

Chien Kuo Construction Co., Ltd. and Subsidiaries
Consolidated Financial Statements and Independent
Auditors' Review Report
For the Six Months Ended June 30, 2025 and 2024

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

Independent Auditors' Review Report

To: The Board of Directors and shareholders of Chien Kuo Construction Co., Ltd.

Introduction

We have reviewed the consolidated balance sheets of Chien Kuo Construction Co., Ltd. and its subsidiaries as of June 30, 2025 and 2024, the consolidated statements of comprehensive income for the three-month period ended June 30, 2025 and 2024 and for the six-month period ended June 30, 2025 and 2024, consolidated statements of changes in equity, consolidated statements of cash flows, and notes to the consolidated financial statements (including the summary of significant accounting policies) for the six-month period ended June 30, 2025 and 2024. Management is responsible for the preparation of a set of fairly presented financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope

We conducted our reviews in accordance with the Standards on Review Engagement No. 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements of Chien Kuo Construction Co., Ltd. and its subsidiaries do not present fairly, in all material aspects the financial position of the entity as of June 30, 2025 and 2024, and of its consolidated financial performance for the three months ended June 30, 2025 and 2024, and its consolidated financial performance and cash flows for the six months ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34, "Interim Financial Reporting," endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

CPA: Li-Chun Chang

CPA: Wen-Chi Kuo

Deloitte&Touche

Taipei, Taiwan

Republic of China

August 14, 2025

Notes to Readers

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

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

Chien Kuo Construction Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

June 30, 2025 and December 31 and June 30, 2024

Unit: NT\$ Thousands

Code	Assets	June 30, 2025		December 31, 2024		June 30, 2024	
		Amount	%	Amount	%	Amount	%
Current assets							
1100	Cash and cash equivalents (Note 6)	\$ 841,487	10	\$ 810,986	9	\$ 1,580,466	18
1110	Financial assets at fair value through profit or loss (Note 7)	3,218,803	37	3,031,795	33	2,103,150	24
1120	Financial assets at fair value through other comprehensive income (Note 8)	16,654	-	19,325	-	20,803	-
1136	Financial assets at amortized cost (Note 9)	111,918	1	147,546	2	1,102,344	12
1140	Contract assets (Note 21)	737,526	8	989,010	11	944,056	11
1150	Notes receivable (Note 10 and 21)	-	-	13,650	-	-	-
1170	Accounts receivable (Notes 10 and 21)	651,092	8	734,572	8	205,756	2
1200	Other receivables (Note 25)	74,518	1	28,456	-	93,960	1
1220	Current tax assets	123,478	1	138,396	2	136,826	2
1323	Inventories (Notes 11 and 28)	12,956	-	8,099	-	5,740	-
1410	Prepayments (Note 12)	225,576	3	183,060	2	213,317	3
1470	Other current assets	15,883	-	57,449	1	10,199	-
11XX	Total current assets	6,029,891	69	6,162,344	68	6,416,617	73
Non-current assets							
1510	Financial assets at fair value through profit or loss (Note 7)	378,316	5	378,823	4	261,816	3
1517	Financial assets at fair value through other comprehensive income (Notes 8 and 29)	164,813	2	191,251	2	341,976	4
1535	Financial assets at amortized cost (Notes 9 and 29)	1,219,129	14	1,428,077	16	936,340	11
1550	Investments accounted for using equity method (Note 14)	97,932	1	73,440	1	48,708	-
1600	Property, plant and equipment (Note 15)	107,794	1	141,333	2	77,671	1
1755	Right-of-use assets (Note 16)	63,768	1	69,759	1	71,694	1
1760	Investment properties (Notes 17 and 29)	564,935	6	565,432	6	565,929	6
1780	Intangible assets	22,261	-	19,080	-	21,906	-
1840	Deferred tax assets	33,030	1	29,486	-	34,984	-
1990	Other non-current assets (Note 15)	11,655	-	12,966	-	69,040	1
15XX	Total non-current assets	2,663,633	31	2,909,647	32	2,430,064	27
1XXX	Total assets	\$ 8,693,524	100	\$ 9,071,991	100	\$ 8,846,681	100
Code	Liabilities and Equity						
Current liabilities							
2100	Short-term loans (Note 18)	\$ 100,000	1	\$ 200,000	2	\$ 150,000	2
2130	Contract liabilities (Note 21)	1,264,421	15	927,441	10	891,415	10
2170	Accounts payable (Note 19)	1,436,703	17	1,654,048	18	1,171,523	13
2216	Dividend payable (Note 25)	433,440	5	-	-	252,000	3
2219	Other payables (Note 25)	188,712	2	245,834	3	215,276	2
2230	Current tax liabilities	73,545	1	101,040	1	57,183	1
2250	Current provisions (Note 21)	81,111	1	102,262	1	120,406	1
2280	Lease liabilities - current (Note 16)	18,431	-	18,398	-	16,839	-
2399	Other current liabilities (Note 17)	123,282	1	122,033	2	121,443	2
21XX	Total current liabilities	3,719,645	43	3,371,056	37	2,996,085	34
Non-current liabilities							
2570	Deferred tax liabilities	529,845	6	594,737	7	592,941	7
2580	Lease liabilities - non-current (Note 16)	43,807	1	52,106	1	55,369	-
2600	Other non-current liabilities	97,221	1	118,483	1	124,728	2
25XX	Total non-current liabilities	670,873	8	765,326	9	773,038	9
2XXX	Total liabilities	4,390,518	51	4,136,382	46	3,769,123	43
Equity (Note 20)							
Capital							
3110	Common stock	2,016,001	23	2,016,001	22	2,520,001	28
3200	Additional paid-in capital	187,308	2	187,308	2	187,308	2
Retained earnings							
3310	Legal reserve	856,085	10	778,147	9	778,147	9
3320	Special reserve	11,397	-	11,397	-	11,397	-
3350	Unappropriated earnings	1,301,032	15	1,671,553	18	1,231,285	14
3300	Total retained earnings	2,168,514	25	2,461,097	27	2,020,829	23
3400	Other equity	(68,817)	(1)	271,203	3	349,420	4
3XXX	Total equity	4,303,006	49	4,935,609	54	5,077,558	57
Total liabilities and equity							
		\$ 8,693,524	100	\$ 9,071,991	100	\$ 8,846,681	100

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

Chien Kuo Construction Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

April 1 to June 30, 2025 and 2024, and January 1 to June 30, 2025 and 2024

Unit: NT\$ Thousands, except for earnings per share (in Dollars)

Code		April 1 to June 30, 2025		April 1 to June 30, 2024		January 1 to June 30, 2025		January 1 to June 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (Note 21)	\$ 1,698,569	100	\$ 1,351,810	100	\$ 3,150,331	100	\$ 2,514,152	100
5000	Operating costs (Notes 22)	1,493,870	88	1,161,085	86	2,723,970	86	2,211,895	88
5900	Gross profit	204,699	12	190,725	14	426,361	14	302,257	12
6200	Operating expenses (Notes 22 and 28)	90,079	5	87,057	6	181,990	6	184,053	7
6900	Net operating income	114,620	7	103,668	8	244,371	8	118,204	5
	Non-operating income and expenses (Notes 14, 22 and 28)								
7100	Interest income	21,058	1	36,313	2	43,394	1	67,671	3
7010	Other income	959	-	1,134	-	4,655	-	5,883	-
7020	Other gains and losses	(47,315)	(3)	(2,470)	-	(72,242)	(2)	195,078	7
7050	Finance costs	(771)	-	(416)	-	(2,076)	-	(758)	-
7060	Shares of loss of associates accounted for using equity method	163	-	66	-	(8)	-	66	-
7000	Total non-operating income and expenses	(25,906)	(2)	34,627	2	(26,277)	(1)	267,940	10
7900	Income before income tax	88,714	5	138,295	10	218,094	7	386,144	15
7950	Income tax expense (Note 23)	41,249	2	27,402	2	77,237	3	57,636	2
8200	Net income	47,465	3	110,893	8	140,857	4	328,508	13
	Other comprehensive income								
8310	Items that will not be reclassified subsequently to profit or loss:								
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(14,245)	(1)	21,187	2	(29,109)	(1)	(10,608)	-
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of financial statements of foreign operations	(434,807)	(26)	47,905	4	(388,640)	(12)	202,379	8
8399	Income tax related to items that will be reclassified subsequently to profit or loss (Note 23)	86,965	5	(9,581)	(1)	77,729	3	(40,475)	(2)
8300	Other comprehensive income, net after tax	(362,087)	(22)	59,511	5	(340,020)	(10)	151,296	6
8500	Total comprehensive income	(\$ 314,622)	(19)	\$ 170,404	13	(\$ 199,163)	(6)	\$ 479,804	19
	Earnings per share (Note 24)								
9750	Basic	\$ 0.24		\$ 0.44		\$ 0.70		\$ 1.30	
9850	Diluted	\$ 0.24		\$ 0.44		\$ 0.70		\$ 1.30	

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

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Consolidated Statements of Changes in Equity
 For the Six Months Ended June 30, 2025 and 2024

Unit: NT\$ Thousands, except for Dividends per share (in Dollars)

Code		Retained earnings						Other equity		Total	Total equity
		Capital	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive income			
A1	Balance as of January 1, 2024	\$ 2,520,001	\$ 187,308	\$ 744,264	\$ 11,397	\$ 1,178,059	\$ 65,648	\$ 143,077	\$ 208,725	\$ 4,849,754	
B1	Appropriation and distribution of retained earnings for 2023										
B1	Provision of legal reserve	-	-	33,883	-	(33,883)	-	-	-	-	
B5	Cash dividends appropriated to shareholders - NT\$1.00 per share	-	-	-	-	(252,000)	-	-	-	(252,000)	
D1	Net income for the six months ended June 30, 2024	-	-	-	-	328,508	-	-	-	328,508	
D3	Other comprehensive income after tax for the six months ended June 30, 2024	—	—	—	—	—	161,904	(10,608)	151,296	151,296	
D5	Total comprehensive income for the six months ended June 30, 2024	—	—	—	—	328,508	161,904	(10,608)	151,296	479,804	
Q1	Disposal of equity instrument investments at fair value through other comprehensive income	—	—	—	—	10,601	—	(10,601)	(10,601)	—	
Z1	Balance as of June 30, 2024	\$ 2,520,001	\$ 187,308	\$ 778,147	\$ 11,397	\$ 1,231,285	\$ 227,552	\$ 121,868	\$ 349,420	\$ 5,077,558	
A1	Balance as of January 1, 2025	\$ 2,016,001	\$ 187,308	\$ 778,147	\$ 11,397	\$ 1,671,553	\$ 257,255	\$ 13,948	\$ 271,203	\$ 4,935,609	
B1	Appropriation and distribution of retained earnings for 2024										
B1	Provision of legal reserve	-	-	77,938	-	(77,938)	-	-	-	-	
B5	Cash dividends appropriated to shareholders - NT\$2.15 per share	-	-	-	-	(433,440)	-	-	-	(433,440)	
D1	Net income for the six months ended June 30, 2025	-	-	-	-	140,857	-	-	-	140,857	
D3	Other comprehensive income after tax for the six months ended June 30, 2025	—	—	—	—	—	(310,911)	(29,109)	(340,020)	(340,020)	
D5	Total comprehensive income for the six months ended June 30, 2025	—	—	—	—	140,857	(310,911)	(29,109)	(340,020)	(199,163)	
Z1	Balance as of June 30, 2025	\$ 2,016,001	\$ 187,308	\$ 856,085	\$ 11,397	\$ 1,301,032	(\$ 53,656)	(\$ 15,161)	(\$ 68,817)	\$ 4,303,006	

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

Chien Kuo Construction Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

For the Six Months Ended June 30, 2025 and 2024

Unit: NT\$ Thousands

Code		January 1 to June 30, 2025	January 1 to June 30, 2024
	Cash flows from operating activities		
A10000	Income before income tax for the current period	\$ 218,094	\$ 386,144
A20010	Adjustments to reconcile income (loss)		
A20100	Depreciation expense	45,621	28,938
A20200	Amortization expenses	3,756	2,501
A20300	Loss of expected credit loss (reversed gain)	(2,271)	6,741
A20400	Net loss (gain) on financial assets at fair value through profit or loss	47,566	(187,927)
A20900	Finance costs	2,076	758
A21200	Interest income	(43,394)	(67,671)
A21300	Dividend income	(3,311)	(4,318)
A22300	Shares of profits or losses of associates accounted for using equity method	8	(66)
A22500	Gain on disposal of property, plant and equipment	(18)	-
A29900	Profit from lease modification	-	(7)
A30000	Changes in operating assets and liabilities, net		
A31125	Contract assets	251,484	(5,350)
A31130	Notes receivable	13,650	156
A31150	Accounts receivable	83,480	86,093
A31180	Other receivables	-	(11,717)
A31200	Inventories	(4,857)	(3,238)
A31230	Prepayments	(42,516)	(83,380)
A31240	Other current assets	41,566	(5,348)
A32125	Contract liabilities	336,980	89,498
A32150	Accounts payable	(217,345)	(71,015)
A32180	Other payables	(58,130)	(56,898)
A32200	Provision for liabilities	(21,151)	(14,811)
A32230	Other current liabilities	1,249	671
A32990	Other non-current liabilities	3	3
A33000	Cash generated from operations	652,540	89,757
A33100	Interest received	38,447	62,896
A33300	Interest paid	(2,213)	(685)
A33500	Income taxes paid	(95,211)	(27,712)
AAAA	Net cash generated from operating activities	593,563	124,256

