn several times but is non-revolving. Each borrowing period is 36 months. The payment term is to repay the drawn amounts in installments within the contract period.

E. The subsidiary, Hotai Finance Development Co., Ltd., has entered into a mid-term syndicated contract for a credit line of $10,000,000 with 11 financial institutions including Yuanta Commercial Bank Co., Ltd. and Bank Sinopac Company Co., Ltd. in order to fulfill its working capital. The duration is 36 months (from March 21, 2025 to March 21, 2028). The loan can be drawn several times. Of the total loan, $4,400,000 is non-revolving and the payment term is to repay the full drawn amount at the maturity date. The remaining amount of $5,600,000 is revolving and the payment term is to repay the full drawn amount at the maturity date.

F. The Company has entered into a mid-term syndicated contract for a credit line of JPY 35 billion with 13 financial institutions including Mizuho Bank, Ltd., in order to fulfill its working capital. The duration is 36 months (from July 16, 2025 to May 26, 2028). The loan can be drawn several times but is non-revolving. The payment term is to repay the full drawn amount at the maturity date.

G. The subsidiary, Hoyun International Leasing Co., Ltd., has entered into a mid-term syndicated contract for a credit line of JPY 11 billion with 4 financial institutions including MUFG Bank, Ltd., in order to fulfill its working capital. The duration is 30 months (from June 9, 2025 to December 7, 2027). The loan can be drawn several times but is non-revolving. The payment term is to repay the drawn amounts in installments within the contract period.

H. The Company has entered into a mid-term syndicated contract for a credit line of JPY 25 billion with 9 financial institutions including Mizuho Bank, Ltd., in order to fulfill its working capital. The duration is 10.5 months (from December 6, 2024 to October 20, 2025). The loan can be drawn several times but is non-revolving. The payment term is to repay the full drawn amount at the maturity date.

I. The Company has entered into a mid-term syndicated contract for a credit line of $29,500,000 with 11 financial institutions including CTBC Bank Co., Ltd., in order to fulfill its working capital. The duration is 36 months (from June 28, 2024 to June 28, 2027). The loan can be drawn several times. Of the total loan, $14,750,000 is non-revolving and the payment term is to repay the full drawn amount at the maturity date. The remaining amount of $14,750,000 is revolving and the payment term is to repay the full drawn amount at the maturity date.

J. The subsidiary, Hoyun International Leasing Co., Ltd., has entered into a mid-term syndicated contract for a credit line of RMB 1.33 billion with 5 financial institutions including Mizuho Bank, Ltd. in order to fulfill its working capital. Within six months from the agreement date (from May 9, 2024 to November 8, 2024), the loan can be drawn several times but is non-revolving. Each borrowing period is 36 months. The payment term is to repay the drawn amounts in installments within the contract period.

K. The subsidiary, Hoyun International Leasing Co., Ltd., has entered into a mid-term syndicated contract for a credit line of RMB 510 million with 6 financial institutions including E.SUN Commercial Bank Co., Ltd. in order to fulfill its working capital. Within twelve months from the first withdrawal date (from March 25, 2024 to March 24, 2025), the loan can be drawn several times but is non-revolving. Each borrowing period is 36 months. The payment term is to repay the drawn amounts in installments within the contract period.

L. The subsidiary, He Jing Co., Ltd., has entered into a mid-term syndicated contract for a credit line of $10,000,000 with 12 financial institutions including Mega International Commercial Bank Co., Ltd. in order to fulfill its working capital. The duration is 36 months (from July 12, 2023 to July 12, 2026), the loan can be drawn several times and is revolving. The payment term is to repay the full drawn amount at the maturity date.

M. The Company has entered into a mid-term syndicated contract for a credit line of $14,000,000 with 13 financial institutions including Bank of Taiwan, in order to fulfill its working capital. The duration is 36 months (from February 24, 2023 to February 24, 2026). The loan can be drawn several times. Of the total loan, $6,025,000 is non-revolving and the payment term is to repay the full drawn amount at the maturity date. The remaining amount of $7,975,000 is revolving and the payment term is to repay the full drawn amount at the maturity date.

N. The subsidiary, Hoyun International Leasing Co., Ltd., has entered into a mid-term syndicated contract for a credit line of RMB 1 billion with 13 financial institutions including Mizuho Bank, Ltd. in order to fulfill its working capital. The duration is 36 months (from July 3, 2023 to July 27, 2026). The loan can be drawn several times but is non-revolving. The payment term is to repay the drawn amounts in installments within the contract period.

O. The subsidiary, Hoyun International Leasing Co., Ltd., has entered into a mid-term syndicated contract for a credit line of RMB 980 million with 12 financial institutions including Mizuho Bank, Ltd. in order to fulfill its working capital. Within six months from the contract signing date (from July 26, 2022 to January 26, 2023), the loan can be drawn several times but is non-revolving. Each borrowing period is 36 months. The payment term is to repay the drawn amounts in installments within the contract period.

P. The Company has entered into a mid-term syndicated contract for a credit line of $15,000,000 with 18 financial institutions including CTBC Bank Co., Ltd., in order to fulfill its working capital. The duration is 36 months (from June 29, 2022 to June 27, 2025). The loan can be drawn several times. Of the total loan, $7,056,600 is non-revolving and the payment term is to repay the drawn amounts in installments within the contract period. The remaining amount of $7,943,400 is revolving and the payment term is to repay the full drawn amount at the maturity date.

Q. Information relating to notes payable from securitization is provided in Note 6(8)4.

R. For the abovementioned syndicated loans and partial loans from other financial institutions during the contract periods, the Group is required to maintain specific current ratio, owner's capital ratio, interest coverage ratio, net value, net tangible assets, debt to equity ratio, equity to assets ratio, net tangible assets to assets ratio and non-performing loan ratio.

As of June 30, 2026, the Group met all the financial commitments stated in the contract.

(12) Short-term notes and bills payable

	June 30, 2026	December 31, 2025	June 30, 2025
Commercial paper payable	$ 129,930,000	$ 145,730,000	$ 148,085,000
Less: Unamortized discount	(262,117)	(221,784)	(181,580)
	$ 129,667,883	$ 145,508,216	$ 147,903,420
Interest rates	1.84%~2.47%	1.69%~2.19%	1.58%~2.22%

(13) Bonds payable

	June 30, 2026	December 31, 2025	June 30, 2025
Bonds payable	$ 22,750,000	$ 17,800,000	$ 14,200,000

Information on the Company's issuance of bonds as approved by the regulatory authority is summarized below:

A. The Company issued $3,000,000, 1.90% second secured ordinary bonds in 2026, with interest payable annually. The bonds mature 3 years from the issue date (May 28, 2026 ~ May 28, 2029) and will be redeemed in cash at face value at the maturity date.

B. The Company issued 4,150,000 first unsecured ordinary bonds in 2026, which was declared effective on March 20, 2026. The issuance comprises two bonds: Bond A bears a coupon rate of 1.93%, with interest payable annually and matures 3 years from the issue date (March 30, 2026 ~ March 30, 2029); Bond B bears a coupon rate of 1.93%, with interest payable annually and matures 5 years from the issue date (March 30, 2026 ~ March 30, 2031). Both bonds will be redeemed in cash at face value at the maturity date.

C. The Company issued 5,600,000 second unsecured ordinary bonds in 2025, which was declared effective on September 26, 2025. The issuance comprises two bonds: Bond A bears a coupon rate of 1.93%, with interest payable annually and matures 3 years from the issue date (October 8, 2025 ~ October 8, 2028); Bond B bears a coupon rate of 1.97%, with interest payable annually and matures 5 years from the issue date (October 8, 2025 ~ October 8, 2030). Both bonds will be redeemed in cash at face value at the maturity date.

D. The Company issued $3,000,000, 1.83% first secured ordinary bonds in 2025, with interest payable annually. The bonds mature 3 years from the issue date (July 21, 2025 ~ July 21, 2028) and will be redeemed in cash at face value at the maturity date.

E. The Company issued $5,000,000, 1.49% second secured ordinary bonds in 2023, with interest payable annually. The bonds mature 2 years from the issue date (October 27, 2023 ~ October 27, 2025) and will be redeemed in cash at face value at the maturity date. The bonds were fully paid at the maturity date.

F. The Company issued $4,000,000, 1.50% first unsecured ordinary bonds in 2023, with interest payable annually. The bonds mature 5 years from the issue date (March 28, 2023 ~ March 28, 2028) and will be redeemed in cash at face value at the maturity date.

G. The Company issued $7,000,000, 1.50% second secured ordinary bonds in 2022, with interest payable annually. The bonds mature 3 years from the issue date (June 6, 2022 ~ June 6, 2025) and will be redeemed in cash at face value at the maturity date. The bonds were fully paid at the maturity date.

H. The Company issued $3,000,000, 0.57% first secured ordinary bonds in 2022, with interest payable annually. The bonds mature 3 years from the issue date (January 13, 2022 ~ January 13, 2025) and will be redeemed in cash at face value at the maturity date. The bonds were fully paid at the maturity date.

I. The Company issued $3,000,000, 0.56% second unsecured ordinary bonds in 2021, with interest payable annually. The bonds mature 5 years from the issue date (July 22, 2021 ~ July 22, 2026) and will be redeemed in cash at face value at the maturity date.

J. The Company issued $2,200,000, 0.55% first unsecured ordinary bonds in 2021, with interest payable annually. The bonds mature 5 years from the issue date (April 15, 2021 ~ April 15, 2026) and will be redeemed in cash at face value at the maturity date. The bonds were fully paid at the maturity date.

K. The Company issued $7,000,000, 0.70% first unsecured ordinary bonds in 2020, with interest payable annually. The bonds mature 5 years from the issue date (April 22, 2020 ~ April 22, 2025)

and will be redeemed in cash at face value at the maturity date. The bonds were fully paid at the maturity date.

(14) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	June 30, 2026	December 31, 2025	June 30, 2025
Long-term bank borrowings					
Secured borrowings (Note)	Borrowing period is from October 2020 to December 2031; interest is repayable monthly, repayment of principal	1.67%~ 2.68%	$ 1,362,694	$ 1,344,104	$ 1,311,611
Unsecured borrowings	Borrowing period is from December 2023 to April 2030; interest is repayable monthly,repayment of principal	2.43% ~2.48%	367,627	354,736	427,351
Mid-term syndicated loans for working capital	Borrowing period is from March 2025 to March 2028; interest is repayable monthly, repayment of principal at the maturity date	2.33% ~2.41%	9,382,973	7,378,108	2,973,243
			11,113,294	9,076,948	4,712,205
Less : Long-term liabilities, current portion			(9,723,847)	(343,689)	(203,776)
			$ 1,389,447	$ 8,733,259	$ 4,508,429

Note: For details of collateral information, please refer Note 8.

