HUAKU DEVELOPMENT CO., LTD. AND SUBSIDIARIES

Consolidated Financial Statements and CPA's Review Report

Q1 of 2024 and 2023

(Stock Code: 2548)

This financial report has not been reviewed or certified by an accountant

Company Address: 7F, No. 456, Sec. 4, Xinyi Rd., Xinyi Dist., Taipei City, Taiwan (R.O.C.)

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Notice to Reader:

For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese-language report shall prevail.

HUAKU DEVELOPMENT CO., LTD. AND SUBSIDIARIES

Consolidated Financial Statements and CPA's Review Report in Q1 of 2024 and 2023

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CPA’s Review Report

(2024) Cai-Shen-Bao-Zi No. 24000386

To Huaku Development Co., Ltd.,

Introduction

The auditors have audited the Consolidated Balance Sheets of Huaku Development Co., Ltd. and its subsidiaries (hereinafter referred to as “Huaku Group”) as of March 31, 2024 and 2023, the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, and Notes for Consolidated Financial Statements (including Significant Accounting Policies and Summary Statements) for the period of January 1 to March 31, 2024 and 2023. The preparation of the consolidated financial statements presenting fairly in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the IAS 34 Interim Financial Reporting as endorsed by the Financial Supervisory Commission, is the responsibility of management. Our responsibility as auditors is to form a conclusion on the consolidated financial statements based on the review results.

Scope

Except as described in the Basis for Qualified Conclusion section, we conducted our reviews in accordance with TWSRE2410 Review of Financial Information Performed by the Independent Auditor of the Entity. Procedures performed when reviewing the consolidated financial statements include inquiries (mainly directed to personnel responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of a review is substantially less than that of an audit, therefore the accountant may not become aware of all significant matters that would be identified in an audit. Hence, the accountant cannot express an audit opinion

Basis for Qualified Conclusion

As described in Notes 4(3) and 6(6) to the consolidated financial statements, the financial statements of certain insignificant subsidiaries, as well as investments accounted for under the equity method for the same periods as those of the consolidated financial statements, have not been reviewed by auditors. The total assets (including investments accounted for using the equity method) of the subsidiaries were NT$206,283 thousand and NT$644,035 thousand, constituting 0.47% and 1.55% of the consolidated total assets as of March 31, 2024 and 2023, respectively. Total liabilities were NT$54,116 thousand and NT$410,637 thousand, constituting 0.22% and 1.95% of the consolidated total liabilities as of March 31, 2024 and 2023, respectively. Comprehensive income (loss) amounted to NT$811 thousand and NT$(35,244) thousand, constituting (1.09%) and (2.98%) of the consolidated comprehensive income (loss) for the periods from January 1 to March 31, 2024 and 2023, respectively.

Qualified Conclusion

Based on the results of our review, except for the potential adjustments to the financial statements of certain insignificant subsidiaries and investments accounted for using the equity method, as described in the Basis for Qualified Conclusion section, we have not identified any significant matters in the consolidated financial statements that have not been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS 34 “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission, which would preclude a proper presentation of the consolidated financial position of the Huaku Group as of March 31 of 2024 and 2023, and the consolidated financial performance and cash flows for the periods from January 1 to March 31 of 2024 and 2023.

PwC Taiwan
Hsiao, Chun-Yuan
CPA
Lin, Se-Kai

Former Securities and Futures Bureau, FSC
Approved Document, Reference No.:
Jin-Guan-Zheng (6) Zi No. 0960042326
Jin-Guan-Zheng (6) Zi No. 0960072936
May 8, 2024

HUAKU DEVELOPMENT CO., LTD. AND SUBSIDIARIES
Consolidated Balance Sheet
March 31, 2024, and December 31 and March 31, 2023

Unit: NT$ thousands

	Assets	Notes	March 31, 2024 Amount	%	December 31, 2023 Amount	%	March 31, 2023 Amount	%
	Current assets							
1100	Cash and cash equivalents	6 (1)	$ 865,312	2	$ 1,513,506	4	$ 2,357,800	6
1110	Financial asset measured at fair value through profit and loss—current	6 (2)	22,238	-	32,271	-	294,617	1
1150	Notes receivable, net	6 (3)	79,206	-	55,850	-	10,568	-
1170	Accounts receivable, net	6 (3) (11) and 8	113,987	-	119,838	-	133,518	-
1200	Other receivables	6 (11) and 8	15,778	-	10,997	-	60,195	-
130X	Inventories	6 (4) and 8	37,430,136	86	36,499,998	84	33,459,881	81
1410	Prepayments		205,609	1	109,095	-	100,668	-
1470	Other current assets	6 (5) and 8	2,157,263	5	2,301,169	5	1,880,732	4
11XX	**Total current assets**		40,889,529	94	40,642,724	93	38,297,979	92
	Non-current assets							
1550	Investment accounted for using the equity method	6 (6)	69,785	-	66,029	-	47,746	-
1600	Property, plant, and equipment		198,668	-	199,988	1	205,292	1
1755	Right-of-use assets		26,227	-	28,683	-	36,055	-
1760	Investment properties, net	6 (7) and 8	290,750	1	299,165	1	361,302	1
1840	Deferred income tax assets		32,783	-	24,230	-	24,129	-
1900	Other non-current assets	6 (3) (11) and 8	2,160,354	5	2,331,292	5	2,541,321	6
15XX	**Total non-current assets**		2,778,567	6	2,949,387	7	3,215,845	8
1XXX	**Total assets**		$ 43,668,096	100	$ 43,592,111	100	$ 41,513,824	100

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HUAKU DEVELOPMENT CO., LTD. AND SUBSIDIARIES
Consolidated Balance Sheet
March 31, 2024, and December 31 and March 31, 2023

Unit: NT$ thousands

	Liability and equity	Notes	March 31, 2024 Amount	%	December 31, 2023 Amount	%	March 31, 2023 Amount	%
	Current liabilities							
2100	Short-term loans	6 (8)	$ 12,512,470	29	$ 12,112,470	28	$ 8,871,890	21
2110	Short-term bills payable	6 (9)	-	-	-	-	299,486	1
2130	Contract liabilities—current	6 (17)	4,323,824	10	3,725,080	8	3,734,628	9
2150	Notes payable		15,393	-	25,917	-	20,914	-
2170	Accounts payable	7	1,418,620	3	1,673,490	4	1,153,209	3
2200	Other payables	6 (15)	2,310,135	5	517,127	1	418,385	1
2230	Current income tax liabilities		326,195	1	327,046	1	733,499	2
2280	Lease liabilities—current		11,786	-	12,398	-	14,225	-
2320	Long-term liabilities due within one year or one operating cycle	6 (11)	1,305,182	3	1,292,600	3	2,418,764	6
2399	Other current liabilities—others	6 (10)	148,473	-	185,371	-	229,804	-
21XX	**Total current liabilities**		22,372,078	51	19,871,499	45	17,894,804	43
	Non-current liabilities							
2540	Long-term loans	6 (11)	2,593,421	6	2,838,936	7	3,035,380	8
2570	Deferred income tax liabilities		3,783	-	3,512	-	4,168	-
2580	Lease liabilities—non-current		14,759	-	16,590	-	22,048	-
2600	Other non-current liabilities	6 (4) (12)	39,730	-	66,337	-	62,880	-
25XX	**Total non-current liabilities**		2,651,693	6	2,925,375	7	3,124,476	8
2XXX	**Total liabilities**		25,023,771	57	22,796,874	52	21,019,280	51
	Equity attributable to owners of the parent company							
	Share capital	6 (13)						
3110	Share capital from common stock		2,768,127	7	2,768,127	7	2,768,127	7
	Additional paid-in capital	6 (14)						
3200	Additional paid-in capital		81,896	-	80,727	-	78,986	-
	Retained earnings	6 (15)						
3310	Legal reserves		4,297,756	10	4,297,756	10	4,001,673	9
3350	Unappropriated retained earnings		11,467,794	26	13,619,049	31	13,595,262	33
	Other equity interest	6 (16)						
3400	Other equity interest		13,126	-	11,940	-	14,216	-
3500	Treasury stocks	6 (13)	(850)	-	(850)	-	(850)	-
31XX	**Total equity attributable to owners of the parent company**		18,627,849	43	20,776,749	48	20,457,414	49
36XX	**Non-controlling interests**		16,476	-	18,488	-	37,130	-
3XXX	**Total equity**		18,644,325	43	20,795,237	48	20,494,544	49
	Material commitments and contingencies	9						
3X2X	**Total liabilities and equity**		$ 43,668,096	100	$ 43,592,111	100	$ 41,513,824	100

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

Chairman: Chung Long-Chang　　Manager: Hung Chia-Sheng　　Accounting Supervisor: Liu Jo-Mei

HUAKU DEVELOPMENT CO., LTD. AND SUBSIDIARIES
Consolidated Statement of Comprehensive Income
For the years ended March 31, 2024 and 2023

Unit: NT$ thousands
(except for earnings per share in New Taiwan Dollars)

	Items	Notes	January 1 to March 31, 2024 Amount	%	January 1 to March 31, 2023 Amount	%
4000	Operating revenue	6 (17)	$ 7,246	100	$ 4,713,599	100
5000	Operating costs	6 (18) (19) and 7	(1,548)	(21)	(2,938,390)	(62)
5900	Gross profit		5,698	79	1,775,209	38
	Operating expenses	6 (18) (19) and 7				
6100	Selling expenses		(3,326)	(46)	(112,078)	(2)
6200	Administrative expenses		(77,733)	(1073)	(175,273)	(4)
6000	Total operational expenses		(81,059)	(1119)	(287,351)	(6)
6900	Operating profit (loss)		(75,361)	(1040)	1,487,858	32
	Non-operating income and expenses					
7100	Interest income	6 (20)	15,367	212	16,268	-
7010	Other income	6 (21)	4,328	60	9,560	-
7020	Other gains and losses		(3,619)	(50)	(28,800)	-
7050	Financial cost	6 (22)	(28,507)	(394)	(29,748)	(1)
7060	Share of profit (loss) of associates and joint ventures accounted for using the equity method	6 (6)	3,756	52	3,135	-
7000	Total non-operating income and expenses		(8,675)	(120)	(29,585)	(1)
7900	**Net profit (loss) before tax**		(84,036)	(1160)	1,458,273	31
7950	Income tax benefit (expense)	6 (23)	8,287	115	(280,723)	(6)
8200	**Current net profit (loss)**		($ 75,749)	(1045)	$ 1,177,550	25
	Other comprehensive income (net)					
	Other comprehensive income					
	Items that may be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statements		$ 1,854	25	$ 3,979	-
8399	Income tax associated with items that may be reclassified	6 (16) (XXIII)	(297)	(4)	(637)	-
8360	Total amount of items that may be reclassified to profit of loss		1,557	21	3,342	-
8300	**Other comprehensive income (net)**		$ 1,557	21	$ 3,342	-
8500	**Total comprehensive income**		($ 74,192)	(1024)	$ 1,180,892	25
	Profit attributable to:					
8610	Owners of parent company		($ 75,160)	(1037)	$ 1,185,226	25
8620	Non-controlling interests		(589)	(8)	(7,676)	-
			($ 75,749)	(1045)	$ 1,177,550	25
	Total comprehensive income attributable to:					
8710	Owners of parent company		($ 73,974)	(1021)	$ 1,187,772	25
8720	Non-controlling interests		(218)	(3)	(6,880)	-
			($ 74,192)	(1024)	$ 1,180,892	25
	Basic earnings per share	6 (24)				
9750	Total basic earnings per share		($ 0.27)		$ 4.28	
	Diluted earnings per share	6 (24)				
9850	Total diluted earnings per share		($ 0.27)		$ 4.27	

