

Stock Code: 6122



擎邦國際科技工程股份有限公司
KING POLYTECHNIC ENGINEERING CO., LTD.

2026 Annual Shareholders' Meeting Meeting handbook

Meeting Date: June 23, 2026

KING POLYTECHNIC ENGINEERING CO., LTD.

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KING POLYTECHNIC ENGINEERING CO., LTD.

2026 Shareholders Annual General Meeting Agenda

Convening Method: Physical shareholders' meeting

Time: June 23, 2026 (Tuesday) at 9:00 am

Location: Conference Room, 4F, No. 2-1, Sec. 1, Ji'nan Rd., Taipei City (NTU Alumni Association)

Chair/Moderator: Mr. Chien-Feng Hung, Chairman of the Board of Directors

Agenda of the meeting:

- I. MC to report on the total number of shares represented in the meeting
- II. The Chair calls the meeting to order
- III. Chair's speech

One. Matters for reporting:

- I. 2025 Business Report and 2026 Business Plan.
- II. Audit and Risk Management Committee's review report on 2025 financial statements.
- III. Report on 2025 Total Endorsement and Guarantee Liabilities.
- IV. 2025 Employees' Compensation and Directors' Remuneration Distribution Report.
- V. Report on the Distribution of Cash Dividends from 2025 Earnings
- VI. Report on the Execution of the Company's First Share Buyback

Two. Proposed Resolutions:

- I. 2025 Annual Business Report and Financial Statements for approval.
- II. Appropriation of 2025 earnings for approval.

Three. Impromptu motions

Four. Adjourn the meeting

One. Matters for reporting

I. 2025 Business Report and 2026 Business Plan for review.

Please refer to page 6 to page 10 of this handbook. (Attachment I)

II. Audit and Risk Management Committee's review report on 2025 financial statements.

- (I) The financial statements of 2025 have been audited and verified by KPMG and reviewed by the Audit Committee, and the respective audit reports have been issued.
- (II) Please refer to page 12 to page 25 (Attachment III) of this handbook for the Independent Auditors' Report.
- (III) Please refer to page 11 of this handbook (Attachment II) for the Audit Committee's Review Report on the 2025 accounts. The Audit Committee representative is invited to read out the report.

III. Report on 2025 Total Endorsement and Guarantee Liabilities for review.

Unit: In Thousands of New Taiwan Dollars

Making endorsement/guarantee for others Company name	Name of guaranteed company	Relationship with the Company	Endorsement at end of period Amount guaranteed	Collateral contents and value	Accumulated endorsement and guarantee amount as a percentage to net worth in the most recent financial statements (%)
The Company	HONG SIANG CONSTRUCTION CO., LTD.	The Company's investment in subsidiaries	0	None	-
HONG SIANG CONSTRUCTION CO., LTD.	The Company	The Company's investment in subsidiaries	0	None	-

Note: On April 14, 2025, Hong Siang Construction Co., Ltd. underwent a simplified merger with the company, with Hong Siang Construction Co., Ltd. being the disappearing company.

IV. 2025 Employees' Compensation and Directors' Remuneration Distribution Report.

- (I) According to Article 26 of the Articles of Incorporation, appropriate 8% as the remuneration to employees and no more than 2% as the remuneration to directors.
- (II) Proposed distribution of dividends in 2025:
 - 1. Cash remuneration to employees for NT\$42,248,025.
 - 2. Directors' remuneration of NT\$10,562,006.

V. Report on the Distribution of Cash Dividends from 2025 Earnings.

- (I) Handled in accordance with the profit distribution provisions under Article 26-2 of the Company’s Articles of Incorporation.
- (II) Pursuant to the resolution of the Board of Directors on March 9, 2026, a cash dividend of NT\$260,214,349 was approved, with NT\$3.4 per share. The calculation is based on 78,091,632 issued shares as of December 31, 2025, less 1,558,000 treasury shares, resulting in 76,533,632 outstanding shares.
- (III) The Board has authorized the Chairman to determine the ex-dividend date, payment date, and other related matters. In the event of changes in the Company’s share capital that affect the number of outstanding shares, thereby impacting the dividend per share, the Chairman is also authorized to make corresponding adjustments.

VI. Report on the Execution of the Company’s First Share Buyback.

- (I) Please refer to page 26 to page 27 (Attachment IV) of this handbook for the “Employee Treasury Stock Transfer Guidelines“.
- (II) Status of the execution of share buybacks:

Repurchase tranche	First
Purpose of repurchase	Transfer of shares to employees
Repurchase period	May 5, 2025 to July 5, 2025
Repurchase price range	NT\$35 to NT\$75
Class and number of shares repurchased	Common shares, 1,558,000 shares
Total amount of shares repurchased	NT\$79,864,393
Percentage of shares repurchased to planned repurchase quantity	51.93%
Number of shares canceled or transferred	0 shares
Cumulative number of shares held by the Company	Common shares, 1,558,000 shares
Ratio of cumulative shares held by the Company to total issued shares	2%

Two. Proposed Resolutions

[Proposal I] 2025 Annual Business Report and Financial Statements for approval recognition.

Explanation: (I) The Company's 2025 standalone and consolidated financial statements have been audited by CPAs Tang Chia-Chien and Chen Ya-Lin, of KPMG. Together with the business report, they have been resolved by the Board of Directors and submitted to the Audit Committee for review.

(II) Please refer to page 12 to page 25 of this handbook for the financial statements referred to above (Attachment III).

(III) Submitting for recognition.

Resolution:

[Proposal II] Appropriation of Earnings for 2025.

Explanation: (I) The Company's earnings distribution statement for the fiscal year 2025 is as follows:

Unit: New Taiwan Dollars

Items	Total
Undistributed earnings at beginning of period	404,888,772
Add (subtract): Change of re-measurement of defined benefit plan for the current period	2,734,000
Net profit after tax	368,945,028
Subtract: 10% legal reserve	(37,167,903)
Earnings available for distribution	739,399,897
Items for distribution:	
Cash dividend to shareholders at NT\$3.4 per share	260,214,349
Undistributed earnings at the end of the period	479,185,548

Chairman:

Managerial Officer:

Accounting Supervisor:

(II) Submitting for recognition.

Resolution:

Three. Impromptu motions

Four. Adjourn the meeting

Business Report

Dear Shareholders,

First of all, I would like to thank all shareholders for your unwavering support, and the dedication and efforts from all directors, supervisors, and employees of the Company. I would also like to thank all of you for taking time out of your busy schedules to attend the AGM.