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Code		January 1 to June 30, 2025	January 1 to June 30, 2024
	Cash flows from investing activities		
B00010	Acquisition from disposal of financial assets at fair value through other comprehensive income	\$ -	(\$ 2,044)
B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	-	23,847
B00040	Acquisition of financial assets measured at amortized cost	-	(793,631)
B00050	Disposal of financial assets at amortized cost	91,715	576,768
B00100	Acquisition of financial assets at fair value through profit or loss	(2,237,437)	(1,786,953)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	1,737,253	1,689,680
B01800	Increase in investments accounted for using equity method	(24,500)	-
B02700	Acquisition of property, plant and equipment	(1,285)	(872)
B02800	Proceeds from disposal of property, plant, and equipment	130	-
B03800	Decrease (increase) in refundable deposits	(421)	253
B04500	Acquisition of intangible assets	(4,024)	(4,630)
B05350	Acquisition of right-of-use assets	(2,867)	-
B07100	Increase in prepayment for equipment	-	(61,962)
B07600	Dividend received	<u>4,892</u>	<u>4,318</u>
BBBB	Net cash outflows from investing activities	(<u>436,544</u>)	(<u>355,226</u>)
	Cash flows from financing activities		
C00100	Increase in short-term loans	-	150,000
C00200	Decrease in short-term loans	(100,000)	-
C03000	Increase (decrease) in guarantee deposits received	(21,265)	13,108
C04020	Repayment of lease principal	(<u>9,820</u>)	(<u>9,167</u>)
CCCC	Net cash (out)inflows from financing activities	(<u>131,085</u>)	<u>153,941</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>4,567</u>	<u>23,200</u>
EEEE	Net increase (decrease) in cash and cash equivalents	30,501	(53,829)
E00100	Cash and cash equivalents at beginning of period	<u>810,986</u>	<u>1,634,295</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 841,487</u>	<u>\$ 1,580,466</u>

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

Chien Kuo Construction Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
For the Six Months Ended June 30, 2025 and 2024
(Amount in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

1. Company History

Chien Kuo Construction Co., Ltd. ("the Company") was founded in November 1960. It mainly engages in business relating to design, supervision of modification, and construction of various construction projects of different sizes, as well as trading of construction materials. The Company's stocks, which had been traded on Taipei Exchange since February 1, 1999, were transferred to be listed on Taiwan Stock Exchange in October 2003.

The consolidated financial statements were expressed in New Taiwan Dollars, the Company's functional currency.

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements were approved by the Board of Directors on August 14, 2025.

3. Application of New and Amended Standards and Interpretations

a. The first-time application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations Committee (IFRIC), and Standard Interpretations Committee (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC) with effective date

The application of the amended IFRS Accounting Standards endorsed and issued into effect by the FSC did not result in significant changes in the accounting policies of the Group.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended, and Revised Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17	January 1, 2023

New, Amended, and Revised Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 — Comparative Information”	January 1, 2023

Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments

1) Amendments to the application guidance on the classification of financial assets

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

a) If a financial asset contains a contingent feature that may change the timing or amount of contractual cash flows, and the nature of such contingent feature is not directly related to changes in the basic lending risks and costs (e.g., whether the debtor achieves a specified reduction in carbon emissions), the contractual cash flows of such financial asset shall still be regarded as solely payments of principal and interest on the principal amount outstanding when both of the following conditions are met:

- Under all possible scenarios (before or after the occurrence of the contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
- The contractual cash flows under all possible scenarios do not differ significantly from the cash flows of a financial instrument with the same contractual terms but without the contingent feature.

b) To clarify that a financial asset with a non-recourse feature refers to the entity's ultimate right to receive cash flows that, under the contract, are limited to the cash flows generated by specified assets.

c) To clarify that a contractual linkage instrument refers to a structure in which multiple tranches of securities are created through a waterfall payment mechanism to establish the priority of payments to holders of the financial asset. This gives rise to concentrations of credit risk and results in a disproportionate allocation of shortfalls in cash flows from the underlying pool among the different tranches of securities.

2) Amendments to the application guidance on the derecognition of financial liabilities

The amendments primarily clarify that a financial liability shall be derecognized on the settlement date. However, when an entity settles a financial liability in cash

through an electronic payment system, the entity may elect to derecognize the financial liability before the settlement date if the following conditions are met:

- The business does not have the practical ability to withdraw, stop, or cancel the payment instruction;
- The business does not have the practical ability to access the cash that will be used for settlement due to the payment instruction; and
- The settlement risk associated with the electronic payment system is not significant.

The Company shall apply the amendment retrospectively without the need to restate comparative periods, and shall recognize the impact of the initial application on the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the effects on its financial position and financial performance of amendments to the other standards and interpretations. Any relevant effect will be disclosed when the assessment is completed.

c. IFRSs issued by the International Accounting Standards Board but not yet endorsed and issued into effect by the FSC

New, Amended, and Revised Standards and Interpretations	Effective Date Issued by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sales or Contributions of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless otherwise stated, the aforementioned new standards, interpretations and amendments are effective from the reporting fiscal year after their respective effective dates.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements". The main changes are as follows:

- The income statement should categorize revenue and expense items into operating, investing, financing, income tax, and discontinued operations.

- The income statement shall present totals and subtotals for operating profit or loss, profit or loss before financing and income tax and profit or loss.
- Guidelines to enhance the requirements of aggregation and disaggregation: The Group is important to identify and classify assets, liabilities, equity, income, expenses, and cash flows from individual transactions or other matters based on common characteristics. This ensures that each line item reported in the main financial statements shares at least one similar characteristic. The Company shall disaggregate items that have at least one similar characteristic. When the Group is unable to find a more descriptive label, it will categorize such items as "other."
- Disclosure on Management-defined Performance Measures (MPMs): When the Group engages in public communication outside of financial statements and communicates the perspective of management levels on the overall financial performance of the Group, relevant information regarding the disclosure of Management-defined Performance Measures (MPMs) should be provided in a single note to the financial statements. This note should include the description of the measures, how they are calculated, adjustments to subtotals or totals as defined by IFRS Accounting Standards, and the impact of income tax and non-controlling interests related to the adjustments.

Besides the effects mentioned above, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other effects on its financial position and financial performance of amendments to the other standards and interpretations. Any relevant effect will be disclosed when the assessment is completed.

4. Summary of Significant Accounting Policies

a. Statement of compliance

The consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRSs.

b. Basis of preparation

The consolidated financial statements were prepared on a historical cost basis, except for financial instruments measured at fair value and net defined benefit liabilities recognized at the present value of defined benefit obligations less fair value of plan assets.

The fair value measurement is classified into 3 levels based on the observability and importance of related input:

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

c. Basis of consolidation

The consolidated financial statements include the financial reports of the Company and its wholly-owned entities. The consolidated statements of comprehensive income include the operating income/loss of the acquired or disposed subsidiaries from the date of acquisition to the date of disposal in the current period. The financial statements of the subsidiaries have been adjusted to bring their accounting policies in line with those used by the Group. When compiling the consolidated financial statements, all transactions, account balances, income and expenses between the entities were eliminated. A subsidiary's total comprehensive income is attributed to the owners of the Company and non-controlling interests, even if non-controlling interests become having deficit balances in the process.

When a change in the Group's ownership interests in a subsidiary does not cause a loss of control over the subsidiary, it shall be treated as an equity transaction. The carrying amounts of the Group and its non-controlling interests have been adjusted to reflect the relative changes in the interest in the subsidiaries. The difference between the adjustment amount of non-controlling interests and the fair value of consideration paid or collected shall be directly recognized in equity attributable to the owners of the Company.

Please refer to Note 13 and Appendixes 7 and 8 for details, shareholding ratios, and operations of subsidiaries.

d. Other significant accounting policies

Except for the following explanations, please refer to the summary of significant accounting policies in the consolidated financial statements for the year ended December 31, 2024.

- 1) Post-employment benefits under defined benefit plan

Pension costs for an interim period are calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, and

adjusted for major market fluctuations, major project modifications, payoffs or other major one-off matters for the period.

1) Income Tax

Income tax expenses are the sum of current income tax and deferred income tax. The income tax expenses for an interim period are accrued by applying the tax rate applicable based on expected total annual earnings to the pre-tax income of the interim period.

5. Primary Sources of Uncertainties in Material Accounting Judgments, Estimates, and Assumptions

When the Group adopts accounting policies, the management must make judgments, estimates and assumptions based on historical experience and other critical factors for related information that are not readily available from other sources. Actual results may differ from these estimates.

In developing significant accounting estimates, the Group has taken into consideration the possible effects of government policies and regulations, inflation, fluctuations in market interest rates, and U.S. reciprocal tariff measures as part of the related significant accounting estimates. The management will continue to review the estimates and basic assumptions.

Construction contracts

Income or loss of construction contracts are recognized separately based on the percentage of completion of contractual activities, and the percentage of completion is measured at the proportion of the contract costs incurred to date to the estimated total contract costs. Changes in incentives and compensations stipulated in the contracts will be included in and recognized as contract revenue only when relevant uncertainties are subsequently eliminated and the probability of reversing the amount of accumulated contract revenue is quite low.

As estimated total costs and contractual activities are evaluated and judged by the management based on the nature of the different construction projects, the estimated amount of the contract, the duration of construction, the undertaking of construction and the construction methods, they may affect the calculation of the percentage of completion and the construction income or loss.

6. Cash and Cash Equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and revolving funds	\$ 2,955	\$ 2,534	\$ 2,613
Checking accounts and demand deposits	750,114	657,925	772,714
Cash equivalents (time deposits with original maturity date within 6 months)			
Bank time deposits	88,418	150,527	805,139
	<u>\$ 841,487</u>	<u>\$ 810,986</u>	<u>\$ 1,580,466</u>

The interest rate intervals of time deposits as of the balance sheet dates were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits	0.64%~1.30%	0.64%~1.61%	0.64%~5.49%

Time deposits that do not meet the definition of cash equivalents have been reclassified under "financial assets carried at amortized cost." Please refer to Note IX.

7. Financial Assets at Fair Value through Profit or Loss

	June 30, 2025	December 31, 2024	June 30, 2024
Mandatorily measured at fair value through profit or loss			
<u>Current</u>			
- Listed stocks and emerging stocks	\$ 284,292	\$ 287,230	\$ 192,029
- Fund beneficiary certificates	<u>2,934,511</u>	<u>2,744,565</u>	<u>1,911,121</u>
	<u>\$ 3,218,803</u>	<u>\$ 3,031,795</u>	<u>\$ 2,103,150</u>
<u>Non-current</u>			
- Listed stocks and emerging stocks	\$ 86,651	\$ 90,636	\$ 90,207
- Unlisted stocks	200,740	190,061	73,858
- Unlisted preferred stocks	58,600	61,950	61,950
- Private equity funds	<u>32,325</u>	<u>36,176</u>	<u>35,801</u>
	<u>\$ 378,316</u>	<u>\$ 378,823</u>	<u>\$ 261,816</u>

8. Financial Assets at Fair Value through Other Comprehensive Income

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Investment in equity instruments</u>			
Listed stocks			
Current	\$ 16,654	\$ 19,325	\$ 20,803
Non-current	<u>164,813</u>	<u>191,251</u>	<u>341,976</u>
	<u>\$ 181,467</u>	<u>\$ 210,576</u>	<u>\$ 362,779</u>

The Group invested in domestic common stock pursuant to its medium-term and long-term strategies for the purpose of making a profit. The management elected to designate these investments to be measured at fair value through other comprehensive income as they believed that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the aforementioned strategy of holding these investments for long-term purposes.

For financial assets pledged at fair value through other comprehensive income, please refer to Note 29.

