

Chien Kuo Construction Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Review Report

For the Nine Months Ended September 30, 2024 and 2023

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

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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 (collectively, the "Group") as of September 30, 2024 and 2023, the consolidated statements of comprehensive income for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023, consolidated statements of changes in equity, consolidated statements of cash flows, and notes to the consolidated financial statements (including the summary of significant accounting policies) for the nine months ended September 30, 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 September 30, 2024 and 2023, and of its consolidated financial performance for the three months ended September 30, 2024 and 2023, and its consolidated financial performance and cash flows for the nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34, "Interim Financial Reporting," endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

CPA: Li-Chun Chang

CPA: Wen-Chin Lin

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 12, 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

September 30, 2024 and December 31 and September 30, 2023

Unit: NT\$ Thousands

Code	Assets	September 30, 2024		December 31, 2023		September 30, 2023	
		Amount	%	Amount	%	Amount	%
	Current assets						
1100	Cash and cash equivalents (Note VI)	\$ 1,621,962	18	\$ 1,634,295	20	\$ 1,362,154	17
1110	Financial assets at fair value through profit or loss (Note VII)	2,411,648	27	1,774,481	22	1,779,896	22
1120	Financial assets at fair value through other comprehensive income (Note VIII)	20,690	-	21,655	-	21,087	-
1136	Financial assets at amortized cost (Note IX)	300,666	3	1,577,619	19	1,633,921	20
1140	Contract assets (Note XXI)	850,582	10	938,706	12	1,104,945	14
1150	Notes receivable (Note X)	-	-	156	-	-	-
1170	Accounts receivable (Notes X and XXI)	584,438	7	291,615	4	200,503	3
1200	Other receivables (Note XXV)	50,144	1	76,903	1	53,820	1
1220	Current tax assets	133,527	1	132,644	2	139,209	2
1323	Inventories (for construction business) (Notes XI)	5,740	-	2,502	-	2,502	-
1410	Prepayments (Note XII)	181,023	2	129,937	2	159,193	2
1470	Other current assets	5,300	-	4,851	-	4,073	-
11XX	Total current assets	<u>6,165,720</u>	<u>69</u>	<u>6,585,364</u>	<u>82</u>	<u>6,461,303</u>	<u>81</u>
	Non-current assets						
1510	Financial assets at fair value through profit or loss (Note VII)	312,906	3	219,477	3	232,706	3
1520	Financial assets at fair value through other comprehensive income (Notes VIII and XXIX)	355,083	4	370,478	5	356,088	5
1535	Financial assets at amortized cost (Notes IX and XXIX)	1,124,866	13	100,834	1	102,415	1
1550	Investments accounted for using equity method (Note XIV)	48,793	1	48,642	1	48,586	1
1600	Property, plant and equipment (Note XV)	157,218	2	95,821	1	103,579	1
1755	Right-of-use assets (Note XVI)	70,540	1	41,208	-	45,849	1
1760	Investment properties (Notes XVII and XXIX)	565,681	6	566,426	7	566,674	7
1780	Intangible assets	20,887	-	10,606	-	11,191	-
1840	Deferred tax assets	34,449	-	37,828	-	24,594	-
1990	Other non-current assets	49,622	1	15,927	-	14,494	-
15XX	Total non-current assets	<u>2,740,045</u>	<u>31</u>	<u>1,507,247</u>	<u>18</u>	<u>1,506,176</u>	<u>19</u>
1XXX	Total assets	<u>\$ 8,905,765</u>	<u>100</u>	<u>\$ 8,092,611</u>	<u>100</u>	<u>\$ 7,967,479</u>	<u>100</u>
	Liabilities and Equity						
	Code						
	Current liabilities						
2100	Short-term loans (Note XVIII)	\$ -	-	\$ -	-	\$ 200,000	3
2130	Contract liabilities (Note XXI)	1,271,346	14	801,917	10	776,400	10
2170	Accounts payable (Note XIX)	1,174,401	13	1,242,538	15	984,195	12
2200	Other payables	235,338	3	203,608	3	160,744	2
2219	Payable for capital reduction (Note XX)	504,000	6	-	-	-	-
2230	Current tax liabilities	57,680	1	48,685	1	20,975	-
2250	Current provisions (Note XXI)	110,226	1	135,217	2	74,179	1
2399	Other current liabilities (Note XVI and XVII)	138,925	1	131,818	1	133,874	2
21XX	Total current liabilities	<u>3,491,916</u>	<u>39</u>	<u>2,563,783</u>	<u>32</u>	<u>2,350,367</u>	<u>30</u>
	Non-current liabilities						
2570	Deferred tax liabilities	572,548	7	537,026	7	575,107	7
2600	Other non-current liabilities (Note XVI)	181,224	2	142,048	1	144,242	2
25XX	Total non-current liabilities	<u>753,772</u>	<u>9</u>	<u>679,074</u>	<u>8</u>	<u>719,349</u>	<u>9</u>
2XXX	Total liabilities	<u>4,245,688</u>	<u>48</u>	<u>3,242,857</u>	<u>40</u>	<u>3,069,716</u>	<u>39</u>
	Equity (Note XX)						
	Capital						
3110	Common stock	2,016,001	22	2,520,001	31	2,520,001	32
3200	Additional paid-in capital	187,308	2	187,308	2	187,308	2
	Retained earnings						
3310	Legal reserve	778,147	9	744,264	9	744,264	9
3320	Special reserve	11,397	-	11,397	-	11,397	-
3350	Unappropriated earnings	1,413,997	16	1,178,059	15	1,093,861	14
3300	Total retained earnings	2,203,541	25	1,933,720	24	1,849,522	23
3400	Other equity	253,227	3	208,725	3	340,932	4
3XXX	Total equity	<u>4,660,077</u>	<u>52</u>	<u>4,849,754</u>	<u>60</u>	<u>4,897,763</u>	<u>61</u>
	Total liabilities and equity	<u>\$ 8,905,765</u>	<u>100</u>	<u>\$ 8,092,611</u>	<u>100</u>	<u>\$ 7,967,479</u>	<u>100</u>

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

Chien Kuo Construction Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

July 1 to September 30, 2024 and 2023, and January 1 to September 30, 2024 and 2023

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

Code		July 1 to September 30, 2024		July 1 to September 30, 2023		January 1 to September 30, 2024		January 1 to September 30, 2023	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (Note XXI)	\$ 1,412,127	100	\$ 895,056	100	\$ 3,926,279	100	\$ 2,906,087	100
5000	Operating costs (Notes XXII)	1,245,152	88	811,016	91	3,457,047	88	2,617,880	90
5900	Gross profit	166,975	12	84,040	9	469,232	12	288,207	10
	Operating expenses (Notes XXII and XXVIII)								
6200	Administrative expenses	93,687	7	81,646	9	277,740	7	242,974	8
6450	Expected credit loss (reversal gain)	4,850	-	-	-	4,850	-	(10,600)	-
	Total operating expenses	98,537	7	81,646	9	282,590	7	232,374	8
6900	Net operating income	68,438	5	2,394	-	186,642	5	55,833	2
	Non-operating income and expenses (Notes XIV, XXII and XXVIII)								
7010	Other income	50,057	3	45,102	5	123,611	3	127,218	4
7020	Other gains and losses	66,918	5	41,088	5	261,996	7	122,925	4
7050	Finance costs	(1,174)	-	(1,358)	-	(1,932)	-	(7,510)	-
7060	Shares of profits or loss of associates accounted for using equity method	85	-	(46)	-	151	-	(194)	-
7000	Total non-operating income and expenses	115,886	8	84,786	10	383,826	10	242,439	8
7900	Income before income tax	184,324	13	87,180	10	570,468	15	298,272	10
7950	Income tax expense (Note XXIII)	26,595	2	8,186	1	84,231	3	43,645	1
8200	Net income	157,729	11	78,994	9	486,237	12	254,627	9
	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	(1,906)	-	(53,234)	(6)	(12,514)	-	9,395	-
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of financial statements of foreign operations	(86,630)	(6)	131,303	15	115,749	3	181,115	6
8399	Income tax related to items that will be reclassified subsequently to profit or loss (Note XXIII)	17,326	1	(26,261)	(3)	(23,149)	(1)	(36,222)	(1)
8300	Other comprehensive income (after tax)	(71,210)	(5)	51,808	6	80,086	2	154,288	5
8500	Total comprehensive income	\$ 86,519	6	\$ 130,802	15	\$ 566,323	14	\$ 408,915	14
	Earnings per share (Note XXIV)								
9750	Basic	\$ 0.68		\$ 0.31		\$ 1.98		\$ 1.01	
9850	Diluted	\$ 0.67		\$ 0.31		\$ 1.97		\$ 1.01	