Looking back on 2025, the global economy showed moderate growth amid high interest rates and geopolitical risks, with increasing regional divergence. Trade tensions and supply chain localization trends also brought greater uncertainty to businesses. Driven by the rapid development of AI and digital transformation, demand for semiconductors, high-performance computing, and data centers grew significantly, becoming key drivers of economic growth. Benefiting from its diversified strategy, the Company achieved record highs in both project backlog, exceeding NT\$13 billion, and new contract awards, surpassing NT\$6 billion. Consolidated revenue reached NT\$4.18 billion, with a net profit after tax of NT\$368 million. Looking ahead to 2026, as projects enter peak construction phases, revenue is expected to continue growing.

In terms of construction execution, recent key projects in the petrochemical/chemical EPC and public works sectors have progressed significantly. Projects such as the Chimei New Resource Recovery Furnace, Nanya Technology Nitrogen Plant Expansion, German Southern Factory Semiconductor Specialty Chemicals, CPC Taichung LNG Temporary Pipeline, Taichung City ShuiNan International Convention and Exhibition Center, and Grape King Longtan Campus Expansion have all entered the completion and acceptance phase. Meanwhile, projects including Formosa Kaohsiung Oil Pier Base, CTCI Universe Industrial Park, MRT Wanda Line, and Taipei First Fruit & Vegetable and Wanda Fish Wholesale Market Renovation have fully entered peak construction stages. In the high-tech EPC sector, which the Company has been cultivating in recent years, the Formosa Shenggao 12-inch Wafer Fab No. 2 project has successfully obtained its operating permit.

Regarding new contract awards, Taiwan continues to maintain a leading position in advanced semiconductor processes, IC design, and packaging and testing, supported by a complete and competitive semiconductor supply chain. Benefiting from growing demand for AI servers, high-performance computing, and cloud infrastructure, order intake across the related supply chain remains strong, driving both exports and investment. Leveraging the Company's accumulated experience in high-tech plant MEP (mechanical, electrical, and plumbing), HVAC, and cleanroom projects, as well as the successful completion of the Formosa Shenggao 12-inch wafer fab project, the Company has successfully expanded its business in the high-tech sector. In 2025, the Company secured contracts for the Taiguang Electronics Taoyuan Dayuan Plant (MEP works), MediaTek Mude New Office Building (MEP works), and the German Southern Factory Semiconductor Specialty Chemicals EPC project—all landmark clients in the industry. The short construction periods of these projects also accelerate revenue growth. In addition, the Company's diversified industrial strategy has yielded results. This year, the Company successfully obtained contracts for MEP works at Yuanrong General Hospital, smart low-voltage systems for Zhonggong Universe Industrial Park, and the civil and MEP EPC project for Hotai Toyota's new office building. These projects mark the Company's successful entry into smart healthcare and intelligent industries, with the Hotai Toyota project also demonstrating the synergy gained from the Company's promotion to a top-tier (Class A) construction contractor. Moving forward, the Company will continue to build a track record in petrochemical/chemical, high-tech, public works, and intelligent industries. Through a strategy of diversified industries and multi-technical expertise, combined with vertical integration, horizontal coordination, and talent development, the Company aims to advance into large-scale construction, MEP, and intelligent EPC projects, establishing a strong competitive edge.

The 2025 business results and 2026 business plan are hereby reported as follows:

I. Business Report of 2025:

(I) Implementation results of the 2025 business plan:

The Company's operating revenue in 2025 was NT\$4,187,688 thousand, an increase of NT\$56,019 thousand compared to 2024. The net profit after tax was NT\$368,945 thousand, compared with the net profit after tax in 2024 of NT\$344,217 thousand. It is an increase of earnings by NT\$24,728 thousand, with an increase of 7.18%, resulting in an EPS of NT\$4.78.

(II) Comparison of **2025** and **2024**:

Unit: In Thousands of New Taiwan Dollars

Items	2025 Actual Numbers	2024 Actual Numbers	Increase/decrease rate (%)
Operating revenue	4,187,688	4,131,669	1.36%
Gross profit	613,789	527,885	16.27%
Operating expenses	138,233	125,870	9.82%
Operating profit (loss)	475,556	402,015	18.29%
Non-operating income and expense	(36)	27,859	-100.13%
Net profit (loss) before tax	475,520	429,874	10.62%
Income tax expenses	106,575	85,657	24.42%
Net profit (or loss) for the period.	368,945	344,217	7.18%

Note: Figures in this table are based on the 2025 consolidated financial statements audited and verified by CPAs.

(III) Analysis of revenues, expenses and profitability for **2025** and **2024**:

Unit: In Thousands of New Taiwan Dollars

Analysis items		2025	2024	
Revenues and expenses	Operating revenue	4,187,688	4,131,669	
	Gross profit	613,789	527,885	
	Net profit (or loss) for the period.	368,945	344,217	
Profitability	Return on assets (%)	7.70	8.23	
	Return on shareholders' equity (%)	19.72	20.02	
	As a percentage of paid-in capital (%)	Operating profit	60.90	51.48
		Net profit before tax	60.89	55.05
	Net profit margin (%)	8.81	8.33	
	Earnings per share (NT\$) (Note)	4.78	4.41	

Note: Figures in this table are based on the 2025 consolidated financial statements audited and verified by CPAs.

II. The business plan for 2026:

The Company is one of the few contractors in Taiwan that can undertake EPC turnkey projects for medium-to-large-scale industrial process plants and public works. Its industries cover petrochemical/chemical, high-tech, public works, energy and environmental protection, and biotech and pharmaceutical fields, with professional background spanning over production process, civil engineering, construction, machinery, chemical engineering, instrument control, water, electricity, fire protection, air conditioning, clean rooms, and light-current. We have accumulated years of practical experience in project management in the professional technology of system integration from planning and design, procurement services, construction supervision, system integration, commissioning to operation and maintenance.

(I) Core business areas

(1) Petrochemical/chemical industry

In recent years, the petrochemical industry has faced transformation pressures and fluctuations in the global economy, making large-scale expansion unlikely in the future. However, driven by the development of emerging technologies, domestic and international demand for AI-related industries and advanced semiconductor processes continues to grow, with strong demand for specialty chemicals. As a result, petrochemical and chemical companies are increasingly shifting toward high-value specialty chemicals, electronic-grade chemicals, gas supply, and recycling and reuse. The Company has over 40 years of experience in the petrochemical and chemical engineering sector, continuously enhancing process optimization techniques and various professional design capabilities. In recent years, it has successfully entered the semiconductor specialty chemical supply chain. Additionally, in response to the Formosa Plastics HDPE plant project in the United States, the Company established its U.S. subsidiary in Texas. It will continue to monitor the progress of TSMC supply chain clients setting up operations in Texas, as well as related expansion projects of the Formosa Plastics Group's Texas plants, and strategically position itself accordingly.