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

Chairman: Chung Long-Chang   Manager: Hung Chia-Sheng   Accounting Supervisor: Liu Jo-Mei

HUAKU DEVELOPMENT CO., LTD. AND SUBSIDIARIES
Consolidated Statement of Changes in Equity
For the years ended March 31, 2024 and 2023

Unit: NT$ thousands

		Equity attributable to owners of the parent company										
			Additional paid-in capital			Retained earnings						
	Notes	Share capital from common stock	Premium of convertible corporate bonds	Treasury stock transaction	Others	Legal reserves	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Treasury stocks	Total	Non-controlling interests	Total equity
January 1 to March 31, 2023												
Balance as of January 1, 2023		$ 2,768,127	$ 46,100	$ 31,252	$ 1,634	$ 4,001,673	$ 12,410,036	$ 11,670	($ 850)	$ 19,269,642	$ 101,860	$ 19,371,502
Consolidated net income		-	-	-	-	-	1,185,226	-	-	1,185,226	(7,676)	1,177,550
Other comprehensive income	6 (16)	-	-	-	-	-	-	2,546	-	2,546	796	3,342
Total comprehensive income		-	-	-	-	-	1,185,226	2,546	-	1,187,772	(6,880)	1,180,892
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	(57,850)	(57,850)
Balance as of March 31, 2023		$ 2,768,127	$ 46,100	$ 31,252	$ 1,634	$ 4,001,673	$ 13,595,262	$ 14,216	($ 850)	$ 20,457,414	$ 37,130	$ 20,494,544
January 1 to March 31, 2024												
Balance as of January 1, 2024		$ 2,768,127	$ 46,100	$ 32,559	$ 2,068	$ 4,297,756	$ 13,619,049	$ 11,940	($ 850)	$ 20,776,749	$ 18,488	$ 20,795,237
Consolidated net income		-	-	-	-	-	(75,160)	-	-	(75,160)	(589)	(75,749)
Other comprehensive income	6 (16)	-	-	-	-	-	-	1,186	-	1,186	371	1,557
Total comprehensive income		-	-	-	-	-	(75,160)	1,186	-	(73,974)	(218)	(74,192)
Appropriation and distribution of retained earnings	6 (15)											
Cash dividends		-	-	-	-	-	(2,076,095)	-	-	(2,076,095)	-	(2,076,095)
Cash dividends received by subsidiaries from the parent company		-	-	1,308	-	-	-	-	-	1,308	-	1,308
Recognition of changes in subsidiary ownership		-	-	-	(139)	-	-	-	-	(139)	-	(139)
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	(1,794)	(1,794)
Balance as of March 31, 2024		$ 2,768,127	$ 46,100	$ 33,867	$ 1,929	$ 4,297,756	$ 11,467,794	$ 13,126	($ 850)	$ 18,627,849	$ 16,476	$ 18,644,325

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

Chairman: Chung Long-Chang　　Manager: Hung Chia-Sheng　　Accounting Supervisor: Liu Jo-Mei

HUAKU DEVELOPMENT CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

For the years ended March 31, 2024 and 2023

Unit: NT$ thousands

	Notes	January 1 to March 31, 2024	January 1 to March 31, 2023
Cash flow from operating activities			
Current net profit (loss) before tax		($ 84,036)	$ 1,458,273
Adjusted items			
Income and expense items			
Share of profit (loss) of associates and joint ventures accounted for using the equity method	6 (6)	(3,756)	(3,135)
Amortization	6 (18)	508	519
Depreciation expenses	6 (18)	6,122	7,534
Interest expense	6 (22)	28,507	29,734
Interest income	6 (20)	(15,367)	(16,268)
Loss (gain) on disposal of investment properties		3,700	28,930
Changes in assets and liabilities relating to operating activities			
Net change in assets relating to operating activities			
Financial assets measured at fair value through profit or loss		10,032	(151,445)
Notes and accounts receivable, net		(21,236)	(8,715)
Other receivables		(4,781)	(48,158)
Inventories		(871,122)	763,577
Prepayments		(96,514)	(8,402)
Restricted deposits		215,952	(138,984)
Other current assets		(65,753)	110,350
Changes in deferred income tax assets		(8,554)	128
Long-term installment accounts receivable		87,846	103,983
Net change in liabilities relating to operating activities			
Notes payable		(10,524)	8,543
Accounts payable		(254,870)	(148,045)
Other payables		(283,087)	(68,656)
Contract liabilities		598,744	(912,411)
Advance receipts		(6,709)	914
Other current liabilities		(30,189)	(66,376)
Other non-current liabilities		(1,646)	(982)
Changes in deferred income tax liabilities		271	609
Realized amount of unrealized revenue within this period		-	(2,746)
Cash inflow (outflow) generated from operations		(806,462)	938,771
Interest received	6 (20)	15,367	16,268
Interest paid	6 (22)	(87,523)	(76,804)
Income tax paid (refunded)		(1,144)	8,530
Cash inflow (outflow) from operating activities, net		(879,762)	886,765
Cash flow from investment activities			
Proceeds from acquisition of property, plant, and equipment		(874)	(422)
Disposal of investment properties		4,124	87,019
Decrease in other non-current assets		389	(377)
Increase in refundable deposits		(15,418)	(6,347)
Decrease in refundable deposits		95,053	35,940
Cash inflow from investment activities, net		83,274	115,813
Cash flow from financing activities			
Increase in short-term loans	6 (25)	2,700,000	2,370,000
Decrease in short-term loans	6 (25)	(2,300,000)	(2,250,000)
Increase in short-term bills payable	6 (25)	-	1,850
Decrease in short-term bills payable	6 (25)	-	(2,150)
Long-term loans borrowed	6 (25)	14,637	-
Long-term loans repaid	6 (25)	(247,570)	(398,068)
Redemption of lease principal	6 (25)	(2,443)	(2,416)
Increase in guarantee deposits received	6 (25)	200	4,009
Decrease in guarantee deposits received	6 (25)	(25,160)	(11,054)
Changes in non-controlling interests		(1,794)	(57,850)
Cash inflow (outflow) from financing activities, net		137,870	(345,679)
Impacts on cash and cash equivalents from changes in exchange rates		10,424	1,740
Increase (decrease) in cash and cash equivalents for the year		(648,194)	658,639
Cash and cash equivalents at the beginning of the year		1,513,506	1,699,161
Cash and cash equivalents at the end of the year		$ 865,312	$ 2,357,800

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

Chairman: Chung Long-Chang Manager: Hung Chia-Sheng Accounting Supervisor: Liu Jo-Mei

HUAKU DEVELOPMENT CO., LTD. AND SUBSIDIARIES

Notes for Consolidated Financial Statements

Q1 of 2024 and 2023

Unit: NT$ thousands

(Unless specified otherwise)

I. Company History

Huaku Development Co., Ltd. ("the Company") was established in April 1989. It is engaged mainly in the subcontract construction, leasing, and sales of public housings, commercial buildings, and general-purpose plants and warehouses. The common shares of the Company have been listed on the Taiwan Stock Exchange since August 26, 2002.

II. Date and Procedure for Approval of Financial Statements

The consolidated financial statements were approved and issued on May 8, 2024 by the Board of Directors.

III. Application of New and Amended Standards and Interpretations

(I) Effects of the adoption of new and amended IFRSs endorsed and issued into effect by the Financial Supervisory Commission ("FSC")

1. The following table summarizes the new, revised, and amended standards and interpretations of IFRSs endorsed and issued into effect by the FSC that are applicable in 2024:

New standards, interpretations and amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024

2. The Group assessed the effects of adopting the aforementioned standards and interpretations and found no significant effects on the Group's financial position and financial performance.

(II) Effect of the new issuance of or amendments to IFRSs as endorsed by the FSC but not yet adopted

None.

(III) Effects of IFRSs issued by IASB but not yet endorsed by the FSC

1. The following table summarizes the new, revised, and amended standards and interpretations of IFRSs that have been issued by IASB but not yet endorsed by the FSC:

New standards, interpretations and amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by International Accounting Standards Board
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9—Comparative Information"	January 1, 2023
International Financial Reporting Standard No. 18 'Presentation and Disclosure of Financial Statements'	January 1, 2027
IAS 21 "Lack of Exchangeability"	January 1, 2025

2. Apart from the evaluations described below, the Group has assessed the above criteria and interpretations and concluded that they do not have a significant impact on the financial condition and performance of the Group:

International Financial Reporting Standard No. 18 "Presentation and Disclosure of Financial Statements"

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1 and updates the structure of the comprehensive income statement, introduces new disclosures for management performance measures, as well as strengthens the principles of aggregation and disaggregation applied to the primary financial statements and notes.

IV. Significant Accounting Policies and Summary Statements

Significant accounting policies, except for the Statement of Compliance, Preparation Basis, Basis of Consolidation, and the following new additions, remain the same as Note 4 to the 2023 consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(I) Statement of Compliance

1. The consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the International Accounting Standards (IAS) 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC.
2. This consolidated financial report should be read in conjunction with the 2023 consolidated financial report.