A. As of June 30, 2026, the maturities of long-term borrowings are as follows:

Duration of maturity	June 30, 2026	December 31, 2025	June 30, 2025
Up to 1 year	$ 340,874	$ 343,689	$ 203,776
1 to 2 years	9,732,719	177,583	324,702
Over 2 years	1,039,701	8,555,676	4,183,727
	$ 11,113,294	$ 9,076,948	$ 4,712,205

B. For the information of the subsidiary, Hotai Finance Development Co., Ltd., entering into a mid-term syndicated loan for working capital, please refer Note 6(11). The loan period is from March 2025 to March 2028.

(15) Guarantee deposits received

	June 30, 2026	December 31, 2025	June 30, 2025
Current	$ 3,835,234	$ 4,164,386	$ 3,730,694
Non-current	390,559	268,572	366,651
	$ 4,225,793	$ 4,432,958	$ 4,097,345

It mainly refers to the guarantee deposits from vehicles and equipment leasing.

(16) Pensions

Defined contribution pension plan

A. Effective July 1, 2005, the Group has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

B. The Company's mainland China subsidiary, Hoyun International Leasing Co., Ltd., has a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. The average contribution percentage for the six months ended June 30, 2026 and 2025 was both 15%. Other than the monthly contributions, the Group has no further obligations.

C. The pension costs under defined contribution pension plans of the Group for the three months and six months ended June 30, 2026 and 2025 were $36,330, $35,434, $71,903 and $72,035, respectively.

(17) Share capital

A. As of June 30, 2026 and 2025, the Company's authorized capital were both $10,000,000, consisting of 1,000,000 thousand shares of ordinary stock. The Company's issued and outstanding capital stock both amounted to 723,150 thousand shares, with par value of NT$10 per share, respectively. All proceeds from shares issued have been collected.

B. On May 28, 2026, the Company, through a resolution of the shareholders' meeting, decided to conduct a capital increase for the issuance of new shares based on undistributed earnings of $186,945. This involved issuing 18,695 thousand new shares with a par value of $10 per share. The capital increase was approved by the Financial Supervisory Commission and became effective on July 6, 2026.

C. On June 23, 2022, the Board of Directors resolved to increase the Company's capital in the amount of $5,000,000 by issuing 50 million shares of Class A preference shares with a par value of $10 (in dollars) per share issued at $100 (in dollars) per share. The capital injection was approved by the FSC on August 10, 2022, and the effective date was set on September 21, 2022. The rights and obligations of these outstanding preference shares are as follows:

(a) Expiration date: The Company's Class A preference shares are perpetual but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price. The outstanding Class A preference shares sustained all the rights and obligations specified in the issuance terms. Dividends payable as of the redemption date shall be calculated based on the actual outstanding days if the Board of Directors resolved to distribute the current year's dividends.

(b) Dividends: Dividends are calculated at 4.2% per annum, consisting of five-year IRS rate of 1.1175% on pricing effective date (August 19, 2022) and specific markup of 3.0825%, based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two Taipei financial industry business days prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Reuters pages “PYTWD01” and “COSMOS3” at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.

(c) Dividend distribution: The Company has discretion in dividend distribution of Class A preference shares. The Company could choose not to distribute dividends of preferred shares, which would not lead to default if the Company has no or has insufficient current year’s earnings for distribution. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not become deferred payments in future years when the Company has earnings.

Dividends are distributed once per year in the form of cash. The effective date for distributing previous year’s distributable dividends will be set by the Board of Directors. Dividend distributions in the issuance and redemption years are calculated based on the actual outstanding days. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses, then the remaining amount shall be set aside as legal reserve, and shall be set aside as special reserve as required by the regulations when necessary. The remainder, if any in the current year, can be distributed as dividends of Class A preference shares in first priority.

(d) Excess dividend distribution: Besides the aforementioned dividends, the shareholders of Class A preference shares could not participate in the distribution of cash and capitalised assets for common shares derived from earnings and capital surplus.

(e) Residual property distribution: The shareholders of Class A preference shares have priority over shareholders of common stocks in distributing the Company’s residual properties and have the same priority with other preferred shareholders of the Company, but behind the general creditor. In addition, the limit is the amount calculated by shares of outstanding preference shares issued and the issue price when distributing.

(f) Right to vote and be elected: The shareholders of Class A preference shares have no right to vote and be elected in the shareholders’ meeting of the Company but have the right to vote in the shareholders’ meeting for shareholders of preference shares and shareholders’ meeting regarding to rights and obligations of shareholders of preference shares.

(g) Conversion to common shares: Class A preference shares could not be converted to common shares. The stockholders of Class A preference shares cannot request the Company to retire the stocks they hold.

(h) The preemptive rights for shareholders of Class A preference shares are the same as of common shareholders when the Company increases its capital by issuing new shares.

D. On May 4, 2023, the Board of Directors resolved to increase the Company's capital in the amount of $5,000,000 by issuing 50 million shares of Class B preference shares with a par value of $10 (in dollars) per share issued at $100 (in dollars) per share. The capital injection was approved by the FSC on July 19, 2023, and the effective date was set on August 29, 2023. The rights and obligations of these outstanding preference shares are as follows:

(a) Expiration date: The Company's Class B preference shares are perpetual but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price. The outstanding Class B preference shares sustained all the rights and obligations specified in the issuance terms. Dividends payable as of the redemption date shall be calculated based on the actual outstanding days if the Board of Directors resolved to distribute the current year's dividends.

(b) Dividends: Dividends are calculated at 4.5% per annum, consisting of five-year IRS rate of 1.4325% on pricing effective date (July 28, 2023) and specific markup of 3.0675%, based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two Taipei financial industry business days prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Reuters pages "PYTWD01" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.

(c) Dividend distribution: The Company has discretion in dividend distribution of Class B preference shares. The Company could choose not to distribute dividends of preferred shares, which would not lead to default if the Company has no or has insufficient current year's earnings for distribution. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not become deferred payments in future years when the Company has earnings.

Dividends are distributed once per year in the form of cash. The effective date for distributing previous year's distributable dividends will be set by the Board of Directors. Dividend distributions in the issuance and redemption years are calculated based on the actual outstanding days. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses, then the remaining amount shall be set aside as legal reserve, and shall be set aside as special reserve as required by the regulations when necessary. The remainder, if any in the current year, can be distributed as dividends of Class B preference shares in first priority.

(d) Excess dividend distribution: Besides the aforementioned dividends, the shareholders of Class B preference shares could not participate in the distribution of cash and capitalised assets for common shares derived from earnings and capital surplus.

(e) Residual property distribution: The shareholders of Class B preference shares have priority over shareholders of common stocks in distributing the Company's residual properties and have the same priority with other preferred shareholders of the Company, but behind the general creditor. In addition, the limit is the amount calculated by shares of outstanding preference shares issued and the issue price when distributing.

(f) Right to vote and be elected: The shareholders of Class B preference shares have no right to vote and be elected in the shareholders' meeting of the Company but have the right to vote in the shareholders' meeting for shareholders of preference shares and shareholders' meeting regarding to rights and obligations of shareholders of preference shares.

(g) Conversion to common shares: Class B preference shares could not be converted to common shares. The stockholders of Class B preference shares cannot request the Company to retire the stocks they hold.

(h) The preemptive rights for shareholders of Class B preference shares are the same as of common shareholders when the Company increases its capital by issuing new shares.

(18) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(19) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses, then 10% of the remaining amount shall be set aside as legal reserve, and shall be set aside as special reserve as required by the regulations when necessary and preferential distribution of special shares. The appropriation of the remaining earnings, if any, shall be proposed by the Board of Directors and voted on by the shareholders at the shareholders' meeting. The dividends to be distributed to the shareholders shall account for at least 50% of the remaining earnings, and cash dividends shall account for at least 10% of the total dividends distributed.

B. The Board of Directors can distribute all or part of the distributable legal reserve, capital surplus, dividends or bonus in the form of cash as resolved by a majority vote at their meeting attended by at least two-thirds of the total number of directors and reported to the shareholders. The aforesaid requirement on obtaining resolution from the shareholders is not applicable.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1090150022, dated March 31, 2021, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

E. On May 28, 2026 and May 27, 2025, the shareholders resolved the distribution of earnings for the years of 2025 and 2024 as follows:

	Year ended December 31, 2025		Year ended December 31, 2024	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 337,593		$ 305,549	
Special reserve	(29,913)		(61,250)	
Dividend on preferred stock, Class A	210,000	$ 4.20	210,000	$ 4.20
Dividend on preferred stock, Class B	225,000	$ 4.50	225,000	$ 4.50
Cash dividend on common stock	1,869,451	$ 3.00	1,869,451	$ 3.00
Stock dividend on common stock	186,945	$ 0.30	-	$ -
	$ 2,799,076		$ 2,548,750	

F. For the information relating to employees' compensation and directors' remuneration, please refer to Note 6(27).

(20) Operating revenue

	Three months ended June 30,	
	2026	2025
Revenue from contracts with customers	$ 593,844	$ 610,104
Other operating revenue		
Interest income	4,285,972	4,409,812
Revenue from finance leases	746,713	813,529
Revenue from operating leases	131,944	163,959
	$ 5,758,473	$ 5,997,404

	Six months ended June 30,	
	2026	2025
Revenue from contracts with customers	$ 1,183,578	$ 1,096,058
Other operating revenue		
Interest income	8,588,674	8,907,977
Revenue from finance leases	1,517,238	1,733,780
Revenue from operating leases	274,610	345,323
	$ 11,564,100	$ 12,083,138

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following geographical regions:

Three months ended June 30, 2026	Taiwan	China	Others	Total
Total segment revenue	$ 519,326	$ 68,520	$ 5,998	$ 593,844
Inter-segment revenue	-	-	-	-
Revenue from external customer	$ 519,326	$ 68,520	$ 5,998	$ 593,844
Timing of revenue recognition				
At a point in time	$ 290,949	$ 68,520	$ 5,998	$ 365,467
Over time	228,377	-	-	228,377
	$ 519,326	$ 68,520	$ 5,998	$ 593,844

Three months ended June 30, 2025	Taiwan	China	Total
Total segment revenue	$ 538,508	$ 71,596	$ 610,104
Inter-segment revenue	-	-	-
Revenue from external customer	$ 538,508	$ 71,596	$ 610,104
Timing of revenue recognition			
At a point in time	$ 345,815	$ 71,596	$ 417,411
Over time	192,693	-	192,693
	$ 538,508	$ 71,596	$ 610,104

