

**Redwood Group Ltd and Subsidiaries**

**Consolidated Financial Statements for the  
Six Months Ended June 30, 2025 and 2024 and  
Independent Auditors' Report**

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Redwood Group Ltd

### Opinion

We have reviewed the accompanying consolidated financial statements of Redwood Group Ltd and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of June 30, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the period then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the period then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the six months ended June 30, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group's consolidated financial statements for the six months ended June 30, 2025 are stated as follows:

#### Recognition of Project Revenue

The main business of Redwood Group Ltd and its subsidiaries is the decoration of global advanced boutique brand stores. Its project revenue is calculated based on the degree of completion during the project contract period based on the completion percentage method, in which the estimated total project cost is an important factor in calculating the percentage of completion of construction. Since the estimated total project cost and contract items are obtained by management's evaluation and judgment based on the nature of different projects, estimated contract amounts, construction duration, project construction and construction methods, etc., they are complicated with inherent risks, and are susceptible to price fluctuations of raw materials and labor, as well as variation of the projects. Due to a certain degree of subjectivity in estimates, there may be errors in the calculation of revenue from the percentage of completion of some projects or a significant impact on the misrepresentation of revenue in each period. Therefore, the estimation of the total cost of the project contract is a major estimate and judgment of the company, and it is listed as a key audit matter. For relevant accounting policies, accounting estimates and assumptions regarding the recognition of project revenue, as well as relevant disclosure information, please refer to Notes 4 and Note 5 of the consolidated financial statements for details.

We tested the related internal controls, and the main audit procedures that we performed were the following:

1. We understood and tested the Group's relevant internal control procedures for preparing estimated total project costs.
2. We selected samples and reviewed the Group's documents for each project to confirm the reasonableness of the estimated total project cost.

### 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 International Accounting Standard 34, "Interim Financial Reporting" 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 auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and 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 for the six months ended June 30, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Lee Li Huang and Tsai Tsung Yuan.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

August 22, 2025

#### Notice to Readers

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

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

## REDWOOD GROUP LTD AND SUBSIDIARIES

### CONSOLIDATED BALANCE SHEETS June 30, 2025, DECEMBER 31,2024 AND JUNE 30,2024 (In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2025 (Audited)		December 31,2024 (Audited)		June 30, 2024 (Audited)	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6 and 26 )	\$ 392,898	17	\$ 474,370	20	\$ 441,327	18
Contract assets - current (Note 20)	305,898	14	405,876	17	209,017	9
Trade receivables (Notes 8,20 and 26)	350,236	16	266,175	12	556,710	23
Other receivables (Notes 8 and 26)	21,369	1	5,345	-	6,985	-
Other receivables from related parties (Notes 8, 26 and 27)	148	-	83	-	82	-
Current tax assets (Note 22)	7,485	-	1,987	-	350	-
Inventories (Note 9)	122,231	5	115,718	5	121,965	5
Prepayments (Notes 13)	92,789	4	68,902	3	56,011	3
Other current assets (Note 13)	<u>4,026</u>	<u>-</u>	<u>5,563</u>	<u>-</u>	<u>6,393</u>	<u>-</u>
Total current assets	<u>1,297,080</u>	<u>57</u>	<u>1,344,019</u>	<u>57</u>	<u>1,398,840</u>	<u>58</u>
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through other comprehensive income - non-current (Notes 7 and 26)	36,846	2	43,720	2	46,465	2
Property, plant and equipment (Notes 11 and 28)	873,397	38	907,454	38	911,569	37
Right-of-use assets (Notes 12 and 28)	38,814	2	40,583	2	41,458	2
Deferred tax assets (Note 22)	17,919	1	16,721	1	16,657	1
other non-current assets (Notes 13,26 and 29)	<u>10,149</u>	<u>-</u>	<u>9,311</u>	<u>-</u>	<u>7,243</u>	<u>-</u>
Total non-current assets	<u>977,125</u>	<u>43</u>	<u>1,017,789</u>	<u>43</u>	<u>1,023,392</u>	<u>42</u>
<b>TOTAL</b>	<u>\$ 2,274,205</u>	<u>100</u>	<u>\$ 2,361,808</u>	<u>100</u>	<u>\$ 2,422,232</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Contract liabilities-current (Note 20)	\$ 278,240	12	\$ 136,824	6	\$ 345,828	14
Trade payables (Notes 15 and 26)	196,390	8	147,589	6	133,969	6
Trade payables to related parties (Notes 15, 26 and 27)	1,762	-	2,529	-	2,073	-
Other payables (Notes 16 and 26)	265,690	12	184,941	8	261,727	11
Current tax liabilities (Note 22)	21,104	1	15,177	1	32,223	1
Provisions - current (Note 17)	37,576	2	51,788	2	39,201	2
Lease liabilities - current (Note 12, 24 and 26)	869	-	418	-	713	-
Current portion of long-term borrowings (Note 14, 24 and 26)	37,800	2	52,541	2	83,276	3
Other current liabilities (Note 16)	<u>10,259</u>	<u>-</u>	<u>12,377</u>	<u>-</u>	<u>13,670</u>	<u>1</u>
Total current liabilities	<u>849,690</u>	<u>37</u>	<u>604,184</u>	<u>25</u>	<u>912,680</u>	<u>38</u>

NON-CURRENT LIABILITIES

Long-term borrowings (Note 14, 24 and 26)	398,764	18	440,523	19	449,597	19
Deferred tax liabilities (Note 22)	9,827	-	26,367	1	10,816	-
Lease liabilities - non-current (Note 12,24 and 26)	<u>563</u>	<u>-</u>	<u>87</u>	<u>-</u>	<u>162</u>	<u>-</u>
Total non-current liabilities	<u>409,154</u>	<u>18</u>	<u>466,977</u>	<u>20</u>	<u>460,575</u>	<u>19</u>
Total liabilities	<u>1,258,844</u>	<u>55</u>	<u>1,071,161</u>	<u>45</u>	<u>1,373,255</u>	<u>57</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 19)						
Share capital - ordinary shares	<u>502,425</u>	<u>22</u>	<u>502,425</u>	<u>21</u>	<u>502,425</u>	<u>21</u>
Capital surplus	<u>293,911</u>	<u>13</u>	<u>293,911</u>	<u>13</u>	<u>293,911</u>	<u>12</u>
Retained earnings						
Special reserve	255,200	11	347,096	15	347,096	14
Unappropriated earnings	<u>286,732</u>	<u>13</u>	<u>389,782</u>	<u>16</u>	<u>182,767</u>	<u>8</u>
Total retained earnings	<u>541,932</u>	<u>24</u>	<u>736,878</u>	<u>31</u>	<u>529,863</u>	<u>22</u>
Other equity						
Exchange differences on translation of foreign financial statements	(241,092)	(11)	(165,727)	(7)	(203,554)	(9)
Unrealized loss on financial assets of fair value through other comprehensive income	<u>(81,815)</u>	<u>(3)</u>	<u>(76,840)</u>	<u>(3)</u>	<u>(73,668)</u>	<u>(3)</u>
Total other equity	<u>(322,907)</u>	<u>(14)</u>	<u>(242,567)</u>	<u>(10)</u>	<u>(277,222)</u>	<u>(12)</u>
Total equity attributable to owners of the Company	<u>1,015,361</u>	<u>45</u>	<u>1,290,647</u>	<u>55</u>	<u>1,048,977</u>	<u>43</u>
TOTAL	<u>\$ 2,274,205</u>	<u>100</u>	<u>\$ 2,361,808</u>	<u>100</u>	<u>\$ 2,422,232</u>	<u>100</u>

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

## REDWOOD GROUP LTD AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2025 AND 2024 AND FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three months Ended June 30				For the Six months Ended June 30			
	2025	%	2024	%	2025	%	2024	%
OPERATING REVENUE (Note 20)								
Construction revenue	\$ 582,136	100	\$ 532,089	100	\$ 1,096,507	100	\$ 1,134,261	100
OPERATING COSTS (Note 9,21 and 27)								
Construction costs	( 467,356)	( 80)	( 370,806)	(70)	( 868,170)	( 79)	( 792,483)	( 70)
GROSS PROFIT	114,780	20	161,283	30	228,337	21	341,778	30
OPERATING EXPENSES (Notes 21 and 27)								
Selling and marketing expenses	( 3,697)	( 1)	( 2,852)	-	( 7,591)	( 1)	( 5,785)	( 1)
General and administrative expenses	( 131,030)	( 22)	( 132,721)	(25)	( 263,215)	( 24)	( 254,588)	( 22)
Expected credit (loss) gain	-	-	1,380	-	( 268)	-	( 3,669)	-
Total operating expenses	( 134,727)	( 23)	( 134,193)	( 25)	( 271,074)	( 25)	( 264,042)	( 23)
PROFIT FROM OPERATIONS	( 19,947)	( 3)	27,090	5	( 42,737)	( 4)	77,736	7
NON-OPERATING INCOME AND EXPENSES (Notes 21 and 27)								
Interest income	525	-	405	-	952	-	504	-
Other income	1,647	-	1,988	1	5,632	1	5,348	1
Other gains and losses	( 12,957)	( 2)	( 3,808)	( 1)	( 15,119)	( 1)	889	-
Finance costs	( 4,353)	( 1)	( 4,001)	( 1)	( 7,882)	( 1)	( 8,645)	( 1)
Total non-operating income and expenses	( 15,138)	( 3)	( 5,416)	( 1)	( 16,417)	( 1)	( 1,904)	-
PROFIT (LOSS) BEFORE INCOME TAX	( 35,085)	( 6)	21,674	4	( 59,154)	( 5)	75,832	7
INCOME TAX EXPENSE (Note 22)	( 1,451)	-	( 10,462)	( 2)	( 10,186)	( 1)	( 30,152)	( 3)
NET PROFIT (LOSS) FOR THE YEAR	( 36,536)	( 6)	11,212	2	( 69,340)	( 6)	45,680	4
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized loss on investments in debt instruments as at fair value through other comprehensive income	( 4,975)	( 1)	-	-	( 4,975)	-	-	-
Exchange differences arising on translation to the presentation currency	( 80,888)	( 14)	10,006	( 2)	( 61,222)	( 6)	45,435	4