(II) Preparation Basis

1. Except for the following significant items, these consolidated financial statements have been prepared under the historical cost convention:
   (1) Financial assets measured at fair value through profit or loss.
   (2) Defined benefit liability derived from retirement plan assets less the present value of net defined benefit obligation.
2. Critical accounting estimates are required when preparing financial statements in compliance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC interpretations and SIC interpretations (collectively referred to as "IFRSs" hereinafter). For the items involving a high degree of judgment or complexity, or the items involving significant assumptions and estimates in the consolidated financial statements, please refer to Note 5 for details.

(III) Basis of Consolidation

1. Basis for preparation of consolidated financial statements

   The basis of preparation for this consolidated financial report is the same as that of the 2023 consolidated financial report.

2. Subsidiaries included in the consolidated financial statements:

			Percentage owned by the Company			
Investor company	Name of subsidiaries	Business activities	March 31, 2024	March 31, 2023	March 31, 2023	Details
The Company	Pin Shing Construction Co., Ltd.	Civil engineering and hydraulic engineering contractors	100	100	100	

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Investor company	Name of subsidiaries	Business activities	Percentage owned by the Company March 31, 2024	March 31, 2023	March 31, 2023	Details
The Company	Chengdu Wancheng Duobao Real Estate Co., Ltd.	Property development	80	80	80	
The Company	Chengdu Huaku Real Estate Co., Ltd.	Property development	80	80	80	

Except for the financial statements of the aforementioned subsidiary Pin Shing Construction Co., Ltd., which have been reviewed by an accountant, the remaining subsidiaries do not meet the definition of significant subsidiaries. Therefore, their financial statements for the periods from January 1 to March 31, 2024 and 2023, have not been reviewed by an accountant.

3. Subsidiaries that are not included into the consolidated financial statements: None.
4. Adjustments and treatment methods for different accounting periods of subsidiaries: None.
5. Significant limitation on the ability to acquire or use assets and to settle liabilities: None.
6. Information about subsidiaries of non-controlling interest that are material to the Group: None.

(IV) Pensions

Pension cost for the interim period is calculated based on the pension cost rate determined by actuarial valuation at the end of the previous financial year, using the period from the beginning of the year to the end of the current period as the basis. If there are significant market changes, substantial reductions, settlements, or other significant one-time events after the end date, adjustments will be made and relevant information will be disclosed in accordance with the aforementioned policy.

(V) Income Tax

The income tax expense for the interim period is calculated using the estimated annual effective tax rate applied to the pre-tax income of the interim period, in accordance with the aforementioned policy disclosure of relevant information.

V. Primary Sources of Uncertainties in Significant Accounting Judgments, Estimates, and Assumptions

When preparing the consolidated financial statements, management of the Group had determined its accounting policies based on its judgments and made accounting estimates and assumptions based on a rational expectation of future events depending on the circumstances at the balance sheet date. If there is any difference between any significant accounting estimates and assumption made and actual results, the historical experience, and other factors will be taken into account in order to continue assessment and adjustment. The Group does not have an important judgment on the adoption of accounting policies, and significant accounting estimates and assumptions, which are at risk of significant changes in the carrying amount of assets and carrying amount of liabilities in the next financial year.

VI. Descriptions of Material Accounting Items

(I) Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand and revolving fund	$ 265	$ 215	$ 208
Checking deposits and demand deposits	655,547	1,433,571	1,484,299
Cash equivalents			
− Time Deposit	-	-	813,293
− Bonds with repurchase agreement	209,500	79,720	60,000
	$ 865,312	$ 1,513,506	$ 2,357,800

1. The Group deals with financial institutions having high credit quality. The Group also deals with various financial institutions in order that credit risks can be diversified. Therefore, the expected risk of default is rather low.
2. The Group's restricted use of the pre-sale construction project trust fund and others has been listed under "Other current assets". Please refer to Notes 6 (5) and 8 for details.

(II) Financial asset measured at fair value through profit and loss—current

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets mandatorily measured at FVTPL			
− Financial products	$ 22,238	$ 32,271	$ 294,617

The Group's financial assets measured at fair value through profit and loss were recognized as gains and losses in the amount of $158 and $1,316 in the periods between January 1 and March 31 of 2024 and 2023, respectively.

(III) Notes and accounts receivable

	March 31, 2024	Amount of receivables guaranteed	Guaranteed loan amount
Notes receivable			
Within 1 year	$ 79,206	$ -	$ -
Accounts receivable			
Within 1 year	113,987	108,422	108,422
Over 1 year (Note)	2,067,194	2,055,421	2,055,421
	$ 2,260,387	$ 2,163,843	$ 2,163,843

	December 31, 2023	Amount of receivables guaranteed	Guaranteed loan amount
Notes receivable			
Within 1 year	$ 55,850	$ -	$ -
Accounts receivable			
Within 1 year	119,838	107,895	107,895
Over 1 year (Note)	2,151,309	2,139,536	2,139,536
	$ 2,326,997	$ 2,247,431	$ 2,247,431

	March 31, 2023	Amount of receivables guaranteed	Guaranteed loan amount
Notes receivable			
Within 1 year	$ 10,568	$ -	$ -
Accounts receivable			
Within 1 year	133,518	92,907	92,907
Over 1 year (Note)	2,397,858	2,385,380	2,385,380
	$ 2,541,944	$ 2,478,287	$ 2,478,287

Note: The Group's long-term installment accounts receivables over one year are listed under the item "Other non-current assets".

1. The Group signed a credit agreement with Mega International Commercial Bank secured with the installment accounts receivables arising from the partial sale of "Huaku New World" in installments as collateral. Please refer to Notes 6 (11) and 8 for details. The Group's information on secured borrowings with accounts receivable as collateral is as

above.

2. The balances of receivables (including notes receivables) contracted by the Group and clients as of March 31, 2024, December 31, 2023, March 31, 2023 and January 1, 2023 were $2,121,846, $2,193,817, $2,539,921 and $2,634,486, respectively.
3. Interest income recognized by the Group in profit or loss in the period between January 1 and March 31, 2024 and 2023, was $15,011 and $16,065, respectively.
4. The above notes and accounts receivable are non-overdue notes and accounts.
5. Without considering the collateral or other credit enhancements held, the exposure amount that best represents the maximum credit risk of the Group's notes and accounts receivable as of March 31, 2024, December 31, 2023, and March 31, 2023 are the carrying amount of notes and accounts receivable and long-term installment accounts receivable in each period.
6. For credit risk of notes receivables and accounts receivables, please refer to Note 12 (2).

(IV) Inventories

	March 31, 2024	December 31, 2023	March 31, 2023
Buildings and land held for sale			
Huaku National Landmark	$ 732,703	$ 732,703	$ 1,867,676
Sand River Bay	120,611	118,395	137,045
Huaku Fine Art	14,022	14,989	113,243
Huaku Royal Highness	-	-	510,200
Huaku Sky Garden	-	-	78,927
	867,336	866,087	2,707,091
Less: Allowance for valuation loss	(64,466)	(63,533)	(113,003)
	802,870	802,554	2,594,088
Construction in progress			
Huaku Asia One (formerly Nangang Yucheng Project)	5,352,215	5,192,744	-
Huaku Summit (formerly Taichung Jingmao Road Project)	3,795,758	3,768,312	-

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	March 31, 2024	December 31, 2023	March 31, 2023
Huaku Fortune One (formerly Tiding Avenue Project)	3,305,415	3,241,397	-
Huaku Casa Blanca	2,934,473	2,844,392	2,575,875
Huaku Central Landmark	2,718,566	2,545,079	1,936,181
Huaku Moon Light	1,959,425	1,891,224	1,697,841
Huaku Greenside Mansion	1,737,279	1,674,089	1,418,377
Huaku Sky Tower	1,445,590	1,418,968	1,298,295
Huaku Da'an Tower	1,306,106	1,196,094	776,934
Huaku Trade and Finance Center	-	-	2,456,989
Huaku Moon River	-	-	2,514,995
	24,554,827	23,772,299	14,675,487

	March 31, 2024	December 31, 2023	March 31, 2023
Land held for construction			
Jang Dah Beitou Project	$ 2,994,615	$ 2,987,690	$ -
Guangpu Hsinchu Project, Second Phase	2,098,259	2,094,173	1,951,095
Taichung Jingmao 5th Road Project	1,339,039	1,336,469	-
Renyi Street No. 57 Project	1,283,549	-	-
Taichung Fengle Road Project	1,057,340	1,055,967	-
Xinyi Guangfu Urban Renewal Project	980,484	913,411	740,073
Renyi Street No. 89 Project	831,364	-	-
Jang Dah Xindian Project	665,811	664,822	618,848
Fuxing South Road Urban Renewal Project	241,061	241,061	241,061
Dunnan Project	198,834	198,834	198,834
Huaku Summit (formerly Taichung Jingmao Road Project)	-	-	3,730,277

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	March 31, 2024	December 31, 2023	March 31, 2023
Huaku Asia One (formerly Nangang Yucheng Project)	-	-	4,898,059
Huaku Fortune One (formerly Tiding Avenue Project)	-	-	2,860,160
Others	361,821	338,686	129,312
	12,052,177	9,831,113	15,367,719
Land prepayments and others			
Renyi Street No. 57 Project	-	1,253,682	-
Renyi Street No. 89 Project	-	820,086	-
Jang Dah Beitou Project	-	-	786,790
Volume and others	33,569	33,571	49,104
	33,569	2,107,339	835,894
Less: Allowance for valuation loss	(13,307)	(13,307)	(13,307)
	20,262	2,094,032	822,587
	$ 37,430,136	$ 36,499,998	$ 33,459,881

1. Huaku New World
   (1) During 2013, the Company acquired the land rights and paid royalties of $1.388 billion under the "Cooperative Development Contract for State-owned Land in and around the Training Center for Financial Officers of the Ministry of Finance" with the National Property Administration, MOF, with a lease term of 70 years. This project recognized revenue when transferring land and house use rights to customers.
   (2) Some units following the Company's policy of leasing are transferred to the "Investment Property" item along with the land use rights after completion of registration.
   (3) Please refer to 6 (11) for details of the information on the property of this project provided as guarantee.
2. On June 4, 2010, the Company signed a contract to sell the part of the land held in Sanyu Section of Taipei City (Huaku Sky Garden Project) to Tsai, a non-related person. The full land price of the sales transaction has received and the ownership transfer procedure has completed, only because after the sale of the land as mentioned earlier, the Company immediately signed a contract with the buyer for the joint land construction, land sales,

and joint construction contracts should be treated as the same transaction, therefore, its gain on disposal was regarded as unrealized and deferred. The Company transferred unrealized profit to income based on the proportion of sales. As of March 31, 2024, December 31, 2023 and March 31, 2023, the unrealized amounts were $0, $0 and $1,850, respectively, which were listed under "Other non-current liabilities".