Six months ended June 30, 2026	Taiwan	China	Others	Total
Total segment revenue	$ 1,064,653	$ 107,767	$ 11,158	$ 1,183,578
Inter-segment revenue	-	-	-	-
Revenue from external customer	$ 1,064,653	$ 107,767	$ 11,158	$ 1,183,578
Timing of revenue recognition				
At a point in time	$ 657,945	$ 107,767	$ 11,158	$ 776,870
Over time	406,708	-	-	406,708
	$ 1,064,653	$ 107,767	$ 11,158	$ 1,183,578

Six months ended June 30, 2025	Taiwan	China	Total
Total segment revenue	$ 980,282	$ 115,776	$ 1,096,058
Inter-segment revenue	-	-	-
Revenue from external customer	$ 980,282	$ 115,776	$ 1,096,058
Timing of revenue recognition			
At a point in time	$ 649,567	$ 115,776	$ 765,343
Over time	330,715	-	330,715
	$ 980,282	$ 115,776	$ 1,096,058

(21) Operating costs

	Three months ended June 30,	
	2026	2025
Interest costs	$ 1,537,973	$ 1,449,452
Other costs	681,900	966,614
	$ 2,219,873	$ 2,416,066

	Six months ended June 30,	
	2026	2025
Interest costs	$ 3,000,068	$ 2,943,595
Other costs	1,436,155	1,822,833
	$ 4,436,223	$ 4,766,428

(22) Interest income

	Three months ended June 30,	
	2026	2025
Interest income from bank deposits	$ 22,937	$ 8,637
Interest income from short-term notes receivable	1,020	508
Other interest income	807	129
	$ 24,764	$ 9,274

	Six months ended June 30,	
	2026	2025
Interest income from bank deposits	$ 27,216	$ 13,732
Interest income from short-term notes receivable	1,088	649
Other interest income	933	190
	$ 29,237	$ 14,571

(23) Other income

	Three months ended June 30,	
	2026	2025
Rental income	$ 1,029	$ 1,047
Other income - others	100,941	40,665
	$ 101,970	$ 41,712

	Six months ended June 30,	
	2026	2025
Rental income	$ 2,083	$ 2,097
Other income - others	176,516	123,556
	$ 178,599	$ 125,653

(24) Other gains and losses

	Three months ended June 30,	
	2026	2025
Foreign exchange losses	($ 7,352)	($ 6)
Gains on financial assets at fair value through profit or loss	1,071	14
Gains on disposals of investment	-	269
(Losses) gains on disposals of property, plant and equipment	(1,070)	1,488
Others	(3,599)	(1,220)
	($ 10,950)	$ 545

	Six months ended June 30,	
	2026	2025
Foreign exchange gains (losses)	$ 16,197	($ 10)
Gains on financial assets at fair value through profit or loss	1,082	342
Losses on disposals of investment	-	(6,880)
(Losses) gains on disposals of property, plant and equipment	(1,848)	3,530
Others	(5,807)	(4,296)
	$ 9,624	($ 7,314)

(25) Finance costs

	Three months ended June 30,	
	2026	2025
Finance expense, others	$ 2,395	$ 2,094

	Six months ended June 30,	
	2026	2025
Finance expense, others	$ 4,677	$ 4,330

(26) Expenses by nature

	Three months ended June 30,	
	2026	2025
Employee benefit expense	$ 786,138	$ 687,424
Depreciation charges on right-of-use assets	$ 19,127	$ 23,166
Depreciation charges on property, plant and equipment	$ 141,417	$ 152,251
Depreciation charges on investment property	$ 205	$ 205
Amortization charges on intangible assets	$ 22,663	$ 7,476

	Six months ended June 30,	
	2026	2025
Employee benefit expense	$ 1,599,685	$ 1,396,733
Depreciation charges on right-of-use assets	$ 37,862	$ 47,055
Depreciation charges on property, plant and equipment	$ 288,571	$ 316,426
Depreciation charges on investment property	$ 410	$ 410
Amortization charges on intangible assets	$ 45,149	$ 14,952

(27) Employee benefit expense

	Three months ended June 30,	
	2026	2025
Wages and salaries	$ 648,333	$ 555,570
Labor and health insurance fees	56,942	53,631
Pension costs	36,330	35,434
Directors' and supervisors' remuneration	2,271	3,190
Other personnel expenses	42,262	39,599
	$ 786,138	$ 687,424

	Six months ended June 30,	
	2026	2025
Wages and salaries	$ 1,325,378	$ 1,129,702
Labor and health insurance fees	112,339	107,643
Pension costs	71,903	72,035
Directors' and supervisors' remuneration	4,540	6,886
Other personnel expenses	85,525	80,467
	$ 1,599,685	$ 1,396,733

A. According to the Articles of Incorporation of the Company, 1% of the annual profit shall be distributed as employees' remuneration. However, if the Company has an accumulated deficit, the Company must first set aside earnings to cover the deficit. Of the total amount appropriated for employees' remuneration, no less than 50% shall be distributed to non-managerial employees. The employees' remuneration may be distributed in the form of shares or in cash. Such distribution shall be approved by a resolution adopted by a majority vote of the directors present at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors. Such distribution shall then be reported to the shareholders' meeting.

B. For the three months and six months ended June 30, 2026 and 2025, employees' remuneration were accrued at $12,423, $10,242, $24,105 and $19,734, respectively. The aforementioned amounts were recognized in salary expenses.

   The employees' remuneration was estimated and accrued based on 1% of distributable profit of current year for the six months ended June 30, 2026.

   Employees' remuneration of 2025 as resolved by the Board of Directors was in agreement with those amounts recognized in the 2025 financial statements.

   Information about employees' remuneration of the Company as resolved by the Board of Directors meeting will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(28) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended June 30,	
	2026	2025
Current tax:		
Current tax on profits for the period	$ 539,545	$ 355,298
Tax on undistributed surplus earnings	28,844	25,338
Prior year income tax over estimation	(187,633)	(269,613)
Total current tax	380,756	111,023
Deferred tax:		
Origination and reversal of temporary differences	(60,213)	25,079
Total deferred tax	(60,213)	25,079
Income tax expense	$ 320,543	$ 136,102

	Six months ended June 30,	
	2026	2025
Current tax:		
Current tax on profits for the period	$ 961,803	$ 719,414
Tax on undistributed surplus earnings	28,844	25,338
Prior year income tax over estimation	(187,343)	(269,613)
Total current tax	803,304	475,139
Deferred tax:		
Origination and reversal of temporary differences	(205,989)	(74,487)
Total deferred tax	(205,989)	(74,487)
Income tax expense	$ 597,315	$ 400,652

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Three months ended June 30,	
	2026	2025
Cash flow hedges	($ 12,776)	$ 36,846

	Six months ended June 30,	
	2026	2025
Cash flow hedges	$ 14,426	$ 29,621

B. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority.

(29) Earnings per share

	Three months ended June 30, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 949,140		
Less: Dividend on preferred stock	-		
Profit attributable to ordinary shareholders of the parent	$ 949,140	641,845	$ 1.48
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 949,140	641,845	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	218	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 949,140	642,063	$ 1.48

	Three months ended June 30, 2025		
	Amount after tax	Retrospective adjusted weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 902,488		
Less: Dividend on preferred stock	-		
Profit attributable to ordinary shareholders of the parent	$ 902,488	641,845	$ 1.41
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 902,488	641,845	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	157	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 902,488	642,002	$ 1.41

	Six months ended June 30, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 1,857,210		
Less: Dividend on preferred stock	(435,000)		
Profit attributable to ordinary shareholders of the parent	$ 1,422,210	641,845	$ 2.22
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,422,210	641,845	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	690	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,422,210	642,535	$ 2.21

	Six months ended June 30, 2025		
	Amount after tax	Retrospective adjusted weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 1,629,577		
Less: Dividend on preferred stock	(435,000)		
Profit attributable to ordinary shareholders of the parent	$ 1,194,577	641,845	$ 1.86
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,194,577	641,845	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	484	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,194,577	642,329	$ 1.86

(30) Business combinations

A. In December 2025, the Group acquired 31% of the share capital of HFC (Cambodia) Microfinance PLC. (hereinafter referred to as the "HFC MFI") for US$20,890 thousand in cash. The Group initially held a 35% shareholding, which was recognized as investments accounted for using equity method. With the acquisition, the Group shareholding ratio thereafter increased to 66%, thereby obtaining control over HFC MFI. HFC MFI is engaged in financing and leasing operations in the Cambodian region. The Group expects that the acquisition will facilitate the sustainable development of its overseas leasing business.

B. The following table summarises the consideration paid for HFC MFI Company and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets at the acquisition date:

	December 31, 2025
Purchase consideration	
Cash paid	$ 653,982
Fair value of the equity interest in HFC MFI held before the business combination	574,204
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets	548,468
	1,776,654
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	$ 152,860
Accounts receivable	1,074,876
Finance lease receivable	375,700
Other receivables	1,820
Prepayments	1,119
Other financial assets	25,144
Property, plant and equipment	7,794
Intangible assets	1,196,748
Deferred income tax assets	14,016
Other non-current assets, others	456
Short-term loans	(969,456)
Other payables	(20,722)
Current income tax liabilities	(8,008)
Deferred tax liabilities	(239,207)
Total identifiable net assets	1,613,140
Goodwill	$ 163,514

C. The Group recognised a gain of $16,616 as a result of measuring at fair value its 35% equity interest in HFC MFI held before the business combination.

D. There were no operating revenue and profit before income tax included in the consolidated statement of comprehensive income since December, 2025 contributed by HFC MFI. Had the company been consolidated from January 1, 2025, the consolidated statement of comprehensive income would show operating revenue of $23,992,568 and profit before income tax of $4,308,667.

E. As of June 30, 2026, the allocation of acquisition price for acquiring HFC MFI has not yet been completed. The fair values of the acquired identifiable intangible assets and goodwill of $1,196,748 and $163,514, respectively, are provisional pending receipt of the final valuations for those assets. Related allocation of acquisition price will be completed in one year.

