

Chien Kuo Construction Co., Ltd. and Subsidiaries
Consolidated Financial Statements and Independent
Auditors' Review Report
For the Three Months Ended March 31, 2024 and 2023

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For the convenience of readers, the independent auditors' review 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 version shall prevail.

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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 March 31, 2024 and 2023, the Consolidated Statements of Comprehensive Income, 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) from January 1 to March 31, 2024 and 2023. 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 March 31, 2024 and 2023, and of its consolidated financial performance for the three months period from January 1 to March 31, 2024 and 2023, and its consolidated financial performance and cash flows for the three-month periods then ended 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.

Deloitte Taiwan
CPA: Li-Chun CHANG

CPA: Wen-Chin LIN

Financial Supervisory Commission Approval
Document No.:
FSC Approval Document No. 1100356048

Securities and Futures Bureau Approval
Document No.:
Tai-Cai-Zheng-6 No. 0920123784

May 8, 2024

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 review such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' review 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 version shall prevail.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
March 31, 2024, December 31, 2023, and March 31, 2023

Unit: NT\$ Thousands

Code	Assets	March 31, 2024		December 31, 2023		March 31, 2023	
		Amount	%	Amount	%	Amount	%
Current assets							
1100	Cash and cash equivalents (Note VI)	\$ 1,681,681	20	\$ 1,634,295	20	\$ 2,791,273	37
1110	Financial assets measured at fair value through profit or loss (Note VII)	1,743,679	21	1,774,481	22	848,149	11
1120	Financial assets at fair value through other comprehensive income (Note VIII)	19,779	-	21,655	-	21,120	-
1136	Financial assets measured at amortized cost (Note IX)	1,393,633	16	1,577,619	19	638,863	8
1140	Contract assets (Note XXI)	703,343	8	938,706	12	1,331,216	18
1150	Notes receivable (Note X)	-	-	156	-	-	-
1170	Accounts receivable (Notes X and XXI)	549,041	6	291,615	4	179,907	2
1200	Other receivables (Note XXV)	108,125	1	76,903	1	34,705	1
1220	Current tax assets	138,079	2	132,644	2	131,689	2
1323	Inventories (for construction business) (Notes XI and XXIX)	5,740	-	2,502	-	468,428	6
1410	Prepayments (Note XII)	144,381	2	129,937	2	115,022	2
1470	Other current assets	5,269	-	4,851	-	24,024	-
11XX	Total current assets	6,492,750	76	6,585,364	82	6,584,396	87
Non-current assets							
1510	Financial assets measured at fair value through profit or loss (Note VII)	228,953	3	219,477	3	184,663	2
1517	Financial assets measured at fair value through other comprehensive income (Notes VIII and XXIX)	340,559	4	370,478	5	377,737	5
1535	Financial assets measured at amortized cost (Notes IX and XXIX)	562,985	7	100,834	1	70,050	1
1550	Investments accounted for using equity method (Note XIV)	48,642	1	48,642	1	48,715	1
1600	Property, plant and equipment (Note XV)	86,299	1	95,821	1	118,707	2
1755	Right-of-use assets (Note XVI)	74,219	1	41,208	-	10,095	-
1760	Investment properties (Notes XVII and XXIX)	566,177	7	566,426	7	101,245	1
1780	Intangible assets	11,717	-	10,606	-	6,607	-
1840	Deferred tax assets	41,518	-	37,828	-	25,152	-
1990	Other non-current assets (Note XXIX)	38,391	-	15,927	-	31,441	1
15XX	Total non-current assets	1,999,460	24	1,507,247	18	974,412	13
1XXX	Total assets	\$ 8,492,210	100	\$ 8,092,611	100	\$ 7,558,808	100
Code	Liabilities and Equity						
Current liabilities							
2100	Short-term loans (Note XVIII)	\$ -	-	\$ -	-	\$ 500,000	6
2110	Short-term notes and bills payable (Note XVIII and XXIX)	-	-	-	-	129,901	2
2130	Contract liabilities (Note XXI)	872,213	10	801,917	10	203,928	3
2170	Accounts payable (Note XIX)	1,224,236	14	1,242,538	15	1,029,707	14
2200	Other payables	146,415	2	203,608	3	77,032	1
2230	Current tax liabilities	81,686	-	48,685	1	54,655	1
2250	Current provisions (Note XXI)	129,340	2	135,217	2	75,298	1
2399	Other current liabilities (Note XI and XVI)	136,968	2	131,818	1	13,242	-
21XX	Total current liabilities	2,590,858	30	2,563,783	32	2,083,763	28
Non-current liabilities							
2570	Deferred tax liabilities	568,666	7	537,026	7	531,278	7
2600	Other non-current liabilities (Note XVI)	173,532	2	142,048	1	115,950	1
25XX	Total non-current liabilities	742,198	9	679,074	8	647,228	8
2XXX	Total liabilities	3,333,056	39	3,242,857	40	2,730,991	36
Equity (Note XX)							
Capital							
3110	Common stock	2,520,001	30	2,520,001	31	2,520,001	33
3200	Additional paid-in capital	187,308	2	187,308	2	187,308	2
Retained Earnings							
3310	Legal reserve	744,264	9	744,264	9	724,858	10
3320	Special reserve	11,397	-	11,397	-	11,397	-
3350	Unappropriated earnings	1,395,674	16	1,178,059	15	1,189,945	16
3300	Total retained earnings	2,151,335	25	1,933,720	24	1,926,200	26
3400	Other equity	300,510	4	208,725	3	194,308	3
3XXX	Total equity	5,159,154	61	4,849,754	60	4,827,817	64
Total liabilities and equity							
		\$ 8,492,210	100	\$ 8,092,611	100	\$ 7,558,808	100

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

Chairman: Chang-Shiou WU

Manager: Mao-Sheng KAN

Accounting Manager: Lin-Ju LIN

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Consolidated Statements of Comprehensive Income
 For the Three Months Ended March 31, 2024 and 2023

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

Code		January 1 to March 31, 2024		January 1 to March 31, 2023	
		Amount	%	Amount	%
4000	Operating revenue (Note XXI)	\$ 1,162,342	100	\$ 1,032,233	100
5000	Operating costs (Notes XXII)	<u>1,050,810</u>	<u>90</u>	<u>927,754</u>	<u>89</u>
5900	Gross profit	<u>111,532</u>	<u>10</u>	<u>104,479</u>	<u>11</u>
	Operating expenses (Notes XXII and XXVIII)				
6200	Administrative expenses	96,996	8	79,991	8
6450	Gain on reversal of expected credit loss	<u>-</u>	<u>-</u>	(<u>10,600</u>)	(<u>1</u>)
6000	Total operating expenses	<u>96,996</u>	<u>8</u>	<u>69,391</u>	<u>7</u>
6900	Net operating income	<u>14,536</u>	<u>2</u>	<u>35,088</u>	<u>4</u>
	Non-operating income and expenses (Notes XIV, XXII and XXVIII)				
7010	Other income	36,107	3	44,507	4
7020	Other gains and losses	197,548	17	19,617	2
7050	Finance costs	(<u>342</u>)	<u>-</u>	(<u>3,095</u>)	(<u>1</u>)
7060	Shares of loss of associates accounted for using equity method	<u>-</u>	<u>-</u>	(<u>65</u>)	<u>-</u>
7000	Total non-operating income and expenses	<u>233,313</u>	<u>20</u>	<u>60,964</u>	<u>5</u>
7900	Income before income tax	247,849	22	96,052	9
7950	Income tax expense (Note XXIII)	<u>30,234</u>	<u>3</u>	<u>16,747</u>	<u>2</u>
8200	Net income	<u>217,615</u>	<u>19</u>	<u>79,305</u>	<u>7</u>

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Code		January 1 to March 31, 2024		January 1 to March 31, 2023	
		Amount	%	Amount	%
	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	(\$ 31,795)	(3)	\$ 31,076	3
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of financial statements of foreign operations	154,474	13	(29,266)	(3)
8399	Income tax related to items that will be reclassified subsequently to profit or loss (Note XXIII)	(30,894)	(2)	5,854	1
8300	Other comprehensive income (after tax)	91,785	8	7,664	1
8500	Total comprehensive income	\$ 309,400	27	\$ 86,969	8
	Earnings per share (Note XXIV)				
9750	Basic	\$ 0.86		\$ 0.31	
9850	Diluted	\$ 0.86		\$ 0.31	

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

Chairman: Chang-Shiou WU Manager: Mao-Sheng KAN Accounting Manager: Lin-Ju LIN

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Consolidated Statements of Changes in Equity
 For the Three Months Ended March 31, 2024 and 2023