3. The cost of inventories recognized as an expense for the periods between January 1 and March 31, 2024 and 2023, was $453 and $2,937,365, respectively, which included the cost of goods sold $933 and ($12,010), respectively, recognized from cost adjustments to net realizable value. In Q1 2024, the net realizable value of inventories rebounded due to the sale of a portion of the inventories with a net realizable value lower than the cost.
4. The amount of interest capitalized in the Group's inventories for the periods between January 1 and March 31, 2024 and 2023, is $59,016 and $47,056, respectively, and the net interest rate margin range within the capitalized interest is 2.05%-2.13% and 1.81%-1.97%, respectively.
5. In the case of "Huaku National Landmark" developed and constructed by the Group, an agreement was signed with the Economic Development Department of the New Taipei City Government, which stipulates that the transfer of the property rights of certain floors of this case will be processed five years from the date of obtaining the license to use these floors.
6. Please refer to Note 8 for details of the pledge of inventories by the Group.

(V) Other current assets

	March 31, 2024	December 31, 2023	March 31, 2023
Restricted bank deposits	$ 1,496,380	$ 1,712,332	$ 1,390,635
Construction refundable deposits	333,080	326,279	233,738
Incremental costs for obtaining contracts	257,770	231,436	245,688
Other current assets	70,033	31,122	10,671
	$ 2,157,263	$ 2,301,169	$ 1,880,732

The restricted bank deposits are the Group's pre-sale construction project trust fund; please refer to Notes 8 and 9 for details.

(VI) Investment accounted for using the equity method

	March 31, 2024	Shareholding percentage	December 31, 2023	Shareholding percentage	March 31, 2023	Shareholding percentage
Associates:						
Taiwan Digit Automated Control Co., Ltd.	$ 33,792	40.00	$ 32,018	40.00	$ 26,938	40.00
Full Come Foundation Engineering Co., Ltd.	30,579	38.05	28,611	38.05	15,516	33.03
Joint ventures:						
Huapu Construction Co., Ltd.	5,414	50.00	5,400	50.00	5,292	50.00
	$ 69,785		$ 66,029		$ 47,746	

1. For the basic information of the Group's associates and joint ventures, please refer to Note 13 (2) for details.
2. For the carrying amounts of the Group's non-significant associates and joint ventures as of March 31, 2024, December 31, 2023, and March 31, 2023, please refer to the table above; the operating results are as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Net income from continuing operations	$ 3,756	$ 3,135
Other comprehensive income	-	-
Total comprehensive income	$ 3,756	$ 3,135

3. There are no public quotations for the investment targets of the Group. For the periods between January 1 and March 31, 2024 and 2023, the share of profits and losses of associates recognized under the equity method was evaluated and disclosed on the basis of the unaudited financial statements of each such investee for the same period.

(VII) Investment property

	2024		
	Land	House and land use rights	Total
January 1	$ 4,360	$ 294,805	$ 299,165
Disposal	-	(7,825)	(7,825)
Accumulated Depreciation	-	(1,468)	(1,468)
Net exchange differences	-	878	878
March 31	$ 4,360	$ 286,390	$ 290,750

	2023		
	Land	House and land use rights	Total
January 1	$ 4,360	$ 474,277	$ 478,637
Disposal	-	(115,950)	(115,950)
Accumulated Depreciation	-	(2,832)	(2,832)
Net exchange differences	-	1,447	1,447
March 31	$ 4,360	$ 356,942	$ 361,302

1. Investment properties are for the use of lessees. The lease term of the leased real estate lasts until 2032. The rental income and direct operating expenses of the investment properties are as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Rental revenue from investment property	$ 2,882	$ 4,856
Direct operating expenses incurred by investment property generating rental revenue in the current period	$ 1,468	$ 3,973

2. The fair values of investment properties held by the Group as of March 31, 2024, December 31, 2023, and March 31, 2023, were $668,807, $649,143 and $864,320, respectively, which were classified as Level 2 fair values by reference to the appraisal results of independent appraisal specialists and the recent transaction prices of the construction of each investment property or the recent transaction prices of similar targets in the region.

3. The maturity analysis of the lease payments for the investment properties leased out by the Group under operating leases is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Within 1 year	$ 11,710	$ 12,355	$ 16,054
2 to 5 years	36,623	38,633	61,345
Over 5 years	8,040	10,276	25,376
	$ 56,373	$ 61,264	$ 102,775

4. For information on guarantees provided by the Group for investment property, please refer to Note 8 for details.

(VIII) Short-term loans

Loan type	March 31, 2024	Interest rate range	Collateral
Bank loans			
Secured bank borrowings	$ 10,762,470	1.96%～2.68%	Inventories—buildings and land
Credit loans	1,750,000	1.75%～1.93%	None
	$ 12,512,470		

Loan type	December 31, 2023	Interest rate range	Collateral
Bank loans			
Secured bank borrowings	$ 10,362,470	1.70%～2.63%	Inventories—buildings and land
Credit loans	1,750,000	1.75%～1.93%	None
	$ 12,112,470		

Loan type	March 31, 2023	Interest rate range	Collateral
Bank loans			
Secured bank borrowings	$ 8,771,890	1.75%～2.5%	Inventories—buildings and land
Credit loans	100,000	1.78%	None
	$ 8,871,890		

(IX) Short-term bills payable (As of March 31, 2024 and December 31, 2023: None)

Loan type	March 31, 2023
Short-term bills payable	$ 300,000
Less: Discount on short-term bills payable	(514)
Net	$ 299,486
Interest rate range	2.07%

(X) Other current liabilities—others

	March 31, 2024	December 31, 2023	March 31, 2023
Warranty provisions	$ 90,341	$ 92,443	$ 92,268
Payment collection	22,180	14,384	48,263
Others	35,952	78,544	89,273
	$ 148,473	$ 185,371	$ 229,804

(XI) Long-term loans

Loan type	Loan period and repayment method	Interest rate range	Collateral	March 31, 2024
Long-term bank loans				
Credit loans	From June 2023 to June 2025; the interest is paid on a monthly basis	1.91%～1.93%	None	1,076,000
〃	From July 2022 to July 2024; the interest is paid on a monthly basis	〃	〃	650,000
Loans secured by accounts receivable	From June 2017 to September 2039; the loan and the accrued interest is repaid on a monthly basis	2.69%	Read Note for details	2,172,603
				3,898,603
Less: Long-term loans due within one year or one operating cycle				(1,305,182)
				$ 2,593,421

Loan type	Loan period and repayment method	Interest rate range	Collateral	December 31, 2023
Long-term bank loans				
Credit loans	From June 2023 to June 2025; the interest is paid on a monthly basis	1.55%～1.93%	None	$ 1,076,000
〃	From July 2022 to July 2024; the interest is paid on a monthly basis	〃	〃	800,000
Loans secured by accounts receivable	From June 2017 to September 2039; the loan and the accrued interest is repaid on a monthly basis	2.69%	Read Note for details	2,255,536
				4,131,536
Less: Long-term loans due within one year or one operating cycle				(1,292,600)
				$ 2,838,936

Loan type	Loan period and repayment method	Interest rate range	Collateral	March 31, 2023
Long-term bank loans				
Credit loans	From June 2021 to June 2023; the interest is paid on a monthly basis	1.55%～1.78%	None	$ 968,500
〃	From July 2022 to July 2024; the interest is paid on a monthly basis	〃	〃	1,000,000
〃	From July 2022 to July 2023; the interest is paid on a monthly basis	〃	〃	1,000,000
Loans secured by accounts receivable	From June 2017 to September 2039; the loan and the accrued interest is repaid on a monthly basis	2.69%	Read Note for details	2,485,644
				5,454,144
Less: Long-term loans due within one year or one operating cycle				(2,418,764)
				$ 3,035,380

The Group's unused balance of loan limit as of March 31, 2024, December 31, 2023, and March 31, 2023, were $10,366,396, $10,785,130 and $10,624,140, respectively.

Accounts receivable/Loans secured by other receivables

The Company signed the secured loans agreement to use Accounts Receivable as collateral with the Mega International Commercial Bank. The Company utilized the Installment Accounts Receivable from the Company's sale of Huaku New World Project, the rights of the building site, and the construction and its subsidiaries as collateral to obtain a loan amount of NT$6 billion originally, and the loan limit was adjusted to NT$4 billion on May 9, 2022 with unchanged loan tenor of 20 years. Please refer to Note 6 (3) for details. The main terms of the agreement are as follows:

1. The loan period of each account receivable shall not exceed 20 years from the date when the funds are used.
2. The used amount mentioned above shall be circulated from the date of first use to the date of expiration of five years, and the unspent balance of loans shall be automatically canceled at that time.

3. During the duration of the secured loans using account receivable as collateral, the Company shall maintain all the following financial ratios on the basis of the consolidated annual financial statements audited by the accountant, which shall be checked once a year:

   (1) Current ratio: not less than 100%.

   (2) Debt ratio (total liabilities/tangible net worth): not greater than 230%.

(XII) Pensions

1. In compliance with the requirements set forth in the Labor Standards Act, the Company and its domestic subsidiaries have stipulated a defined benefit pension plan, which is applicable to the years of service rendered by regular employees prior to, and after (if employees elect to continue to apply the Labor Standards Act), the implementation of the Labor Pension Act on July 1, 2005. Pension payments for employees qualified for the aforementioned retirement criteria are calculated in accordance with the years of service rendered and the average salaries or wages of the last six months prior to retirement. Two bases are given for each full year of service over the first 15 years, and one base is given for an additional year of service thereafter, provided that the total bases do not exceed 45. The Company contributes on a monthly basis 2% of the total salary (wages) as the pension fund, which is deposited in a designated account of the Bank of Taiwan under the name of the Supervisory Committee of Workers' Retirement Fund. Prior to the end of each annual period, the Company assesses the balance of the aforementioned designated account for the labor pension fund. If the balance is determined insufficient to pay off the pension amount computed by the aforementioned approach for employees qualified for retirement within next year, the Company will make a lump sum contribution to make up the shortfall before the end of March of the following year.