9. Financial Assets at Amortized Cost

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Time deposits with original maturity date over six months	\$ -	\$ 22,297	\$ 882,257
Restricted time deposits (1)	<u>111,918</u>	<u>125,249</u>	<u>220,087</u>
	<u>\$ 111,918</u>	<u>\$ 147,546</u>	<u>\$ 1,102,344</u>
<u>Non-current</u>			
Corporate bonds (2)	\$ 1,235,200	\$ 1,378,350	\$ 873,235
Pledged time deposits	<u>-</u>	<u>70,050</u>	<u>70,050</u>
Subtotal	<u>1,235,200</u>	<u>1,448,400</u>	<u>943,285</u>
Less: Allowance losses	(<u>16,071</u>)	(<u>20,323</u>)	(<u>6,945</u>)
	<u>\$ 1,219,129</u>	<u>\$ 1,428,077</u>	<u>\$ 936,340</u>

The interest rate intervals of time deposits and corporate bonds as of the balance sheet dates were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits with original maturity date over six months	-	5.00%	5.00%~6.06%
Restricted time deposits	5.10%	5.10%	4.50%
Corporate bonds	1.65%~6.30%	1.65%~6.30%	1.65%~5.95%
Pledged time deposits	-	1.08%	1.08%

- (1) The aforementioned restricted financial assets are funds repatriated by the Group in accordance with the "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act" (hereinafter the "Act"). The Group intends to deposit the funds in a special account and withdraw them annually after a period of 5 years. The purpose of holding these assets does not meet the requirement for fulfilling short-term cash commitments, the financial assets are measured at amortized cost.
- (2) The Group only invests in debt instruments that have credit ratings of investment grade or higher, which are provided by independent rating agencies. The Group consistently monitors external credit ratings and financial market conditions to oversee the credit risk changes of the invested debt instruments. It also evaluates significant information about debtors and other relevant data to assess whether there has been a significant increase in credit risk since the initial recognition of the debt instrument investments.

The Group considers the historical default probabilities and losses given default rates provided by external rating agencies to measure the expected credit losses of debt instruments over the next 12 months or over the lifetime of the instruments.

The total book value and applicable expected credit loss rates for investments in debt instruments of each credit rating are provided below:

June 30, 2025

Credit rating	Expected credit loss rate	Total carrying amount
		Measured at amortized cost
Normal	0.05%~2.90%	\$ 1,235,200

December 31, 2024

Credit rating	Expected credit loss rate	Total carrying amount Measured at amortized cost
Normal	0.05%~3.33%	\$ 1,378,350

June 30, 2024

Credit rating	Expected credit loss rate	Total carrying amount Measured at amortized cost
Normal	0.12%~2.29%	\$ 873,235

Summary by credit rating level for changes in allowance for losses on the Group's investments in debt instruments measured at amortized cost were as follows:

	Credit rating
Balance as of January 1, 2025	Normal
Reversal of expected credit loss	\$ 20,323
Exchange Rates and Other Changes	(2,271)
Balance as of June 30, 2025	(1,981)
	<u>\$ 16,071</u>
Balance as of January 1, 2024	\$ 83
Purchase of new debt instruments	6,741
Exchange Rates and Other Changes	121
Balance as of June 30, 2024	<u>\$ 6,945</u>

For information on pledged financial assets measured at amortized cost, please refer to Note XXIX.

10. Notes Receivable and Accounts Receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable	\$ -	\$ 13,650	\$ -

Accounts receivable

Measured at amortized cost

Total carrying amount	\$ 679,117	\$ 765,805	\$ 232,033
Less: Allowance losses	(28,025)	(31,233)	(26,277)
	<u>\$ 651,092</u>	<u>\$ 734,572</u>	<u>\$ 205,756</u>

Accounts receivable

The credit policy of the Group is mainly contract-based, and the notes receivable and accounts receivable are not interest-bearing. To minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual account receivable on the balance sheet date to ensure that adequate allowance is made for possible irrecoverable amounts. As such, the Group's management concludes that the credit risk has been significantly reduced.

The impairment assessment of the Group's accounts receivable is based on individual assessment, aging analysis, historical experience and analysis of customers' current financial position to estimate the amount of irrecoverable receivables. Some of the overdue receivables are under legal proceedings in accordance with the written agreements.

In determining the recoverability of accounts receivable, the Group considers the change in the quality of credit from the time the receivables are originally granted to the time they are presented on the balance sheet. An appropriate allowance for loss is recognized when the receivables are assessed to be irrecoverable beyond the credit period.

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

Aging analysis of notes receivable of the Group is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Not overdue	\$ <u> </u> -	\$ <u>13,650</u>	\$ <u> </u> -

Aging analysis of accounts receivable of the Group is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Not overdue	\$ <u>651,092</u>	\$ <u>734,572</u>	\$ <u>200,857</u>
Less than 180 days	-	-	-
More than 361 days	<u>28,025</u>	<u>31,233</u>	<u>31,176</u>
Total	<u>\$ 679,117</u>	<u>\$ 765,805</u>	<u>\$ 232,033</u>

Changes in allowance losses for accounts receivable are as follows:

	January 1 to June 30, 2025	January 1 to June 30, 2024
Beginning balance	\$ 31,233	\$ 25,023
Exchange difference	(3,208)	1,254
Ending balance	<u>\$ 28,025</u>	<u>\$ 26,277</u>

11. Inventories

	June 30, 2025	December 31, 2024	June 30, 2024
Shaoxing S. St., National Taiwan University	<u>\$ 12,956</u>	<u>\$ 8,099</u>	<u>\$ 5,740</u>

In November 2022, the Group entered into an agreement with the Taipei Housing and Urban Regeneration Center to undertake the National Taiwan University Shaoxing South Street Public Urban Renewal Project. The project is currently under review by the Taipei City Urban Regeneration Office for its urban renewal business plan.

12. Prepayments

	June 30, 2025	December 31, 2024	June 30, 2024
Prepayments for construction contracts	\$ 183,278	\$ 141,340	\$ 145,658
Excess VAT Paid	3,578	1,225	8,596
Prepaid insurance	35,287	36,475	32,579
Prepayments for investment funds	-	-	23,000
Others	<u>3,433</u>	<u>4,020</u>	<u>3,484</u>
	<u><u>\$ 225,576</u></u>	<u><u>\$ 183,060</u></u>	<u><u>\$ 213,317</u></u>

13. Subsidiary

a. Subsidiaries included in the consolidated financial statements

The entities of the consolidated financial statements were as follows:

Name of Investor	Subsidiary Company Name	Business Activities	Percentage of Ownership			Explanation
			June 30, 2025	December 31, 2024	June 30, 2024	
The Company	Golden Canyon Limited (Golden Canyon)	Reinvestment	100%	100%	100%	
	Silver Shadow Holding Limited (Silver Shadow)	Reinvestment	100%	100%	100%	
	CKTech Engineering Co., Ltd. (CKTech Engineering)	Undertaking mechanical, electrical and plumbing, refrigeration, air conditioning engineering; wholesale and retail of equipment	100%	100%	100%	
	Chien Kuo Building Co., Ltd. (Chien Kuo Building)	Building construction commission; public housing lease and sale	100%	100%	100%	
	Golden Canyon Venture Capital Investment Co., Ltd. (Golden Canyon Venture Capital)	Venture capital	100%	100%	100%	
	Golden Canyon II Venture Capital Investment Co., Ltd. (Golden Canyon Venture Capital II)	Venture capital	100%	100%	100%	
	Chien Bang Real Estate Development Co., Ltd. (Chien Bang Building)	Building construction commission; public housing lease and sale	55%	55%	55%	
	Leader Construction Co., Ltd (Leader Construction)	Maintenance and construction, buying and selling construction materials	100%	100%	100%	
	Chien Kuo Building	Chien Bang Real Estate Development Co., Ltd. (Chien Bang Building)	Building construction commission; public housing lease and sale	45%	45%	45%
	Subsidiaries of Golden Canyon and Silver Shadow	CK Asia Co., Ltd. (CK Asia)	Reinvestment	100%	100%	100%
	CK Asia (Shanghai) Information Technology Co., Ltd. (Shanghai Information)	Computer software technology development and consultation	100%	100%	100%	

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

14. Investments Accounted for Using Equity Method

Investments in associates

	June 30, 2025	December 31, 2024	June 30, 2024
Associates not individually significant			
Chang Jia Energy Co., Ltd.	\$ 97,932	\$ 73,440	\$ 48,708

In May 2025, Golden Canyon II Venture Capital Investment Co., Ltd. increased its investment in Chang Jia Energy Co., Ltd. by NT\$24,500 thousand. After the capital increase, Golden Canyon Venture Capital Investment Co., Ltd. and Golden Canyon II Venture Capital Investment Co., Ltd. held 28% and 21% of the company's shares, respectively, while the consolidated company's ownership interest remained at 49%.

Information of associates not individually significant

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Shares attributable to the Group				
Net income (loss) from continuing operations	\$ 163	\$ 66	(\$ 8)	\$ 66
Total comprehensive income	\$ 163	\$ 66	(\$ 8)	\$ 66

15. Property, Plant, and Equipment

	June 30, 2025	December 31, 2024	June 30, 2024
Land	\$ 15,742	\$ 15,742	\$ 15,742
Buildings	323	347	371
Machinery equipment	417	747	732
Transportation equipment	1,280	1,530	1,876
Office equipment	5,077	5,847	5,292
Leasehold improvements	1,643	2,164	1,723
Other Equipment	83,312	114,956	51,935
	<u>\$ 107,794</u>	<u>\$ 141,333</u>	<u>\$ 77,671</u>

Apart from recognition of depreciation expenses, there were no significant additions, disposals, or impairments of the Group's property, plant, and equipment from January 1 to June 30 in 2025 and 2024.

Depreciation expenses of the Group's property, plant and equipment were computed by significant component using the straight line method over the following estimated useful lives:

Buildings		
Main buildings of plant		61 years
Rooftop construction		22 years
Leasehold improvements		3~6 years
Machinery equipment		4~6 years
Transportation equipment		5~6 years
Office equipment		2~6 years
Other equipment		2~9 years

Prepayments for equipment amounted to NT\$1,781 thousand and NT\$61,962 thousand as of December 31, 2024 and June 30, 2025, respectively, and were recognized under other non-current assets.

16. Lease Agreement

a. Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of right-of-use assets			
Land	\$ 2,457	\$ -	\$ -
Buildings	58,952	67,344	69,506
Transportation equipment	<u>2,359</u>	<u>2,415</u>	<u>2,188</u>
	<u>\$ 63,768</u>	<u>\$ 69,759</u>	<u>\$ 71,694</u>
Additions to right-of-use assets	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025
	<u>\$ 4,421</u>	<u>\$ 2,217</u>	<u>\$ 4,421</u>
Depreciation expense of right-of-use assets	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2024
Land	\$ 410	\$ -	\$ 410
Buildings	4,487	4,208	8,909
Transportation equipment	<u>546</u>	<u>533</u>	<u>1,093</u>
	<u>\$ 5,443</u>	<u>\$ 4,741</u>	<u>\$ 10,412</u>

Other than the increase and recognition of depreciation expenses above, the Group's right-of-use assets did not undergo significant sublease and impairment for the six-month periods ended June 30, 2025, and 2024.

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of lease liabilities			
Current	\$ 18,431	\$ 18,398	\$ 16,839
Non-current	<u>\$ 43,807</u>	<u>\$ 52,106</u>	<u>\$ 55,369</u>

The discount rate intervals of the lease liabilities were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Buildings	1.65%~2.19%	1.65%~2.19%	1.65%~2.06%
Transportation equipment	3.00%	3.00%	3.00%

c. Other lease information

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Short-term lease expense	\$ 2,017	\$ 1,739	\$ 3,666	\$ 3,733
Total cash outflow on lease	\$ 10,125	\$ 6,359	\$ 16,949	\$ 12,900

17. Investment Property

	June 30, 2025	December 31, 2024	June 30, 2024
Land (a)	\$ 554,192	\$ 554,192	\$ 554,192
Buildings	10,150	10,640	11,130
Parking space	593	600	607
	<u>\$ 564,935</u>	<u>\$ 565,432</u>	<u>\$ 565,929</u>
Fair Value	<u>\$ 753,806</u>	<u>\$ 753,806</u>	<u>\$ 750,809</u>

a. Of the total, NT\$465,926 thousand pertains to the land acquired by the Group at the northern part of the industrial zone in Xinzhuang District in July 2017. On May 10, 2023, the Board of Directors resolved to enter into a pre-sale purchase agreement for the aforementioned real estate. The transaction amount was NT\$583,832 thousand. Following the signing of the contract, the buyer shall engage an architect for the design and application for a building permit, and appoint a contractor for the construction of the building on the land. All costs related to the construction of the building shall be borne by the buyer. The ownership of the land will be transferred to the buyer upon completion of the building, and the transfer registration of the land will be completed simultaneously with the building. As of June 30, 2025, the Group has received a prepayment of NT\$117,065 thousand for the first installment of land payment. This prepayment is recorded as part of other current liabilities.

Depreciation expenses of investment property are provided using the straight-line method over 6~50 years of useful lives.

The fair value of investment property is calculated by reference to the latest transaction price in the neighborhood.

For the amount of investment property pledged by the Group as collateral against its secured borrowings, please refer to Note XXIX.

18. Short-term Loans

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Unsecured loans</u>			
Credit line loans	<u>\$ 100,000</u>	<u>\$ 200,000</u>	<u>\$ 150,000</u>
Annual interest rate (%) (Effective interest rate)			
	1.93%	1.85%~1.93%	1.77%

19. Accounts Payable

Accounts payable include construction retainage payable for construction contracts. Construction retainage payable is not interest-bearing, and will be paid at the end of the retention period of each construction contract. The aforesaid retention period, usually more than one year, is the normal business cycle of the Group.