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## REDWOOD GROUP LTD AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2025 AND 2024 AND FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	<u>For the Three months Ended June 30</u>				<u>For the Six months Ended June 30</u>			
	<u>2025</u>	<u>%</u>	<u>2024</u>	<u>%</u>	<u>2025</u>	<u>%</u>	<u>2024</u>	<u>%</u>
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating to the financial statement of foreign operations	( 10,343)	( 2)	8,565	2	( 14,143)	( 2)	7,988	1
Other comprehensive income (loss) for the year, net of income tax	( 96,206)	( 17)	18,571	4	( 80,340)	( 8)	53,423	5
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	<u>(\$ 132,742)</u>	<u>( 23)</u>	<u>\$ 29,783</u>	<u>6</u>	<u>(\$ 149,680)</u>	<u>( 14)</u>	<u>\$ 99,103</u>	<u>9</u>
<b>NET PROFIT (LOSS) ATTRIBUTABLE TO:</b>								
Owners of the company	<u>(\$ 35,536)</u>	<u>( 6)</u>	<u>\$ 11,212</u>	<u>2</u>	<u>(\$ 69,340)</u>	<u>( 6)</u>	<u>\$ 45,680</u>	<u>4</u>
<b>TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:</b>								
Owners of the company	<u>(\$ 132,742)</u>	<u>( 23)</u>	<u>\$ 29,783</u>	<u>6</u>	<u>(\$ 149,680)</u>	<u>( 14)</u>	<u>\$ 99,103</u>	<u>9</u>
<b>EARNINGS PER SHARE (Note23)</b>								
Basic	<u>(\$ 0.73)</u>		<u>\$ 0.22</u>		<u>(\$ 1.38)</u>		<u>\$ 0.91</u>	
Diluted	<u>(\$ 0.73)</u>		<u>\$ 0.22</u>		<u>(\$ 1.38)</u>		<u>\$ 0.91</u>	

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

(Concluded)

**REDWOOD GROUP LTD AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company						Total Equity
	Capital	Capital Surplus	Retained Earnings		Other Equity		
			Special Reserve	Unappropriated Earnings	Comprehensive Income	Exchange Differences on Translating the Financial Statements of Foreign Operations	
BALANCE AT JANUARY 1, 2024	\$ 502,425	\$ 293,911	\$ 252,393	\$ 357,396	(\$ 73,668)	(\$ 256,977)	\$ 1,075,480
Earnings allocation and distribution							
Special reserve	-	-	94,703	( 94,703)	-	-	-
Cash dividend	-	-	-	( 125,606)	-	-	( 125,606)
Net profit for the period ended June 30, 2024	-	-	-	45,680	-	-	45,680
Other comprehensive income (loss) for the period ended June 30, 2024, net of income tax	-	-	-	-	-	53,423	53,423
Total comprehensive income (loss) for the period ended June 30, 2024	-	-	-	45,680	-	53,423	99,103
 BALANCE AT JUNE 30, 2024	<u>\$ 502,425</u>	<u>\$ 293,911</u>	<u>\$ 347,096</u>	<u>\$ 182,767</u>	<u>(\$ 73,668)</u>	<u>(\$ 203,554)</u>	<u>\$ 1,048,977</u>
 BALANCE AT JANUARY 1, 2025	502,425	\$ 293,911	\$ 347,096	\$ 389,782	(\$ 76,840)	(\$ 165,727)	\$ 1,290,647
Earnings allocation and distribution							
Special reserve	-	-	( 91,896)	91,896	-	-	-
Cash dividend	-	-	-	( 125,606)	-	-	( 125,606)
Net loss for the period ended June 30, 2025	-	-	-	( 69,340)	-	-	( 69,340)
Other comprehensive income(loss) for the period ended June 30, 2025, net of income tax	-	-	-	-	( 4,975)	( 75,365)	( 80,340)
Total comprehensive income(loss) for the period ended June 30, 2025	-	-	-	( 69,340)	( 4,975)	( 75,365)	( 149,680)
 BALANCE AT JUNE 30, 2025	<u>\$ 502,425</u>	<u>\$ 293,911</u>	<u>\$ 255,200</u>	<u>\$ 286,732</u>	<u>(\$ 81,815)</u>	<u>(\$ 241,092)</u>	<u>\$ 1,015,361</u>

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

## REDWOOD GROUP LTD AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	Six Months Ended June 30, 2025 (Audited)	Six Months Ended June 30, 2024 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (Loss) before income tax	(\$ 59,154)	\$ 75,832
Adjustments for:		
Depreciation expenses	44,721	46,182
Expected credit loss recognized (reversed) on trade receivables	268	3,669
Finance costs	7,882	8,645
Interest income	( 952)	( 504)
Disposal of investment loss	-	2,998
Write-downs of inventories	1,544	4,636
Gain on disposal of property, plant and equipment	( 998)	( 39)
Recognition of provisions	12,061	15,410
Net (gain) loss on foreign currency exchange	( 41,561)	24,130
Changes in operating assets and liabilities		
Contracts assets	99,978	84,624
Trade receivables	( 83,830)	( 121,795)
Other receivables	( 16,089)	5,866
Inventories	( 6,489)	693
Prepayments	( 23,887)	( 5,946)
Other current assets	1,537	313
Contracts liabilities	141,416	154,065
Trade payables	48,034	( 20,833)
Provisions	( 24,289)	( 20,021)
Other payables	( 44,992)	( 31,616)
Other current liabilities	<u>( 2,118)</u>	<u>( 2,059)</u>
Cash generated from operations	53,082	224,250
Interest paid	( 7,872)	( 9,230)
Income taxes paid	<u>( 26,633)</u>	<u>( 19,271)</u>
Net cash generated from operating activities	<u>18,577</u>	<u>195,749</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of investment	\$ -	(\$ 2,998)
Payments for property, plant and equipment	( 57,096)	( 19,734)
Proceeds from disposal of property, plant and equipment	1,394	1,949
Increase in refundable deposits	944	1,872
Interest received	<u>952</u>	<u>504</u>
Net cash used in investing activities	<u>( 53,806)</u>	<u>( 18,407)</u>

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## REDWOOD GROUP LTD AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<u>Six Months Ended June 30,2025 (Audited)</u>	<u>Six Months Ended June 30,2024 (Audited)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	-	( 35,210)
Repayments of long-term borrowings	( 34,821)	( 45,259)
Repayment of the principal portion of lease liabilities	( 414)	( 624)
Net cash generated from financing activities	<u>( 35,235)</u>	<u>( 81,093)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>( 11,008)</u>	<u>9,089</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	( 81,472)	105,338
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>474,370</u>	<u>335,989</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 392,898</u>	<u>\$ 441,327</u>

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

(Concluded)

# REDWOOD GROUP LTD AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

### 1. GENERAL INFORMATION

Redwood Group Ltd. (the “Company”) was incorporated in the Cayman Islands and established mainly for reorganization and for trading registration in Taipei Exchange. The company became a holding company of all incorporated entities in August 2010. The Company and its subsidiaries (collectively referred to as the “Group”) mainly engage in the decoration of global boutique brand stores.

The Company’s shares have been listed on the Taipei Exchange (“TPEX”) mainboard since December 2011.

The functional currency of the Company is the Singapore dollar. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since the Company’s shares are listed on the Taipei Exchange (“TPEX”) mainboard.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on August 22, 2025.

### 3. APPLICATION OF NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

#### IFRS 21 “Lake of Exchangeability”

The application of the IFRS 21 “Lake of Exchangeability” did not have a material impact on the Group’s accounting policies.

- b. IFRS accounting standards approved by the Financial Supervisory Commission applicable in 2026

<b>New IFRSs</b>	<b>Effective Date Announced by IASB</b>
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
"Annual Improvement of IFRS Accounting Standards - Volume 11"	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023

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

##### 1. Amendments to the application guidance on the classification of financial assets

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

- (1) If a financial asset contains a contingency that may change the timing or amount of contractual cash flows, and the nature of the contingency is not directly related to changes in the underlying lending risk and cost (such as whether the debtor achieves a specific carbon emission reduction), the contractual cash flows of such financial assets will continue to be entirely payments of principal and interest on the outstanding principal amount if the following two conditions are met:

#The contractual cash flows arising from all possible scenarios (before and after the contingency occurs) are entirely payments of principal and interest on the outstanding principal amount; and

#The contractual cash flows arising from all possible scenarios are not materially different from the cash flows of financial instruments with

the same contractual terms but without the contingency feature.

(2) Clarification that a non-recourse financial asset is one in which the entity's ultimate right to receive cash flows is contractually limited to cash flows generated by the specific asset.

(3) Clarify that contract-linked instruments are established through a waterfall payment structure to establish a payment priority for financial asset holders, thereby creating a concentration of credit risk and resulting in a disproportionate distribution of cash shortfalls from the underlying pool among different tiered securities.

## 2. Amendments to the application guidance on the de-recognition of financial liabilities

The amendment mainly states that financial liabilities should be de-recognized on the settlement date. However, when an enterprise uses an electronic payment system to settle financial liabilities in cash, it may choose to de-recognize the financial liabilities on the settlement date if the following conditions are met:

#The enterprise does not have the actual ability to withdraw, stop or cancel the payment instruction;

#The enterprise does not have the actual ability to access the cash to be used for settlement due to the payment instruction; and

#The settlement risk associated with the electronic payment system is not significant.

The merged company should apply the amendment retrospectively without restating the comparative period and recognize the impact of the initial application on the date of initial application. However, if the enterprise can restate without the benefit of hindsight, it may choose to restate the comparative period.

As of the date of approval and issuance of this consolidated financial report, the merged company is still evaluating the impact of the various amendments on its financial position and financial position and financial performance, and the relevant impact will be disclosed when the evaluation is completed.

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

New IFRSs	Effective Date Announced by IASB (Note)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 18 "Presentation and disclosure of financial statements"	January 1, 2027
IFRS 19 "Subsidiaries not subject to public accountability: disclosure"	January 1, 2027

Note 1: Unless stated otherwise, the above IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

#### IFRS 18 "Presentation and disclosure of financial statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements". The main changes in this standard include:

- The income statement should divide the income and expense and loss items into operating, investment, financing, income tax and closed unit types.
- The profit and loss statement should present operating profit and loss, profit and loss before financing and income tax, and the subtotal and total of profit and loss.
- Provide guidance to strengthen aggregation and segmentation requirements: Merging companies must identify assets, liabilities, equity, income, expenses, losses and cash flows from individual transactions or other events, and classify and summarize them on the basis of common characteristics so that the main financial Each line item presented in the report has at least one similar characteristic. Items with different characteristics should be broken down in the main financial statements and notes. The merged company will label these items as "other" only if it cannot find a more informative name. Increase the disclosure of performance measures defined by management: When the combined company conducts public communications outside of financial statements and communicates management's views on a certain aspect of the combined company's overall financial performance to users of financial statements, it should disclose it in a single note to the financial statements. Information related to performance measurement defined by management, including the description of the measurement, how it is calculated, its reconciliation with the subtotal or total specified in IFRS accounting standards, and the impact of income tax and non-controlling interests on related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34, “Interim Financial Reporting”, by the FSC of the Republic of China. The consolidated financial report does not include all IFRSs disclosure information required by the entire annual financial report.