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 gains (losses) on financial assets at fair value through other comprehensive income			
A1	Balance as of January 1, 2023	\$ 2,520,001	\$ 187,308	\$ 724,858	\$ 11,397	\$ 1,110,640	\$ 67,920	\$ 118,724	\$ 186,644	\$ 4,740,848	
D1	Net income for the three months ended March 31, 2023	-	-	-	-	79,305	-	-	-	79,305	
D3	Other comprehensive income after tax for the three months ended March 31, 2023	-	-	-	-	-	(23,412)	31,076	7,664	7,664	
D5	Total comprehensive income for the three months ended March 31, 2023	-	-	-	-	79,305	(23,412)	31,076	7,664	86,969	
Z1	Balance as of March 31, 2023	<u>\$ 2,520,001</u>	<u>\$ 187,308</u>	<u>\$ 724,858</u>	<u>\$ 11,397</u>	<u>\$ 1,189,945</u>	<u>\$ 44,508</u>	<u>\$ 149,800</u>	<u>\$ 194,308</u>	<u>\$ 4,827,817</u>	
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	
D1	Net income for the three months ended March 31, 2024	-	-	-	-	217,615	-	-	-	217,615	
D3	Other comprehensive income after tax for the three months ended March 31, 2024	-	-	-	-	-	123,580	(31,795)	91,785	91,785	
D5	Total comprehensive income for the three months ended March 31, 2024	-	-	-	-	217,615	123,580	(31,795)	91,785	309,400	
Z1	Balance as of March 31, 2024	<u>\$ 2,520,001</u>	<u>\$ 187,308</u>	<u>\$ 744,264</u>	<u>\$ 11,397</u>	<u>\$ 1,395,674</u>	<u>\$ 189,228</u>	<u>\$ 111,282</u>	<u>\$ 300,510</u>	<u>\$ 5,159,154</u>	

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

Chairman: Chang-Shiou WU

Manager: Mao-Sheng KAN

Accounting Manager: Lin-Ju LIN

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Consolidated Statements of Cash Flows
 For the Three Months Ended March 31, 2024 and 2023

Unit: NT\$ Thousands

Code		January 1 to March 31, 2024	January 1 to March 31, 2023
	Cash flows from operating activities		
A00010	Income before income tax for the current period	\$ 247,849	\$ 96,052
A20010	Adjustments to reconcile income (loss)		
A20100	Depreciation expense	14,449	13,805
A20200	Amortization expenses	1,190	410
A20300	Gain on reversal of expected credit loss	3,000	(13,000)
A20400	Net (gain) loss on financial assets at fair value through profit or loss	(194,065)	(21,604)
A20900	Finance costs	342	3,095
A21200	Interest income	(31,358)	(36,923)
A21300	Dividend income	(3,809)	(772)
A22300	Shares of loss of associates accounted for using equity method	-	65
A22500	Gain on disposal and scrap of property, plant and equipment	-	(68)
A29900	Profit from lease modification	(7)	-
A30000	Changes in operating assets and liabilities, net		
A31125	Contract assets	235,363	255,027
A31130	Notes receivable	156	-
A31150	Accounts receivable	(257,238)	(60,279)
A31180	Other receivables	-	(5,767)
A31200	Inventories	(3,238)	(740)
A31230	Prepayments	(14,443)	48,252
A31240	Other current assets	(417)	48,303
A32125	Contract liability	70,295	175,043
A32150	Accounts payable	(18,301)	(224,726)
A32180	Other payables	(59,950)	(98,632)
A32230	Other current liabilities	(5,726)	30,529
A33000	Cash inflow (outflow) generated from operations	(15,908)	208,070
A33100	Interest received	37,529	28,127
A33300	Interest paid	(342)	(3,080)
A33500	Income taxes paid	(182)	(2,922)
AAAA	Net cash inflow from operating activities	<u>21,097</u>	<u>230,195</u>

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Code		January 1 to March 31, 2024	January 1 to March 31, 2023
	Cash flows from investment activities		
B00040	Acquisition of financial assets measured at amortized cost	(\$ 476,824)	(\$ 410,400)
B00050	Disposal of financial assets measured at amortized cost	258,093	3,994
B00100	Acquisition of financial assets at fair value through profit or loss	(348,118)	(61,000)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	593,836	98,426
B02700	Acquisition of property, plant and equipment	-	(2,843)
B02800	Proceeds from disposal of property, plant, and equipment	-	130
B03800	Decrease in refundable deposits	86	413
B04500	Acquisition of intangible assets	(144)	-
B07100	Increase in prepayment for equipment	(21,946)	-
B07600	Dividend received	<u>3,809</u>	<u>772</u>
BBBB	Net cash inflows (outflows) from investing activities	<u>8,792</u>	<u>(370,508)</u>
	Cash flows from financing activities		
C00600	Decrease in short-term notes and bills payable	-	(219,886)
C03000	Increase in guarantee deposits received	3,346	10,254
C04020	Repayment of lease principal	(4,547)	(3,813)
CCCC	Net cash outflows from financing activities	<u>(1,201)</u>	<u>(213,445)</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>18,698</u>	<u>(21,150)</u>
EEEE	Net increase (decrease) in cash and cash equivalents	47,386	(374,908)
E00100	Cash and cash equivalents at beginning of period	<u>1,634,295</u>	<u>3,166,181</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 1,681,681</u>	<u>\$ 2,791,273</u>

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

Chairman: Chang-Shiou WU Manager: Mao-Sheng KAN Accounting Manager: Lin-Ju LIN

Chien Kuo Construction Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
For the Three Months Ended March 31, 2024 and 2023
(Amount in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

I. Company History

Chien Kuo Construction Co., Ltd. (Hereinafter "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.

II. Date and Procedures of Authorization of Financial Statements

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

III. Application of New and Amended Standards and Interpretations

(I) 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) (hereinafter referred to as "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as "FSC") with effective date:
The application of the amended IFRSs endorsed and issued into effect by the FSC did not result in significant changes in the accounting policies of the Group.

(II) IFRSs issued by the International Accounting Standards Board but not yet endorsed and issued into effect by the FSC

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective Date Issued by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 "Sales or Contributions of Assets Between an Investor and Its Associate/Joint Venture"	To be determined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9—Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
Amendment to IAS 21: "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1: Unless otherwise stated, the aforementioned new standards, interpretations and amendments are effective from the reporting fiscal year after their respective effective dates.

Note 2: These amendments shall be applied for the annual reporting period beginning on or after January 1, 2025. The comparative period should not be restated when applying the amendment for the first time. Instead, the impact amounts should be recognized in the retained earnings or equity under the exchange differences on translation of foreign operations on the initial application date, as well as the related affected assets and liabilities.

IFRS 18 "Presentation and Disclosure in Financial Statements"

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

- The income statement should categorize revenue and expense items into operating, investing, financing, income tax, and discontinued operations.
- The income statement should include the reporting of operating income, financing, and income before tax, as well as subtotals and totals of income.
- Guidelines for strengthening consolidation and subdivision provisions: 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. Projects with varying characteristics should be classified in the primary financial statements and accompanying notes. When the Group is unable to find a more descriptive name, it will categorize such items as "Other".
- Disclosure of performance measures defining management levels: 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 performance measures defining management levels 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 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.

IV. Summary of Significant Accounting Policies

(I) 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.

(II) 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.

(III) 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.

When the Group loses control over a subsidiary, the gains and losses from disposal is the difference between the following two items: (1) the sum of the fair value of the consideration received and the fair value of the residual investment in such a former subsidiary at the date of loss of control; and (2) the sum of the carrying amount of the assets (including goodwill), liabilities, and non-controlling interests of the former subsidiary at the date of loss of control. The accounting treatment basis on which the Group recognizes the amounts in other comprehensive income in relation to the subsidiary is the same as that, which must be abided by, for the related assets or liabilities directly disposed of by the Group.

The Group takes the fair value of the residual investment in the former subsidiary at the date of loss of control to be the initially investment amount in an associate recognized.

Please refer to Note XIII and Appendixes 5 and 6 for details, shareholding ratios, and operations of subsidiaries.

(IV) 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, 2023.

1. Criteria for Classification of Current and Non-current Assets and Liabilities
Current assets include:
 - (1) Assets held primarily for trading purposes;
 - (2) Assets that are expected to be realized within 12 months after the balance sheet date; and
 - (3) Cash and cash equivalents, excluding those that are restricted for being used to exchange or settle liabilities beyond 12 months after the balance sheet date.

Current liabilities include:

- (1) Liabilities held primarily for trading purposes;
- (2) Liabilities that are due within 12 months from the balance sheet date (even if a long-term refinancing or payment arrangement has been completed between the balance sheet date and the issuance of financial statements, they are still considered current liabilities), and
- (3) Liabilities that do not have significant rights to postpone the repayment period for at least 12 months after the balance sheet date.

The Company classifies all other assets or liabilities that are not specified above as non-current.