20. Equity

a. Capital

	June 30, 2025	December 31, 2024	June 30, 2024
Number of shares authorized (in thousands)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Authorized capital	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>201,600</u>	<u>201,600</u>	<u>252,000</u>
Issued capital	<u>\$ 2,016,001</u>	<u>\$ 2,016,001</u>	<u>\$ 2,520,001</u>

The par value of common share issued is NT\$10 per share. Each share is entitled to the right to vote and receive dividends.

To adjust the capital structure and enhance shareholder return on equity, the Company resolved at a Board meeting on March 13, 2024, to conduct a cash reduction of capital by returning capital to shareholders. This resolution was subsequently approved at the shareholders' meeting on June 18, 2024. The amount of capital reduction was NT\$504,000 thousand, and it reduced 50,400 thousand shares. The reduction ratio was 20%, and the issued capital is 201,600 thousand shares after the capital reduction. The Taiwan Stock Exchange Corporation has approved the aforementioned capital reduction plan, effective on August 8, 2024, as per Tai Zheng Shang Yi Zi. No. 1131803642. The Board of Directors has also decided to designate August 26, 2024, as

the reference date for cash reduction. The Company has completed the registration change on September 13, 2024.

b. Additional paid-in capital

	June 30, 2025	December 31, 2024	June 30, 2024
<u>May be used to offset deficits, appropriated as cash dividends or transferred to capital (1)</u>			
Stock issuance premium	\$ 186,037	\$ 186,037	\$ 186,037
Difference between prices of shares acquired from subsidiaries and book value	993	993	993
<u>May only be used to offset deficits</u>			
Adjustment in additional paid-in capital of subsidiaries using equity method	73	73	73
<u>May not be used for any purpose</u>			
Employee stock options	205	205	205
	<u>\$ 187,308</u>	<u>\$ 187,308</u>	<u>\$ 187,308</u>

- 1) This type of additional paid-in capital may be used to offset deficits, if any, or to distribute cash dividends or to transfer to capital, but the transfer is up to a certain ratio of paid-in capital every year.

c. Retained earnings and dividend policy

According to the earnings appropriation policy set forth in the Articles of Incorporation of the Company, the annual net income, if any, should be used to pay off all the taxes and duties, as well as to compensate prior years' deficits. The remaining amount, if any, should be appropriated in the following order:

- 1) Provide legal reserve pursuant to laws and regulations.
- 2) Provide (or reverse) special reserves pursuant to laws and regulations or for operating necessities.
- 3) The remaining balance, along with unappropriated earnings of prior years, shall be proposed by the Board of Directors for earnings distribution, which shall then be resolved by the shareholders' meeting.

For the appropriation policy regarding compensation to employees and remuneration to directors as set forth in the Company's Articles of Incorporation, please refer to Note 22 (7).

The Company's dividend policy takes into account the environment and growth of the industry, long-term financial plans and optimization of shareholders' equity. Cash dividends to be appropriated in a year shall not be less than 10% of the total dividends to be appropriated for the year.

The Company appropriates and reverses special reserves in accordance with the regulations in Jin-Guan-Zheng-Fa's Letter No. 1090150022 from the FSC and "Q&A on the Applicability of the Appropriation of Special Reserve after the Adoption of the International Financial Reporting Standards (IFRSs)." If other shareholders' equity deductions are reversed afterward, the reversal may be applicable for the appropriation of earnings.

The Company shall set aside a legal reserve until it equals the Company's paid-in capital. Such legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be distributed in cash.

The Company held the regular shareholders' meeting on June 13, 2025, and June 18, 2024, and respectively resolved the 2024 and 2023 earnings distribution as follows:

	Dividends per share			
	Earnings appropriation		(NT\$)	
	2024	2023	2024	2023
Legal reserve	\$ 77,938	\$ 33,883		
Cash dividends	433,440	252,000	\$ 2.15	\$ 1.00

21. Revenue

a. Revenue from contracts with customers

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Revenue from construction contracts	\$ 1,698,479	\$ 1,351,720	\$ 3,150,151	\$ 2,513,976
Others	90	90	180	176
	<u>\$ 1,698,569</u>	<u>\$ 1,351,810</u>	<u>\$ 3,150,331</u>	<u>\$ 2,514,152</u>

The real estate construction contracts of the construction department specify the adjustment for price index fluctuations, performance bonus and penalties for delay, and the Group estimates the most possible amount for transaction price by reference to the past contracts of similar conditions and scale.

b. Contract balances

	June 30, 2025		December 31, 2024	
	Construction Segment	Discontinued Segment	Construction Segment	Discontinued Segment
	\$ _____	\$ _____	\$ _____	\$ _____
Notes receivable (Note 10)	\$ _____ -	\$ _____ -	\$ 13,650	\$ _____ -
Accounts receivable (Note 10)	\$ 651,092	\$ _____ -	\$ 734,572	\$ _____ -
Contract assets				
Real estate construction	\$ 446,613	\$ _____ -	\$ 746,137	\$ _____ -
Construction retainage receivable	<u>290,913</u>	<u>_____ -</u>	<u>242,873</u>	<u>_____ -</u>
	<u>\$ 737,526</u>	<u>\$ _____ -</u>	<u>\$ 989,010</u>	<u>\$ _____ -</u>
Contract liabilities				
Real estate construction	<u>\$ 1,264,421</u>	<u>\$ _____ -</u>	<u>\$ 927,441</u>	<u>\$ _____ -</u>
Current provisions - current	<u>\$ 81,111</u>	<u>\$ _____ -</u>	<u>\$ 102,262</u>	<u>\$ _____ -</u>
	June 30, 2024		January 1, 2024	
	Construction Segment	Discontinued Segment	Construction Segment	Discontinued Segment
	\$ _____ -	\$ _____ -	\$ _____ 156	\$ _____ -
Notes receivable (Note 10)	\$ _____ -	\$ _____ -	\$ 156	\$ _____ -
Accounts receivable (Note 10)	\$ 200,857	\$ 4,899	\$ 286,950	\$ 4,665
Contract assets				
Real estate construction	\$ 744,761	\$ _____ -	\$ 693,243	\$ _____ -
Construction retainage receivable	<u>199,295</u>	<u>_____ -</u>	<u>245,463</u>	<u>_____ -</u>
	<u>\$ 944,056</u>	<u>\$ _____ -</u>	<u>\$ 938,706</u>	<u>\$ _____ -</u>
Contract liabilities				
Real estate construction	<u>\$ 891,415</u>	<u>\$ _____ -</u>	<u>\$ 801,917</u>	<u>\$ _____ -</u>
Current provisions - current	<u>\$ 120,406</u>	<u>\$ _____ -</u>	<u>\$ 135,217</u>	<u>\$ _____ -</u>

c. Contracts with customers that have not been fully completed

The aggregate amount of the transaction price of which the performance obligations have not been satisfied and the anticipated years to recognize the revenue for the construction contracts signed by the Group as of June 30, 2025 are as follows:

Anticipated years to recognize revenue	June 30, 2025
2025-2030	<u>\$ 33,066,994</u>

22. Net Income from Continuing Operations

a. Interest income

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Bank deposits	\$ 3,932	\$ 27,441	\$ 8,243	\$ 54,083
Financial assets at amortized cost	16,610	8,551	34,179	12,873
Others	<u>516</u>	<u>321</u>	<u>972</u>	<u>715</u>
	<u>\$ 21,058</u>	<u>\$ 36,313</u>	<u>\$ 43,394</u>	<u>\$ 67,671</u>

b. Other income

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Dividend income	\$ 330	\$ 509	\$ 3,311	\$ 4,318
Others	<u>629</u>	<u>625</u>	<u>1,344</u>	<u>1,565</u>
	<u>\$ 959</u>	<u>\$ 1,134</u>	<u>\$ 4,655</u>	<u>\$ 5,883</u>

c. Other gains and losses

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Gains (Losses) on valuation of financial assets at fair value through profit or loss	(\$ 18,595)	(\$ 6,138)	(\$ 47,566)	\$ 187,927
Foreign exchange gains (losses), net	(30,703)	8,451	(27,922)	15,730
Expected credit reversal gain (impairment loss) on corporate bonds	340	(3,741)	2,271	(6,741)
Others	<u>1,643</u>	<u>(1,042)</u>	<u>975</u>	<u>(1,838)</u>
	<u>(\$ 47,315)</u>	<u>(\$ 2,470)</u>	<u>(\$ 72,242)</u>	<u>\$ 195,078</u>

d. Finance costs

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Interest expenses				
Interest on bank loans	\$ 480	\$ 87	\$ 1,478	\$ 87
Interest on lease liabilities	290	329	596	670
Others	<u>1</u>	<u>-</u>	<u>2</u>	<u>1</u>
	<u>\$ 771</u>	<u>\$ 416</u>	<u>\$ 2,076</u>	<u>\$ 758</u>

e. Depreciation and amortization expenses

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Property, plant, and equipment	\$ 17,344	\$ 9,500	\$ 34,712	\$ 19,022
Right-of-use assets	5,443	4,741	10,412	9,419
Investment property	249	248	497	497
Intangible assets	<u>1,919</u>	<u>1,311</u>	<u>3,756</u>	<u>2,501</u>
Total	<u><u>\$ 24,955</u></u>	<u><u>\$ 15,800</u></u>	<u><u>\$ 49,377</u></u>	<u><u>\$ 31,439</u></u>
Depreciation expenses by function				
Operating costs	\$ 17,702	\$ 9,229	\$ 35,033	\$ 18,466
Operating expenses	5,096	5,022	10,111	9,995
Other gains and losses	<u>238</u>	<u>238</u>	<u>477</u>	<u>477</u>
	<u><u>\$ 23,036</u></u>	<u><u>\$ 14,489</u></u>	<u><u>\$ 45,621</u></u>	<u><u>\$ 28,938</u></u>
Amortization expenses by function				
Operating costs	\$ 736	\$ 688	\$ 1,463	\$ 1,293
Operating expenses	<u>1,183</u>	<u>623</u>	<u>2,293</u>	<u>1,208</u>
	<u><u>\$ 1,919</u></u>	<u><u>\$ 1,311</u></u>	<u><u>\$ 3,756</u></u>	<u><u>\$ 2,501</u></u>

f. Employee benefits expenses

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Short-term employee benefits	\$ 165,538	\$ 135,681	\$ 335,721	\$ 280,055
Post-employment benefits				
Defined contribution plans	5,147	4,442	10,284	9,054
Defined benefit plans	170	171	288	333
Termination benefits	<u>5,369</u>	<u>495</u>	<u>6,113</u>	<u>4,231</u>
	<u><u>\$ 176,224</u></u>	<u><u>\$ 140,789</u></u>	<u><u>\$ 352,406</u></u>	<u><u>\$ 293,673</u></u>
By function				
Operating costs	\$ 107,174	\$ 72,151	\$ 210,433	\$ 144,289
Operating expenses	<u>69,050</u>	<u>68,638</u>	<u>141,973</u>	<u>149,384</u>
	<u><u>\$ 176,224</u></u>	<u><u>\$ 140,789</u></u>	<u><u>\$ 352,406</u></u>	<u><u>\$ 293,673</u></u>

g. Remuneration for employees and directors

In accordance with the Articles of Incorporation, if the Company generates a profit in a given year, 0.1% to 3% of the profit, after deducting directors' and employees' remuneration, shall be appropriated as employees' remuneration, and directors' remuneration shall not exceed 3% of the profit before tax. In accordance with the amendment to the Securities and Exchange Act in August 2024, the Company plans to amend its Articles of Incorporation, subject to approval at the shareholders' meeting on June 13, 2025, to specify that no less than 15% of the employee remuneration allocated for the current year shall be distributed to frontline employees. The estimated

employees' remuneration (including remuneration for rank-and-file employees) and directors' remuneration for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, are as follows:

	April 1 to June 30, 2025		April 1 to June 30, 2024	
	Percentage		Percentage	
	Amount	(%)	Amount	(%)
Employee remuneration	\$ 2,703	3%	\$ 4,394	3%
Director remuneration	\$ 2,703	3%	\$ 4,394	3%

	January 1 to June 30, 2025		January 1 to June 30, 2024	
	Percentage		Percentage	
	Amount	(%)	Amount	(%)
Employee remuneration	\$ 6,805	3%	\$ 11,845	3%
Director remuneration	\$ 6,805	3%	\$ 11,845	3%

If there is a change in the amounts after the annual consolidated financial statements are approved for issuance, the differences shall be treated as a change in the accounting estimate in the following year.

Remuneration to employees and remuneration to directors for 2024 and 2023 were resolved by the Board of Directors on March 14, 2025 and March 13, 2024 respectively as follows:

	2024		2023	
	Percentage		Percentage	
	Cash	(%)	Cash	(%)
Employee remuneration	\$ 25,369	3%	\$ 12,522	3%
Director remuneration	25,369	3%	12,522	3%
	\$ 50,738		\$ 25,044	

The amounts of the employee remuneration and director remuneration distributed for the years ended December 31, 2024 and 2023 and those recognized in the consolidated financial statements are consistent.

Information about remuneration to employees and directors approved by the Board of Directors is available at the Market Observation Post System website of Taiwan Stock Exchange.

