Huaku Development Co., Ltd.

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

For the years ended December 31, 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.)

Tel: (02)2758-2828

Huaku Development Co., Ltd.

Parent Company Only Financial Statements and Independent Auditors' Report December 31, 2024 and 2023

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Independent Auditors' Report

(2025) Financial Review Report No. 24003940

To Huaku Development Co., Ltd.,

Audit Opinions

The auditors have audited the Parent Company Only Balance Sheet of Huaku Development Co., Ltd. as of December 31, 2024 and 2023, the Parent Company Only Statement of Comprehensive Income, Parent Company Only Statement of Changes in Equity, Parent Company Only Statement of Cash Flows, and Notes to the Parent Company Only Financial Statements (including Summary of Significant Accounting Policies) for the period from January 1 to December 31, 2024 and 2023.

In our opinion, the aforementioned Parent Company Only Financial Statements are prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and are sufficient to present fairly the financial position of Huaku Development Co., Ltd. as of December 31, 2024 and 2023, and its financial performance and cash flows for the periods from January 1 to December 31, 2024 and 2023.

Basis of audit opinions

We have conducted the audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the TWSA. Our responsibilities under those standards are further described in the section of Responsibility of Certified Public Accountants for Auditing the Parent Company Only Financial Statements. We are independent from Huaku Development Co., Ltd. in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities in accordance with the requirements stated in The Norm. The accountant believes that sufficient and appropriate audit evidence has been obtained as a basis for expressing the audit opinion.

Key Audit Matters

The key audit matters are those that we consider the most important according to our professional judgment when auditing the Parent Company Only Financial Statements of Huaku Development Co., Ltd. for the fiscal year 113. The said matters have been expressed when the financial statements were audited as a whole and when the audit opinions took form. We do not express a separate opinion on the said matters.

Key audit matters of the Parent Company Only Financial Statements of Huaku Development Co., Ltd. for the fiscal year 2024 are as follows:

Occurrence of Real Estate Sales Revenue

Description of matters

Please refer to Note 4 (26) of the Notes to the Parent Company Only Financial Statements for the accounting policies of the construction industry on operating revenue and Note 6 (18) for descriptions of accounting items.

The sales revenue of the construction industry is recognized when the real estate completes the transfer of ownership and the actual delivery of the housing. The recognition of revenue is material to the overall financial statements for the year. Therefore, the accountant has identified the occurrence of real estate sales revenue as a key audit matter.

Corresponding Audit Procedures

The corresponding audit procedures we took for the specific aspects described in the aforementioned audit matters are as follows:

- Understand and review the procedures for the recognition of building and land sales revenue and ensure its consistent application across the comparative periods in the financial statements.
- For the real estate sales revenue recognized during the year, a sample selection is performed to verify the corresponding property ownership transfer and actual handover documentation to ensure the appropriateness of the recorded real estate sales revenue.

Responsibility of the Management and the Governance Body for the Parent Company Only Financial Statements

The responsibility of the management was to act in conformity with Regulations Governing the Preparation of Financial Reports by Securities Issuers to fairly represent the Company’s financial status and also to maintain necessary internal control with regard to the compilation of the parent company only financial statements, so as to ensure such financial statements did not contain any material misstatement due to fraud or errors.

When the Parent Company Only Financial Statements were in the process of preparation, the responsibility of the management also included the assessment of the going concern capacity of Huaku Development Co., Ltd., disclosure of related matters, and the adoption of going concern basis of accounting, unless the management intended to liquidate or suspend the operation of Huaku Development Co., Ltd., or if there was no other option except for liquidation or suspension of the Company’s operation.

The governance bodies of Huaku Development Co., Ltd. (including the Audit Committee) bear the responsibility to oversee the financial reporting process.

Responsibility of Certified Public Accountants for Auditing Parent Company Only Financial Statements

Our objective when auditing the Parent Company Only Financial Statements was to obtain reasonable assurance whether they contained any material misstatement due to fraud or errors and issue the auditors' report. Reasonable assurance refers to high level of assurance. However, auditing work carried out in accordance with the Statements of Auditing Standards does not necessarily guarantee the detection of material misstatement in the Parent Company Only Financial Statements. Misstatements may be caused by fraud or errors. If the individual amounts or sums that the misstatement involved may be reasonably expected to affect the financial decision making of users of the Parent Company Only Financial Statements, such misstatement is considered material.

We conducted the auditing according to the Statements of Auditing Standards, and exercised our professional judgment and remained professionally skeptical. We have also executed the following tasks:

1. Identified and evaluated the risk of material misstatements due to fraud or errors in the Parent Company Only Financial Statements; designed and carried out appropriate countermeasures for the evaluated risk; and obtained sufficient and appropriate evidence as the basis for the audit opinions. As fraud may involve conspiracy, forgery, intentional omissions, false statements or transgressions of internal control, the risk of failing to detect material misstatements resulting from fraud is higher than the risk of failing to identify those resulting from errors.
2. Achieved the necessary understanding of the internal control relevant to the audit in order to design the auditing procedures appropriate for the given context. Nevertheless, the purpose of this is not to express an opinion on the effectiveness of Huaku Development Co., Ltd.'s internal control.
3. Evaluated the appropriateness of the accounting policies adopted by the management and the reasonableness of its accounting estimates and relevant disclosures.
4. Formed a conclusion pertaining to the appropriateness of the accounting basis of going concern adopted by the management of Huaku Development Co., Ltd. and determined whether material uncertainty exists or not on events or conditions which may significantly impact the going concern of Huaku Development Co., Ltd. based on the audit evidence obtained. If we thought such material uncertainty existed for such events or conditions, we must point it out in the auditors' report to remind users of the Parent Company Only Financial Statements to look out for related disclosures in the Parent Company Only Financial Statements, or to revise our audit opinions when such disclosures were inappropriate. Our conclusion was established according to the audit evidence obtained by the date of the auditors' report. However, future events or conditions may cause Huaku Development Co., Ltd. to lose the ability to continue operations.

5. Evaluated the overall presentation, structure and contents of the Parent Company Only Financial Statements (including relevant Notes), and whether the Parent Company Only Financial Statements fairly present relevant transactions and events.

6. Obtained sufficient and appropriate audit evidence of the financial information of Huaku Development Co., Ltd.'s constituents so as to express opinions on the Parent Company Only Financial Statements. We were responsible for guiding, supervising and executing the audit work for the Company and also establishing the auditor's opinion on the Parent Company Only Financial Statements.

We communicated with the governance body on the planned audit scope and time, as well as material audit discoveries (including significant internal control deficiencies found in the audit process).

We provided the governance body with a statement assuring the personnel of our accounting firm who are subject to independent regulations had acted according to the Norm of Professional Ethics for Certified Public Accountant of the Republic of China to remain neutral and also communicate with them about all relations and other matters (including related preventive measures) that could affect the independence of Certified Public Accountants.

Based on the result of our discussion with the governance units, we decided on the matters to be regarded as key audit matters when auditing the 113 parent company only financial statements of Huaku Development Co., Ltd. We have clearly described the said matters in the auditors' report, except certain matters whose public disclosure is prohibited by law, or certain matters we decided not to communicate under extremely rare circumstances because disclosure of such matters can be reasonably expected to lead to negative effects that would be greater than the public interest they might bring.

PwC Taiwan

Hsiao Chun-Yuan

CPA

Lin Se-Kai

Former Securities and Futures Bureau, FSC
Approved Document, Reference No.: FSC Sixth No. 0960042326
FSC Sixth No. 0960072936

February 26, 2025

Huaku Development Co., Ltd.
Parent company only balance sheet
December 31, 2024 and 2023

Unit: NT$ thousands

	Assets	Notes	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets					
1100	Cash and cash equivalents	6 (1)	$ 3,361,727	6	$ 1,397,399	3
1136	Current financial assets measured at amortized cost		2,000,000	4	—	—
1150	Notes receivable, net	6 (2)	109,193	—	55,850	—
1170	Accounts receivable, net	6 (2)(12), 7 and 8	111,253	—	117,718	—
1200	Other receivables	6 (12) and 8	12,467	—	10,968	—
130X	Inventories	6 (3)(4) and 8	43,528,506	77	36,239,549	83
1410	Prepayments		41,033	—	23,716	—
1478	Construction refundable deposits		339,870	1	326,279	1
1479	Other current assets - others	6 (5) and 8	3,309,338	6	1,952,779	5
11XX	**Total current assets**		52,813,387	94	40,124,258	92
	Non-current assets					
1550	Investment accounted for using the equity method	6 (6)	842,642	1	588,078	1
1600	Property, plant, and equipment		276,761	1	198,654	1
1755	Right-of-use assets		37,334	—	23,602	—
1760	Investment properties, net	6 (7) and 8	239,517	1	243,617	1
1840	Deferred income tax assets	6 (25)	19,737	—	19,045	—
1920	Refundable deposits		68,047	—	172,917	—
1930	Long-term notes receivable and receivables	6 (2) (12) and 8	1,898,065	3	2,151,309	5
1990	Other non-current assets - others		6,699	—	5,517	—
15XX	**Total non-current assets**		3,388,802	6	3,402,739	8
1XXX	**Total assets**		$ 56,202,189	100	$ 43,526,997	100

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Huaku Development Co., Ltd.
Parent company only balance sheet
December 31, 2024 and 2023

Unit: NT$ thousands

	Liabilities and equity	Notes	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities					
2100	Short-term loans	6 (8)	$ 16,778,327	30	$ 12,112,470	28
2110	Short-term bills payable	6 (9)	349,706	1	—	—
2130	Contract liabilities - current	6 (18)	6,011,865	10	3,725,080	8
2150	Notes payable		5,399	—	13,955	—
2170	Accounts payable		326,614	1	583,247	1
2180	Accounts payable - related parties	7	1,345,509	2	1,166,349	3
2200	Other payables		326,775	1	482,992	1
2230	Current income tax liabilities		345,883	1	311,095	1
2280	Lease liabilities - current		16,952	—	7,265	—
2320	Long-term liabilities due within one year or one operating cycle	6 (12)	1,318,265	2	1,292,600	3
2399	Other current liabilities - others	6 (10)	97,934	—	135,305	—
21XX	**Total current liabilities**		26,923,229	48	19,830,358	45
	Non-current liabilities					
2500	Financial liabilities measured at fair value through profit or loss		60,600	—	—	—
2530	Bonds payable	6 (11)	5,386,521	10	—	—
2540	Long-term loans	6 (12)	2,898,065	5	2,838,936	7
2570	Deferred income tax liabilities	6 (25)	9,420	—	3,512	—
2580	Lease liabilities - non-current		24,050	—	16,590	—
2640	Net defined benefit liabilities - non-current	6 (13)	45,551	—	33,226	—
2645	Guarantee deposits received		11,181	—	27,626	—
25XX	**Total non-current liabilities**		8,435,388	15	2,919,890	7
2XXX	**Total liabilities**		35,358,617	63	22,750,248	52
	Equity					
	Share capital	6 (14)				
3110	Share capital from common stock		3,044,940	6	2,768,127	7
	Additional paid-in capital	6 (11)(15)				
3200	Additional paid-in capital		818,985	1	80,727	—
	Retained earnings	6 (16)				
3310	Legal reserves		4,655,875	8	4,297,756	10
3350	Undistributed earnings		12,288,638	22	13,619,049	31
	Other equity	6 (17)				
3400	Other equity		35,984	—	11,940	—
3500	Treasury stocks	6 (14)	(850)	—	(850)	—
3XXX	**Total equity**		20,843,572	37	20,776,749	48
	Material commitments and contingencies	9				
3X2X	**Total liabilities and equity**		$ 56,202,189	100	$ 43,526,997	100

The Notes to the Parent Company Only Financial Statements are part of the Parent Company Only Financial Statements and should be read together.

Chairman: Frank Chung　　General Manager: Jason Hung　　Accounting Supervisor: Susan Liu

Huaku Development Co., Ltd.
Parent company only statement of comprehensive income
January 1 to December 31, 2024 and 2023

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

	Item	Notes	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	6 (18) and 7	$ 7,208,801	100	$ 15,661,476	100
5000	Operating costs	6 (19) (20) and 7	(4,678,135)	(65)	(10,585,925)	(67)
5950	Gross profit		2,530,666	35	5,075,551	33
	Operating expenses	6 (19) (20) and 7				
6100	Marketing expenses		(202,158)	(3)	(256,583)	(2)
6200	Administrative expenses		(376,437)	(5)	(501,607)	(3)
6000	Total operating expenses		(578,595)	(8)	(758,190)	(5)
6900	Operating profit		1,952,071	27	4,317,361	28
	Non-operating income and expenses					
7100	Interest income	6 (21)	92,815	1	82,959	1
7010	Other income	6 (22) and 7	14,820	—	17,732	—
7020	Other gains and losses	6 (23)	(48,205)	(1)	(9,495)	—
7050	Financial cost	6 (24)	(148,193)	(2)	(138,626)	(1)
7070	Shares of profit (loss) of subsidiaries, associates, and joint ventures accounted for using the equity method	6 (6)	(37,795)	(1)	39,889	—
7000	Total non-operating income and expenses		(126,558)	(3)	(7,541)	—
7900	**Pre-tax profit**		1,825,513	24	4,309,820	28
7950	Income tax expense	6 (25)	(433,242)	(6)	(728,037)	(5)
8200	**Net income**		$ 1,392,271	18	$ 3,581,783	23
	Other comprehensive income (net)					
	Items not to be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6 (13)	$ (11,810)	—	$ (630)	—
8330	Shares of profit (loss) of subsidiaries, associates, and joint ventures accounted for using the equity method - items not to be reclassified to profit or loss		(2,206)	—	(88)	—
8349	Income tax related to items not to be reclassified	6 (25)	2,362	—	126	—
8310	**Total amount of items not to be reclassified to profit or loss**		(11,654)	—	(592)	—
	Items that may be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statements	6 (17)	30,055	—	338	—
8399	Income tax related to items that may be reclassified	6 (17)(25)	(6,011)	—	(68)	—
8360	Total amount of items that may be reclassified to profit of loss		24,044	—	270	—
8300	**Other comprehensive income (net)**		$ 12,390	—	$ (322)	—
8500	**Total comprehensive income**		$ 1,404,661	18	$ 3,581,461	23
	Basic earnings per share	6 (26)				
9750	Total basic earnings per share		$ 4.58		$ 11.77	
	Diluted earnings per share	6 (26)				
9850	Total diluted earnings per share		$ 4.56		$ 11.71	

The Notes to the Parent Company Only Financial Statements are part of the Parent Company Only Financial Statements and should be read together.