(2) High-tech industries

The high-tech industry is entering a new growth cycle, driven by the rapid expansion of AI applications across the global technology supply chain. AI has become a key driver of growth in the semiconductor, memory, packaging, and PCB sectors, promoting supply chain upgrades and increased capital expenditures, while pushing foundries and IC design toward high-performance and low-power technologies. Demand for advanced packaging integration has risen sharply, becoming one of the core technologies for enhancing AI chip performance. In the memory sector, demand for high-bandwidth memory (HBM), DDR5, and high-speed storage solutions remains strong, with prices and shipment volumes growing in tandem. In the PCB sector, rising demand from AI servers, high-performance computing, and automotive electronics is driving product structures toward higher-end, high-value-added solutions. The high-tech industry's growth momentum remains well-supported for the long term. Moreover, the expansion of AI applications is also expected to generate additional business opportunities for data center construction projects.

(3) Public works

In recent years, the government has continued to expand public infrastructure investments to promote economic development and strengthen overall infrastructure. In 2026, major government public construction projects, including allocations from the central government budget and special budgets under the Forward-Looking Infrastructure Development Program, totaled over NT\$300 billion, maintaining historically high levels and demonstrating the government's continued use of public construction as a key driver of economic growth. The Company has long been engaged in projects such as the Taipei Mass Rapid Transit system and Taipower's ultra-high-voltage underground cable tunnels. In recent years, it has also accumulated experience in public building projects, including the Taichung ShuiNan International Convention and Exhibition Center and the Taichung Arena. The Company has consecutively received awards from the Ministry of Economic Affairs, including the Public Construction Quality Award, Gold Award, and Gold Safety Award, establishing an excellent reputation. Moving forward, the Company will continue to leverage its strengths to carefully select suitable bids and pursue them with full effort.

(4) Clean energy and environmental protection related industries

In response to the government's energy transition policies and the global trends toward net-zero emissions and ESG, leading companies across industries are placing greater emphasis on investments in clean energy and low-carbon engineering sectors. Process-related industries such as liquefied natural gas (LNG) storage and transportation facilities, hydrogen power generation, carbon capture, utilization and storage (CCUS), and renewable energy are expected to drive future plant construction demand. Additionally, projects aligned with emission reduction and circular economy principles—such as waste-to-resource conversion, reclaimed water and waste solvent recycling, air pollution control facilities, and zero-waste centers—will continue to develop. The Company will continue to monitor global energy transition opportunities, collaborate with domestic and international technology partners, and leverage its EPC project integration capabilities to actively pursue renewable energy and environmental protection projects.

(5) Biotechnology, Medical, and Pharmaceutical Industries

With the acceleration of global population aging, Taiwan entered a super-aged society in 2025. Medical and care demands continued to rise in 2026, driven by developments in biotechnology, precision medicine, and digital health applications, which in turn supported the growth of the biotech, medical, and pharmaceutical industries. Taiwan's biotech industry spans applied biotechnology, pharmaceuticals, and medical devices. In the post-pandemic era, rising health awareness and supply chain restructuring have steadily expanded market demand. With the integration of artificial intelligence in medical diagnostics, drug development, and health management, smart healthcare has become a key development focus, increasing demand for system integration. Meanwhile, the pharmaceutical industry is moving toward a contract development and manufacturing organization (CDMO) model, raising requirements for high-specification facilities and clean environments. The Ministry of Health and Welfare continues to promote hospital renovation, replacement, and expansion projects, and, through the "Next-Generation Digital Healthcare Development Platform," is integrating medical data to facilitate digital transformation. Overall, the industry outlook remains robust.

(II) Value-added innovative services

Driven by global trends in energy saving, carbon reduction, and environmental sustainability, the smart factory, smart building, and smart healthcare industries are developing rapidly, gradually advancing toward the goal of smart cities. The Company has integrated various smart system providers to develop energy management systems and actively promotes full-plant digitalization and intelligent design, aiming to build modern smart factories. Through energy information visualization, combined with big data and artificial intelligence technologies, the Company helps clients improve energy efficiency, detect abnormal losses in real time, and establish energy-saving optimization strategies. Moving forward, the Company will continue to leverage advanced technologies to drive net-zero carbon transformation, expand opportunities in green engineering, and provide EPC plus value-added services to enhance client production efficiency, reduce construction costs, and create overall operational value, thereby strengthening industry competitiveness and achieving ESG sustainability goals.

III. Influence of External Competition, Legal and Regulatory Environment, and Macroeconomic Situation

(I) External Competitive Environment, Regulatory Environment, and Overall Business Environment

As competition in the engineering market intensifies, material and labor costs rise, and labor shortages become increasingly severe, the Company has strengthened supply chain integration and deepened collaboration with partner firms. Additionally, it leverages investments and acquisitions to enhance operational momentum, while continuously cultivating professional talent and strengthening project management capabilities to meet future development needs. By providing process optimization and smart manufacturing line planning, the Company helps clients reduce operational risks and costs, thereby increasing its own value-added services and project profitability.

In terms of regulatory compliance, the Company adheres to all relevant laws, has completed ISO 14064 greenhouse gas inventory and corporate sustainability report verification, and has implemented ISO 14001 Environmental Management and ISO 45001 Occupational Health and Safety Management Systems to ensure operations meet environmental, safety, and health standards.

Regarding the overall business environment, the development of AI applications continues to drive expansion in the semiconductor industry and its supply chain, promoting industrial upgrades. The government is also actively supporting the development of public infrastructure, biotech and healthcare, energy, and environmental protection industries, creating a cautiously optimistic outlook. Leveraging its long-term focus on core industries and strengthened integration capabilities, the Company maintains stable operations and is well-positioned to respond to future market changes.

(II) Future Development Strategy

Looking at the global economy, although it remains unstable due to factors such as global inflation, the United States' new round of tariffs, and geopolitical risks, Taiwan's economy continues to show solid growth momentum driven by global technology trends and maintains a key role in global industrial restructuring.

The Company has long focused on a strategy of diversification across industries and technical expertise, adopting vertical division of labor, horizontal integration, and multi-faceted talent development to build diversified, cross-industry integration capabilities. Moving forward, the Company will continue to expand its business in the high-tech sector and consolidate its position in specialty chemicals, while deepening engagement in public infrastructure, biotech and healthcare, and energy and environmental protection industries. It will provide clients with green and sustainable engineering services, as well as solutions for smart factories, smart buildings, and smart healthcare.

In line with ESG trends, the Company will also strengthen talent development, optimize employee experience, foster a diverse and inclusive workplace, and support vulnerable groups, creating shared value for society and integrating corporate social responsibility and sustainability into its business strategy. The entire team will continue striving to achieve stronger performance, rewarding the support of shareholders and the public, while solidifying the Company's competitive edge.

Best of luck to you all

KING POLYTECHNIC ENGINEERING CO., LTD.

Chairman, Hong Chien-Fong

Manager, Chang Ming-Chan

Accounting Supervisor, Hsu Chin-Pi

KING POLYTECHNIC ENGINEERING CO., LTD.