23. Income Tax

a. Income tax recognized in profit or loss

Major components of income tax expenses were as follows:

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Current income tax				
Income tax expenses recognized in the current period	\$ 26,506	\$ 24,766	\$ 60,518	\$ 57,819
Additional tax on unappropriated earnings	13,400	-	13,400	-
Adjustments for previous years	(5,974)	(18,592)	(5,974)	(18,467)
	<u>33,932</u>	<u>6,174</u>	<u>67,944</u>	<u>39,352</u>
Deferred income tax				
Income tax expenses recognized in the current period	4,649	8,275	6,625	5,331
Adjustments for previous years	<u>2,668</u>	<u>12,953</u>	<u>2,668</u>	<u>12,953</u>
	<u>7,317</u>	<u>21,228</u>	<u>9,293</u>	<u>18,284</u>
Income tax expenses recognized in profit or loss	<u>\$ 41,249</u>	<u>\$ 27,402</u>	<u>\$ 77,237</u>	<u>\$ 57,636</u>

b. Income tax (expense) benefit recognized in other comprehensive income

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Deferred income tax				
Arising from current period				
- Exchange differences on translation of financial statements of foreign operations	\$ 86,965	(\$ 9,581)	\$ 77,729	(\$ 40,475)

c. Income tax approval status

The tax authorities have approved the profit-seeking enterprise income tax returns of the Company and domestic subsidiaries as follows:

Company name	Year approved
The Company	2023
Chien Kuo Building Co., Ltd.	2023
CKTech Engineering Co., Ltd.	2023
Golden Canyon Venture Capital Investment Co., Ltd.	2023
Golden Canyon II Venture Capital Investment Co., Ltd.	2023
Chien Bang Real Estate Development Co., Ltd.	2023
Leader Construction Co., Ltd.	2023

24. Earnings per Share

Unit: NT\$

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Basic earnings per share	<u>\$ 0.24</u>	<u>\$ 0.44</u>	<u>\$ 0.70</u>	<u>\$ 1.30</u>
Diluted earnings per share	<u>\$ 0.24</u>	<u>\$ 0.44</u>	<u>\$ 0.70</u>	<u>\$ 1.30</u>

Net income and the weighted average number of shares of common stocks used for calculation of earnings per share are as follows:

Net income

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Net income attributable to owners of the Company	<u>\$ 47,465</u>	<u>\$ 110,893</u>	<u>\$ 140,857</u>	<u>\$ 328,508</u>

Number of shares

Unit: In thousand shares

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Weighted average number of shares of common stock used for the calculation of basic earnings per share	201,600	252,000	201,600	252,000
Effect of potentially dilutive shares of common stocks: Employee remuneration	<u>108</u>	<u>198</u>	<u>629</u>	<u>784</u>
Weighted average number of shares of common stock used for the calculation of diluted earnings per share	<u>201,708</u>	<u>252,198</u>	<u>202,229</u>	<u>252,784</u>

If the Group may choose between stocks or cash for distribution for employee remuneration, it assumes stocks would be distributed in the calculation of diluted EPS. The potential shares of common stock with dilutive effect shall be included in the weighted average number of shares outstanding when calculating the diluted EPS. Such dilutive effect of potential shares of common stock is still included in the calculation of diluted earnings per share before the shareholders' meeting in the following year resolves the number of shares to be distributed to employees.

25. Information on Cash Flows of Investment Activities of Non-Cash Transactions

Except as disclosed in other notes, the Group conducted the following investment and financing activities of non-cash transaction from January 1 to June 30, 2025 and 2024:

- a. During the period from January 1 to June 30, 2024, the Group purchased financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income. Due to the settlement time lag, the amounts of NT\$64,867 thousand and NT\$3,057 thousand, respectively, were recorded under other payables as of June 30, 2024.
- b. The financial assets at fair value through profit or loss Group disposed of NT\$53,246 thousand from January 1 to June 30, 2025, which was recognized as other receivables on June 30, 2025, due to settlement-date lag.
- c. The Group's cash dividends approved by the shareholders' meeting were not distributed as of June 30, 2025 and 2024 (Please refer to Note 20).

26. Capital Risk Management

The objective of the Group's capital management is to ensure that the Group can continue as a going concern, maintain low cost of capital through an optimal capital structure, and provided returns to shareholders. To maintain or adjust the capital structure, the Group may adjust dividends paid to shareholders, refund capital to shareholders or issue new shares to lower its debts.

27. Financial Instruments

- a. Fair value of financial instruments that are not at fair value

Please refer to the information stated in the consolidated balance sheets. The management of the Group believes that the carrying amounts of financial assets and financial liabilities not at fair value approximate their fair values, such that their carrying amounts recognized in the consolidated balance sheets are used as a reasonable basis for estimating their fair values.

- b. Fair value of financial instruments at fair value on a recurring basis

1) Fair value level

June 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Listed stocks and emerging stocks	\$ 62,923	\$ 308,020	\$ -	\$ 370,943
Unlisted stocks	-	-	200,740	200,740
Unlisted preferred stocks	-	-	58,600	58,600
Fund beneficiary certificates	2,934,511	-	-	2,934,511
Private equity funds	-	-	32,325	32,325
Total	<u>\$ 2,997,434</u>	<u>\$ 308,020</u>	<u>\$ 291,665</u>	<u>\$ 3,597,119</u>

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through other comprehensive income</u>				
Listed stocks	\$ 181,467	\$ _____ -	\$ _____ -	\$ 181,467

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Listed innovative and emerging stocks	\$ 55,714	\$ 322,152	\$ _____ -	\$ 377,866
Unlisted stocks	-	-	190,061	190,061
Unlisted preferred stocks	-	-	61,950	61,950
Fund beneficiary certificates	2,744,565	-	-	2,744,565
Private equity funds	_____ -	_____ -	36,176	36,176
Total	\$2,800,279	\$ 322,152	\$ 288,187	\$ 3,410,618
<u>Financial assets at fair value through other comprehensive income</u>				
Listed stocks	\$ 210,576	\$ _____ -	\$ _____ -	\$ 210,576

June 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Listed innovative and emerging stocks	\$ -	\$ 282,236	\$ _____ -	\$ 282,236
Unlisted stocks	-	-	73,858	73,858
Unlisted preferred stocks	-	-	61,950	61,950
Fund beneficiary certificates	1,911,121	-	-	1,911,121
Private equity funds	_____ -	_____ -	35,801	35,801
Total	\$1,911,121	\$ 282,236	\$ 171,609	\$2,364,966
<u>Financial assets at fair value through other comprehensive income</u>				
Listed stocks	\$ 362,779	\$ _____ -	\$ _____ -	\$ 362,779

The Group originally held shares of Gogolook Co., Ltd., which was listed on the Innovation Board. Since May 2025, the company has been transferred to the Main Board, and accordingly, the fair value measurement has been reclassified from Level 2 to Level 1.

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

	January 1 to June 30, 2025	January 1 to June 30, 2024
Beginning balance	\$ 288,187	\$ 150,371
Recognized in profit and loss		
- Unrealized valuation gains or losses on financial assets at fair value through profit or loss	(1,612)	2,227
Recognized in other comprehensive income		
- Differences on translation of foreign operations	(3,851)	2,226
Purchase	15,000	25,000
Return on capital	-	(8,215)
Transfer out from Level 3 (Note 1)	(6,059)	-
Ending balance	<u>\$ 291,665</u>	<u>\$ 171,609</u>

Note1: The unlisted domestic stocks originally held by the Group have been listed and traded on the Emerging Stock Market since January 2025, and thus were transferred from Level 3 to Level 2 for fair value measurement.

3) Valuation techniques and inputs applied to Level 2 fair value measurement

<u>Type of Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Listed stocks and emerging stocks	The liquidity is adjusted by the price of inactive market transactions.

4) Valuation techniques and inputs applied to Level 3 fair value measurement

The fair value of private equity funds is estimated based on the valuation report provided by the fund company with consideration for liquidity. The fair value of unlisted stocks and preferred stocks without active market is estimated with reference to recent financing price or the market approach (no recent funding within a year).

The unobservable inputs applied by the Group were a 10% discount for lack of liquidity and a 10% discount for minority interest on June 30, 2025, December 31 and June 30, 2024. When other inputs are held constant, a 1% discount would decrease the fair value by NT\$21,619 thousand, NT\$22,257 thousand and NT\$9,022 thousand, respectively.

c. Types of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss	\$ 3,597,119	\$ 3,410,618	\$ 2,364,966
Financial assets at amortized cost (Note 1)	2,915,730	3,221,042	3,925,562
Financial assets at fair value through other comprehensive income			
Investment in equity instruments	181,467	210,576	362,779
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost (Note 2)	2,256,074	2,218,365	1,913,525

Note1: The balance includes financial assets at amortized cost, which comprise cash and cash equivalents, restricted bank deposits, time deposit, note receivables, accounts receivable, other receivables, and refundable deposits and pledged time deposit.

Note2: The balance includes financial liabilities at amortized cost, which comprise accounts payable, other payables, guarantee deposit received and short-term loans.

d. Financial risk management objectives and policies

The daily operations of the Group are subject to a number of financial risks, including market risk (including foreign exchange rate risk, interest rate risk and other price risks), credit risk and liquidity risk. The overall financial risk management policy of the Group focuses on the uncertainties in the financial market to reduce the potentially adverse effects on the financial position and performance of the Group.

Financial risk management of the Group is carried out by its finance department based on the policies approved by the Board of Directors. Through cooperation with the Group's operating units, the finance department is responsible for identifying, evaluating and hedging financial risks. The Board of Directors has established written principles with respect to the overall risk management, and there are policies in writing for specified scope and matters, such as foreign exchange rate risk, interest rate risk,

other price risks, credit risk, utilization of derivatives and non-derivatives and investment of remaining liquidity.

1) Market risk

a) Foreign exchange rate risk

The Company has repatriated its offshore funds with the applicable Repatriated Offshore Funds Act; therefore, the Company is exposed to the risk of fluctuation in the exchange rate.

Please see Note 31 for details on carrying amounts of significant monetary assets denominated in foreign currencies on the balance sheet dates.

Sensitivity analysis

The Group is mainly exposed to USD and RMB fluctuations.

The following table details the Group's sensitivity to a 1% change in New Taiwan Dollars against the relevant foreign currencies. The rate of 1% is the sensitivity rate used when reporting foreign currency risk internally to the key management, and represents the management's assessment of the reasonably possible range of changes in foreign exchange rates. The sensitivity analysis includes only outstanding monetary items denominated in foreign currencies and is used to adjust the translation at the end of the period to a 1% change in the exchange rate. The positive figures in the table below show the increase in income before tax when the currency appreciates by 1% against the combined entity's functional currency.

	Effect on Profit or Loss	
	January 1 to June	January 1 to June
	30, 2025	30, 2024
RMB	\$ 2	\$ 2
USD	1,128	6,785

b) Interest rate risk

The interest rate risk of the Group is mainly from cash and cash equivalents. Cash and cash equivalents held at floating interest rates expose the Group to the cash flow interest rate risk. Part of such risk is offset by loans made at floating rates. Cash and cash equivalents held and loans made at fixed interest rates expose the Group to the fair value interest rate risk. The policy of the Group is to dynamically adjust the proportion of instruments of fixed interest rates and those of floating interest rates based on the overall trend of interest rates.

The carrying amounts of financial assets and financial liabilities of the Group with exposure to interest rate on the balance sheet dates are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
With fair value interest rate risk			
– Financial assets	\$ 1,419,465	\$ 1,726,150	\$ 2,843,823
– Financial liabilities	62,238	70,504	72,208
With cash flow interest rate risk			
– Financial assets	750,114	657,925	772,714
– Financial liabilities	100,000	200,000	150,000

Sensitivity analysis

The sensitivity analysis below is prepared based on the risk exposure of derivative and non-derivative instruments to the interest rates at the balance sheet date. For assets and liabilities at floating interest rates, the analysis assumes they are outstanding throughout the reporting period if they are outstanding at the balance sheet date. A 100 basis point increase or decrease is used when reporting the interest rate risk internally to the key management, and represents the management's assessment of the reasonably possible range of changes in interest rates.

If interest rate had increased/decreased by 100 basis points, holding other variables constant, the Group's income before tax would have increased/decreased by NT\$3,251 thousand and NT\$3,114 thousand for the six months ended June 30, 2025, and 2024, respectively.

c) Other price risks

Investments in beneficiary certificates and domestic and foreign equity instruments expose the Group to the equity price risk. The Group diversifies its investment portfolio to manage the price risk of investments in financial instruments.

Sensitivity analysis

The sensitivity analysis below is based on the exposure to equity price risk at the balance sheet date.

If the equity price increased/decreased by 10%, income before tax from January 1 to June 30, 2025, and 2024 would have increased/decreased by

NT\$359,712 thousand and NT\$236,497 thousand due to a change in the fair value of financial assets at fair value through profit or loss.