   (1) For the periods between January 1 and March 31, 2024 and 2023, the net pension costs recognized under the defined contribution plan aforementioned were $171 and $191, respectively.

   (2) The Group expects to make a contribution of $388 to the pension plans for the year ended December 31, 2024.

2. Starting from July 1, 2005, the Company and subsidiaries have set up a defined contribution plan for all employees with R.O.C. citizenship in accordance with the Labor Pension Act. For part of employees of the Company and its domestic subsidiaries who choose to apply the labor pension system as defined in the Labor Pension Act, the Company has made monthly contributions equal to 6% of each employee's monthly salary to employees' pension accounts. The benefits accrued are paid monthly or in a lump sum upon termination of employment.

(1) According to the elderly insurance system stipulated by the Government of the People's Republic of China, the Group contributes pensions monthly at a fixed rate of the total salaries of the employees of the Group's subsidiaries in mainland China. For the periods between January 1 and March 31, 2024 and 2023, the contribution ratio was both 20%. The pension for each employee is managed by the government, hence the Group does not have further obligation except for making a monthly contribution.

(2) For the periods between January 1 and March 31, 2024 and 2023, the net pension costs recognized under the defined contribution plan aforementioned were $1,552 and $1,504, respectively.

(XIII) Share capital

1. As of March 31, 2024, the Company's authorized capital was $5,000,000, and the paid-in capital was $2,768,127 with a par value of NT$10 per share. Share payments for the Company's issued stocks have been collected in full. The number of outstanding shares of the Company at the beginning and the end of the period is 276,812,726 shares.

2. Treasury stock

(1) The Company had no treasury stock transactions for the periods between January 1 and March 31, 2024 and 2023.

(2) As of March 31, 2024, December 31, 2023, and March 31, 2023, the Company's subsidiary Pin Shing Construction Co., Ltd., held the Company's shares for the purpose of investment profit; the details are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Number of shares (thousand shares)	174	174	174
Carrying amounts	$ 850	$ 850	$ 850

(XIV) Additional paid-in capital

According to the Company Act, additional paid-in capital including the income derived from issuing shares at a premium and from endowments, in addition to being used to covering deficit, where there is no accumulated deficit in a company, shall be distributed by issuing new shares to shareholders in proportion to the number of shares being held or by cash. In addition, according to relevant provisions of the Securities Exchange Act, when allocating capital from the aforementioned additional paid-in capital, the combined capitalized amount each year shall not exceed 10 percent of the paid-up capital. A company shall not use the additional paid-in capital to make good its capital loss, unless the surplus reserve is insufficient to make good such loss.

(XV) Retained earnings

1. In accordance with the Company's Articles of Incorporation, if there is any surplus in the annual accounts, the Company should first pay income tax to cover prior years' deficits, and if there is still a surplus, the Company should set aside a legal reserve of 10% of the paid-in capital, unless the legal reserve has already reached the paid-in capital. The remaining balance of the legal reserve should be added to the cumulative undistributed earnings of the previous year to arrive at the cumulative distributable earnings. The aforementioned distributable earnings are reported to the shareholders in the shareholders' meeting after the Board of Directors resolves to distribute dividends.
2. Legal reserves may only be used for offsetting deficits and issuing new shares or distributing cash in proportion to shareholders' original holdings. However, when new shares are issued or cash is distributed, the amount shall be limited to 25% of the reserves in excess of the paid-in capital.
3. The Company may allocate earnings only after providing special reserve for debt balance in other equity on the date of balance sheet, and the reversal of debit balance in other equity, if any, may be stated into allocable earnings.
4. The Company has proposed and resolved the distribution of profits for 2023 and 2022 at the Board meeting on March 20, 2024 and the general shareholders' meeting on May 24, 2023, respectively, as follows:

	2023		2022	
	Amount	Dividends per share (NT$)	Amount	Dividends per share (NT$)
Legal reserves	$ 358,119		$ 296,083	
Cash dividends	2,076,095	$ 7.5	2,076,095	$ 7.5
Stock dividends	276,813	1	-	-

5. The appropriation of the Company's 2023 earnings has not yet been submitted to the shareholders' meeting as of the date of the audit report. The above information on the appropriation of earnings proposed by the Board of Directors and resolved by the shareholders in the shareholders' meeting can be accessed through Market Observation Post System (MOPS).

(XVI) Other equity

	2024	2023
January 1	$ 11,940	$ 11,670
Currency translation differences		
The Group	1,483	3,183
Tax amount of the Group	(297)	(637)
March 31	$ 13,126	$ 14,216

(XVII) Operating revenue

	January 1 to March 31, 2024	January 1 to March 31, 2023
Revenue from contract with customers	$ 457	$ 4,705,437
Lease revenue	6,789	8,162
	$ 7,246	$ 4,713,599

1. Segments of revenue from contract with customers

   The Group's income is derived from the transfer at a certain point in time. The income can be subdivided into the following major product lines and generate relevant income in each reportable department:

	Sales of construction		
January 1 to March 31, 2024	Taiwan	China	Total
Timing of revenue recognition			
Revenue recognized at a specific timing	$ -	$ 457	$ 457

	Sales of construction		
January 1 to March 31, 2023	Taiwan	China	Total
Timing of revenue recognition			
Revenue recognized at a specific timing	$ 4,649,980	$ 55,457	$ 4,705,437

2. The aggregate amount of the transaction price and the estimated recognized revenue year of the sales contract signed by the Group as of March 31, 2024, which had not yet satisfied its performance obligations, are as follows:

Estimated recognized revenue year	Amount of contracts signed
2024-2027	$ 21,466,435

3. Contract liabilities

(1) The Group recognized contract revenues related to contract liabilities as follows:

	March 31, 2024	December 31, 2023	March 31, 2023	January 1, 2023
Contract liabilities—current:				
－Advance land receipts	$ 3,000,050	$ 2,637,770	$ 2,520,920	$ 2,932,836
－Advance building receipts	1,323,774	1,087,310	1,213,708	1,714,204
	$ 4,323,824	$ 3,725,080	$ 3,734,628	$ 4,647,040

The Group's sales contract of pre-sale homes contains provisions for advance payment from customers, and the time between advance receipt and commodity ownership transfer is longer than one year. According to IFRS 15, contract liabilities related to sales of pre-sale homes were recognized as current liabilities.

(2) Provision for opening contract liabilities:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Balance of initial contract liability recognized as revenue in the current period		
－Construction pre-sale contract	$ -	$ 1,541,975

(XVIII) Additional information regarding the nature of expense

	January 1 to March 31, 2024	January 1 to March 31, 2023
Construction costs	$ 522	$ 2,937,365
Employee benefit expenses	49,853	144,703
Taxation	15,451	14,349
Depreciation and amortization	6,630	8,053
Advertising expenses	3,327	112,165
Other costs and expenses	6,824	9,106
Operating cost and operating expenses	$ 82,607	$ 3,225,741

(XIX) Employee benefit expenses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Salary and bonuses	$ 35,213	$ 111,614
Labor and health insurance expenses	8,985	7,363
Pension expenses	1,723	1,695
Directors' remuneration	1,184	19,368
Other personnel cost	2,748	4,663
	$ 49,853	$ 144,703

1. As stated in the Articles of Incorporation, if there are any remaining profits after deducting the accumulated deficits from the profits of the year, the Company shall allocate 3%-5% of the remaining profits as compensation to employees, and remuneration to directors cannot exceed 2% of the remaining profits.
2. For the periods between January 1 and March 31, 2024 and 2023, the Company recognized compensation to employees amounted to $0 and $46,260, respectively, and remuneration to directors amounted to $0 and $18,504, respectively, all presented under payroll expense.

The Company's 2023 employee compensation and directors' remuneration are consistent with the amounts recognized in the financial statements for the year ended December 31, 2023.

Information regarding employees' salary and remuneration to Directors approved by the Board of Directors of the Company can be found at the Market Observation Post System (MOPS) website.

(XX) Interest income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Interests on bank deposits	$ 356	$ 203
Interest income from financial assets at amortized cost	15,011	16,065
	$ 15,367	$ 16,268

(XXI) Other income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Advertising service income	$ 3,575	$ 4,191
Contract default income	205	-
Other income	548	5,369
	$ 4,328	$ 9,560

(XXII) Financial cost

	January 1 to March 31, 2024	January 1 to March 31, 2023
Interest expense		
－Bank loans	$ 72,081	$ 59,554
－Loans secured by accounts receivable	15,011	16,101
－Lease liabilities	97	70
Financial expenses	334	1,079
	87,523	76,804
Less: Amount capitalized of qualified assets	(59,016)	(47,056)
	$ 28,507	$ 29,748

(XXIII) Income Tax

1. Income tax expense

(1) Components of income tax expense:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Current income tax:		
Income tax incurred in the current period	$ 1,267	$ 275,954
Land value increment tax recognized in income tax in the current period	-	4,435

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	January 1 to March 31, 2024	January 1 to March 31, 2023
(Over) Underestimation of prior years	(402)	137
Total current income tax	865	280,526
Deferred income tax:		
Recognition and reversal of temporary differences	(9,152)	197
Income tax expense	($ 8,287)	$ 280,723

(2) Income tax expense amounts associated with other comprehensive income:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Currency translation differences	($ 297)	($ 637)

2. The difference between the Company's finance income and taxable income is mainly caused by the tax exemption from land transaction tax.
3. The tax authorities have examined income tax returns of the Company through the year ended December 31, 2022.

