Stock Code: 5515

Chien Kuo Construction Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

For the Years Ended December 31, 2023 and 2022

Address: 20F, No. 67, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City
Tel:+886-2-2784-9730

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

TABLE OF CONTENTS

Statement Regarding the Consolidated Financial Statements of Affiliated Enterprises

For the year 2023 (from January 1 to December 31, 2023), the Company's entities that are required to be included in the consolidated financial statements of affiliated enterprises under the "Criteria Governing Preparation of Consolidated Business Report of Affiliated Enterprises, Consolidated Financial Statements of Affiliated Enterprises, and Affiliation Reports" are the same as those required to be included in the parent subsidiary consolidated financial statements under the International Financial Reporting Standards 10. Moreover, the related information required to be disclosed for the consolidated financial statements of affiliated enterprises has been fully disclosed in the aforementioned parent subsidiary consolidated financial statements. Consequently, a separate set of consolidated financial statements of affiliated enterprises is not prepared.
Hereby declare by

Company Name: Chien Kuo Construction Co., Ltd.

Responsible person: Chang-shiou WU

March 13, 2024

Independent Auditors' Report

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

Audit Opinions

We have audited the Consolidated Balance Sheets of Chien Kuo Construction Co., Ltd. and its subsidiaries as of December 31, 2023, December 31, 2022 and January 1, 2022, the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to the Consolidated Financial Statements (including the Summary of Significant Accounting Policies) for the period from January 1 to December 31, 2023 and 2022.

In our opinion, the aforementioned Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of Chien Kuo Construction Co., Ltd. and its subsidiaries as of December 31, 2023, December 31, 2022 and January 1, 2022, and its consolidated financial performance and consolidated cash flows for the annual periods ended December 31, 2023 and 2022 in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," as well as International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and effected by the Financial Supervisory Commission.

Basis for Audit Opinion

We conducted our audit of the financial statements in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants," and the auditing standards. Our responsibility under the above mentioned regulations will be further explained in the section titled "The Accountants' Responsibility in Auditing the Consolidated Financial Statements." We have stayed independent from Chien Kuo Construction Co., Ltd. as required by The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities as stipulated by the Norm. We believe that we have obtained sufficient and appropriate audit evidence to serve as a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2023 consolidated financial statements of Chien Kuo Construction Co., Ltd. and its subsidiaries. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters for the consolidated financial statements of Chien Kuo Construction Co., Ltd. and its subsidiaries for 2023are stated as follows:

<u>Construction contracts</u>

The operating revenue of Chien Kuo Construction Co., Ltd. is primarily derived from construction revenue, which is recognized in cost based input method by the management in accordance with IFRS 15 "Revenue from Contracts with Customers." Since the percentage of completion is calculated as the ratio of costs input to the total estimated contract costs, the total estimated construction contract costs are a key factor in calculating the percentage of cost input. As estimated 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, and they are prone to influence from changes in commodity prices, labor prices and construction items due to long duration of construction contracts. Any significant changes in estimates, once occurred, may lead to a revenue recognized in accordance with the percentage of completion method either consisting of errors, or having significant influence on the misstatement of the financial statements. Consequently, the estimates of the total costs of the construction contracts are deemed a key audit matter.

We performed the following principal audit procedures regarding the aforementioned matters.

1. Understanding management's procedures for estimating the total costs of long-term construction contracts.
2. examining the construction documents, that the management used as evidence for estimating the total costs of construction contracts, in order to assess comprehensively the completeness and reasonableness of the estimates of total costs of long term construction contracts;
3. reviewing whether there are significant adjustments to the estimated total cost of construction contracts after the period;
4. analyzing changes in revenue, costs and gross profit for each project.

For information about construction contracts, please refer to Note XXII.

Other Matters

Chien Kuo Construction Co., Ltd. has also compiled Financial Statements for 2023 and 2022, and they have also received an unqualified audit opinion from our CPA for your reference.

Responsibility of the Management and the Governing Body for the Consolidated Financial Statements

It is the management's responsibility to fairly present the Consolidated Financial Statements in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," as well as International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission, and to maintain internal controls which are necessary for the preparation of the Consolidated Financial Statements so as to avoid material misstatements due to fraud or errors therein.

In preparing the Consolidated Financial Statements, the responsibility of management includes assessing the ability of Chien Kuo Construction Co., Ltd. and its subsidiaries to continue as going concerns, disclosing related matters, as well as adopting the going concern basis of accounting, unless the management intends to liquidate Chien Kuo Construction Co., Ltd. and its subsidiaries or terminate the business, or no practicable measure other than liquidation or termination of the business can be taken.

The governing bodies of Chien Kuo Construction Co., Ltd. and its subsidiaries (including the Audit Committee) have the responsibility to oversee the process by which the financial statements are prepared.

The Accountants' Responsibility in Auditing the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. "Reasonable assurance" refers to high level of assurance. Nevertheless, our audit, which was carried out in accordance with the auditing standards, does not guarantee that a material misstatement(s) will be detected in the Consolidated Financial Statements. Misstatements may result from fraud or errors. The misstated amounts are material if they could, individually or collectively, be reasonably anticipated to influence the economic decisions of users taken on the basis of the consolidated financial statements.

We have utilized our professional judgment and maintained professional skepticism when exercising auditing work in accordance with the auditing standards. We have also:

1. Identified and assessed the risks of a material misstatement(s) due to fraud or errors in the Consolidated Financial Statements; designed and carried out appropriate countermeasures against the assessed risks; and obtained sufficient and appropriate audit evidence to provide the basis for audit opinion. As fraud may involve collusion, forgery, deliberate omissions, false statements, or overrides of internal controls, the risk of an undetected material misstatement due to fraud is greater than that due to errors.
2. Acquired necessary understanding of internal controls pertaining to the audit in order to develop audit procedures appropriate under the circumstances. Nevertheless, the purpose of such understanding is not to provide any opinion on the effectiveness of the internal controls of Chien Kuo Construction Co., Ltd. and its subsidiaries.
3. Assessed the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Concluded, based on the audit evidence acquired, on the appropriateness of the management's use of the going concern basis of accounting, and determined whether a material uncertainty exists where events or conditions that might cast significant doubt on the ability of Chien Kuo Construction Co., Ltd. and its subsidiaries to continue as going concerns. If we believe there are events or conditions indicating the existence of a material uncertainty, we are required to remind the users of the Consolidated Financial Statements in our audit report of the relevant disclosures therein, or to amend our audit opinion when any inappropriate disclosure was found. Our conclusion is based on the audit evidence acquired as of the date of the audit report. However, future events or conditions may cause Chien Kuo Construction Co., Ltd. and its subsidiaries to cease to continue as a going concern.
5. Assessed the overall presentation, structure and content of the Consolidated Financial Statements (including the related notes), and determined whether the Consolidated Financial Statements present fairly the related transactions and events.
6. Acquired sufficient and appropriate audit evidence regarding financial information of entities within Chien Kuo Construction Co., Ltd. and its subsidiaries in order to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on Chien Kuo Construction Co., Ltd. and its subsidiaries.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided governing bodies with a declaration that we had complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and communicated with them all relationships and other matters that might possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with those charged with governance, we determined the key audit matters of the consolidated financial statements of Chien Kuo Construction Co., Ltd. and its subsidiaries of 2023. Such matters have been explicitly stated in our audit report, unless laws or regulations prevent their disclosures, or, in extremely rare cases, we decided not to communicate such matters in our audit report in consideration that the adverse impacts of such communication could be reasonably expected to be greater than the public interest it would promote.

Deloitte Taiwan	
CPA: Li-Chun CHANG	CPA: Wen-Chin LIN
Financial Supervisory Commission Approval Document No.: FSC Approval Document No. 1100356048	Securities and Futures Bureau Approval Document No.: Tai-Cai-Zheng-6 No. 0920123784

March 13, 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 audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

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

Chien Kuo Construction Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
December 31, 2023, December 31 and January 1, 2022