The Group is engaged in the construction business, which has an operating cycle of over one year. The normal operating cycle applies when considering the classification of current or non-current for the construction-related assets and liabilities.

2. 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.

3. 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.

V. 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 relevant government policies and regulations, inflation, and fluctuations in market interest rates on 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.

VI.

Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand and revolving funds	\$ 2,512	\$ 2,505	\$ 2,178
Bank checks and demand deposits	1,221,873	787,452	345,275
Cash equivalents (time deposits with original maturity date within 6 months)	<u>457,296</u>	<u>844,338</u>	<u>2,443,820</u>
Bank time deposits	<u>\$ 1,681,681</u>	<u>\$ 1,634,295</u>	<u>\$ 2,791,273</u>

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

	March 31, 2024	December 31, 2023	March 31, 2023
Time deposits	1.16%~1.80%	0.52%~5.85%	0.42%~5.20%

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.

VII.

Financial assets measured at fair value through profit or loss

	March 31, 2024	December 31, 2023	March 31, 2023
Mandatorily measured at fair value through profit or loss			
<u>Current</u>			
– Listed stocks and emerging stocks	\$ 217,902	\$ 198,207	\$ 25,618
– Fund beneficiary certificates (I)	<u>1,525,777</u>	<u>1,576,274</u>	<u>822,531</u>
	<u>\$ 1,743,679</u>	<u>\$ 1,774,481</u>	<u>\$ 848,149</u>

Non-current

– Listed stocks and emerging stocks	\$ 84,571	\$ 69,106	\$ -
– Unlisted stocks	47,128	46,632	133,185
– Unlisted preferred stocks	61,950	61,950	-
– Private equity funds	<u>35,304</u>	<u>41,789</u>	<u>51,478</u>
	<u>\$ 228,953</u>	<u>\$ 219,477</u>	<u>\$ 184,663</u>

(I) According to the beneficiary certificate contract, foreign private equity funds can only be redeemed at 98% of the redemption price within one year. In addition, the fund company has set a monthly/quarterly redemption threshold, above which the fund cannot be redeemed in that month/quarter.

VIII. Financial assets measured at fair value through other comprehensive income

	December 31,		
	<u>March 31, 2024</u>	<u>2023</u>	<u>March 31, 2023</u>
<u>Investment in equity instruments</u>			
Listed stocks			
Current	\$ 19,779	\$ 21,655	\$ 21,120
Non-current	<u>340,559</u>	<u>370,478</u>	<u>377,737</u>
	<u><u>\$ 360,338</u></u>	<u><u>\$ 392,133</u></u>	<u><u>\$ 398,857</u></u>

The Group invested in domestic and foreign 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 XXIX.

IX. Financial Assets Measured at Amortized Cost

	December 31,		
	<u>March 31, 2024</u>	<u>2023</u>	<u>March 31, 2023</u>
<u>Current</u>			
Time deposits with original maturity date over six months			
	\$ 1,176,598	\$ 1,369,318	\$ 426,604
Restricted bank deposits (1)	-	15	5,736
Restricted bank term deposits (1)	<u>217,035</u>	<u>208,286</u>	<u>206,523</u>
	<u><u>\$ 1,393,633</u></u>	<u><u>\$ 1,577,619</u></u>	<u><u>\$ 638,863</u></u>
<u>Non-current</u>			
Corporate bonds (2)	\$ 496,074	\$ 30,867	\$
Pledged certificate of deposit	<u>70,050</u>	<u>70,050</u>	<u>70,050</u>
Subtotal	<u>566,124</u>	<u>100,917</u>	<u>70,050</u>
Less: Allowance losses	(3,139)	(83)	-
	<u><u>\$ 562,985</u></u>	<u><u>\$ 100,834</u></u>	<u><u>\$ 70,050</u></u>

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

	March 31, 2024	December 31, 2023	March 31, 2023
Time deposits with original maturity date over six months	5.00%~6.06%	5.04%~6.06%	3.64%~5.36%
Restricted bank term deposits	4.50%	4.50%	3.80%
Corporate bonds (Coupon Rate)	1.65%~5.80%	5.38%	-
Pledged certificate of deposit	0.65%	0.65%	0.65%

(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 loss given default rates at various level 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:

March 31, 2024

Credit Rating	Expected credit loss rate	Total carrying amount measured at amortized cost
Normal	0.12%~1.31%	\$ 496,074

December 31, 2023

Credit Rating	Expected credit loss rate	Total carrying amount measured at amortized cost
Normal	0.27%	\$ 30,867

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

	Credit Rating
	Normal
Balance as of January 1, 2024	\$ 83
Purchase of New Debt	
Instruments	3,000
Exchange Rates and Other	
Changes	<u>56</u>
Balance as of March 31, 2024	<u>\$ 3,139</u>

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

X. Notes Receivable and Accounts Receivable

	December 31,		
	March 31, 2024	2023	March 31, 2023
Notes receivable	<u>\$ -</u>	<u>\$ 156</u>	<u>\$ -</u>
<u>Accounts receivable</u>			
Measured at amortized cost			
Total carrying amount	\$ 575,070	\$ 316,638	\$ 205,480
Less: Allowance losses	(26,029)	(25,023)	(25,573)
	<u>\$ 549,041</u>	<u>\$ 291,615</u>	<u>\$ 179,907</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:

	March 31, 2024	December 31, 2023	March 31, 2023
Not overdue	\$ <u> </u> -	\$ <u>156</u>	\$ <u> </u> -

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

	March 31, 2024	December 31, 2023	March 31, 2023
Not overdue	\$ 544,188	\$ 212,253	\$ 175,140
Less than 180 days	-	74,697	-
More than 361 days	<u>30,882</u>	<u>29,688</u>	<u>30,340</u>
Total	<u><u>\$ 575,070</u></u>	<u><u>\$ 316,638</u></u>	<u><u>\$ 205,480</u></u>

Changes in allowance losses for accounts receivable are as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Beginning balance	\$ 25,023	\$ 34,534
Add: Reversal for the period	-	(9,086)
Exchange difference	<u>1,006</u>	<u>125</u>
Ending balance	<u><u>\$ 26,029</u></u>	<u><u>\$ 25,573</u></u>

XI. Inventories (for construction business)

	March 31, 2024	December 31, 2023	March 31, 2023
Xinzhi Section, Xinzhuang District (1)	\$ <u> </u> -	\$ <u> </u> -	\$ 465,926
Shaoxing S. St., National Taiwan University	<u>5,740</u>	<u>2,502</u>	<u>2,502</u>
	<u><u>\$ 5,740</u></u>	<u><u>\$ 2,502</u></u>	<u><u>\$ 468,428</u></u>

- (1) The Group acquired the land sitting at the northern part of the industrial zone in Xinzhuang District in July 2017. The original purpose of holding such land is to construct commercial buildings for sale. However, on May 10, 2023, the Board of Directors of the Group resolved to enter into a pre-sale contract for the above land real estate with a transaction amount of NT\$583,832 thousand, and the Group reclassified the land as an investment property in second quarter of 2023. After the signing of the contract, the purchaser will appoint an architect to design and apply for a building license and appoint a contractor to build buildings on the land. All costs related to the building will be borne by the purchaser, and the ownership of the land will be transferred to the purchaser upon the completion of the building. As of March 31, 2024, the Group had received NT\$117,065 thousand in advance for the first installment of the land in accordance with the Contract, which was recorded under other current liabilities. The land is pledged to financial institutions for loans. Please refer to Notes XVIII and XXIX.

XII. Prepayments

	March 31, 2024	December 31, 2023	March 31, 2023
Prepayments for construction contracts	\$ 93,200	\$ 106,183	\$ 98,259
Prepayments for investment funds	23,561	-	-
Tax overpaid retained	616	2,865	2,213
Prepaid insurance	22,728	16,329	3,972
Others	<u>4,276</u>	<u>4,560</u>	<u>10,578</u>
	<u><u>\$ 144,381</u></u>	<u><u>\$ 129,937</u></u>	<u><u>\$ 115,022</u></u>

XIII. Subsidiary

(I) Subsidiaries included in the consolidated financial statements

The entities of the consolidated financial statements are as follows:

Name of Investor	Subsidiary Company Name	Business Activities	Shareholding Percentage			Explanation	
			March 31, 2024	December 31, 2023	March 31, 2023		
The Company	Golden Canyon Limited (Golden Canyon)	Reinvestment	100%	100%	100%	(Note 1)	
	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%	-		
	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%	

Subsidiaries included in the consolidated financial statements are described as follows:

(1) Leader Construction was established on August 1, 2023 through an investment made by the Company.

(II) Subsidiaries not included in the consolidated financial statements: None.

XIV.