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

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Consolidated Statements of Changes in Equity
 January 1 to September 30, 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 gain or loss 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	
Appropriation and distribution of retained earnings for 2022											
B1	Provision of legal reserve	-	-	19,406	-	(19,406)	-	-	-	-	-
B5	Cash dividends appropriated to shareholders - NT\$1.00 per share	-	-	-	-	(252,000)	-	-	-	-	(252,000)
D1	Net income for the nine months ended September 30, 2023	-	-	-	-	254,627	-	-	-	-	254,627
D3	Other comprehensive income after tax for the nine months ended September 30, 2023	-	-	-	-	-	144,893	9,395	154,288	154,288	
D5	Total comprehensive income for the nine months ended September 30, 2023	-	-	-	-	254,627	144,893	9,395	154,288	154,288	408,915
Z1	Balance as of September 30, 2023	<u>\$ 2,520,001</u>	<u>\$ 187,308</u>	<u>\$ 744,264</u>	<u>\$ 11,397</u>	<u>\$ 1,093,861</u>	<u>\$ 212,813</u>	<u>\$ 128,119</u>	<u>\$ 340,932</u>	<u>\$ 4,897,763</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	
Appropriation and distribution of retained earnings for 2023											
B1	Provision of legal reserve	-	-	33,883	-	(33,883)	-	-	-	-	-
B5	Cash dividends appropriated to shareholders - NT\$1.00 per share	-	-	-	-	(252,000)	-	-	-	-	(252,000)
E1	Cash reduction	(504,000)	-	-	-	-	-	-	-	-	(504,000)
D1	Net income for the nine months ended September 30, 2024	-	-	-	-	486,237	-	-	-	-	486,237
D3	Other comprehensive income after tax for the nine months ended September 30, 2024	-	-	-	-	-	92,600	(12,514)	80,086	80,086	
D5	Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	486,237	92,600	(12,514)	80,086	80,086	566,323
Q1	Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	35,584	-	(35,584)	(35,584)	(35,584)	
Z1	Balance as of September 30, 2024	<u>\$ 2,016,001</u>	<u>\$ 187,308</u>	<u>\$ 778,147</u>	<u>\$ 11,397</u>	<u>\$ 1,413,997</u>	<u>\$ 158,248</u>	<u>\$ 94,979</u>	<u>\$ 253,227</u>	<u>\$ 4,660,077</u>	

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

Chien Kuo Construction Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

January 1 to September 30, 2024 and 2023

Unit: NT\$ Thousands

Code		January 1 to September 30, 2024	January 1 to September 30, 2023
	Cash flows from operating activities		
A10000	Income before income tax	\$ 570,468	\$ 298,272
A20010	Adjustments to reconcile income (loss)		
A20100	Depreciation expense	47,996	42,489
A20200	Amortization expense	4,311	2,942
A20300	Expected credit loss (reversal gain)	16,737	(12,916)
A20400	Net gain on financial assets at fair value through profit or loss	(272,379)	(109,935)
A20900	Finance costs	1,932	7,510
A21000	Profit from derecognition of financial assets measured at amortized cost	(1,608)	-
A21200	Interest income	(96,166)	(103,292)
A21300	Dividend income	(25,386)	(14,721)
A22300	Shares of profits or loss of associates accounted for using equity method	(151)	194
A22500	Gains on disposal of property, plant and equipment	(18)	(68)
A29900	Profit from lease modification	(7)	-
A30000	Changes in operating assets and liabilities		
A31125	Contract assets	88,124	481,298
A31130	Notes receivable	156	-
A31150	Accounts receivable	(297,489)	(80,806)
A31180	Other receivables	(1,155)	(14,222)
A31200	Construction in progress	(3,238)	(740)
A31230	Prepayments	(51,086)	(1,970)
A31240	Other current assets	(449)	68,255
A32125	Contract liabilities	469,429	747,515
A32150	Accounts payable	(68,137)	(270,238)
A32180	Other payables	30,060	(13,928)
A32230	Other current liabilities	(24,291)	29,385
A32990	Other non-current liabilities	2	1
A33000	Cash generated from operations	387,655	1,055,025
A33100	Interest received	137,315	75,956
A33300	Interest paid	(1,932)	(7,556)
A33500	Income taxes paid	(56,408)	(61,084)
AAAA	Net cash generated from operating activities	466,630	1,062,341

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Code		January 1 to September 30, 2024	January 1 to September 30, 2023
	Cash flows from investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(\$ 76,433)	\$ -
B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	80,279	-
B00040	Acquisition of financial assets at amortized cost	(1,128,439)	(1,390,013)
B00050	Disposal of financial assets at amortized cost	1,421,067	15,774
B00100	Acquisition of financial assets at fair value through profit or loss	(3,405,098)	(1,236,327)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	2,977,842	473,060
B02000	Increase in prepayments for investments	(41,000)	-
B02700	Acquisition of property, plant and equipment	(93,026)	(9,015)
B02800	Proceeds from disposal of property, plant, and equipment	114	130
B02900	Advances received from disposal of investment properties	-	115,685
B03800	Decrease (increase) in refundable deposits	121	(323)
B04500	Acquisition of intangible assets	(5,724)	(237)
B07100	Increase in prepayment for equipment	(1,412)	(5,735)
B07600	Dividend received	25,386	37,903
BBBB	Net cash used in investing activities	(246,323)	(1,999,098)
	Cash flows from financing activities		
C00100	Decrease in short-term loans	-	(300,000)
C00500	Decrease in short-term notes and bills payable	-	(349,787)
C03000	Increase in guarantee deposits received	15,885	7,704
C04020	Repayment of principal portion of lease liabilities	(13,949)	(12,404)
C04500	Cash dividends distributed	(252,000)	(252,000)
CCCC	Net cash used in financing activities	(250,064)	(906,487)
DDDD	Effect of exchange rate changes on cash and cash equivalents	17,424	39,217
EEEE	Decrease in cash and cash equivalents for the period	(12,333)	(1,804,027)
E00100	Cash and cash equivalents at beginning of period	1,634,295	3,166,181
E00200	Cash and cash equivalents at end of period	\$ 1,621,962	\$ 1,362,154

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

Chien Kuo Construction Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
January 1 to September 30, 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 November 12, 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) FSC-endorsed IFRSs that are applicable from 2025 onward

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB
Amendment to IAS 21: "Lack of Exchangeability"	January 1, 2025 (Note 1)

Note1: 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.

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

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB (Note 1)
Annual Improvements to IFRS 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sales or Contributions of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 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
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note1: Unless otherwise stated, the aforementioned new standards, interpretations and amendments are effective from the reporting fiscal year after their respective effective dates.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements". The main changes 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 on Management-defined Performance Measures (MPMs): When the Group engages in public communication outside of financial statements and communicates the perspective of management levels on the overall financial performance of the Group, relevant information regarding the disclosure of Management-defined Performance Measures (MPMs) should be provided in a single note to the financial statements. This note should include the description of the measures, how they are calculated, adjustments to subtotals or totals as defined by IFRS accounting standards, and the impact of income tax and non-controlling interests related to the adjustments.

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

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 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.

Please refer to Note XIII and Appendixes 7 and 8 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 to be settled within 12 months after the balance sheet date; 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. Material Accounting Judgments and Key Sources of Estimation Uncertainty 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

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand and revolving funds	\$ 2,432	\$ 2,505	\$ 2,711
Checking accounts and demand deposits	1,292,205	787,452	414,012
Cash equivalents (time deposits with original maturity date within 6 months)			
Time deposits	<u>327,325</u>	<u>844,338</u>	<u>945,431</u>
	<u><u>\$ 1,621,962</u></u>	<u><u>\$ 1,634,295</u></u>	<u><u>\$ 1,362,154</u></u>

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

	September 30, 2024	December 31, 2023	September 30, 2023
Time deposits	0.64%~1.55%	0.52%~5.85%	0.52%~5.85%

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 at fair value through profit or loss

	September 30, 2024	December 31, 2023	September 30, 2023
Mandatorily measured at fair value through profit or loss			
<u>Current</u>			
— Listed stocks and emerging stocks	\$ 257,377	\$ 198,207	\$ 170,942
— Fund beneficiary certificates	<u>2,154,271</u>	<u>1,576,274</u>	<u>1,608,954</u>
	<u><u>\$ 2,411,648</u></u>	<u><u>\$ 1,774,481</u></u>	<u><u>\$ 1,779,896</u></u>
<u>Non-current</u>			
— Listed stocks and emerging stocks	\$ 100,459	\$ 69,106	\$ 70,243
— Unlisted stocks	115,579	46,632	45,959
— Unlisted preferred stocks	61,950	61,950	61,950
— Private equity funds	<u>34,918</u>	<u>41,789</u>	<u>54,554</u>
	<u><u>\$ 312,906</u></u>	<u><u>\$ 219,477</u></u>	<u><u>\$ 232,706</u></u>

VIII.	<u>Financial assets at fair value through other comprehensive income</u>		
	September 30, 2024	December 31, 2023	September 30, 2023
<u>Investment in equity instruments</u>			
Listed stocks			
Current	\$ 20,690	\$ 21,655	\$ 21,087
Non-current	<u>355,083</u>	<u>370,478</u>	<u>356,088</u>
	<u><u>\$ 375,773</u></u>	<u><u>\$ 392,133</u></u>	<u><u>\$ 377,175</u></u>

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

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

IX.	<u>Financial assets measured at amortized cost</u>		
	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Time deposits with original maturity date over six months			
	\$ 179,772	\$ 1,369,318	\$ 1,415,040
Restricted bank deposits (1)	-	15	15
Restricted time deposits (1)	<u>120,894</u>	<u>208,286</u>	<u>218,866</u>
	<u><u>\$ 300,666</u></u>	<u><u>\$ 1,577,619</u></u>	<u><u>\$ 1,633,921</u></u>
<u>Non-current</u>			
Corporate bonds (2)	\$ 1,066,647	\$ 30,867	\$ 32,452
Pledged time deposits	<u>70,050</u>	<u>70,050</u>	<u>70,050</u>
Subtotal	<u>1,136,697</u>	<u>100,917</u>	<u>102,502</u>
Less: Allowance for losses	(<u>11,831</u>)	(<u>83</u>)	(<u>87</u>)
	<u><u>\$ 1,124,866</u></u>	<u><u>\$ 100,834</u></u>	<u><u>\$ 102,415</u></u>

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

	September 30, 2024	December 31, 2023	September 30, 2023
Time deposits with original maturity date over six months	5.00%~5.52%	5.04%~6.06%	5.36%~6.06%
Restricted time deposits	5.10%	4.50%	4.50%
Corporate bonds	1.65%~5.80%	5.38%	5.38%
Pledged time deposits	1.08%	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 losses given default rates provided by external rating agencies to measure the expected credit losses of debt instruments over the next 12 months or over the lifetime of the instruments.