(XXIV) Earnings per share

	January 1 to March 31, 2024		
	Amount after tax	Weighted average number of common shares outstanding (shares in thousands)	Earnings per share (NT$)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent company	($ 75,160)	276,638	($ 0.27)
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			

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	January 1 to March 31, 2024		
	Amount after tax	Weighted average number of common shares outstanding (shares in thousands)	Earnings per share (NT$)
Employee remuneration	-	1,694	
Profit attributable to common stock shareholders plus assumed conversion of all dilutive potential common stocks	($ 75,160)	278,332	($ 0.27)

	January 1 to March 31, 2023		
	Amount after tax	Weighted average number of common shares outstanding (shares in thousands)	Earnings per share (NT$)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent company	$ 1,185,226	276,638	$ 4.28
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Employee remuneration	-	1,234	
Profit attributable to common stock shareholders plus assumed conversion of all dilutive potential common stocks	$ 1,185,226	277,872	$ 4.27

(XXV) Changes in liabilities from financing activities

	2024						
	Short-term loans	Short-term bills payable	Long-term loans (Note 2)	Guarantee deposits received	Lease liabilities	Dividends payable	Total liabilities from financing activities
January 1	$ 12,112,470	$ -	$ 4,131,536	$ 27,656	$ 28,988	$ -	$ 16,300,650
Increase during the period	2,700,000	-	14,637	200	-	-	2,714,837
Decrease during the period	(2,300,000)	-	(247,570)	(25,160)	(2,443)	-	(2,575,173)
Payment of interest expense (Note 1)	-	-	-	-	(97)	-	(97)
Other non-cash changes	-	-	-	-	97	2,076,095	2,076,192
March 31	$ 12,512,470	$ -	$ 3,898,603	$ 2,696	$ 26,545	$ 2,076,095	$ 18,516,409

	2023						
	Short-term loans	Short-term bills payable	Long-term loans (Note 3)	Guarantee deposits received	Lease liabilities	Dividends payable	Total liabilities from financing activities
January 1	$ 8,751,890	$ 299,800	$ 5,852,212	$ 30,685	$ 19,287	$ -	$ 14,953,874
Increase during the period	2,370,000	600,000	-	3,965	-	-	2,973,965
Decrease during the period	(2,250,000)	(600,000)	(398,068)	(11,010)	(2,416)	-	(3,261,494)
Payment of interest expense (Note 1)	-	(1,023)	-	-	(123)	-	(1,146)
Other non-cash changes	-	709	-	-	19,525	-	20,234
March 31	$ 8,871,890	$ 299,486	$ 5,454,144	$ 23,640	$ 36,273	$ -	$ 14,685,433

Note 1: Presentation of cash flows from operating activities.

Note 2: It includes $1,305,182 long-term loans due within one year or one operating cycle, accounted for under the item "Long-term liabilities due within one year or one operating cycle".

Note 3: It includes $2,418,764 long-term loans due within one year or one operating cycle, accounted for under the item "Long-term liabilities due within one year or one operating cycle".

(XXVI) Supplemental cash flow information

Fundraising activities that do not affect cash flow:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Unpaid cash dividends declared	$ 2,076,095	$ -

VII. Related-Party Transactions

(I) Name and relationship of related parties

Name of related party	Relationship with the Group
Taiwan Digit Automated Control Co., Ltd.	Associates
Full Come Foundation Engineering Co., Ltd.	Associates
Huapu Construction Co., Ltd.	Associates

(II) Significant transactions between related parties

1. Purchase

	January 1 to March 31, 2024	January 1 to March 31, 2023
Associates	$ 29,472	$ 12,134

(1) The above transactions with associates are entrusted with contracting projects. The price is based on the contract. The payment period is the same as that of non-related persons, and both are within one month or 45 days.

(2) As of March 31, 2024, the total price of the uncompleted project contracts signed between the Group and associates was $173,715, and the amount of unrecognized construction payments was $59,378.

2. Prepayments

	March 31, 2024	December 31, 2023	March 31, 2023
Associates	$ -	$ -	$ 9,514

3. Accounts payable

	March 31, 2024	December 31, 2023	March 31, 2023
Associates	$ 25,947	$ 49,530	$ 13,546

The accounts payable to related parties are mainly from the purchase transaction. The said accounts payable are non-interest bearing.

(III) Information on the remunerations of the key management

	January 1 to March 31, 2024	January 1 to March 31, 2023
Short-term employee benefits	$ 5,760	$ 43,180

VIII. Pledged Assets

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

	Carrying amounts			
Pledged assets	March 31, 2024	December 31, 2023	March 31, 2023	Purpose of the pledge
Installment accounts receivable				Loans secured by accounts receivable
－ Accounts receivable	$ 108,422	$ 107,895	$ 92,907	
Long-term notes and accounts receivable	1,917,907	2,009,036	2,260,349	
Other installments receivable				Loans secured by accounts receivable
－ Other receivables	8,760	8,105	7,357	
Long-term notes and accounts receivable	137,514	130,500	125,031	
Other current assets				
Restricted bank deposits	1,496,380	1,712,332	1,390,635	Pre-sale construction project trust fund
Inventories	35,279,605	32,160,009	26,904,056	Short-term loans and commercial papers payable
Investment property	242,591	243,616	246,692	Loans secured by accounts receivable
	$ 39,191,179	$ 36,371,493	$ 31,027,027	

IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

(I) As of March 31, 2024, the total value of the engineering contract signed between the Group and non-related parties amounted to $8,090,814 and the amount not yet estimated is $4,876,611.

(II) As of March 31, 2024, the Group had signed letters of trust deed with the trustee financial institution for the project of construction in progress, and the relevant project names and trust banks were as follows:

Project name	Trust bank
Huaku Da'an Tower	Hua Nan Commercial Bank, Ltd.
Huaku Moon Light	E.SUN Commercial Bank, Ltd.
Huaku Greenside Mansion	E.SUN Commercial Bank, Ltd.
Huaku Central Landmark	Taishin International Bank Co., Ltd.
Huaku Sky Tower	Taipei Fubon Commercial Bank Co., Ltd.
Huaku Casa Blanca	Cathay United Bank Co., Ltd.
Upper Mansion	Cathay United Bank Co., Ltd.

The Group has processed the registrations of transferring the values trust or real estate development trust to the financial institution that undertakes the assurance for the construction as mentioned above projects.

X. Significant Disaster Losses

None.

XI. Significant Subsequent Events

None.

XII. Others

(I) Capital security risk management

The objective of the Group's capital management is to ensure that the Group can continue as a going concern, that an optimal capital structure is maintained to lower the cost of capital, and that rewards are provided to shareholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group regulates the borrowing amount of the company based on the progress of the project and the funds required for the operation.

(II) Financial instruments

1. Categories of financial instruments

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets			

Financial assets measured at fair value through profit or loss			
Financial assets mandatorily measured at FVTPL	$ 22,238	$ 32,271	$ 294,617
Financial assets/loans and receivables measured at amortized cost			
Cash and cash equivalents	865,312	1,513,506	2,357,800
Notes receivable	79,206	55,850	10,568
Accounts receivable (including long-term accounts receivable for more than one year)	2,181,181	2,271,147	2,531,376
Other receivables	15,778	10,997	60,195
Refundable deposits	421,111	500,745	370,317
Other financial assets	1,496,380	1,712,332	1,390,635
	$ 5,058,968	$ 6,064,577	$ 6,720,891
Financial liabilities			
Financial liabilities measured at amortized costs			
Short-term loans	$ 12,512,470	$ 12,112,470	$ 8,871,890
Short-term bills payable	-	-	299,486
Notes payable	15,393	25,917	20,914
Accounts payable	1,418,620	1,673,490	1,153,209
Other payables	2,310,135	517,127	418,385
Long-term borrowings (including due within one year or one operating cycle)	3,898,603	4,131,536	5,454,144
Guarantee deposits received	2,696	27,656	23,640
	$ 20,157,917	$ 18,488,196	$ 16,241,668
Lease liabilities	$ 26,545	$ 28,988	$ 36,273

2. Risk management policy

(1) The Group's daily operations are affected by various financial risks, e.g. market

risks (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

(2) The risk management process is carried out by the finance department of the Group in accordance with the opinions of the Board of Directors. Through cooperation with the Group's operating units, the finance department is responsible for identifying, evaluating and hedging financial risks.

(3) The Group does not undertake derivatives for hedging financial risks.

3. Nature and degree of significant financial risks

(1) Market risk

Foreign currency risk

The Group operates internationally. The main currencies are NTD and RMB. Foreign currency risk arises from recognized assets and liabilities and net investments in foreign operations. The management of the Group has established policies to manage the foreign currency risk of functional currencies. The Group manages its overall foreign currency risk through the finance department. The Group had no foreign currency assets or liabilities as of March 31, 2024, December 31, 2023, and March 31, 2023.

Due to the significant impact of exchange rate fluctuations on the monetary items of the Group, the aggregated (loss) gains (including realized and unrealized) of exchanges for periods between January 1 and March 31, 2024 and 2023, were $16 and ($1,187), respectively.

Price risk

The price of wealth management commodities held by the Group is subject to the uncertainty of the price risk of the investment target's future value, so there exists a price risk exposure.

Cash flow interest rate risk and fair value interest rate risk

A. The Group's interest rate risks come from short- and long-term loans. Loans with floating interest rates expose the Group to cash flow interest rate risks, of which a portion is offset by the cash held with floating interest rates. For the periods between January 1 and March 31, 2024 and 2023, the Group's borrowings at floating interest rate were denominated in NTD.

B. The Group simulates a number of scenarios and analyzes interest rate risk, including consideration of refinancing, extending contracts of existing positions, and other available financings to calculate the impact of changes in specific interest rates on profit or loss.

C. When all other factors remain unchanged, the maximum impact of a 1% change in interest rate on the financial costs of periods between January 1 and March 31, 2024 and 2023, is to increase or decrease of $164,111 and $146,260, respectively. The two payments of $21,726 and $24,856 in the periods between January 1 and March, 2024 and 2023, respectively, were due to the Group's contract of the loan secured by account receivable with the bank. As the interest income generated by the installment sales will be directly deposited by the purchaser into the bank loan account of the Group to repay the interest expenses arising from the above-mentioned factoring contract. Therefore, there was no need for the Group to undertake the risk of interest rate changes arising from this transaction. The simulation is done on a quarterly basis to verify that the maximum loss potential is within the limit given by the management.

(2) Credit risk

A. Credit risk of the Group refers to the risk of financial loss of the Group caused by the client or counterparties of financial instruments fail to fulfill their contractual obligations. The risk is mainly from the counterparty unable to pay off the accounts payable according to the collection conditions.

B. The Group establishes credit risk management from the group perspective. Only banks and financial institutions with an independent credit rating of at least "A" can be accepted for trading by the Group.

C. The Group mainly engages in the lease and sale of public housings, plants as well as the sale of premises. Revenue is recognized when the full contract payments are collected, and the transfer of ownership and the actual delivery of the house are completed. Therefore, the amount of accounts receivable arising from the sale of real estate should be petty proportion, and not much chance of non-recovery. The Company also implements individual management and regular tracking of receivables arising from special trading. In addition, the Group classifies customers' accounts receivable and installment accounts receivable based on customer characteristics, and use the simplified preparation matrix, the company estimates the expected credit loss and adjusts the loss rate established by historical and current information during a specific period to assess the allowance loss of installments receivable.