Unit: NT$ Thousands

Code	Assets	December 31, 2023		December 31, 2022		January 1, 2022 (Restated)	
		Amount	%	Amount	%	Amount	%
	Current assets						
1100	Cash and cash equivalents (Note VI)	$ 1,634,295	20	$ 3,166,181	44	$ 2,571,233	31
1110	Financial assets measured at fair value through profit or loss (Note VII)	1,774,481	22	880,330	11	1,830,044	22
1120	Financial assets at fair value through other comprehensive income (Note VIII)	21,655	-	19,392	-	23,126	-
1136	Financial assets measured at amortized cost (Note IX)	1,577,619	19	231,914	-	455,962	5
1140	Contract assets (Note XXII)	938,706	12	1,584,729	20	1,622,095	20
1150	Notes receivable (Note X)	156	-	-	-	34,536	-
1170	Accounts receivable (Notes X and XXII)	291,615	4	110,519	2	241,362	3
1200	Other receivables	76,903	1	25,122	-	27,817	-
1220	Current tax assets	132,644	2	130,217	2	110,984	1
1323	Inventories (for construction business) (Notes XI and XXX)	2,502	-	467,688	6	465,926	6
1410	Prepayments (Note XII)	129,937	2	163,274	2	119,411	2
1470	Other current assets	4,851	-	72,327	1	11,518	-
11XX	Total current assets	6,585,364	82	6,851,693	88	7,514,014	90
	Non-current assets						
1510	Financial assets measured at fair value through profit or loss (Note VII)	219,477	3	168,529	2	88,042	1
1517	Financial assets at fair value through other comprehensive income (Notes VIII and XXX)	370,478	5	348,388	5	525,553	6
1535	Financial assets at amortized cost (Notes IX and XXX)	100,834	1	70,050	1	-	-
1550	Investments accounted for using equity method (Note XIV)	48,642	1	48,780	1	-	-
1600	Property, plant and equipment (Note XV)	95,821	1	123,395	2	33,847	1
1755	Right-of-use assets (Note XVI)	41,208	-	13,894	-	23,284	-
1760	Investment properties (Notes XVII and XXX)	566,426	7	101,493	1	102,487	1
1780	Intangible assets	10,606	-	7,017	-	2,391	-
1840	Deferred tax assets (Note XXIV)	37,828	-	19,839	-	25,552	-
1990	Other non-current assets (Note XX and XXX)	15,927	-	33,703	-	29,900	1
15XX	Total non-current assets	1,507,247	18	935,088	12	831,056	10
1XXX	Total assets	$ 8,092,611	100	$ 7,786,781	100	$ 8,345,070	100

Code	Liabilities and Equity	Amount	%	Amount	%	Amount	%
	Current liabilities						
2100	Short-term loans (Note XVIII)	$ -	-	$ 500,000	6	$ 200,000	2
2110	Short-term notes and bills payable (Note XVIII)	-	-	349,787	5	-	-
2130	Contract liabilities (Note XXII)	801,917	10	28,885	-	287,695	3
2150	Notes payable	-	-	-	-	38,137	1
2170	Accounts payable (Note XIX)	1,242,538	15	1,254,433	16	1,649,752	20
2200	Other payables	203,608	3	175,157	2	281,237	3
2230	Current tax liabilities	48,685	1	32,837	1	52,091	1
2250	Current provisions (Note XXII)	135,217	2	45,390	1	46,667	1
2320	Current portion of long-term loans	-	-	-	-	499,862	6
2399	Other current liabilities (Note XI and XVI)	131,818	1	15,722	-	18,312	-
21XX	Total current liabilities	2,563,783	32	2,402,211	31	3,073,753	37
	Non-current liabilities						
2570	Deferred tax liabilities (Note XXIV)	537,026	7	537,267	7	486,280	6
2600	Other non-current liabilities (Note XVI)	142,048	1	106,455	1	82,459	1
25XX	Total non-current liabilities	679,074	8	643,722	8	568,739	7
2XXX	Total liabilities	3,242,857	40	3,045,933	39	3,642,492	44
	Equity (Note XXI)						
	Capital						
3110	Common stock	2,520,001	31	2,520,001	32	2,574,401	31
3200	Additional paid-in capital	187,308	2	187,308	3	204,852	2
	Retained Earnings						
3310	Legal reserve	744,264	9	724,858	10	682,772	8
3320	Special reserve	11,397	-	11,397	-	46,790	1
3350	Unappropriated earnings	1,178,059	15	1,110,640	14	1,181,539	14
3300	Total retained earnings	1,933,720	24	1,846,895	24	1,911,101	23
3400	Other equity	208,725	3	186,644	2	12,224	-
3XXX	Total equity	4,849,754	60	4,740,848	61	4,702,578	56
	Total liabilities and equity	$ 8,092,611	100	$ 7,786,781	100	$ 8,345,070	100

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

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

Chien Kuo Construction Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
From January 1 to December 31, 2023 and 2022
Unit: NT$ Thousands, except for Earnings per share (in Dollars)

		2023		2022	
Code		Amount	%	Amount	%
4000	Operating revenue (Note XXII)	$ 4,186,359	100	$ 5,065,701	100
5000	Operating costs (Notes XXIII and XXIX)	3,797,123	91	4,517,166	89
5900	Gross profit	389,236	9	548,535	11
	Operating expenses (Notes XXIII and XXIX)				
6200	Administrative expenses	342,295	8	315,334	6
6450	Reversal of expected credit loss	(10,600)	-	(21,782)	-
6000	Total operating expenses	331,695	8	293,552	6
6900	Net operating income	57,541	1	254,983	5
	Non-operating income and expenses (Notes XIV, XXIII and XXIX)				
7010	Other income	164,507	4	88,419	1
7020	Other gains and losses	181,680	4	(114,223)	(2)
7050	Finance costs	(8,147)	-	(12,207)	-
7060	Shares of loss of associates accounted for using equity method	(138)	-	(220)	-
7000	Total non-operating income and expenses	337,902	8	(38,231)	(1)
7900	Income before income tax	395,443	9	216,752	4
7950	Income tax expense(Note XXIV)	56,930	1	32,637	1
8200	Net income	338,513	8	184,115	3

(Continued on next page)

(Continued from the previous page)

Code		2023 Amount	2023 %	2022 Amount	2022 %
	Other comprehensive income				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans (Note XX)	$ 390	-	$ 3,428	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	24,353	1	(90,288)	(2)
8349	Income tax related to items that will not be reclassified subsequently to profit or loss (Note XXIV)	(78)	-	(686)	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of financial statements of foreign operations	(2,840)		344,404	7
8399	Income tax related to items that will be reclassified subsequently to profit or loss (Note XXIV)	568		(68,881)	(1)
8300	Other comprehensive income or loss (after tax)	22,393	1	187,977	4
8500	Total comprehensive income	$ 360,906	9	$ 372,092	7
	Earnings per share (Note XXV)				
9750	Basic	$ 1.34		$ 0.72	
9850	Diluted	$ 1.34		$ 0.72	

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

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

Chien Kuo Construction Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
From January 1 to December 31, 2023 and 2022

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

				Retained Earnings			Other equity				
Code		Capital	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Total	Treasury stock	Total equity
Z1	Balance as of January 1, 2022	$ 2,574,401	$ 204,852	$ 682,772	$ 46,790	$ 1,181,539	($ 207,603)	$ 219,827	$ 12,224	$ -	$ 4,702,578
	Appropriation and distribution of retained earnings for 2021										
B1	Provision of legal reserve	-	-	42,086	-	(42,086)	-	-	-	-	-
B3	Reversal of special reserve	-	-	-	(34,566)	34,566	-	-	-	-	-
B5	Cash dividends appropriated to shareholders - NT$1.02 per share	-	-	-	-	(257,440)	-	-	-	-	(257,440)
B17	Reversal of special reserve due to disposal of subsidiaries	-	-	-	(827)	827	-	-	-	-	-
D1	Net income for 2022	-	-	-	-	184,115	-	-	-	-	184,115
D3	Other comprehensive income (net of tax) for 2022	-	-	-	-	2,742	275,523	(90,288)	185,235	-	187,977
D5	Total comprehensive income in 2022	-	-	-	-	186,857	275,523	(90,288)	185,235	-	372,092
Q1	Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	10,815	-	(10,815)	(10,815)	-	-
L1	Purchase of treasury stock	-	-	-	-	-	-	-	-	(76,382)	(76,382)
L3	Retirement of treasury stock	(54,400)	(17,544)	-	-	(4,438)	-	-	-	76,382	-
Z1	Balance as of December 31, 2022	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 2023	-	-	-	-	338,513	-	-	-	-	338,513
D3	Other comprehensive income (net of tax) for 2023	-	-	-	-	312	(2,272)	24,353	22,081	-	22,393
D5	Total comprehensive income in 2023	-	-	-	-	338,825	(2,272)	24,353	22,081	-	360,906
Z1	Balance as of December 31, 2023	$ 2,520,001	$ 187,308	$ 744,264	$ 11,397	$ 1,178,059	$ 65,648	$ 143,077	$ 208,725	$ -	$ 4,849,754

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

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

Chien Kuo Construction Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
From January 1 to December 31, 2023 and 2022

Unit: NT$ Thousands

Code		2023	2022 (Restated)
	Cash flows from operating activities		
A10000	Net income before tax	$ 395,443	$ 216,752
A20010	Adjustments to reconcile income (loss):		
A20100	Depreciation expense	56,984	30,323
A20200	Amortization expenses	4,085	1,123
A20300	Gain on reversal of expected credit loss	(12,916)	(21,782)
A20400	Net (gain) loss on financial assets at fair value through profit or loss	(182,044)	142,518
A20900	Finance costs	8,147	12,207
A21200	Interest income	(135,971)	(43,028)
A21300	Dividend income	(18,837)	(18,046)
A22300	Shares of loss of associates accounted for using equity method	138	220
A22500	Gain on disposal of property, plant and equipment	(68)	(65,533)
A30000	Changes in operating assets and liabilities, net		
A31125	Contract assets	647,537	37,366
A31130	Notes receivable	(156)	34,536
A31150	Accounts receivable	(172,089)	152,698
A31180	Other receivables	(13,759)	(209)
A31200	Construction in Progress	(740)	(1,762)
A31230	Prepayments	27,286	(43,862)
A31240	Other current assets	67,476	(60,809)
A32125	Contract liability	773,032	(258,810)
A32130	Notes payable	-	(38,137)
A32150	Accounts payable	(11,895)	(395,326)
A32180	Other payables	29,070	(27,538)
A32230	Other current liabilities	90,578	(1,103)
A32990	Other non-current liabilities	-	(402)
A33000	Cash inflow (outflow) generated from operations	1,551,301	(348,604)
A33100	Interest received	82,884	40,858
A33300	Interest paid	(8,330)	(12,180)
A33500	Income taxes paid	(61,281)	(71,954)
AAAA	Net cash inflows (outflows) from operating activities	1,564,574	(391,880)