(31) Supplemental cash flow information

A. Investing activities with partial cash payments

	Six months ended June 30,	
	2026	2025
Purchase of property, plant and equipment	$ 400,182	$ 584,999
Add: Opening balance of payable on equipment (Shown as 'Accounts payable')	89,402	233,468
Less: Ending balance of payable on equipment (Shown as 'Accounts payable')	(106,720)	(216,297)
Cash paid during the period	$ 382,864	$ 602,170

B. Financing activities with no cash flow effects

	Six months ended June 30,	
	2026	2025
Cash dividend payable	$ 2,304,451	$ 2,304,451

(32) Changes in liabilities from financing activities

	2026								
	Short-term loans	Short-term notes and bills payable	Bonds payable	Long-term loans	Guarantee deposits received	Other payables	Lease liabilities	Dividends payable	Liabilities from financing activities-gross
At January 1	$ 100,930,048	$ 145,508,216	$ 17,800,000	$ 9,076,948	$ 4,432,958	$ 854,174	$ 427,900	$ -	$ 279,030,244
Changes in cash flow from financing activities	8,932,588	(15,800,000)	4,950,000	2,036,346	(207,165)	(9,272)	(36,531)	-	(134,034)
Impact of changes in foreign exchange rate	(26,473)	-	-	-	-	-	2,344	-	(24,129)
Others	(586,819)	(40,333)	-	-	-	-	91,091	2,304,451	1,768,390
At June 30	$ 109,249,344	$ 129,667,883	$ 22,750,000	$11,113,294	$ 4,225,793	$ 844,902	$ 484,804	$ 2,304,451	$ 280,640,471

	2025								
	Short-term loans	Short-term notes and bills payable	Bonds payable	Long-term loans	Guarantee deposits received	Other payables	Lease liabilities	Dividends payable	Liabilities from financing activities-gross
At January 1	$ 120,843,955	$ 119,849,017	$ 31,200,000	$ 1,705,130	$ 4,875,171	$ 898,022	$ 409,494	$ -	$ 279,780,789
Changes in cash flow from financing activities	(22,551,031)	28,091,092	(17,000,000)	3,007,075	(777,826)	(121,278)	(46,755)	-	(9,398,723)
Impact of changes in foreign exchange rate	(1,119,590)	-	-	-	-	-	(6,809)	-	(1,126,399)
Others	720,172	(36,689)	-	-	-	-	35,152	2,304,451	3,023,086
At June 30	$ 97,893,506	$ 147,903,420	$ 14,200,000	$ 4,712,205	$ 4,097,345	$ 776,744	$ 391,082	$ 2,304,451	$ 272,278,753

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company is controlled by Hozan Investment Co., Ltd. which holds 45.395% ordinary equity interest in the Company. Hotai Motor Co., Ltd. is the Company's ultimate parent company.

(2) Names of related parties and relationship

Names of related parties	Relationship with the Group
Hotai Motor Co., Ltd.	The ultimate parent
Hozan Investment Co., Ltd.	Parent
Hoing Mobility Service Co., Ltd.	Other related parties
Taipei Toyota Motor Co., Ltd.	Other related parties
Tau Miau Motor Co., Ltd. (Tau Miau)	Other related parties
Kuotu Motor Co., Ltd. (Kuotu)	Other related parties
Central Motor Co., Ltd.	Other related parties
Nan Du Motor Co., Ltd.	Other related parties
Kau Du Automobile Co., Ltd. (Kau Du)	Other related parties
Ho Yu Investment Co., Ltd.	Other related parties
Hotai Leasing Co., Ltd. (Hotai Leasing)	Other related parties
Toyota Material Handling Taiwan Ltd.	Other related parties
Hotong Motor Investment Co., Ltd. (Hotong)	Other related parties
Lang Yang Toyota Motor Co., Ltd.	Other related parties
Eastern Motor Co., Ltd.	Other related parties
Chang Yuan Motor Co., Ltd.	Other related parties
Carmax Co., Ltd.	Other related parties
Ho An Insurance Agency Co., Ltd.	Other related parties
Hotai Insurance Co., Ltd.	Other related parties
Ho Tai Development Co., Ltd.	Other related parties
Ho Tai Service & Marketing Co., Ltd.	Other related parties
Hotai Connected Co., Ltd. (Hotai Connected)	Other related parties
Hotai AutoBody Manufacturing Co., Ltd.	Other related parties
Hotai Mobility Service Co., Ltd.	Other related parties
Quan An Transportation Co., Ltd.	Other related parties
Yu Cheng Transportation Co., Ltd.	Other related parties

Names of related parties	Relationship with the Group
Hozao Enterprise Co., Ltd.	Other related parties
Ho Young Travel Agency Co., Ltd.	Other related parties
Gochabar Co., Ltd.	Other related parties
Kai Lan Power Co., Ltd.	Other related parties
Grinnodot Inc. (Grinnodot)(Note)	Other related parties
Engod Corporation (Engod)(Note)	Other related parties
Shanghai Hozhan Motor Service Co., Ltd. (Shanghai Hozhan)	Other related parties
Shanghai Yangpu Heling Lexus Motor Sales & Service Co., Ltd. (Shanghai Yangpu Heling)	Other related parties
Shanghai Heling Motor Service Co., Ltd. (Shanghai Heling)	Other related parties
Shanghai Ho-mian Motor Technology Co., Ltd. (Shanghai Ho-mian)	Other related parties
Shanghai Hoyu Motor Service Co., Ltd.	Other related parties
Tianjin Hozhan Motor Service Co., Ltd.	Other related parties
Tianjin Ho-yu Motor Sales & Service Co., Ltd.	Other related parties
Tianjin Binhai Heling LEXUS Motor Service Co., Ltd.	Other related parties
Chongqing Yurun Toyota Automobile Service Co., Ltd.	Other related parties
ChongQing Heling Lexus Motor Service Co, Ltd.(ChongQing Heling)	Other related parties
Toyota Motor Asia (Singapore) Pte. Ltd.	Other related parties
Nanjing HoZhan Motor Sales and Service Co., Ltd.	Other related parties
Guangzhou Gac Changho Autotech Corporation	Other related parties
Tangshan Heling Lexus Car Dealer Co., Ltd. (Tangshan Heling)	Other related parties
Nanchang Heling Lexus Motor Service Co, Ltd.(Nanchang Heling)	Other related parties

Note: As of June 30, 2026, after disposal of the equity interest, the entities were no longer related parties of the Group. Please refer to Note 6(5).

(3) Significant related party transactions and balances

A. Revenue

(a) Compensation of installment sale price spread

	Three months ended June 30,	
	2026	2025
- The ultimate parent	$ 32,811	$ 41,878
- Other related parties	92,931	98,534
	$ 125,742	$ 140,412

	Six months ended June 30,	
	2026	2025
- The ultimate parent	$ 71,178	$ 78,523
- Other related parties	169,640	194,652
	$ 240,818	$ 273,175

The Company's compensation from specified vehicle promotion activities received from above related parties are recognized as unrealized interest income and amortized by installment.

(b) Sales revenue

	Three months ended June 30,	
	2026	2025
- The ultimate parent	$ -	$ -

	Six months ended June 30,	
	2026	2025
- The ultimate parent	$ 79,690	$ -

B. Expenses

(a) Cost of rental sales

	Three months ended June 30,	
	2026	2025
- Other related parties	$ 8,267	$ 700

	Six months ended June 30,	
	2026	2025
- Other related parties	$ 8,874	$ 8,829

(b) Rent expense

	Three months ended June 30,	
	2026	2025
- The ultimate parent	$ 13	$ 15
- Other related parties		
Shanghai Ho-mian	5,931	157
Hotai Leasing	2,901	3,080
Others	20	10
	$ 8,865	$ 3,262

	Six months ended June 30,	
	2026	2025
- The ultimate parent	$ 48	$ 15
- Other related parties		
Shanghai Ho-mian	11,703	582
Hotai Leasing	5,708	6,263
Others	34	66
	$ 17,493	$ 6,926

(c) Commission expense

	Three months ended June 30,	
	2026	2025
- Other related parties		
Hotai Leasing	27,783	28,210
Others	36,928	49,663
	$ 64,711	$ 77,873

	Six months ended June 30,	
	2026	2025
- Other related parties		
Hotai Leasing	56,290	53,510
Others	80,208	98,104
	$ 136,498	$ 151,614

(d) Property secured transaction registration service fee

	Three months ended June 30,	
	2026	2025
- Other related parties	$ 11,325	$ 11,262

	Six months ended June 30,	
	2026	2025
- Other related parties	$ 21,311	$ 23,232

(e) Others

	Three months ended June 30,	
	2026	2025
- The ultimate parent	$ -	$ 3,010
- Other related parties		
Kuotu	2,189,686	2,119,303
Tau Miau	1,341,481	1,203,498
Others	2,014,941	2,309,154
	$ 5,546,108	$ 5,634,965

	Six months ended June 30,	
	2026	2025
- The ultimate parent	$ -	$ 3,781
- Other related parties		
Kuotu	3,995,057	4,347,457
Tau Miau	2,623,656	1,953,355
Others	4,017,157	4,285,534
	$ 10,635,870	$ 10,590,127

As described in Note 4(30), installment sales of the Company are intended primarily to earn interest revenue. Sales revenue and the cost of goods sold from installment sales are presented in net amount and movable properties arising from transaction are all pledged as collateral. The credit terms to related parties were the same as those to third parties.

C. Receivables from (payables to) related parties

(a) Receivables from related parties

	June 30, 2026	December 31, 2025	June 30, 2025
- The ultimate parent	$ 22,549	$ 62,798	$ 58,786
- Other related parties	98,617	141,817	101,629
	$ 121,166	$ 204,615	$ 160,415

(b) Accounts payable

	June 30, 2026	December 31, 2025	June 30, 2025
- Other related parties			
Kuotu	$ 185,977	$ 86,180	$ 149,599
Kau Du	108,874	29,950	34,830
Others	34,280	31,836	49,372
	$ 329,131	$ 147,966	$ 233,801

(c) Prepayments

	June 30, 2026	December 31, 2025	June 30, 2025
- The ultimate parent	$ -	$ 3,347	$ -
- Other related parties	8,966	6,521	8,778
	$ 8,966	$ 9,868	$ 8,778

D. Contract liabilities (shown as other current liabilities)

	June 30, 2026	December 31, 2025	June 30, 2025
- The ultimate parent	$ -	$ 79,690	$ 55,783
- Other related parties	1,905	-	-
	$ 1,905	$ 79,690	$ 55,783

E. Property transactions – Acquisition of furnitures and fixtures and transportation equipment

(a) Lease

	Three months ended June 30,	
	2026	2025
- Other related parties		
Shanghai Heling	$ 8,662	$ 2,771
Tangshan Heling	6,679	-
Shanghai Yangpu Heling	4,647	-
Shanghai Hozhan	18	5,710
Nanchang Heling	-	6,494
Chongqing Heling	-	(197)
Other	21	5,353
	$ 20,027	$ 20,131

	Six months ended June 30,	
	2026	2025
- Other related parties		
Shanghai Heling	$ 8,662	$ 7,796
Tangshan Heling	6,679	-
Shanghai Yangpu Heling	4,647	-
Shanghai Hozhan	2,140	8,495
Nanchang Heling	-	15,936
Chongqing Heling	-	6,738
Other	2,510	7,163
	$ 24,638	$ 46,128

(b) Owner-occupied

	Three months ended June 30,	
	2026	2025
- Other related parties		
Grinnodot	$ -	$ 33,291
Engod	-	17,133
Others	-	1,973
	$ -	$ 52,397

	Six months ended June 30,	
	2026	2025
- Other related parties		
Grinnodot	$ -	$ 56,962
Engod	-	25,918
Others	-	1,973
	$ -	$ 84,853

F. Lease transactions – Lessee

(a) The Group entered into lease agreements using market quotes with related parties and pays rent monthly based on the payment terms.