Audit and Risk Management Committee's Report

KPMG has been commissioned to audit the Company's 2025 business report, financial statements, and proposal for the distribution of earnings by the Board of Directors. After reviewing such documents, the Audit and Risk Management Committee found no nonconformity and thus presented this report to the AGM for approval in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely,

2026 Annual General Meeting of Shareholders of KING POLYTECHNIC ENGINEERING CO., LTD.

Audit Committee Convener: Jung-Hui, Liang

March 9, 2026



安侯建業聯合會計師事務所
KPMG

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Independent Auditors' Report

To the Board of Directors of King Polytechnic Engineering Co., Ltd.:

Opinion

We have audited the consolidated financial statements of King Polytechnic Engineering Co., Ltd. and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material policies.

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

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition for construction contracts

For the accounting policies for revenue recognition, please see note 4(m) “Revenue recognition” to the consolidated financial statements. For revenue recognition assessment regarding accounting assumptions and estimation uncertainty”, please refer to note 5. For disclosure of revenue from contracts with customers, please refer to note 6(o).

Description of key audit matter:

The Group recognized its revenue and profit by using the percentage of completion method, which is also being used to calculate the cost for each contract at year-end. The management will re-evaluate the cost if the budget had increased or decreased; also, the percentage of completion will be recalculated depending on the cost after adjustment. The construction contract revenue may be affected by the appropriateness of determination of cost and estimated cost. Thus, we considered the recognition of construction contract revenue as one of our key audit matters.

How the matter was addressed in our audit:

Our audit procedures included the following:

- Understanding the whole procedures The Group follows when facing significant changes in contracts or estimated total costs; then conduct some samplings to determine whether The Group actually adheres to these procedures in practice.
- Obtaining the newly added construction contracts list for the current year; and verifying whether the total contract price is equal to the amount being used to calculate construction contract revenue; as well as ensuring whether any additional construction supplements can be traced back to supplementary contracts.
- Evaluating the significant newly added construction projects; and testing samples of the construction costs, estimation sheets and subcontract plans; as well as confirming whether these have been approved appropriately by the management.
- Assessing the significant changes in the estimation of construction cost, and determining whether the revised plan had been approved by the management.
- Procuring the billing details and selecting samples of related vouchers by using statistical procedure to ensure the correctness of input cost in engineering reports; as well as validating whether the current input costs have been accounted for appropriately.

Other Matter

King Polytechnic Engineering Co., Ltd. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unmodified opinion.

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

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Tang, Chia-Chien and Chen, Ya-Ling.

KPMG

Taipei, Taiwan (Republic of China)
March 9, 2026

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
KING POLYTECHNIC ENGINEERING CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2025		December 31, 2024		Liabilities and Equity		December 31, 2025		December 31, 2024	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 318,699	6	1,313,852	27	2100	Short-term borrowings (notes 6(h), 7 and 8)	\$ 726,764	15	404,967	8
1136	Current financial assets measured at amortised cost (notes 6(b) and 8)	1,124,491	23	862,041	18	2322	Long-term borrowings, current portion (notes 6(i), 7 and 8)	1,549	-	5,708	-
1140	Current contract assets (note 6(p))	2,095,137	43	1,834,813	38	2111	Short-term notes and bills payable (notes 6(j) and 7)	149,808	3	369,430	8
1170	Notes and accounts receivable (notes 6(d) and (p))	727,011	15	198,934	4	2130	Contract liabilities-current (note 6(p))	1,147,986	23	1,337,562	28
1476	Other current financial assets	3,790	-	5,040	-	2150	Notes payable	46,522	1	35,690	1
1479	Other current assets	10,107	-	30,433	1	2170	Accounts payable	551,156	11	592,561	12
	Total current assets	<u>4,279,235</u>	<u>87</u>	<u>4,245,113</u>	<u>88</u>	2181	Accounts payable to related parties (note 7)	600	-	-	-
Non-current assets:						2209	Other payables (note 6(q))	129,711	3	119,508	2
1517	Financial assets at fair value through other comprehensive income -non-current (note 6(c))	256,019	5	203,713	4	2230	Current tax liabilities	66,300	1	35,848	1
1535	Non-current financial assets measured at amortised cost (notes 6(b), 8 and 9)	7,800	-	7,800	-	2280	Lease liabilities-current (note 6(k))	3,241	-	5,860	-
1550	Investments accounted for using equity method (note 6(e))	1,058	-	5,439	-	2399	Other current liabilities	17,666	1	6,759	-
1600	Property, plant and equipment (notes 6(f) and 8)	373,405	8	368,064	8		Total current liabilities	<u>2,841,303</u>	<u>58</u>	<u>2,913,893</u>	<u>60</u>
1755	Right-of-use assets (note 6(g))	5,073	-	10,663	-		Non-Current liabilities:				
1984	Other non-current financial assets	5,646	-	7,056	-	2540	Long-term borrowings (notes 6(i), 7 and 8)	159,021	3	80,570	2
1840	Deferred tax assets (note 6(m))	479	-	4,338	-	2570	Deferred tax liabilities (note 6(m))	11,673	-	12,494	-
1990	Other non-current assets	3,222	-	455	-	2580	Lease liabilities-non current (note 6(k))	1,892	-	4,963	-
	Total non-current assets	<u>652,702</u>	<u>13</u>	<u>607,528</u>	<u>12</u>	2640	Net defined benefit liability-non-current (note 6(l))	2,109	-	15,642	-
							Total non-current liabilities	<u>174,695</u>	<u>3</u>	<u>113,669</u>	<u>2</u>
							Total liabilities	<u>3,015,998</u>	<u>61</u>	<u>3,027,562</u>	<u>62</u>
							Equity attributable to owners of parent (notes 6(l) and (n)):				
						3110	Ordinary share	780,916	16	780,916	16
						3200	Capital surplus	10,354	-	10,354	-
							Retained earnings:				
						3310	Legal reserve	208,545	4	174,174	4
						3350	Unappropriated retained earnings	776,569	16	689,154	14
								985,114	20	863,328	18
							Other equity:				
						3410	Exchange differences on translation of foreign financial statements	2,986	-	6,354	-
						3420	Unrealised gains on financial assets measured at fair value through other comprehensive income	216,433	5	164,127	4
								219,419	5	170,481	4
						3500	Treasury shares	(79,864)	(2)	-	-
							Total equity	<u>1,915,939</u>	<u>39</u>	<u>1,825,079</u>	<u>38</u>
							Total liabilities and equity	<u>\$ 4,931,937</u>	<u>100</u>	<u>4,852,641</u>	<u>100</u>
	Total assets	<u>\$ 4,931,937</u>	<u>100</u>	<u>4,852,641</u>	<u>100</u>						

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
KING POLYTECHNIC ENGINEERING CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