(Continued on the next page)

(Continued from the previous page)

Code		2023	2022 (Restated)
	Cash flows from investment activities		
B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	$ -	$ 90,611
B00040	Acquisition of financial assets measured at amortized cost	(1,420,703)	(270,543)
B00050	Disposal of financial assets measured at amortized cost	23,843	425,000
B00100	Acquisition of financial assets at fair value through profit or loss	(1,413,246)	(2,383,142)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	656,453	3,176,651
B01800	Acquisition of investments accounted for using equity-method	-	(49,000)
B02700	Acquisition of property, plant and equipment	(10,620)	(105,212)
B02800	Proceeds from disposal of property, plant, and equipment	130	66,487
B03800	Decrease (increase) in refundable deposits	(339)	5,514
B04500	Acquisition of intangible assets	(1,258)	(4,989)
B05500	Advance from disposal of investment properties	115,685	-
B07100	Increase in prepayment for equipment	(6,296)	(4,387)
B07600	Dividend received	42,018	15,922
BBBB	Net cash (outflows) inflows from investing activities	(2,014,333)	962,912
	Cash flows from financing activities:		
C00100	(Decrease) increase in short-term loans	(500,000)	300,000
C00500	(Decrease) increase in short-term notes and bills payable	(349,787)	349,787
C01700	Repayment of long-term loans	-	(500,000)
C03000	Increase in guarantee deposits received	7,912	31,015
C04020	Repayment of lease principal	(17,017)	(14,702)
C04500	Cash dividends distributed	(252,000)	(257,440)
C04900	Purchase of treasury stock	-	(76,382)
CCCC	Net cash outflows from financing activities	(1,110,892)	(167,722)
DDDD	Effect of exchange rate changes on cash and cash equivalents	28,765	191,638
EEEE	Net (decrease) increase in cash and cash equivalents	(1,531,886)	594,948
E00100	Cash and cash equivalents at beginning of period	3,166,181	2,571,233
E00200	Cash and cash equivalents at end of period	$ 1,634,295	$ 3,166,181

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

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

Chien Kuo Construction Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
From January 1 to December 31, 2023 and 2022
(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 March 13, 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 2024 onward

New/Revised/Amended Standards and Interpretations	Effective Date Issued by the IASB (Note 1)
Amendments to IFRS 16 "Lease Liabilities in Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS1 "Classify Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

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

Note2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note3: The partial disclosure objective is not required to disclose upon the initial implementation of this amendment.

As of the date the consolidated financial statements were authorized for issue, the Group assessed that the amendments to other standards and interpretations shall not have significant impact on the financial position and financial performance.

(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 the IASB (Note 1)
Amendments to IFRS10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS17 "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
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

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

Note2: Applicable for annual reporting periods beginning on or after January 1, 2025. Upon the initial application of this amendment, the impact amount shall be recognized in retained earnings as of the date of initial application. When the Group uses a non-functional currency as the reporting currency, it will impact the foreign exchange differences of overseas operating entities under the equity items on the initial application date.

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

(IV) Expression of reclassification

The management of the Group considers that the funds repatriated in accordance with the "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act" have not changed the nature of the deposit, as they are used for real and financial investments. The Group can request immediate access to these funds. Therefore, it is more appropriate to classify the deposit account as cash and cash equivalents. In 2023, the balance sheet and cash flow statement have been adjusted accordingly. The book value of the financial assets, measured at amortized cost, has been reclassified as cash and cash equivalents, amounting to NT$117,940 thousand at January 1, 2022. The impact on the cash flow items for 2022 is as follows:

	Adjustment number
Net cash flows from investing activities	($ 117,940)
Net increase in cash and cash equivalents	($ 117,940)

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 IFRSs endorsed and issued into effect by FSC.

(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) 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 with a repayment deadline that cannot be unconditionally deferred 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.

(IV) Basis of consolidation

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

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

Please refer to Note XIII and Appendixes 6 and 7 for details, shareholding percentages, and operations of subsidiaries.

(V) Foreign Currency

In preparing each individual financial statement, transactions denominated in a currency other than the entity's functional currency (i.e. foreign currency) are translated into the entity's functional currency by using the exchange rate at the date of the transaction before they are recorded by each entity.

Monetary items denominated in foreign currencies are translated at the closing rates on the balance sheet date. Exchange differences arising on the settlement or on translating of monetary items are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The resulting exchange difference is recognized in profit or loss, except for items whose changes in fair value are recognized in other comprehensive income, where the resulting exchange difference is recognized in other comprehensive income.

Non-monetary items measured at historical cost that are denominated in foreign currencies are translated at the exchange rates prevailing on the transaction dates and are not retranslated.

In preparing the consolidated financial statements, assets and liabilities of a foreign operation (i.e. a subsidiary or an associate of which the activities are based or conducted in a country or currency other than those of the Company) are translated into New Taiwan Dollars by using the exchange rates at each balance sheet date. Income and expense items are translated using the average exchange rates of the current period, with exchange differences arising therefrom recognized in other comprehensive income.

(VI) Investments in associates

Associates are entities over which the Consolidated Company has significant influence and which is neither a subsidiary nor a joint venture

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in associates are initially recognized at cost and adjusted thereafter to recognize the Group's shares of the profit or loss and other comprehensive income as well as the profit distribution of the associates.

(VII) Property, plant, and equipment

Property, Plant and Equipment (PP&E) are stated at cost and subsequently measured at cost less accumulated depreciation and impairment.

Except for freehold land which is not depreciated, the depreciation of PP&E in its useful life is made on a straight-line basis for each major part/component separately. The Group reviews the estimated useful lives, residual value and depreciation methods at least once at each financial year end and applies the changes in accounting estimates prospectively.

When derecognizing PP&E, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in loss or profit.

(VIII) Investment Property

Investment property is real estate held for rent or capital appreciation or both.

Investment property is initially measured at costs (including transaction costs) and is subsequently measured at costs less accumulated depreciation and accumulated impairment losses. Depreciation is provided on a straight line basis by the Group.

Property that is classified as inventories is reclassified as investment properties at their book value when the pre-sale purchase agreement is signed.

In the event of derecognition of an investment property, the difference between its net disposal proceeds and carrying amount is recognized in loss or profit.

(IX) Impairment of assets related to property, plant and equipment, right of use assets, investment property and intangible assets (excluding goodwill)

On each balance sheet date, the Group evaluates whether there is any indication that its property, plant and equipment, right of use assets, investment property and intangible assets (excluding goodwill) have suffered an impairment loss. If there is an indication that an asset may be impaired, then the Company estimates the recoverable amount of such asset. If it is not possible to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the cash generating unit to which the asset belongs.

The recoverable amount is the fair value minus cost of sales or the value in use, whichever is higher. If the carrying amount of an individual asset or a cash generating unit is less than its recoverable amount, the carrying amount is reduced to its recoverable amount, with an impairment loss recognized in profit or loss.

If an impairment loss is reversed subsequently, the carrying amount of the asset or cash generating unit is raised to its recoverable amount, provided that the increased carrying amount shall not exceed the carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversal of impairment loss is recognized in profit or loss.

(X) Financial Instruments

Financial assets and liabilities are recognized in the balance sheet when the Group becomes a party to the contract of financial instrument.

Financial assets and liabilities are recognized initially based on fair value plus transaction costs that could be directly attributed to their acquisition or issuance of such financial assets or financial liabilities, if they are not measured at fair value through profit or loss. For financial assets and liabilities that are measured at fair value through profit or loss, such transaction costs are recognized immediately in profit or loss.

1. Financial assets

   Regular trading of financial assets is recognized or derecognized in accordance with trade date accounting.

   (1) Types of measurement

   Financial assets held by the Group comprise financial assets measured at fair value through profit or loss (FVTPL), financial assets at amortized cost, investments in debt instruments measured at fair value through other comprehensive income (FVTOCI), and investments in equity instruments measured at FVTOCI.

   A. Financial assets measured at fair value through profit or loss

   Financial assets at fair value through profit or loss are financial assets mandatorily measured at fair value through profit or loss. Such assets include investments in equity instruments that are not designated by the Company to be measured at fair value through other comprehensive income and investments in debt instruments that fail to meet the criteria as to be measured at amortized cost or at fair value through other comprehensive income.

   Such assets are measured at fair value, of which any dividends and interest accrued are recognized as other revenue and remeasurement gains or losses are recognized in profit or loss. Please refer to Note XXVIII for the determination of fair value.