##### b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

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

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

##### c. Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

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

See Note 10, Tables 7 and 8 for the detailed information of subsidiaries (including the percentage of ownership and main business).

##### d. Explanation of other significant accounting policies

In addition to the following descriptions, please refer to the summary description of significant accounting policies in the 2024 consolidated financial report.

###### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The income tax for the interim period is assessed on an annual basis, and the interim pre-tax benefits are calculated at the tax rate applicable to the expected annual total surplus.

#### 5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

##### Key Sources of Estimation Uncertainty

###### Construction contracts

Contract revenue and costs are recognized by reference to the stage of completion of each contract. The stage of completion of a contract is measured

based on the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. For contracts to which IFRS 15 is applicable, incentives and penalties are considered as variable consideration and should be included in the contract revenue only when it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The estimated total contract costs and contractual items are assessed and determined by management based on the nature of the work, expected sub-contracting charges, construction periods, processes, methods, etc., for each construction contract. Changes in these estimates might affect the calculation of the percentage of completion and related profits and losses from the construction contracts. Refer to Note 20 for information relating to the relevant accounting policies.

## 6. CASH AND CASH EQUIVALENTS

	<b>June 30</b>	<b>December 31</b>	<b>June 30</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
Cash on hand	\$ 1,232	\$ 632	\$ 755
Checking accounts and demand deposits	354,624	426,164	398,987
Deposits	<u>37,042</u>	<u>47,574</u>	<u>41,594</u>
	<u>\$ 392,898</u>	<u>\$ 474,370</u>	<u>\$ 441,327</u>

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

### Investments in Equity Instruments at FVTOCI

	<b>June 30</b>	<b>December 31</b>	<b>June 30</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
<u>Non-current</u>			
Foreign investments			
Unlisted shares	<u>\$36,846</u>	<u>\$ 43,720</u>	<u>\$ 46,465</u>

The Company acquired ordinary shares of DDG Glass Pte. Ltd. for medium- to long-term strategic purposes and expected to earn profit through long-term investment. The management of the Company believed that if the short term fair value fluctuations of these investments are included in the profit or loss, they will not be consistent with the purpose of the aforementioned long-term investment plan; as a result, management chose to consider these investments as financial assets at fair value through other comprehensive income.

## 8. TRADE RECEIVABLES AND OTHER RECEIVABLES

	<b>June 30</b>	<b>December 31</b>	<b>June 30</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 359,156	\$ 275,326	\$ 567,721
Less: Allowance for impairment loss	( 8,920)	( 9,151)	( 11,011)
	<u>\$ 350,236</u>	<u>\$ 266,175</u>	<u>\$ 556,710</u>
<u>Other receivables</u>			
Other receivables	<u>\$ 21,369</u>	<u>\$ 5,345</u>	<u>\$ 6,985</u>
Other receivables from related parties	<u>\$ 148</u>	<u>\$ 83</u>	<u>\$ 82</u>

The Group adopted a policy of only dealing with creditworthy counterparties and obtained sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In order to minimize credit risk, the management of the Group responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group

reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes that the Group's credit risk was significantly reduced.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of a lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial positions, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery of the receivable, whichever occurs earlier. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

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

June 30, 2025

	<b>Less than 60 Days</b>	<b>61 to 180 Days</b>	<b>181 to 360 Days</b>	<b>361 to 720 Days</b>	<b>Over 721 Days</b>	<b>Total</b>
Expected credit loss rate	0%-0.01%	0%-0.14%	0%-1%	1.09%-100%	100%	
Gross carrying amount	\$279,050	\$ 47,706	\$ 15,284	\$ 10,754	\$ 6,362	\$359,156
Loss allowance (Lifetime ECL)	( 25)	( 23)	( 26)	( 2,484)	( 6,362)	( 8,920)
Amortized cost	<u>\$279,025</u>	<u>\$ 47,683</u>	<u>\$ 15,258</u>	<u>\$ 8,270</u>	<u>\$ -</u>	<u>\$350,236</u>

December 31, 2024

	<b>Less than 60 Days</b>	<b>61 to 180 Days</b>	<b>181 to 360 Days</b>	<b>361 to 720 Days</b>	<b>Over 721 Days</b>	<b>Total</b>
Expected credit loss rate	0%-0.11%	0%-0.21%	0%-9.95%	12.49%~100%	100%	
Gross carrying amount	\$206,004	\$ 42,369	\$ 5,655	\$ 16,896	\$ 4,402	\$275,326
Loss allowance (Lifetime ECL)	( 115)	( 267)	( 192)	( 4,175)	( 4,402)	( 9,151)
Amortized cost	<u>\$205,889</u>	<u>\$ 42,102</u>	<u>\$ 5,463</u>	<u>\$ 12,721</u>	<u>\$ -</u>	<u>\$266,175</u>

June 30, 2024

	<b>Less than 60 Days</b>	<b>61 to 180 Days</b>	<b>181 to 360 Days</b>	<b>361 to 720 Days</b>	<b>Over 721 Days</b>	<b>Total</b>
Expected credit loss rate	0%-0.11%	0%-2.1%	0%-9.95%	12.49%-100%	100%	
Gross carrying amount	\$399,133	\$ 62,797	\$ 90,475	\$ 9,204	\$ 6,112	\$567,721
Loss allowance (Lifetime ECL)	( 154)	( 373)	( 3,004)	( 1,368)	( 6,112)	( 11,011)
Amortized cost	<u>\$398,979</u>	<u>\$ 62,424</u>	<u>\$ 87,471</u>	<u>\$ 7,836</u>	<u>\$ -</u>	<u>\$556,710</u>

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

	<b>Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 9,151	\$ 7,016
Add: Net remeasurement of loss allowance	268	3,669
Foreign exchange gains and losses	(499)	326
Balance at June 30	<u>\$ 8,920</u>	<u>\$ 11,011</u>

## 9. INVENTORIES

	June 30	December 31	June 30
	2025	2024	2024
Raw materials	<u>\$ 122,231</u>	<u>\$ 115,718</u>	<u>\$ 121,965</u>

  

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Cost of good sold	\$ 466,920	\$ 366,651	\$ 866,626	\$ 787,847
Inventory write-downs (recovery benefits)	<u>436</u>	<u>4,155</u>	<u>1,544</u>	<u>4,636</u>
	<u>\$ 467,356</u>	<u>\$ 370,806</u>	<u>\$ 868,170</u>	<u>\$ 792,483</u>

## 10. SUBSIDIARIES

### Subsidiaries Included in the Consolidated Financial Statements

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Description	Remark
			June 30 2025	Decem ber 31 2024	June 30 2024		
Redwood Group Ltd.	Redwood Interior Pte. Ltd.	Decoration of global advanced boutique brand store	100	100	100	Acquired the ownership through exchange of shares on December 10, 2010.	
Redwood Interior Pte. Ltd.	Redwood Furniture Sdn. Bhd	Design, produce and sale of customized furniture	100	100	100	Acquired the ownership through exchange of shares on December 10, 2010.	
Redwood Interior Pte. Ltd.	Redwood (Shanghai) Pte. Ltd.	Decoration of global advanced boutique brand store	100	100	100	Established by 100% direct or indirect investment in February 2012.	(1)
Redwood Interior Pte. Ltd.	Redwood Projects Sdn. Bhd.	Decoration of global advanced boutique brand store	100	100	100	Established by 100% direct or indirect investment in November 2012.	(1)
Redwood Interior Pte. Ltd.	Redwood Projects France S.A.S.	Decoration of global advanced boutique brand store	100	100	100	Established by 100% direct or indirect investment in January 2018.	(1)
Redwood Interior Pte. Ltd.	Redwood Projects Japan K.K.	Decoration of global advanced boutique brand store	100	100	100	Established by 100% direct or indirect investment in February 2018.	(1)
Redwood Interior Pte. Ltd.	Redwood Projects US Inc.	Decoration of global advanced boutique brand store	100	100	100	Established by 100% direct or indirect investment in October 2018,	(1)
Redwood Interior Pte. Ltd.	Redwood Projects (Vietnam) Company Limited	Decoration of global advanced boutique brand store	100	100	100	Established by 100% direct or indirect investment in September 2020.	(1)
Redwood Interior Pte. Ltd.	Redwood Projects Philippines Inc.	Decoration of global advanced boutique brand store	100	100	100	Established by 100% direct or indirect investment in December 2020.	(1)
Redwood Interior Pte. Ltd.	Redwood Specialities India Private Limited	Decoration of global advanced boutique brand store	99.99	99.99	99.99	Established by 100% direct or indirect investment in November 2022.	(1)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Description	Remark
			June 30 2025	December 31 2024	June 30 2024		
Redwood Interior Pte. Ltd.	Redwood (Thailand) Co., Ltd.	Decoration of global advanced boutique brand store	100	100	100	Established by 100% direct or indirect investment in August 2020. Capital injection completed in March 2024.	(1)
Redwood Interior Pte. Ltd.	Redwood Projects Australia Pty Ltd	Decoration of global advanced boutique brand store	100	100	100	Established by 100% direct or indirect investment in May 2023. Capital injection completed in May 2024.	(1)
Redwood Interior Pte. Ltd.	PT Redwood Projects Indonesia	Decoration of global advanced boutique brand store	99.9	99.9	99.9	Established by 100% direct or indirect investment in May 2024.	(1)
Redwood Furniture Sdn. Bh	Redwood Specialities India Private Limited	Decoration of global advanced boutique brand store	0.01	0.01	0.01	Established by 100% direct or indirect investment in November 2022.	(1)
Redwood Furniture Sdn. Bh	PT Redwood Projects Indonesia	Decoration of global advanced boutique brand store	0.1	0.1	0.1	Established by 100% direct or indirect investment in May 2024.	(1)

Remarks:

(1) Those companies are an immaterial subsidiary for consolidated statements; those financial statements have not been audited

## 11. PROPERTY, PLANT AND EQUIPMENT

	June 30 2025	December 31 2024	June 30 2024
Land	\$ 32,471	\$ 34,281	\$ 32,149
Buildings	705,625	718,975	723,284
Machinery	110,368	133,595	136,701
Transportation Equipment	11,486	5,315	5,422
Other Equipment	12,057	15,034	13,116
Construction in Progress	<u>1,390</u>	<u>254</u>	<u>897</u>
	<u>\$ 873,397</u>	<u>\$ 907,454</u>	<u>\$ 911,569</u>

No impairment assessment was performed for the six months ended June 30, 2025 and 2024 as there was no indication of impairment.