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

September 30, 2024

Credit rating	Expected credit loss rate	Total carrying amount measured at amortized cost
Normal	0.12%~2.99%	\$ 1,066,647

December 31, 2023

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

September 30, 2023

Credit rating	Expected credit loss rate	Total carrying amount measured at amortized cost
Normal	0.27%	\$ 32,452

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

Credit rating
Normal
\$ 83
11,887
(139)
<u>\$ 11,831</u>

Balance as of January 1, 2024
Purchase of new debt instruments
Exchange rates and other changes
Balance as of September 30, 2024

	Credit rating
	Normal
Balance as of January 1, 2023	\$ -
Purchase of new debt instruments	84
Exchange rates and other changes	3
Balance as of September 30, 2023	<u><u>\$ 87</u></u>

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

X. Notes receivable and accounts receivable

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable	<u><u>\$ -</u></u>	<u><u>\$ 156</u></u>	<u><u>\$ -</u></u>
Accounts receivable			
Measured at amortized cost			
Total carrying amount	\$ 615,364	\$ 316,638	\$ 226,442
Less: Allowance for losses	(30,926)	(25,023)	(25,939)
	<u><u>\$ 584,438</u></u>	<u><u>\$ 291,615</u></u>	<u><u>\$ 200,503</u></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:

	September 30, 2024	December 31, 2023	September 30, 2023
Not overdue	\$ -	\$ 156	\$ -

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

	September 30, 2024	December 31, 2023	September 30, 2023
Not overdue	\$ 584,046	\$ 212,253	\$ 195,667
Less than 180 days	392	74,697	-
More than 361 days	<u>30,926</u>	<u>29,688</u>	<u>30,775</u>
Total	<u>\$ 615,364</u>	<u>\$ 316,638</u>	<u>\$ 226,442</u>

Changes in allowance losses for accounts receivable are as follows:

	January 1 to September 30, 2024	January 1 to September 30, 2023
Beginning balance	\$ 25,023	\$ 34,534
Less: Provision (reversal) of impairment loss for the period	4,850	(9,086)
Exchange difference	<u>1,053</u>	<u>491</u>
Ending balance	<u>\$ 30,926</u>	<u>\$ 25,939</u>

XI. Inventories (for construction business)

	September 30, 2024	December 31, 2023	September 30, 2023
Shaoxing S. St., National Taiwan University	\$ 5,740	\$ 2,502	\$ 2,502

XII. Prepayments

	September 30, 2024	December 31, 2023	September 30, 2023
Prepayments for construction contracts	\$ 137,900	\$ 106,183	\$ 135,419
Excess VAT Paid	418	2,865	2,893
Prepaid insurance	38,727	16,329	16,973
Others	<u>3,978</u>	<u>4,560</u>	<u>3,908</u>
	<u>\$ 181,023</u>	<u>\$ 129,937</u>	<u>\$ 159,193</u>

XIII. Subsidiaries

(I) Subsidiaries included in the consolidated financial statements

The entities of the consolidated financial statements were as follows:

Name of Investor	Subsidiary Company Name	Business Activities	Percentage of Ownership			Explanation
			September 30, 2024	December 31, 2023	September 30, 2023	
The Company	Golden Canyon Limited (Golden Canyon)	Reinvestment	100%	100%	100%	
	Silver Shadow Holding Limited (Silver Shadow)	Reinvestment	100%	100%	100%	
	CKTech Engineering Co., Ltd. (CKTech Engineering)	Undertaking mechanical, electrical and plumbing, refrigeration, air conditioning engineering; wholesale and retail of equipment	100%	100%	100%	
	Chien Kuo Building Co., Ltd. (Chien Kuo Building)	Building construction commission; public housing lease and sale	100%	100%	100%	
	Golden Canyon Venture Capital Investment Co., Ltd. (Golden Canyon Venture Capital)	Venture capital	100%	100%	100%	
	Golden Canyon II Venture Capital Investment Co., Ltd. (Golden Canyon Venture Capital II)	Venture capital	100%	100%	100%	
	Chien Bang Real Estate Development Co., Ltd. (Chien Bang Building)	Building construction commission; public housing lease and sale	55%	55%	55%	
	Leader Construction Co., Ltd (Leader Construction)	Maintenance and construction, buying and selling construction materials	100%	100%	100%	(Note 1)
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 were 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

	September 30, 2024	December 31, 2023	September 30, 2023
Associates not individually significant			
Chang Jia Energy Co., Ltd.	<u>\$ 48,793</u>	<u>\$ 48,642</u>	<u>\$ 48,586</u>

Information of associates not individually significant

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Shares attributable to the Group				
Net income (loss) from continuing operations	\$ 85	(\$ 46)	\$ 151	(\$ 194)
Total comprehensive income	\$ 85	(\$ 46)	\$ 151	(\$ 194)

XV. Property, plant, and equipment

	September 30, 2024	December 31, 2023	September 30, 2023
Land	\$ 15,742	\$ 15,742	\$ 15,742
Buildings	359	396	406
Machinery equipment	888	978	1,101
Transportation equipment	1,655	2,141	2,274
Office equipment	5,786	5,495	5,532
Leasehold improvements	1,534	2,121	2,351
Other equipment	<u>131,254</u>	<u>68,948</u>	<u>76,173</u>
	<u>\$ 157,218</u>	<u>\$ 95,821</u>	<u>\$ 103,579</u>

Apart from recognition of depreciation expenses and additions of other equipments, there were no significant disposals, or impairments of the Group's property, plant, and equipment from January 1 to September 30 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		5~6 years
Office equipment		2~6 years
Other Equipment		3~9 years

XVI. Lease agreement

(I) Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of right-of-use assets			
Buildings	\$ 67,578	\$ 39,168	\$ 43,280
Transportation equipment	<u>2,962</u>	<u>2,040</u>	<u>2,569</u>
	<u>\$ 70,540</u>	<u>\$ 41,208</u>	<u>\$ 45,849</u>

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Additions to right-of-use assets	\$ 3,747	\$ 1,812	\$ 44,288	\$ 44,405
Depreciation expense of right-of-use assets				
Buildings	\$ 4,358	\$ 3,975	\$ 12,715	\$ 10,861
Transportation equipment	543	529	1,605	1,543
	\$ 4,901	\$ 4,504	\$ 14,320	\$ 12,404

Other than the addition and recognition of depreciation expenses above, the Group's right-of-use assets did not have significant sublease and impairment for the nine-month ended September 30, 2024, and 2023.

(II) Lease liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of lease liabilities			
Current (listed as other current liabilities)	\$ 17,453	\$ 11,046	\$ 13,258
Non-current (listed as other non-current liabilities)	\$ 53,720	\$ 30,431	\$ 32,831

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

	September 30, 2024	December 31, 2023	September 30, 2023
Buildings	1.65%~2.06%	1.65%~2.06%	1.65%~2.06%
Transportation equipment	3.00%	3.00%	3.00%

(III) Other lease information

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Short-term lease expense	\$ 1,811	\$ 1,988	\$ 5,544	\$ 5,796
Total cash outflow on lease	\$ 6,593	\$ 6,446	\$ 19,493	\$ 18,200

XVII. Investment property

	September 30, 2024	December 31, 2023	September 30, 2023
Land (1)	\$ 554,192	\$ 554,192	\$ 554,192
Buildings	10,885	11,620	11,865
Parking space	604	614	617
	\$ 565,681	\$ 566,426	\$ 566,674
Fair Value	\$ 750,809	\$ 750,809	\$ 739,849

(1) The Group acquired the land sitting at the northern part of the industrial zone in Xinzhuang District in July 2017. Whereas it was initially planned to construct a building for subsequent sale with the original accounting inventory of NT\$465,926 thousand, the Board of Directors resolved on May 10, 2023, to enter into a pre-sale purchase agreement for the aforementioned real estate. The transaction amount was NT\$583,832 thousand. As a result, the Group reclassified the land as investment property starting from the second quarter of 2023. Following the signing of the contract, the buyer shall engage an architect for the design and application for a building permit, and appoint a contractor for the construction of the building on the land. All costs related to the construction of the building shall be borne by the buyer. The ownership of the land will be transferred to the buyer upon completion of the building, and the transfer registration of the land will be completed simultaneously with the building. As of September 30, 2024, the Group has received a prepayment of NT\$117,065 thousand for the first installment of land payment. This prepayment is recorded as part of other current liabilities. The land is pledged to financial institutions for loans. Please refer to Notes XXIX.