The Group's assessed credit impairment losses as of March 31, 2024, December 31, 2023, and March 31, 2023, were not significant.

D. No written-off debts with recourse existed as of March 31, 2024, December 31, 2023, and March 31, 2023.

E. The Group does not have any accounts receivable on sale.

(3) Liquidity risk

A. The cash flow forecast is performed by each operating entity of the Group and compiled by the Group's finance department. The Group's finance division monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

B. The Group's non-derivative financial liabilities are analyzed based on the remaining period from the date of balance sheet to the contract expiration date; the derivative financial liabilities are analyzed based on the fair value at the date of balance sheet.

Except for notes payable with undiscounted contract cash flow amount that is approximately equal to their carrying amounts and are due within one year, the amount of undiscounted contractual cash flow of other financial liabilities is as follows:

March 31, 2024

Non-derivative financial liabilities:	Within 1 year	1-3 years	Over 3 years
Short-term loans	$ 2,337,525	$ 9,285,895	$ 1,499,242
Accounts payable	615,292	510,199	293,129
Other payables	2,259,052	12,518	38,565
Lease liabilities	10,159	11,583	5,549
Long-term borrowings (including due within one year or one operating cycle)	1,208,029	540,162	-
Loans secured by accounts receivable	158,145	326,566	2,504,574

December 31, 2023 Non-derivative financial liabilities:	Within 1 year	1-3 years	Over 3 years
Short-term loans	$ 2,027,696	$ 5,384,676	$ 5,334,175
Accounts payable	1,133,159	304,597	235,734
Other payables	219,644	258,745	38,738
Lease liabilities	10,159	13,330	6,342
Long-term borrowings (including due within one year or one operating cycle)	1,201,581	704,791	-
Loans secured by accounts receivable	160,034	338,690	2,604,668

March 31, 2023 Non-derivative financial liabilities:	Within 1 year	1-3 years	Over 3 years
Short-term loans	$ 275,762	$ 8,693,384	$ 273,506
Short-term bills payable	300,000	-	-
Accounts payable	458,679	339,333	355,197
Other payables	314,010	56,016	48,359
Lease liabilities	10,159	18,572	8,720
Long-term borrowings (including due within one year or one operating cycle)	2,342,393	652,694	-
Loans secured by accounts receivable	148,912	347,388	2,990,437

C. The Group did not expect a maturity analysis of which the cash flows timing would be significantly earlier, or the actual amount would be significantly different.

(III) Fair value information

1. The following states the definition of different levels of valuation techniques used to measure the fair value of financial and non-financial instruments:

   Level 1: Level 1 inputs are (unadjusted) quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs for the asset or liability, either directly or indirectly, other than quoted market prices included within Level 1.

Level 3: Unobservable inputs for the asset or liability. The financial products invested by the Group belong to this level.

2. For fair value information of investment property measured at cost, please refer to Note 6 (7) for details.

3. Financial instruments not measured at fair value, including cash and cash equivalents, notes and accounts receivable, other receivables, refundable deposits, restricted bank deposits, short-term loans, short-term bills payable, notes payable, accounts payable, other payables, long-term borrowings, guarantee deposit received, are reasonable approximations of fair values.

4. The Group categorizes financial and non-financial instruments measured at fair value on the basis of the nature, characteristics, and risks of the assets and liabilities. The related information is as follows:

(1) Classified by nature of assets:

	Level 1	Level 2	Level 3	Total
March 31, 2024				
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss	$ -	$ -	$ 22,238	$ 22,238

	Level 1	Level 2	Level 3	Total
December 31, 2023				
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss	$ -	$ -	$ 32,271	$ 32,271

	Level 1	Level 2	Level 3	Total
March 31, 2023				
Assets				
Recurring fair value				
Financial assets measured at fair value through profit or loss	$ -	$ -	$ 294,617	$ 294,617

(2) Methods and assumptions adopted by the Group for measurement of fair value are stated as follows:

The Group has not held any financial assets with quoted market prices and the fair value of the remaining financial instruments is obtained from valuation techniques or reference to quotes from counterparties.

5. For the periods between January 1 and March 31, 2024 and 2023, there were no transfer between Level 1 and Level 2 for the Group.

6. The changes in Level 3 for the periods between January 1 and March 31, 2024 and 2023, were as follows:

	2024	2023
January 1	$ 32,271	$ 143,172
Current acquisition	-	319,519
Disposal in the current period	(10,637)	(168,821)
Currency translation differences	604	747
March 31	$ 22,238	$ 294,617

7. The finance department of the Group is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to confirm the resource of information is independent, reliable and represented as the exercisable price.

XIII. Matters Disclosed in Notes

(I) Related information on significant transactions

1. Financing provided to others: None.

2. Endorsements/guarantees provided to others: None.

3. Marketable securities held at the end of the period (excluding subsidiaries, associates and joint ventures): Please refer to Table 1.

4. Accumulated to buy or sell the same marketable securities amount to NT$300 million or more than 20% of the paid-in capital: None.

5. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more:

Please refer to Table 2.

6. Disposal of real estate properties at prices of at least NT$300 million or 20% of the paid-in capital: Please refer to Table 3.
7. Purchases from and sales to related parties amounted to at least NT$100 million or exceeding 20% of paid-in capital: Please refer to Table 4.
8. Receivables from related parties amounted to at least NT$100 million or exceeding 20% of paid-in capital: Please refer to Table 5.
9. Information on the derivative financial instrument transactions: None.
10. Parent-subsidiary and subsidiary-subsidiary business relations and significant transactions and amounts thereof: Please refer to Table 6.

(II) Related information on investees

Name, location, and information on investee companies (not including investee companies in mainland China): Please refer to Table 7.

(III) Information on investments in mainland China

1. Investee information: Please refer to Table 8.
2. Significant transactions with investee companies in mainland China, either directly or indirectly via a third region: None.

(IV) Information on major shareholders

Name, number of shares and percentage of ownership of shareholders with a shareholder percentage of at least 5%: Please refer to Table 9.

XIV. Information on Operating Segments

(I) General information

The Group operates business only in a single industry. The Group’s operating decision-makers, who allocate resources and assesses the performance of the Group as a whole, has identified that the Group is a single reportable operating segment.

The Group’s company organization, basis of department segmentation and principles for measuring segment information for the period were not significantly changed.

(II) Segment information on profit or loss and assets

The financial information of reportable segments provided to chief operating decision makers is as follows:

	January 1 to March 31, 2024			
	Taiwan	China	Adjustment and elimination	Total
Net external revenue	$ 5,982	$ 1,264	$ -	$ 7,246
Internal segment revenue	581,736	-	(581,736)	-
Segment revenue	$ 587,718	$ 1,264	($ 581,736)	$ 7,246
Segment income or loss	($ 60,025)	($ 2,943)	($ 12,781)	($ 75,749)
Segment assets	$ 43,531,598	$ 136,498	$ -	$ 43,668,096

	January 1 to March 31, 2023			
	Taiwan	China	Adjustment and elimination	Total
Net external revenue	$ 4,655,135	$ 58,464	$ -	$ 4,713,599
Internal segment revenue	423,329	-	(423,329)	-
Segment revenue	$ 5,078,464	$ 58,464	($ 423,329)	$ 4,713,599
Segment income or loss	$ 1,192,978	($ 38,379)	$ 22,951	$ 1,177,550
Segment assets	$ 40,917,535	$ 596,289	$ -	$ 41,513,824

(III) Reconciliation for segment profit or loss and assets

The revenue from external parties, segment income and segment assets reported to the Chief Operating Decision Maker are measured in a manner consistent with the revenue, net profit after taxes, and total assets in the financial statements; therefore, there is no need to adjust.

Huaku Development Co., Ltd.
Marketable Securities Held at the End of the Period (Excluding Subsidiaries, Associates and Joint Ventures)
March 31, 2024

Table 1:

Unit: NT$ thousands
(Unless specified otherwise)

Holder company	Type and name of marketable securities	Relationship with the security issuer (Note 1)	Financial statement account	End of the period				Note
				Shares	Carrying amount (Note 2)	Shareholding percentage	Fair value	
Pin Shing Construction Co., Ltd.	Huaku Development Co., Ltd.	Parent company	Financial asset measured at fair value through profit and loss—current	174,354	$ 1,388	0.06	$ 21,620	Note 3
			Adjustment of valuation		20,232			
					$ 21,620			
Chengdu Wancheng Duobao Real Estate Co., Ltd.	Financial products	None	Financial asset measured at fair value through profit and loss—current	-	$ 13,290	-	$ 13,290	
Chengdu Huaku Real Estate Co., Ltd.	Financial products	None	Financial asset measured at fair value through profit and loss—current	-	8,948	-	8,948	
					$ 22,238		$ 22,238	

Note 1: If the securities issuer is not a related party, the field may be left blank.

Note 2: For securities measured at fair value, the carrying amount is the balance after the adjustment of fair value valuation and the deduction of accumulative impairment. For securities not measured at fair value, the carrying amount is the balance of original acquisition cost or amortized cost less accumulated impairment.

Note 3: Listed as treasury stock.

Huaku Development Co., Ltd.

Acquisition of Real Estate Reaching NT$300 Million or 20% of Paid-in Capital or More

January 1 to March 31, 2024

Table 2:

Unit: NT$ thousands

(Unless specified otherwise)

Real estate acquired by	Name of property	Date of occurrence	Transaction amount	Payment status	Counterparty	Relationship	Information on prior transaction if the counterparty is related: Owner	Relationship with the issuer	Transfer date	Amount	Reference for price determination	Purpose and situation	Other agreement terms
Huaku Development Co., Ltd.	Inventories - land (Jang Dah Beitou Project)	2022.12.26	$ 2,820,000	$ 2,679,000 (Note)	Jang Dah Fiber Industrial Co., Ltd.	None	N/A	N/A	N/A	N/A	Cushman & Wakefield Real Estate Appraisers Firm's appraisal amount for the project is $2,830,579. LinkU Real Estate Appraisers Firm's appraisal amount for the project is $2,845,734.	Construction land	N/A

Note: The Group has contractually paid $705,000 and $1,974,000 in accordance with the agreement in 2022 and 2023, and the remaining $141,000 has been paid on May 2, 2024.