(b) Lease liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
- The ultimate parent	$ 1,983	$ 3,950	$ 5,903
- Other related parties	6,773	8,405	20,676
	$ 8,756	$ 12,355	$ 26,579

G. Loans to/from related parties

(a) Loans to related parties

Outstanding balance:

	June 30, 2026	December 31, 2025	June 30, 2025
- Other related parties			
Kai Lan	$ 40,938	$ -	$ -

The loans to related parties are repayable in full amount at the maturity date and carry interest at 2.68% per annum, which is shown as 'Other receivables'.

(b) Loans from related parties

Outstanding balance:

	June 30, 2026	December 31, 2025	June 30, 2025
- Other related parties			
Hotong	$ 844,902	$ 854,174	$ 776,744

The loans from related parties are repayable in full amount at the maturity date and carry interest at 2.50%~2.60% per annum, which is shown as 'Other payables.'

H. Endorsements and guarantees provided to related parties

	June 30, 2026	December 31, 2025	June 30, 2025
- Other related parties			
Kai Lan	$ 626,600	$ -	$ -

(4) Key management compensation

	Three months ended June 30,	
	2026	2025
Wages, salaries and others short-term employee benefits	$ 28,795	$ 21,509
Post-employment benefits	216	216
	$ 29,011	$ 21,725

	Six months ended June 30,	
	2026	2025
Wages, salaries and others short-term employee benefits	$ 51,470	$ 47,813
Post-employment benefits	459	432
	$ 51,929	$ 48,245

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Items	June 30, 2026	December 31, 2025	June 30, 2025	Purpose
Pledged assets (Note)				
- Pledged time deposits	$ 84,497	$ 40,529	$ 63,461	Guarantee deposit for credit line on gasoline purchases, pledged to banks as collateral for acceptance bill and lease deposit
- Pledged savings account	281,616	156,248	92,825	Pledged to banks as collateral for short-term borrowings, commercial paper payable, acceptance bill and performance guarantee
	$ 366,113	$ 196,777	$ 156,286	
Notes and accounts receivable, net				
- Notes receivable from installment sales	$ 4,976,018	$ 5,617,524	$ 5,510,082	Pledged to banks as collateral for short-term borrowings and commercial paper payable
- Notes receivable from leases	19,999	26,875	34,301	"
- Lease receivable	11,191,214	11,441,436	8,889,267	Credit enhancement for asset-backed note borrowing, short-term bank loans, and secondary collateral for commercial paper payable.
	$ 16,187,231	$ 17,085,835	$ 14,433,650	
Property, plant and equipment	$ 1,421,901	$ 1,300,401	$ 1,254,739	Collateral for long-term and short-term borrowings

Note: Shown as 'Other current financial assets' and 'Other non-current assets, others'.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Please refer to Note 6(8) for the operating leases agreement.

(2) As of June 30, 2026, the Group had entered into contracts for the purchase and installation of equipment and the purchase of real estate but not yet acquired amounting to $1,795,731 and $664,140, respectively.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to maintain an optimal capital structure to reduce the cost of capital and to support operations and maximize returns for shareholders.

(2) Financial instruments

A. Financial instruments by category

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets			
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ 1,783,225	$ 139,286	$ 28,225
Financial assets at amortized cost/ Loans and receivables			
Cash and cash equivalents	$ 4,931,503	$ 4,631,325	$ 4,595,720
Financial assets at amortised cost	938,918	787,993	-
Notes receivable	19,796,899	18,537,954	15,881,964
Accounts receivable	244,725,229	246,178,599	242,980,998
Operating lease receivable	1,361	1,318	3,193
Finance lease receivable	25,561,208	26,827,522	25,366,314
Other receivables	241,311	148,511	160,915
Guarantee deposits paid	190,156	201,182	174,103
Other financial assets	366,113	196,777	156,286
Long-term notes and accounts receivable	12,768,009	11,874,209	11,549,842
Long-term finance lease receivable, net	1,509,391	1,489,355	1,283,559
	$ 311,030,098	$ 310,874,745	$ 302,152,894
Hedging financial assets	$ 71,576	$ 146,193	$ 106,064

	June 30, 2026	December 31, 2025	June 30, 2025
Financial liabilities			
Financial liabilities at amortized cost			
Short-term loans	$ 109,249,344	$ 100,930,048	$ 97,893,506
Short-term notes and bills payable	129,667,883	145,508,216	147,903,420
Notes payable	1,395,690	1,326,948	844,572
Accounts payable (including related parties)	833,477	561,445	668,694
Other payables	6,053,442	3,597,697	5,675,371
Bonds payable	22,750,000	17,800,000	14,200,000
Long-term loans (including current portion)	11,113,294	9,076,948	4,712,205
Guarantee deposits received	4,225,793	4,432,958	4,097,345
Financial guarantee liabilities	38,605	23,273	23,429
	$ 285,327,528	$ 283,257,533	$ 276,018,542
Lease liabilities	$ 484,804	$ 427,900	$ 391,062
Hedging financial liabilities	$ 1,123,333	$ 687,433	$ 991,661

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk), credit risk and liquidity risk. To minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as interest rate swap and cross-currency swap are used to hedge certain exchange rate risk, and variable future cash flows are transferred to fix. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

(b) Risk management is carried out by each assigned department of companies within the Group under policies approved by the Board of Directors. The finance departments identify, evaluate and hedge financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the RMB and USD. Foreign exchange rate risk arises from future commercial transactions and recognized assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.

iii. The Group entered into cross-currency swaps with financial institutions to hedge the foreign exchange rate risk arising from loans, and are shown as financial assets and liabilities for hedging. Please refer to Note 6(2).

iv. The Group's businesses involve some non-functional currency operations (the Company' functional currency: NTD; other certain subsidiaries' functional currency: RMB and USD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	June 30, 2026			
	Foreign currency amount (In thousands)		Exchange rate	Book value (NTD)
(Foreign currency: functional currency)				
Financial assets				
Monetary items				
USD:NTD	USD	356	31.8500	$ 11,324
THB:NTD	THB	55,416	0.9641	$ 53,427
Non-monetary items				
THB:NTD	THB	1,704,428	0.9641	$ 1,643,239

	December 31, 2025			
	Foreign currency amount (In thousands)		Exchange rate	Book value (NTD)
(Foreign currency: functional currency)				
Financial assets				
Monetary items				
USD:NTD	USD	-	-	$ -
THB:NTD	THB	-	-	$ -
Non-monetary items				
THB:NTD	THB	-	-	$ -

	June 30, 2025		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	USD -	-	$ -
THB:NTD	THB -	-	$ -
Non-monetary items			
THB:NTD	THB -	-	$ -

v. The total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the six months ended June 30, 2026 and 2025, amounted to $16,197 and ($10), respectively.

vi. Considering the cross-currency swap transactions the Group is engaged in, the analysis of foreign currency market risk arising from significant foreign exchange variation is as follows:

	Six months ended June 30, 2026		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 113	$ -
THB:NTD	1%	534	-

	Six months ended June 30, 2025		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ -	$ -
THB:NTD	1%	-	-

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise shares issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity for the years ended December 31, 2026 and 2025 would have increased/decreased by $17,832 and $282, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value Interest rate risk

i. The Group's main interest rate risk arises from the floating rate loans with financial institutions, which exposes the Group to cash flow interest rate risk.

ii. The Group uses the method of PVBP (Present Value of Basis Point) to evaluate the market risk of interest rate swap (IRS) and cross-currency swap (CCS) transactions. As the amounts, periods, contract dates, contract renewing dates, receipts / payments of interest, indices used to measure interest rate of the nominal principal of IRS and hedged liabilities are equivalent, the market risk could be offset. Thus, the Group estimates there would be no material market risk.

iii. If the borrowing interest rate had increased / decreased by 1% with all other variables held constant and considering the interest rate swap and cross-currency swap transactions the Group is engaged in, profit after tax for the six months ended June 30, 2026 and 2025 would have increased/decreased by $634,399 and $492,218, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(b) Credit risk

i. The Group has lower significant concentrations of agreements with single clients and the Group will evaluate the financial credit status of the clients (including the borrowers who assist the banks in promoting automobile installment loans and credit loans business). Most of the Group's receivables have proper collaterals. Therefore, credit risk of receivables is low. The maximum loss to the Group is the total book value of receivables.

ii. The Group engages in interest rate swap and cross-currency swap transactions with good credit standing financial institutions. Therefore, the Group expects the credit risk of the counterparties to be low.

iii. The Group provides guarantees for bank financing to Hoyun (Shanghai) Commercial Factoring Co., Ltd., Hotai Finance Development Co., Ltd. , He Jun Energy Co., Ltd., and Hoyun (Shanghai) Vehicle Leasing Co., Ltd., the subsidiaries of the Group, in accordance with the ”Procedures Governing Endorsements and Guarantees”. Since the Group can control these subsidiaries’ credit, collaterals are not asked. In the event that these related parties fail to comply with loan agreements with banks, the maximum loss to the Group is the total amount of loan guarantees.

iv. The Group entered into contracts with banks to introduce customers to avail of car mortgage loan with the banks. According to the contract signed by the Group and the banks, if any customer car loans payment is delayed, the Group is required to reimburse the unpaid balance. Upon such payment, the Group takes over the remaining creditor rights on the delinquent loan. As of June 30, 2026, December 31, 2025 and June 30, 2025, the outstanding amount of the customers’ mortgaged loans with the banks were $2,961,938, $1,779,600 and $1,818,819, respectively; and the amount of notes receivable received by the Group from the customers were $23,303, $11,651 and $24,014, respectively. The Group assesses financial guarantee contract liabilities which may arise from rendering the above services based on historical experience and recognizes financial guarantee expense which is shown as ‘Financial guarantee liabilities’.

v. The Group considers the default occurs when the contract payments are past due over 61 days.

vi. The Group assesses whether there has been a significant increase in credit risk on that instrument since initial recognition:

(i) The Group adopts IFRS 9 assumptions when the contract payments were past due over 31 days;

(ii) When the contract cash flow has been renegotiated or modified.