Investments accounted for using equity method

Investments in associates

	December 31,		
	March 31, 2024	2023	March 31, 2023
Associates not individually significant			
Chang Jia Energy Co., Ltd.			
Chang Jia Energy Co., Ltd.	\$ 48,642	\$ 48,642	\$ 48,715
<u>Associates not individually significant</u>			
	January 1 to March 31, 2024	January 1 to March 31, 2023	
Shares attributable to the Group			
Net loss from continuing operations	\$ -	(\$ 65)	
Total comprehensive income	\$ -	(\$ 65)	

XV.

Property, plant, and equipment

	December 31,		
	March 31, 2024	2023	March 31, 2023
Land	\$ 15,742	\$ 15,742	\$ 15,742
Buildings	383	396	432
Machinery equipment	856	978	1,352
Transportation equipment	2,009	2,141	1,278
Office equipment	5,103	5,495	5,831
Leasehold improvements	1,916	2,121	1,636
Other Equipment	<u>60,290</u>	<u>68,948</u>	<u>92,436</u>
	<u>\$ 86,299</u>	<u>\$ 95,821</u>	<u>\$ 118,707</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 March 31 in 2024 and 2023.

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	6 years
Office equipment	2~6 Years
Other equipment	1~9 year(s)

XVI. Lease Agreement

(I) Right-of-use assets

	December 31, March 31, 2024	2023	March 31, 2023
Carrying amount of right-of-use assets			
Buildings	\$ 72,535	\$ 39,168	\$ 7,178
Transportation equipment	<u>1,684</u>	<u>2,040</u>	<u>2,917</u>
	<u><u>\$ 74,219</u></u>	<u><u>\$ 41,208</u></u>	<u><u>\$ 10,095</u></u>
Additions to right-of-use assets	<u><u>January 1 to March 31, 2024</u></u>	<u><u>January 1 to March 31, 2023</u></u>	
	<u><u>\$ 38,324</u></u>	<u><u>\$ _____</u></u>	
Depreciation expense of right-of-use assets			
Buildings	\$ 4,149	\$ 3,248	
Transportation equipment	<u>529</u>	<u>504</u>	
	<u><u>\$ 4,678</u></u>	<u><u>\$ 3,752</u></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 three-month periods ended March 31, 2024, and 2023.

(II) Lease liabilities

	December 31, March 31, 2024	2023	March 31, 2023
Carrying amount of lease liabilities			
Current (listed as other current liabilities)	<u><u>\$ 16,046</u></u>	<u><u>\$ 11,046</u></u>	<u><u>\$ 8,285</u></u>
Non-current (listed as other non-current liabilities)	<u><u>\$ 58,566</u></u>	<u><u>\$ 30,431</u></u>	<u><u>\$ 1,991</u></u>

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

	December 31, March 31, 2024	2023	March 31, 2023
Buildings	1.65%~2.06%	1.65%~2.06%	1.65%
Transportation equipment	3.00%	3.00%	3.00%

(III) Other lease information

	January 1 to March 31, 2024	January 1 to March 31, 2023
Short-term lease expense	<u>\$ 1,994</u>	<u>\$ 2,156</u>
Total cash outflow on lease	<u>\$ 6,541</u>	<u>\$ 5,969</u>

XVII. Investment Property

	March 31, 2024	December 31, 2023	March 31, 2023
Land	\$ 554,192	\$ 554,192	\$ 88,266
Buildings	11,375	11,620	12,355
Parking space	<u>610</u>	<u>614</u>	<u>624</u>
	<u>\$ 566,177</u>	<u>\$ 566,426</u>	<u>\$ 101,245</u>
Fair Value	<u>\$ 750,809</u>	<u>\$ 750,809</u>	<u>\$ 156,017</u>

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 an explanation regarding the Group's explanation of reclassification of property from inventory to investment properties, please refer to Note XI.

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

XVIII. Loans

(I) Short-term loans

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Unsecured loans</u>			
Credit line loans	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ 500,000</u>
Annual interest rate (%) (Effective interest rate)	-	-	1.58%~1.94%

(II) Short-term notes and bills payable

	March 31, 2024	December 31, 2023	March 31, 2023
Commercial papers payable	\$ _____ -	\$ _____ -	\$ 130,000
Less: Discount on short-term notes and bills payable	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>(_____ 99)</u>
	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ 129,901</u>

Short-term notes and bills payable not yet maturing are as follows:

March 31, 2023

Guarantor/ Accepting Institution	Nominal Amount	Discounted Amount	Carrying Amount	Effective Interest Rate Interval	Collateral
Mega Bills	\$ 80,000	(\$ 61)	\$ 79,939	1.78%	None
Dah Chung Bills	<u>50,000</u>	(<u>38</u>)	<u>49,962</u>	1.80%	Land on Xinzhi Section, Xinzhuan District
	<u><u>\$ 130,000</u></u>	<u><u>(\$ 99)</u></u>	<u><u>\$ 129,901</u></u>		

XIX. 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.

XX. Equity

(I) Capital

	December 31, March 31, 2024	2023	March 31, 2023
Number of authorized shares (in 1,000 shares)	<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 issued and paid shares (in 1,000 shares)	<u>252,000</u>	<u>252,000</u>	<u>252,000</u>
Issued capital	<u>\$ 2,520,001</u>	<u>\$ 2,520,001</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.

The Board of Directors resolved on March 13, 2024, to implement a cash capital reduction of 20% and to return a total of NT\$504,000 thousand to shareholders. This proposal will be submitted to the 2024 shareholder meeting for approval and then presented to the competent authority for approval before proceeding with the relevant procedures.

(II) Additional paid-in capital

	March 31, 2024	December 31, 2023	March 31, 2023
<u>May be used to offset deficits, appropriated as cash dividends or transferred to capital</u>			
(1)			
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	<u>205</u>	<u>205</u>	<u>205</u>
	<u><u>\$ 187,308</u></u>	<u><u>\$ 187,308</u></u>	<u><u>\$ 187,308</u></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.

(III) 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 XXII (VI).

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 and Jin-Guan-Zheng-Fa's Letter No. 1010012865 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 board of directors on March 13, 2024, and will hold the regular shareholders' meeting on June 20, 2023, and respectively propose and resolve the 2023 and 2022 earnings distribution proposals as follows:

	Proposal of Earnings Appropriation		Dividends per Share (NT\$)	
	2023	2022	2023	2022
Legal reserve	\$ 33,883	\$ 19,406		
Cash dividends	252,000	252,000	\$ 1.00	\$ 1.00

The distribution of earnings for 2023 is subject to the resolution of the Stockholders' meeting to be held on June 18, 2024.

XXI. Revenue

(I) Revenue from contracts with customers

	January 1 to March 31, 2024	January 1 to March 31, 2023
Revenue from construction contracts	\$ 1,162,256	\$ 1,032,149
Others	86	84
	<u>\$ 1,162,342</u>	<u>\$ 1,032,233</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.

(II) Contract balance

	March 31, 2024		December 31, 2023		March 31, 2023	
	Construction Segment	Discontinued Segment	Construction Segment	Discontinued Segment	Construction Segment	Discontinued Segment
Notes receivable (Note X)	\$ -	\$ -	\$ 156	\$ -	\$ -	\$ -
Accounts receivable (Note X)	\$ 544,188	\$ 4,853	\$ 286,950	\$ 4,665	\$ 175,140	\$ 4,767
Contract assets						
Real estate construction	\$ 480,960	\$ -	\$ 693,243	\$ -	\$ 1,111,927	\$ -
Construction retainage receivable	<u>222,383</u>	<u>\$ -</u>	<u>245,463</u>	<u>\$ -</u>	<u>219,289</u>	<u>\$ -</u>
	<u><u>\$ 703,343</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 938,706</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,331,216</u></u>	<u><u>\$ -</u></u>
Contract liability						
Real estate construction	<u>\$ 872,213</u>	<u>\$ -</u>	<u>\$ 801,917</u>	<u>\$ -</u>	<u>\$ 203,928</u>	<u>\$ -</u>
Current provisions	<u><u>\$ 129,340</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 135,217</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 75,298</u></u>	<u><u>\$ -</u></u>

(III) Contracts with customers that have not been fully completed

The aggregate amount of the amortized 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 March 31, 2024 are as follows:

Anticipated years to recognize revenue	March 31, 2024
2024~2030	<u><u>\$ 38,485,330</u></u>

XXII. Net Income from Continuing Operations

(I) Other income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Interest income	\$ 31,358	\$ 36,923
Dividend income	3,809	772
Litigation compensation	-	3,193
Gain on reversal of expected credit loss on other receivables	-	2,400
Others	<u>940</u>	<u>1,219</u>
	<u><u>\$ 36,107</u></u>	<u><u>\$ 44,507</u></u>