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

		<u>2025</u>		<u>2024</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (notes 6(p) and 7)	\$ 4,187,688	100	4,131,669	100
5000	Operating costs (notes 6(f), (g), (l), 7 and 12)	<u>3,573,899</u>	<u>85</u>	<u>3,603,784</u>	<u>87</u>
	Gross profit from operations	<u>613,789</u>	<u>15</u>	<u>527,885</u>	<u>13</u>
	Operating expenses (notes 6(f), (g), (k), (l), (q) and 12):				
6200	Administrative expenses	<u>138,233</u>	<u>3</u>	<u>125,870</u>	<u>3</u>
	Total operating expenses	<u>138,233</u>	<u>3</u>	<u>125,870</u>	<u>3</u>
	Net operating income	<u>475,556</u>	<u>12</u>	<u>402,015</u>	<u>10</u>
	Non-operating income and expenses (notes 6(e), (g), (k), (r) and 7):				
7010	Other income	5,521	-	2,747	-
7020	Other gains and losses	(4,747)	-	8,612	-
7050	Finance costs	(9,787)	-	(7,594)	-
7100	Interest income	13,358	-	21,250	1
7060	Share of profit of associates accounted for using equity method	<u>(4,381)</u>	<u>-</u>	<u>2,844</u>	<u>-</u>
	Total non-operating income and expenses	<u>(36)</u>	<u>-</u>	<u>27,859</u>	<u>1</u>
7900	Profit before tax	475,520	12	429,874	11
7950	Less: income tax expenses (note 6(m))	<u>106,575</u>	<u>3</u>	<u>85,657</u>	<u>2</u>
	Profit	<u>368,945</u>	<u>9</u>	<u>344,217</u>	<u>9</u>
8300	Other comprehensive income (notes 6(k), (l) and (n)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains and losses on remeasurements of defined benefit plans	3,418	-	(503)	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	52,306	1	99,769	2
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>684</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that may not be reclassified subsequently to profit or loss	<u>55,040</u>	<u>1</u>	<u>99,266</u>	<u>2</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(3,368)	-	5,135	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that may be reclassified subsequently to profit or loss	<u>(3,368)</u>	<u>-</u>	<u>5,135</u>	<u>-</u>
8300	Other comprehensive income (net of tax)	<u>51,672</u>	<u>1</u>	<u>104,401</u>	<u>2</u>
	Total comprehensive income	<u>\$ 420,617</u>	<u>10</u>	<u>448,618</u>	<u>11</u>
	Profit attributable to:				
	Owners of parent	<u>\$ 368,945</u>	<u>9</u>	<u>344,217</u>	<u>9</u>
	Comprehensive income attributable to:				
	Owners of parent	<u>\$ 420,617</u>	<u>10</u>	<u>448,618</u>	<u>11</u>
	Earnings per share (expressed in New Taiwan dollars) (note 6(o))				
9750	Basic earnings per share	<u>\$ 4.78</u>		<u>4.41</u>	
9850	Diluted earnings per share	<u>\$ 4.72</u>		<u>4.36</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
KING POLYTECHNIC ENGINEERING CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings				Other equity			Total equity
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains on financial assets measured at fair value through other comprehensive income	Treasury shares	
Balance at January 1, 2024	\$ 743,730	10,354	135,295	659,499	1,219	64,358	-	1,614,455
Profit	-	-	-	344,217	-	-	-	344,217
Other comprehensive income	-	-	-	(503)	5,135	99,769	-	104,401
Total comprehensive income	-	-	-	343,714	5,135	99,769	-	448,618
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	38,879	(38,879)	-	-	-	-
Cash dividends of ordinary shares	-	-	-	(237,994)	-	-	-	(237,994)
Stock dividends of ordinary shares	37,186	-	-	(37,186)	-	-	-	-
Balance at December 31, 2024	<u>780,916</u>	<u>10,354</u>	<u>174,174</u>	<u>689,154</u>	<u>6,354</u>	<u>164,127</u>	<u>-</u>	<u>1,825,079</u>
Profit	-	-	-	368,945	-	-	-	368,945
Other comprehensive income	-	-	-	2,734	(3,368)	52,306	-	51,672
Total comprehensive income	-	-	-	371,679	(3,368)	52,306	-	420,617
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	34,371	(34,371)	-	-	-	-
Cash dividends of ordinary share	-	-	-	(249,893)	-	-	-	(249,893)
Purchase of treasury share	-	-	-	-	-	-	(79,864)	(79,864)
Balance at December 31, 2025	<u>\$ 780,916</u>	<u>10,354</u>	<u>208,545</u>	<u>776,569</u>	<u>2,986</u>	<u>216,433</u>	<u>(79,864)</u>	<u>1,915,939</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
KING POLYTECHNIC ENGINEERING CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from (used in) operating activities:		
Profit before tax	\$ 475,520	429,874
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	10,319	10,409
Amortization expense	1,004	538
Interest expense	9,787	7,594
Interest income	(13,358)	(21,250)
Dividend income	(5,099)	(2,263)
Share of profit (loss) of associates accounted for using equity method	4,381	(2,844)
Gains on lease modification	(107)	(7)
Total adjustments to reconcile profit (loss)	6,927	(7,823)
Changes in operating assets and liabilities:		
Increase in contract assets	(249,245)	(55,035)
Increase in notes and accounts receivable	(528,077)	(44,085)
Decrease in other current assets	20,227	18,980
Decrease in other non-current assets	-	4,743
Increase in other current financial assets	(161)	-
Increase in current financial assets at amortised cost	(262,450)	(186,280)
Total changes in operating assets	(1,019,706)	(261,677)
(Decrease) increase in contract liabilities	(189,576)	966,610
Increase (decrease) in notes payable	10,832	(19,175)
Decrease in accounts payable	(41,405)	(31,413)
Increase in accounts payable to related parties	600	-
Increase (decrease) in other payables	10,050	(7,402)
Increase (decrease) in other current liabilities	10,907	(1,068)
Decrease in net defined benefit liability	(10,115)	(45)
Total changes in operating liabilities	(208,707)	907,507
Total changes in operating assets and liabilities	(1,228,413)	645,830
Total adjustments	(1,221,486)	638,007
Cash (outflow) inflow generated from operations	(745,966)	1,067,881
Interest received	14,769	19,831
Dividends received	5,099	2,263
Income taxes paid	(73,670)	(129,805)
Net cash flows (used in) from operating activities	(799,768)	960,170
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(13,216)	(221,846)
Decrease (increase) in other non-current financial assets	1,410	8,311
Increase in other non-current assets	(3,771)	-
Net cash flows (used in) from investing activities	(15,577)	(213,535)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	1,866,514	354,967
Decrease in short-term borrowings	(1,544,717)	(87,000)
Decrease in long-term borrowing, current portion	(5,708)	(27,779)
Increase in short-term notes and bills payable	1,295,000	2,100,000
Decrease in short-term notes and bills payable	(1,515,000)	(2,150,000)
Increase in long-term borrowings	80,000	80,570
Increase in guarantee deposits received	-	24
Payment of lease liabilities	(2,820)	(6,040)
Cash dividends paid	(249,893)	(237,994)
Payments to acquire treasury shares	(79,864)	-
Interest paid	(20,335)	(14,837)
Net cash (used in) from financing activities	(176,823)	11,911
Effect of exchange rate changes on cash and cash equivalents	(2,985)	4,539
Net (decrease) increase in cash and cash equivalents	(995,153)	763,085
Cash and cash equivalents at beginning of period	1,313,852	550,767
Cash and cash equivalents at ending of period	\$ 318,699	1,313,852

See accompanying notes to consolidated financial statements.