Chairman: Frank Chung General Manager: Jason Hung Accounting Supervisor: Susan Liu

Huaku Development Co., Ltd.
Parent company only statement of changes in equity
January 1 to December 31, 2024 and 2023

Unit: NT$ thousands

			Additional paid-in capital				Retained earnings				
	Notes	Share capital from common stock	Premium of convertible corporate bonds	Stock Warrants	Treasury Stock Transactions	Others	Legal reserves	Undistributed earnings	Exchange differences on translation of foreign financial statements	Treasury stocks	Total equity
2023											
Balance as of January 1		$ 2,768,127	$ 46,100	$ —	$ 31,252	$ 1,634	$ 4,001,673	$ 12,410,036	$ 11,670	$ (850)	$ 19,269,642
Net income		—	—	—	—	—	—	3,581,783	—	—	3,581,783
Other comprehensive income	6 (17)	—	—	—	—	—	—	(592)	270	—	(322)
Total comprehensive income		—	—	—	—	—	—	3,581,191	270	—	3,581,461
Appropriation and distribution of retained earnings	6 (16)										
Legal reserves		—	—	—	—	—	296,083	(296,083)	—	—	—
Cash dividends		—	—	—	—	—	—	(2,076,095)	—	—	(2,076,095)
Cash dividends received by subsidiaries from the Company		—	—	—	1,307	—	—	—	—	—	1,307
Adjustments for changes in capital surplus of investee companies in proportion to the Company's shareholding in the investee companies		—	—	—	—	434	—	—	—	—	434
Balance as of December 31		$ 2,768,127	$ 46,100	$ —	$ 32,559	$ 2,068	$ 4,297,756	$ 13,619,049	$ 11,940	$ (850)	$ 20,776,749
2024											
Balance as of January 1		$ 2,768,127	$ 46,100	$ —	$ 32,559	$ 2,068	$ 4,297,756	$ 13,619,049	$ 11,940	$ (850)	$ 20,776,749
Net income		—	—	—	—	—	—	1,392,271	—	—	1,392,271
Other comprehensive income	6 (17)	—	—	—	—	—	—	(11,654)	24,044	—	12,390
Total comprehensive income		—	—	—	—	—	—	1,380,617	24,044	—	1,404,661
Appropriation and distribution of retained earnings	6 (16)										
Legal reserves		—	—	—	—	—	358,119	(358,119)	—	—	—
Cash dividends		—	—	—	—	—	—	(2,076,096)	—	—	(2,076,096)
Stock Dividends		276,813	—	—	—	—	—	(276,813)	—	—	—
Cash dividends received by subsidiaries from the Company		—	—	—	1,308	—	—	—	—	—	1,308
Recognition of equity components arising from the issuance of convertible bonds—stock warrants	6 (11)	—	—	737,089	—	—	—	—	—	—	737,089
Recognition of Changes in Ownership of Subsidiaries		—	—	—	—	(139)	—	—	—	—	(139)
Balance as of December 31		$ 3,044,940	$ 46,100	$ 737,089	$ 33,867	$ 1,929	$ 4,655,875	$ 12,288,638	$ 35,984	$ (850)	$ 20,843,572

The Notes to the Parent Company Only Financial Statements are part of the Parent Company Only Financial Statements and should be read together.

Chairman: Frank Chung　　General Manager: Jason Hung　　Accounting Supervisor: Susan Liu

Huaku Development Co., Ltd.
Parent company only statement of cash flows
January 1 to December 31, 2024 and 2023

Unit: NT$ thousands

	Notes	2024	2023
Cash flow from operating activities			
Current net profit before tax		$ 1,825,513	$ 4,309,820
Adjusted items			
Income and expense items			
Shares of profit (loss) of subsidiaries and associates accounted for		37,795	(39,889)
Amortization	6 (19)	2,109	2,254
Depreciation expenses	6 (19)	22,622	19,760
Interest expense	6 (24)	148,193	138,626
Interest income	6 (21)	(92,815)	(82,959)
Losses on financial liabilities measured at fair value through profit	6 (23)	20,200	—
Loss on disposal of investments	6 (23)	27,736	—
Changes in assets and liabilities relating to operating activities			
Net change in assets relating to operating activities			
Notes and accounts receivable, net		(53,953)	(21,397)
Other receivables		(1,499)	248,993
Inventories		(6,979,299)	(2,611,782)
Prepayments		(17,317)	(15,573)
Restricted deposits		(962,064)	(460,681)
Other current assets - other		(396,593)	115,580
Long-term installment accounts receivable		260,319	358,308
Net change in liabilities relating to operating activities			
Notes payable		(8,556)	12,923
Accounts payable		(256,633)	342,016
Accounts payable - related parties		179,160	355,197
Other payables		(156,218)	29,905
Advance receipt		15,097	11,339
Accrued pension liabilities		516	580
Other current liabilities - others		(52,468)	(79,175)
Contract liabilities		2,286,785	(921,960)
Realized amount of unrealized revenue for the period		—	(4,596)
Cash inflow generated from operations		(4,151,370)	1,707,289
Cash dividends received		39,946	66,158
Interest received	6 (21)	92,815	82,959
Interest paid		(425,857)	(328,777)
Income tax paid		(391,308)	(831,152)
Net cash (outflow) inflow from operating activities		(4,835,774)	696,477
Cash flow from investment activities			
Acquisition of financial assets measured at amortized cost		(2,000,000)	—
Distribution of employee compensation to subsidiaries		(4,500)	(24,985)
Acquisition cost of investments accounted for using the equity method		(350,000)	—
Proceeds from the disposal of investments		17,888	—
Purchase of property, plant and equipment		(85,951)	(1,163)
Increase in construction security deposit		(13,590)	(98,542)
Increase in refundable deposits		104,870	(1,538)
Decrease in other non-current assets		(1,183)	990
Net cash outflow from investing activities		(2,332,466)	(125,238)
Cash flow from financing activities			
Borrowing of short-term loans	6 (27)	18,685,857	14,092,580
Short-term loans repaid	6 (27)	(14,020,000)	(10,732,000)
Increase in short-term bills payable	6 (27)	1,250,000	1,850,000
Decrease in short-term bills payable	6 (27)	(900,000)	(2,150,000)
Issuance of Corporate Bonds	6 (27)	6,131,722	—
Long-term loans borrowed	6 (27)	1,538,402	1,107,063
Long-term loans repaid	6 (27)	(1,453,608)	(2,827,739)
Increase in guarantee deposits received	6 (27)	16,315	42,615
Decrease in guarantee deposits received	6 (27)	(32,760)	(45,644)
Lease principal repayment	6 (27)	(7,265)	(7,226)
Cash dividends paid	6 (16)(27)	(2,076,095)	(2,076,095)
Net cash inflow (outflow) from financing activities		9,132,568	(746,446)
Increase (decrease) in cash and cash equivalents for the period		1,964,328	(175,207)
Cash and cash equivalents at the beginning of the year		1,397,399	1,572,606
Cash and cash equivalents at the end of the year		$ 3,361,727	$ 1,397,399

The Notes to the Parent Company Only Financial Statements are part of the Parent Company Only Financial Statements and should be read together.

Chairman: Frank Chung General Manager: Jason Hung Accounting Supervisor: Susan Liu

Huaku Development Co., Ltd.
Notes to the Parent Company Only Financial Statements
For the years ended December 31, 2024 and 2023

Unit: NT$ thousands
(Unless specified otherwise)

I. Company history

Huaku Development Co., Ltd. ("the Company") was established in April 1989. The Company's main business is to commission manufacturers to build residential and commercial buildings for lease and sale, as well as to build factories and warehouses for general industrial use. The common stocks of the Company have been listed on the Taiwan Stock Exchange since August 26, 2002.

II. Approval date and procedure of financial statements

The Parent Company Only Financial Statements were approved and issued on February 26, 2025 by the Board of Directors.

III. Application of new and amended standards and interpretations

(I) Effects of the adoption of new and amended International Financial Reporting Standards (IFRSs) endorsed by the Financial Supervisory Commission ("FSC"):

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

New/amended/revised standards and interpretations	Effective date of international accounting standards board issuance
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024
Amendments to IAS 1 "Classification of Liabilities as 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 Company assessed the effects of adopting the aforementioned standards and interpretations, and has found no material impact on the Company'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

1. The following table summarizes the new, amended, and revised standards and interpretations of IFRSs endorsed by the FSC that are applicable in 2025:

New/amended/revised standards and interpretations	Effective date of international accounting standards board issuance
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025

2. The Company assessed the effects of adopting the aforementioned standards and interpretations, and has found no material impact on the Company’s financial position and financial performance.

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

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

New/amended/revised standards and interpretations	Effective date of international accounting standards board issuance
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 Involving Natural Power.”	January 1, 2026
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 To be determined
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 — Comparative Information”	January 1, 2023
IFRS 18: “Presentation and Disclosure of Financial Statements.”	January 1, 2027
International Financial Reporting Standard No. 19 “Disclosure of Subsidiaries with No Public Accountability”	January 1, 2027
Annual Improvements to International Financial Reporting Standards – Volume 11.	January 1, 2026

Except for the matters described below, the Company assessed the effects of adopting the aforementioned standards and interpretations, and has found no material impact on the Company’s financial position and financial performance:

IFRS 18: “Presentation and Disclosure of Financial Statements.”

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

IV. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of the Parent Company Only Financial Statements are set out below. These policies have been consistently applied to all the reporting periods presented, unless otherwise stated.

(I) Statement of Compliance

The Parent Company Only Financial Statements have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(II) Preparation Basis

1. The Parent Company Only Financial Statements have been prepared on a historical cost basis, except for the following significant items:

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

   (2) Defined benefit liability is recognized as the net of pension fund assets less the present value of the defined benefit obligation.

2. Critical accounting estimates are required in preparing a set of financial statements in compliance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, and SIC Interpretations (collectively referred to as "IFRSs") endorsed by the FSC. When the Company adopts the accounting policies, the management is required to exercise judgments on highly judgmental or complex items or significant assumptions and estimates with regards to this parent company only financial report. Please refer to Note 5 for details.

(III) Foreign Currency Translation

All items on the Parent Company Only Financial Statements are measured at the currency of the principal economic environment in which the entity operates (i.e., functional currency). The parent company only financial statements are presented in NTD, which is the Company's functional presentation currency.

1. Foreign currency transaction and balance

   (1) Foreign currency transaction is translated to the functional currency by using the spot exchange rate on the trade date or measurement date. Any resulting translation differences are recognized in the current profit or loss.

(2) Balances of monetary assets and liabilities denominated in foreign currencies are adjusted at the spot exchange rates prevailing at the balance sheet date. Any resulting translation differences arising from such adjustments are recognized in the current profit or loss.

(3) For non-monetary assets and liabilities denominated in foreign currency, if they are measured at FVTPL, they are adjusted using the spot exchange rate prevailing at the balance sheet date and any exchange differences arising therefrom are recognized in profit or loss; if they are measured at FVOCI, they are adjusted using the spot exchange rate prevailing at the balance sheet date and any exchange differences arising therefrom are recognized in other comprehensive income; if they are not measured at fair value, they are measured at the historical exchange rates on initial transaction dates.

(4) All other foreign exchange gains and losses are presented in the statement of comprehensive income within "other gains and losses."

2. Translation from foreign operations

(1) The operating results and financial position of the Company, subsidiaries, and associates that have a functional currency different from the presentation currency are translated into the presentation currency by applying the following approaches:

A. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate on the balance sheet date;

B. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

C. All resulting exchange differences are recognized in other comprehensive income.

(2) When a foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest of the foreign operation. However, if the Company still retains partial interests in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in these foreign operations.

(IV) Classification Criteria of Current and Non-current Assets and Liabilities

The Company engages in the contract construction of buildings or plants sales business. The operating cycle is usually longer than one year. The classification criteria for current or non-current of assets and liabilities is based on the operating cycle. The classification criteria for current or non-current of other items are as follows:

1. Assets that meet one of the following criteria are classified as current assets:

   (1) Assets that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle.

   (2) Liabilities held primarily for trading purposes.

   (3) Assets that are expected to be realized within 12 months after the balance sheet date.

   (4) Cash, excluding those that are restricted, or to be exchanged or used to settle liabilities at least 12 months after the balance sheet date.

   The Company classifies all assets not meeting the aforesaid criteria as non-current assets.

2. Liabilities that meet one of the following criteria are classified as current liabilities:

   (1) Liabilities that are expected to be settled within the normal operating cycle.

   (2) Liabilities held primarily for trading purposes.

   (3) Liabilities that are expected to be settled within 12 months after the balance sheet date.

   (4) Liabilities for which the repayment date cannot be extended unconditionally to more than 12 months after the balance sheet date. The terms of the liabilities, which may be settled by issuing equity instruments at the option of the counterparty, do not affect their classification.

   The Company classifies all liabilities not meeting the aforesaid criteria as non-current liabilities.

(V) Cash Equivalents

Cash equivalents refer to investments that are short-term, highly liquid, subject to a low risk of changes in value, and readily convertible to a known amount of cash. Time deposits satisfying the aforementioned definition and for which the objective of holding is to meet the short-term operating cash commitment are classified as the cash equivalent.