(II) Other gains and losses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Foreign exchange (losses) gains, net	\$ 7,279	(\$ 1,628)
Gains on valuation of financial assets at fair value through profit or loss	194,065	21,604
Corporate bonds expected credit losses	(3,000)	-
Gains on disposal of property, plant and equipment	-	68
Others	(796)	(427)
	<u>\$ 197,548</u>	<u>\$ 19,617</u>

(III) Finance costs

	January 1 to March 31, 2024	January 1 to March 31, 2023
Interest expenses		
Interest on bank loans	\$ -	\$ 3,037
Lease liabilities	<u>342</u>	<u>58</u>
	<u>\$ 342</u>	<u>\$ 3,095</u>

(IV) Depreciation and amortization expenses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Property, plant, and equipment	\$ 9,522	\$ 9,805
Right-of-use assets	4,678	3,752
Investment Property	249	248
Intangible assets	<u>1,190</u>	<u>410</u>
Total	<u>\$ 15,639</u>	<u>\$ 14,215</u>

Depreciation expenses by
function

Operating costs	\$ 9,237	\$ 9,075
Operating expenses	4,973	4,492
Other gains and losses	<u>239</u>	<u>238</u>
	<u>\$ 14,449</u>	<u>\$ 13,805</u>

Amortization expenses by
function

Operating costs	\$ 605	\$ 8
Operating expenses	<u>585</u>	<u>402</u>
	<u>\$ 1,190</u>	<u>\$ 410</u>

(V) Employee benefits expenses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Short-term employee benefits	\$ 144,374	\$ 125,405
Post-employment benefits		
Defined contribution plan	4,612	4,440
Defined benefit plans	162	164
Termination benefits	<u>3,736</u>	<u>64</u>
	<u><u>\$ 152,884</u></u>	<u><u>\$ 130,073</u></u>
By function		
Operating costs	\$ 72,138	\$ 68,272
Operating expenses	<u>80,746</u>	<u>61,801</u>
	<u><u>\$ 152,884</u></u>	<u><u>\$ 130,073</u></u>

(VI) Remuneration for employees and directors

According to the Articles of Incorporation, the Company appropriates 0.1% to 3% of its income before tax, remuneration for employees and directors as employee remuneration, and no more than 3% of such income as directors' remuneration. Remuneration to employees and remuneration to directors for the three-month periods ended March 31, 2024 and 2023 are as follows:

	January 1 to March 31, 2024		January 1 to March 31, 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Employee remuneration	<u>7,451</u>	3%	<u>3,049</u>	3%
Director remuneration	<u>7,451</u>	3%	<u>3,049</u>	3%

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

The remuneration to employees and remuneration to directors and supervisors for 2023 and 2022 were resolved by the Board of Directors on March 13, 2024 and March 15, 2023 respectively as follows:

	2023		2022	
	Cash	Percentage (%)	Cash	Percentage (%)
Employee remuneration	\$ 12,522	3%	\$ 7,178	3%
Director remuneration	<u>12,522</u>	3%	<u>7,178</u>	3%
	<u><u>\$ 25,044</u></u>		<u><u>\$ 14,356</u></u>	

The amounts of the employee remuneration and director remuneration distributed for the years ended December 31, 2023 and 2022 and those recognized in the consolidated financial statements are consistent.

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

XXIII. Income Tax

(I) Income tax recognized in profit or loss

Major components of income tax expenses are as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Current-period income tax		
Income tax expenses recognized in the current period	\$ 33,053	\$ 22,195
Adjustments for previous years	<u>125</u>	<u>-</u>
	<u>33,178</u>	<u>22,195</u>
Deferred income tax		
Income tax expenses recognized in the current period	(2,944)	(5,448)
Income tax expenses recognized in profit or loss	<u>\$ 30,234</u>	<u>\$ 16,747</u>

(II) Income tax recognized in other comprehensive income

	January 1 to March 31, 2024	January 1 to March 31, 2023
<u>Deferred income tax</u>		
Arise from current period		
- Exchange differences on translation of financial statements of foreign operations	(\$ 30,894)	\$ 5,854

(III) 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		2022
Chien Kuo Building Co., Ltd.		2022
CKTech Engineering Co., Ltd.		2022
Golden Canyon Venture Capital Investment Co., Ltd.		2022
Golden Canyon II Venture Capital Investment Co., Ltd.		2022
Chien Bang Real Estate Development Co., Ltd.		2022

XXIV. Earnings Per Share

	Unit: NT\$	
	January 1 to March 31, 2024	January 1 to March 31, 2023
Basic earnings per share	<u>\$ 0.86</u>	<u>\$ 0.31</u>
Diluted earnings per share	<u>\$ 0.86</u>	<u>\$ 0.31</u>
Net income and the weighted average number of shares of common stocks used for calculation of earnings per share are as follows:		
<u>Net income</u>		
Net income attributable to owners of the Company	<u>\$ 217,615</u>	<u>\$ 79,305</u>
<u>Shares</u>		
Unit: In thousand shares		
	January 1 to March 31, 2024	January 1 to March 31, 2023
Weighted average number of shares of common stock used for the calculation of basic earnings per share	252,000	252,000
Effect of potentially dilutive shares of common stocks:		
Employee remuneration	<u>861</u>	<u>738</u>
Weighted average number of shares of common stock used for the calculation of diluted earnings per share	<u>252,861</u>	<u>252,738</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 incorporated 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.

XXV. 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 March 31, 2024 and 2023: The financial assets measured at fair value through profit or loss than the Group disposed of for NT\$35,252 thousand from January 1 to March 31, 2024, are recognized as other receivables on March 31, 2024, due to settlement-date lag.

The financial assets measured at fair value through profit or loss than the Group disposed of for NT\$9,387 thousand from January 1 to March 31, 2023, are recognized as other receivables on March 31, 2023, due to settlement-date lag.

XXVI. Capital Risk Management

The objective of the Group's capital management is to ensure that the Group can continue as a going concern, that an optimal capital structure is maintained to lower the cost of capital, and that returns are provided 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.

XXVII. Financial Instruments

(I) Fair value of financial instruments that are not measured 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 measured 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.

(II) Fair value of financial instruments measured at fair value on a recurring basis

1. Fair value level

March 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value through profit or loss</u>				
Listed innovative and emerging stocks	\$ -	\$ 302,473	\$ -	\$ 302,473
Unlisted stocks	-	-	47,128	47,128
Unlisted preferred stocks	-	-	61,950	61,950
Fund beneficiary certificates	1,525,777	-	-	1,525,777
Private equity funds	-	-	35,304	35,304
Total	<u>\$ 1,525,777</u>	<u>\$ 302,473</u>	<u>\$ 144,382</u>	<u>\$ 1,972,632</u>

Financial assets measured at fair value through other comprehensive income

Listed stocks	<u>\$ 360,338</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ 360,338</u>
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December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value through profit or loss</u>				
Listed innovative and emerging stocks	\$ -	\$ 267,313	\$ -	\$ 267,313
Unlisted stocks	-	-	46,632	46,632
Unlisted preferred stocks	-	-	61,950	61,950
Fund beneficiary certificates	1,575,405	869	-	1,576,274
Private equity funds	-	-	41,789	41,789
Total	<u>\$ 1,575,405</u>	<u>\$ 268,182</u>	<u>\$ 150,371</u>	<u>\$ 1,993,958</u>

Financial assets measured at fair value through other comprehensive income

Listed stocks	<u>\$ 392,133</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ 392,133</u>
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March 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets measured at fair value through profit or loss</u>				
Listed stocks and emerging stocks	\$ -	\$ 25,618	\$ -	\$ 25,618
Unlisted stocks	-	-	133,185	133,185
Fund beneficiary certificates	694,092	128,439	-	822,531
Private equity funds	-	-	51,478	51,478
Total	<u>\$ 694,092</u>	<u>\$ 154,057</u>	<u>\$ 184,663</u>	<u>\$1,032,812</u>
<u>Financial assets measured at fair value through other comprehensive income</u>				
Listed stocks	<u>\$ 398,857</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 398,857</u>

There was no transfer between Level 1 and Level 2 fair value measurement for the three months ended March 31, 2024, and 2023.

2. Adjustments on the financial instruments measured at Level 3 fair value

	<u>January 1 to March 31, 2024</u>	<u>January 1 to March 31, 2023</u>
Beginning balance	<u>\$ 150,371</u>	<u>\$ 197,029</u>
Recognized in profit and loss		
- Unrealized valuation gains or losses on financial assets at fair value through profit or loss	496	1,573
Recognized in other comprehensive income		
- Differences on translation of foreign operations	1,614	(439)
Purchase	-	15,000
Return of capital	(8,099)	-
Transfer out from Level 3 (Note 1)	<u>_____ -</u>	<u>(28,500)</u>
Ending balance	<u>\$ 144,382</u>	<u>\$ 184,663</u>

Note 1: The unlisted domestic stocks originally held by the Group have been listed and traded on the Emerging Stock Market since January 2023, 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

Type of Financial Instruments	Valuation Techniques and Inputs
Listed innovative and emerging stocks	The liquidity is adjusted by the price of inactive market transactions.
Fund beneficiary certificates	The quotation is provided by the fund company.