If the Equity price had increased/decreased by 10%, the other comprehensive income before tax for the six months ended June 30, 2025, and 2024 would have increased/decreased by NT\$18,147 thousand and NT\$36,278 thousand, respectively, due to a change in the fair value of financial assets at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk of financial loss of the Group arising from default by clients or counterparties of financial instruments on the contractual obligations. The policy of the Group in response to credit risk is as follows:

Customers

The Group's established internal credit policy requires that all entities within the Group manage and conduct credit analysis on every new client before stipulating the terms and conditions of payment and delivery. The internal risk control assesses clients' credit quality by taking into account their financial position, past experience, and other factors. Individual risk limits are set by the management based on internal or external ratings. The utilization of credit limits is regularly monitored.

The credit risk of the Group is mainly concentrated in our top five customers. As of June 30, 2025, December 31, 2024, and June 30, 2024, the ratio of accounts receivable and contract assets from aforementioned customers to the total amounted to 87%, 81%, and 82%, respectively. To mitigate credit risk, the Group regularly assesses the financial position of our customers and the likelihood of recovering accounts receivable and recognizes appropriate loss allowance.

3) Liquidity risk

- a) The cash flow forecast is performed by each operating entity of the Company and compiled by the Company's finance department. The finance department monitors the forecast of circulating capital needs of the Company to ensure that the Company's funds are adequate to finance its operations.
- b) The following tables detail the Group's non-derivative financial liabilities grouped by the maturity date. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flows disclosed below, including those of interest and principals, are undiscounted.

June 30, 2025

	Less than 1 Year	1-2 Year(s)	2-5 Years
Non-interest-bearing liabilities	\$ 1,672,683	\$ 315,404	\$ 70,768
Lease liabilities	19,289	15,739	29,235
Floating interest rate instruments	<u>100,755</u>	<u>-</u>	<u>-</u>
	<u><u>\$ 1,792,727</u></u>	<u><u>\$ 331,143</u></u>	<u><u>\$ 100,003</u></u>

December 31, 2024

	Less than 1 Year	1-2 Year(s)	2-5 Years
Non-interest-bearing liabilities	\$ 1,484,587	\$ 206,447	\$ 208,848
Lease liabilities	19,404	16,968	36,727
Floating interest rate instruments	<u>201,895</u>	<u>-</u>	<u>-</u>
	<u><u>\$ 1,705,886</u></u>	<u><u>\$ 223,415</u></u>	<u><u>\$ 245,575</u></u>

June 30, 2024

	Less than 1 Year	1-2 Year(s)	2-5 Years
Non-interest-bearing liabilities	\$ 1,465,862	\$ 113,105	\$ 59,832
Lease liabilities	17,958	14,867	42,452
Floating interest rate instruments	<u>150,574</u>	<u>-</u>	<u>-</u>
	<u><u>\$ 1,634,394</u></u>	<u><u>\$ 127,972</u></u>	<u><u>\$ 102,284</u></u>

The amount of the non-derivative financial assets and liabilities instruments with floating interest rates will change due to differences between the floating interest rates and the interest rates estimated as of the balance sheet date.

c) Financing facilities

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured bank loan facilities			
- Amount used	\$ 100,000	\$ 200,000	\$ 150,000
- Amount unused	<u>\$ 1,812,099</u>	<u>\$ 1,896,205</u>	<u>\$ 2,044,163</u>
	<u>\$ 1,912,099</u>	<u>\$ 2,096,205</u>	<u>\$ 2,194,163</u>
Secured bank loan facilities			
- Amount unused	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 450,000</u>

28. Related Party Transactions

In preparing the consolidated financial statements, all transactions, account balances, income and expenses between the Company and its subsidiaries have been eliminated in full and are not disclosed in this note accordingly. In addition to those disclosed in other notes, material transactions between the Group and other related parties were as follows.

a. Parent Company and ultimate controlling party

The Company is the ultimate controller of itself and its subsidiaries.

b. Names and relationships of related parties

Name of Related Party	Relationship with the Group
Chien Hwei Investment Co., Ltd.	The chairman of Chien Hwei Investment is the vice chairman of the Company
Chien Kuo Foundation for Arts and Culture	The chairman of the foundation is the vice chairman of the Company

c. Other related party transactions

1) Lease agreements

The Group rents the office from other related parties based on the local rental standards. The rent is paid on a monthly basis.

Account	Category of Related Parties	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Acquisition of right-of-use assets	Chien Hwei Investment Co., Ltd.	\$ -	\$ -	\$ -	\$ 37,634

Account	Category of Related Parties	June 30, 2025	December 31, 2024	June 30, 2024
Lease liabilities - Current and non-current	Chien Hwei Investment Co., Ltd.	\$ 28,603	\$ 31,641	\$ 34,651

Account	Category of Related Parties	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Interest expenses	Chien Hwei Investment Co., Ltd.	\$ 130	\$ 158	\$ 268	\$ 323
Lease expenses	Chien Hwei Investment Co., Ltd.	\$ 55	\$ 52	\$ 110	\$ 110

2) Lease agreements (operating lease)

The Group rents the office to other related parties based on the local rental standards, and a fixed lease payment is collected monthly according to the lease agreement.

Account	Category of Related Parties	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Rent income	Chien Hwei Investment Co., Ltd.	\$ 286	\$ 286	\$ 572	\$ 572

3) Donation

Category of Related Parties	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Other Related Party	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,500

The Group donated funds for broadcast production to related parties.

d. Remuneration to key management

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Short-term employee benefits	\$ 16,356	\$ 11,180	\$ 31,261	\$ 22,587
Post-employment benefits	\$ 395	\$ 361	\$ 779	\$ 669
	\$ 16,751	\$ 11,541	\$ 32,040	\$ 23,256

The remuneration to Directors and other key management is determined by the Remuneration Committee based on individual performance and market trends.

29. Pledged Assets

The Group's assets listed below were provided as collateral against bank loans, collateral against litigations, and deposits for construction performance obligation:

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets at FVTOCI - non-current	\$ 29,300	\$ 34,000	\$ 36,600
Pledged time deposits (included in financial assets measured at amortized cost - non-current)	-	70,050	70,050
Investment property	<u>491,970</u>	<u>492,257</u>	<u>492,544</u>
	<u><u>\$ 521,270</u></u>	<u><u>\$ 596,307</u></u>	<u><u>\$ 599,194</u></u>

30. Significant Contingent Liabilities and Unrecognized Contract Commitments

Except for those disclosed in other notes, significant commitments and contingencies of the Group on the balance sheet date were as follows:

- The construction of the National Kaohsiung Center for the Arts (Weiwyung) (hereinafter referred to as the Project) contracted by the Group was completed on December 16, 2016 and accepted on November 16, 2018, and is being operated by the National Kaohsiung Center for the Arts (Weiwyung) (hereinafter referred to as the Weiwyung Center for the Arts). The warranty period of the nonbuilding structures in the project expired on November 16, 2020. The "Weiwyung" has been opened to the public and the performance schedule is intensive, and hence, the Group had to coordinate the inspection schedule with the Weiwyung Center for the Arts. However, Weiwyung Center for the Arts had been making many unreasonable requests for repairs, causing delays in the inspection schedule. On this basis, Weiwyung Center for the Arts refused to return the warranty joint guarantee certificate provided by the Group for NT\$96,003 thousand. To fulfill the warranty obligation of the contract, the Group still cooperated with the inspection and repaired without any interruption. The Group considered that the action of the Weiwyung Center for the Arts was not in accordance with the contract and violated the principle of fairness and reasonableness. Therefore, on March 21, 2022, the Group submitted a proposal for mediation to the Complaint Review Board for Government Procurement, Public Construction Commission, Executive Yuan. The final mediation meeting was held on August 9, 2022, and the members of the mediation committee indicated that they would consider various situations and propose a mediation proposal. The Group received a mediation proposal on April 13, 2023. However, the Weiwyung Center for the Arts responded by rejecting the mediation proposal. Consequently, on July 3, 2023, the Group submitted the arbitration pursuant to laws. On August 12, 2024, the Group received the

arbitration decision. The Group provided a joint guarantee letter of NT\$10,368 thousand, and the Weiwuying Center for the Arts returned a warranty joint guarantee letter of NT\$96,003 thousand.

- b. Regarding the aforementioned project, the Weiwuying Center for the Arts asserted that there are still unresolved warranty defects. On October 23, 2023, they filed a lawsuit with the Kaohsiung District Court to forfeit the warranty joint guarantee letter of NT\$96,003 thousand and requested the Group to cover the repair cost of NT\$17,939 thousand. However, since the joint warranty guarantee of NT\$96,003 thousand had already been returned to the Group pursuant to the arbitral award mentioned above, the Weiwuying Center for the Arts filed an amendment to its claim, changing the requested amount to NT\$96,724 thousand. The case is currently being heard by the Kaohsiung District Court. It is difficult for the Group to predict the outcome before the judgment is made.
- c. As of June 30, 2024, and 2023, the performance guarantee letters issued by the bank for construction projects and public urban renewal project of the Group amounted to NT\$2,898,676 thousand and NT\$3,051,579 thousand, respectively.
- d. As of June 30, 2025, and 2024, the guaranteed bills issued by the Group for business needs amounted to NT\$1,413,523 thousand and NT\$1,148,959 thousand, respectively.

31. Significant Assets and Liabilities Denominated in Foreign Currencies

Significant assets and liabilities denominated in foreign currencies were as follows:

Unit: Foreign currency/NT\$ thousand

June 30, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
RMB	\$ 53	0.1397 (RMB: USD)	\$ 215
USD	3,851	29.30(USD: NTD)	<u>\$ 112,825</u>
			<u>\$ 113,040</u>

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
RMB	\$ 53	0.1391 (RMB: USD)	\$ 240
USD	6,992	32.79 (USD: NTD)	<u>\$ 229,279</u>
			<u>\$ 229,519</u>

June 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
RMB	\$ 53	0.1403 (RMB: USD)	\$ 239
USD	20,909	32.45 (USD: NTD)	<u>678,489</u>
			<u>\$ 678,728</u>

Significant unrealized gain or loss on foreign currency exchange were as follows:

	April 1 to June 30, 2025		April 1 to June 30, 2024	
	Exchange Rate	Net Exchange Profit (Loss)	Exchange Rate	Net Exchange Profit (Loss)
<u>Financial assets</u>				
RMB	0.1392 (RMB: USD)	\$ 27	0.1407 (RMB: USD)	(\$ 69)
JPY	0.0067 (JPY: USD)	-	0.0066 (JPY: USD)	(1)
USD	31.86 (USD: NTD)	(17,271)	31.90 (USD: NTD)	<u>4,494</u>
		<u>(\$ 17,244)</u>		<u>\$ 4,424</u>
 <u>January 1 to June 30, 2025</u>				
	Net Exchange Profit (Loss)		Net Exchange Profit (Loss)	
	Exchange Rate	Net Exchange Profit (Loss)	Exchange Rate	Net Exchange Profit (Loss)
<u>Financial assets</u>				
RMB	0.1392 (RMB: USD)	\$ 41	0.1407 (RMB: USD)	(\$ 92)
JPY	0.0067 (JPY: USD)	-	0.0066 (JPY: USD)	(1,507)
USD	31.86 (USD: NTD)	(7,057)	31.90 (USD: NTD)	<u>8,639</u>
		<u>(\$ 7,016)</u>		<u>\$ 7,040</u>

32. Supplementary Disclosures

- Information on (I) significant transactions and (II) invested companies were as follows:
 - 1) Loaning Provided to Others: (Appendix 1)
 - 2) Endorsements/Guarantees Provided for Others: (Appendix 2)
 - 3) Marketable Securities Held by the End of the Period (Excluding Investment in Subsidiaries, Associates and Joint Ventures): (Appendix 3)
 - 4) Purchases from or Sales to Related Parties Amounting to at least NT\$100 million or 20% of the Paid-in Capital. (Appendix 4)

- 5) Receivables from Related Parties Amounting to at least NT\$100 Million or 20% of the Paid-in Capital: (Appendix 5)
- 6) Others: Inter-company Relationships and Significant Inter-company Transactions: (Appendix 6)
- b. Information on Invested Companies (Appendix 7)
- c. Information on investments in Mainland China:
 - 1) Information on investees in mainland China, including the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, gain or loss on investments, carrying amount of investment at the end of the period, gain or loss on repatriated investment and limits on investments in mainland China: (Appendix 8)
 - 2) Any of the following significant transactions with investees in mainland China, either directly or indirectly through a third party, and their prices, payment terms and unrealized gain or loss: (None)
 - a) Purchase amount and percentage, and the ending balance and percentage of the related payables.
 - b) Sales amount and percentage, and the ending balance and percentage of the related receivables.
 - c) Property transaction amount and the resulting gain or loss.
 - d) Ending balances and purposes of endorsements/guarantees or collateral provided.
 - e) The maximum balance, ending balance, interest rate range and the total amount of current-period interest of financing facilities.
 - f) Other transactions with significant impact on profit or loss or financial position for the period, such as provision or receipt of service.