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

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

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

XVIII. Short-term loans

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Unsecured loans</u>			
Credit line loans	\$ -	\$ -	\$ 200,000
Annual interest rate (%) (Effective interest rate)			
	-	-	1.80%

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

	September 30, 2024	December 31, 2023	September 30, 2023
Number of shares authorized (in thousands)	500,000	500,000	500,000
Authorized capital	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Number of shares issued and fully paid (in thousands)	201,600	252,000	252,000
Issued capital	\$ 2,016,001	\$ 2,520,001	\$ 2,520,001

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

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

(II) Additional paid-in capital

	September 30, 2024	December 31, 2023	September 30, 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	205	205	205
	<u>\$ 187,308</u>	<u>\$ 187,308</u>	<u>\$ 187,308</u>

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

(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 regular shareholders' meeting on June 18, 2024, and June 20, 2023, and respectively resolved the 2023 and 2022 earnings distribution as follows:

	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

XXI. Revenue

(I) Revenue from contracts with customers

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Revenue from construction contracts	\$ 1,412,036	\$ 894,973	\$ 3,926,012	\$ 2,905,836
Others	91	83	267	251
	<u>\$ 1,412,127</u>	<u>\$ 895,056</u>	<u>\$ 3,926,279</u>	<u>\$ 2,906,087</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 balances

	September 30, 2024		December 31, 2023		September 30, 2023	
	Construction Segment	Discontinued Segment	Construction Segment	Discontinued Segment	Construction Segment	Discontinued Segment
Notes receivable (Note X)	\$ -	\$ -	\$ 156	\$ -	\$ -	\$ -
Accounts receivable (Note X)	\$ 584,438	\$ -	\$ 286,950	\$ 4,665	\$ 195,667	\$ 4,836
Contract assets						
Real estate construction	\$ 632,486	\$ -	\$ 693,243	\$ -	\$ 881,406	\$ -
Construction retainage receivable	218,096	-	245,463	-	223,539	-
Less: Allowance for losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ 850,582</u>	<u>\$ -</u>	<u>\$ 938,706</u>	<u>\$ -</u>	<u>\$ 1,104,945</u>	<u>\$ -</u>
Contract liabilities						
Real estate construction	\$ 1,271,346	\$ -	\$ 801,917	\$ -	\$ 776,400	\$ -
Current provisions	\$ 110,226	\$ -	\$ 135,217	\$ -	\$ 74,179	\$ -

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

The aggregate amount of the transaction price of which the performance obligations have not been satisfied and the anticipated years to recognize the revenue for the construction contracts signed by the Group as of September 30, 2024 were as follows:

Anticipated years to recognize

revenue

September 30, 2024

2024~2030

\$ 38,618,116

XXII. Net Income from Continuing Operations

(I) Other income

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
	\$ 28,495	\$ 31,550	\$ 96,166	\$ 103,292
Interest income	\$ 28,495	\$ 31,550	\$ 96,166	\$ 103,292
Dividend income	21,068	11,713	25,386	14,721
Litigation compensation	-	-	-	3,193
Gain on reversal of expected credit loss on other receivables	-	-	-	2,400
Others	494	1,839	2,059	3,612
	<u>\$ 50,057</u>	<u>\$ 45,102</u>	<u>\$ 123,611</u>	<u>\$ 127,218</u>

(II) Other gains and losses

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Gains on valuation of financial assets at fair value through profit or loss	\$ 84,452	\$ 32,882	\$ 272,379	\$ 109,935
Corporate bonds expected credit losses	(5,146)	(84)	(11,887)	(84)
Foreign exchange (losses) gains, net	(13,119)	7,882	2,611	10,283
Net income from derecognition of financial assets at amortized cost	1,608	-	1,608	-
Gains on disposal of property, plant and equipment	18	-	18	68
Others	(895)	408	(2,733)	2,723
	<u>\$ 66,918</u>	<u>\$ 41,088</u>	<u>\$ 261,996</u>	<u>\$ 122,925</u>

(III) Finance costs

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Interest expenses				
Interest on bank loans	\$ 698	\$ 1,150	\$ 785	\$ 7,089
Interest on lease liabilities	323	208	994	421
Others	<u>153</u>	<u>-</u>	<u>153</u>	<u>-</u>
	<u>\$ 1,174</u>	<u>\$ 1,358</u>	<u>\$ 1,932</u>	<u>\$ 7,510</u>

(IV) Depreciation and amortization expenses

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Property, plant, and equipment	\$ 13,909	\$ 9,694	\$ 32,931	\$ 29,340
Right-of-use assets	4,901	4,504	14,320	12,404
Investment property	248	248	745	745
Intangible assets	<u>1,810</u>	<u>1,025</u>	<u>4,311</u>	<u>2,942</u>
Total	<u>\$ 20,868</u>	<u>\$ 15,471</u>	<u>\$ 52,307</u>	<u>\$ 45,431</u>
Depreciation expenses by function				
Operating costs	\$ 13,751	\$ 9,452	\$ 32,217	\$ 27,978
Operating expenses	5,068	4,755	15,063	13,795
Other gains and losses	<u>239</u>	<u>239</u>	<u>716</u>	<u>716</u>
	<u>\$ 19,058</u>	<u>\$ 14,446</u>	<u>\$ 47,996</u>	<u>\$ 42,489</u>
Amortization expenses by function				
Operating costs	\$ 636	\$ 328	\$ 1,929	\$ 835
Operating expenses	<u>1,174</u>	<u>697</u>	<u>2,382</u>	<u>2,107</u>
	<u>\$ 1,810</u>	<u>\$ 1,025</u>	<u>\$ 4,311</u>	<u>\$ 2,942</u>

(V) Employee benefits expenses

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Short-term employee benefits	\$ 149,826	\$ 116,380	\$ 429,881	\$ 345,758
Post-employment benefits				
Defined contribution plans	4,674	4,634	13,728	13,404
Defined benefit plans	167	168	500	500
Termination benefits	<u>1,328</u>	<u>553</u>	<u>5,559</u>	<u>622</u>
	<u><u>\$ 155,995</u></u>	<u><u>\$ 121,735</u></u>	<u><u>\$ 449,668</u></u>	<u><u>\$ 360,284</u></u>
By function				
Operating costs	\$ 82,773	\$ 57,417	\$ 227,062	\$ 170,397
Operating expenses	<u>73,222</u>	<u>64,318</u>	<u>222,606</u>	<u>189,887</u>
	<u><u>\$ 155,995</u></u>	<u><u>\$ 121,735</u></u>	<u><u>\$ 449,668</u></u>	<u><u>\$ 360,284</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 directors for the three-month and nine-month ended September 30, 2024 and 2023 were as follows:

	July 1 to September 30, 2024		July 1 to September 30, 2023	
	Amount	Percentage	Amount	Percentage
		(%)		(%)
Employee remuneration	\$ 5,857	3%	\$ 2,806	3%
Director remuneration	\$ 5,857	3%	\$ 2,806	3%
January 1 to September 30, 2024				
	Amount	Percentage	Amount	Percentage
		(%)		(%)
Employee remuneration	\$ 17,702	3%	\$ 9,380	3%
Director remuneration	\$ 17,702	3%	\$ 9,380	3%

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

The remuneration to employees and directors 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 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 were as follows:

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Current income tax				
Income tax expenses recognized in the current period	\$ 28,666	\$ 6,585	\$ 86,485	\$ 45,889
Additional tax on unappropriated earnings	2,647	-	2,647	1,406
Adjustments for previous years	(2,186)	6,585	(20,653)	(512)
	<u>29,127</u>	<u>6,585</u>	<u>68,479</u>	<u>46,783</u>
Deferred income tax				
Income tax expenses recognized in the current period	(2,532)	1,601	2,799	(3,138)
Adjustments for previous years	-	-	12,953	-
Income tax expenses recognized in profit or loss	<u>\$ 26,595</u>	<u>\$ 8,186</u>	<u>\$ 84,231</u>	<u>\$ 43,645</u>

(II) Income tax recognized in other comprehensive income

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
<u>Deferred income tax</u>				
Arising from current period				
— Exchange differences on translation of financial statements of foreign operations	\$ 17,326	(\$ 26,261)	(\$ 23,149)	(\$ 36,222)

(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

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023	Unit: NT\$
Basic earnings per share	\$ 0.68	\$ 0.31	\$ 1.98	\$ 1.01	
Diluted earnings per share	\$ 0.67	\$ 0.31	\$ 1.97	\$ 1.01	

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

Net income

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Net income attributable to owners of the Company	\$ 157,729	\$ 78,994	\$ 486,237	\$ 254,627

Number of shares

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023	(in Thousand)
Weighted average number of shares of common stock used for the calculation of basic earnings per share	232,278	252,000	245,379	252,000	
Effect of potentially dilutive shares of common stocks:					
Employee remuneration	271	202	986	840	
Weighted average number of shares of common stock used for the calculation of diluted earnings per share	232,549	252,202	246,365	252,840	

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

XXV. Information on Cash Flows of Investment and Financing 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 September 30, 2024 and 2023:

The financial assets at fair value through profit or loss Group disposed of NT\$15,682 thousand from January 1 to September 30, 2024, which was recognized as other receivables on September 30, 2024, due to settlement-date lag.