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.

The unobservable inputs applied by the Group were a 10% discount for liquidity and a 10% discount for minority interest on March 31, 2024, December 31, 2023, and March 31, 2023. When other inputs are held constant, a 1% discount would decrease the fair value by NT\$7,731 thousand, NT\$9,132 thousand and NT\$12,189 thousand, respectively.

(III) Types of financial instruments

	December 31, March 31, 2024	2023	March 31, 2023
<u>Financial assets</u>			
Measured at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss	\$ 1,972,632	\$ 1,993,958	\$ 1,032,812
Financial assets measured at amortized cost (Note 1)	4,303,210	3,687,916	3,720,880
Financial assets measured at fair value through other comprehensive income			
Investment in equity instruments	360,338	392,133	398,857
<u>Financial liabilities</u>			
Measured at amortized cost (Note 2)	1,485,616	1,557,765	1,850,598

Note 1: The balance includes financial assets measured 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 certificate of deposit.

Note 2: The balance includes financial liabilities at amortized cost, which comprise notes payable, accounts payable, other payables, guarantee deposit received and short-term and long-term loans.

(IV) 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

(1) 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 XXXI 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, JPY, 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 March 31, 2024	January 1 to March 31, 2023
	\$ 2	\$ 3
RMB		
JPY	625	-
USD	2,215	2,083

(2) 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, and 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:

	December 31,		
	<u>March 31, 2024</u>	<u>2023</u>	<u>March 31, 2023</u>
With fair value interest rate risk			
– Financial assets	\$ 2,413,913	\$ 2,522,776	\$ 3,146,997
– Financial liabilities	74,612	41,477	440,177
With cash flow interest rate risk			
– Financial assets	1,221,874	787,467	351,011
– Financial liabilities	-	-	200,000

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 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\$3,055 thousand and NT\$378 thousand for the three months ended March 31, 2024, and 2023, respectively.

(3) 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 December 31, 2024, and 2023 would have increased/decreased by NT\$197,263 thousand and NT\$103,281 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%, other comprehensive income before tax for the three months ended March 31, 2024, and 2023 would have increased/decreased by NT\$36,034 thousand and NT\$39,886 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 March 31, 2024, December 31, 2023, and March 31, 2023, the ratio of accounts receivable and contract assets from aforementioned customers to the total amounted to 85%, 84%, and 83%, 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

- (1) 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.
- (2) 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.

March 31, 2024

	Less than 1 Year	1~2 Year(s)	2~5 Years
Non-interest-bearing liabilities	\$ 1,257,207	\$ 71,810	\$ 41,634
Lease liabilities	<u>17,213</u>	<u>14,770</u>	<u>45,992</u>
	<u>\$ 1,274,420</u>	<u>\$ 86,580</u>	<u>\$ 87,626</u>

December 31, 2023

	Less than 1 Year	1~2 Year(s)	2~5 Years
Non-interest-bearing liabilities	\$ 1,369,906	\$ 8,719	\$ 67,521
Lease liabilities	<u>11,667</u>	<u>8,560</u>	<u>22,903</u>
	<u>\$ 1,381,573</u>	<u>\$ 17,279</u>	<u>\$ 90,424</u>

March 31, 2023

	Less than 1 Year	1~2 Year(s)	2~5 Years
Non-interest-bearing liabilities	\$ 926,772	\$ 153,007	\$ 26,960
Lease liabilities	8,440	1,573	446
Fixed interest rate instruments	429,901	-	-
Floating interest rate instruments	<u>200,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,565,113</u>	<u>\$ 154,580</u>	<u>\$ 27,406</u>

The amount of the above non-derivative financial asset and liability 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.

(3) Financing facilities

	March 31, 2024	December 31, 2023	March 31, 2023
Credit line of unsecured bank loan			
– Amount used	\$ -	\$ -	\$ 580,000
– Amount unused	<u>2,427,283</u>	<u>2,327,283</u>	<u>1,738,382</u>
	<u>\$ 2,427,283</u>	<u>\$ 2,327,283</u>	<u>\$ 2,318,382</u>
Secured bank loan facilities			
– Amount used	\$ -	\$ -	\$ 50,000
– Amount unused	<u>450,000</u>	<u>450,000</u>	<u>400,000</u>
	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 450,000</u>

XXVIII. 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 are as follows.

(I) 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.
Tzu-chiang YANG	Director of the Company
Pang-yen YANG	Director of the Company

(II) 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	January 1 to March 31, 2024	January 1 to March 31, 2023
Acquisition of right-of-use assets	Chien Hwei Investment Co., Ltd.	\$ 37,634	\$ -

Account	Category of Related Parties	March 31, 2024	December 31, 2023	March 31, 2023
Lease Liabilities - Current and Non-current	Chien Hwei Investment Co., Ltd.	\$ 36,146	\$ -	\$ 4,180

Account	Category of Related Parties	January 1 to March 31, 2024	January 1 to March 31, 2023
Interest expenses	Chien Hwei Investment Co., Ltd.	\$ 165	\$ 19
Lease expenses	Chien Hwei Investment Co., Ltd.	\$ 58	\$ 46

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	January 1 to March 31, 2024	January 1 to March 31, 2023
Rent income	Chien Hwei Investment Co., Ltd.	\$ 286	\$ 286

3. Donation

Category of Related Parties	January 1 to March 31, 2024	January 1 to March 31, 2023
Other related parties	\$ 500	\$ 2,000

The Group donated funds for broadcast production to related parties.

(III) Remuneration to key management

	January 1 to March 31, 2024	January 1 to March 31, 2023
Short-term employee benefits	\$ 11,407	\$ 16,301
Post-employment benefits	308	456
	<u>\$ 11,715</u>	<u>\$ 16,757</u>

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

XXIX. Pledged Assets

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

	December 31,	March 31, 2024	2023	March 31, 2023
Inventories (for construction business)		\$ -	\$ -	\$ 463,577
Financial assets measured at FVTOCI - non-current		34,800	38,100	123,016
Pledged time deposit certificate (classified as financial assets at amortized cost)		70,050	70,050	70,050
Investment Property		492,687	492,831	29,684
Other restricted assets (classified as other non-current assets)		<u>\$ 597,537</u>	<u>\$ 600,981</u>	<u>\$ 709,508</u>
				<u>23,181</u>

XXX. 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 are as follows:

(I) Shing Tzung Development Co., Ltd (hereinafter referred to as "Shing Tzung") and its responsible person, Kuo-Feng LU, constructed a commercial-residential hybrid complex that has 5 floors below ground and 26 floors above ground at Land No. 537, Lingzhou Section, Kaohsiung City. Due to poor construction of diaphragm walls, buildings at Lane 187, Ziqiang 3rd Road suffered severe tilts, wall cracks and subsidence on July 20, 2014. Due to the Group's active participation in the repair work, a total of 25 house owners transferred a certain amount of their creditors' rights to the Group, by which the Group had petitioned the court for a provisional attachment against Shing Tzung and its responsible person, and a claim of NT\$25 million plus the statutory delay interest accrued thereon from them. In 2018, the court held an initial judgment that Shing Tzung had also paid related expenses for such an incident and thus agreed to the contention of Shing Tzung that the expenses already paid by Shing Tzung should offset the credit rights to which the Group might be entitled. Therefore, the plaintiff's case was rejected. Based on the court judgment, the Group has recognized as a loss the total amount of NT\$25 million that was previously recognized as "payment on behalf of another party."

In addition, Shing Tzung claimed that it had suffered loss from the incident and should have demanded compensation from the subcontractor responsible for constructing the diaphragm wall. However, Shing Tzung turned to the Group for compensation for the incident because the subcontractor had insufficient capital. The Group also had suffered loss from the incident and, consequently, filed a claim against Shing Tzung for compensation (including expenses incurred by the Group's participation in the repair work) and demanded that Shing Tzung return the promissory notes of performance guarantee to the Group. The two lawsuits were ruled by the Kaohsiung Ciaotou District Court, and both parties filed appeals within the legal period. The Taiwan High Court Kaohsiung Branch Court ruled in January 2023 that the Group did not need to pay the amount to Shing Tzung after offsetting part of its debts. After deducting the Group's offsetting debts in the preceding case, Shing Tzung should still pay the Group NT\$16,193 thousand and NT\$6,279 thousand of interest at 5% per annum from October 28, 2015 to the date of settlement. The appeal period for the third trials for the two lawsuits has expired. Both parties have not appealed the ruling and the cases have been finalized. The Group recognized a reversal of expected credit losses of NT\$13,000 thousand, interest income of NT\$6,279 thousand, and other income of NT\$3,193 thousand in 2023 based on the outcome of the litigation. (Please refer to Note X and XXII).