B. Financial Assets Measured at Amortized Cost

When the Group's investments in financial assets satisfy the following two conditions simultaneously, they are classified as financial assets measured at amortized cost:

a. Held under a business model whose purpose of holding such financial assets is to collect the contractual cash flows; and
b. The contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, such assets (including cash and cash equivalents, bills with repurchase agreement, restricted term deposit, notes receivable, accounts receivable and other receivables that are measured at amortized cost) are measured at the amortized cost equal to the gross carrying amount as determined using the effective interest method less any impairment loss; any foreign exchange gain or loss arising therefrom is recognized in profit or loss.

Except for the following two circumstances, interest revenue is calculated by multiplying effective interest rate by the gross carrying amount of such assets:

a. In the case of purchased or originated credit impaired financial assets, interest revenue is recognized by applying the credit adjusted effective interest rate to the amortized cost.
b. In the case of a financial asset that is not a purchased or originated credit impaired financial asset but subsequently has become credit impaired, interest revenue is calculated by applying the effective interest rate to the amortized cost.

Credit impaired financial assets are those where the issuer or debtor has experienced major financial difficulties or defaults, the debtor is likely to claim bankruptcy or other financial restructuring, or disappearance of an active market for the financial asset due to financial difficulties.

Cash equivalents comprise time deposits that will mature within 6 months after the acquisition date, that are highly liquid and readily convertible to known amount of cash, and that are subject to an insignificant risk of changes in value. Cash equivalents are used to satisfy short term cash commitments.

C. Investment in equity instruments measured at fair value through other comprehensive income (FVTOCI)

The Group may, at initial recognition, make an irrevocable election to designate an equity instrument that is neither held for trading nor contingent consideration arising from a business combination to be measured at FVTOCI.

Investments in an equity instrument measured at FVTOCI are measured at fair value, and any subsequent fair value changes are recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss upon their disposal; instead, they will be transferred to retained earnings.

Dividends of investments in equity instruments measured at FVTOCI are recognized in profit or loss when the Group's right to receive payment is established, unless such dividends clearly represent the recovery of a part of the investment cost.

(2) Impairment of financial assets and contract assets

The Group evaluates credit losses based on expected credit loss (ECL) at each balance sheet date for financial assets at amortized cost (including accounts receivable), investments in debt instruments at fair value through other comprehensive income, and impairment losses on contract assets.

Loss allowances are recognized against accounts receivable and contract assets based on the expected credit loss during the term of duration. For all other financial instruments, the Company recognizes their loss allowance at an amount equal to 12 month expected credit losses if their credit risk has not increased significantly since initial recognition, or otherwise their lifetime expected credit losses.

An ECL is a weighted average credit loss with the risks of default as weights. The 12 month ECL on a financial instrument represents the portion of its lifetime ECL that is expected to result from possible default events within 12 months after the reporting date, whereas the lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument.

Through the loss allowance account, the carrying amount of all financial assets is reduced for the impairment loss, except for the investment in debt instruments measured at FVTOCI for which the impairment loss is recognized in other comprehensive income and does not reduce the carrying amount.

(3) Derecognition of financial assets

The Group derecognizes financial assets when the contractual rights to the cash inflow from the asset expire or when the company transfers all the risks and rewards of ownership of the financial assets to other enterprises substantially.

On derecognition of a financial asset measured at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received is recognized in profit or loss. On derecognition of equity instruments measured at fair value through other comprehensive income in its entirety, the accumulated profit or loss is transferred directly to retained earnings and is not reclassified to profit or loss.

2. Equity instruments

Equity instruments issued by the Group are recognized at the acquisition price less direct issue costs.

The repurchase of equity instruments issued by the Company is recognized in equity as a deduction. The purchase, sale, issue or cancellation of the Company's own equity instruments is not recognized in profit or loss.

3. Financial liabilities

All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method.

When a financial liability is derecognized, the difference between the carrying amount and the consideration paid (including any non-cash asset transferred or liability assumed) is recognized in profit or loss.

(XI) Provision for liabilities

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

1. Onerous contract

   When the Group expects that the unavoidable costs of meeting a contractual obligation exceed the expected economic benefits to be received from the contract, provision for liabilities are recognized for the present obligation arising from the onerous contract. When evaluating whether a contract is unprofitable, the costs of fulfilling the contract include the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract.

2. Warranty

   Provisions for the expected cost of warranty obligations to assure that products comply with agreed-upon specifications are recognized on the date of sale of the relevant products at the best estimate by the management of the Group of the expenditures required to settle the Group’s obligations.

(XII) Revenue Recognition

After identifying the performance obligations of contracts with the customers, the Group allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are met.

1. Revenue from the sale of goods

   Revenue from the sale of goods comes from sales of concrete. When concrete is delivered to a customer's specified location, the customer has the right to use the product and bears the risk of obsolescence. Therefore, revenue and accounts receivable are recognized at that time.

2. Revenue from construction contracts

   For real estate construction contracts, the Group recognizes revenue over the construction period and measures the progress on the basis of costs incurred relative to the total expected costs because costs incurred by the construction works are directly related to the progress in satisfying a performance obligation. A contract asset is recognized during the construction and is reclassified to accounts receivable at the point at which it is invoiced to the customer. If the payment received exceeds the revenue recognized to date, the Company recognizes a contract liability for the difference. Certain payments retained by the customer as specified in the contract is intended to ensure that the Group adequately completes all its contractual obligations. Such retention receivables are recognized as contract assets until the Group satisfies its performance obligations.

   If the outcome of the performance obligations cannot be measured reliably, construction revenue is recognized only to the extent of the expenses incurred for satisfaction of performance obligations that are expected to be recovered.

(XIII) Leases

The Group evaluates whether a contract is (or includes) a lease on the contract establishment date.

1. The Group as lessor

   Leases in which the lessee assumes substantially all of the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases.

   Under operating leases, lease payments after deducting lease incentives are recognized as revenue on a straight line basis over the relevant lease term.

2. The Group as lessee

   Except that payments for leases of low value assets and short term leases to which exemption is applicable are recognized as expenses on a straight line basis over the lease term, other leases are recognized as right of use assets and lease liabilities on the lease start date.

   Right of use assets are initially measured at cost (including the initially measured amount of lease liabilities, the lease payments paid before the lease start date less the lease incentives received, the initial direct cost, and the estimated cost of restoring underlying assets), and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, and the re measurement of the lease liabilities are adjusted accordingly. Right of use assets are separately presented on the consolidated balance sheets.

   Right of use assets are depreciated on a straight line basis from the lease start date to the end of the useful life or the expiration of the lease term, whichever is earlier.

   A lease liability is initially measured at the present value of lease payments (including fixed payments and in substance fixed payments). When the interest rate implicit in a lease can be readily determined, lease payments are discounted using the interest rate. If the interest rate implicit in a lease cannot be easily determined, lease payments are discounted using the lessee's incremental borrowing rate.

   Subsequently, lease liabilities are measured at amortized cost using the effective interest method, and interest expenses are amortized over the lease term. In the case that future lease payments change as a result of a change in the lease term, the Group remeasures the lease liability and correspondingly adjusts the right of use asset, except in the case when the carrying amount of the right of use asset has reduced to zero, in which case any residual remeasured amount shall be recognized in profit or loss. Lease liabilities are separately presented on the consolidated balance sheets.

(XIV) Employee benefits

1. Short-term employee benefits

   Related liabilities for short term employee benefits are measured by the non-discounted amount expected to be paid in exchange for employee services.

2. Post-employment benefits

   Payments that should be contributed to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service.

   The defined benefit cost under defined benefit retirement plans (including service cost, net interest, and the remeasurement amount) are calculated based on the projected unit credit method. The cost of services (including the cost of services of the current period and the cost of services of the previous period, and profit and loss from repayment) and the net interest of the net defined benefit liability (asset) are recognized as employee benefit expenses as they occur. Remeasurement (comprising actuarial gains and losses, and return on plan assets net of interests) is recognized in other comprehensive income and included in retained earnings, and is not recycled to profit or loss in subsequent periods.

The net defined benefit liabilities (assets) are the shortfall (surplus) of the defined benefit retirement plan. A net defined benefit asset shall not exceed the present value of the contributions to be refunded from the plan, or the reductions in future contributions.

3. Termination benefits

The Group will recognize the termination benefits liability when it is no longer able to revoke the termination benefits offer or when it recognizes the related restructuring costs (whichever is earlier).

(XV) Income Tax

Income tax expenses are the sum of current income tax and deferred income tax.

1. Current-period income tax

An extra tax is levied on the unappropriated earnings pursuant to the Income Tax Act of the Republic of China and is recorded as income tax expense in the year when the shareholders' meeting resolves to appropriate the earnings.

Adjustments to income tax payable from previous years are recognized in the income tax of current period.

2. Deferred income tax

Deferred income tax is calculated based on the temporary difference between the carrying amount of the assets and liabilities and the taxable basis of the taxable income.

Deferred tax liabilities are generally recognized based on all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that there is taxable income to be applied to temporary difference reductions or loss credits.

Deferred income tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. For deductible temporary differences associated with such investment and equity, when it is probable that sufficient taxable income will be available to realize such temporary difference, a deferred tax asset is recognized, but only to the extent of the amount that is expected to be reversed in the foreseeable future.

The carrying amount of the deferred income tax assets is re-examined at each balance sheet date and the carrying amount is reduced for assets that are no longer likely to generate sufficient taxable income to recover all or part of the assets. The carrying amount of items that were not previously recognized as a deferred tax asset is also reviewed at each balance sheet date and is raised when it becomes probable that sufficient taxable profit will be available in the future to recover all or part of the asset.