安侯建業聯合會計師事務所
KPMG

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Independent Auditors' Report

To the Board of Directors of King Polytechnic Engineering Co., Ltd.:

Opinion

We have audited the financial statements of King Polytechnic Engineering Co., Ltd. (“the Company”), which comprise the balance sheets as of December 31, 2025 and 2024, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our judgement, the key audit matters we communicated in the auditor's report were as follows:

1. Revenue recognition

For the accounting policies for revenue recognition, please see note 4(m) “Revenue recognition” to the parent-company-only financial statements. For revenue recognition assessment regarding accounting assumptions and estimation uncertainty”, please refer to note 5. For disclosure of revenue from contracts with customers, please refer to note 6(o).

Description of key audit matter:

The Company recognized its revenue and profit by using the percentage of completion method, which is also being used to calculate the cost for each contract at year-end. The management will re-evaluate the cost if the budget had increased or decreased; also, the percentage of completion will be recalculated depending on the cost after adjustment. The construction contract revenue may be affected by the appropriateness of determination of cost and estimated cost. Thus, we considered the recognition of construction contract revenue as one of our key audit matters.

How the matter was addressed in our audit:

Our audit procedures included the following:

- Understanding the whole procedures the Company follows when facing significant changes in contracts or estimated total costs; then conduct some samplings to determine whether the Company actually adheres to these procedures in practice.
- Obtaining the newly added construction contracts list for the current year; and verifying whether the total contract price is equal to the amount being used to calculate construction contract revenue; as well as ensuring whether any additional construction supplements can be traced back to supplementary contracts.
- Evaluating the significant newly added construction projects; and testing samples of the construction costs, estimation sheets and subcontract plans; as well as confirming whether these have been approved appropriately by the management.
- Assessing the significant changes in the estimation of construction cost, and determining whether the revised plan had been approved by the management.
- Procuring the billing details and selecting samples of related vouchers by using statistical procedure to ensure the correctness of input cost in engineering reports; as well as validating whether the current input costs have been accounted for appropriately.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chia-Chien Tang and Ya-Ling Chen.

KPMG

Taipei, Taiwan (Republic of China)
March 9, 2026

Notes to Readers

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

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

(English Translation of Parent-Company-Only Financial Statements and Report Originally Issued in Chinese)
KING POLYTECHNIC ENGINEERING CO., LTD.

Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		<u>December 31, 2025</u>		<u>December 31, 2024</u>				<u>December 31, 2025</u>		<u>December 31, 2024</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>			<u>Amount</u>	<u>%</u>		
Assets						Liabilities and Equity					
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 302,068	6	1,284,726	27	2100	Short-term borrowings (notes 6(h), 7 and 8)	\$ 726,764	15	340,000	7
1136	Current financial assets at amortised cost (notes 6(b) and 8)	998,908	20	731,283	16	2322	Long-term borrowings, current portion (notes 6(i), 7 and 8)	1,549	-	5,708	-
1140	Current contract assets (note 6(p))	2,095,137	43	1,667,658	35	2110	Short-term notes and bills payable (notes 6(j) and 7)	149,808	3	359,450	8
1170	Notes and accounts receivable (notes 6(d) and (p))	727,011	15	197,798	4	2130	Contract liabilities-current (note 6(p))	1,147,986	23	1,330,415	28
1476	Other current financial assets	2,350	-	2,124	-	2150	Notes payable	46,455	1	32,110	1
1479	Other current assets	7,334	-	18,504	-	2170	Accounts payable	551,156	11	586,905	12
	Total current assets	<u>4,132,808</u>	<u>84</u>	<u>3,902,093</u>	<u>82</u>	2180	Accounts payable-related parties (note 7)	600	-	6,195	-
Non-current assets:						2200	Other payables (note 6(q))	129,397	3	116,026	2
1517	Financial assets at fair value through other comprehensive income-non-current (note 6(c))	256,019	5	203,713	4	2230	Current tax liabilities	66,300	1	35,225	1
1535	Non-current financial assets at amortised cost (notes 6(b), 8 and 9)	7,800	-	-	-	2280	Lease liabilities-current (note 6(k))	3,241	-	5,860	-
1550	Investments accounted for using equity method (note 6(e))	155,767	3	271,047	6	2399	Other current liabilities	17,652	1	1,485	-
1600	Property, plant and equipment (notes 6(f) and 8)	364,728	8	358,762	8		Total current liabilities	<u>2,840,908</u>	<u>58</u>	<u>2,819,379</u>	<u>59</u>
1755	Right-of-use assets (note 6(g))	5,073	-	10,663	-		Non-Current liabilities:				
1984	Other non-current financial assets	5,646	-	7,056	-	2540	Long-term borrowings (notes 6(i), 7 and 8)	159,021	3	80,570	3
1840	Deferred tax assets (note 6(m))	479	-	4,338	-	2570	Deferred tax liabilities (note 6(m))	11,673	-	12,494	-
1990	Other non-current assets	3,222	-	455	-	2580	Lease liabilities-non current (note 6(k))	1,892	-	4,963	-
	Total non-current assets	<u>798,734</u>	<u>16</u>	<u>856,034</u>	<u>18</u>	2640	Net defined benefit liability-non-current (note 6(l))	2,109	-	15,642	-
							Total non-current liabilities	<u>174,695</u>	<u>3</u>	<u>113,669</u>	<u>3</u>
							Total liabilities	<u>3,015,603</u>	<u>61</u>	<u>2,933,048</u>	<u>62</u>
							Equity (notes 6(l), (m) and (n)):				
						3100	Ordinary shares	780,916	16	780,916	16
						3200	Capital surplus	10,354	-	10,354	-
							Retained earnings:				
						3310	Legal reserve	208,545	4	174,174	4
						3350	Unappropriated retained earnings	776,569	16	689,154	15
								985,114	20	863,328	19
							Other equity:				
						3410	Exchange differences on translation of foreign financial statements	2,986	-	6,354	-
						3420	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	216,433	5	164,127	3
								219,419	5	170,481	3
						3500	Treasury shares	(79,864)	(2)	-	-
							Total equity	<u>1,915,939</u>	<u>39</u>	<u>1,825,079</u>	<u>38</u>
							Total liabilities and equity	<u>\$ 4,931,542</u>	<u>100</u>	<u>4,758,127</u>	<u>100</u>
	Total assets	<u>\$ 4,931,542</u>	<u>100</u>	<u>4,758,127</u>	<u>100</u>						