It was resolved by the Board of Directors of the Group on August 12, 2024 to distribute capital reduction on November 11, 2024. The amount of NT\$504,000 thousand was recorded as a payable for capital reduction on September 30, 2024.

XXVI. Capital Risk Management

The objective of the Group's capital management is to ensure that the Group can continue as a going concern, maintain low cost of capital through an optimal capital structure, and provided returns to shareholders. To maintain or adjust the capital structure, the Company 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 at fair value

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

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

1. Fair value level

September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Listed stocks and emerging stocks	\$ 34,899	\$ 322,937	\$ -	\$ 357,836
Unlisted stocks	-	-	115,579	115,579
Unlisted preferred stocks	-	-	61,950	61,950
Fund beneficiary certificates	2,154,271	-	-	2,154,271
Private equity funds	-	-	34,918	34,918
Total	<u>\$ 2,189,170</u>	<u>\$ 322,937</u>	<u>\$ 212,447</u>	<u>\$ 2,724,554</u>

Financial assets at fair value through other comprehensive income

Listed stocks	\$ 375,773	\$ -	\$ -	\$ 375,773
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December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Listed stocks 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 at fair value through other comprehensive income

Listed stocks	\$ 392,133	\$ -	\$ -	\$ 392,133
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September 30, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Listed stocks and emerging stocks	\$ -	\$ 241,185	\$ -	\$ 241,185
Unlisted stocks	-	-	45,959	45,959
Unlisted preferred stocks	-	-	61,950	61,950
Fund beneficiary certificates	1,599,761	9,193	-	1,608,954
Private equity funds	<u>-</u>	<u>-</u>	<u>54,554</u>	<u>54,554</u>
Total	<u>\$ 1,599,761</u>	<u>\$ 250,378</u>	<u>\$ 162,463</u>	<u>\$ 2,012,602</u>
<u>Financial assets at fair value through other comprehensive income</u>				
Listed stocks	<u>\$ 377,175</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 377,175</u>

There was no transfer between Level 1 and Level 2 fair value measurement for the nine months ended September 30, 2024, and 2023.

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

	January 1 to September 30, 2024	January 1 to September 30, 2023
Beginning balance	\$ 150,371	\$ 197,029
Recognized in profit and loss		
— Unrealized valuation gains or losses on financial assets at fair value through profit or loss	(453)	1,859
Recognized in other comprehensive income		
— Differences on translation of foreign operations	1,377	2,637
Purchase	69,400	76,950
Return on capital	(8,248)	-
Transfer out from Level 3 (Note 1)	<u>-</u>	<u>(116,012)</u>
Ending balance	<u>\$ 212,447</u>	<u>\$ 162,463</u>

Note1: 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 stocks 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 or the market approach (over a year).

The unobservable inputs applied by the Group were a 10% discount for lack of liquidity and a 10% discount for minority interest on September 30, 2024, December 31 and September 30, 2023. When other inputs are held constant, a 1% discount would decrease the fair value by NT\$13,867 thousand, NT\$9,132 thousand and NT\$9,415 thousand, respectively.

(III) Types of financial instruments

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss	\$ 2,724,554	\$ 1,993,958	\$ 2,012,602
Financial assets at amortized cost (Note I)	3,689,604	3,687,916	3,359,384
Financial assets at fair value through other comprehensive income			
Investment in equity instruments	375,773	392,133	377,175
<u>Financial liabilities</u>			
Measured at amortized cost (Note II)	2,041,240	1,557,765	1,456,349

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

Note2: The balance includes financial liabilities at amortized cost, which comprise notes payable, accounts payable, other payables, guarantee deposit received and short-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 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 September 30, 2024	January 1 to September 30, 2023
RMB	\$ 2	\$ 2
USD	5,202	2,243

(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:

	September 30, 2024	December 31, 2023	September 30, 2023
With fair value interest rate risk			
— Financial assets	\$ 1,752,857	\$ 2,522,776	\$ 2,681,752
— Financial liabilities	71,173	41,477	146,089
With cash flow interest rate risk			
— Financial assets	1,292,205	787,467	414,027
— Financial liabilities	-	-	100,000

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, assuming other variables constant, the Group's income before tax would have increased/decreased by NT\$9,692 thousand and NT\$2,355 thousand for the nine months ended September 30, 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 equity 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 September 30, 2024, and 2023 would have increased/decreased by NT\$272,455 thousand and NT\$201,260 thousand due to a change in the fair value of financial assets at fair value through profit or loss.

If the equity price had increased/decreased by 10%, the other comprehensive income before tax for the nine months ended September 30, 2024, and 2023 would have increased/decreased by NT\$37,577 thousand and NT\$37,718 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 top five customers. As of September 30, 2024, December 31, 2023, and September 30, 2023, the ratio of accounts receivable and contract assets from aforementioned customers to the total amounted was 77%, 84%, and 88%, 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 allowance for loss.

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.

September 30, 2024

	<u>Less than 1 Year</u>	<u>1~2 Year(s)</u>	<u>2~5 Years</u>
Non-interest-bearing liabilities	\$ 1,673,617	\$ 161,199	\$ 78,923
Lease liabilities	<u>18,556</u>	<u>15,786</u>	<u>39,716</u>
	<u>\$ 1,692,173</u>	<u>\$ 176,985</u>	<u>\$ 118,639</u>

December 31, 2023

	<u>Less than 1 Year</u>	<u>1~2 Year(s)</u>	<u>2~5 Years</u>
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><u>\$ 1,381,573</u></u>	<u><u>\$ 17,279</u></u>	<u><u>\$ 90,424</u></u>

September 30, 2023

	<u>Less than 1 Year</u>	<u>1~2 Year(s)</u>	<u>2~5 Years</u>
Non-interest-bearing liabilities	\$ 1,038,994	\$ 59,049	\$ 46,896
Lease liabilities	13,936	9,211	24,789
Fixed interest rate instruments	100,000	-	-
Floating interest rate instruments	<u>100,000</u>	<u>-</u>	<u>-</u>
	<u><u>\$ 1,252,930</u></u>	<u><u>\$ 68,260</u></u>	<u><u>\$ 71,685</u></u>

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

(3) Financing facilities

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Unsecured bank loan facilities			
— Amount used	\$ -	\$ -	\$ 200,000
— Amount unused	<u>2,159,716</u>	<u>2,327,283</u>	<u>1,973,849</u>
	<u><u>\$ 2,159,716</u></u>	<u><u>\$ 2,327,283</u></u>	<u><u>\$ 2,173,849</u></u>
Secured bank loan facilities			
— Amount unused	<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 were as follows.

(I) Names and relationships of related parties

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
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.

(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	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Acquisition of right-of-use assets	Chien Hwei Investment Co., Ltd.	\$ -	\$ -	\$ 37,634	\$ -

Account	Name of Related Party	September 30, 2024	December 31, 2023	September 30, 2023
Lease liabilities - current and non-current	Chien Hwei Investment Co., Ltd.	\$ 33,149	\$ -	\$ 1,399

Account	Category of Related Parties	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Interest expenses	Chien Hwei Investment Co., Ltd.	\$ 151	\$ 7	\$ 474	\$ 40
Lease expenses	Chien Hwei Investment Co., Ltd.	\$ 55	\$ 53	\$ 165	\$ 145

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	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Rent income	Chien Hwei Investment Co., Ltd.	\$ 285	\$ 286	\$ 857	\$ 857

3. Donation

Name of Related Party	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Other related parties	\$ -	\$ -	\$ 2,000	\$ 2,000

The Group donated funds for broadcast production to related parties.

(III) Remuneration to key management

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Short-term employee benefits	\$ 10,202	\$ 13,201	\$ 32,789	\$ 40,859
Post-employment benefits	\$ 354	\$ 458	\$ 1,023	\$ 1,371
	<u>\$ 10,556</u>	<u>\$ 13,659</u>	<u>\$ 33,812</u>	<u>\$ 42,230</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:

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets at FVTOCI -			
non-current	\$ 36,400	\$ 38,100	\$ 37,100
Pledged time deposits			
(included in financial assets at amortized cost - non- current)	70,050	70,050	70,050
Investment property	<u>492,400</u>	<u>492,831</u>	<u>492,974</u>
	<u>\$ 598,850</u>	<u>\$ 600,981</u>	<u>\$ 600,124</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 were as follows:

(I) The construction of the National Kaohsiung Center for the Arts (Weiuying) (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 (Weiuying) (hereinafter referred to as the Weiuying Center for the Arts). The warranty period of the non-building structures in the project expired on November 16, 2020. The "Weiuying" has been opened to the public and the performance schedule is intensive, and hence, the Group had to coordinate the inspection schedule with the Weiuying Center for the Arts. However, Weiuying Center for the Arts had been making many unreasonable requests for repairs, causing delays in the inspection schedule. On this basis, Weiuying Center for the Arts refused to return the warranty joint guarantee certificate provided by the Group for NT\$96,003 thousand. To fulfill the warranty obligation of the contract, the Group still cooperated with the inspection and repaired without any interruption. The Group considered that the action of the Weiuying 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 Weiuying Center for the Arts responded by rejecting the mediation proposal. Consequently, on July 3, 2023, the Group submitted the arbitration pursuant to laws. On August 12, 2024, the Group received the arbitration decision. The Group provided a joint guarantee letter of NT\$10,368 thousand, and the Weiuying Center for the Arts returned a warranty joint guarantee letter of NT\$96,003 thousand.