Deferred income tax assets and liabilities are measured at the tax rate of the period of expected realization of assets or settlement of liabilities. The rate is based on the tax rate and tax laws that have been enacted prior to the balance sheet date or have been substantially legislated. Measurement of deferred income tax liabilities and assets is a reflection of the tax consequences resulting from the means by which the Group expects to recover or settle the carrying amount of its assets and liabilities at the balance sheet date.

3. Current and deferred taxes for the year

Current income tax and deferred income tax are recognized in profit or loss, except that for items associated with other comprehensive income, such taxes are recognized in other comprehensive income.

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

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

In developing significant accounting estimates, the Group has taken into consideration the possible impact of inflation and interest rate fluctuations in the market on the related significant accounting estimates. The management will continue to review the estimates and basic assumptions.

Primary Sources of Uncertainties in Estimating, and 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

	December 31, 2023	December 31, 2022
Cash on hand and revolving funds	$ 2,505	$ 2,228
Bank checks and demand deposits	787,452	348,271
Cash equivalents (time deposits with original maturity date within 6 months)		
Bank time deposits	844,338	2,815,682
	$ 1,634,295	$ 3,166,181

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

	December 31, 2023	December 31, 2022
Time deposits	0.52%～5.85%	0.32%～5.10%

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

VII. Financial assets measured at fair value through profit or loss

	December 31, 2023	December 31, 2022
Mandatorily measured at fair value through profit or loss		
Current		
— Listed stocks and emerging stocks	$ 198,207	$ 22,201
— Unlisted common stocks	-	28,500
— Fund beneficiary certificates (I)	1,576,274	829,629
	$ 1,774,481	$ 880,330
Non-current		
— Listed stocks and emerging stocks	$ 69,106	$ -
— Unlisted common stocks	46,632	116,612
— Unlisted preferred stocks	61,950	-
— Private equity funds	41,789	51,917
	$ 219,477	$ 168,529

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

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

	December 31, 2023	December 31, 2022
Investment in equity instruments		
Listed stocks		
Current	$ 21,655	$ 19,392
Non-current	370,478	348,388
	$ 392,133	$ 367,780

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

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

IX. Financial Assets Measured at Amortized Cost

	December 31, 2023	December 31, 2022
Current		
Time deposits with original maturity date over six months	$ 1,369,318	$ 15,662
Restricted bank deposits (1)	15	13,172
Restricted bank term deposits (1)	208,286	203,080
	$ 1,577,619	$ 231,914
Non-current		
Corporate bonds (2)	$ 30,867	$
Pledged certificate of deposit	70,050	70,050
Subtotal	100,917	70,050
Less: Allowance losses	(83)	-
	$ 100,834	$ 70,050

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

	December 31, 2023	December 31, 2022
Time deposits with original maturity date over six months	5.04%~6.06%	3.64%
Restricted bank term deposits	4.50%	3.20%~3.38%
Corporate bonds	5.38%	-
Pledged certificate of deposit	0.65%	0.65%

(1) The aforementioned restricted financial assets are funds repatriated by the Group in accordance with the "Management, Utilization, and Taxation of Repatriated Offshore Funds Act" (hereinafter the "Act"). The Group intends to deposit the funds in a special account and withdraw them annually after a period of 5 years. The purpose of holding these assets does not meet the requirement for fulfilling short-term cash commitments, the financial assets are measured at amortized cost.

(2) The Group only invests in debt instruments that have credit ratings of investment grade or higher, which are provided by independent rating agencies. The Group consistently monitors external credit ratings and financial market conditions to oversee the credit risk changes of the invested debt instruments. It also evaluates significant information about debtors and other relevant data to assess whether there has been a significant increase in credit risk since the initial recognition of the debt instrument investments.

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

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

December 31, 2023

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

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

	Credit Rating
	Normal
Balance as of January 1, 2023	$ -
Purchase of New Debt Instruments	84
Exchange Rates and Other Changes	(1)
Balance as of December 31, 2023	$ 83

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

X. Notes Receivable and Accounts Receivable

	December 31, 2023	December 31, 2022
Notes receivable	$ 156	$ -
Accounts receivable		
Measured at amortized cost		
Total carrying amount	$ 316,638	$ 145,053
Less: Allowance losses	(25,023)	(34,534)
	$ 291,615	$ 110,519

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:

	December 31, 2023	December 31, 2022
Not overdue	$ 156	$ -

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

	December 31, 2023	December 31, 2022
Not overdue	$ 212,253	$ 105,909
Less than 180 days	74,697	-
More than 361 days	29,688	39,144
Total	$ 316,638	$ 145,053

Changes in allowance losses for accounts receivable are as follows:

	2023	2022
Balance - beginning of year	$ 34,534	$ 70,693
Add: Impairment loss reversed	(9,086)	(21,782)
Less: Write-off for the year	-	(15,561)
Exchange difference	(425)	1,184
Balance - end of year	$ 25,023	$ 34,534

XI. Inventories (for construction business)

	December 31, 2023	December 31, 2022
Xinzhi Section, Xinzhuang District (1)	$ -	$465,926
Shaoxing S. St., National Taiwan University (2)	2,502	1,762
	$ 2,502	$467,688

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

(2) The Group entered into an urban regeneration project relating to a building of National Taiwan University located at Shaoxing S. St. with Taipei Housing and Urban Regeneration Center in November 2022.

XII. Prepayments

	December 31, 2023	December 31, 2022
Prepayments for construction contracts	$ 106,183	$ 119,352
Tax overpaid retained	2,865	27,875
Prepaid insurance	16,329	4,635
Others	4,560	11,412
	$ 129,937	$ 163,274

XIII. Subsidiary

(I) Subsidiaries included in the consolidated financial statements

The entities of the consolidated financial statements are as follows:

Name of Investor	Subsidiary Company Name	Business Activities	Shareholding Percentage December 31, 2023	Shareholding Percentage December 31, 2022	Explanation
The Company	Golden Canyon Limited (Golden Canyon)	Reinvestment	100%	100%	
	Silver Shadow Holding Limited (Silver Shadow)	Reinvestment	100%	100%	
	CKTech Engineering Co., Ltd. (CKTech Engineering)	Undertaking mechanical, electrical and plumbing/refrigeration /air conditioning engineering; wholesale and retail of equipment	100%	100%	
	Chien Kuo Building Co., Ltd.(Chien Kuo Building)	Building construction commission; public housing lease and sale	100%	100%	
	Golden Canyon Venture Capital Investment Co., Ltd. (Golden Canyon Venture Capital)	Venture capital	100%	100%	
	Golden Canyon II Venture Capital Investment Co., Ltd. (Golden Canyon Venture Capital II)	Venture capital	100%	100%	
	Chien Bang Real Estate Development Co., Ltd. (Chien Bang Building)	Building construction commission; public housing lease and sale	55%	55%	(Note 2)
	Leader Construction Co., Ltd (Leader Construction)	Maintenance and construction/Buying and selling construction materials	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%	(Note 2)
Subsidiaries of Golden Canyon and Silver Shadow	CK Asia Co., Ltd. (CK Asia)	Reinvestment	100%	100%	
	CK Asia (Shanghai) Information Technology Co., Ltd. (Shanghai Information)	Computer software technology development and consultation	100%	100%	
	Yangzhou Chien Yung Concrete Co., Ltd. (Yangzhou Chien Yung)	Production and sale of concrete and concrete products	-	-	(Note 3)

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

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

(2) Chien Bang Building was jointly established on September 16, 2022 by the Company and Chien Kuo Building.

(3) The liquidation of Yangzhou Chien Yung was completed on November 21, 2022.

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

XIV. Investments accounted for using equity method

Investments in associates

	December 31, 2023	December 31, 2022
Associates not individually significant		
Chang Jia Energy Co., Ltd.	$ 48,642	$ 48,780

Associates not individually significant

	2023	2022
Shares attributable to the Consolidated Companies		
Net loss from continuing operations	($ 138)	($ 220)
Total comprehensive income	($ 138)	($ 220)