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

Building	5-50 years
Machinery	7-10 years
Transportation equipment	5-10 years
Other equipment	1-10 years

Property, plant and equipment pledged as collateral for bank borrowings were set out in Note 28.

## 12. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<b>June 30 2025</b>	<b>December 31 2024</b>	<b>June 30 2024</b>	
<u>Carrying amounts</u>				
Land access	\$ 37,398	\$ 40,104	\$ 40,616	
Buildings	<u>1,416</u>	<u>479</u>	<u>842</u>	
	<u>\$ 38,814</u>	<u>\$ 40,583</u>	<u>\$ 41,458</u>	
<u>Depreciation change for right of use assets</u>				
	<b>Three Months Ended June 30</b>		<b>Six months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Additions for right of use assets			<u>\$ 1,380</u>	<u>\$ -</u>
Depreciation change for right of use assets				
Buildings	\$ 427	\$ 430	\$ 866	\$ 853
Office equipment	<u>199</u>	<u>193</u>	<u>396</u>	<u>559</u>
	<u>\$ 626</u>	<u>\$ 623</u>	<u>\$ 1,262</u>	<u>\$ 1,412</u>

The right-of-use asset includes long-term prepaid rent for land leased by Redwood Singapore to the government, and the merger company has obtained evidence of the right to use the land.

Except for the additions and recognition of depreciation charge listed above, there was no major sublease or impairment loss of the right-of-use assets of the Group in the six-month period ended June 30, 2025 and 2024.

For the amount of right-of-use assets set as shareholder guarantee, please refer to Note 28.

### b. Lease liabilities

	<b>June 30 2025</b>	<b>December 31 2024</b>	<b>June 30 2024</b>
<u>Carrying amounts</u>			
Current	<u>\$ 869</u>	<u>\$ 418</u>	<u>\$ 713</u>
Non-current	<u>\$ 563</u>	<u>\$ 87</u>	<u>\$ 162</u>

Range of discount rate for lease liabilities was as follows:

	<b>June 30 2025</b>	<b>December 31 2024</b>	<b>June 30 2024</b>
Land	4.32%	4.32%	4.32%
Buildings	2.03%~4.32%	4.09%~4.32%	4.09%~4.32%

### c. Material lease-in activities and terms

The Group leases land and buildings for the use of plants and offices with lease terms of 2 to 30 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Short-term leases expenses	<u>\$ 9,254</u>	<u>\$ 8,756</u>	<u>\$ 18,376</u>	<u>\$ 16,427</u>
Expenses relating to low-value asset leases	<u>\$ 360</u>	<u>\$ 101</u>	<u>\$ 697</u>	<u>\$ 659</u>
Total cash outflow for leases			<u>(\$ 19,487)</u>	<u>(\$ 17,710)</u>

The Group leases certain assets which qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

### 13. OTHER ASSETS

	June 30	December 31	June 30
	2025	2024	2024
<u>Current</u>			
Prepayments - goods	\$ 73,794	\$ 40,911	\$ 33,966
Prepayments - expenses	16,055	20,359	19,414
Other prepayments	<u>2,940</u>	<u>7,632</u>	<u>2,631</u>
	<u>\$ 92,789</u>	<u>\$ 68,902</u>	<u>\$ 56,011</u>
Other current assets	<u>\$ 4,026</u>	<u>\$ 5,563</u>	<u>\$ 6,393</u>
<u>Non-current</u>			
Prepaid equipment	\$ 2,015	\$ 232	\$ 788
Refundable deposits	<u>8,134</u>	<u>9,079</u>	<u>6,455</u>
	<u>\$ 10,149</u>	<u>\$ 9,311</u>	<u>\$ 7,243</u>

### 14. BORROWINGS

Long-term borrowings

	June 30	December 31	June 30
	2025	2024	2024
<u>Secured borrowings (Note 28)</u>			
Bank loans*	\$ 436,564	\$ 493,064	\$ 532,873
Less: Current portion	<u>( 37,800)</u>	<u>( 52,541)</u>	<u>( 83,276)</u>
Long-term borrowings	<u>\$ 398,764</u>	<u>\$ 440,523</u>	<u>\$ 449,597</u>

\* As of June 30, 2025, December 31, 2024 and June 30, 2024, the weighted average effective interest rate of the bank borrowings secured by the Group's freehold land and building (refer to Note 28) was 2.18 % ~ 7.06% and 2.18 % ~ 7.06% and 2.18%~7.06% per annum, respectively.

### 15. TRADE PAYABLE

The Group has a financial risk management policy to ensure that all payables are repaid within the pre-agreed credit period.

## 16. OTHER LIABILITIES

	June 30	December 31	June 30
	2025	2024	2024
<u>Current</u>			
Other payables			
Payable for salaries or bonuses	\$ 89,346	\$ 95,302	\$ 66,793
Payable for directors and employee compensation	-	2,908	462
Payable for purchase of equipment	235	100	99
Payable for utilities	6,017	5,701	4,355
Payable for provident fund	4,520	4,397	4,090
Payable for professional service fees	2,022	3,038	2,024
Payable for shipping expenses	25,371	48,758	23,037
Payable for tax	1,613	3,491	4,576
Payable for interest expenses	-	-	996
Payable for dividend	125,606	-	125,606
Others	<u>10,960</u>	<u>21,246</u>	<u>29,689</u>
	<u>\$ 265,690</u>	<u>\$ 184,941</u>	<u>\$ 261,727</u>
<u>Deferred Income</u>			
Government Grants (Note 21)	\$ 8,193	\$ 10,259	\$ 11,819
Others	<u>2,066</u>	<u>2,118</u>	<u>1,851</u>
	<u>\$ 10,259</u>	<u>\$ 12,377</u>	<u>\$ 13,670</u>

Deferred income is that the Singapore government has subsidized the relevant company's equipment for the new plant. After the completion of the new plant in February 2021, the company has amortized the income in phases according to the service life of the equipment. (refer to Note 21)

## 17. PROVISION

	June 30	December 31	June 30
	2025	2024	2024
<u>Current</u>			
Warranty liabilities	<u>\$ 37,576</u>	<u>\$ 51,788</u>	<u>\$ 39,201</u>
<b>Six-month Period Ended</b>			
<b>June 30</b>			
	2025	2024	
Balance at January 1	\$ 51,788	\$ 42,752	
Additional provisions recognized	12,061	15,410	
Amount used	(24,289)	(20,021)	
Effect of foreign currency exchange differences	( 1,984)	1,060	
Balance at June 30	<u>\$ 37,576</u>	<u>\$ 39,201</u>	

## 18. RETIREMENT BENEFIT PLANS

The Company did not have the employee retirement plan and the local government did not require to conclude the employee retirement plan, either. Therefore, the Company did not adopt a benefit pension plan.

The employees of the Group's subsidiaries adopted the contribution plan operated by the local government. Pension benefits as period expenses when employees providing service are calculated on the basis of a certain percentage of employees' salaries and wages.

## 19. EQUITY

### a. Share capital

#### Ordinary shares

	<b>June 30</b>	<b>December 31</b>	<b>June 30</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
Shares authorized (in thousands of shares)	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
Shares authorized, par value \$10 (in thousands of dollars)	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ 800,000</u>
Shares issued and fully paid (in thousands of shares)	<u>50,243</u>	<u>50,243</u>	<u>50,243</u>
Shares issued	<u>\$ 502,425</u>	<u>\$ 502,425</u>	<u>\$ 502,425</u>

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

### b. Capital surplus

#### May be used to offset a deficit, distributed as cash dividends, or transferred to share capital

	<b>June 30</b>	<b>December 31</b>	<b>June 30</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
Issuance of ordinary shares	<u>\$ 293,911</u>	<u>\$ 293,911</u>	<u>\$ 293,911</u>

Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

### c. Retained earnings and dividend policy

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. Pursuant to Article 34.5, subject to the compliance with the Statute, the remaining amount shall be distributed in the following sequence and manner upon approval by the members:

- 1) No less than 0.2% as employees' bonus;
- 2) No more than 5% as directors' bonus; and
- 3) No less than 20% as members' dividends, provided that cash dividends shall not be less than 10% of the total amount of dividends.

No dividend or other distribution shall be paid except out of the realized or unrealized profits of the Company, out of the share premium account or any reserve, fund, or account as otherwise permitted by the statute. Except as otherwise provided by the rights attached to any shares, all dividends and other distributions shall be paid according to the number of the shares that a member holds. If any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

Under Rule No. 1010012865, the Company should appropriate or reverse to a special reserve. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed.