(II) Regarding the aforementioned project, the Weiwuying Center for the Arts asserted that there are still unresolved warranty defects. On October 23, 2023, they filed a lawsuit with the Kaohsiung District Court to forfeit the warranty joint guarantee letter of NT\$96,003 thousand and requested the Group to cover the repair cost of NT\$17,939 thousand. The case is currently being heard by the Kaohsiung District Court. It is difficult for the Group to predict the outcome before the judgment is made. However, the Group has received the joint warranty guarantee letter of NT\$96,003 thousand, as per the arbitration result mentioned earlier.

(III) The construction of social housing at the No. 1 Site in Yangmei District and the No. 1 Site in Pingzhen District, Taoyuan City (hereinafter referred to as the "Project") was contracted by the Group. The costs and related fees for the natural gas company's work were to be paid by the Group based on the procurement contract for the Project, which would then be reimbursed by Office of Housing Development, Taoyuan (hereinafter referred to as the "Office of Housing Development"). After the Group paid Shintao Natural Gas Co., Ltd. a total of NT\$12,747 thousand and NT\$4,253 thousand for the work and fees, respectively, it applied to the Office of Housing Development for reimbursement of the total payment of NT\$17,000 thousand. However, the Office of Housing Development refused to pay, claiming that the gas engineering item and amounts were listed in the detailed price list in proposal. The Group considered that this action of the Office of Housing Development was not in accordance with the contract. Therefore, on August 29, 2023, the Group submitted a proposal for mediation to the Complaint Review Board for Government Procurement, Taoyuan. After notifying the Office of Housing Development to provide a statement of opinion, the first mediation meeting was held on May 20, 2024. On November 4, 2024, the Taoyuan City Government Procurement Appeals and Review Committee received the mediation agreement. Upon receiving the mediation document, the Group recorded of NT\$8,819 thousand, which the Housing Development Department refused to pay.

(IV) As of September 30, 2024, and 2023, the performance guarantee letters issued by the bank for construction projects and public urban renewal project of the Group amounted to NT\$2,992,313 thousand and NT\$2,233,930 thousand, respectively.

(V) As of September 30, 2024, and 2023, the guaranteed bills issued by the Group for business needs amounted to NT\$1,105,205 thousand and NT\$435,971 thousand, respectively.

XXXI. Significant Assets and Liabilities Denominated in Foreign Currencies

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

Unit: Foreign currency/NT\$ thousand

September 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
RMB	\$ 53	0.1427 (RMB:USD)	\$ 237
USD	16,435	31.65 (USD:NTD)	<u>520,162</u>
			<u>\$ 520,399</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>

September 30, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
<u>Monetary items</u>			
RMB	\$ 53	0.1393 (RMB:USD)	\$ 236
USD	6,951	32.27 (USD:NTD)	<u>224,299</u>
			<u>\$ 224,535</u>

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

	July 1 to September 30, 2024		July 1 to September 30, 2023	
	Exchange Rate	Net Exchange Profit (Loss)	Exchange Rate	Net Exchange Profit (Loss)
<u>Financial assets</u>				
RMB	0.1406 (RMB:USD)	\$ 232	0.1426 (RMB:USD)	\$ 78
JPY	0.0066 (JPY:USD)	(6)	- (JPY:USD)	-
USD	32.03 (USD:NTD)	(<u>15,373</u>)	30.93 (USD:NTD)	<u>7,847</u>
		(<u>15,147</u>)		<u>\$ 7,925</u>
 <u>Financial assets</u>				
	January 1 to September 30, 2024		January 1 to September 30, 2023	
	Exchange Rate	Net Exchange Profit (Loss)	Exchange Rate	Net Exchange Profit (Loss)
RMB	0.1407 (RMB:USD)	\$ 140	0.1426 (RMB:USD)	(\$ 404)
JPY	0.0066 (JPY:USD)	(1,513)	- (JPY:USD)	-
USD	32.03 (USD:NTD)	(<u>6,734</u>)	30.93 (USD:NTD)	<u>6,053</u>
		(<u>8,107</u>)		<u>\$ 5,649</u>

XXXII. Supplementary Disclosures

(I) Information on (I) significant transactions and (II) invested companies were as follows:

1. Loaning Provided to Others: (Appendix 1)
2. Endorsements/Guarantees Provided for Others: (Appendix 2)
3. Marketable Securities Held by the End of the Period (Excluding Investment in Subsidiaries, Associates and Joint Ventures): (Appendix 3)
4. Marketable Securities Acquired and Disposed of at costs or prices of at least NT\$300 Million or 20% of the Paid-in Capital: (Appendix 4)

5. Acquisition of Real Estate at price at least NT\$300 Million or 20% of the Paid-in Capital: None.
6. Disposal of Real Estate at prices of at least NT\$300 Million or 20% of the Paid-in Capital: None.
7. Purchases from or Sales to Related Parties Amounting to at least NT\$100 million or 20% of the Paid-in Capital. (Appendix 5)
8. Receivables from Related Parties Amounting to at least NT\$100 Million or 20% of the Paid-in Capital: None.
9. Engaging in Derivatives Trading: None.
10. Others: Inter-company Relationships and Significant Inter-company Transactions: (Appendix 6)
11. Information on investees: (Appendix 7)

(II) Information on investments in Mainland China:

1. Information on investees in mainland China, including the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, gain or loss on investments, carrying amount of investment at the end of the period, gain or loss on repatriated investment and limits on investments in mainland China: (Appendix 8)
2. Any of the following significant transactions with investees in mainland China, either directly or indirectly through a third party, and their prices, payment terms and unrealized gain or loss: (None)
 - (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.

(III) Information of major shareholders: names of shareholders with ownership of 5% or more, the amount and proportion of shares owned: (Appendix 9)

XXXIII. Segment Information

The information was provided to the main business decision-makers to allocate resources and to evaluate the performance of each department, focusing on the category of service delivered or provided. The Group mainly engages in design, supervision and undertaking of construction projects and trading of building materials. The consolidated statements of comprehensive income present the operating results regularly reviewed by the decision-maker. There is no other significant business unit 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 September 30, 2024

Appendix 1

Unit: NT\$ Thousands

No.	Financing Company	Counterparty	Financial Statement Account	Whether a Related Party	Highest Balance as of the Current Month	Ending balance	Amount Actually Withdrawn	Interest Rate Range	Nature of Financing (Note 1)	Amount of Transaction	Reason for Short-term Financing	Allowance for Doubtful Debts	Collateral		Limit on Loans Granted to a Single Party	Total Loan Limit	Note
													Name	Value			
1	Chien Kuo Building Co., Ltd.	Chien Kuo Construction Co., Ltd.	Other receivables	Yes	\$ 36,000	\$ 34,000	\$ 34,000	2.00%	(1)	\$ -	Operating capital	\$ -	-	\$ -	40% of the net value of the lending company \$ 34,822	40% of the net value of the lending company \$ 34,822	
2	Chien Bang Real Estate Development Co., Ltd.	Chien Kuo Construction Co., Ltd.	Other receivables	Yes	19,000	19,000	19,000	2.00%	(1)	-	Operating capital	-	-	-	40% of the net value of the lending company 19,979	40% of the net value of the lending company 19,979	
3	CKTech Engineering Co., Ltd.	Chien Kuo Construction Co., Ltd.	Other receivables	Yes	22,000	10,000	10,000	2.00%	(1)	-	Operating capital	-	-	-	40% of the net value of the lending company 22,283	40% of the net value of the lending company 22,283	