(VI) Financial assets measured at amortized cost

1. Refers to those that simultaneously meet the following conditions:

   (1) The financial asset is held within a business model whose objective is to collect contractual cash flows.

   (2) The contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the outstanding principal amount.

2. The Group holds time deposits that do not qualify as cash equivalents. Due to the short holding period and the insignificant impact of discounting, these deposits are measured at the investment amount.

(VII) Accounts receivables and notes receivables

1. Refers to accounts and notes receivable for which the right to receive the amount of consideration is unconditional, as stipulated in the contract, upon the transfer of goods or services.

2. At initial recognition, the Company measures the financial assets at fair value. Interest income is subsequently recognized on an amortized basis over the period of liquidity using the effective interest method. A gain or loss is recognized in profit or loss.

(VIII) Impairment of Financial Assets

On each balance sheet date, the Company evaluates all financial assets measured at amortized cost and financial assets including significant financial components of receivables or loan commitments and financial guarantee contracts. After considering all relevant and supportable information (including forward-looking information), for financial assets where credit risk has not significantly increased since initial recognition, the company measures the allowance for expected credit losses at an amount equal to 12-month expected credit losses; For financial assets where credit risk has significantly increased since initial recognition, the company measures the allowance for expected credit losses at an amount equal to lifetime expected credit losses; For accounts receivable or contract assets not including significant financial components, the allowance for expected credit losses is measured at an amount equal to lifetime expected credit losses.

(IX) Derecognition of financial assets

The Company derecognizes an asset when its contractual rights to receive cash flows from the financial asset expire.

(X) Lease Transactions for the Lessors - Operating Leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(XI) Inventories

1. Including buildings and land held for construction, construction in progress and buildings and land held for sale are initially recorded at cost. The construction profit or loss is recognized with the completed contract method. The buildings and land held for construction is transferred to the premise under construction when it is actively developed, and the related interest is capitalized during the period from the active development or construction to the completion of the work.
2. For the specific land rights acquired by the Company and its use right to construct residential buildings on that land, the land use rights acquired are recognized as inventory costs because the land is held under lease for the purpose of the project's development business and complies with the definition of paragraphs 6 and 8 of IAS 2.
3. At the end of the period, inventories are evaluated at the lower of cost or net realizable value, and the individual item approach is used in the comparison of cost and net realizable value. The calculation of net realizable value is based on the estimated selling price in the normal course of business, net of estimated costs of completion and estimated selling expenses.

(XII) Investment accounted for using the equity method

<u>Subsidiaries</u>

1. Subsidiaries refer to all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
2. Unrealized gains or losses arising from the transactions between the Company and its subsidiaries have already been eliminated. Accounting policies of subsidiaries have been adjusted to conform to the policies adopted by the Company.
3. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in current profit or loss. Its post-acquisition share of other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its equity in the subsidiary, the Company

shall continue to recognize losses in proportion to its shareholding percentage in such a subsidiary.

Associates

1. Associates are all entities over which the Company has significant influence but no control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20% or more of the voting power of the investee. The Company's investments in associates are accounted for using the equity method and are initially recognized at cost upon acquisition.
2. The Company's share of its associates' post-acquisition profits or losses is recognized in current profit or loss, and its post-acquisition share of other comprehensive income is recognized in other comprehensive income. If the Company's share of losses in an associate equals or exceeds its interest in the associate (including any other unsecured receivables), the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
3. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognizes the change in ownership interests in the associate in "capital surplus" in proportion to its ownership.
4. Unrealized gains or losses on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealized gains or losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted to conform to the policies adopted by the Company.
5. When the Company disposes its investment in an associate and loses significant influence over the said associate, the accounting treatment for amounts previously recognized in other comprehensive income in relation to the associate is the same as the one required if the relevant assets or liabilities were directly disposed of. That is, if gain/loss previously recognized in other comprehensive income will be reclassified to profit or loss upon disposal of relevant assets or liabilities, such gain/loss will be reclassified from equity to profit or loss when the Company loses significant influence over the associate. If it still retains significant influence over this associate, then the amounts previously recognized in other comprehensive income in relation to the associate are reclassified proportionately in accordance with the aforementioned approach.

6. According to “Regulations Governing the Preparation of Financial Statements by Securities Issuers,” the current period’s profit or loss and other comprehensive income of the parent company only financial reports should be the same as the proportion of the current period’s profit or loss and other comprehensive income attributable to the owners of the parent company in the financial statements prepared on a consolidated basis, and the owners’ equity of the parent company only financial reports should be the same as that attributable to the owners of the parent company in the financial statements prepared on a consolidated basis.

Joint venture

The Company uses the equity method to recognize its equity in joint ventures. If there is evidence of a decrease in the net realizable value of assets or the occurrence of impairment losses, the entire loss should be recognized immediately. If the Company’s share of losses in a joint venture equals or exceeds its interest in the losses (including any other unsecured receivables), the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

(XIII) Joint Operations

For interests in joint operations, the Group recognizes its direct rights to the assets, liabilities, revenues, and expenses of the joint operation (and its share thereof) and includes them in the relevant items of the financial statements.

(XIV) Property, plant, and equipment

1. Property and equipment are initially recorded at cost. Relevant interest expenses incurred during the construction period are capitalized.
2. Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part should be derecognized. All other repairs and maintenance expenses are recognized in current profit or loss when incurred.
3. Property, plant and equipment are subsequently measured using the cost model and depreciated on a straight-line basis over their estimated useful lives, except for land, which is not depreciated. If the property, plant, and equipment comprise any material components, they are depreciated individually.
4. The Company reviews each asset’s residual values, useful lives and depreciation methods at the end of each financial year. If expectations for the assets’ residual values and useful lives differ from previous estimates or the patterns of consumption of the assets’ future economic benefits embodied in the assets have changed

significantly, any change is accounted for as a change in estimate under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" from the date of the change. Except that the useful life of the real estate is 30 years, the useful life of all other assets is 3 to 5 years.

(XV) Lease Transactions for the Lessees - Right-of-Use Assets / Lease Liabilities

1. Lease assets are recognized as right-of-use assets and lease liabilities on the date when they are available for use by the Company. When the lease contract is a short-term lease or lease of a low-value asset, the lease payments are recognized as an expense on a straight-line basis over the lease term.

2. The lease liabilities are recognized as the present value of the lease payments that have not been paid at the lease commencement date discounted at the Company's incremental borrowing rate of interest. The lease payments include:

   (1) Fixed payments, less any lease incentives receivable;

   (2) Variable lease payments that depend on an index or a rate;

   Subsequent measurement is carried out using the effective interest method, and interest expense is recognized over the lease term. When the non-contractual modification causes a change in the lease period or lease payment, the subsequent lease liability will be reassessed, and re-measurements will be used to adjust the right-of-use assets.

3. The right-of-use asset is recognized at cost at the lease commencement date. The cost comprises:

   (1) The amount equal to the lease liability at its initial recognition;

   (2) Lease payments made at or before the commencement of the lease;

   (3) Any initial direct costs incurred by the lessee; and

   (4) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

   Cost model is adopted for subsequent measurement, and depreciation expenses are recognized at the earlier of the expiration date of the right-of-use asset or the lease period. When the lease liability is remeasured, the right-of-use asset will adjust any remeasurement of the lease liability.

(XVI) Investment property

An investment property is recognized initially at its cost and measured subsequently using the cost model. Investment property is depreciated on a straight-line basis over its economic useful life; the useful life is 66 years.

(XVII) Impairment of Non-financial Assets

The Company estimates at each balance sheet date the recoverable amounts of those assets for which there is an indication that they are impaired. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. When the circumstances for recognizing impairment loss for an asset in prior periods no longer exists or decreases, the impairment loss is reversed. The increased carrying amount due to reversal should not exceed the carrying amount less depreciation or amortization if the impairment had not been recognized for the asset.

(XVIII) Accounts Payables and Notes Payables

1. Accounts payables and notes payables refer to the debts incurred by purchase of materials, goods, or services on credit, and the notes payables incurred by both operating and non-operating activities.

2. However, short-term accounts/notes receivables without interest payment, given insignificant effects of their discounting, are subsequently measured at the invoice price.

(XIX) Financial liabilities measured at fair value through profit or loss

1. Initially recognized as a financial liability designated at fair value through profit or loss. The Group designates a financial liability as measured at fair value through profit or loss upon initial recognition when it meets one of the following conditions:

   (1) It is a hybrid (composite) contract; or

   (2) It can eliminate or significantly reduce measurement or recognition inconsistencies; or

   (3) It is a tool that is managed and its performance evaluated on a fair value basis in accordance with written risk management policies.

2. The Group measures the financial instrument at fair value upon initial recognition, with related transaction costs recognized in profit or loss. Subsequently, it is measured at fair value, with any gains or losses recognized in profit or loss.

(XX) Convertible bonds payable

The convertible bonds payable issued by the Company contain embedded features, including a conversion option (which allows the bondholder to convert the bonds into a fixed number of the Company's common shares at a fixed amount), a put option, and a call option. At the time of initial issuance, the issue price is allocated between financial liabilities and equity based on the terms of the issuance, as follows:

1. Embedded put and call options: Upon initial recognition, the economic characteristics and risks of the embedded derivative and the host contract are assessed based on the terms of the agreement to determine whether separation is required for accounting purposes. When the characteristics and risks are closely related, the entire hybrid instrument is treated according to the appropriate guidelines based on its nature. When the characteristics and risks are not closely related, the derivative is separated from the host contract and accounted for as a derivative, while the host contract is treated according to the appropriate guidelines based on its nature.
2. The host contract of the corporate bonds: Upon initial recognition, it is measured at fair value, and the difference between the redemption value and the fair value is recognized as a bond premium or discount. Subsequently, the effective interest method is applied, and the amortization of the premium or discount is recognized in profit or loss over the life of the bond, as an adjustment to "finance costs."
3. The embedded conversion option (meeting the definition of equity): Upon initial recognition, the residual value after deducting the "corporate bonds payable" from the issuance amount is recorded as "capital reserve – warrants." Subsequently, no remeasurement is performed.
4. Any direct transaction costs incurred in the issuance are allocated to the components of liabilities and equity based on their respective proportions of the original carrying amount of each component.
5. When the holder exercises the conversion option, the liability component ("corporate bonds payable") is treated according to its subsequent measurement method. The carrying amount of the liability component, along with the carrying amount of "capital reserve – warrants," is used as the issuance cost for converting to common shares.

(XXI) Derecognition of financial liabilities

The Group derecognizes financial liabilities when the obligations specified in the contract are fulfilled, canceled, or expire.

(XXII) Provisions

Provisions are prepared for warranty. The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

(XXIII) Employee Benefits

1. Short-term employee benefits

   Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and should be recognized as expenses in the period when employees services are rendered.

2. Pensions

   (1) Defined contribution plans

   For defined contribution plans, the contributions are recognized as current pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in future payments.

   (2) Defined benefit plans

   A. The net obligation under a defined benefit plan is defined as the present value of pension benefits that employees will receive on retirement for their services with the Company in the current period or prior periods. The amount recognized is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is computed by independent actuaries every year using the projected unit credit method. The discount rate employed is the market yields on government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the defined benefit plan.

   B. The re-measured amount of defined benefit plans is recognized in other comprehensive income as incurred and presented in retained earnings.

   C. Expenses associated with past service costs are recognized immediately in profit or loss.

3. Compensation to employees and remuneration to directors and supervisors

   Compensation to employees and remuneration to directors and supervisors are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligations and those amounts can be reliably estimated.

Any difference between the actual distributed amount and the estimated amount as per the resolution is accounted for as changes in estimates. For employee compensation that is distributed by shares, the basis for calculating the number of shares is the closing price on the day before the Board of Directors' resolution.

(XXIV) Income tax

1. Income tax expense comprises current and deferred tax. Income taxes are recognized in profit or loss, except for income taxes related to items included in other comprehensive income or directly in equity, which are recognized in other comprehensive income or directly in equity, respectively.
2. The income tax expenses are calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. For the income tax levied on the undistributed earnings in accordance with the Income Tax Act, it is recognized as income tax expense for the undistributed earnings based on the actual distribution of surplus after the surplus distribution proposal is approved by the shareholders' meeting in the year following the year of which the said surplus is generated.
3. Deferred income taxes are accounted for using the balance sheet method, recognizing temporary differences between the tax bases of assets and liabilities and their carrying amounts in the Parent Company Only Financial Statements. The deferred income tax is not recognized if it arises from initial recognition of an asset or liability in a transaction (other than a business combination) that, at the time of the transaction, affects neither the accounting profit nor taxable income (loss) nor gives rise to an equivalent taxable and deductible temporary difference. Temporary differences arising from investments in subsidiaries and affiliates are not recognized if the Company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
4. Deferred tax assets are recognized to the extent that it is probable that the temporary differences will be available against which future taxable income can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
5. Current income tax assets and liabilities are offset when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis

or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(XXV) Distribution of dividends

Dividends to be distributed to shareholders of the Company are recognized when they are resolved by the Board of Directors' Meeting; Distribution in cash dividends is recognized as a liability, whilst distribution in stock dividends is recognized as stock dividends to be distributed, which is transferred to common share on the date when new shares are issued.

(XXVI) Revenue Recognition

Real estate sales

1. The main business of the Company is to commission construction contractors to build real estate and engage in leasing and sales of property, and revenue is recognized when control of the real estate is transferred to customers. For the contracted sales of residential contracts, subject to the terms of the contract, the real estate has no other use for the Company, but until the legal ownership or use rights of the real estate is transferred to the customer, the Company has an enforceable right to the contractual amount and therefore revenue is recognized when the legal ownership or use rights are transferred to the customer.

2. Part of the Company's sales contracts includes variable consideration of price concessions. The Company takes the expected value or the most probable amount as an appropriate estimate of the variable consideration.