Huaku Development Co., Ltd.
Disposal of Real Estate Properties at Prices of at Least NT$300 Million or 20% of the Paid-in Capital
January 1 to March 31, 2024

Table 3:

Unit: NT$ thousands
(Unless specified otherwise)

Company that disposed real estate	Name of property	Transaction date / Date of occurrence of the event	Original acquisition date	Carrying amount	Transaction amount	Price collection status (collected per contracts)	Gain (Loss) on disposal	Counterparty	Relationship	Purpose of disposal	Reference for price determination	Other agreement terms
Huaku Development Co., Ltd.	Inventory - premises for sale	N/A	Not applicable due to inventory sold	N/A	$ 635,000	$ 190,500 (Note 1)	N/A	CASwell, Inc.	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the real estate is $665,223.	Please refer to Note 6 (4) 5
Huaku Development Co., Ltd.	Inventory - premises under construction	N/A	Not applicable due to inventory sold	N/A	575,700	83,180 (Note 2)	N/A	EverBridge International Co., Ltd.	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the real estate is $582,211	N/A
Huaku Development Co., Ltd.	Inventory - premises under construction	N/A	Not applicable due to inventory sold	N/A	485,000	70,100 (Note 3)	N/A	Mr. A	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the real estate is $4,322,012.	N/A
Huaku Development Co., Ltd.	Inventory - premises under construction	N/A	Not applicable due to inventory sold	N/A	498,000	71,960 (Note 4)	N/A	Mr. B	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the real estate is $4,322,012.	N/A
Huaku Development Co., Ltd.	Inventory - premises under construction	N/A	Not applicable due to inventory sold	N/A	514,000	77,120 (Note 5)	N/A	Dailywell Electronics Co., Ltd.	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the real estate is $519,523.	N/A
Huaku Development Co., Ltd.	Inventory - premises under construction	N/A	Not applicable due to inventory sold	N/A	504,380	75,670	N/A	Goldkey Technology Corporation	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the real estate is $509,792.	N/A

Note 1: The Group has received $190,500 during the year 2023.
Note 2: The Group has received $54,200 during the year 2023 and $28,980 during the current period.
Note 3: The Group has received $67,400 during the year 2023 and $2,700 during the current period.
Note 4: The Group has received $69,190 during the year 2023 and $2,770 during the current period.
Note 5: The Group has received $56,090 during the year 2023 and $21,030 during the current period.

Huaku Development Co., Ltd.
Purchases from and Sales to Related Parties Amounted to at Least NT$100 Million or Exceeding 20% of Paid-in Capital
January 1 to March 31, 2024

Table 4:

Unit: NT$ thousands
(Unless specified otherwise)

Supplier (Buyer)	Counterparty	Relationship	Transaction details: Purchase (Sale)	Transaction details: Amount	Transaction details: Ratio to the total purchase (sale) amount	Transaction details: Payment term	Reasons for and status of differences in transaction terms compared to arms-length transaction: Unit price	Reasons for and status of differences in transaction terms compared to arms-length transaction: Payment term	Notes and accounts receivable (payable): Balance	Notes and accounts receivable (payable): Ratio to the total notes/accounts receivable (payable)	Note
Huaku Development Co., Ltd.	Pin Shing Construction Co., Ltd.	Subsidiary	Purchase	$ 800,124	71	Within 120 days	Contract-based pricing	One month or 45 days for general suppliers	($1,026,518)	66	
Pin Shing Construction Co., Ltd.	Huaku Development Co., Ltd.	Parent company	Sales	(800,124)	100	Within 120 days	Contract-based pricing	Monthly settlement within 30 days for general customers	1,026,518	100	

Huaku Development Co., Ltd.
Receivables from Related Parties Amounted to at Least NT$100 Million or Exceeding 20% of Paid-in Capital
January 1 to March 31, 2024

Table 5:

Unit: NT$ thousands
(Unless specified otherwise)

Company name	Counterparty	Relationship	Balance of accounts receivable from the related party	Turnover rate	Overdue		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Pin Shing Construction Co., Ltd.	Huaku Development Co., Ltd.	Parent company	$ 1,026,518	Note	$ -	-	$ 368,630	$ -

Note: This column is not applicable to the construction engineering industry.

Huaku Development Co., Ltd.
Parent-Subsidiary and Subsidiary-Subsidiary Business Relations and Significant Transactions and Amounts Thereof
January 1 to March 31, 2024

Table 6:

Unit: NT$ thousands
(Unless specified otherwise)

Number (Note)	Company name	Counterparty	Relationship with the counterparty	Transaction details: Account	Transaction details: Amount	Transaction details: Terms	Transaction details: Ratio to the consolidated revenue or total assets
0	Huaku Development Co., Ltd.	Pin Shing Construction Co., Ltd.	Parent company to subsidiary	Purchase	$ 800,124	Contract-based pricing within 120 days	11042
0	Huaku Development Co., Ltd.	Pin Shing Construction Co., Ltd.	Parent company to subsidiary	Accounts payable	1,026,518	Contract-based pricing within 120 days	2
1	Pin Shing Construction Co., Ltd.	Huaku Development Co., Ltd.	Subsidiary to parent company	Sales	800,124	Contract-based pricing within 120 days	11042
1	Pin Shing Construction Co., Ltd.	Huaku Development Co., Ltd.	Subsidiary to parent company	Accounts receivable	1,026,518	Contract-based pricing within 120 days	2

Note: Information on business transactions between the parent company and its subsidiaries should be indicated in the numbered columns, and the numbers should be filled out as follows:

(1) Enter 0 for the parent company.

(2) Subsidiaries are numbered in order of company type starting with the arabic number 1.

Huaku Development Co., Ltd.

Name, Location, and Information on Investee Companies (Not Including Investee Companies in Mainland China)

January 1 to March 31, 2024

Table 7:

Unit: NT$ thousands

(Unless specified otherwise)

Investor company	Name of investee	Place of registration	Main businesses	Initial investment amount		Shares held as at the end of the period			Current profit or loss of the investee company	Investment gain (loss) recognized in the current period	Note
				End of the current period	End of the previous period	Shares	Ratio	Carrying amount			
Huaku Development Co., Ltd.	Pin Shing Construction Co., Ltd.	Taiwan	Contracting civil engineering and hydraulic engineering projects	$ 264,184	$ 264,184	35,000,000	100	$ 436,254	$ 15,136	($ 15,511)	Subsidiary
Huaku Development Co., Ltd.	Taiwan Digit Automated Control Co., Ltd.	Taiwan	Engineering monitoring	8,000	8,000	800,000	40	33,792	4,870	1,774	An investee accounted for using the equity method
Huaku Development Co., Ltd.	Huapu Construction Co., Ltd.	Taiwan	Leasing, sales and development of residential and commercial buildings	5,000	5,000	500,000	50	5,414	35	15	An investee accounted for using the equity method
Pin Shing Construction Co., Ltd.	Full Come Foundation Engineering Co., Ltd.	Taiwan	Professional construction industry of foundation engineering	25,925	16,000	2,245,069	38.05	30,579	4,446	1,967	An investee company of subsidiary accounted for using equity method

Huaku Development Co., Ltd.
Information on Investments in Mainland China - Basic Information
January 1 to March 31, 2024

Table 8:

Unit: NT$ thousands
(Unless specified otherwise)

Investee in mainland China	Main businesses	Paid-up capital	Investment method	Accumulated investment amount of remittance from Taiwan—beginning of the current period	Exported or recovered investment amount of the current period		Accumulated investment amount of remittance from Taiwan—end of the current period	Current profit or loss of the investee company	Shareholding percentage from direct or indirect investment	Investment profit or loss recognized in the current period (Note 2)	Book value of investment at the end of the current period	Accumulated repatriation of investment income as of the end of the period	Note
					Remitted	Recovered							
Chengdu Huaku Real Estate Co., Ltd.	Property development	$ 22,040	Note 1	$ 46,638	$ -	$ -	$ 46,638	($ 3,127)	80	($ 2,501)	$ 23,270	$ 73,410	Note 3
Chengdu Wancheng Duobao Real Estate Co., Ltd.	Property development	2,204	Note 1	-	-	-	-	182	80	145	42,636	340,437	Note 4

Company name	Accumulated remitted investment amount from Taiwan to mainland China—end of the current period	Investment amounts authorized by Investment Commission, MOEA	Ceiling on investment in mainland China imposed by the Investment Commission, MOEA
Huaku Development Co., Ltd.	$ 46,638	$ 1,506,939	$11,186,595

Note 1: Direct investment in a company in mainland China.

Note 2: Based on the valuation and disclosure of the Company's financial statements audited by a CPA in the same period.

Note 3: On April 20, 2018, with the approval of the Chengdu Investment Promotion Commission, the company reduced its capital by RMB 35 million. In March 2019, all the company's holdings of RMB 28 million had been fully remitted back.
In addition, on April 23, 2019, with the approval of the Chengdu Investment Promotion Commission, the company reduced its capital by RMB 20 million. In August 2019, all the company's holdings of RMB 16 million had been fully remitted back.
In addition, on April 26, 2022, with the approval of the Administration for Market Regulation of Chengdu, the company reduced its capital by RMB 20 million. In June 2022, all the company's holdings of RMB 16 million had been fully remitted back.
In addition, on May 19, 2023, with the approval of the Administration for Market Regulation of Chengdu, the company reduced its capital by RMB 60 million. In June 2023, all the company's holdings of RMB 48 million had been fully remitted back.
In addition, on October 24, 2023, with the approval of the Administration for Market Regulation of Chengdu, the company reduced its capital by RMB 10 million. In November 2023, all the company's holdings of RMB 8 million had been fully remitted back.

Note 4: On August 29, 2014, the company was approved by the Chengdu Investment Promotion Committee to reduce the capital by RMB 115 million. In October 2017, all the company's holdings of RMB 92 million had been fully remitted back.
In addition, on April 20, 2018, with the approval of the Chengdu Investment Promotion Commission, the company reduced its capital by RMB 110 million. In February 2019, all the company's holdings of RMB 88 million had been fully remitted back.
In addition, on April 29, 2022, with the approval of the Administration for Market Regulation of Chengdu, the company reduced its capital by RMB 4.5 million. In May 2022, all the company's holdings of RMB 3.6 million had been fully remitted back.

Huaku Development Co., Ltd.

Information on Major Shareholders

March 31, 2024

Table 9:

Shareholder's name	Shares (Note) Number of shares	Shareholding percentage
Zhongshan Investment Co., Ltd.	19,700,000	7.11%
Newland Investment Co., Ltd.	14,690,982	5.30%

Note: The above information is provided by Taiwan Depository & Clearing Corporation (TDCC).