33. Segment Information

The information was provided to the main business decision-makers to allocate resources and to evaluate the performance of each department, focusing on the category of service delivered or provided. The Group mainly engages in design, supervision and undertaking of construction projects and trading of building materials. The consolidated statements of comprehensive income present the operating results regularly reviewed by the decision-maker. There is no other business unit of significance such that disclosing information on reportable segments in the financial statements is no longer required.

Chien Kuo Construction Co., Ltd. and Subsidiaries

Loans Provided to Others

January 1 to June 30, 2025

Appendix 1.

Unit: NT\$ Thousands

No.	Financing Company	Counterparty	Financial Statement Account	Whether a Related Party	Highest Balance as of the Current Month	Ending balance	Amount Actually Withdrawn	Interest Rate Range	Nature of Financing (Note 1)	Amount of Transaction	Reason for Short-term Financing	Allowance for Doubtful Debts	Collateral		Limit on Loans Granted to a Single Party	Total Loan Limit	Note
													Name	Value			
1	Chien Kuo Building Co., Ltd.	Chien Kuo Construction Co., Ltd.	Other receivables	Yes	\$ 34,000	\$ 32,000	\$ 32,000	2.00%	(1)	\$ -	Operating capital	\$ -	-	\$ -	40% of the net value of the lending company	40% of the net value of the lending company	
2	Chien Bang Real Estate Development Co., Ltd.	Chien Kuo Construction Co., Ltd.	Other receivables	Yes	19,000	19,000	19,000	2.00%	(1)	-	Operating capital	-	-	-	\$ 32,872	40% of the net value of the lending company	
3	CKTech Engineering Co., Ltd.	Chien Kuo Construction Co., Ltd.	Other receivables	Yes	20,000	20,000	20,000	2.00%	(1)	-	Operating capital	-	-	-	19,934	40% of the net value of the lending company	
															23,903	23,903	

Note1: The nature of financing is described as follows:

(1) For the purpose of short-term financing.

Chien Kuo Construction Co., Ltd. and Subsidiaries

Endorsements/guarantees provided for others

January 1 to June 30, 2025

Appendix 2.

Unit: NT\$ Thousands

No.	Endorsements/ Guarantees Provider Company Name	Parties Being Endorsed/Guaranteed		Limit of Endorsements/ Guarantees for a Single Entity (Note 1)	Highest Balance as of the Current Month	Outstanding Endorsements/ Guarantees - Ending	Amount Actually Withdrawn	Endorsements/ Guarantees Secured with Collateral	Ratio of Cumulative Endorsements/ Guarantees to the Net Equity Stated in the Latest Financial Statements	Limit of Endorsements/ Guarantees (Note 2)	Endorsements /Guarantees Provided by Parent for Subsidiary	Endorsements /Guarantees Provided by Subsidiary for Parent	Endorsements /Guarantees for Entities in China	Note
		Company name	Relationship											
0	Chien Kuo Construction Co., Ltd.	CKTech Engineering Co., Ltd.	Subsidiary	\$ 2,525,534	\$ 500,000	\$ 500,000	\$ 178,682	\$ -	9.9%	\$ 5,051,068	Y	N	N	Financing endorsements /guarantees
0	Chien Kuo Construction Co., Ltd.	Chien Bang Real Estate Development Co., Ltd.	Subsidiary	2,525,534	24,600	24,600	24,600	-	0.49%	5,051,068	Y	N	N	Performance guarantee

Note1: The limit on endorsements/guarantees provided for each guaranteed party is calculated as follows:

1. The limit on endorsements/guarantees made to companies in the same industry should be 200% of net worth of shareholders' equity.
2. The limit on endorsements/guarantees made to other guaranteed parties should be 50% of net worth of shareholders' equity.

Note2: The maximum endorsements/guarantees amount allowable is calculated as follows:

1. The maximum endorsements/guarantees amount allowable to companies in the same industry should be 400% of net worth of shareholders' equity.
2. The maximum endorsements/guarantees amount allowable to other guaranteed parties should be 100% of net worth of shareholders' equity.

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Significant Marketable Securities Held at the End of the Period
 June 30, 2025

Appendix 3.

Unit: NT\$ Thousands

Holding Company	Type and Name of Marketable Securities	Relationship with the Marketable Security Issuer	Financial Statement Account	End of period				Note	
				Number of Shares (in Thousands)	Carrying Amount	Shareholding Percentage (%)	Fair Value		
Chien Kuo Construction Co., Ltd.	<u>Fund</u>	—	Financial assets at FVTPL - current						
	Taiwan Money Market Fund				11,217	\$ 180,468	-	\$ 180,468	
	UPAMC JAMES BOND MONEY MARKET Fund				8,871	155,492	-	155,492	
	Taishin Ta-Chong Money Market Fund				10,417	155,556	-	155,556	
	Allianz Global Investors All Seasons Double Income Fund of Funds USD A				2,888	45,806	-	45,806	
	Nomura Global Technology Multi-Asset Fund S (USD)				202	58,179	-	58,179	
	PineBridge Preferred Securities Income Fund TWD A				3,974	45,100	-	45,100	
	PineBridge Preferred Securities Income Fund USD A				76	28,294	-	28,294	
	PineBridge Global Funds - Global Focus Equity Fund Y (USD) (Accumulated)				3	35,447	-	35,447	
	Capital Money Market Fund				11,229	190,305	-	190,305	
	Franklin Templeton Sinoam Money Market Fund				16,596	180,317	-	180,317	
	Amundi Funds - US Short Term Bond A2-USD (C) (USD)				383	90,258	-	90,258	
	JPMorgan Funds - America Equity Fund A (dist) - USD (Accumulated)				18	32,913	-	32,913	
	<u>Stock—common stocks</u>				Financial assets at FVTPL - non-current	31,492	4.92%	31,492	
	BMC Venture Capital Investment Corporation					2,850	31,492	4.92%	
	BMD Venture Capital Investment Corporation					4,500	42,000	6.65%	42,000
	Taiwan Bio Therapeutics Co., Ltd.					131	4,346	0.15%	4,346
	Revivegen Co., Ltd.					749	22,629	1.25%	22,629
	Gogolook Co., Ltd.					86	6,777	0.24%	6,777
	CDIB Innolux Fund L.P.					21,400	21,400	1.57%	21,400
	Yu-Chen System Technology Corp.					50	6,059	0.27%	6,059
	Chia Hsin Cement Corporation				Financial assets measured at FVTOCI - current	1,137	16,654	0.14%	16,654
	Chia Hsin Cement Corporation					11,250	164,813	1.42%	164,813
Golden Canyon Venture Capital Investment Co., Ltd.	<u>Stock—common stocks</u>	—	Financial assets at FVTOCI - non-current						(Note 1)
	Phoenix Pioneer Technology Co., Ltd.					651	9,748	0.31%	9,748
	MEGA UNION TECHNOLOGY INC.					495	213,592	0.65%	213,592

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Holding Company	Type and Name of Marketable Securities	Relationship with the Marketable Security Issuer	Financial Statement Account	End of period				Note
				Number of Shares (in Thousands)	Carrying Amount	Shareholding Percentage (%)	Fair Value	
Golden Canyon II Venture Capital Investment Co., Ltd.	TCM Biotech International Corporation	—	Financial assets at FVTPL - non-current	700	\$ 39,949	1.19%	\$ 39,949	—
	Revivegen Co., Ltd.	—	”	228	6,893	0.38%	6,893	—
	AuthenX Inc.	—	”	500	10,000	1.39%	10,000	—
	Taiwan Bio-Manufacturing Corporation	—	”	2,050	41,000	0.45%	41,000	—
	Digimax Innovative Products Ltd.	—	”	203	2,848	0.58%	2,848	—
	<u>Stock—preferred stocks</u>							
	Brain Navi Ltd	—	”	1,000	58,600	-	58,600	—
	<u>Stock—common stocks</u>							
	Phoenix Pioneer Technology Co., Ltd.	—	Financial assets at FVTPL - current	321	4,805	0.15%	4,805	—
	Aventacell Biomedical Corp. Ltd.	—	Financial assets at FVTPL - non-current	500	29,000	4.29%	29,000	—
Chien Bang Real Estate Development Co., Ltd.	Geckos Group Fund	—	”	1,150	23,000	5.25%	23,000	—
	Taiwan Money Market Fund	—	Financial assets at FVTPL - current	1,050	16,893	-	16,893	—
Leader Construction Co., Ltd.	<u>Fund</u>							
Golden Canyon Limited	Taiwan Money Market Fund	—	”	464	7,458	-	7,458	—
	<u>Bonds</u>							
	NOMURA HOLDINGS INC Corporate Bonds (NOMURA 1.653 07/14/26)	—	Financial assets at amortized cost - non-current	1,000	28,161	-	28,161	—
	BARCLAYS PLC Corporate Bonds (BARCLAYS 4.337 01/10/28)	—	”	1,000	28,572	-	28,572	—
	HSBC HOLDINGS PLC Corporate Bonds (HSBC 4.95 03/31/30)	—	”	1,000	28,962	-	28,962	—
	BNP PARIBAS SA Corporate Bonds (BNP 5.176 01/09/30)	—	”	1,000	29,240	-	29,240	—
	JPMORGAN CHASE&CO Corporate Bonds (JP MORGAN 3.782 02/01/28)	—	”	1,000	28,668	-	28,668	—
	CITIGROUP INC Corporate Bonds (CITI 2.976 11/05/30)	—	”	1,000	26,706	-	26,706	—
	GOLDMAN SACHS GROUP INC Corporate Bonds (GS 3.615 03/15/28)	—	”	1,000	28,523	-	28,523	—
	Mercedes-Benz Finance North America LLC Corporate Bonds (MBGGR 5 3/8 11/26/25)	—	”	1,000	29,319	-	29,319	—
	AT&T Inc. Corporate Bonds (AT&T 02/15/30)	—	”	2,000	55,873	-	55,873	—

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Holding Company	Type and Name of Marketable Securities	Relationship with the Marketable Security Issuer	Financial Statement Account	End of period				Note
				Number of Shares (in Thousands)	Carrying Amount	Shareholding Percentage (%)	Fair Value	
	IBM INTERNAT CAPITAL Corporate Bonds (IBM 4.75 02/05/31)	—	Financial assets at amortized cost - non-current	1,000	\$ 28,522	-	\$ 28,522	—
	NextEra Energy Corporate Bonds (NextEra 1.9 06/15/28)	—	“	2,000	53,110	-	53,110	—
	ORACLE CORP Corporate Bonds (Oracle 3.25 05/15/30)	—	“	1,000	26,639	-	26,639	—
	VOLKSWAGEN GROUP AMERICA Corporate Bonds (VW 5.25 03/22/29)	—	“	1,000	28,904	-	28,904	—
	VERIZON COMMUNICATIONS Corporate Bonds (VZ 2.355 03/15/32)	—	“	1,000	24,208	-	24,208	—
	COMCAST CORP Corporate Bonds (CMCSA 1.95 01/15/31)	—	“	1,000	24,769	-	24,769	—
	ROCHE HOLDINGS INC Corporate Bonds (ROSW 2.076 12/13/31)	—	“	1,000	24,453	-	24,453	—
	STARBUCKS CORP Corporate Bonds (SBUX 4.9 2/15/31)	—	“	1,000	28,632	-	28,632	—
	SUMITOMO CORP Corporate Bonds (SUMI 5.35 7/3/34)	—	“	1,000	28,894	-	28,894	—
	<u>Fund</u>							
	Citi Taiwan - A1USD Trade Finance Fund	—	Financial assets at FVTPL - current	32	109,717	-	109,717	—
	BlackRock ICS US Dollar Liquidity Fund	—	“	7	23,690	-	23,690	—
	BlackRock ICS US Dollar Liquidity Premium Fund	—	“	37	136,161	-	136,161	—
	PIMCO GIS Global Investment Grade Credit Fund	—	“	177	98,567	-	98,567	—
	AB FCP I-American Income Portfolio Class A2	—	“	69	66,054	-	66,054	—
	JPMorgan Funds - Global Corporate Bond Fund	—	“	169	99,043	-	99,043	—
	JPMorgan Funds - Income Fund A	—	“	23	93,155	-	93,155	—
	Morgan Funds - Global Strategic Bond Fund - A-Share (Accumulated)	—	“	24	91,268	-	91,268	—
	PIMCO GIS Income Fund	—	“	325	129,075	-	129,075	—
	Schroder International Selection Fund Global Credit Income	—	“	16	63,277	-	63,277	—
	JPM USD Liquidity LVNAV E Acc	—	“	-	13,000	-	13,000	—
	PVG GCN VENTURES, L.P.	—	Financial assets at FVTPL - non-current	-	439	5.00%	439	—
	CSVI VENTURES,L.P.	—	“	-	31,886	4.06%	31,886	—
	<u>Stock</u>							
	McDonald's Corp	—	Financial assets at FVTPL - current	3	28,250	-	28,250	—