XV. Property, plant, and equipment

	Freehold land	Buildings	Machinery equipment	Transportation equipment	Office equipment	Leasehold improvements	Other Equipment	Outstanding Projects and Equipment Awaiting Inspection	Total
Cost									
Balance as of January 1, 2022	$ 15,742	$ 1,742	$ 3,014	$ 5,280	$ 4,204	$ 17,888	$ 13,234	$ -	$ 61,104
Addition	-	-	210	-	986	-	93,037	10,979	105,212
Disposal	-	-	-	(3,646)	(393)	-	(3,791)	-	(7,830)
Net exchange differences	-	-	-	104	39	-	-	-	143
Balance as of December 31, 2022	$ 15,742	$ 1,742	$ 3,224	$ 1,738	$ 4,836	$ 17,888	$ 102,480	$ 10,979	$ 158,629
Accumulated depreciation									
Balance as of January 1, 2022	$ -	$ 1,250	$ 895	$ 2,455	$ 3,181	$ 13,330	$ 6,146	$ -	$ 27,257
Depreciation expense	-	48	670	573	555	3,088	9,831	-	14,765
Disposal	-	-	-	(2,692)	(393)	-	(3,791)	-	(6,876)
Net exchange differences	-	-	-	51	37	-	-	-	88
Balance as of December 31, 2022	$ -	$ 1,298	$ 1,565	$ 387	$ 3,380	$ 16,418	$ 12,186	$ -	$ 35,234
Net worth as of December 31, 2022	$ 15,742	$ 444	$ 1,659	$ 1,351	$ 1,456	$ 1,470	$ 90,294	$ 10,979	$ 123,395
Cost									
Balance as of January 1, 2023	$ 15,742	$ 1,742	$ 3,224	$ 1,738	$ 4,836	$ 17,888	$ 102,480	$ 10,979	$ 158,629
Addition	-	-	-	1,200	4,461	2,565	2,728		10,954
Disposal	-	-	(933)	-	(422)	(17,346)	(3,082)	-	(21,783)
Reclassification	-	-	(147)	-	921	-	10,686	(10,979)	481
Net exchange differences	-	-	-	-	(42)	-	-	-	(42)
Balance as of December 31, 2023	$ 15,742	$ 1,742	$ 2,144	$ 2,938	$ 9,754	$ 3,107	$ 112,812	$ -	$ 148,239
Accumulated depreciation									
Balance as of January 1, 2023	$ -	$ 1,298	$ 1,565	$ 387	$ 3,380	$ 16,418	$ 12,186	$ -	$ 35,234
Depreciation expense	-	48	534	410	1,343	1,914	34,698	-	38,947
Disposal	-	-	(933)	-	(422)	(17,346)	(3,020)	-	(21,721)
Net exchange differences	-	-	-	-	(42)	-	-	-	(42)
Balance as of December 31, 2023	$ -	$ 1,346	$ 1,166	$ 797	$ 4,259	$ 986	$ 43,864	$ -	$ 52,418
Net worth as of December 31, 2023	$ 15,742	$ 396	$ 978	$ 2,141	$ 5,495	$ 2,121	$ 68,948	$ -	$ 95,821

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

Buildings	
Main buildings of plant	61 years
Rooftop construction	22 years
Leasehold improvements	3~6 years
Machinery equipment	4~6 years
Transportation equipment	6 years
Office equipment	2~6 Years
Other Equipment	1~9 year(s)

XVI. Lease Agreement

(I) Right-of-use assets

	December 31, 2023	December 31, 2022
Carrying amount of right-of-use assets		
Buildings	$ 39,168	$ 10,473
Transportation equipment	2,040	3,421
	$ 41,208	$ 13,894

	2023	2022
Additions to right-of-use assets	$ 44,405	$ 6,258
Depreciation expense of right-of-use assets		
Buildings	$ 14,973	$ 12,530
Transportation equipment	2,071	2,034
	$ 17,044	$ 14,564

Other than the increase and recognition of depreciation expenses above, the Group's right-of-use assets did not undergo significant sublease and impairment for 2023 and 2022.

(II) Lease liabilities

	December 31, 2023	December 31, 2022
Carrying amount of lease liabilities		
Current (listed as other current liabilities)	$ 11,046	$ 11,386
Non-current (listed as other non-current liabilities)	$ 30,431	$ 2,750

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

	December 31, 2023	December 31, 2022
Buildings	1.65%～2.06%	1.65%
Transportation equipment	3.00%	3.00%

(III) Other lease information

	2023	2022
Short-term lease expense	$ 7,528	$ 11,314
Total cash outflow on lease	$ 24,545	$ 26,016

XVII. Investment Property

	2023	2022
Cost		
Balance - beginning of year	$ 120,607	$ 120,607
Reclassification	465,926	-
Balance - end of year	$ 586,533	$ 120,607
Accumulated depreciation and impairment		
Balance - beginning of year	$ 19,114	$ 18,120
Depreciation expense	993	994
Balance - end of year	$ 20,107	$ 19,114
Net amount - end of year	$ 566,426	$ 101,493
Fair Value	$ 750,809	$ 156,017

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 and the land pre-sale transaction price.

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

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

XVIII. Loans

(I) Short-term loans

	December 31, 2023	December 31, 2022
Unsecured loans		
Credit line loans	$ -	$ 500,000
Annual interest rate (%) (Effective interest rate)	-	1.45%～1.98%

(II) Short-term notes and bills payable

	December 31, 2023	December 31, 2022
Commercial papers payable	$ -	$ 350,000
Less: Discount on short-term notes and bills payable	-	(213)
	$ -	$ 349,787

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

December 31, 2022

Guarantor/Accepting Institution	Nominal Amount	Discounted Amount	Carrying Amount	Effective Interest Rate Interval	Collateral
Dah Chung Bills	$ 350,000	($ 213)	$ 349,787	1.94%	Xinzhi Section, Xinzhuang District Land

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. Post-retirement Benefit Plans

(I) Defined Contribution Plan

The pension system applicable to the Group under the "Labor Pension Act" is a defined contribution plan under government administration, to which the Group contributes 6% of employees' monthly salary and wages to their personal accounts at the Bureau of Labor Insurance.

(II) Defined Benefit Plans

The Group's pension system under the "Labor Standards Act" is a defined benefit pension plan managed by the government. Pension payment to an employee is calculated based on her/his number of service years and average salary/wage of the last 6 months prior to approved retirement. The Group contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to a retirement fund that is deposited with Bank of Taiwan under the name of The Supervisory Committee of Workers' Retirement Fund. Before the end of year, if the balance at the retirement fund is not sufficient to pay employees who will meet the retirement criteria next year, a lump sum deposit for the shortfall should be made before the end of March of the following year. The retirement fund is managed by the Bureau of Labor Funds, Ministry of Labor, and the Group does not have rights to influence its investment management strategy.

The funds for defined benefit plans included in the consolidated balance sheets are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	$ 33,690	$ 33,103
Fair value of plan assets	(38,114)	(36,671)
Net defined benefit assets (listed as other non-current assets)	($ 4,424)	($ 3,568)

Changes in net defined benefit assets are as follows:

	Present value of defined benefit obligations	Fair Value of plan assets	Net defined benefit liabilities (assets)
January 1, 2022	$ 33,358	($ 33,101)	$ 257
Service costs			
Current service cost	245	-	245
Interest expense (income)	221	(221)	-
Recognized in profit and loss	466	(221)	245
Remeasurement			
Return on plan assets (excluding amounts that are included in net interest)	-	(2,707)	(2,707)
Actuarial loss - Experience adjustments	715	-	715
Actuarial gain - Change in demographic and financial assumptions	(1,436)	-	(1,436)
Recognized in other comprehensive income	(721)	(2,707)	(3,428)
Contribution from employer	-	(642)	(642)
December 31, 2022	33,103	(36,671)	(3,568)
Service costs			
Current service cost	245	-	245
Interest expense (income)	408	(456)	(48)
Recognized in profit and loss	653	(456)	197
Remeasurement			
Return on plan assets (excluding amounts that are included in net interest)	-	(324)	(324)
Actuarial loss - Experience adjustments	(251)	-	(251)
Actuarial gain - Change in demographic and financial assumptions	185	-	185
Recognized in other comprehensive income	(66)	(324)	(390)
Contribution from employer	-	(663)	(663)
December 31, 2023	$ 33,690	($ 38,114)	($ 4,424)

The amounts recognized in profit or loss for the defined benefit plans are summarized by function as follows:

	2023	2022
By function		
Operating costs	$ 64	$ 231
Operating expenses	133	14
	$ 197	$ 245

The Group has the following risks owing to the implementation of the pension system under the "Labor Standards Act":

1. Investment risk: The pension funds are invested in local and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau of Labor Funds, Ministry of Labor, or through its designated agencies. However, the rate of return on plan assets shall not be less than the average interest rate on a two year time deposit published by the local banks.
2. Interest rate risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation. However, the return on the debt investments of the plan assets will also increase. Those two will partially offset each other.
3. Payroll risk: The present value of the defined benefit obligation is calculated by reference to the future salary of plan participants. As such, an increase in the salary of the plan participants will raise the present value of the defined benefit obligation.

The present value of the Group's defined benefit obligations is calculated by certified actuaries and the major assumptions on the measurement date are as follows:

	December 31, 2023	December 31, 2022
Discount rate	1.15%	1.25%
Expected growth rate of salary	2.00%	2.00%

If reasonable changes occur in major actuarial assumptions respectively with other assumptions unchanged, the present value of defined benefit obligations will increase (decrease) as follows:

	December 31, 2023	December 31, 2022
Discount rate		
Increase by 0.25%	($ 460)	($ 592)
Decrease by 0.25%	$ 472	$ 608
Expected growth rate of salary		
Increase by 0.25%	$ 467	$ 602
Decrease by 0.25%	($ 457)	($ 589)

As actuarial assumptions may be related to one another, the likelihood of fluctuation in a single assumption is not high. Therefore, the aforementioned sensitivity analysis may not reflect the actual fluctuations of the present value of defined benefit obligations.