See accompanying notes to parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

KING POLYTECHNIC ENGINEERING CO., LTD.**Statements of Comprehensive Income****For the years ended December 31, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Share)**

	2025		2024	
	Amount	%	Amount	%
4000 Operating revenue (notes 6(p) and 7)	\$ 4,144,257	100	3,995,013	100
5000 Operating costs (notes 6(f), (g), (l), 7 and 12)	<u>3,528,457</u>	<u>85</u>	<u>3,488,231</u>	<u>87</u>
Gross profit from operations	<u>615,800</u>	<u>15</u>	<u>506,782</u>	<u>13</u>
Operating expenses (notes 6(f), (g), (k), (l), (q) and 12):				
6200 Administrative expenses	<u>133,699</u>	<u>3</u>	<u>120,408</u>	<u>3</u>
Net operating income	<u>482,101</u>	<u>12</u>	<u>386,374</u>	<u>10</u>
Non-operating income and expenses (notes 6(e), (g), (k), (r) and 7):				
7010 Other income	5,549	-	3,167	-
7020 Other gains and losses	(2,654)	-	5,417	-
7050 Finance costs	(9,787)	(1)	(7,594)	-
7100 Interest income	9,275	-	16,008	-
7375 Share of profit of subsidiaries and associates accounted for using equity method	<u>(9,194)</u>	<u>-</u>	<u>25,598</u>	<u>1</u>
Total non-operating income and expenses	<u>(6,811)</u>	<u>(1)</u>	<u>42,596</u>	<u>1</u>
Profit before tax	475,290	11	428,970	11
7950 Less: income tax expenses (note 6(m))	<u>106,345</u>	<u>2</u>	<u>84,753</u>	<u>2</u>
Profit	<u>368,945</u>	<u>9</u>	<u>344,217</u>	<u>9</u>
8300 Other comprehensive income (notes 6(l), (m) and (n)):				
8310 Items that may not be reclassified subsequently to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	3,418	-	(503)	-
8316 Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	52,306	1	99,769	2
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>(684)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total items that may not be reclassified subsequently to profit or loss	<u>55,040</u>	<u>1</u>	<u>99,266</u>	<u>2</u>
8360 Items that may be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(3,368)	-	5,135	-
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total items that may be reclassified subsequently to profit or loss	<u>(3,368)</u>	<u>-</u>	<u>5,135</u>	<u>-</u>
8300 Other comprehensive income (net of tax)	<u>51,672</u>	<u>1</u>	<u>104,401</u>	<u>2</u>
Total comprehensive income	<u>\$ 420,617</u>	<u>10</u>	<u>448,618</u>	<u>11</u>
9750 Basic earnings per share (note 6(o))	<u>\$ 4.78</u>		<u>4.41</u>	
9850 Diluted earnings per share (note 6(o))	<u>\$ 4.72</u>		<u>4.36</u>	

See accompanying notes to parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
KING POLYTECHNIC ENGINEERING CO., LTD.

Statements of Changes in Equity
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings			Other equity			Treasury shares	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains on financial assets measured at fair value through other comprehensive income		
Balance at January 1, 2024	\$ 743,730	10,354	135,295	659,499	1,219	64,358	-	1,614,455
Profit	-	-	-	344,217	-	-	-	344,217
Other comprehensive income	-	-	-	(503)	5,135	99,769	-	104,401
Total comprehensive income	-	-	-	343,714	5,135	99,769	-	448,618
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	38,879	(38,879)	-	-	-	-
Cash dividends of ordinary shares	-	-	-	(237,994)	-	-	-	(237,994)
Stock dividends of ordinary shares	37,186	-	-	(37,186)	-	-	-	-
Balance at December 31, 2024	780,916	10,354	174,174	689,154	6,354	164,127	-	1,825,079
Profit	-	-	-	368,945	-	-	-	368,945
Other comprehensive income	-	-	-	2,734	(3,368)	52,306	-	51,672
Total comprehensive income	-	-	-	371,679	(3,368)	52,306	-	420,617
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	34,371	(34,371)	-	-	-	-
Cash dividends of ordinary shares	-	-	-	(249,893)	-	-	-	(249,893)
Purchase of treasury share	-	-	-	-	-	-	(79,864)	(79,864)
Balance at December 31, 2025	\$ 780,916	10,354	208,545	776,569	2,986	216,433	(79,864)	1,915,939

See accompanying notes to parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
KING POLYTECHNIC ENGINEERING CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ 475,290	428,970
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	10,112	10,177
Amortization expense	1,004	538
Interest expense	9,787	7,594
Interest income	(9,275)	(16,008)
Dividend income	(5,099)	(2,263)
Share of profit (loss) of subsidiaries and associates accounted for using equity method	9,194	(25,598)
Gains on lease modifications	(107)	(7)
Total adjustments to reconcile profit (loss)	<u>15,616</u>	<u>(25,567)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in contract assets	(325,927)	37,394
Increase in notes and accounts receivable	(474,079)	(42,949)
Decrease in other current assets	11,338	22,602
(Increase) decrease in other financial assets	(161)	4,744
Increase in current financial assets at amortised cost	(267,625)	(131,467)
Total changes in operating assets	<u>(1,056,454)</u>	<u>(109,676)</u>
Changes in operating liabilities:		
(Decrease) increase in contract liabilities	(182,429)	967,985
Increase (decrease) in notes payable	12,276	(20,719)
Decrease in accounts payable	(63,587)	(12,657)
(Decrease) increase in accounts payable-related parties	(5,595)	6,195
Increase (decrease) in other payable	13,113	(7,281)
Increase (decrease) in other current liabilities	14,540	(2,122)
Decrease in net defined benefit liability	(10,115)	(45)
Total changes in operating liabilities	<u>(221,797)</u>	<u>931,356</u>
Total changes in operating assets and liabilities	<u>(1,278,251)</u>	<u>821,680</u>
Total adjustments	<u>(1,262,635)</u>	<u>796,113</u>
Cash (outflow) inflow generated from operations	(787,345)	1,225,083
Interest received	9,210	15,647
Dividends received	5,099	2,263
Income taxes paid	(73,539)	(129,196)
Net cash flows (used in) from operating activities	<u>(846,575)</u>	<u>1,113,797</u>
Cash flows from (used in) investing activities:		
Proceed from merged subsidiaries	31,257	-
Acquisition of property, plant and equipment	(13,216)	(221,846)
Decrease in other financial assets	1,418	3,956
Increase in other non-current assets	(3,771)	-
Net cash flows from (used in) investing activities	<u>15,688</u>	<u>(217,890)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	1,816,514	300,000
Decrease in short-term borrowings	(1,479,750)	(87,000)
Increase in short-term notes and bills payable	1,285,000	1,960,000
Decrease in short-term notes and bills payable	(1,495,000)	(1,980,000)
Decrease long-term borrowings, current portion	(5,708)	(27,779)
Increase in long-term borrowings	80,000	80,570
Increase in guarantee deposits received	-	24
Payment of lease liabilities	(2,820)	(6,040)
Cash dividends paid	(249,893)	(237,994)
Payments to acquire treasury shares	(79,864)	-
Interest paid	(20,250)	(13,970)
Net cash used in financing activities	<u>(151,771)</u>	<u>(12,189)</u>
Net (decrease) increase in cash and cash equivalents	(982,658)	883,718
Cash and cash equivalents at beginning of period	1,284,726	401,008
Cash and cash equivalents at ending of period	<u>\$ 302,068</u>	<u>1,284,726</u>