The company held a annual stockholder's meeting on May 29, 2025 and June 21, 2024, and it is proposed to adopt the 2024 and 2023 earnings distribution plan as follows:

	For the Year Ended December 31	
	2024	2023
Special reserve	<u>(\$ 91,896)</u>	<u>(\$ 94,703)</u>
Cash dividends	<u>125,606</u>	<u>125,606</u>
Cash dividends per share (NT\$)	\$2.50	\$2.50

d. Special reserve

	Six-month Ended June 30	
	2025	2024
Balance at January 1	\$347,096	\$252,393
Appropriations in respect of Debits (Credits) to Other equity items	<u>(91,896)</u>	<u>942,703</u>
Balance at June 30	<u>\$255,200</u>	<u>\$347,096</u>

e. Other equity items

1. Exchange differences on translation of foreign financial statements

	Six-month Ended June 30	
	2025	2024
Balance at January 1	(\$165,727)	(\$256,977)
Recognized for the year		
Exchange differences on translating the financial Statement of foreign operations	(14,143)	7,988
Express currency conversion differences	<u>(61,222)</u>	<u>45,435</u>
Balance at June 30	<u>(\$241,092)</u>	<u>(\$203,554)</u>

2. Unrealized valuation gain or loss on financial assets at FVTOCI

	Six-month Ended June 30	
	2025	2024
Balance at January 1	( \$76,840)	( \$73,668)
Recognized for the year		
Unrealized gain or loss-equity instruments	<u>( 4,975)</u>	<u>-</u>
Balance at June 30	<u>(\$ 81,815)</u>	<u>(\$ 73,668)</u>

**20. REVENUE**

	Three Month Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Construction contract revenue	<u>\$ 582,136</u>	<u>\$ 532,089</u>	<u>\$1,096,507</u>	<u>\$1,134,261</u>

a. Contract information

The construction segment's properties construction contracts include terms about performance bonuses and delay penalties. The Group estimates the transaction price using the most likely amount, taking into consideration the historical contracts with similar terms and sizes.

b. Contact balances

	<b>June 30 2025</b>	<b>December 31 2024</b>	<b>June 30 2024</b>	<b>January 1 2024</b>
Trade receivables (Note 8)	<u>\$ 350,236</u>	<u>\$ 266,175</u>	<u>\$ 556,710</u>	<u>\$ 438,910</u>
Contract assets				
Retentions receivable	\$ 60,003	\$ 57,459	\$ 55,136	\$ 63,133
Decoration project	<u>245,895</u>	<u>348,417</u>	<u>153,881</u>	<u>230,508</u>
Contract assets - current	<u>\$ 305,898</u>	<u>\$ 405,876</u>	<u>\$ 209,017</u>	<u>\$ 293,641</u>
Contract liabilities				
Decoration project	<u>\$ 278,240</u>	<u>\$ 136,824</u>	<u>\$ 345,828</u>	<u>\$ 191,763</u>

The Group measures the loss allowance for contract assets at an amount equal to lifetime ECLs. The contract assets will be transferred to accounts receivable when the corresponding invoice is billed to the client, and the contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables can be applied to the contract assets a reasonable approximation of the loss rates for the contract assets.

	<b>June 30 2025</b>	<b>December 31 2024</b>	<b>June 30 2024</b>
Expected credit loss rate	0.01%	0.11%	0.11%
Gross carrying amount	\$305,898	\$405,876	\$209,017
Allowance for impairment loss (Lifetime ECLs)	-	-	-
	<u>\$305,898</u>	<u>\$405,876</u>	<u>\$209,017</u>

c. Disaggregation of revenue

	<b>Three Months Ended June 30</b>		<b>Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Asia	\$ 330,657	\$ 354,505	\$ 681,264	\$ 721,018
The Middle East	28,530	44,932	73,643	135,359
United States	220,967	132,121	337,807	268,666
Europe	<u>1,982</u>	<u>531</u>	<u>3,793</u>	<u>9,218</u>
	<u>\$ 582,136</u>	<u>\$ 532,089</u>	<u>\$ 1,096,507</u>	<u>\$ 1,134,261</u>

21. NET LOSS

a. Interest income

	<b>Three Months Ended June 30</b>		<b>Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Interest income				
Bank deposits	<u>\$ 525</u>	<u>\$ 405</u>	<u>\$ 952</u>	<u>\$ 504</u>

b. Other income

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Government grants	\$ 895	\$ 1,004	\$ 4,038	\$ 3,215
Others	<u>752</u>	<u>984</u>	<u>1,594</u>	<u>2,133</u>
	<u>\$ 1,647</u>	<u>\$ 1,988</u>	<u>\$ 5,632</u>	<u>\$ 5,348</u>

- 1) Based on regulations of the HRDF Program, to provide employee training on profession and improvements on working skills, employees in one specific scope of work are responsible for related tax duties in the amount of 1% of monthly salary of each employee. Besides, regarding coherent unit (Pembangunan Sumber Manusia Berhad) regulations, if an employee joins the training program, the employee can apply for subsidy from the unit by 80%-100% of total training expenses. The Company recognized subsidy revenue of \$78 and \$60 thousand from January 1 to June 30, 2025 and 2024, respectively.
- 2) In order to elevate average salary and industry competitiveness, the Singapore government conducted “Wage Credit Scheme” starting from 2013 to invest in small and medium businesses for salary raise. This program is part of the public finance strategies of the Singapore government to support business in the transition period. The Company recognized subsidy revenue of \$461 and \$1,149 thousand from January 1 to June 30, 2025 and 2024, respectively.
- 3) In order to improve the overall productivity of local enterprises, the Enterprise Development Agency of Singapore launched relevant subsidy measures (Capability Development Grant) in 2019 to encourage enterprises to renovate old factories, and the government provides subsidies to help enterprises purchase high-capacity machinery and equipment. The new factory building of Singapore subsidiary Redwood Interior Pte Ltd was completed in 2021. The Company recognized subsidy revenue of \$1,658 and \$1,633 thousand from January 1 to June 30, 2025 and 2024, respectively.
- 4) In order to encourage local companies to expand their overseas business, Enterprise Singapore launched the Enterprise Development Grant in 2023 to support and assist companies in upgrading, innovating and developing international trade. The merged company will recognize subsidy income of S\$1,200 thousand from January 1 to June 30, 2025.
- 5) Other government subsidies are mainly the subsidy for childcare leave and on-the-job training programs provided by the Singapore government. The Company recognized subsidy revenue of \$641 and \$373 thousand from January 1 to June 30, 2025 and 2024, respectively.

c. Other gains and losses

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
Gain (Loss) on disposal of property, plant and equipment	(\$ 13)	\$ 30	\$ 998	\$ 39
Disposal of investment loss	-	( 2,998)	-	( 2,998)
Net foreign exchange	( 11,740)	163	( 13,392)	5,634
Others	<u>( 1,204)</u>	<u>( 1,003)</u>	<u>( 2,725)</u>	<u>( 1,786)</u>
	<u>(\$ 12,957)</u>	<u>(\$ 3,808)</u>	<u>(\$ 15,119)</u>	<u>\$ 889</u>

d. Finance costs

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
Interest on bank loans	\$ 4,353	\$ 3,992	\$ 7,872	\$ 8,623
Interest on lease liabilities	-	9	10	22
	<u>\$ 4,353</u>	<u>\$ 4,001</u>	<u>\$ 7,882</u>	<u>\$ 8,645</u>

e. Depreciation and amortization

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
An analysis of depreciation by function				
Operating costs	\$ 8,693	\$ 9,406	\$ 17,892	\$ 19,137
Operating expenses	<u>13,604</u>	<u>13,156</u>	<u>26,829</u>	<u>27,045</u>
	<u>\$ 22,297</u>	<u>\$ 22,562</u>	<u>\$ 44,721</u>	<u>\$ 46,182</u>

f. Employee benefits expense

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
Post-employment benefits (Note 18)				
Defined contribution plan	\$ 11,872	\$ 12,979	\$ 23,975	\$ 23,298
Other employee benefits	<u>179,121</u>	<u>155,126</u>	<u>351,635</u>	<u>306,099</u>
	<u>\$ 190,993</u>	<u>\$ 168,105</u>	<u>\$ 375,610</u>	<u>\$ 329,397</u>

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
An analysis of employee benefits expense by function				
Operating costs	\$ 90,268	\$ 80,632	\$ 173,048	\$ 153,584
Operating expense	<u>100,725</u>	<u>87,473</u>	<u>202,562</u>	<u>175,813</u>
	<u>\$ 190,993</u>	<u>\$ 168,105</u>	<u>\$ 375,610</u>	<u>\$ 329,397</u>

g. Employees' compensation and remuneration of directors and supervisors

According to the Company's Articles of Association, employee bonuses and directors' compensation are calculated based on 0.2% and 5% of the net profit after tax (after deducting the employee's dividend and the amount of compensation from the directors). The distribution of shareholder dividends and employee bonuses is allocated by cash or share or cash with shares as determined by the board of directors. The board of directors may adjust the proportion of cash dividends to be adjusted according to the actual profit and operating conditions of the year. When employee bonuses are distributed by shares, employees of subordinate companies that meet certain conditions are subject to share dividends and cash dividends. The Company does not pay interest on dividends and bonuses that are not distributed.

The estimated employee remuneration and director remuneration for 2025 and 2024 from January 1 to June 30 are as follows:

Estimated ratio

	Six-month period Ended June 30	
	2025	2024
Employee compensation	-%	0.2%
Director remuneration	-%	1.0%

Amount

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
Employee compensation	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 76</u>
Director remuneration	<u>\$ -</u>	<u>\$ 84</u>	<u>\$ -</u>	<u>\$ 379</u>

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

Due to the approval of the Compensation Committee at the Company's Board of Directors meetings held on March 11, 2025, and March 13, 2024, respectively, the actual amounts distributed to employees and directors differed from the amounts recognized in the annual consolidated financial statements. These differences were adjusted to profit and loss for the years 2025 and 2024, respectively.

	FY 2024		FY 2023	
	Employee compensation	Director remuneration	Employee compensation	Director remuneration
The amount determined by the board of directors	\$ 539	\$ 2,423	\$ 672	\$ 3,294
Amount recognized in annual financial report	\$ 485	\$ 2,423	\$ 664	\$ 2,623

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

h. Gains or losses on foreign currency exchange

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
	Foreign exchange gains	\$ -	\$ 163	\$ -
Foreign exchange losses	( 11,740)	-	( 13,392)	-
	<u>(\$ 11,740)</u>	<u>\$ 163</u>	<u>(\$ 13,392)</u>	<u>\$ 5,634</u>

## 22. INCOME TAX

a. Income tax recognized in profit or loss:

Major components of income expense (benefit) are as follows:

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
<u>Current tax</u>				
In respect of the current year	\$ 16,485	\$ 12,189	\$ 27,062	\$ 26,283
Adjustment for past year	-	-	-	( 358)
<u>Deferred tax</u>	( 15,034)	( 1,727)	( 16,876)	4,227
In respect of the current year				
Income tax expense recognized in profit or loss	<u>\$ 1,451</u>	<u>\$ 10,462</u>	<u>\$ 10,186</u>	<u>\$ 30,152</u>

b. Income tax assessments

Except for the Company not subject to income tax, the tax returns of Redwood Interior Pte. Ltd., Redwood Furniture Sdn. Bhd., Redwood Projects Sdn. Bhd. and Redwood Specialties India Private Limited until 2023, have been assessed by the tax authorities. The tax returns of Redwood Projects Japan K.K., Redwood (Shanghai) Pte Ltd., Redwood Projects France S.A.S, Redwood Projects US Inc., Redwood Projects (Vietnam) Company Limited, Redwood Projects Philippines Inc., Redwood (Thailand) Co. Ltd and PT Redwood Projects Indonesia until 2024, have been assessed by the tax authorities.