These situations are considered a significant increase in credit risk on that instrument since initial recognition.

vii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer or the borrower will enter bankruptcy or other financial reorganization due to their financial difficulties;

(ii) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

viii. The Group classifies its accounts and notes receivable based on the default characteristics. The expected credit loss for these assets is then estimated separately based on the number of days past due or through case assessment.

ix. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

x. For accounts receivable and notes receivable, the credit rating levels are as follows:

		Lifetime			
	12 months	Significant increase in credit risk	Impairment of credit	Simplified approach	Total
June 30, 2026					
Neither past due nor impaired	$304,718,040	$ -	$ -	$ 110,543	$ 304,828,583
Past due or case assessment	-	2,110,215	3,625,764	-	5,735,979
	$304,718,040	$ 2,110,215	$ 3,625,764	$ 110,543	$ 310,564,562
December 31, 2025					
Neither past due nor impaired	$305,052,063	$ -	$ -	$ 116,917	$ 305,168,980
Past due or case assessment	-	2,111,351	3,410,019	-	5,521,370
	$305,052,063	$ 2,111,351	$ 3,410,019	$ 116,917	$ 310,690,350
June 30, 2025					
Neither past due nor impaired	$298,007,422	$ -	$ -	$ 127,977	$ 298,135,399
Past due or case assessment	-	1,457,304	3,222,240	-	4,679,544
	$298,007,422	$ 1,457,304	$ 3,222,240	$ 127,977	$ 302,814,943

xi. The Group used historical expense and the forward-looking information, such as forecastability of future economic environment to assess the default possibility. As of June 30, 2026, December 31, 2025 and June 30, 2025, the movements of the loss allowance are as follows:

	Six months ended June 30, 2026			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
At January 1	$ 3,393,443	$ 516,503	$ 1,871,447	$ 5,781,393
Transfer and measurement stages	(39,910)	(70,404)	110,314	-
Provision for impairment	91,179	212,745	2,862,377	3,166,301
Write-offs	-	-	(2,805,452)	(2,805,452)
Effect of foreign exchange	6,061	4,356	49,806	60,223
At June 30	$ 3,450,773	$ 663,200	$ 2,088,492	$ 6,202,465

	Six months ended June 30, 2025			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
At January 1	$ 3,411,606	$ 599,045	$ 1,739,318	$ 5,749,969
Transfer and measurement stages	(50,566)	(100,528)	151,094	-
Provision for impairment	(57,262)	(22,159)	3,502,126	3,422,705
Write-offs	-	-	(3,338,738)	(3,338,738)
Effect of foreign exchange	(18,868)	(8,910)	(57,085)	(84,863)
At June 30	$ 3,284,910	$ 467,448	$ 1,996,715	$ 5,749,073

For the six months ended June 30, 2026 and 2025, gains on reversal of bad debts amounted to $1,208,321 and $795,368, respectively, and recognized as deduction on expected credit impairment loss.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by finance departments of companies within the Group. Finance departments of companies within the Group monitor rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets.

ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are interest and the contractual undiscounted cash flows.

June 30, 2026	Within 1 year	Between 1 and 2 years	Over 2 years
Non-derivative financial liabilities:			
Short-term loans	$ 91,762,029	$ 14,501,129	$ 4,777,887
Short-term notes and bills payable	129,930,000	-	-
Notes payable	1,395,690	-	-
Accounts payable (including related parties)	833,477	-	-
Other payables	6,071,443	-	-
Bonds payable	3,361,368	4,345,067	15,926,868
Lease liabilities	76,583	59,710	424,999
Long-term loans	598,093	9,940,577	1,070,115
Derivative financial liabilities:			
Financial liabilities for hedging	$ 396,097	$ 727,236	$ -

December 31, 2025	Within 1 year	Between 1 and 2 years	Over 2 years
Non-derivative financial liabilities:			
Short-term loans	$ 54,035,804	$ 37,352,923	$ 12,095,609
Short-term notes and bills payable	125,325,262	17,545,952	3,541,959
Notes payable	1,326,948	-	-
Accounts payable (including related parties)	561,445	-	-
Other payables	3,604,298	-	-
Bonds payable	5,436,084	223,260	12,756,298
Lease liabilities	73,277	53,673	363,371
Long-term loans	549,127	325,492	8,720,036
Derivative financial liabilities:			
Financial liabilities for hedging	$ 155,046	$ 145,896	$ 386,491

June 30, 2025	Within 1 year	Between 1 and 2 years	Over 2 years
Non-derivative financial liabilities:			
Short-term loans	$ 82,003,721	$ 12,074,479	$ 5,178,381
Short-term notes and bills payable	127,655,963	18,776,107	2,559,308
Notes payable	844,572	-	-
Accounts payable (including related parties)	668,694	-	-
Other payables	5,675,534	-	-
Bonds payable	7,310,670	3,061,013	4,044,712
Lease liabilities	96,316	49,467	297,600
Long-term loans	285,516	399,876	4,330,066
Derivative financial liabilities:			
Financial liabilities for hedging	$ 901,901	$ 22,030	$ 67,730

iii. The table excludes financial guarantee contracts. Please refer to Note 12(2).

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, other receivables, guarantee deposits paid, other financial assets, short-term loans, short-term notes and bills payable, notes payable, accounts payable, other payables, bonds payable, long-term loans (including current portion) and lease liabilities are approximate to their fair values.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at June 30, 2026, December 31, 2025 and June 30, 2025, is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

June 30, 2026	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Hedging financial assets	$ -	$ 71,576	$ -	$ 71,576
Financial assets at fair value through other comprehensive income				
- Equity securities	1,643,239	-	139,986	1,783,225
Total	$ 1,643,239	$ 71,576	$ 139,986	$1,854,801
Liabilities				
Recurring fair value measurements				
Hedging financial liabilities	$ -	$1,123,333	$ -	$1,123,333

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Hedging financial assets	$ -	$ 146,193	$ -	$ 146,193
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	139,286	139,286
Total	$ -	$ 146,193	$ 139,286	$ 285,479
Liabilities				
Recurring fair value measurements				
Hedging financial liabilities	$ -	$ 687,433	$ -	$ 687,433

June 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Hedging financial assets	$ -	$ 106,064	$ -	$ 106,064
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	28,225	28,225
Total	$ -	$ 106,064	$ 28,225	$ 134,289
Liabilities				
Recurring fair value measurements				
Hedging financial liabilities	$ -	$ 991,661	$ -	$ 991,661

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares
Market quoted price	Closing price

ii. The fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts and foreign exchange swap contracts, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

D. For the six months ended June 30, 2026 and 2025, there was no transfer between Level 1, Level 2 and Level 3.

E. The financial department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

F. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at June 30, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative - equity instrument:					
Unlisted shares	$ 139,986	Net worth method, Discounted cash flow	Net asset value, long-term net operating profit before income tax	-	The higher the net asset value and long-term net operating profit before income tax, the higher the fair value

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative - equity instrument:					
Unlisted shares	$ 139,286	Net worth method, Discounted cash flow	Net asset value, long-term net operating profit before income tax	-	The higher the net asset value and long-term net operating profit before income tax, the higher the fair value

	Fair value at June 30, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative - equity instrument:					
Unlisted shares	$ 28,225	Net worth method, Discounted cash flow	Net asset value, long-term net operating profit before income tax	-	The higher the net asset value and long-term net operating profit before income tax, the higher the fair value

G. The valuation models and inputs adopted by the Group have been carefully assessed and are therefore considered a reasonable measure of fair value. However, the adoption of different valuation models or inputs could result in different valuation results. For financial assets classified as Level 3, a 1% increase or decrease in the valuation inputs would have no significant effect on other comprehensive income for the current period.

(4) The Group's current assets and liabilities within or over 12 months after the balance sheet date are as follows:

June 30, 2026	Book value	Within 12 months	Over 12 months
Assets			
Cash and cash equivalents	$ 4,931,503	$ 4,931,503	$ -
Financial assets at amortised cost	354,460	145,518	208,942
Hedging financial assets - current	71,576	71,576	-
Accounts and notes receivable, net	264,522,128	99,085,709	165,436,419
Operating lease receivable, net	1,361	1,361	-
Finance lease receivable, net	25,561,208	17,907,724	7,653,484
Other receivables	241,311	241,311	-
Inventories	5,835	5,835	-
Prepayments	4,437,906	3,787,344	650,562
Other current financial assets	365,213	365,213	-
Liabilities			
Short-term loans	$ 109,249,344	$ 90,447,643	$ 18,801,701
Short-term notes and bills payable	129,667,883	129,667,883	-
Hedging financial liabilities-current	1,123,333	396,097	727,236
Notes payable	1,395,690	1,395,690	-
Accounts payable (including related parties)	833,477	833,477	-
Other payables	6,053,442	6,053,442	-
Current income tax liabilities	925,328	925,328	-
Lease liabilities-current	73,050	73,050	-
Bonds payable	22,750,000	3,000,000	19,750,000
Financial guarantee liabilities-current	38,605	38,605	-
Guarantee deposits received-current	3,835,234	1,680,224	2,155,010
Other current liabilities, others	70,949	70,949	-

December 31, 2025	Book value	Within 12 months	Over 12 months
Assets			
Cash and cash equivalents	$ 4,631,325	$ 4,631,325	$ -
Financial assets at amortised cost	387,446	134,680	252,766
Hedging financial assets - current	146,193	-	146,193
Accounts and notes receivable, net	264,716,553	97,143,946	167,572,607
Operating lease receivable, net	1,318	1,318	-
Finance lease receivable, net	26,827,522	18,392,133	8,435,389
Other receivables	148,511	148,511	-
Inventories	6,930	6,930	-
Prepayments	4,576,001	3,786,792	789,209
Other current financial assets	196,177	195,864	313
Liabilities			
Short-term loans	$ 100,930,048	$ 52,522,902	$ 48,407,146
Short-term notes and bills payable	145,508,216	124,625,007	20,883,209
Hedging financial liabilities-current	687,433	155,046	532,387
Notes payable	1,326,948	1,326,948	-
Accounts payable (including related parties)	561,445	561,445	-
Other payables	3,597,697	3,597,697	-
Current income tax liabilities	872,384	872,384	-
Lease liabilities-current	72,510	72,510	-
Bonds payable	17,800,000	5,200,000	12,600,000
Financial guarantee liabilities-current	23,273	23,273	-
Guarantee deposits received-current	4,164,386	1,943,750	2,220,636
Other current liabilities, others	138,147	138,147	-