	December 31, 2023	December 31, 2022
Expected contribution amounts within 1 year	$ 663	$ 641
Average maturity period of defined benefit obligations	6 years	7 years

XXI. Equity

(I) Capital

	December 31, 2023	December 31, 2022
Number of authorized shares (in 1,000 shares)	500,000	500,000
Authorized capital	$ 5,000,000	$ 5,000,000
Number of issued and paid shares (in 1,000 shares)	252,000	252,000
Issued capital	$ 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 maintain the Company's creditworthiness and shareholder equity, the Board resolved on May 10, 2022, to repurchase treasury stock and subsequently set the record date for capital reduction on August 12, 2022. The paid-in capital is 252,000 thousand shares after the retirement of 5,440 thousand shares of treasury stock.

(II) Additional paid-in capital

	December 31, 2023	December 31, 2022
May be used to offset deficits, appropriated as cash dividends or transferred to capital(1)		
Stock issuance premium	$ 186,037	$ 186,037
Difference between prices of shares acquired from subsidiaries and book value	993	993
May only be used to offset deficits		
Adjustment in additional paid-in capital of subsidiaries using equity method	73	73
May not be used for any purpose		
Employee stock options	205	205
	$ 187,308	$ 187,308

(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 XXIII (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 20, 2023, and June 21, 2022, and respectively resolved the 2022 and 2021 earnings distribution proposals as follows:

	Proposal of Earnings Appropriation		Dividends per Share (NT$)	
	2022	2021	2022	2021
Legal reserve	$ 19,406	$ 42,086		
Reversal of special reserve	-	(34,566)		
Cash dividends	252,000	257,440	$ 1.00	$ 1.02

The appropriation of earnings and dividends per share for 2023 proposed by the Board of Directors on March 13, 2024 are as follows:

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

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

(IV) Treasury stock

Account	Repurchase for Cancellation (In 1,000 Shares)
Number of shares as of January 1, 2022	-
Increase	5,440
Cancellation for the period	(5,440)
Number of shares as of December 31, 2022	-

Treasury stock held by the Company may not be pledged nor assigned rights such as dividend appropriation and voting rights in accordance with the Securities and Exchange Act.

XXII. Revenue

(I) Revenue from contracts with customers

	2023	2022
Revenue from construction contracts	$ 4,186,024	$ 5,065,366
Others	335	335
	$ 4,186,359	$ 5,065,701

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

(II) Contract balance

	December 31, 2023		December 31, 2022	
	Construction Segment	Discontinued Segment	Construction Segment	Discontinued Segment
Notes receivable (Note X)	$ 156	$ -	$ -	$ -
Accounts receivable (Note X)	$ 286,950	$ 4,665	$ 105,775	$ 4,744
Contract assets				
Real estate construction	$ 693,243	$ -	$ 1,255,597	$ -
Construction retainage receivable	245,463	-	330,646	-
Less: Allowance losses	-	-	(1,514)	-
	$ 938,706	$ -	$ 1,584,729	$ -
Contract liability				
Real estate construction	$ 801,917	$ -	$ 28,885	$ -
Current provisions	$ 135,217	$ -	$ 45,390	$ -

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

The aggregate amount of the amortized transaction price of which the performance obligations have not been satisfied and the anticipated years to recognize the revenue for the construction contracts signed by the Group as of December 31, 2023 are as follows:

Anticipated years to recognize revenue	December 31, 2023
2024~2029	$ 27,331,363

XXIII. Net Income from Continuing Operations

(I) Other income

	2023	2022
Interest income	$ 135,971	$ 43,028
Dividend income	18,837	18,046
Litigation compensation	3,193	-
Gain on reversal of expected credit loss on other receivables	2,400	-
Others	4,106	27,345
	$ 164,507	$ 88,419

(II) Other gains and losses

	2023	2022
Gain (loss) on valuation of financial assets at fair value through profit or loss	$ 182,044	($ 142,518)
Loss on foreign currency exchange, net	(315)	(37,234)
Gains on disposal of property, plant and equipment	68	65,533
Others	(117)	(4)
	$ 181,680	($ 114,223)

(III) Finance costs

	2023	2022
Interest expenses		
Interest on bank loans	$ 7,533	$ 11,910
Lease liabilities	614	297
	$ 8,147	$ 12,207

(IV) Depreciation and amortization expenses

	2023	2022
Property, plant, and equipment	$ 38,947	$ 14,765
Right-of-use assets	17,044	14,564
Investment Property	993	994
Intangible assets	4,085	1,123
Total	$ 61,069	$ 31,446

	2023	2022
Depreciation expenses by function		
Operating costs	$ 37,397	$ 11,379
Operating expenses	18,633	17,988
Other gains and losses	954	956
	$ 56,984	$ 30,323

	2023	2022
Amortization expenses by function		
Operating costs	$ 1,410	$ 32
Operating expenses	2,675	1,091
	$ 4,085	$ 1,123

(V) Employee benefits expenses

	2023	2022
Short-term employee benefits	$ 481,701	$ 468,763
Post-employment benefits		
Defined contribution plan	17,982	18,190
Defined benefit plans	197	245
Termination benefits	1,314	518
	$ 501,194	$ 487,716
By function		
Operating costs	$ 227,651	$ 254,850
Operating expenses	273,543	232,866
	$ 501,194	$ 487,716

(VI) Remuneration for employees and directors

According to the Articles of Incorporation, the Company appropriates 0.1% to 3% of its income before tax, remuneration for employees and directors as employee remuneration, and no more than 3% of such income as directors' remuneration. Remuneration to employees and remuneration to directors for 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	12,522	3%	7,178	3%
	$ 25,044		$ 14,356	

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

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

XXIV. Income Tax

(I) Income tax recognized in profit or loss

Major components of income tax expenses are as follows:

	2023	2022
Current-period income tax		
Income tax expenses recognized in the current period	$ 75,181	$ 52,245
Additional tax on unappropriated earnings	-	7,221
Adjustments for previous years	(511)	(13,962)
	74,670	45,504
Deferred income tax		
Income tax expenses recognized in the current period	(17,740)	(12,867)
Income tax expenses recognized in profit or loss	$ 56,930	$ 32,637

Reconciliation for accounting income and income tax expenses is as follows:

	2023	2022
Net income before tax	$ 395,443	$ 216,752
Income tax expenses calculated based on income before income tax and the statutory tax rate	$ 79,089	$ 43,350
Permanent difference	68	35
Exemptions	(23,135)	(9,998)
Adjustments on income tax expenses of prior years	(511)	(13,962)
Additional tax on unappropriated earnings	-	7,221
Additional Tax Amount Under the Minimum Tax Liability System	2,839	1,709
Others	(1,420)	4,282
Income tax expenses recognized in profit or loss	$ 56,930	$ 32,637

(II) Income tax recognized in other comprehensive income

	2023	2022
Deferred income tax		
Arise from current period		
Exchange differences on translation of financial statements of foreign operations	($ 568)	$ 68,881
Remeasurement of defined benefit plans	78	686
Income tax recognized in other comprehensive income	($ 490)	$ 69,567

(III) Deferred Income Tax Assets and Liabilities

Changes in deferred income tax assets and liabilities are as follows:

2023

Deferred tax assets	Balance - beginning of year	Recognized in profit and loss	Recognized in other comprehensive income	Balance - end of year
Warranty Cost	$ 7,617	$ 831	$ -	$ 8,448
Construction proceeds temporarily estimated	10,088	(555)	-	9,533
Unrealized construction loss	1,462	17,133	-	18,595
Others	672	658	(78)	1,252
	$ 19,839	$ 18,067	($ 78)	$ 37,828

Deferred tax liabilities	Balance - beginning of year	Recognized in profit and loss	Recognized in other comprehensive income	Balance - end of year
Gains or losses from investment accounted for using equity method	$ 445,816	$ 327	$ -	$ 446,143
Accumulated conversion adjustment	79,722	-	(568)	79,154
Reserve for land value increment tax	10,814	-	-	10,814
Others	915	-	-	915
	$ 537,267	$ 327	($ 568)	$ 537,026

2022

Deferred tax assets	Balance - beginning of year	Recognized in profit and loss	Recognized in other comprehensive income	Balance - end of year
Warranty Cost	$ 6,769	$ 848	$ -	$ 7,617
Construction proceeds temporarily estimated	15,486	(5,398)	-	10,088
Unrealized construction loss	2,564	(1,102)	-	1,462
Others	733	625	(686)	672
	$ 25,552	($ 5,027)	($ 686)	$ 19,839

Deferred tax liabilities	Balance - beginning of year	Recognized in profit and loss	Recognized in other comprehensive income	Balance - end of year
Gains or losses from investment accounted for using equity method	$ 463,710	($ 17,894)	$ -	$ 445,816
Accumulated conversion adjustment	10,841	-	68,881	79,722
Reserve for land value increment tax	10,814	-	-	10,814
Others	915	-	-	915
	$ 486,280	($ 17,894)	$ 68,881	$ 537,267

(IV) 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	2021
Chien Kuo Building Co., Ltd.	2021
CKTech Engineering Co., Ltd.	2021
Golden Canyon Venture Capital Investment Co., Ltd.	2021
Golden Canyon II Venture Capital Investment Co., Ltd.	2021

XXV. Earnings Per Share

Unit: NT$

	2023	2022
Basic earnings per share	$ 1.34	$ 0.72
Diluted earnings per share	$ 1.34	$ 0.72

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

Net income

	2023	2022
Net income attributable to owners of the Company	$ 338,513	$ 184,115

Shares

Unit: In thousand shares

	2023	2022
Weighted average number of shares of common stock used for the calculation of basic earnings per share	252,000	254,382
Effect of potentially dilutive shares of common stocks: employee remuneration	849	878
Weighted average number of shares of common stock used for the calculation of diluted earnings per share	252,849	255,260

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

XXVI. Information on cash flows

Except as disclosed in other notes, the Group made the following investment and financing activities of non-cash transaction in 2022:

The financial assets at fair value through profit or loss that the Group disposed of from January 1 to December 31, 2022 are recognized as other receivables amounting to NT$16,730 on December 31, 2022 due to settlement-date lag.