3. The Company's sales contract of pre-sale houses 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, if the Company judges that there are significant financing components in an individual pre-sale home contract, it shall adjust the amount of the commitment consideration and recognize the interest expense. In addition, IFRS 15 states that an entity should consider the significance of the financing component only at the contract level and not the materiality of financial components at the portfolio level.

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

When preparing the Parent Company Only Financial Statements, management of the Company 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. There are no critical judgments and significant accounting estimates and assumptions used in the Company’s accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

VI. Descriptions of Significant Accounting Items

(I) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and revolving	$ 30	$ 30
Checking deposits and	1,661,697	1,397,369
Cash Equivalents		
—Time Deposits	1,700,000	—
	$ 3,361,727	$ 1,397,399

1. The Company deals with financial institutions having high credit quality. The Company also deals with various financial institutions in order that credit risks can be diversified. Therefore, the expected risk of default is pretty low.

2. The Company’s restricted use of the pre-sale projects trust fund have been listed under “Other current assets - other.” Please refer to Notes 6 (5) and 8 for details.

(II) Notes and accounts receivable

	December 31, 2024	Amount of receivables guaranteed	Guaranteed loan amount
Notes receivable			
Within 1 year	$ 109,193	$ —	$ —
Accounts receivable			
Within 1 year	111,253	109,717	109,717
Over 1 year (Note)	1,898,065	1,898,065	1,898,065
	$ 2,118,511	$ 2,007,782	$ 2,007,782

	December 31, 2023	Amount of receivables guaranteed	Guaranteed loan amount
Notes receivable			
Within 1 year	$ 55,850	$ —	$ —
Accounts receivable			
Within 1 year	117,718	107,895	107,895
Over 1 year (Note)	2,151,309	2,139,536	2,139,536
	$ 2,324,877	$ 2,247,431	$ 2,247,431

Note: The Company’s long-term installment accounts receivables over one year are listed under the item “Long-term notes receivable and receivables.”

1. The Company 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 Note 6 (12) and 8 for details. The Company's information on secured loans with accounts receivable as collateral is as above.

2. The balances of receivables (including notes receivable) contracted by the Company and customers on December 31, 2024, December 31, 2023 and January 1, 2023 were $1,980,571, $2,191,697, and $2,659,063, respectively.

3. Interest income recognized by the Company in profit or loss in 2024 and 2023 was $59,140 and $64,123, respectively.

4. The notes and accounts receivable above are non-overdue and non-impaired notes and accounts.

5. Without considering the collateral or other credit enhancements held, the most representative of the Company's receivable notes and counts maximum credit risk exposure amount as of December 31, 2024 and 2023 is the carrying amount of each period of notes and accounts receivable and long-term installment accounts receivable.

6. For credit risk of accounts receivables and notes receivables, please refer to Note 12 (2).

(III) Inventories

	December 31, 2024	December 31, 2023
Buildings and land held for sale		
Huaku National Landmark	$ 638,201	$ 743,978
Central Landmark	420,901	—
	1,059,102	743,978
Construction in progress		
ASIA ONE	6,356,505	5,223,100
UPPER MANSION	4,196,122	3,768,312
FORTUNE ONE	3,673,707	3,232,026
Casa Blanca	3,450,546	2,749,263
Huaku Moon Light	2,192,024	1,839,426
DA'AN TOWER	1,723,265	1,177,534
Sky tower	1,714,556	1,443,852
Mout River (formerly the No. 57, Renyi Street project)	1,518,883	—

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	December 31, 2024	December 31, 2023
Flourish Mansion (formerly the Taichung Fengle Road Project)	1,392,641	—
Ultimate Luxury (formerly the Xinyi-Guangfu Urban Renewal Project)	1,130,897	—
The Weaven (formerly the No. 89, Renyi Street project)	993,020	—
Central Landmark	—	2,497,755
Huaku Greenside Mansion	—	1,676,118
	28,342,166	23,607,386
Buildings and land held for		
Jang Dah Beitou Project	$ 4,080,738	$ 2,987,690
Guangpu Hsinchu Project, Second Phase	2,098,282	2,094,173
Wenlin North Road Project III	1,863,571	—
Taichung Jingmao Fifth Road Project	1,672,184	1,336,469
Taichung Chongde 10th Road Project	1,353,223	—
Zhengda Xindian Project	693,283	664,822
Fuxing South Road Urban Renewal Project	241,061	241,061
Dunnan Project	198,834	198,834
Flourish Mansion (formerly the Taichung Fengle Road Project)	—	1,055,967
Ultimate Luxury (formerly the Xinyi-Guangfu Urban Renewal Project)	—	913,238
Others	483,782	301,899
	12,684,958	9,794,153
Advances for land and others		
Taichung Fengle Road Project II	1,426,248	—
Mout River (formerly the No. 57, Renyi Street project)	—	1,253,682
The Weaven (formerly the No. 89, Renyi Street project)	—	820,086
Floor area and road land	32,741	33,571
	1,458,989	2,107,339
Less: Allowance for valuation loss	(16,709)	(13,307)
	1,442,280	2,094,032
	$ 43,528,506	$ 36,239,549

1. Huaku New World

   (1) In 2013, the Company signed the “Financial Personnel Training Institute and Its Surrounding State-Owned Land Cooperative Development Contract” with the National Property Administration, MOF, obtaining the land rights and paid royalties of $1.388 billion, and the lease period was 70 years. Revenue for this project was recognized when the land and property usage rights were transferred to customers between the years 2017 and 2021.

   (2) In accordance with the Company’s policy, some of the units in this project are leased out for rental purposes. Therefore, they are reclassified as “investment property” together with the land use rights after the completion of the registration process.

   (3) For a detailed explanation of the real estate provided as collateral in this project, please refer to Note 6 (12).

2. The inventory costs recognized as expenses by the Company in 2024 and 2023 were $4,748,487 and $10,600,436, respectively, which includes $3,402 and ($21,292), respectively, of cost of goods sold recognized from cost adjustments to net realizable value. In the fiscal year 2023, the net realizable value of the inventory increased due to the sale and reclassification of some inventory items for which the net realizable value was lower than the cost.

3. The amount of interest capitalized in the Company’s inventories for 2024 and 2023 is $309,658 and $190,351, respectively, and the interest rates on capitalized interest ranged from 1.1%-2.65% and 1.1%-2.26%, respectively.

4. The Company’s development projects “Huaku National Landmark” and ‘‘Central Lamdmark’’ have entered into an agreement with the New Taipei City Government Economic Development Department, stipulating that ownership transfer procedures for certain floors of the project will be carried out after five years from the issuance of the occupancy permit.

5. Please refer to Note 8 for details of the pledge of inventories by the Company.

(IV) Joint Operations

1. The Company engages in joint operations for some of its development projects. For interests in joint operations, the Company recognizes its direct interests (and corresponding share) in the assets, liabilities, revenues, and expenses of the joint operation, which are included in the applicable items of the individual financial statements.

2. The information regarding the joint operation development projects held by the Company is as follows:

Project Name	Proportion of Shareholding	Landowner or Co-developer	Location
Ultimate	50%	PUJEN Land Development	Da'an District,

3. The summarized information regarding the Company's share in the joint operation development projects is as follows:

	December 31, 2024	December 31, 2023
Balance sheet		
Current assets		
Accounts receivable	$ 712	$ 402
Inventories	1,130,897	913,238
Other current assets	159,449	127,402
	1,291,058	1,041,042
Non-current assets	1,089	—
Total assets	$ 1,292,147	$ 1,041,042
Current liabilities		
Accounts Payables and Notes Payables	26,105	6,073
Contract liabilities	167,154	—
Other current liabilities	12,969	18,334
Total liabilities	$ 206,228	$ 24,407
Consolidated statement of comprehensive income		
Revenue	$ 1,702	$ 291
Cost	$ —	$ —
Expenses	$ 16,200	$ 789

(V) Other current assets

	December 31, 2024	December 31, 2023
Restricted bank deposits	$ 2,674,396	$ 1,712,332
Incremental costs for	525,701	231,436
Other current assets	109,241	9,011
	$ 3,309,338	$ 1,952,779

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

(VI) Investment accounted for using the equity method

	December 31, 2024		Shareholding percentage	December 31, 2023		Shareholding percentage
Subsidiaries:						
Pinhsing Construction Co., Ltd.	$	771,037	100	$	476,707	100
Chengdu Wancheng Duobao Properties Ltd.		34,843	80		48,632	100
Chengdu Huaku Real Estate Co., Ltd.		—	—		25,321	80
Associates:						
Taiwan Digit Automated Control Co., Ltd.		31,611	40		32,018	40
Joint ventures:						
Huapu Construction Co., Ltd.		5,151	50		5,400	50
	$	842,642		$	588,078	

1. For information about the subsidiaries of the Company, please refer to Note 4 (3) of the Company's 2024 Notes for Consolidated Financial Statements.

2. For the carrying amounts of the Company's non-significant associates and joint ventures for the years ended December 31, 2024 and 2023, please refer to the table above. The operating results are as follows:

	2024		2023	
Current net profit from units of continuing operations	$	6,005	$	13,150
Other comprehensive income				
Total comprehensive income	$	6,005	$	13,150

3. The unrealized gross profit from upstream transactions of the Company for the years ended December 31, 2024 and 2023 was $154,930 and $81,225, respectively, which was eliminated as a deduction of "investments accounted for using the equity method."

4. The investee companies that the Company holds more than 50% of the voting shares or with control have been included as entities in the Company's consolidated financial statements.

(VII) Investment property

	2024	2023
Buildings and land use rights		
January 1	$ 243,617	$ 247,717
Depreciation expenses	(4,100)	(4,100)
December 31	$ 239,517	$ 243,617

1. Investment properties are held for leasing to others to use. The lease term of the leased properties lasts until 2032. The rental income and direct operating expenses of the investment properties are as follows:

	2024	2023
Rental income from investment property	$ 10,316	$ 9,988
Direct operating expenses incurred by investment property generating rental income in the current period	$ 6,446	$ 6,340

2. The fair values of the investment properties held by the Company were $597,050 and $596,247 as of December 31, 2024 and 2023, respectively. These values were determined based on the evaluation results of independent appraisal experts and are classified as Level 2 fair values.

3. The maturity analysis of the lease payments of leasing by the Company under operating leases is listed as follows:

	December 31, 2024	December 31, 2023
Within 1 year	$ 10,728	$ 10,724
2 to 5 years	31,301	37,326
Over 5 years	4,627	10,276
	$ 46,656	$ 58,326

4. The information regarding the investment properties pledged as collateral by the Company is provided in the notes to the financial statements, specifically Note 8.

(VIII) Short-term loans

Nature of borrowings	December 31, 2024	Interest rate range	Collateral
Bank loans			
Secured bank borrowings	$ 15,402,327	1.96%~2.85%	Inventories - buildings and land
Credit loans	1,376,000	1.87%~2.19%	None
	$ 16,778,327		

Nature of borrowings	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		

(IX) Short-term bills payable

Nature of borrowings	December 31, 2024	December 31, 2023
Short-term bills payable	$ 350,000	$ —
Less: Discount on short-term bills payable	(294)	—
Net	$ 349,706	$ —
Interest rate range	2.22%~2.36%	—%

(X) Other current liabilities - others

	December 31, 2024	December 31, 2023
Provisions for warranty	$ 55,943	$ 75,574
Collection on behalf of others	8,461	13,547
Others	33,530	46,184
	$ 97,934	$ 135,305

(XI) Bonds payable

Nature of borrowings	December 31, 2024	December 31, 2023
Bonds payable	$ 6,000,000	$ —
Less: Discount on bonds payable	(613,479)	—
Net	$ 5,386,521	$ —

1. Domestic third unsecured convertible bonds

(1) The terms of the Company's issuance of the third domestic unsecured convertible bonds on October 2, 2024 are as follows:

A. The total issuance amount is NT$4 billion, issued at 101% of the face value, with a coupon rate of 0%. The term of the issuance is 5 years, and the circulation period is from October 2, 2024 to October 2, 2029.

B. From the day following the expiration of three months after the issuance of this convertible corporate bond (January 3, 2025), until the maturity date (October 2, 2029), the bondholders may request to convert their bonds into common stock of the Company at any time, except during periods when transfer is required to be suspended in accordance with regulations or laws. The rights and obligations of the common stock after conversion shall be the same as those of the common stock already issued.

C. The conversion price of these convertible bonds is determined based on the reference date of September 24, 2024. The base price is selected as the simple arithmetic average of the closing prices of the Company's common shares on the trading days immediately preceding the reference date (not including the reference date) for one, three, or five business days, whichever is chosen. The conversion price is then calculated by multiplying the base price by a conversion premium rate of 103.24%. This will be the conversion price for the convertible bonds. If the reference date is preceded by a stock split or dividend distribution, the closing price used to calculate the conversion price shall be adjusted to reflect the ex-rights or ex-dividend price. If, after the conversion price has been determined and before the actual issuance date, there is a stock split or dividend distribution, the conversion price will be adjusted in accordance with the adjustment formula specified in the conversion terms. In accordance with the aforementioned method, the conversion price of the convertible bonds at the time of issuance is NT$138 per share.

D. The convertible bonds may be redeemed early at the discretion of the Company starting from the day following the third month of issuance (January 3, 2025), and continuing until the fortieth day prior to the maturity date (August 23, 2029). If, during this period, the closing price of the Company's common stock exceeds the conversion price by 30% or more for 30 consecutive trading days, or if the outstanding balance of the convertible bonds is less than 10% of the original total issuance amount, the Company has the right to exercise its early redemption option and redeem all outstanding convertible bonds at face value in cash.

E. The Company shall set the third anniversary of the issuance date of the convertible bonds (October 2, 2027) as the redemption reference date for the convertible bondholders to sell back the convertible bonds. Convertible bondholders have the right to exercise the put option, requesting the Company to redeem the convertible bonds held by them in cash at face value.