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 September 30, 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 (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	\$ 2,538,779	\$ 200,000	\$ 200,000	\$ 165,567	\$ -	3.94%	\$ 5,077,558	Y	N	N	Financing endorsements/ guarantees
0	Chien Kuo Construction Co., Ltd.	Chien Bang Real Estate Development Co., Ltd.	Subsidiary	2,538,779	24,600	24,600	24,600	-	0.48%	5,077,558	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
September 30, 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>Fund</u>	—	Financial assets measured at FVTPL - current	1,000	\$ 26,760	-	\$ 26,760	—
	KGI Taiwan Premium Selection High Dividend 30 ETF			2,888	46,933	-	46,933	—
	Allianz Global Investors All Seasons Double Income Fund of Funds USD A			6,012	60,613	-	60,613	—
	Nomura Global Technology Multi-Asset Fund S NTD			3,138	29,310	-	29,310	—
	Nomura Taiwan High Dividend Fund S NTD			3,974	48,437	-	48,437	—
	PineBridge Preferred Securities Income Fund TWD A			76	31,433	-	31,433	—
	PineBridge Preferred Securities Income Fund USD A		Financial assets measured at FVTPL - non-current	20	19,140	-	19,140	—
	<u>Stock—common stocks</u>			2,850	32,679	4.92%	32,679	—
	Taiwan Semiconductor Manufacturing Co., Ltd.			3,000	28,500	6.65%	28,500	—
	BMC Venture Capital Investment Corporation			117	4,891	0.16%	4,891	—
	BMD Venture Capital Investment Corporation			748	31,214	1.25%	31,214	—
	Taiwan Bio Therapeutics Co., Ltd.			86	11,803	0.27%	11,803	—
	Revivegen Co., Ltd.			21,400	21,400	1.57%	21,400	—
	Gogolook Co., Ltd.			1,137	20,690	0.14%	20,690	—
	CDIB Innolux Fund L.P.			4,448	150,332	0.06%	150,332	—
	Chia Hsin Cement Corporation			11,250	204,751	1.42%	204,751	(Note 1)
	Taiwan Cement Corporation							
Golden Canyon Venture Capital Investment Co., Ltd.	<u>Stock—common stocks</u>	—	Financial assets measured at FVTOCI - current	1,165	15,180	0.39%	15,180	—
	Phoenix Pioneer Technology Co., Ltd.			588	207,299	0.87%	207,299	—
	MEGA UNION TECHNOLOGY INC.			700	43,043	1.19%	43,043	—
	TCM Biotech International Corporation			228	9,508	0.38%	9,508	—
	Revivegen Co., Ltd.			500	10,000	1.39%	10,000	—
	<u>Stock—preferred stocks</u>		Financial assets measured at FVTPL - non-current	1,000	61,950	-	61,950	—
	AuthenX Inc.							
	Brain Navi Ltd							

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Holding Company	Type and Name of Marketable Securities	Relationship with the Marketable Security Issuer	Financial Statement Account	End of period				Note
				Number of Shares (in Thousands)	Carrying Amount	Shareholding Percentage (%)	Fair Value	
Golden Canyon II Venture Capital Investment Co., Ltd.	<u>Stock—common stocks</u> Geckos Group	—	Financial assets measured at FVTPL - non-current	1,150	\$ 23,000	5.25%	\$ 23,000	—
Chien Bang Real Estate Development Co., Ltd.	<u>Fund</u> Taiwan Money Market Fund	—	Financial assets measured at FVTPL - current	1,514	24,076	-	24,076	—
Leader Construction Co., Ltd.	<u>Fund</u> Taiwan Money Market Fund	—	"	700	11,134	-	11,134	—
CKTech Engineering Co., Ltd.	<u>Fund</u> Jih Sun Money Market Fund	—	"	2,603	40,116	-	40,116	—
	SinoPac TWD Money Market Fund	—	"	2,081	30,074	-	30,074	—
Golden Canyon Limited	<u>Bonds</u> NOMURA HOLDINGS INC Corporate Bonds (NOMURA 1.653 07/14/26)	—	Financial Assets Measured at Amortized Cost—non-current	1,000	29,653	-	29,653	—
	BARCLAYS PLC Corporate Bonds (BARCLAYS 4.337 01/10/28)	—	"	1,000	30,603	-	30,603	—
	HSBC HOLDINGS PLC Corporate Bonds (HSBC 4.95 03/31/30)	—	"	1,000	31,200	-	31,200	—
	BNP PARIBAS SA Corporate Bonds (BNP 5.176 01/09/30)	—	"	1,000	31,615	-	31,615	—
	JPMORGAN CHASE&CO Corporate Bonds (JP MORGAN 3.782 02/01/28)	—	"	1,000	30,654	-	30,654	—
	CITIGROUP INC Corporate Bonds (CITI 2.976 11/05/30)	—	"	1,000	28,400	-	28,400	—
	GOLDMAN SACHS GROUP INC Corporate Bonds (GS 3.615 03/15/28)	—	"	1,000	30,454	-	30,454	—
	Mercedes-Benz Finance North America LLC Corporate Bonds (MBGGR 5 3/8 11/26/25)	—	"	1,000	31,710	-	31,710	—
	AT&T Inc. Corporate Bonds (AT&T 02/15/30)	—	"	2,000	59,839	-	59,839	—
	IBM INTERNAT CAPITAL Corporate Bonds (IBM4.75 02/05/31)	—	"	1,000	30,679	-	30,679	—
	NextEra Energy Corporate Bonds (NextEra 1.9 06/15/28)	—	"	2,000	55,913	-	55,913	—
	ORACLE CORP Corporate Bonds (Oracle 3.25 05/15/30)	—	"	1,000	28,340	-	28,340	—
	VOLKSWAGEN GROUP AMERICA Corporate Bonds (VW 5.25 03/22/29)	—	"	1,000	31,339	-	31,339	—

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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	VERIZON COMMUNICATIONS Corporate Bonds (VZ 2.355 03/15/32)	—	Financial Assets Measured at Amortized Cost—non-current	1,000	\$ 25,599	-	\$ 25,599	—
	COMCAST CORP Corporate Bonds (CMCSA 1.95 01/15/31)	—		1,000	26,167	-	26,167	—
	ROCHE HOLDINGS INC Corporate Bonds (ROSW 2.076 12/13/31)	—		1,000	25,885	-	25,885	—
	STARBUCKS CORP Corporate Bonds (SBUX 4.9 2/15/31)	—		1,000	30,796	-	30,796	—
	SUMITOMO CORP Corporate Bonds (SUMI 5.35 7/3/34) <u>Fund</u>	—		1,000	31,205	-	31,205	—
	Citi Taiwan - A1USD Trade Finance Fund	—	Financial assets measured at FVTPL - current	32	114,103	-	114,103	—
	BlackRock ICS US Dollar Liquidity Fund	—		3	10,773	-	10,773	—
	BlackRock ICS US Dollar Liquidity Premium Fund	—		5	17,621	-	17,621	—
	AB FCP I-Short Duration Bond Portfolio Class A2	—		168	101,624	-	101,624	—
	PIMCO GIS Global Investment Grade Credit Fund	—		177	104,626	-	104,626	—
	AB FCP I-American Income Portfolio Class A2	—	Financial assets measured at FVTPL - current	69	69,809	-	69,809	—
	JPMorgan Funds - Global Corporate Bond Fund	—		169	105,379	-	105,379	—
	JPMorgan Funds - Income Fund A	—		15	66,302	-	66,302	—
	Morgan Funds - Global Strategic Bond Fund	—		16	64,462	-	64,462	—
	PIMCO GIS Income Fund	—		248	102,176	-	102,176	—
	Schroder International Selection Fund Global Credit Income	—		16	65,827	-	65,827	—
	PVG GCN VENTURES, L.P.	—	Financial assets measured at FVTPL - non-current	-	475	5.00%	475	—
	CSV VENTURES,L.P. <u>Fund</u>	—		-	34,443	4.06%	34,443	—
	Nomura Global Financial Bond Fund	—	Financial assets measured at FVTPL - current	297	105,530	-	105,530	—
	BlackRock ICS US Dollar Liquidity Fund	—		6	21,524	-	21,524	—
	BlackRock ICS US Dollar Liquidity Premium Fund	—		102	386,419	-	386,419	—
	iShares 20+ Year Treasury Bond ETF (TLT)	—		11	34,917	-	34,917	—
	Lord Abbet Short Duration Income	—		176	68,436	-	68,436	—
	PIMCO Funds: Global Investors Series plc Dynamic Bond Fund	—		133	51,722	-	51,722	—
	JPM USD Liquidity LVNAV C Acc	—		-	9,423	-	9,423	—

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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	
	PineBridge Global Funds - Global Focus Equity Fund	—	Financial assets measured at FVTPL - current	20	\$ 34,324	-	\$ 34,324	—
	AB American Income W2	—	“	56	31,615	-	31,615	—
	Goldman Sachs Funds III-I	—	“	-	95,750	-	95,750	—
	Neuberger Berman Investment Funds	—	“	214	95,788	-	95,788	—
	WisdomTree Japan Hedged Equity Fund ETF	—	Financial assets measured at FVTPL - current	5	15,657	-	15,657	—
	Nomura Funds Ireland-Japan Strategic Value Fund T Share JPY	—	“	8	31,578	-	31,578	—
	<u>Stock—common stocks</u>							
	NVIDIA	—	“	4	15,759	-	15,759	—
	<u>Bonds</u>							
	UBS GROUP AG Corporate Bonds (UBS 4.253 03/23/28)	—	Financial Assets Measured at Amortized Cost—non-current	1,000	30,781	-	30,781	—
	GENERAL MOTORS FINL CO Corporate Bonds (GM 5.8 01/07/29)	—	“	1,000	31,913	-	31,913	—
	BANK OF AMERICA CORP Corporate Bonds (BOA 2.087 06/14/29)	—	“	1,000	28,301	-	28,301	—
	MORGAN STANLEY Corporate Bonds (MORGAN STANLEY 4.431 01/23/30)	—	“	2,000	61,058	-	61,058	—
	BNP PARIBAS SA Corporate Bonds (BNP 5.176 01/09/30)	—	“	1,000	31,355	-	31,355	—
	UBS GROUP AG Corporate Bonds (UBS 4.282% 01/09/28)	—	“	1,000	30,544	-	30,544	—
	BANK OF AMERICA CORP Corporate Bonds (BOA 5.202 04/25/29)	—	“	1,000	31,413	-	31,413	—
	IBM INTERNAT CAPITAL Corporate Bonds (IBM4.75 02/05/31)	—	“	1,000	30,754	-	30,754	—
	VOLKSWAGEN GROUP AMERICA Corporate Bonds (VW 5.25 03/22/29)	—	“	1,000	31,579	-	31,579	—
	SAUDI ARABIAN OIL CO Corporate Bonds (ARAMCO 5.25 7/17/34)	—	“	2,000	63,115	-	63,115	—
	PANASONIC HOLDINGS CORP Corporate Bonds (MATSEL 5.302 7/16/34)	—	“	2,000	62,494	-	62,494	—
	MITSUBISHI CORP Corporate Bonds (MITCO 5.125 7/17/34)	—	“	1,000	31,454	-	31,454	—

Note 1: Among them, 2,000 thousand shares are pledged to the bank as collateral for the performance of construction contracts.