June 30, 2025	Book value	Within 12 months	Over 12 months
Assets			
Cash and cash equivalents	$ 4,595,720	$ 4,595,720	$ -
Hedging financial assets - current	106,064	23,929	82,135
Accounts and notes receivable, net	258,862,962	94,035,264	164,827,698
Operating lease receivable, net	3,193	3,193	-
Finance lease receivable, net	25,366,314	4,547,864	20,818,450
Other receivables	160,915	160,915	-
Inventories	5,618	5,618	-
Prepayments	4,686,489	3,902,584	783,905
Other current financial assets	155,686	155,686	-
Liabilities			
Short-term loans	$ 97,893,506	$ 81,110,543	$ 16,782,963
Short-term notes and bills payable	147,903,420	126,919,089	20,984,331
Hedging financial liabilities-current	991,661	901,901	89,760
Notes payable	844,572	844,572	-
Accounts payable (including related parties)	668,694	668,694	-
Other payables	5,675,371	5,675,371	-
Current income tax liabilities	777,468	777,468	-
Lease liabilities-current	71,748	71,748	-
Bonds payable	14,200,000	7,200,000	7,000,000
Financial guarantee liabilities-current	23,429	23,429	-
Guarantee deposits received-current	3,730,694	1,929,747	1,800,947
Other current liabilities, others	93,700	93,700	-

13. SUPPLEMENTARY DISCLOSURES

The information of significant transactions for the six months ended June 30, 2026, is as follows:

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: None.

E. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: None.

F. Significant inter-company transactions during the reporting period: Please refer to table 4.

(2) Information on investees

Names, locations and other information of investee companies (not including investees companies in the Mainland Area) : Please refer to table 5.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 6.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area:

(a) Amount and percentage of purchase and its balance percentage of the payables: None.

(b) Amount and percentage of sales and its balance percentage of the receivables: None.

(c) Property transaction amount and profit or loss arises from: None.

(d) Ending balance and purpose of notes endorsed, guaranteed or pledged as collateral: Please refer to table 2.

(e) Maximum balance, ending balance, interest rate range and total interest of financing during the period: Please refer to table 1.

(f) Other transactions having significant to profit or loss or financial status, i.e. services rendering or receiving: None.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. The Group considers the business from a geographical perspective, and the reportable operating segments are as follows:

A. Taiwan: installment sales and leasing of various vehicles and equipment.

B. China: leasing of various vehicles and equipment.

C. Other regions: installment sales and leasing of various vehicles and equipment.

(2) Measurement of segment information

A. The accounting policies of operating segments are the same with the material accounting policies summarized in Note 4.

B. The pre-tax net income is used to measure the Group's operating segment profit (loss) and performance of the operating segments.

(3) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	Six months ended June 30, 2026				
Items	Taiwan	Mainland China	Other regions	Reconciliation and elimination	Total
Revenue from external customers					
Revenue from installment business	$ 9,089,053	$ 59,861	$ 117,303	$ -	$ 9,266,217
Revenue from rental business	29,146	1,807,885	38,522	-	1,875,553
Revenue from other business	422,330	-	-	-	422,330
Inter-segment revenue	-	-	-	-	-
Total segment revenue	$ 9,540,529	$ 1,867,746	$ 155,825	$ -	$ 11,564,100
Segment income	$ 2,467,733	$ 54,033	($ 29,747)	($ 4,174)	$ 2,487,845
Segment assets	$ 297,701,101	$ 35,559,526	$ 3,104,471	($ 4,632,763)	$ 331,732,335

	Six months ended June 30, 2025			
Items	Taiwan	Mainland China	Reconciliation and elimination	Total
Revenue from external customers				
Revenue from installment business	$ 9,567,455	$ 75,495	$ -	$ 9,642,950
Revenue from rental business	33,441	2,136,728	-	2,170,169
Revenue from other business	270,019	-	-	270,019
Inter-segment revenue	-	-	-	-
Total segment revenue	$ 9,870,915	$ 2,212,223	$ -	$ 12,083,138
Segment income	$ 2,002,976	$ 169,859	($ 63,557)	$ 2,109,278
Segment assets	$ 287,351,432	$ 34,983,981	($ 2,951,034)	$ 319,384,379

(4) Reconciliation for segment income (loss)

A. The Group's chief operating decision-maker assesses performance of operating segments and allocates resources based on pre-tax net income, thus, reconciliation is not needed.

B. The amounts provided to the chief operating decision-maker with respect to total assets are measured in a manner consistent with that of the financial statements.

Hotai Finance Co., Ltd.
Loans to others
Six months ended June 30, 2026

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2026	Balance at June 30, 2026	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	Hoyun International Leasing Co., Ltd.	Hoyun (Shanghai) Commercial Factoring Co., Ltd.	Other receivables	Y	$ 938,780	$ 938,780	$ -	3.45%	Short-term financing	$ -	Operational needs	$ -	None	$ -	$ 6,752,958	$ 13,505,916	Note 1
1	Hoyun International Leasing Co., Ltd.	Hemei International Trade (Suzhou) Co., Ltd	Other receivables	Y	469,390	469,390	-	3.45%	Short-term financing	-	Operational needs	-	None	-	6,752,958	13,505,916	Note 1
2	He Jun Energy Co., Ltd.	Wei Tien Energy Storage Co., Ltd.	Other receivables	Y	50,000	50,000	50,000	2.48%	Short-term financing	-	Operational needs	-	None	-	282,520	565,041	Note 2
2	He Jun Energy Co., Ltd.	Kai Lan Power Co., Ltd.	Other receivables	Y	42,875	42,875	40,938	2.68%	Short-term financing	-	Operational needs	-	None	-	282,520	565,041	Note 2
3	He Jing Co., Ltd.	D	Accounts receivable	N	62,358	62,358	62,358	6~10%	Short-term financing	-	Operational needs	10,852	Real estate	64,690	671,512	1,343,024	Note 3
3	He Jing Co., Ltd.	H	Accounts receivable	N	293,239	293,239	213,239	4.5~10%	Short-term financing	-	Operational needs	2,943	Stock	366,600	671,512	1,343,024	Note 3
3	He Jing Co., Ltd.	I	Accounts receivable	N	100,000	99,949	99,949	6.5~10%	Short-term financing	-	Operational needs	1,379	Real estate	70,413	671,512	1,343,024	Note 3
4	Hotai Finance Development Co., Ltd.	D	Accounts receivable	N	47,046	45,543	45,543	5~10%	Short-term financing	-	Operational needs	396	Golf license	43,200	611,592	1,223,184	Note 4

Hotai Finance Co., Ltd.
Loans to others
Six months ended June 30, 2026

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2026	Balance at June 30, 2026	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
4	Hotai Finance Development Co., Ltd.	L	Accounts receivable	N	149,982	149,932	149,932	5~10%	Short-term financing	-	Operational needs	1,304	Stock	386,142	611,592	1,223,184	Note 4
4	Hotai Finance Development Co., Ltd.	H	Accounts receivable	N	87,286	85,092	85,092	5~10%	Short-term financing	-	Operational needs	740	Real estate	66,000	611,592	1,223,184	Note 4
4	Hotai Finance Development Co., Ltd.	N	Accounts receivable	N	86,190	61,262	61,262	5~10%	Short-term financing	-	Operational needs	533	Real estate	100,000	611,592	1,223,184	Note 4
4	Hotai Finance Development Co., Ltd.	O	Accounts receivable	N	293,239	293,239	213,239	4.5~10%	Short-term financing	-	Operational needs	1,855	Stock	366,600	611,592	1,223,184	Note 4
4	Hotai Finance Development Co., Ltd.	G	Accounts receivable	N	58,787	55,686	55,686	5~10%	Short-term financing	-	Operational needs	484	Stock	52,440	611,592	1,223,184	Note 4
4	Hotai Finance Development Co., Ltd.	P	Accounts receivable	N	100,000	100,000	100,000	4.5~10%	Short-term financing	-	Operational needs	870	Stock	165,920	611,592	1,223,184	Note 4
4	Hotai Finance Development Co., Ltd.	Q	Accounts receivable	N	50,000	48,674	48,674	6~10%	Short-term financing	-	Operational needs	423	Stock	64,470	611,592	1,223,184	Note 4
4	Hotai Finance Development Co., Ltd.	R	Accounts receivable	N	75,000	-	-	-%	Short-term financing	-	Operational needs	-	None	-	611,592	1,223,184	Note 4

Note 1: For loans granted by Hoyun International Leasing Co., Ltd. to foreign companies whose voting rights are 100% owned directly and indirectly by the parent company, ceiling on total loans granted is 200% of the total shareholders' equity and limit on loans granted to a single party is 100% of the total shareholders' equity.

Note 2: For the short-term financing granted by the creditor (He Jun Energy Co., Ltd.) to the borrower for working capital needs, ceiling on total loans granted is 20% of net worth granted and limit on loans granted to a single party is 10% of net worth.

Note 3: For the short-term financing granted by the creditor (He Jing Co., Ltd.) to the borrower for working capital needs, ceiling on total loans granted is 40% of net worth and limit on loans granted to a single party is 20% of net worth.

Note 4: For the short-term financing granted by the creditor (Hotai Finance Development Co., Ltd.) to the borrower for working capital needs, ceiling on total loans granted is 40% of net worth and limit on loans granted to a single party is 20% of net worth.