(2) Upon the issuance of the convertible bonds, the Company, in accordance with IAS No. 32 "Financial Instruments: Presentation," separated the equity component of the conversion option from the liability components. The equity component was recorded under "Additional Paid-in Capital – Warrants" amounting to $442,035. Additionally, the embedded call and put options were recognized at their fair value on initial recognition, in accordance with International Financial Reporting Standard No. 9 "Financial Instruments." The net fair value of these options was recorded under "Financial Liabilities at Fair Value Through Profit or Loss," amounting to $41,200.

2. Domestic fourth unsecured convertible bonds

(1) The terms of the Company's issuance of the fourth domestic unsecured convertible bonds on October 18, 2024 are as follows:

A. The total issuance amount is NT$2 billion. The convertible bonds were publicly offered through a competitive auction method, with the actual issuance price set at 104.83% of the face value. The actual issuance amount was NT$2,096,689,000, with a coupon rate of 0%. The term of the issuance is 5 years, and the circulation period is from October 18, 2024 to October 18, 2029.

B. From the day following the expiration of three months after the issuance of this convertible corporate bond (January 19, 2025), until the maturity date (October 2, 2029), the bondholders may request to convert their bonds into common stock of the Company at any time, except during periods when transfer is required to be suspended in accordance with regulations or laws. The rights and obligations of the common stock after conversion shall be the same as those of the common stock already issued.

C. The conversion price of these convertible bonds is determined based on the reference date of September 24, 2024. The base price is selected as the simple arithmetic average of the closing prices of the Company's common shares on the trading days immediately preceding the reference date (not including the reference date) for one, three, or five business days, whichever is chosen. The conversion price is then calculated by multiplying the base price by a conversion premium rate of 102%. This will be the conversion price for the convertible bonds. If the reference date is preceded by a stock split or dividend distribution, the closing price used to calculate the conversion price shall be adjusted to reflect the ex-rights or ex-dividend price. If, after the conversion price has been determined and before the actual issuance date, there is a stock split or dividend distribution, the conversion price will be adjusted in accordance with the adjustment formula specified in the conversion terms. In accordance with the aforementioned method, the conversion price of the convertible bonds at the time of issuance is NT$136.3 per share.

D. The convertible bonds may be redeemed early at the discretion of the Company starting from the day following the third month of issuance (January 19, 2025), and continuing until the fortieth day prior to the maturity date (August 23, 2029). If, during this period, the closing price of the Company's common stock exceeds the conversion price by 30% or more for 30 consecutive trading days, or if the outstanding balance of the convertible bonds is less than 10% of the original total issuance amount, the Company has the right to exercise its early redemption option and redeem all outstanding convertible bonds at face value in cash.

E. The Company shall set the third anniversary of the issuance date of the convertible bonds (October 18, 2027) as the redemption reference date for the convertible bondholders to sell back the convertible bonds. Convertible bondholders have the right to exercise the put option, requesting the Company to redeem the convertible bonds held by them in cash at face value.

(2) Upon the issuance of the convertible bonds, the Company, in accordance with IAS No. 32 "Financial Instruments: Presentation," separated the equity component of the conversion option from the liability components. The equity component was recorded under "Additional Paid-in Capital – Warrants" amounting to $295,054. Additionally, the embedded call and put options were recognized at their fair value on initial recognition, in accordance with International Financial Reporting Standard No. 9 "Financial Instruments." The net fair value of these options was recorded under "Financial Liabilities at Fair Value Through Profit or Loss," amounting to $19,400.

(XII) Long-term loans

Nature of borrowings	Loan period and repayment method	Interest rate range	Collateral	December 31, 2024
Long-term bank loans				
Credit loans	From June 2023 to June 2025, and the interest is paid on a monthly basis	1.93%~2.10%	None	$ 699,400
〃	From July 2024 to July 2026; the interest is paid on a monthly basis	〃	〃	1,000,000
〃	From July 2024 to July 2026; the interest is paid on a monthly basis	〃	〃	500,000
Loans secured by accounts receivable	From June 2017 to September 2039; the principal and interest are paid on a monthly basis.	2.69%~2.82%	Read Note for details	2,016,930
				4,216,330
Less: Long-term loans due within one year or one operating cycle				(1,318,265)
				$ 2,898,065

Nature of borrowings	Loan period and repayment method	Interest rate range	Collateral	December 31, 2023
Long-term bank loans				
Credit loans	From June 2023 to June 2025, and 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 principal and interest are	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

The Company's unused borrowing facilities as of December 31, 2024 and 2023 were $6,825,570 and $10,785,130, respectively.

Accounts receivable / Loans secured by other receivables

The Company signed the secured loans agreement use account 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 the original loan amount of NT$6 billion, which was adjusted to NT$4 billion on May 9, 2022, and further adjusted to NT$3.5 billion on July 11, 2024. The loan term is 20 years. Please refer to Note 6 (2) for details. The main terms of the agreement are as follows:

1. The loan period of each accounts receivable shall not exceed 20 years from the date when the funds are used, , but in no case extending beyond September 20, 2039.

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 unused balance of loans shall be automatically canceled at that time.

3. During the duration of the loan secured by accounts receivable as collateral, the Company should maintain all the following financial ratios based on the audited annual consolidated financial statements certified by the auditor and review them once a year:

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

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

(XIII) Pensions

1. In compliance with the requirements set forth in the Labor Standards Act, the Company has 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 under the name of the Labor Funds Supervisory Committee at the Bank of Taiwan. Prior to the end of each fiscal year, 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) Amounts recognized on the balance sheets are as follows:

	December 31, 2024	December 31, 2023
Present value of the defined benefit obligation	$ (85,894)	$ (69,597)
Fair value of plan assets	40,343	36,371
Net defined benefit liabilities	$ (45,551)	$ (33,226)

(2) Changes in net defined benefit liabilities are as follows:

	2024		
	Present value of the defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
January 1	$ (69,597)	$ 36,371	$ (33,226)
Current service cost	(133)	—	(133)
Interest (expense) income	(783)	401	(382)
	(70,513)	36,772	(33,741)
Remeasurement:			
Return on plan assets (excluding interest revenue or expenses mentioned above)	—	3,571	3,571
Effect of changes in financial assumptions	1,754	—	1,754
Experience adjustment	(17,135)	—	(17,135)
	(15,381)	3,571	(11,810)
Contributions to retirement funds	—	—	—
Payment of pension	—	—	—
December 31	$ (85,894)	$ 40,343	$ (45,551)

	2023		
	Present value of the defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
January 1	$ (74,509)	$ 42,494	$ (32,015)
Current service cost	(197)	—	(197)
Interest (expense) income	(833)	449	(384)
	(75,539)	42,943	(32,596)
Remeasurement:			
Return on plan assets (excluding interest revenue or expenses mentioned above)	—	412	412
Effect of changes in financial assumptions	(194)	—	(194)
Experience adjustment	(848)	—	(848)
	(1,042)	412	(630)
Contributions to retirement funds	—	—	—
Payment of pension	6,984	(6,984)	—
December 31	$ (69,597)	$ 36,371	$ (33,226)

(3) The fund asset of the Company's defined benefit pension plan ("the Fund") is entrusted to the Bank of Taiwan, which manages, or entrusts others to manage, the Fund in accordance with entrusted items enumerated in Article 6 of the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund (i.e., deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, and investment in domestic or foreign real estate and its securitization products) to the extent of limitations on investment percentage and amount as stipulated in the Fund's annual utilization plan. The status of utilization of the Fund is subject to supervision by the Labor Pension Fund Supervisory Committee. With regard to utilization of the Fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. In case any deficiency in the earnings arises, Treasury Funds can be used to cover the deficits after the approval of the competent authority. Since the Company has no right to participate in the operation and management of the Fund, it is not able to disclose the classification of the fair value of plan assets as required in IAS 19.142. For the composition of the fair value of the Fund in total as of December 31, 2024, and 2023, please refer to the annual labor pension fund utilization reports issued by the government.

(4) Actuarial assumptions on pensions are summarized as follows:

	2024	2023
Discount rate	1.55%	1.15%
Increase rate of	2.00%	2.00%

The assumptions for the future mortality rate are based on the published statistics and experience of each country.

An analysis of the present value of the defined benefit obligation affected by changes in the principal actuarial assumptions used is as follows:

	Discount rate		Increase rate of future salary	
	Increase of 0.25%	Decrease of 0.25%	Increase of 0.25%	Decrease of 0.25%
December 31, 2024				
Effect on present value of defined benefit obligation	$ (1,067)	$ 1,090	$ 1,092	$ (1,075)
December 31, 2023				
Effect on present value of defined benefit obligation	$ (962)	$ 984	$ 982	$ (966)

The sensitivity analysis above is based on the effects of changes in a single assumption with no change in other assumptions. In practice, many changes in assumptions may be linked together. The method of sensitivity analysis and the method of calculation of the net pension liability in the balance sheet are the same.

The method and assumptions used for the preparation of the sensitivity analysis for the current period are the same as those used in the previous period.

(5) The Company expects to make a contribution of $0 to the pension plans for the year ended December 31, 2025.

(6) As of December 31, 2024, the pension plan's weighted average duration is 5 years. The maturity analysis of the pension payments is as follows:

Within 1 year	$ 3,910
1-2 years	3,871
2-5 years	50,359
Over 5 years	34,823
	$ 92,963

2. Starting from July 1, 2005, the Company has set up a defined contribution plan for all employees with ROC citizenship in accordance with the Labor Pension Act. For the employees of the Company 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. For the years ended December 31, 2024 and 2023, the Company's pension costs recognized under the above defined contribution plan were $3,891 and $3,364, respectively.

(XIV) Share capital

1. The Company's shareholders meeting held on May 29, 2024, approved the capital increase through a transfer of retained earnings amounting to NT$276,813. The record date for the capital increase was set as June 29, 2024, and the registration for the change was completed with the Ministry of Economic Affairs.

2. As of December 31, 2024, the Company's authorized capital was $5,000,000, and the paid-in capital was $3,044,940 with a par value of NT$10 per share. Share payments for the Company's issued stocks have been collected in full.

   The adjustments for the number of outstanding common shares at the beginning and end of the period are as follows:

	2024	2023
January 1	276,812,726	276,812,726
Capital increase through retained earnings	27,681,272	—
December 31	304,493,998	276,812,726

3. Treasury stock

   (1) The Company has no treasury stock transactions in 2024 and 2023.

   (2) As of December 31, 2024 and 2023, the Company's subsidiary Pinhsing Construction Co., Ltd., held the Company's shares for the purpose of making a profit from the investment, and the details are as follows:

	December 31, 2024	December 31, 2023
Number of shares (thousand shares)	192	174
Carrying amounts	$ 850	$ 850

(XV) 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-in 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.

(XVI) Retained earnings

1. According to the Company's Articles of Incorporation, after offsetting any loss of prior years and paying all taxes and dues, 10% of the annual net income shall be set aside as legal reserves, but there is no requirement when legal reserves reach the paid-in capital. The remaining balance, together with the accumulated undistributed profits from the previous year, constitutes the accumulated distributable earnings. The aforementioned distributable earnings shall be distributed as a dividend by the Board of Directors and then submitted to the shareholders' meeting for report.
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 distribution of earnings proposals for 2023 and 2022 had been resolved in the Board of Directors meeting held on May 29, 2024 and the annual shareholders' meeting held on May 24, 2023, respectively. The distribution of earnings is 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 distribution of earnings proposals for the fiscal year 2024 has not been submitted to the shareholders' meeting as of the date of the audit report. For information on the Board of Directors' proposals and the resolutions of the shareholders' meeting regarding distribution of earnings, please consult the MOPS.

(XVII) Other equity items

	2024	2023
Exchange differences on translation of foreign financial statements		
January 1	$ 11,940	$ 11,670
- The Company	30,055	338
- Tax amount of the Company	(6,011)	(68)
December 31	$ 35,984	$ 11,940

(XVIII) Operating revenue

	2024	2023
Revenue from contracts with customers	$ 7,178,797	$ 15,640,450
Rental income	30,004	21,026
	$ 7,208,801	$ 15,661,476

1. Breakdown of revenue from contracts with customers

The Company generates its revenue from services provided at a specific moment in time. This revenue can be further classified into the following categories:

	Sales of construction project	
	Taiwan	
	2024	2023
Timing of revenue recognition		
－Revenue recognized at a specific timing	$ 7,178,797	$ 15,640,450

2. The aggregate amount of the transaction price and the estimated recognized revenue year of the sales contract signed by the Company as of December 31, 2024, of which the performance obligations have not been satisfied, are as follows:

Estimated recognized revenue year	Amount of contracts signed
2024-2029	$ 35,068,120

3. Contract liabilities

(1) The contract liabilities related to customer contract revenue recognized by the Company are listed as follows:

	December 31, 2024		December 31, 2023		January 1, 2023	
Contract liabilities - current:						
— Advance land receipts	$	4,096,463	$	2,637,770	$	2,932,836
— Advance building receipts		1,915,402		1,087,310		1,714,204
	$	6,011,865	$	3,725,080	$	4,647,040

The Company's sales contract of pre-sale houses contains provisions for advance payment from customers, and the time between advance receipt and commodity ownership transfer is longer than one year. Recognizing contract liabilities related to contracts for pre-sold houses in accordance with the provisions of IFRS 15.

(2) Revenue recognized for the period from the contractual liabilities at the beginning of the period

	2024		2023	
The opening balance of contract liabilities and revenue recognized during the period				
—Pre-sale contract for a construction project	$	904,115	$	2,943,764

(XIX) Additional information regarding the nature of expense

	2024		2023	
Construction costs for the current period	$	4,674,035	$	10,581,825
Employee benefit expenses		236,752		370,358
Depreciation and amortization		24,731		22,014
Advertising expenses		202,962		257,775
Taxation		54,921		47,551
Rental expenses		541		526
Other costs and expenses		62,788		64,066
Operating cost and operating expenses	$	5,256,730	$	11,344,115

(XX) Employee benefit expenses

	2024		2023	
Wages and salaries expenses	$	179,665	$	278,986
Director Compensation		29,184		62,523
Labor and health insurance expenses		13,069		10,976
Pension expenses		4,406		3,945
Other personnel expenses		10,428		13,928
	$	236,752	$	370,358

1. As stated in the Articles of Incorporation, if there is 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 no greater than 2% of the remaining profits as remuneration to directors.