(II) The construction of the National Kaohsiung Center for the Arts (Weiwuying) (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 (Weiwuying) (hereinafter referred to as the Weiwuying Center for the Arts). The warranty period of the nonbuilding structures in the project expired on November 16, 2020. The "Weiwuying" has been opened to the public and the performance schedule is intensive, and hence, the Group had to coordinate the inspection schedule with the Weiwuying Center for the Arts. However, Weiwuying Center for the Arts had been making many unreasonable requests for repairs, causing delays in the inspection schedule. On this basis, Weiwuying Center for the Arts refused to reimburse 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 repair without any interruption. The Group considered that this action of the Weiwuying 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 Weiwuying Center for the Arts responded by rejecting the mediation proposal. Consequently, on July 3, 2023, the Group submitted the arbitration pursuant to laws. The Arbitration board is currently in the process of hearing the case. Until the mediation proposal is released, it is difficult for the Group to evaluate the results of the mediation.

(III) The Group contracted the construction of social housing on Site No. 1 in Yangmei District and Pingzhen District, Taoyuan City (hereinafter referred to as the Project). According to the procurement contract for the Project, the natural gas company's execution expenses and related fees are to be paid by the Group after which the Office of Housing Development (Office of Housing) verifies and pays the expenses. Following the Group's payments totaling NT\$12,747 thousand and NT\$4,253 thousand respectively to Shin Tao Natural Gas Company for execution expenses and fees, a total of NT\$17,000 thousand was applied for reimbursement from the Office of Housing as agreed upon. Unexpectedly, the Office of Housing contends that the detailed price list in the project's service proposal includes a gas project item and amount, thereby refusing to make the payment. The Group believes that the actions taken by the Office of Housing are inconsistent with the provisions of the contract. Therefore, on August 29th, 2023, they filed for mediation with the Complaint Review Board for Government Procurement of Taoyuan City. After notifying the Office of Housing Development to provide a statement of opinion, the first mediation meeting was held on February 16, 2024. Until the mediation proposal is released, it is difficult for the Group to evaluate the results of the mediation.

(IV) As of March 31, 2024, and 2023, the performance guarantee letters issued by the bank for construction projects of the Group amounted to NT\$2,403,014 thousand and NT\$1,280,146 thousand, respectively.

(V) As of March 31, 2024, and 2023, the performance guarantee letters issued by the bank for a public urban regeneration project of the Group amounted to NT\$24,600 thousand.

(VI) As of March 31, 2024, and 2023, the guaranteed bills issued by the Group for business needs amounted to NT\$461,065 thousand and NT\$230,721 thousand, respectively.

XXXI. Information on Foreign Currency Assets and Liabilities with Significant Influence

Information on financial assets and liabilities denominated in foreign currencies with significant influence is as follows:

Unit: Foreign currency/NT\$ thousand

March 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
RMB	\$ 53	0.1409 (RMB:USD)	\$ 237
JPY	295,355	0.0066 (JPY:USD)	62,468
USD	6,921	32.00 (USD:NTD)	<u>221,470</u>
			<u>\$ 284,175</u>

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
RMB	\$ 53	0.1412 (RMB:USD)	\$ 228
USD	6,921	30.71 (USD:NTD)	<u>212,542</u>
			<u>\$ 212,770</u>

March 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
RMB	\$ 53	0.1455 (RMB:USD)	\$ 233
USD	6,842	30.45 (USD:NTD)	<u>208,346</u>
			<u>\$ 208,579</u>

The unrealized gain or loss on foreign currency exchange with significant influence is as follows:

Financial assets	January 1 to March 31, 2024		January 1 to March 31, 2023	
	Exchange Rate	Net Exchange Profit (Loss)	Exchange Rate	Net Exchange Profit (Loss)
RMB	0.1408 (RMB:USD)	(\$ 23)	0.1460 (RMB:USD)	\$ 179
JPY	0.0067 (JPY:USD)	(1,506)	- (JPY:USD)	-
USD	31.45 (USD:NTD)	<u>4,145</u>	30.40 (USD:NTD)	(<u>6,515</u>)
		<u>\$ 2,616</u>		<u>(\$ 6,336)</u>

XXXII. Supplementary Disclosures

(I) Information on (I) significant transactions and (II) invested companies is 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. Marketable Securities Acquired and Disposed of Amounting to NT\$300 Million or 20% of the Paid-in Capital or More: None.
5. Acquisition of Real Estate Amounting to NT\$300 Million or 20% of the Paid-in Capital or More: None.
6. Disposal of Real Estate Amounting to NT\$300 Million or 20% of the Paid-in Capital or More: None.
7. Purchases from or Sales to Related Parties Amounting to NT\$100 million or 20% of the Paid-in Capital or More. None.
8. Receivables from Related Parties Amounting to NT\$100 Million or 20% of the Paid-in Capital or More. None.
9. Engaging in Derivatives Trading: None.
10. Others: Inter-company Business Relationships and Significant Inter-company Transactions: (Appendix 4)
11. Information on Invested Companies: (Appendix 5)

(II) Information on investments in Mainland China:

1. Information on invested companies 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 6)
2. Any of the following significant transactions with invested companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms and unrealized gain or loss: (None)
 - (1) Purchase amount and percentage, and the ending balance and percentage of the related payables.
 - (2) Sales amount and percentage, and the ending balance and percentage of the related receivables.
 - (3) Property transaction amount and the resulting gain or loss.
 - (4) Ending balances and purposes of endorsements/guarantees or collateral provided.
 - (5) The maximum balance, ending balance, interest rate range and the total amount of current-period interest of financing facilities.
 - (6) Other transactions with significant impact on profit or loss or financial position for the period, such as provision or receipt of service.

(IV) Information on major shareholders: names of shareholders with a holding ratio of 5% or more, the amount and proportion of shares held. (Appendix 7)

XXXIII. Segment Information

The information is 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 March 31, 2024

Appendix 1

Unit: NT\$ Thousands

No.	Financing Company	Counterparty	Financial Statement Account	Whether a Related Party	Maximum Balance	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	\$ 36,000	\$ 34,000	\$ 34,000	2.00%	(1)	\$ -	Operating capital	\$ -	-	\$ -	40% of the company's net worth \$ 34,822	40% of the company's net worth \$ 34,822	
2	CKTech Engineering Co., Ltd.	Chien Kuo Construction Co., Ltd.	Other receivables	Yes	22,000	15,000	15,000	2.00%	(1)	-	Operating capital	-	-	-	40% of the company's net worth 22,283	40% of the company's net worth 22,283	
3	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	-	-	-	40% of the company's net worth 19,979	40% of the company's net worth 19,979	

Note 1: 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 March 31, 2024

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 Provided by Parent for Subsidiary (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	\$ 2,424,877	\$ 200,000	\$ 200,000	\$ 12,491	\$ -	4.12%	\$ 4,849,754	Y	N	N	Financing endorsements /guarantees
0	Chien Kuo Construction Co., Ltd.	Chien Bang Real Estate Development Co., Ltd.	Subsidiary	2,424,877	24,600	24,600	24,600	-	0.51%	4,849,754	Y	N	N	Performance Guarantee

Note 1: 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.

Note 2: 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
Marketable Securities Held at the End of the Period
March 31, 2024

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>Stock—common stock</u>	—	Financial assets measured at FVTPL - non-current	2,850	\$ 33,628	4.92%	\$ 33,628	—
	BMC Venture Capital Investment Corporation			1,500	13,500	6.65%	13,500	—
	BMD Venture Capital Investment Corporation			100	3,423	0.13%	3,423	—
	Taiwan Bio Therapeutics Co., Ltd.			657	25,425	1.39%	25,425	—
	Revivegen Co., Ltd.			86	11,649	0.27%	11,649	—
	Gogolook Co., Ltd.			1,137	19,779	0.14%	19,779	—
	Chia Hsin Cement Corporation			6,810	218,932	0.09%	218,932	—
	Taiwan Cement Corporation			6,990	121,627	0.88%	121,627	(Note 2)
	Chia Hsin Cement Corporation							
Golden Canyon Venture Capital Investment Co., Ltd.	<u>Stock—common stock</u>	—	Financial assets measured at FVTPL - current	1,165	19,118	0.39%	19,118	—
	Phoenix Pioneer Technology Co., Ltd.			534	198,784	0.87%	198,784	—
	MEGA UNION TECHNOLOGY INC.			700	36,330	1.19%	36,330	—
	TCM Biotech International Corporation			200	7,744	0.42%	7,744	—
	Revivegen Co., Ltd.			1,000	61,950	-	61,950	—
Golden Canyon Limited	<u>Stock—preferred stocks</u>	—	Financial Assets Measured at Amortized Cost—non-current	1,000	29,392	-	29,392	—
	Brain Navi Ltd			1,000	30,835	-	30,835	—
	<u>Bonds</u>			1,000	31,528	-	31,528	—
	NOMURA HOLDINGS INC Corporate Bonds (NOMURA 1.653 07/14/26)							