## 23. EARNINGS (LOSS) PER SHARE

Unit: NT\$ Per Share

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
Basic earnings (loss) per share	<u>(\$ 0.73)</u>	<u>\$ 0.22</u>	<u>(\$ 1.38)</u>	<u>\$ 0.91</u>
Diluted earnings (loss) per share	<u>(\$ 0.73)</u>	<u>\$ 0.22</u>	<u>(\$ 1.38)</u>	<u>\$ 0.91</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings (loss) per share are as follows:

### Net (Loss) Profit for the Year

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
Loss used in the computation of basic earnings per share	<u>(\$ 36,536)</u>	<u>\$ 11,212</u>	<u>(\$ 69,340)</u>	<u>\$ 45,680</u>
Loss used in the computation of diluted earnings per share	<u>(\$ 36,536)</u>	<u>\$ 11,212</u>	<u>(\$ 69,340)</u>	<u>\$ 45,680</u>

The weighted average number of ordinary shares outstanding (in thousand shares) is as follows:

	Three Month Ended June 30		Six Month Ended June 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	50,243	50,243	50,243	50,243
Impact of potentially dilutive ordinary shares: Employees' compensation	<u>-</u>	<u>5</u>	<u>-</u>	<u>5</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>50,243</u>	<u>50,248</u>	<u>50,243</u>	<u>50,248</u>

If the Group offered to settle bonuses paid to employees in cash or shares, the Group assumed the entire amount of the bonus would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the shareholders resolved the number of shares to be distributed to employees at their meeting in the following year.

## 24. CASH FLOWS INFORMATION

For six-month period ended June 30, 2025

	Opening Balance	Cash Flows	Non-cash Changes			Closing Balance
			New Leases	Interest paid	Others	
Long-term borrowings	\$ 493,064	(\$ 34,821)	\$ -	\$ -	(\$ 21,679)	\$ 436,564
Lease liabilities	505	(414)	1,380	10	(49)	1,432
	<u>\$ 493,569</u>	<u>(\$ 35,235)</u>	<u>\$ 1,380</u>	<u>\$ 10</u>	<u>(\$ 21,728)</u>	<u>\$ 437,996</u>

For six-month period ended June 30, 2024

	Opening Balance	Cash Flows	Non-cash Changes			Closing Balance
			New Leases	Interest paid	Others	
Short-term borrowings	\$ 34,935	(\$ 35,210)	\$ -	\$ -	\$ 275	\$ -
Long-term borrowings	563,183	( 45,259)	-	-	14,949	532,873
Lease liabilities	<u>1,442</u>	<u>( 624)</u>	<u>-</u>	<u>22</u>	<u>35</u>	<u>875</u>
	<u>\$ 599,560</u>	<u>(\$ 81,093)</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 15,259</u>	<u>\$ 533,748</u>

## 25. CAPITAL MANAGEMENT

The objectives, policies and procedures for capital risk management of the Group, and the composition of the Group's capital structure are the same as the 2024 consolidated financial report. For related explanations, please refer to Note 25 of the 2024 annual consolidated Financial Report.

## 26. FINANCIAL INSTRUMENTS

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

Management considers the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements to be approximate amounts of their fair values.

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

#### 1) Fair value hierarchy

June 30, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Unlisted shares	\$ -	\$ -	\$ 36,846	\$ 36,846

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Unlisted shares	\$ -	\$ -	\$ 43,720	\$ 43,720

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Unlisted shares	\$ -	\$ -	\$ 46,465	\$ 46,465

There were no transfers between Levels 1 and 2 in the six months ended June 30, 2025 and 2024.

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

For six months ended June 30, 2025

	<b>Financial Assets at FVTOCI</b>	
	<b>Equity Instruments</b>	
<u>Financial assets</u>		
Balance at January 1, 2025	\$	43,720
Recognized in other comprehensive income	(	4,975)
Net exchange difference	(	<u>1,899)</u>
Balance at June 30, 2025	\$	<u>36,846</u>

For six months ended June 30, 2024

	<b>Financial Assets at FVTOCI</b>	
	<b>Equity Instruments</b>	
<u>Financial assets</u>		
Balance at January 1, 2024	\$	45,241
Net exchange difference	_____	1,224
Balance at June 30, 2024	\$	<u>46,465</u>

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

The fair values of oversea unlisted equity securities were determined by the market approach. Due to no liquidity on an open market, a liquidity discount was applied to these securities based on the option pricing model. The applied significant unobservable input 31.8% and 31% is regarded as the assumed liquidity discount in an available market.

c. Categories of financial instruments

	<b>June 30</b>	<b>December 31</b>	<b>June 30</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
	_____	_____	_____
Financial assets			
Financial assets at amortized cost (1)	\$ 772,785	\$ 755,052	\$ 1,011,559
Financial assets at FVTOCI			
Equity instruments	36,846	43,720	46,465
Financial liabilities			
Financial liabilities at amortized cost (2)	900,406	828,123	930,642

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, trade and other receivables, and refundable deposits.
- 2) The balances include financial liabilities at amortized cost, which comprise short-term and long-term loans, trade and other payables.

d. Financial risk management objectives and policies

The Group's major financial instruments included cash and cash equivalents, trade receivables, trade payables, and borrowings. The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

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

a) foreign currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which exposes the Group to foreign currency risk. For the management of foreign currency risk, the Group regularly reviews the assets and liabilities affected by exchange rates, and uses appropriate hedging tools to control the risks arising from foreign exchange fluctuations.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 30.

Sensitivity analysis

The Group is mainly exposed to the currency MYR, USD and currency EUR.

The following table details the Group's sensitivity to a 1% increase and decrease in the Singapore dollar against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%.

A positive number below indicates an increase in pre-tax profit and other equity associated with the Singapore dollar strengthening 1% against the relevant currency. For a 1% weakening of the Singapore dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

	<b>Currency MYR's Impact</b>	
	<b>For Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Profit or loss	(\$ 2,409)	(\$ 2,275)

  

	<b>Currency USD's Impact</b>	
	<b>For Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Profit or loss	\$ 1,998	\$ 2,248

  

	<b>Currency EUR's Impact</b>	
	<b>For Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Profit or loss	\$ 192	\$ 308

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite ensuring the most cost-effective hedging strategies are applied.

The book value of financial assets and financial liabilities of the consolidated company exposed to interest rates on the balance sheet date are as follows.

	<b>June 30</b>	<b>December 31</b>	<b>June 30</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
Fair value interest rate risk			
-financial liabilities	\$ 284,111	\$ 327,073	\$ 362,867
Cash flow interest rate risk			
-financial liabilities	152,454	165,991	170,006

### Sensitivity analysis

If interest rates had been 0.5% higher and all other variables were held constant, the Group's pre-tax profit for six months ended June 30, 2025 and 2024 would have decreased by \$381 thousand and \$425 thousand, respectively.

#### 2) Credit risk

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

The Group transacts with a large number of unrelated customers and, thus, no concentration of credit risk was observed.

#### 3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of June 30, 2025 and 2024, and December 31, 2024, the Group had available unutilized short-term bank loan facilities set out in (b) below.

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

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. (Includes principal and estimated interest) The tables included both interest and principal cash flows.

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

##### June 30, 2025

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Trade payables	\$ 198,152	\$ -	\$ -
Lease liabilities	869	563	-
Other payables	265,690	-	-
Current portion of long-term borrowings	55,604	-	-
Long-term borrowings	-	167,548	343,432
	<u>\$ 520,315</u>	<u>\$ 168,111</u>	<u>\$ 343,432</u>

##### December 31, 2024

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Trade payables	\$ 150,118	\$ -	\$ -
Lease liabilities	418	87	-
Other payables	184,941	-	-
Current portion of long-term borrowings	68,048	-	-
Long-term borrowings	-	180,789	370,314
	<u>\$ 403,525</u>	<u>\$ 180,876</u>	<u>\$ 370,314</u>

June 30, 2024

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Trade payables	\$ 136,042	\$ -	\$ -
Lease liabilities	723	165	-
Other payables	261,727	-	-
Current portion of long-term borrowings	97,122	-	-
Long-term borrowings	<u>-</u>	<u>170,745</u>	<u>364,925</u>
	<u>\$ 495,614</u>	<u>\$ 170,910</u>	<u>\$ 364,925</u>

b) Financing facilities

	<b>June 30 2025</b>	<b>December 31 2024</b>	<b>June 30 2024</b>
<u>Unsecured bank overdraft facility:</u>			
Amount used	\$ -	\$ -	\$ -
Amount unused	<u>-</u>	<u>-</u>	<u>6,088</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,088</u>
<u>Secured bank overdraft facility:</u>			
Amount used	\$ 436,564	\$ 493,064	\$ 532,873
Amount unused	<u>140,795</u>	<u>147,921</u>	<u>144,852</u>
	<u>\$ 577,359</u>	<u>\$ 640,985</u>	<u>\$ 677,725</u>

**27. TRANSACTIONS WITH RELATED PARTIES**

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related party name and category

<b>Related Party Name</b>	<b>Related Party Category</b>
DDG Glass Pte. Ltd.	Related party in substance
DDG Glass MFG Sdn. Bhd.	Related party in substance

b. Purchases of goods

<b>Related Party Categories</b>	<b>For Three Months Ended June 30</b>		<b>For Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Related party in substance	<u>\$ 2,383</u>	<u>\$ 4,261</u>	<u>\$ 5,015</u>	<u>\$ 6,305</u>

There is no significant difference between the conditions for the purchase of the related party and non-related party.

c. Receivables from related parties (excluding loans to related parties and contract assets)

Line Items	Related Party Categories	June 30	December 31	June 30
		2025	2024	2024
Other receivables	Related party in substance	<u>\$ 148</u>	<u>\$ 83</u>	<u>\$ 82</u>

The outstanding trade receivables from related parties are unsecured. For six months ended June 30, 2025 and 2024, no impairment loss was recognized for trade receivables from related parties.

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

Line Items	Related Party Categories	June 30	December 31	June 30
		2025	2024	2024
Trade payables	Related party in substance	<u>\$ 1,762</u>	<u>\$ 2,529</u>	<u>\$ 2,073</u>

The outstanding trade payables to related parties are unsecured, and will be settled in cash.

e. Other transactions with related parties

Line Items	Related Party Categories	For Three Months Ended June 30		For Six Months Ended June 30	
		2025	2024	2025	2024
Other income	Related party in substance	<u>\$ 460</u>	<u>\$ 487</u>	<u>\$ 935</u>	<u>\$ 965</u>

f. Compensation of key management personnel

	For Three Months Ended June 30		For Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 6,548	\$ 6,623	\$ 13,755	\$ 13,320
Post-employment benefits	<u>226</u>	<u>220</u>	<u>459</u>	<u>435</u>
	<u>\$ 6,774</u>	<u>\$ 6,843</u>	<u>\$ 14,214</u>	<u>\$ 13,755</u>

The remuneration of directors and key executives was determined by the remuneration committee having regard to the performance of individuals and market trends.