See accompanying notes to parent-company-only financial statements.

KING POLYTECHNIC ENGINEERING CO., LTD.
Employee Treasury Stock Transfer Guidelines

Article 1: (Purpose)

These guidelines are established to incentivize employees and enhance employee cohesion, in accordance with Article 167-1 of the Company Act, Article 28-2 of the Securities and Exchange Act, and the “Guidelines for Share Buybacks by Listed and OTC Companies” issued by the Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan, as well as other relevant regulations.

Article 2: (Scope of Application)

The transfer of treasury shares repurchased by the Company to employees shall be conducted in accordance with these guidelines, except as otherwise provided by law or the Company’s Articles of Incorporation.

Article 3: (Type of Shares, Rights, and Restrictions)

All treasury shares transferred to employees shall be common shares. Unless otherwise stipulated by laws or these guidelines, such shares shall carry the same rights and obligations as the Company’s existing issued shares.

Article 4: (Transfer Period)

The repurchased treasury shares may be transferred to employees, either in one or multiple transactions, within five years from the date of repurchase. Any shares not transferred within this period shall be treated as unissued shares and canceled in accordance with the law.

Article 5: (Eligibility of Transferees)

All full-time employees, part-time employees, or consultants employed on the record date, or who have made special contributions to the Company and approved by the Board of Directors, are eligible to subscribe for shares according to the subscription limits set forth in Article 6:

1. Full-time employees: Those employed in continuous work and receiving regular salary.
2. Non-full-time employees: Those engaged in temporary, short-term, or specific work under a fixed-term employment contract or consultant agreement.

Article 6: (Determination of Transferable Shares)

The number of treasury shares an employee may subscribe to shall be determined based on factors such as special contribution and future potential, as follows:

1. Recommendations from supervisors shall be submitted to the General Manager for approval and then presented to the Board of Directors for final decision.
2. The record date for subscription, payment period, and other related matters for each transfer operation shall be determined separately in accordance with relevant regulations.
3. Employees who fail to subscribe or remit payment within the subscription period shall be deemed to have waived their right; any remaining shares may be offered to other employees in the same subscription cycle as determined by the Board of Directors.
4. Employees holding managerial positions must first submit for review by the Compensation Committee before Board approval; non-managerial employees must first submit for review by the Audit and Risk Management Committee before Board approval.

Article 7: (Transfer Procedures)

The procedure for transferring repurchased treasury shares to employees shall be as follows: 1. Bribery and receiving bribes.

1. In accordance with the Board resolution, the Company shall announce, report, and repurchase shares within the prescribed execution period.
2. The Board shall establish and announce the subscription record date, eligible subscription amount, payment period, rights, and restrictions pursuant to these guidelines.
3. Actual subscription and payment shares shall be tallied and the stock transfer and registration completed.

Article 8:(Agreed Transfer Price)

The transfer price per share shall be based on the average repurchase price of the treasury shares. However, prior to transfer, if the Company issues additional common shares, the transfer price may be adjusted according to the increase ratio of issued shares.

Article 9:(Rights and Obligations After Transfer)

After the treasury shares are transferred to employees and registered, they shall carry the same rights and obligations as the Company's existing shares, unless otherwise stipulated. In accordance with Article 167-3 of the Company Act, employees are restricted from transferring the shares for two years from the date of delivery.

Article 10:(Audit)

During the transfer of treasury shares, the audit department shall verify that the transfer date, price, employee eligibility, and any discounted transfers comply with laws and these guidelines, and confirm that full payment has been received.

Article 11:(Amendment Date)

These guidelines shall take effect upon approval by the Board of Directors. The same applies to any amendments.

Established: May 5, 2025

First Amendment: August 4, 2025

Shareholdings of All Directors and Supervisors of the Company:

Base date: April 25, 2026

Job title	Name	Date elected	Shares Held at the Time of Election			Current holdings			Remarks
			Type	Number of shares	% to the issued shares	Type	Number of shares	% to the issued shares	
Chairman	Hong, Chien-Fong	2025.06.16	Common stock	688,195	0.88%	Common stock	688,195	0.88%	
Vice Chairman	Chang, Ming-Chan	2025.06.16	Common stock	106,909	0.14%	Common stock	106,909	0.14%	
Director	Hong, Jenn-Pan	2025.06.16	Common stock	2,947,077	3.77%	Common stock	2,947,077	3.77%	
Director	Chuan Lun Investment Co., Ltd. Representative: Lai, Chee-Lee	2025.06.16	Common stock	2,517,203	3.22%	Common stock	2,517,203	3.22%	
Director	Neptune Investment Co., Ltd. Representative: Chang, Shu-Hua	2025.06.16	Common stock	1,545,429	1.98%	Common stock	1,545,429	1.98%	
Director	Liang, Mao-Sheng	2025.06.16	Common stock	0	0.00%	Common stock	0	0.00%	
Independent Director	Liang, Jung-Hui	2025.06.16	Common stock	0	0.00%	Common stock	0	0.00%	
Independent Director	Lin, Chiung-Ying	2025.06.16	Common stock	0	0.00%	Common stock	0	0.00%	
Independent Director	Wang, Hsing-Min	2025.06.16	Common stock	0	0.00%	Common stock	0	0.00%	
Total :				7,804,813	9.99%		7,804,813	9.99%	

Total outstanding shares on June 16, 2025: 78,091,632 Shares

Total outstanding shares on April 25, 2026: 78,091,632 Shares

Remark: Quantity of shares required to be held by all Directors of the Company according to law: 7,804,813 Shares Held as of April 25, 2026: 7,804,813 Shares

Thank you for attending the AGM!

**We welcome your critiques and suggestions at any
time!**