2. For the years ended December 31, 2024 and 2023, the Company's estimated amount of compensation to employees was $57,230 and $135,110, respectively, and the estimated amount of remuneration to directors was $24,800 and $58,550, respectively, the aforesaid amount is recorded in the payroll expense account.

   Based on the profitability of the year ended in 2024, it was estimated to allocate 3% and 1.3%, respectively, and the estimates were consistent with the amounts resolved by the Board of Directors. The aforementioned employee compensation would be paid in cash.

   The employee bonus and directors' remuneration for the year ended December 31, 2023, as resolved by the Board of Directors, are consistent with the amounts recognized in the financial statements for the year ended December 31, 2023.

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

(XXI) Interest income

	2024		2023	
Bank deposit interest	$	28,475	$	18,836
Interest income on financial assets measured at amortized cost		64,340		64,123
	$	92,815	$	82,959

(XXII) Other income

	2024	2023
Contract default income from the buyers	$ 3,272	$ —
Advertising service income	6,679	13,628
Other income	4,869	4,104
	$ 14,820	$ 17,732

(XXIII) Other gains and losses

	2024	2023
Foreign exchange gains (losses)	$ 54	$ (8,847)
Losses on financial liabilities measured at fair value through profit or loss	(20,200)	—
Loss on disposal of investments	(27,736)	—
Miscellaneous items	(323)	(648)
	$ (48,205)	$ (9,495)

(XXIV) Financial cost

	2024	2023
Interest expense		
－Bank loans	$ 363,640	$ 261,612
－Installment accounts receivable	59,156	64,178
－Amortization of convertible bonds discount	32,288	—
－Lease liabilities	303	341
Financial expenses	2,464	2,846
	457,851	328,977
Less: Amount capitalized of qualified assets	**(309,658)**	**(190,351)**
	$ 148,193	$ 138,626

(XXV) Income tax

1. Income tax expense

(1) Components of income tax expense:

	2024	2023
Current income tax:		
Income tax incurred in the current period	$ 373,948	$ 626,206
Land value increment tax included in current income tax	19,495	72,670
Surcharge on undistributed earnings	39,345	29,377
Over-estimated provision of the prior year's income tax	(6,692)	(402)
Total current income tax	426,096	727,851
Deferred income tax:		
Recognition and reversal of temporary differences	1,567	186
Impact of the exchange differences arising from the disposal of an overseas subsidiary during the period	5,579	—
Income tax expense	$ 433,242	$ 728,037

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

	2024	2023
Foreign operations	$	$
Remeasurement amounts of defined benefit obligations	2,36 2	12 6
	$ (3,649)	$ 5 8

2. The relationship between income tax expense and accounting profit:

	2024	2023
Income tax calculated based on statutory tax rate on profit before tax	$ 365,103	$ 861,963
The effect of items not allowed to be recognized according to legal regulations	19,945	(11,285)
Effect from tax-exempt income	(11,100)	(224,472)
Recognition and reversal of temporary differences	1,567	186
Impact of the exchange differences arising from the disposal of an overseas subsidiary during the period	5,579	—
Surcharge on undistributed earnings	39,345	29,377
Over-estimated provision of the prior year's income tax	(6,692)	(402)
Land value increment tax included in current period income tax	19,495	72,670
Income tax expense	$ 433,242	$ 728,037

3. Deferred tax assets and liabilities resulting from temporary differences are as follows:

	2024			
	January 1	Recognized in profit and loss	Recognized in other comprehensive income	December 31
Deferred income tax assets				
Provision for warranty on projects	$ 3,400	$ (1,600)	$ —	$ 1,800
Unrealized expenses	7,705	(70)	—	7,635
Remeasurements of defined benefit plans	7,940	—	2,362	10,302
	19,045	(1,670)	2,362	19,737
Deferred income tax liabilities				
Exchange differences on translation of foreign operations	(2,986)	—	(6,011)	(8,997)
Book-tax difference in pensions	(526)	103	—	(423)
	(3,512)	103	(6,011)	(9,420)
Total	$ 15,533	$ (1,567)	$ (3,649)	$ 10,317

	2023			
	January 1	Recognized in profit and loss	Recognized in other comprehensive income	December 31
Deferred income tax assets				
Provision for warranty on projects	$ 3,200	$ 200	$ —	$ 3,400
Unrealized expenses	8,207	(502)	—	7,705
Remeasurements of defined benefit plans	7,814	—	126	7,940
	19,221	(302)	126	19,045
Deferred income tax liabilities				
Exchange differences on translation of foreign operations	(2,918)	—	(68)	(2,986)
Book-tax difference in pensions	(642)	116	—	(526)
	(3,560)	116	(68)	(3,512)
Total	$ 15,661	$ (186)	$ 58	$ 15,533

4. The difference between the Company's financial income and taxable income is mainly caused by the tax-exempt income generated from land transactions, etc.

5. The tax authorities have examined income tax returns of the Company through the year ended December 31, 2022.

(XXVI) Earnings per share

	2024		
	Amount after tax	Weighted average Number of common shares outstanding (shares in thousands)	Earnings per share (NT$)
Basic earnings per share			
Net profit attributable to common stockholders	$ 1,392,271	304,302	$ 4.58
Diluted earnings per share			
Effect of dilutive potential common stock on employees' compensation	—	690	
Profit attributable to common stock shareholders plus assumed conversion of all dilutive potential common stocks	$ 1,392,271	304,992	$ 4.56

	2023		
	Amount after tax	Weighted average Number of common shares outstanding (shares in thousands)	Earnings per share (NT$)
Basic earnings per share			
Net profit attributable to common stockholders	$ 3,581,783	304,302	$ 11.77
Diluted earnings per share			
Effect of dilutive potential common stock on employees' compensation	—	1,578	
Profit attributable to common stock shareholders plus assumed conversion of all dilutive potential common stocks	$ 3,581,783	305,880	$ 11.71

(XXVII)Changes in liabilities from financing activities

2024

	Short-term loans	Short-term bills payable	Bonds 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	$ 27,626	$ 23,855	$ —	$ 16,295,487
Increase	18,685,857	1,250,000	6,131,722	1,538,402	16,315	—	—	27,622,296
Decrease	(14,020,000)	(900,000)	—	(1,453,608)	(32,760)	(7,265)	(2,076,095)	(18,489,728)
Convertible bond conversion rights	—	—	(737,089)	—	—	—	—	(737,089)
Amortization of convertible bonds discount	—	—	32,288	—	—	—	—	32,288
Payment of interest expense (Note 1)		(1,962)	—	—	—	(302)	—	(2,264)
Other non-cash changes		1,668	(40,400)	—	—	24,714	2,076,095	2,062,077
December 31	$16,778,327	$ 349,706	$ 5,386,521	$ 4,216,330	$ 11,181	$ 41,002	$ —	$ 26,783,067

2023

	Short-term loans	Short-term bills payable	Bonds 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	$ 30,655	$ 11,626	$ —	$ 14,946,183
Increase	14,092,580	1,850,000	—	1,107,063	42,615	—	—	17,092,258
Decrease	(10,732,000)	(2,150,000)	—	(2,827,739)	(45,644)	(7,226)	(2,076,095)	(17,838,704)
Payment of interest expense (Note 1)	—	(2,213)	—	—	—	(341)	—	(2,554)
Other non-cash changes	—	2,413	—	—	—	19,796	2,076,095	2,098,304
December 31	$12,112,470	$	$ —	$ 4,131,536	$ 27,626	$ 23,855	$ —	$ 16,295,487

Note1: Statement of cash flows from operating activities.

Note2: Of which $1,318,265 is classified under “Long-term liabilities due within one year or within one operating cycle” representing long-term borrowings maturing within one year or one operating cycle.

Note3: Of which $1,292,600 is classified under “Long-term liabilities due within one year or within one operating cycle” representing long-term borrowings maturing within one year or one operating cycle.

VII. Related-Party Transactions

(I) Name and relationship of related parties

Name of related party	Relationship with the Company
Pinhsing Construction Co., Ltd. (Pinhsing Construction)	Subsidiaries
Chengdu Wancheng Duobao Properties Ltd. (Chengdu Wancheng Duobao)	Subsidiaries
Chengdu Huaku Real Estate Co., Ltd. (Chengdu Huaku)	Subsidiaries
Taiwan Digit Automated Control Co., Ltd. (TDAC)	Associates
Full-Come Foundation Engineering Co., Ltd. (Full-Come Foundation Engineering)	Associates
Huapu Construction Co., Ltd. (Huapu Construction)	Associates
Wei-Chieh Liao	Relatives of key management within the
Wan-Chien Chung	Relatives of key management within the second degree of kinship
Sheng-En Hung	Relatives of key management within the second degree of kinship

(II) Significant transactions with related parties

1. Sales

During the years ended December 31, 2024 and 2023, the Board of Directors of the Company resolved to sell the projects developed and constructed by the Company to related parties. The total transaction amount including tax was $150,910 and $0, respectively.

2. Purchases and commitments

	2024	2023
Subsidiary - Pinhsing Construction	$ 3,616,856	$ 3,205,627
Associates	40,197	47,636
	$ 3,657,053	$ 3,253,263

(1) The projects undertaken by the Company and contracted to Pinhsing Construction Co., Ltd. are all conducted according to the terms of the contract, with a payment period of approximately 120 days; the payment period to non-related parties is approximately within one month or 45 days.

(2) As of December 31, 2024, the total contract price for ongoing construction projects signed between the Company and Pinhsing Construction amounts to

$13,170,130, and the total unestimated amount of construction payments is $8,730,249.

3. Accounts payable

	December 31, 2024	December 31, 2023
Subsidiary - Pinhsing Construction	$ 1,336,052	$ 1,153,335
Associates	9,457	13,014
	$ 1,345,509	$ 1,166,349

Amounts due to related parties are mainly from purchase transactions. The payables are non-interest bearing.

4. Management fee income (listed under "Other income")

	2024	2023
Subsidiary - Pinhsing Construction	$ 1,714	$ 1,714

(III) Information on the remunerations of the key management

	2024	2023
Short-term employee benefits	$ 70,425	$ 147,158

VIII. Pledged Assets

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

	Carrying amounts		
Asset items	December 31, 2024	December 31, 2023	Purpose of the
Installment accounts receivable			Loans secured by accounts receivable
— Accounts receivable	$ 109,717	$ 107,895	
— Long-term notes receivable and receivables	1,761,699	2,009,036	
Other installment accounts receivable			Loans secured by accounts receivable
— Other receivables	9,148	8,105	
— Long-term notes receivable and receivables	136,366	130,500	
Other current assets			Pre-sale construction project trust funds
— Restricted bank deposits	2,674,396	1,712,332	
Inventories	40,836,414	31,994,923	Short-term loans and commercial paper payable
Investment property	239,517	243,616	Loans secured by accounts receivable
	$ 45,767,257	$ 36,206,407	

IX. Significant commitments and contingencies

(I) As of December 31, 2024, the total amount of construction contracts entered into with non-related parties amounted to $2,056,342 and the amount not yet estimated amounted to $1,574,812.

(II) As of December 31, 2024, the Company has signed letters of trust deed with the trustee financial institution for the projects of construction in progress. The relevant project names and trust banks are as follows:

Project name	Trust bank
DA'AN TOWER	Hua Nan Commercial Bank Ltd.
Huaku Moon Light	E.SUN Commercial Bank, Ltd.
Sky tower	Taipei Fubon Bank
Casa Blanca	Cathay United Bank
UPPER MANSION	Cathay United Bank
FLOURISH MANSION	E.SUN Commercial Bank, Ltd.
Mout River	Mega International Commercial Bank
THE WEAVEN	Mega International Commercial Bank
Ultimate Luxury	Cathay United Bank

The above projects have been registered with the financial institutions that have been entrusted with the transfer of prices or real estate development trusts.

X. Significant Disaster Losses

None.

XI. Significant subsequent events

None.

XII. Others

(I) Capital risk management

The objective of the Company's capital management is to ensure that the Company can continue operations, maintain an optimal capital structure to lower the cost of funds, and provide returns to shareholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Company regulates the borrowing amount based on the progress of the project and the funds required for the operation.

(II) Financial instruments

1. Categories of financial instruments

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets/loans and receivables measured at amortized cost		
Cash and cash equivalents	$ 3,361,727	$ 1,397,399
Time Deposits	2,000,000	—
Notes receivable	109,193	55,850
Accounts receivable (including long-term installment accounts receivable over one year)	2,009,318	2,269,027
Other receivables	12,467	10,968
Refundable deposits	407,917	499,196
Other financial assets	2,674,396	1,712,332
	$ 10,575,018	$ 5,944,772
Financial liabilities		
Financial liabilities measured at amortized costs		
Short-term loans	$ 16,778,327	$ 12,112,470
Short-term bills payable	349,706	—
Notes payable	5,399	13,955
Accounts payable	1,672,123	1,749,596
Other accounts payable	326,775	482,992
Bonds payable	5,386,521	—
Long-term borrowings (including due within one year or one operating cycle)	4,216,330	4,131,536
Guarantee deposits received	11,181	27,626
	$ 28,746,362	$ 18,518,175
Lease liabilities	$ 41,002	$ 23,855

2. Risk management policy

(1) The Company's daily operations are affected by various financial risks, including market risks (including exchange rate risk, interest rate risk, and price risk), credit risk, and liquidity risk.

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

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

3. Nature and degree of significant financial risks

(1) Market risk

Exchange rate risk

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

B. The fluctuations in exchange rates significantly impacted the (losses) gains on monetary items for the years ended December 31, 2024 and 2023, with aggregate amounts of $54 and $(8,847), respectively.