## 28. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings.

	June 30	December 31	June 30
	2025	2024	2024
Land	\$ 32,471	\$ 34,281	\$ 32,149
Right-of-use - asset (land access)	37,398	40,104	40,616
Buildings	654,091	640,129	700,917
Equipments	<u>21,517</u>	<u>24,938</u>	<u>67,361</u>
	<u>\$ 745,477</u>	<u>\$ 739,452</u>	<u>\$ 841,043</u>

## 29. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of June 30, 2025 and 2024 were as follows:

## Significant Commitments

As of June 30, 2025 , December 31, 2024, and June 30, 2024, the Group signed a contractual commitment with the manufacturer for purchases of machinery and equipment amounting to approximately \$852 thousand, \$340 thousand and \$6,727 thousand, respectively.

### 30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between foreign currencies and respective functional currencies were as follows:

June 30, 2025

**Unit: In Thousands for Currencies, Except Exchange Rates**

	<b>Foreign Currencies</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 7,012	1.280 (USD: SGD)	\$ 206,424
EUR	705	1.494 (EUR: SGD)	24,230
AUD	538	0.832 (AUD: SGD)	10,307
USD	2375	4.723 (USD: MYR)	<u>6,974</u>
			<u>\$ 247,935</u>
<u>Financial liabilities</u>			
Monetary items			
SGD	226	1.280 (SGD: SGD)	\$ 6,654
MYR	34,674	0.302 (MYR: SGD)	240,929
EUR	147	4.944 (EUR: MYR)	<u>5,033</u>
			<u>\$ 252,616</u>

December 31, 2024

**Unit: In Thousands for Currencies, Except Exchange Rates**

	<b>Foreign Currencies</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 4,965	1.350 (USD: SGD)	\$ 161,735
EUR	646	1.415 (EUR:SGDR)	22,046
AUD	437	0.846 (AUD: SGD)	<u>8,918</u>
			<u>\$ 192,699</u>
<u>Financial liabilities</u>			
Monetary items			
SGD	444	5.388 (SGD: RMB)	\$ 10,723
SGD	4,378	24.876 (SGD: THB)	105,635
SGD	3,744	3.290 (SGD: MYR)	90,349
MYR	33,996	0.304 (MYR: SGD)	<u>249,377</u>
			<u>\$ 456,084</u>

June 30, 2024

**Unit: In Thousands for Currencies, Except Exchange Rates**

	<b>Foreign Currencies</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 6,964	1.35 (USD: SGD)	\$ 224,872
EUR	1,068	1.45 (EUR: SGD)	37,085
THB	49,664	0.037 (THB: SGD)	44,073
AUD	306	0.9 (AUD: SGD)	6,584
JPY	53,675	0.008 (JPY : SGD)	<u>10,785</u>
			<u>\$ 323,399</u>
<u>Financial liabilities</u>			
Monetary items			
SGD	377	5.385 (SGD: SGD)	\$ 9,018
MYR	33,076	0.29 (MYR: SGD)	227,540
EUR	1835	1.453 (EUR: SGD)	<u>6,335</u>
			<u>\$ 242,893</u>

The Group is mainly exposed to SGD, MYR, RMB, USD and THB. The following information was aggregated by the functional currencies of the Group, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant foreign exchange gains (losses) were as follows:

<b>For Three Months Ended June 30</b>				
<b>2025</b>		<b>2024</b>		
<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Net Foreign Exchange Gains (Losses)</b>	<b>Exchange Rate</b>	<b>Net Foreign Exchange Gains (Losses)</b>
SGD	(SGD: NTD)	( \$ 9,100)	(SGD: NTD)	( \$ 256)
MYR	(MYR: NTD)	( 848)	(MYR: NTD)	602
RMB	(RMB: NTD)	268	(RMB: NTD)	85
KRW	(KRW: NTD)	-	(KRW: NTD)	( 312)
USD	(USD: NTD)	218	(USD: NTD)	-
VND	(VND:NTD)	( 89)	(VND:NTD)	43
PHP	(PHP:NTD)	( 13)	(PHP:NTD)	1
THB	(THB:NTD)	( 2,061)	(THB:NTD)	-
AUD	(AUD:NTD)	<u>( 115)</u>	(AUD:NTD)	<u>-</u>
		<u>(\$ 11,740)</u>		<u>\$ 163</u>

**For Three Months Ended June 30**

Foreign Currency	2025		2024	
	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
SGD	(SGD: NTD)	(\$ 9,316)	(SGD: NTD)	\$ 5,671
MYR	(MYR: NTD)	( 1,606)	(MYR: NTD)	263
RMB	(RMB: NTD)	252	(RMB: NTD)	( 79)
JPY	(JPY: NTD)	-	(JPY: NTD)	( 9)
KRW	(KRW: NTD)	-	(KRW: NTD)	( 300)
USD	(USD: NTD)	218	(USD: NTD)	-
VND	(VND: NTD)	( 79)	(VND: NTD)	85
PHP	(PHP: NTD)	( 13)	(PHP: NTD)	3
INR	(INR: NTD)	( 1)	(INR: NTD)	-
THB	(THB: NTD)	( 2,637)	(THB: NTD)	-
AUD	(AUD: NTD)	( 210)	(AUD: NTD)	-
		<u>(\$ 13,392)</u>		<u>\$ 5,634</u>

**31. SEPARATELY DISCLOSED ITEMS**

a. Information about significant transactions and investees

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

b. Information on investees (Table 7)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 8)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
  - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
  - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
  - c) The amount of property transactions and the amount of the resultant gains or losses.
  - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
  - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

- f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

### **33. SEGMENT INFORMATION**

#### Operating segment financial information

The Company and its subsidiaries determine the operating segments based on the management reports used by the management authority (the chief operating decision maker) to make decisions, evaluate performance and allocate resources. The Company and its subsidiaries only have a single operating segment to provide the decoration business for boutique brand stores. The chief operating decision makers consider that their businesses have similar risks and rewards. Therefore, the Company and its subsidiaries do not apply to segment information disclosure.

## REDWOOD GROUP LTD AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR SIX MONTHS ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
0	Redwood Group Ltd.	Redwood Interior Pte. Ltd.	Other receivables for related parties	Yes	\$30,000	\$30,000	\$ -	-	Short-term financing	\$ -	Financing need	\$ -	-	\$ -	\$304,608	\$406,144
		Redwood Furniture Sdn. Bhd.	Other receivables for related parties	Yes	30,000	30,000	-	-	Short-term financing	-	Financing need	-	-	-	304,608	406,144
1	Redwood Interior Pte. Ltd.	Redwood Furniture Sdn. Bhd.	Other receivables for related parties	Yes	30,000	30,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood (Shanghai) Pte. Ltd.	Other receivables for related parties	Yes	12,000	12,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood Specialities India Private Limited	Other receivables for related parties	Yes	12,000	12,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood Projects Sdn. Bhd.	Other receivables for related parties	Yes	12,000	12,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood Projects Japan K.K.	Other receivables for related parties	Yes	12,000	12,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood Projects France S.A.S.	Other receivables for related parties	Yes	12,000	12,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood Projects US Inc.	Other receivables for related parties	Yes	12,000	12,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood Projects (VIETNAM) Company Limited	Other receivables for related parties	Yes	30,000	30,000	7,493	5.5	Short-term financing	-	Financing need	-	-	-	992,219	992,219

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
		Redwood Projects Philippines Inc.	Other receivables for related parties	Yes	12,000	12,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood (Thailand) Co., Ltd	Other receivables for related parties	Yes	30,000	30,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood Projects Australia Pty Ltd	Other receivables for related parties	Yes	40,000	40,000	39,184	5.5	Short-term financing	-	Financing need	-	-	-	992,219	992,219
		Redwood Group Ltd	Other receivables for related parties	Yes	12,000	12,000	-	-	Short-term financing	-	Financing need	-	-	-	992,219	992,219

Note 1: The limit amount is calculated as follows:

- a. The total amount available for lending purposes shall not exceed  $\$1,015,361$  (in thousands)  $\times 40\% = \$406,144$  (in thousands) of the net worth of Redwood Group Ltd. The total amount for lending to a company for funding for a short-term period shall not exceed  $\$1,015,361$  (in thousands)  $\times 30\% = \$304,608$  (in thousands) for funding between domestic and foreign subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares of the net worth of Redwood Group Ltd.
- b. The total amount available for lending purposes shall not exceed  $\$992,219$  (in thousands)  $\times 40\% = \$396,888$  (in thousands) of the net worth of Redwood Interior Pte. Ltd.

If there are transactions between Redwood Interior Pte. Ltd. and subsidiaries, the total amount available for lending purposes shall not exceed the amount of business transactions in the most recent year. The total amount available for lending purposes shall not exceed  $\$992,219$  (in thousands)  $\times 20\% = \$198,444$  (in thousands) of the net worth of Redwood Interior Pte. Ltd.

The total amount for lending to a company for funding for a short-term period shall not exceed  $\$992,219$  (in thousands)  $\times 100\% = \$992,219$  (in thousands) for funding between domestic and foreign subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares of the net worth of Redwood Interior Pte. Ltd.

Note 2: Transactions have been written off in these consolidated financial statements

**REDWOOD GROUP LTD AND SUBSIDIARIES**

**ENDORSEMENTS/GUARANTEES PROVIDED  
FOR SIX MONTHS ENDED JUNE 30, 2025**

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Redwood Group Ltd.	Redwood Interior Pte. Ltd.	Note 1	\$ 1,218,433	\$ 547,522	\$ 499,500	\$ 481,100	\$ -	49.19	\$ 1,218,433	Y	N	N
1	Redwood Interior Pte. Ltd.	Redwood Furniture Sdn. Bhd.	Note 2	793,775	-	-	-	-	-	793,775	N	N	N

Note 1: Subsidiary

Note 2: Second-tier subsidiary

Note 3: According to Redwood Group Ltd., the endorsement of the operating procedures is guaranteed as follows:

- a. The total amount of the external endorsement guarantee is 120% of the net equity value and the limit for endorsement of a single enterprise is 20% of the net equity value.
- b. According to the above regulations, the maximum limit for the endorsement of the external endorsement on June 30, 2025, is the net value of \$1,015,361 (in thousands) × 120% = \$1,218,433 (in thousands); the limit for endorsement of a single enterprise is net value of \$1,015,361 (in thousands) × 20% = \$203,072 (in thousands). If the Company directly and indirectly holds 100% of the voting rights of the Company, it is not subject to the guaranteed limit of the single enterprise endorsement.