Hotai Finance Co., Ltd.
Provision of endorsements and guarantees to others
Six months ended June 30, 2026

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of June 30, 2026	Outstanding endorsement/ guarantee amount at June 30, 2026	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
0	Hotai Finance Co., Ltd.	Hotai Finance Development Co., Ltd.	Subsidiary	$ 37,877,322	$ 15,200,000	$ 13,200,000	$ 10,500,000	$ -	34.85%	$ 37,877,322	Y	N	N	Note 2
0	Hotai Finance Co., Ltd.	He Jun Energy Co., Ltd.	Subsidiary	37,877,322	3,000,000	3,000,000	500,000	-	7.92%	37,877,322	Y	N	N	Note 2
0	Hotai Finance Co., Ltd.	Hoyun (Shanghai) Commercial Factoring Co., Ltd.	Subsidiary of a subsidiary	37,877,322	1,163,402	1,163,402	536,902	-	3.07%	37,877,322	Y	N	Y	Note 2
1	Hoyun International Leasing Co., Ltd.	Hoyun (Shanghai) Vehicle Leasing Co., Ltd.	Subsidiary	3,241,420	140,817	140,817	58,352	-	0.37%	3,376,479	Y	N	Y	Note 3
2	He Jun Energy Co., Ltd.	Kai Lan Power Co., Ltd.	Associate	2,825,204	626,600	626,600	-	-	1.65%	2,825,204	N	N	N	Note 4

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:
(1)The Company is '0'.
(2)The subsidiaries are numbered in order starting from '1'.
Note 2: Ceiling on total endorsements is 100% of the total shareholders' equity. Limit on endorsement/guarantee to a single party is 100% of the total shareholders' equity. The net assets are based on the latest audited or reviewed financial statements.
Note 3: Ceiling on total endorsements is 50% of the total shareholders' equity (Hoyun International Leasing Co., Ltd.). Limit on endorsement/guarantee to a single party is 48% of the total shareholders' equity.
Note 4: Ceiling on total endorsements is 100% of the total shareholders' equity (He Jun Energy Co., Ltd.). Limit on endorsement/guarantee to a single party is 100% of the total shareholders' equity.

Hotai Finance Co., Ltd.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

June 30, 2026

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of June 30, 2026				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Hotai Finance Co., Ltd.	Tidlor Holdings Public Company Limited	None	Financial assets at fair value through other comprehensive income-non-current	89,237,069	$ 1,643,239	3.08%	1,643,239	
Hotai Finance Development Co., Ltd.	Chaofu Real Estate Management Co., Ltd. Beneficial Right of the Real Estate Trust	None	Financial assets at amortised cost	-	238,754	-%	238,754	
Hotai Finance Development Co., Ltd.	Chaofu Real Estate Management Co., Ltd. Beneficial Right of the Real Estate Trust	None	Financial assets at amortised cost	-	204,067	-%	204,067	
Hotai Finance Development Co., Ltd.	Chaofu Real Estate Management Co., Ltd. Beneficial Right of the Real Estate Trust	None	Financial assets at amortised cost	-	189,069	-%	189,069	
He Jun Energy Co., Ltd.	Grinnodot Inc.	None	Financial assets at fair value through other comprehensive income-non-current	2,675,131	134,024	18.00%	134,024	

Hotai Finance Co., Ltd.
Significant inter-company transactions during the reporting periods
Six months ended June 30, 2026

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	Hotai Finance Co., Ltd.	He Jing Co., Ltd.	1	Management fee and other income	$ 39,911	Transaction by contracts	0.35%
0	Hotai Finance Co., Ltd.	He Jing Co., Ltd.	1	Other receivables	26,512	Transaction by contracts	0.01%
0	Hotai Finance Co., Ltd.	Hotai Finance Development Co., Ltd.	1	Management fee and other income	54,464	Transaction by contracts	0.47%
0	Hotai Finance Co., Ltd.	Hotai Finance Development Co., Ltd.	1	Other receivables	28,541	Transaction by contracts	0.01%
0	Hotai Finance Co., Ltd.	Hoyun International Leasing Co., Ltd.	1	Other receivables	30,020	Transaction by contracts	0.01%
1	He Jing Co., Ltd.	Hotai Finance Co., Ltd.	2	Service revenue	19,472	Transaction by contracts	0.17%
2	He Jun Energy Co., Ltd.	Wei Tien Energy Storage Co., Ltd.	3	Other receivables	50,000	Note 5	0.02%
2	He Jun Energy Co., Ltd.	Hejun Electricity Co., Ltd.	3	Operating revenue	17,235	Transaction by contracts	0.15%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
(1) Parent company is '0'.
(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):
(1) Parent company to subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

Note 5: Result of receivable on loan financing.

Hotai Finance Co., Ltd.
Information on investees
Six months ended June 30, 2026

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2026			Net profit (loss) of the investee for the six months ended June 30, 2026	Investment income recognised by the Company for the six months ended June 30, 2026	Footnote
				Balance as at June 30, 2026	Balance as at December 31, 2025	Number of shares	Ownership (%)	Book value			
Hotai Finance Co., Ltd.	Hoyun International Limited	British Virgin Islands	General investment	$ 1,286,740	$ 1,286,740	40,400,000	50.50	$ 3,410,871	$ 43,982	$ 22,211	Subsidiary
Hotai Finance Co., Ltd.	He Jing Co., Ltd.	Taiwan	Installment sales of various vehicles	2,430,000	2,430,000	263,680,597	81.00	2,719,625	73,816	59,791	Subsidiary
Hotai Finance Co., Ltd.	He Jun Energy Co., Ltd.	Taiwan	Solar energy business	2,240,000	2,240,000	224,000,000	80.00	2,260,931	31,283	25,026	Subsidiary
Hotai Finance Co., Ltd.	Hotai Mobility Service Co., Ltd.	Taiwan	Taxi dispatch service	120,000	120,000	12,000,000	27.40	76,358	7,473	2,048	Associate
Hotai Finance Co., Ltd.	HFC (Cambodia) Microfinance PLC.	Cambodia	Financing and leasing business	1,206,758	1,206,758	10,560,000	66.00	1,221,892	(3,268)	(18,037)	Subsidiary
Hotai Finance Co., Ltd.	Hotai Finance Development Co., Ltd.	Taiwan	Installment sales of various equipments	3,000,000	3,000,000	302,751,000	100.00	3,057,961	27,366	27,366	Subsidiary
He Jun Energy Co., Ltd.	Wei Tien Energy Storage Co., Ltd.	Taiwan	Energy storage business	22,000	22,000	2,200,000	100.00	658	(4,692)	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Zheng-Ren Energy Co., Ltd.	Taiwan	Solar energy business	168,980	168,980	16,898,000	35.00	142,800	354	-	Associate
He Jun Energy Co., Ltd.	Chaoyang Energy Co., Ltd.	Taiwan	Solar energy business	32,781	32,781	3,200,000	96.97	32,447	191	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Guang Yang Energy Co., Ltd.	Taiwan	Solar energy business	20,816	20,816	2,079,000	99.00	21,272	336	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	XianYao Energy Co., Ltd.	Taiwan	Solar energy business	27,706	27,706	2,673,000	99.00	23,105	(414)	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Heng Fong Energy Co., Ltd.	Taiwan	Energy storage business	410,000	410,000	41,000,000	20.00	379,680	(20,528)	-	Associate
He Jun Energy Co., Ltd.	Gochabar Co., Ltd.	Taiwan	Charging system technical service	36,000	36,000	3,600,000	30.00	19,330	(4,079)	-	Associate
He Jun Energy Co., Ltd.	Tung Ching Energy Co., Ltd.	Taiwan	Solar energy business	42,227	42,227	4,000,000	100.00	41,094	568	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Hejun Electricity Co., Ltd.	Taiwan	Electricity retailing business	10,000	10,000	1,000,000	100.00	12,073	1,818	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Tung Ching Green Energy Co., Ltd.	Taiwan	Solar energy business	88,685	88,685	9,200,000	100.00	93,320	793	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Billion Sunpower Co., Ltd.	Taiwan	Solar energy business	163,017	163,017	10,000,000	100.00	156,852	4,266	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Cheng Yo Technology Co., Ltd.	Taiwan	Solar energy business	474,783	474,783	5,000,000	100.00	422,665	17,705	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Pacific One Energy Ltd.	Taiwan	Solar energy business	162,216	162,216	94,011	100.00	158,812	6,460	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Ruei Yang Guang Dian Co., Ltd.	Taiwan	Solar energy business	81,202	81,202	4,000,000	100.00	77,023	1,488	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Jun Te Energy Co., Ltd.	Taiwan	Solar energy business	97,015	97,015	9,701,455	86.62	100,575	4,145	-	Subsidiary of a subsidiary
He Jun Energy Co., Ltd.	Kai Lan Power Co., Ltd.	Taiwan	Energy storage business	360,000	360,000	36,000,000	40.00	341,930	(26,059)	-	Associate
Cheng Yo Technology Co., Ltd.	Hon Yang Energy Co., Ltd.	Taiwan	Solar energy business	27,037	27,037	2,000,000	100.00	29,468	5,492	-	Subsidiary of a subsidiary

Hotai Finance Co., Ltd.
Information on investments in Mainland China
Six months ended June 30, 2026

Table 6 \

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2026	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six months ended June 30, 2026		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2026	Net income of investee as of June 30, 2026	Ownership held by the Company (direct or indirect)	Investment income recognised by the Company for the six months ended June 30, 2026	Book value of investments in Mainland China as of June 30, 2026	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2026	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Hoyun International Leasing Co., Ltd.	Leasing, wholesale, retail of and support service for vehicles	$ 2,548,000	Note 1(2)	$ 1,286,740	$ -	$ -	$ 1,286,740	$ 43,982	50.50	$ 22,211	$ 3,410,871	$ 231,834	Note 2(1)
Hoyun (Shanghai) Commercial Factoring Co., Ltd.	Factoring service	938,780	Note 1(3)	-	-	-	-	35,453	50.50	17,904	601,063	-	Note 2(3)
Hoyun (Shanghai) Vehicle Leasing Co., Ltd.	Leasing of vehicles	704,085	Note 1(3)	-	-	-	-	18,070	50.50	9,125	410,429	-	Note 2(3)
Hemei International Trade (Suzhou) Co., Ltd.	Goods trading business	234,695	Note 1(3)	-	-	-	-	(735)	50.50	(371)	122,371	-	Note 2(3)
Hoyun International Leasing Co., Ltd. Trust of Asset-Backed Securities for Hoyun Tong Ying, Series 1 of 2025	Structured entity	-	Note 1(3)	-	-	-	-	-	-	-	-	-	Note 3

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:
(1) Directly investment in Mainland China.
(2) Investment in Mainland China companies through a company invested and established in a thrid region.
(3) Others.
Note 2: The amount of investment income (loss) recognized for the six months ended June 30, 2026 is based on:
(1) The financial statements were reviewed by R.O.C parent company's CPA.
(2) The financial statements were reviewed by other independent acountants.
(3) Others.
Note 3: The trust meets the definition of a structured entity. Please refer to Note 6(8).
Note 4: The numbers in this table are expressed in New Taiwan Dollars.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2026	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Hotai Finance Co., Ltd.	$ 1,286,740	$ 1,288,051	$ 25,791,890