Price risk

The Company has no equity instruments exposed to price risk, and has no commodity exposed to price risk.

Cash flow interest rate risk and fair value interest rate risk

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

B. The Company 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 2024 and 2023 is of an increase or decrease of $213,447 and $162,440, respectively. In the years 2024 and 2023, $20,169 and $22,555, respectively, were attributable to interest income generated from installment sales where the interest payments from purchasers were directly deposited into the Company's bank loan account to repay the interest expenses incurred from the accounts receivable secured borrowing contracts signed with banks. Therefore, the Company does not bear the interest rate risk 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 Company refers to the risk of financial loss of the Company caused by the client or counterparties of financial instruments fail to fulfill their contractual obligations. It mainly comes from the counterparty inability to settle accounts receivable according to the collection conditions.

B. The Company establishes credit risk management from the group perspective. Only banks and financial institutions with an independent credit rating of at least "A" are accepted as counterparties for transactions.

C. The Company mainly engages in leasing and selling residential properties, industrial plants, and commercial office buildings. Revenue from buildings and land sales is recognized when the full contract price is received, and all ownership transfers and actual handovers of the house are completed. Therefore, the accounts receivable generated from buildings and land sales are expected to be minimal, with little possibility of non-recovery. For receivables arising from special transactions, the Company adopts individual management and conducts regular tracking. Besides, the Company classifies customers' accounts receivable and installment accounts receivable based on customer characteristics. Using the simplified approach of 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. As of December 31, 2024 and 2023, the Company assessed that the amount of credit impairment losses was not significant.

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

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

(3) Liquidity risk

A. The cash flow forecast is performed and compiled by the finance department. The Company's finance department monitors rolling forecasts of the Company'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 Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

B. The Company'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 its book value and matures within one year, the amount of undiscounted contractual cash flow of other financial liabilities is as follows:

December 31, 2024 Non-derivative financial liabilities:	Within 1 year	1-3 years	Over 3 years
Short-term loans	$ 1,744,404	$ 10,622,101	$ 5,343,990
Short-term bills payable	350,000	—	—
Accounts payable	1,510,792	117,869	43,462
Other payables	287,143	1,800	37,832
Lease liabilities	17,584	21,366	3,171
Long-term borrowings (including due within one year or one operating cycle)	1,231,814	1,006,526	—
Loans secured by accounts receivable	157,127	329,043	2,269,406

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
Short-term bills payable	—	—	—
Accounts payable	1,589,996	117,695	41,905
Other payables	192,387	252,243	38,362
Lease liabilities	7,567	10,738	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

C. The Company does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(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: Quoted prices (unadjusted) 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: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs that are unobservable for the asset or liability.

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

3. As of December 31, 2024, and December 31, 2023, the Company held financial and non-financial instruments measured at fair value amounting to $60,600 and $0, respectively. These amounts are based on the valuation results of an independent appraiser and are classified as Level 3 fair values.

4. 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.

XIII. Matters disclosed in notes

(I) Related information on material transactions

1. Loans of funds to others: None.
2. Endorsement and guarantees for others: None.
3. Marketable securities held at the end of the period (excluding investment in subsidiaries, associates and joint ventures): Please refer to Table 1.
4. Accumulated purchase or sale of the same marketable securities amounting to at least NT$300 million or more than 20% of the paid-in capital: None.
5. Acquisition of real estate properties at prices of at least NT$300 million or 20% of paid-in capital: Please refer to Table 2.
6. Disposal of real estate 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 amounting to at least NT$100 million or exceeding 20% of paid-in capital: Please refer to Table 4.
8. Receivables from related parties amounting to at least NT$100 million or exceeding 20% of paid-in capital: Please refer to Table 5.
9. Engaged in derivatives transaction: None.
10. Parent-subsidiary and subsidiary-subsidiary business relations and significant transactions and amounts thereof: Please refer to Table 6.

(II) Related Information on Reinvestment

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. Basic information: Please refer to Table 8.
2. Significant transactions occurring directly or indirectly through enterprises in third regions and investee companies in mainland China: None.

(IV) Information on major shareholders

List of shareholders holding 5% or more of the shares of the listed (OTC) companies, including number of shares held, amounts, and shareholding percentage: Please refer to Table 9 for details.

XIV. **Information on Operating Segment**

Not applicable.

Huaku Development Co., Ltd.

Schedule of Inventories

December 31, 2024

Unit: NT$ thousands

Item	Amount: Cost	Amount: Market price (Note)	Note
Buildings and land held for sale	$ 1,059,102	$ 1,718,900	
Construction in progress			
ASIA ONE	6,356,505	6,356,505	
UPPER MANSION	4,196,122	4,196,122	
FORTUNE ONE	3,673,707	3,673,707	
Casa Blanca	3,450,546	3,450,546	
Huaku Moon Light	2,192,024	2,192,024	
DA'AN TOWER	1,723,265	1,723,265	
Sky tower	1,714,556	1,714,556	
Mout River (formerly the No. 57, Renyi Street project)	1,518,883	1,518,883	
Flourish Mansion (formerly the Taichung Fengle Road Project)	1,392,641	1,392,641	
Ultimate Luxury (formerly the Xinyi-Guangfu Urban Renewal Project)	1,130,897	1,130,897	
The Weaven (formerly the No. 89, Renyi Street project)	993,020	993,020	
	28,342,166	28,342,166	
Land held for construction			
Jang Dah Beitou Project	4,080,738	4,080,738	
Guangpu Hsinchu Project, Second Phase	2,098,282	2,098,282	
Wenlin North Road Project III	1,863,571	1,863,571	
Taichung Jingmao Fifth Road Project	1,672,184	1,672,184	
Taichung Chongde 10th Road Project	1,353,223	1,353,223	
Zhengda Xindian Project	693,283	693,283	
Fuxing South Road Urban Renewal Project	241,061	241,061	
Dunnan Project	198,834	198,834	
Others	483,782	483,782	
	12,684,958	12,684,958	
Advances for land and others			
Taichung Fengle Road Project II	1,426,248	1,426,248	
Floor area and road land	16,032	16,032	
	$ 43,528,506	$ 44,188,304	

Note: Due to the industry characteristics of a construction company, the market prices of the construction in progress and the land held for construction are listed at the lower of the cost and net realizable value.

Huaku Development Co., Ltd.

Schedule of Changes in Construction in Progress

January 1 to December 31, 2024

Unit: NT$ thousands

Project name	Beginning balance	Additions in the period: Investment cost	Additions in the period: Capitalized interest	Number of transfers in the period: Transferred from land held for construction	Number of transfers in the period: Project completed and transferred out	Ending balance	Note
ASIA ONE	$ 5,223,100	$ 1,075,051	$ 58,354	$ —	$ —	$ 6,356,505	Provided as security for the borrowing
UPPER MANSION	3,768,312	392,274	35,536	—	—	4,196,122	〃
FORTUNE ONE	3,232,026	405,591	36,090	—	—	3,673,707	〃
Casa Blanca	2,749,263	680,110	21,173	—	—	3,450,546	〃
Central Landmark	2,497,755	560,900	8,808	—	(3,067,463)	—	〃
Huaku Moon Light	1,839,426	339,337	13,261	—	—	2,192,024	〃
Huaku Greenside Mansion	1,676,118	217,500	3,650	—	(1,897,268)	—	〃
Sky tower	1,443,852	259,849	10,855	—	—	1,714,556	〃
DA'AN TOWER	1,177,534	541,327	4,404	—	—	1,723,265	〃
Ultimate Luxury (formerly the Xinyi-Guangfu Urban Renewal Project)	—	175,764	6,871	948,262	—	1,130,897	〃
Huaku Trade and Finance Center	—	41,743	—	9,111	(50,854)	—	〃
Mout River (formerly the No. 57, Renyi Street project)	—	27,563	13,864	1,477,456	—	1,518,883	〃
Flourish Mansion (formerly the Taichung Fengle Road Project)	—	26,489	9,109	1,357,043	—	1,392,641	〃
The Weaven (formerly the No. 89, Renyi Street project)	—	17,197	9,522	966,301	—	993,020	〃
	$23,607,386	$ 4,760,695	$ 231,497	$ 4,758,173	$ (5,015,585)	$ 28,342,166	

Huaku Development Co., Ltd.

Statement of Changes in Investments Using the Equity Method

January 1 to December 31, 2024

Unit: NT$ thousands

Name	Beginning balance		Increase		Decrease		Other Adjustments (Note 2)	Ending balance			Equity		Provision of guarantee or pledge	Note
	Shares	Amount	Shares	Amount	Shares	Amount		Shares	Shareholding percentage	Amount	Unit price (NT$)	Total		
Chengdu Wancheng Duobao Properties Ltd.	—	$ 48,632	—	$ —	—	$ (8,277)	$ (5,512)	—	80%	$ 34,843	$ —	$ 34,843	None	
Chengdu Huaku Real Estate Co., Ltd.	—	25,321	—	—	—	(25,771)	450	—	—%	—	—	—	〃	
Pinhsing Construction Co., Ltd.	35,000,000	476,707	35,000,000	350,000	—	(33,021)	(22,649)	70,000,000	100%	771,037	14.63	1,024,013	〃	Note 1
Taiwan Digit Automated Control Co., Ltd.	800,000	32,018	—	5,993	—	—	(6,400)	800,000	40%	31,611	39.51	31,611	〃	
Huapu Construction Co., Ltd.	500,000	5,400	—	11	—	—	(260)	500,000	50%	5,151	10.30	5,151	〃	
		$ 588,078		$ 356,004		$ (67,069)	$ (34,371)			$ 842,642		$ 1,095,618		

Note1: The difference between net equity and the balance of long-term equity investments is primarily due to unrealized internal gains generated from offsetting counter flow transactions and adjustment of transactions of the Company's stock held by that company.

Note2: Other adjustments include exchange differences from the translation of financial statements of foreign operations, recording cash dividends received from subsidiaries as capital reserves, differences in equity attributable to cash capital increases not recognized by subsidiaries according to their shareholding proportion, distribution of cash dividends by subsidiaries, capital reduction and return of the share capital from the subsidiaries, and recognition of actuarial gains and losses on pensions of subsidiaries.

Huaku Development Co., Ltd.

Schedule of Operating Revenue

January 1 to December 31, 2024

Unit: NT$ thousands

Item	Abstract	Amount
Revenue from sales of buildings and land		
Revenue from sales of land		$ 4,561,770
Revenue from sales of buildings		2,617,027
Sale returns and allowances		—
		7,178,797
Rental income		30,004
		$ 7,208,801

Huaku Development Co., Ltd.

Schedule of Operating Cost

January 1 to December 31, 2024

Unit: NT$ thousands

Item	Amount	
	Sub-total	Total
Beginning inventory		
Buildings and land held for sale	$ 743,978	
Construction in progress	23,607,386	
Land held for construction	9,794,153	
Prepayment for land and building capacity	2,107,339	$ 36,252,856
Add: Purchases		11,223,032
Costs of construction in progress during the period		430,213
Rental costs		4,189
Capitalization of interest		309,658
Less: Ending inventory		
Buildings and land held for sale	(1,059,102)	
Construction in progress	(28,342,166)	
Land held for construction	(12,684,958)	
Prepayment for land and building capacity	(1,458,989)	(43,545,215)
Add: Allowance for valuation loss		3,402
Operating costs		$ 4,678,135

Huaku Development Co., Ltd.

Schedule of Operating Expenses

January 1 to December 31, 2024

Unit: NT$ thousands

Item	Amount	Note
Marketing expenses		
Wages and salaries expenses	$ 268	
Advertising expenses	111,945	
Commission expenses	84,055	
Other expenses	5,890	
	202,158	
Administrative expenses		
Wages and salaries expenses	212,987	
Depreciation expenses	18,522	
Donations expenses	2,856	
Taxation	54,921	
Warranty repair expenses	10,690	
Insurance expenses	15,891	
Other expenses	60,570	
	376,437	
Total	$ 578,595	

Huaku Development Co., Ltd.

Schedule of Non-operating Income and Expenses

January 1 to December 31, 2024

Unit: NT$ thousands

Item	Amount	Note
Shares of profit (loss) of subsidiaries, associates, and joint ventures accounted for using the equity method	$ (37,795)	
Interest income	92,815	
Other income - others	14,820	
Financial cost	(148,193)	
Other gains and losses	(48,205)	
	$ (126,558)	

Huaku Development Co., Ltd.

Summary by Function of Employee Benefits, Depreciation, Depletion and Amortization Expenses Incurred During the Period

January 1 to December 31, 2024

Unit: NT$ thousands

	2024			2023		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expenses						
Wages and salaries expenses	$ —	$ 179,665	$ 179,665	$ —	$ 278,986	$ 278,986
Labor and health insurance expenses	—	13,069	13,069	—	10,976	10,976
Pension expenses	—	4,406	4,406	—	3,945	3,945
Directors' remuneration	—	29,184	29,184	—	62,523	62,523
Other employee benefit expenses	—	10,428	10,428	—	13,928	13,928
	$ —	$ 236,752	$ 236,752	$ —	$ 370,358	$ 370,358
Depreciation expenses	$ 4,100	$ 18,522	$ 22,622	$ 4,100	$ 15,660	$ 19,760
Depletion expenses	$ —	$ —	$ —	$ —	$ —	$ —
Amortization expenses	$ —	$ 2,109	$ 2,109	$ —	$ 2,254	$ 2,254

1. The numbers of employees of the Company for the years ended December 31, 2024, and 2023 were 91 and 83, respectively. Among which the numbers of directors who were not part-time employees were both 7.
2. The Company has disclosed the following information according to the above table:
   (1) The Company's average employee benefit expenses for 2024 and 2023 were $2,471 and $4,050, respectively.
   (2) The Company's average employee salary expenses for 2024 and 2023 were $2,139 and $3,671, respectively.
   (3) The average adjustment of employee salary expenses was (42)%.
   (4) The Company's remunerations for supervisors for 2024 and 2023 were both $0. (Note)
   (5) The Company's remuneration policies are as follows:
      a. Pursuant to Article 29-1 of the Articles of Incorporation, the Company shall allocate 3%-5% of the annual profit, if any, as employee compensation, and a maximum of 2% shall be allocated as the directors' remuneration. However, in case the Company still has accumulated deficits, the amount of accumulated deficits should be deducted from such earnings before the balance is calculated for distribution.
      b. The directors' remuneration is allocated by the Company's directors in accordance with the Articles of Incorporation and with reference to the price index, industry market price, operating results, and financial position, and is approved by the shareholders' meeting on the allocation of directors' remuneration from annual earnings.
      c. The amount of remuneration paid to the managers of the Company was reviewed by the Compensation Committee and then submitted to the Board of Directors for approval based on the managers' duties, contributions, annual operating performance of the Company, and consideration of future risks of the Company.
      d. The remuneration package of the Company's employees includes monthly salary, bonuses, and employee compensation. The standards for employees' salary are determined based on their current positions, educational and professional experience, professional knowledge, and market value. Employees' bonuses and compensation are determined in accordance with the total amount allocated by the Articles of Incorporation, the Company's annual operating performance, professional contribution, and performance appraisal results.