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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>Bonds</u> BNP PARIBAS SA Corporate Bonds (BNP 5.176 01/09/30)	—	Financial Assets Measured at Amortized Cost—non-current	1,000	\$ 31,971	-	\$ 31,971	—
	JPMORGAN CHASE&CO Corporate Bonds (JP MORGAN 3.782 02/01/28)			1,000	30,817	-	30,817	—
	CITIGROUP INC Corporate Bonds (CITI 2.976 11/05/30)			1,000	28,457	-	28,457	—
	GOLDMAN SACHS GROUP INC Corporate Bonds (GS 3.615 03/15/28)			1,000	30,586	-	30,586	—
	Mercedes-Benz Finance North America LLC Corporate Bonds (MBGGR 5 3/8 11/26/25)			1,000	32,103	-	32,103	—
	<u>Fund</u> Citi Taiwan - A1USD Trade Finance Fund		Financial assets measured at FVTPL - current	95	339,026	-	339,026	—
	BlackRock ICS US Dollar Liquidity Fund			26	96,340	-	96,340	—
	AB FCP I-Short Duration Bond Portfolio Class A2			168	100,006	-	100,006	—
	PIMCO GIS Global Investment Grade Credit Fund			177	100,802	-	100,802	—
	AB FCP I-American Income Portfolio Class A2			69	66,845	-	66,845	—
	JPMorgan Funds - Global Corporate Bond Fund			169	101,291	-	101,291	—
	PIMCO GIS Income Fund			169	67,566	-	67,566	—
	PVG GCN VENTURES, L.P.			-	480	5.00%	480	—
	CSVI VENTURES,L.P.	(Note 1)		-	34,824	4.06%	34,824	—
	<u>Fund</u> Citi Taiwan - 45A2USD Liquidity Fund	Financial assets measured at FVTPL - current	5	17,532	-	17,532	—	
	Citi Taiwan - A1USD Trade Finance Fund		75	267,275	-	267,275	—	
	Nomura Global Financial Bond Fund		297	101,348	-	101,348	—	
	BlackRock ICS US Dollar Liquidity Fund		31	116,788	-	116,788	—	
	iShares 20+ Year Treasury Bond ETF(TLT)		11	34,051	-	34,051	—	
	Lord Abbet Short Duration Income		176	66,483	-	66,483	—	
	PIMCO Funds: Global Investors Series plc Dynamic Bond Fund		133	50,424	-	50,424	—	

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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	
	<u>Bonds</u> UBS GROUP AG Corporate Bonds (UBS 4.253 03/23/28) GENERAL MOTORS FINL CO Corporate Bonds (GM 5.8 01/07/29) BANK OF AMERICA CORP Corporate Bond (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)	—	Financial Assets Measured at Amortized Cost—non-current " " " "	1,000 1,000 1,000 2,000 1,000 1,000	\$ 31,024 32,392 28,171 61,538 31,681 30,741 31,699	- - - - - - -	\$ 31,024 32,392 28,171 61,538 31,681 30,741 31,699	— — — — — — —

Note 1: The chief decision-makers of the fund are the directors of the Group.

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

Note 3: For information regarding investment of subsidiaries, please refer to Appendix 5 and Appendix 6.

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Inter-company Business Relationships and Significant Inter-company Transactions
 January 1 to March 31, 2024

Appendix 4

Unit: NT\$ Thousands

No.	Company Name	Counterparty	Nature of Relationship (Note 1)	Transaction Details			Ratio to total Revenue or Total Assets
				Financial Statements Item	Amount	Transaction Terms	
0	Chien Kuo Construction Co., Ltd.	CKTech Engineering Co., Ltd.	(1)	Other prepayments	\$ 27,460	Note 2	0.32%
			(1)	Construction costs	13,061	Note 2	1.12%
			(1)	Contract assets - property construction	216,816	Note 2	2.55%
			(1)	Accounts payable	75,069	Note 2	0.88%
			(1)	Accounts payable - Provisional	9,987	Note 2	0.12%
		Chien Kuo Building Co., Ltd.	(1)	Short-term loans	15,000	Note 2	0.18%
			(1)	Short-term loans	34,000	Note 2	0.40%
			(1)	Short-term loans	19,000	Note 2	0.22%

Note 1: The nature of relationship is divided into the following three categories:

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

Note 2: Conducted in line with ordinary terms.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Information on Invested Companies and Their Locations, etc.
January 1 to March 31, 2024

Appendix 5

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 (in Thousands)	Ratio (%)	Carrying Amount			
Chien Kuo Construction Co., Ltd.	Golden Canyon Limited	British Virgin Islands British Virgin Islands	Reinvestment	\$ 183,751	\$ 183,751	5,881	100.00%	\$ 1,730,552	\$ 16,977	\$ 16,977	Subsidiary
	Silver Shadow Holding Limited		Reinvestment	704,069	704,069	21,606	100.00%	2,124,030	20,857	20,857	Subsidiary
	Chien Kuo Building Co., Ltd.		Building construction commission; public housing lease and sale	144,065	144,065	10,000	100.00%	85,383	(1,673)	(1,673)	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%	50,960	(4,748)	(4,748)	Subsidiary
	Golden Canyon Venture Capital Investment Co., Ltd.	Taiwan	Venture capital business	401,000	401,000	40,100	100.00%	681,842	161,322	161,322	Subsidiary
	Golden Canyon II Venture Capital Investment Co., Ltd.	Taiwan	Venture capital business	200,000	200,000	20,000	100.00%	201,465	364	364	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%	27,554	150	83	Subsidiary
	Leader Construction Co., Ltd.	Taiwan	Maintenance and construction/Buying and selling construction materials	10,000	10,000	1,000	100.00%	4,558	(3,740)	(3,740)	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%	22,544	150	67	Subsidiary
Golden Canyon Venture Capital Investment Co., Ltd.	Chang Jia Energy Co., Ltd.	Taiwan	Renewable energy self-used power generation equipment industry	31,500	31,500	3,150	31.50%	31,270	1	-	Associates
Golden Canyon II Venture Capital Investment Co., Ltd.	Chang Jia Energy Co., Ltd.	Taiwan	Renewable energy self-used power generation equipment industry	17,500	17,500	1,750	17.50%	17,372	1	-	Associates
Silver Shadow Holding Limited	CK Asia Co., Ltd.	British Virgin Islands	Reinvestment	974	974	2	54.29%	27,145	(207)	Note 3	Sub-subsidiary
Golden Canyon Limited	CK Asia Co., Ltd.	British Virgin Islands	Reinvestment	840	840	2	45.71%	22,414	(207)	Note 3	Sub-subsidiary

Note 1: Where there involves a foreign currency, it is translated into New Taiwan Dollars by using the exchange rate as of March 31, 2024 (US\$1=NT\$32.00), except for profit or loss items, which are translated into New Taiwan Dollars by using the average exchange rate for the three months ended March 31, 2024 (US\$1=NT\$31.45).

Note 2: Please refer to Appendix 6 for information on investments in Mainland China.

Note 3: 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 March 31, 2024

Appendix 6

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	\$ 3,200	Investment through a company founded in a third region	\$ 68,326	\$ -	\$ -	\$ 68,326	(\$ 391)	100%	(\$ 391)	\$ 13,553	\$ 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)	\$ 1,090,228 (Note 2)	\$ 3,095,492

Note 1: The amount was recognized based on the reviewed financial statements.

Note 2: The amount authorized by the Investment Commission, MOEA was NT\$1,633,010 thousand, of which NT\$542,782 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.

Note 3: The amount remitted from Taiwan was NT\$868,785 thousand, including the following expenses:

(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.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Information on Major Shareholders
March 31, 2024

Appendix 7

Unit: In thousand shares

List of Major Shareholders	Shareholding	
	Number of Shares Held	Percentage (%)
Chien Hwei Investment Co., Ltd.	46,012	18.25%
Chi-te CHEN	18,844	7.47%
Chen-ching CHEN	14,286	5.66%

Note: Information on major shareholders in this table is provided by Taiwan Depository & Clearing Corporation according to information on shareholders holding at least 5% or greater of common stocks and preferred shares (including treasury stock) that have been issued and delivered without physical registration by the Company on the last business day at the end of the current quarter. The number of shares recorded in the Group's consolidated financial statements and the number of shares that have completed delivery of non-physical registration may differ due to the different calculation bases.