Note 4: According to Redwood Interior Pte. Ltd., the endorsement of the operating procedures is guaranteed as follows:

- a. The total amount of the external endorsement guarantee is 80% of the net equity value and the limit for endorsement of a single enterprise is 20% of the net equity value.
- b. According to the above regulations, the maximum limit for the endorsement of the external endorsement on June 30, 2024, is the net value of \$992,219 (in thousands) × 80% = \$793,775 (in thousands); the limit for endorsement of a single enterprise is net value of \$992,219 (in thousands) × 20% = \$198,444 (in thousands). If the Company directly and indirectly holds 100% of the voting rights of the Company, it is not subject to the guaranteed limit of the single enterprise endorsement.

**REDWOOD GROUP LTD AND SUBSIDIARIES**

**MARKETABLE SECURITIES HELD**

**JUNE 30, 2025**

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025			
				Number of Shares (Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value
Redwood Interior Pte. Ltd.	<p style="text-align: center;"><u>Unlisted shares</u> DDG Glass Pte. Ltd.</p>	Related party in substance	Financial assets at FVTOCI	9,067	\$ 36,846	18.48%	\$ 36,846

**REDWOOD GROUP LTD AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR SIX MONTHS ENDED JUNE 30, 2025**

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Redwood Furniture Sdn. Bhd.	Redwood Interior Pte. Ltd.	Subsidiary	Sale	(\$ 351,840 )	(32.09%)	60 days of the month	According to the Company's transfer pricing policy	-	\$ 238,693	68.15%	
Redwood Interior Pte. Ltd.	Redwood Projects US Inc.	Subsidiary	Sale	(\$ 203,770 )	(18.58%)	60 days of the month	According to the Company's transfer pricing policy	-	46,161	13.18%	

**REDWOOD GROUP LTD AND SUBSIDIARIES**

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

**FOR SIX MONTHS ENDED JUNE 30, 2025**

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

Company Name	Related Party	Relationship	Receivables from Related Parties Ending Balance	Turnover Rate	Receivables from Related Parties Overdue		Amount Received in Subsequent Period
					Amount	Actions Taken	
Redwood Furniture Sdn. Bhd.	Redwood Interior Pte. Ltd.	Subsidiary	\$ 238,693	2.89	\$ -	-	\$ 168,277
Redwood Interior Pte. Ltd.	Redwood Furniture Sdn. Bhd.	Subsidiary	\$ 104,908	2.13	\$ -	-	40,480

**REDWOOD GROUP LTD AND SUBSIDIARIES**

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR SIX MONTHS ENDED JUNE 30, 2025  
(Amounts in Thousands of New Taiwan Dollars)**

No.	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
1	REDWOOD INTERIOR PTE LTD	REDWOOD FURNITURE SDN. BHD.	3	Purchase and sales revenue	\$ 351,840 (MYR48,277)	By Redwood Interior Pte. Ltd. transfer pricing policy	32.09%
		REDWOOD FURNITURE SDN. BHD.	3	Other receivables	104,908 (SGD 4,561)	No significant difference in terms for related parties	4.61%
		REDWOOD FURNITURE SDN. BHD.	3	Accounts payables	238,693 (MYR34,353)	No significant difference in terms for related parties	10.50%
		REDWOOD PROJECTS US INC.	3	Other receivables	46,161 (SGD 2,007)	No significant difference in terms for related parties	2.03%
		REDWOOD PROJECTS US INC.	3	Sales revenue and purchase	203,770 (SGD 8,526)	By Redwood Interior Pte. Ltd. transfer pricing policy	18.58%
		REDWOOD PROJECTS JAPAN K.K.	3	Sales revenue and purchase	26,433 (JPY 123,405)	By Redwood Interior Pte. Ltd. transfer pricing policy	2.41%
		REDWOOD PROJECTS AUSTRALIA PTY LTD	3	Short-term loan	36,800 (SGD 1,600)	No significant difference in terms for related parties	1.62%
		REDWOOD PROJECTS (VIETNAM) COMPANY LIMITED	3	Short-term loan	7,360 (USD 250)	No significant difference in terms for related parties	0.32%
		REDWOOD GROUP LTD	2	Dividends payable and other receivables	132,227 (SGD 5,966)	No significant difference in terms for related parties	6.01%
2	REDWOOD FURNITURE SDN BHD	REDWOOD INTERIOR PTE LTD	3	Dividends payable and other receivables	46,902 (MYR 6,750)	No significant difference in terms for related parties	2.05%
3	REDWOOD PROJECTS SDN BHD	REDWOOD (SHANGHAI) PTE LTD	3	Accounts receivables	5,290 (USD 181)	No significant difference in terms for related parties	0.23%
		REDWOOD (SHANGHAI) PTE LTD	3	Purchase and sales revenue	8,422 (USD 272)	No significant difference in terms for related parties	6.01%
		REDWOOD INTERIOR PTE LTD	3	Dividends payable and other receivables	52,113 (MYR 7,500)	No significant difference in terms for related parties	2.28%

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

- a. Number 0 represents the parent company.
- b. Number 1 to 2 represents subsidiaries.

Note 2: Parties involved in the transaction have a directional relationship noted by the following:

- a. No. 1 represents transactions from parent company to subsidiary.
- b. No. 2 represents transactions from subsidiary to parent company.
- c. No. 3 represents transactions between subsidiaries.

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

Note 4: The above transactions have been written off in the consolidated statement.

## REDWOOD GROUP LTD AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR SIX MONTHS ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
The Company	Redwood Interior Pte. Ltd.	Singapore	Decoration of global advanced boutique brand store	\$ 704,949 (SGD 30,034)	\$ 704,949 (SGD 30,034)	17,989,395	100	\$ 992,219	(\$ 54,367)	(\$ 54,367)	Subsidiary
Redwood Interior Pte. Ltd.	Redwood Furniture Sdn. Bhd.	Malaysia	Design, produce and sale of customized furniture	509,476 (SGD 21,668)	509,476 (SGD 21,668)	25,000,000	100	469,253	2,677	2,677	Second-tier subsidiary
	Redwood Projects Sdn. Bhd.	Malaysia	Decoration of global advanced boutique brand store	6,195 (SGD 256)	6,195 (SGD 256)	750,000	100	51,545	4,787	4,787	Second-tier subsidiary
	Redwood Projects France S.A.S.	France	Decoration of global advanced boutique brand store	21,233 (EUR 600)	21,233 (EUR 600)	600,000	100	22,694	373	373	Second-tier subsidiary
	Redwood Projects Japan K.K.	Japan	Decoration of global advanced boutique brand store	11,980 (JPY 45,000)	11,980 (JPY 45,000)	900	100	17,752	7,107	7,107	Second-tier subsidiary
	Redwood Projects US Inc.	U.S.A.	Decoration of global advanced boutique brand store	15,493 (US\$ 500)	15,493 (US\$ 500)	500,000	100	84,331	16,610	16,610	Second-tier subsidiary
	Redwood Projects (Vietnam) Company Limited	Vietnam	Decoration of global advanced boutique brand store	2,917 (US\$ 100)	2,917 (US\$ 100)	-	100	1,261	(386)	(386)	Second-tier subsidiary
	Redwood Projects Philippines Inc.	Philippines	Decoration of global advanced boutique brand store	5,895 (PHP 10,000)	5,895 (PHP 10,000)	10,000,000	100	5,893	(1,010)	(1,010)	Second-tier subsidiary
	Redwood Specialities India Private Limited	India	Decoration of global advanced boutique brand store	15,717 (INR 40,300)	15,717 (INR 40,300)	4,029,999	99.99	40,900	(4,036)	(4,036)	Second-tier subsidiary
	Redwood (Thailand) Co., Ltd	Thailand	Decoration of global advanced boutique brand store	3,097 (THB 3,500)	3,097 (THB 3,500)	35,000	100	21,461	2,412	2,412	Second-tier subsidiary
	Redwood Projects Australia Pty Ltd	Australia	Decoration of global advanced boutique brand store	3,209 (AUD 149)	3,209 (AUD 149)	149,000	100	32,883	18,481	18,481	Second-tier subsidiary
	PT Redwood Projects Indonesia	Indonesia	Decoration of global advanced boutique brand store	20,179 (IDR 9,990,000)	20,179 (IDR 9,990,000)	9,900	99.9	17,421	(8)	(8)	Second-tier subsidiary
	Redwood Furniture Sdn. Bhd.	Redwood Specialities India Private Limited	India	Decoration of global advanced boutique brand store	- (INR 0.01)	- (INR 0.01)	1	0.01	-	(4,036)	-
PT Redwood Projects Indonesia		Indonesia	Decoration of global advanced boutique brand store	21 (IDR 10,000)	21 (IDR 10,000)	10	0.1	18	(8)	-	Second-tier subsidiary

Note 1: For information on investments in mainland China, please refer to Table 8.

Note 2: The exchange rate was SGD1=NT\$23.00; MYR1=NT\$6.9483; EUR1=NT\$34.3505; JPY1=NT\$0.2024; US\$1=NT\$29.4400; VND1=NT\$0.0011; PHP1=NT\$0.5198; INR1=NT\$0.3427; THB1=NT\$0.9062; AUD1=NT\$19.1406; IDR1=NT\$0.0018 as of June 30, 2025.

**REDWOOD GROUP LTD AND SUBSIDIARIES**

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR SIX MONTHS ENDED JUNE 30, 2025**

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of June 30, 2025	Accumulated Repatriation of Investment Income as of June 30, 2025
					Outward	Inward						
Redwood (Shanghai) Pte. Ltd.	Decoration of global advanced boutique brand store	\$ 24,486 (US\$ 825)	Established by 100% direct investment by Redwood Interior Pte. Ltd.	\$ -	\$ -	\$ -	\$ -	(\$ 8,270)	100%	(\$ 8,270)	\$ 16,619	\$ -

Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2025	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ -	\$ -	\$ -

Note: Amount was recognized based on the audited financial statements.