Note: The Company has established the Audit Committee; therefore, there is no remuneration for supervisors.

Huaku Development Co., Ltd.

Marketable securities held at the end of the period (excluding investments in subsidiaries, associates and joint ventures)

December 31, 2024

Table 1.

Unit: NT$ thousands

(Unless specified otherwise)

Company held	Type and name of marketable securities	Relationship with the securities issuer (Note 1)	Financial statement account	End of the period				Note
				Shares	Carrying amount (Note 2)	Shareholding percentage	Fair value	
Pinhsing Construction Co., Ltd.	Huaku Development Co., Ltd.	Parent company	Financial assets at fair value through profit or loss—current	191,789	$ 1,388	0.06	$ 21,864	Note 3
			Valuation adjustment		20,476			
					$ 21,864			
Chengdu Wancheng Duobao Properties Ltd.	Financial products	None	Financial assets at fair value through profit or loss—current		$ 13,385		$ 13,385	

Note1: If the securities issuer is not a related party, the field may be left blank.

Note2: 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.

Note3: Listed as treasury stock.

Huaku Development Co., Ltd.

Acquisition of real estate amounting to at least NT$300 million or more than 20% of the paid-in capital

January 1 to December 31, 2024

Table 2.

Unit: NT$ thousands

(Unless specified otherwise)

Acquisition of real estate by a company	Name of property	Date of occurrence	Transaction amount	Payment status	Counterparty	Relationship	The previous transfer information of the counterparty if the counterparty is a related party				Reference for price determination	Purpose and utilization status of acquisition	Other agreement terms
							Owner	Relationship with the issuer	Transfer date	Amount			
Huaku Development Co., Ltd.	Inventory - land ("Jang Dah Beitou Project")	2022.12.26	$ 2,820,000	$ 2,820,000 (Note)	Jang Dah Fiber Industrial Co., Ltd.	None	N/A	N/A	N/A	N/A	Cushman & Wakefield and DTZ 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
Huaku Development Co., Ltd.	Inventory - Land ("Flourish Mansion")	2024.06.12	301,076	301,076	Taichung City Government	None	N/A	N/A	N/A	N/A	N/A	Construction land	N/A
Huaku Development Co., Ltd.	Inventory—land ("Wenlin North Road Project III")	2024.04.19	1,800,000	1,800,000	Mr. A and B at Chiachao Investment Co., Ltd.	None	N/A	N/A	N/A	N/A	Cushman & Wakefield and DTZ Real Estate Appraisers Firm's appraisal amount for the project is $1,809,331. Yu Fong Real Estate Appraisers Firm's appraisal amount for the project is $1,804,062.	Construction land	N/A
Huaku Development Co., Ltd.	Inventory - land ("Taichung Chongde 10th Road Project")	2024.04.26	1,060,964	1,060,964	21 individuals; Shangching Land Development Co., Ltd. and Mr. C	None	N/A	N/A	N/A	N/A	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the project is $1,116,660. Euro-Asia Real Estate Appraisal Firm's appraisal amount for the project is $1,062,188.	Construction land	N/A
Huaku Development Co., Ltd.	Inventory - land ("Taichung Fengle Road Project II")	2024.08.14	1,371,100	1,371,100	5 individuals; Tripodking International Dining Limited Liability Company and Mr. D	None	N/A	N/A	N/A	N/A	Yu Fong Real Estate Appraisers Firm's appraisal amount for the project is $1,401,232 Cushman & Wakefield and DTZ Real Estate Appraisers Firm's appraisal amount for the project is $1,384,141	Construction land	N/A
Huaku Development Co., Ltd.	Inventory - land ("Jang Dah Beitou Project")	2024.11.04	933,960	933,960	Taipei City Government	None	N/A	N/A	N/A	N/A	N/A	Construction land	N/A
Huaku Development Co., Ltd.	Inventory - land ("Taichung Jingmao Fifth Road Project")	2024.12.09	321,949	321,949	Taichung City Government	None	N/A	N/A	N/A	N/A	N/A	Construction land	N/A

Note: The Company has paid $705,000 and $1,974,000 in accordance with the agreement for the years 2022 and 2023, respectively, with the remaining $141,000 paid in full during the current period.

Huaku Development Co., Ltd.

Disposal of real estate amounting to at least NT$300 million or more than 20% of the paid-in capital

January 1 to December 31, 2024

Table 3.

Unit: NT$ thousands

(Unless specified otherwise)

Company that disposed real estate	Name of property	Transaction date or date of occurrence of the event	Original acquisition date	Carrying amount	Transaction amount	Price collection status (collected in accordance with the contract)	Gain (loss) on disposal	Counterparty	Relationship	Purpose of disposal	Reference for price determination	Other agreement terms
Huaku Development Co., Ltd.	Inventory - premises for sale	2023.08.09	Not applicable to the sale of inventory	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 project is $665,223.	For details, please refer to Note 6(3)4.
Huaku Development Co., Ltd.	Inventory - premises under construction	2023.09.28~ 2024.03.25	Not applicable to the sale of inventory	N/A	575,700	575,700 (Note 2)	N/A	EVER BRIDGE INTERNATIO NAL CO., LTD.	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the premises is $582,211.	N/A
Huaku Development Co., Ltd.	Inventory - premises under construction	2023.11.17	Not applicable to the sale of inventory	N/A	485,000	485,000 (Note 3)	N/A	Person A	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the premises is $870,680.	N/A
Huaku Development Co., Ltd.	Inventory - premises under construction	2023.12.05~ 2024.06.26	Not applicable to the sale of inventory	N/A	848,000	568,020 (Note 4)	N/A	SINTRONES Technology Corp.	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the project is $4,322,012.	For details, please refer to Note 6(3)4.
Huaku Development Co., Ltd.	Inventory - premises under construction	2023.12.28~ 2024.01.31	Not applicable to the sale of inventory	N/A	514,000	514,000 (Note 5)	N/A	DAILYWELL ELECTRONI CS CO., LTD	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the premises is $519,523.	N/A
Huaku Development Co., Ltd.	Inventory - premises under construction	2024.01.19	Not applicable to the sale of inventory	N/A	504,380	504,380	N/A	Goldkey Technology Corporation	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the premises is $509,792.	N/A
Huaku Development Co., Ltd.	Inventory - premises under construction	2024.04.01~ 2024.05.31	Not applicable to the sale of inventory	N/A	320,660	171,860	N/A	Person B	None	For gaining profits	Zhan-Mao Real Estate Appraisers Firm's appraisal amount for the premises is $322,582.	For details, please refer to Note 6(3)4.

Note 1: The Company has received $190,500 during the year 2023.

Note 2: The Company has received $54,200 during the year 2023 and $521,500 during the current period.

Note 3: The Company has received $67,400 during the year 2023 and $417,600 during the current period.

Note 4: The Company has received $69,190 during the year 2023 and $498,830 during the current period.

Note 5: The Company has received $56,090 during the year 2023 and $457,910 during the current period.

Huaku Development Co., Ltd.

Purchases or sales of goods from or to related parties amounting to at least NT$100 million or 20% of the paid-in capital

January 1 to December 31, 2024

Table 4.

Unit: NT$ thousands

(Unless specified otherwise)

Supplier (Buyer)	Counterparty	Relationship	Transaction details				Reasons for and status of differences in transaction terms compared to arms-length transaction		Notes and accounts receivable (payable)		Note
			Purchase (Sale)	Amount	Ratio to the total purchase (sale) amount	Credit period	Unit price	Credit period	Balance	Ratio to the total notes and accounts receivable (payable)	
Huaku Development Co., Ltd.	Pinhsing Construction Co., Ltd.	Subsidiaries	Purchase	$ 3,616,856	31	Within 120 days	Contract-based pricing	Typically, suppliers are paid within one month or 45 days	$(1,336,052)	79	
Pinhsing Construction Co., Ltd.	Huaku Development Co., Ltd.	Parent company	Sales	(3,658,111)	100	Within 120 days	Contract-based pricing	Typically, customers are provided with a 30-day monthly credit term	1,336,052	100	

Huaku Development Co., Ltd.

Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital

January 1 to December 31, 2024

Table 5.

Unit: NT$ thousands

(Unless specified otherwise)

Companies with receivables	Counterparty	Relationship	Balance of receivable from related parties	Turnover rate	Overdue from receivables from related parties		Amount collected after the period for receivable from related parties	Allowance for doubtful accounts
					Amount	Action taken		
Pinhsing Construction Co., Ltd.	Huaku Development Co., Ltd.	Parent company	$ 1,336,052	Note	$	—	$ 893,787	$ —

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

Huaku Development Co., Ltd.

Business relationships, significant transactions and amounts between the parent company, subsidiaries, and among subsidiaries

January 1 to December 31, 2024

Table 6.

Unit: NT$ thousands

(Unless specified otherwise)

No. (Note)	Name of counterparty	Counterparty	Relationship with the counterparty	Transaction details			
				Account	Amount	Transaction terms	Ratio to the Consolidated Revenue or Total Assets
0	Huaku Development Co., Ltd.	Pinhsing Construction Co., Ltd.	Parent company to subsidiary	Purchase	$ 3,616,856	Contract-based pricing within 120 days	50
0	Huaku Development Co., Ltd.	Pinhsing Construction Co., Ltd.	Parent company to subsidiary	Accounts payable	1,336,052	Contract-based pricing within 120 days	2
1	Pinhsing Construction Co., Ltd.	Huaku Development Co., Ltd.	Subsidiary to parent company	Sales	3,658,111	Contract-based pricing within 120 days	51
1	Pinhsing Construction Co., Ltd.	Huaku Development Co., Ltd.	Subsidiary to parent company	Accounts receivable	1,336,052	Contract-based pricing within 120 days	2

Note: The information of intercompany transactions between the parent company and subsidiaries should be indicated in the number column separately, and the number should be filled in as follows:

(1) 0 for the parent company.

(2) Subsidiaries should be numbered based on the company’s classification, beginning with the Arabic numeral 1.

Huaku Development Co., Ltd.

Name, location, and information on investee companies (not including investee companies in Mainland China)

January 1 to December 31, 2024

Table 7.

Unit: NT$ thousands

(Unless specified otherwise)

Investor Company	Investee Company	Location	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	End of Last	Shares	Ratio	Carrying amount			
Huaku Development Co., Ltd.	Pinhsing Construction Co., Ltd.	Taiwan	Contracting civil engineering and hydraulic engineering projects	$ 614,184	$ 264,184	70,000,000	100	$ 771,037	$ 80,339	$ (33,021)	Subsidiaries
Huaku Development Co., Ltd.	Taiwan Digit Automated Control Co., Ltd.	Taiwan	Engineering monitoring	8,000	8,000	800,000	40	31,611	15,418	5,993	Investee companies accounted for using the equity method
Huaku Development Co., Ltd.	Huapu Construction Co., Ltd.	Taiwan	Lease, sell and development of residential and commercial buildings	5,000	5,000	500,000	50	5,151	29	12	Investee companies accounted for using the equity method
Pinhsing Construction Co., Ltd.	Full-Come Foundation Engineering Co., Ltd.	Taiwan	Foundation engineering specialized construction enterprises	25,925	25,925	2,245,069	38.05	31,710	13,321	5,344	An subsidiary; an investee company accounted for using the equity method

Huaku Development Co., Ltd.

Basic Information on Investments in Mainland China

January 1 to December 31, 2024

Table 8.

Unit: NT$ thousands

(Unless specified otherwise)

Investee company in Mainland China	Main businesses	Paid-in Capital	Investment Method	Accumulated Investment Amount of Remittance from Taiwan - Beginning of the Current Period	Remitted 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	The Company's 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.	Real estate development	$ 22,390	Note 1	$ 46,638	$ —	$ —	$ 46,638	$ (3,127)	0	$ (2,502)	$ —	$ 73,410	Note 3
Chengdu Wancheng Duobao Properties Ltd.	Real estate development	2,239	Note 1	—	—	—	—	(10,346)	80	(8,277)	34,843	346,784	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	$ 917,352	$ 12,511,370

Note1: Direct investment in a Mainland China company.

Note2: Based on the valuation and disclosure of the company's financial statements audited by a CPA in the same period.

Note3: 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 Chengdu Investment Promotion Commission, 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.

The Company, by a resolution of the Board of Directors on May 8, 2024, disposed of all its shares in the company to an unrelated party. The transaction amount was fully recovered on July 18, 2024.

Note4: 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 Group'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

December 31, 2024

Table 9.

Major Shareholders' Name	Shares (Note)	
	Number of Shares Held	Shareholding percentage
Zhongshan Investment Co., Ltd.	21,582,000	7.08 %
Newland Investment Co., Ltd.	16,160,080	5.30 %

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