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Holding Company	Type and Name of Marketable Securities	Relationship with the Marketable Security Issuer	Financial Statement Account	End of period				Note
				Number of Shares (in Thousands)	Carrying Amount	Shareholding Percentage (%)	Fair Value	
Silver Shadow Holding Limited	<u>Fund</u>	—	Financial assets at FVTPL - current	44	\$ 158,646	-	\$ 158,646	—
	BlackRock ICS US Dollar Liquidity Fund							
	BlackRock ICS US Dollar Liquidity Premium Fund							
	Lord Abbet Short Duration Income							
	PIMCO Funds: Global Investors Series plc Dynamic Bond Fund							
	PineBridge Global Funds - Global Focus Equity Fund							
	AB American Income W2							
	Goldman Sachs Funds III-I							
	Neuberger Berman Investment Funds							
	M&G (Lux) Short Dated Corporate Bond Fund USD A-H Acc							
	Global X Robotics & Artificial Intelligence							
	First Trust NASDAQ Cybersecurity ETF							
	Schroder International Selection Fund Global Credit Income - A Class (Accumulated)							
	Utilities Select Sector SPDR Fund							
	<u>Stock</u>							
	Berkshire Hathaway Inc.							
	<u>Bonds</u>							
	UBS GROUP AG Corporate Bonds (UBS 4.253 03/23/28)		Financial assets at amortized cost - non-current	1,000	28,675	-	28,675	—
	GENERAL MOTORS FINL CO Corporate Bonds (GM 5.8 01/07/29)							
	BANK OF AMERICA CORP Corporate Bonds (BOA 2.087 06/14/29)							
	MORGAN STANLEY Corporate Bonds (MORGAN STANLEY 4.431 01/23/30)							
	BNP PARIBAS SA Corporate Bonds (BNP 5.176 01/09/30)							
	UBS GROUP AG Corporate Bonds (UBS 4.282 01/09/28)							
	BANK OF AMERICA CORP Corporate Bonds (BOA 5.202 04/25/29)							
	IBM INTERNAT CAPITAL Corporate Bonds (IBM 4.75 02/05/31)							
	VOLKSWAGEN GROUP AMERICA Corporate Bonds (VW 5.25 03/22/29)							

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Holding Company	Type and Name of Marketable Securities	Relationship with the Marketable Security Issuer	Financial Statement Account	End of period				Note
				Number of Shares (in Thousands)	Carrying Amount	Shareholding Percentage (%)	Fair Value	
	SAUDI ARABIAN OIL CO Corporate Bonds (ARAMCO 5.25 7/17/34)	—	Financial assets at amortized cost - non-current	2,000	\$ 58,662	-	\$ 58,662	—
	PANASONIC HOLDINGS CORP Corporate Bonds (MATSEL 5.302 7/16/34)	—	“	2,000	57,858	-	57,858	—
	MITSUBISHI CORP Corporate Bonds (MITCO 5.125 7/17/34)	—	“	1,000	29,127	-	29,127	—
	ARIZONA PUBLIC SERVICE Corporate Bond (PNW 5.7 8/15/34)	—	“	1,000	29,683	-	29,683	—
	AUTOZONE INC Corporate Bond (AZ 5.4 7/15/34)	—	“	1,000	29,187	-	29,187	—
	BORGWARNER INC Corporate Bond (BW 5.4 8/15/34)	—	“	1,000	28,763	-	28,763	—
	CIGNA GROUP/THE Corporate Bond (CIGNA 5.25 2/15/34)	—	“	1,000	29,043	-	29,043	—
	DOW CHEMICAL CO/THE Corporate Bond (DOW 6.3% 3/15/33)	—	“	1,000	30,930	-	30,930	—
	MARRIOTT INTERNATIONAL Corporate Bonds (MAR 5.35% 3/15/35)	—	“	1,000	28,965	-	28,965	—
	MOTOROLA SOLUTIONS INC Corporate Bond (MOTOROLA 5.4% 4/15/34)	—	“	1,000	29,338	-	29,338	—
	SUMITOMO CORP Corporate Bonds (SUMI 5.35 7/3/34)	—	“	1,000	29,145	-	29,145	—

Note1: Among them, 2,000 thousand shares are pledged to the bank as collateral for the performance of construction contracts.

Chien Kuo Construction Co., Ltd. and Subsidiaries

Purchases from or Sales to Related Parties of at least NT\$100 million or 20% of the Paid-in Capital

January 1 to June 30, 2025

Appendix 4.

Unit: NT\$ Thousands

Purchaser/Seller	Counterparty	Relationship	Transaction Situation				Situations and Reasons of Transaction Terms Different from General Transaction Terms		Notes and Accounts Receivable (Payable)	Ratio to Total Notes or Accounts Receivable (Payable)	Note
			Purchases (Sales)	Amount	Ratio to Total Purchase (Sales)	Credit Period	Unit Price	Credit Period			
Chien Kuo Construction Co., Ltd.	CKTech Engineering Co., Ltd.	Subsidiary	Purchases	\$ 253,059	9.21%	Subject to the agreement	-	-	(\$ 178,063)	(11.86%)	
CKTech Engineering Co., Ltd.	Chien Kuo Construction Co., Ltd.	Parent company	Sales	(253,059)	(96.78%)	Subject to the agreement	-	-	106,953	100.00%	Note 1

Note1: Partially invoiced amounts are recognized as contract assets.

Chien Kuo Construction Co., Ltd. and Subsidiaries

Receivables from Related Parties Amounting to NT\$100 Million or 20% of the Paid in Capital or More

January 1 to June 30, 2025

Appendix 5.

Unit: NT\$ thousands, unless otherwise specified

Company to Which the Accounts Receivable Is Due	Counterparty	Relationship	Balance Dues from Related Parties	Turnover Rate	Overdue Receivables from Related Party		Subsequently Recovered Amount from Related Party (Note 1)	Loss Allowance Provided
					Amount	Action Taken		
CKTech Engineering Co., Ltd.	Chien Kuo Construction Co., Ltd.	Parent company	Accounts receivable \$ 106,953	5.22	\$ -	-	\$ 58,217	\$ -

Note1: Note 1: Amount received as of July 30, 2025.

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Inter-company Relationships and Significant Inter-company Transactions
 January 1 to June 30, 2025

Appendix 6.

Unit: NT\$ Thousands

No.	Company Name	Counterparty	Nature of Relationship (Note 1)	Transaction Details			
				Financial Statements Item	Amount	Transaction Terms	Ratio to Total Revenue or Total Assets
0	Chien Kuo Construction Co., Ltd.	CKTech Engineering Co., Ltd.	(1)	Other prepayments	\$ 23,296	Note 2	0.27%
				Construction costs	253,059	Note 2	8.03%
				Contract assets - property construction	501,723	Note 2	5.77%
				Accounts payable	106,953	Note 2	1.23%
				Accounts payable - Provisional	71,110	Note 2	0.82%
		Chien Kuo Building Co., Ltd.	(1)	Short-term loans	20,000	Note 2	0.23%
				Short-term loans	32,000	Note 2	0.37%
				Short-term loans	19,000	Note 2	0.22%
		Chien Bang Real Estate Development Co., Ltd.	(1)				

Note1: The nature of relationship is divided into the following three categories:

1. Parent to subsidiary.
2. Subsidiary to parent.
3. Subsidiary to subsidiary.

Note2: Conducted in line with ordinary terms.

Chien Kuo Construction Co., Ltd. and Subsidiaries

Information on Investees

January 1 to June 30, 2025

Appendix 7.

Unit: NT\$ Thousands

Name of Investor	Name of Investee	Location	Principal Business Activities	Original Investment Amount		Ending Balance			Investee Profit/Loss for the Current Period	Investment Profit/Loss Recognized in the Current Period	Note
				End of the Period	End of Last Year	Number of shares	Ratio (%)	Carrying Amount			
Chien Kuo Construction Co., Ltd.	Golden Canyon Limited	British Virgin Islands	Reinvestment	\$ 126,135	\$ 126,135	4,037	100.00%	\$ 1,623,106	\$ 49,958	\$ 49,958	Subsidiary
	Silver Shadow Holding Limited	British Virgin Islands	Reinvestment	297,126	297,126	9,118	100.00%	1,664,890	51,711	51,711	Subsidiary
	Chien Kuo Building Co., Ltd.	Taiwan	Building construction commission; public housing lease and sale	144,065	144,065	8,100	100.00%	80,097	(2,083)	(2,083)	Subsidiary
	CKTech Engineering Co., Ltd.	Taiwan	Undertaking mechanical, electrical and plumbing/refrigeration/air conditioning engineering; wholesale and retail of equipment	51,219	51,219	7,000	100.00%	69,859	12,240	12,240	Subsidiary
	Golden Canyon Venture Capital Investment Co., Ltd.	Taiwan	Venture capital business	401,000	401,000	40,100	100.00%	450,064	15,315	15,315	Subsidiary
	Golden Canyon II Venture Capital Investment Co., Ltd.	Taiwan	Venture capital business	200,000	200,000	20,000	100.00%	200,445	221	221	Subsidiary
	Chien Bang Real Estate Development Co., Ltd.	Taiwan	Building construction commission; public housing lease and sale	27,500	27,500	2,750	55.00%	27,466	104	57	Subsidiary
	Leader Construction Co., Ltd.	Taiwan	Maintenance and construction, buying and selling construction materials	25,000	25,000	2,500	100.00%	9,729	153	153	Subsidiary
Chien Kuo Building Co., Ltd.	Chien Bang Real Estate Development Co., Ltd.	Taiwan	Building construction commission; public housing lease and sale	22,500	22,500	2,250	45.00%	22,472	104	47	Subsidiary
Golden Canyon Venture Capital Investment Co., Ltd.	Chang Jia Energy Co., Ltd.	Taiwan	Renewable energy self-used power generation equipment industry	56,000	56,000	5,600	28.00%	55,945	(17)	(52)	Associates
Golden Canyon II Venture Capital Investment Co., Ltd.	Chang Jia Energy Co., Ltd.	Taiwan	Renewable energy self-used power generation equipment industry	42,000	17,500	4,200	21.00%	41,987	(17)	44	Associates
Silver Shadow Holding Limited	CK Asia Co., Ltd.	British Virgin Islands	Reinvestment	974	974	2	54.29%	9,719	1,430	Note 3	Sub-subsidiary
Golden Canyon Limited	CK Asia Co., Ltd.	British Virgin Islands	Reinvestment	840	840	2	45.71%	11,984	1,430	Note 3	Sub-subsidiary

Note1: Where there involves a foreign currency, it is translated into New Taiwan Dollars by using the exchange rate as of June 30, 2025 (US\$1=NT\$29.3), except for profit or loss items, which are translated into New Taiwan Dollars by using the average exchange rate over January 1 - June 30, 2025 (US\$1=NT\$31.86).

Note2: Please refer to Appendix 8 for information on investments in Mainland China.

Note3: The gains or losses of an invested company are incorporated into those of the investor. To avoid confusion, they are not separately presented here.

Chien Kuo Construction Co., Ltd. and Subsidiaries

Information on Investments in Mainland China

January 1 to June 30, 2025

Appendix 8.

Unit: NT\$ Thousands

Investee in Mainland China	Principal Business Activities	Paid-in Capital	Manner of Investment	Cumulative Investment Amount Remitted from Taiwan - Beginning of the Period	Investment Amount Remitted or Received for the Current Period		Ending Balance of Accumulated Outflow of Investment from Taiwan	Investee Profit/Loss for the Current Period	Percentage of Ownership (Direct or Indirect)	Investment Gains (Losses) Recognized for the Current Period (Note 1)	Carrying Amount of Investments at the End of the Period (Note 1)	Investment Gains Repatriated by the End of the Current Period	Note
					Remitted	Received							
CK Asia (Shanghai) Information Technology Co., Ltd.	Computer software technology development and consultation	\$ 2,930	Investment through a company founded in a third region	\$ 68,326	\$ -	\$ -	\$ 68,326	\$ 1,322	100%	\$ 1,322	\$ 8,575	\$ 41,113	

Accumulated Investment Remitted from Taiwan to Mainland China at the End of the Period	Investment Amount Approved by the Investment Commission of the Ministry of Economic Affairs (MOEAIC)	Upper Limit on Investment Authorized by MOEAIC
\$ 868,785(Note 3)	\$ 369,440(Note 2)	\$ 2,581,804

Note1: The amount was recognized based on the reviewed financial statements.

Note2: The amount authorized by the Investment Commission, MOEA was NT\$970,002 thousand, of which NT\$600,562 thousand was the earnings of invested companies in mainland China remitted to the third regions, and was not included in the calculation of the limit on investment.

Note3: The amount remitted from Taiwan was NT\$868,785 thousand, includes:

(1) Loss on investment:

Investee in Mainland China	Original Investment Amount	Repatriated Investment Amount	Loss on Investment
Shanghai Chien Chung Concrete Co., Ltd.	\$ 33,553	\$ 14,058	\$ 19,495
Shanghai Ruihui Trading Co., Ltd.	9,210	916	8,294
Nanjing Jianxing Concrete Co., Ltd.	25,728	25,618	110
Jianxiang Management Consultant (Shanghai) Co., Ltd.	1,779	-	1,779

(2) Of the amount, NT\$163,869 thousand (USD 5,682 thousand) originated from the funds of the third regions.