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Marketable Securities Acquired and Disposed of at costs or prices of at least NT\$300 Million or 20% of the Paid-in Capital
 January 1 to September 30, 2024

Appendix 4

Unit: NT\$ thousands, unless otherwise specified

Purchased and Sold Companies	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning		Purchased		Sold			Valuation Gain or Loss of Financial Products	End of period	
					Number of Shares (in Thousands)	Amount	Number of Shares (in Thousands)	Amount	Number of Shares (in Thousands)	Sales Prices	Book Cost		Number of Shares (in Thousands)	Amount
Golden Canyon Limited	Citi Taiwan - A1USD Trade Finance Fund	Financial assets measured at FVTPL - current	-	-	119	\$ 399,167	30	\$ 104,451	117	\$ 412,926	\$ 381,116	\$ 31,810	\$ 10,949	32 \$ 114,103
	BlackRock ICS US Dollar Liquidity Fund		"	-	9	31,597	60	222,816	66	246,782	243,705	3,077	12	3 10,773
Silver Shadow Holding Limited	Citi Taiwan - A1USD Trade Finance Fund	Financial assets measured at FVTPL - current	-	-	94	316,279	38	132,936	132	465,504	433,627	31,877	-	- -
	BlackRock ICS US Dollar Liquidity Fund		"	-	27	93,992	37	134,449	58	212,511	208,520	3,991	644	6 21,524
	BlackRock ICS US Dollar Liquidity Premium Fund	"	-	-	-	-	102	382,015	-	-	-	-	4,404	102 386,419
	JPM USD Liquidity LVNAV C Acc	"	-	-	-	85,014	1	360,810	1	441,753	437,890	3,863	100	- 9,423

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Purchases from or Sales to Related Parties of at least NT\$100 million or 20% of the Paid-in Capital
 January 1 to September 30, 2024

Appendix 5

Unit: NT\$ Thousands

Purchaser/ Seller	Counterparty	Relationship	Transaction Situation				Situations and Reasons of Transaction Terms Different from General Transaction Terms		Notes and Accounts Receivable (Payable)		Note
			Purchases (Sales)	Amount	Ratio to Total Purchase (Sales)	Credit Period	Unit Price	Credit Period	Ending Balance	Ratio to Total Notes or Accounts Receivable (Payable)	
Chien Kuo Construction Co., Ltd.	CKTech Engineering Co., Ltd.	Subsidiary	Purchases	\$ 110,263	3.18%	Subject to the agreement	-	-	(\$ 35,273)	(2.99%)	
CKTech Engineering Co., Ltd.	Chien Kuo Construction Co., Ltd.	Parent company	Sales	(110,263)	(93.84%)	Subject to the agreement	-	-	35,273	100.00%	

Chien Kuo Construction Co., Ltd. and Subsidiaries
 Inter-company Relationships and Significant Inter-company Transactions
 January 1 to September 30, 2024

Appendix 6

Unit: NT\$ Thousands

No.	Company Name	Counterparty	Nature of Relationship (Note 1)	Transaction Details			
				Financial Statements Item	Amount	Transaction Terms	Ratio to Total Revenue or Total Assets
0	Chien Kuo Construction Co., Ltd.	CKTech Engineering Co., Ltd.	(1)	Other prepayments	\$ 36,822	Note 2	0.41%
				Construction costs	110,263	Note 2	2.80%
				Contract assets - property construction	102,203	Note 2	1.15%
				Accounts payable	35,273	Note 2	0.40%
				Short-term loans	10,000	Note 2	0.11%
		Chien Kuo Building Co., Ltd.	(1)	Short-term loans	34,000	Note 2	0.38%
				Short-term loans	19,000	Note 2	0.21%
		Chien Bang Real Estate Development Co., Ltd.	(1)				

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 Investees
January 1 to September 30, 2024

Appendix 7

Unit: NT\$ Thousands

Name of Investor	Name of Investee	Location	Principal Business Activities	Original Investment Amount		Ending Balance			Investee Profit/Loss for the Current Period	Investment Profit/Loss Recognized in the Current Period	Note
				End of the Period	End of Last Year	Number of Shares (in Thousands)	Ratio (%)	Carrying Amount			
Chien Kuo Construction Co., Ltd.	Golden Canyon Limited	British Virgin Islands	Reinvestment	\$ 126,135	\$ 183,751	4,037	100.00%	\$ 1,699,224	\$ 63,756	\$ 63,756	Subsidiary
	Silver Shadow Holding Limited	British Virgin Islands	Reinvestment	297,126	704,069	9,118	100.00%	1,753,084	69,308	69,308	Subsidiary
	Chien Kuo Building Co., Ltd.	Taiwan	Building construction commission; public housing lease and sale	144,065	144,065	10,000	100.00%	83,487	(3,569)	(3,569)	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%	56,456	748	748	Subsidiary
	Golden Canyon Venture Capital Investment Co., Ltd.	Taiwan	Venture capital business	401,000	401,000	40,100	100.00%	594,852	177,950	177,950	Subsidiary
	Golden Canyon II Venture Capital Investment Co., Ltd.	Taiwan	Venture capital business	200,000	200,000	20,000	100.00%	201,124	1,109	1,109	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%	27,472	2	-	Subsidiary
	Leader Construction Co., Ltd.	Taiwan	Maintenance and construction/Buying and selling construction materials	25,000	10,000	2,500	100.00%	14,755	(8,544)	(8,544)	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%	22,477	2	-	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%	31,367	309	97	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%	17,426	309	54	Associates
Silver Shadow Holding Limited	CK Asia Co., Ltd.	British Virgin Islands	Reinvestment	974	974	2	54.29%	24,440	(4,757)	Note 3	Sub-subsidiary
Golden Canyon Limited	CK Asia Co., Ltd.	British Virgin Islands	Reinvestment	840	840	2	45.71%	20,175	(4,757)	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 September 30, 2024 (US\$1=NT\$32.03), except for profit or loss items, which are translated into New Taiwan Dollars by using the average exchange rate for the nine months ended September 30, 2024 (US\$1=NT\$31.65).

Note 2: Please refer to Appendix 8 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 September 30, 2024

Appendix 8

Unit: NT\$ Thousands

Investee in Mainland China	Principal Business Activities	Paid-in Capital	Manner of Investment	Cumulative Investment Amount Remitted from Taiwan - Beginning of the Period	Investment Amount Remitted or Received for the Current Period		Ending Balance of Accumulated Outflow of Investment from Taiwan	Investee Profit/Loss for the Current Period	Percentage of Ownership (Direct or Indirect)	Investment Gains (Losses) Recognized for the Current Period (Note 1)	Carrying Amount of Investments at the End of the Period (Note 1)	Investment Gains Repatriated by the End of the Current Period	Note
					Remitted	Received							
CK Asia (Shanghai) Information Technology Co., Ltd.	Computer software technology development and consultation	\$ 3,165	Investment through a company founded in a third region	\$ 68,326	\$ -	\$ -	\$ 68,326	(\$ 5,663)	100%	(\$ 5,663)	\$ 8,297	\$ 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)	\$399,071 (Note 2)	\$ 2,796,046

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

Note 2: The amount authorized by the Investment Commission, MOEA was NT\$999,633 thousand, of which NT\$600,562 thousand was the earnings of invested companies in mainland China remitted to the third regions, and was not included in the calculation of the limit on investment.

Note 3: The amount remitted from Taiwan was NT\$868,785, 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 of Major Shareholders
 September 30, 2024

Appendix 9

Unit: In thousand shares

List of Major Shareholders	Shareholding	
	Number of Shares	Percentage (%)
	Held	
Chien Hwei Investment Co., Ltd.	47,212	18.73%
Chi-te CHEN	18,844	7.47%
Chen-ching CHEN	14,286	5.66%

Note 1: Information of 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 shares) 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.

Note 2: This table presents the information of major shareholders, including the number of shares held and the shareholding ratio prior to the capital reduction.