XXVII. Capital Risk Management

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

XXVIII. Financial Instruments

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

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

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

1. Fair value level

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
Listed innovative and emerging stocks	$ -	$ 267,313	$ -	$ 267,313
Unlisted common 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	$1,575,405	$ 268,182	$ 150,371	$1,993,958
Financial assets measured at fair value through other comprehensive income				
Listed stocks	$ 392,133	$ -	$ -	$ 392,133

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
Listed stocks and emerging stocks	$ 2,716	$ 19,485	$ -	$ 22,201
Unlisted stocks	-	-	145,112	145,112
Fund beneficiary certificates	690,035	139,594	-	829,629
Private equity funds	-	-	51,917	51,917
Total	$ 692,751	$ 159,079	$ 197,029	$1,048,859
Financial assets measured at fair value through other comprehensive income				
Listed stocks	$ 367,780	$ -	$ -	$ 367,780

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

	January 1 to December 31, 2023	January 1 to December 31, 2022
Balance - beginning of year	$ 197,029	$ 88,042
Recognized in profit and loss		
— Unrealized gain (loss) on valuation of financial assets at fair value through profit or loss	4,032	17,280
Recognized in other comprehensive income		
— Differences on translation of foreign operations	(5,451)	5,518
Purchase	76,950	101,732
Disposal	(6,177)	(5,543)
Transfer out from Level 3 (Note 1)	(116,012)	(10,000)
Balance - end of year	$ 150,371	$ 197,029

Note1: The unlisted domestic stocks originally held by the Group have been listed and traded on the Emerging Stock Market since January and April 2023, and April 2022, respectively, and thus were transferred from Level 3 to Level 2 for fair value measurement.

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

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

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

The fair value of private equity funds is estimated based on the valuation report provided by the fund company with consideration for liquidity. The fair value of unlisted stocks and preferred stocks without active market is estimated with reference to recent financing price.

The unobservable inputs applied by the Group were a 10% discount for lack of liquidity and a 10% discount for minority interest on December 31, 2023 and December 31, 2022. When other inputs are held constant, a 1% discount would decrease the fair value by NT$9,132 thousand and NT$15,441 thousand, respectively.

(III) Types of financial instruments

	December 31, 2023	December 31, 2022
Financial assets		
Measured at fair value through profit or loss		
Mandatorily measured at fair value through profit or loss	$ 1,993,958	$ 1,048,859
Financial assets measured at amortized cost (Note 1)	3,687,916	3,660,280
Financial assets measured at fair value through other comprehensive income		
Investment in equity instruments	392,133	367,780
Financial liabilities		
Measured at amortized cost (Note 2)	1,557,765	2,383,082

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

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

(IV) Financial risk management objectives and policies

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

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

1. Market risk

(1) Foreign exchange rate risk

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

Please see Note XXXIII 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	
	2023	2022
RMB	$ 2	$ 3
USD	2,125	2,145

(2) Interest rate risk

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

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

	December 31, 2023	December 31, 2022
With fair value interest rate risk		
— Financial assets	$ 2,522,776	$ 3,104,474
— Financial liabilities	41,477	663,923
With cash flow interest rate risk		
— Financial assets	787,467	361,443
— Financial liabilities	-	200,000

Sensitivity analysis

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

If interest rate increases/decreases by 100 basis points, holding other variables constant, the Group's income before tax will increase/decrease by NT$7,875 thousand and NT$1,614 thousand in 2023 and 2022, respectively.

(3) Other price risks

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

Sensitivity analysis

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

If the equity price had increased/decreased by 10%, income before tax from January 1 to December 31, 2023 and 2022 would have increased/decreased by NT$199,396 thousand and NT$104,886 thousand due to a change in the fair value of financial assets at fair value through profit or loss.

If the equity price increased/decreased by 10%, other comprehensive income before tax from January 1 to December 31, 2023 and 2022 would have increased/decreased by NT$39,213 thousand and NT$36,778 thousand respectively due to a change in the fair value of financial assets at fair value through other comprehensive income.

2. Credit risk

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

Customers

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

The credit risk of the Group is mainly concentrated in our top five customers. As of December 31, 2023 and 2022, the ratio of accounts receivable and contract assets from aforementioned customers to the total amounted to 84% and 76%, respectively. To mitigate credit risk, the Group regularly assesses the financial position of our customers and the likelihood of recovering accounts receivable, and recognized appropriate loss allowance.

3. Liquidity risk

(1) The cash flow forecast is performed by each operating entity of the Company and compiled by the Company's finance department. The finance department monitors the forecast of circulating capital needs of the Company to ensure that the Company's funds are adequate to finance its operations.

(2) The following tables detail the Group's non-derivative financial liabilities grouped by the maturity date. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flows disclosed below, including those of interest and principals, are undiscounted.

December 31, 2023

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

December 31, 2022

	Less than 1 Year	1~2 Year(s)	2~5 Years
Non-interest-bearing liabilities	$ 1,280,377	$ 91,890	$ 57,323
Lease liabilities	11,539	2,151	640
Fixed interest rate instruments	649,787	-	-
Floating interest rate instruments	200,000	-	-
	$ 2,141,703	$ 94,041	$ 57,963

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

(3) Financing facilities

	December 31, 2023	December 31, 2022
Credit line of unsecured bank loan		
— Amount used	$ -	$ 500,000
— Amount unused	2,327,283	1,571,209
	$ 2,327,283	$ 2,071,209
Secured bank loan facilities		
— Amount used	$ -	$ 350,000
— Amount unused	450,000	100,000
	$ 450,000	$ 450,000

XXIX. Related Party Transactions

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

(I) Names and relationships of related parties

Name of Related Party	Relationship with the Group
Chien Hwei Investment Co., Ltd.	The chairman of Chien Hwei Investment is the vice chairman of the Company.
Chien Kuo Foundation for Arts and Culture	The chairman of the foundation is the vice chairman of the Company.
Tzu-chiang YANG	Director of the Company
Pang-yen YANG	Director of the Company

(II) Other related party transactions

1. Lease agreements

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

Account	Category of Related Parties	December 31, 2023	December 31, 2022
Lease liabilities	Chien Hwei Investment Co., Ltd.	$ -	$ 5,562

Account	Category of Related Parties	2023	2022
Interest expenses	Other related parties	$ 42	$ 133
Lease expenses	Other related parties	$ 200	$ 160

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	2023	2022
Rent income	Other related parties	$ 1,143	$ 1,143

3. Donation

Category of Related Parties	2023	2022
Other related parties	$ 2,000	$ 2,000

The Group donated funds for broadcast production to related parties.

(III) Remuneration to key management

	2023	2022
Short-term employee benefits	$ 73,446	$ 76,636
Post-employment benefits	1,793	1,908
	$ 75,239	$ 78,544

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

XXX. Pledged Assets

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

	December 31, 2023	December 31, 2022
Inventories (for construction business)	$ -	$ 463,577
Financial assets measured at FVTOCI - non-current	38,100	113,485
Pledged time deposit certificate (classified as financial assets at amortized cost)	70,050	70,050
Investment Property	492,831	29,827
Other restricted assets (classified as other non-current assets)	-	23,181
	$ 600,981	$ 700,120

XXXI. Significant Contingent Liabilities and Unrecognized Contract Commitments

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

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

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

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

(III) The Group contracted the construction of social housing on Site No. 1 in Yangmei District and Pingzhen District, Taoyuan City (hereinafter referred to as the Project). According to the procurement contract for the Project, the natural gas company's execution expenses and related fees are to be paid by the Group after which the Office of Housing Development (Office of Housing) verifies and pays the expenses. Following the Group's payments totaling NT$12,747 thousand and

NT$4,253 thousand respectively to Shin Tao Natural Gas Company for execution expenses and fees, a total of NT$17,000 thousand was applied for reimbursement from the Office of Housing as agreed upon. Unexpectedly, the Office of Housing contends that the detailed price list in the project's service proposal includes a gas project item and amount, thereby refusing to make the payment. The Group believes that the actions taken by the Office of Housing are inconsistent with the provisions of the contract. Therefore, on August 29th, 2023, they filed for mediation with the Complaint Review Board for Government Procurement of Taoyuan City. Upon receiving notification from the Complaint Review Board for Government Procurement of Taoyuan City to provide their statement, the Office of Housing will be scheduled for a mediation meeting. The Group finds it difficult to assess the outcome until a mediation proposal is put forward.

(IV) As of December 31, 2023 and 2022, the performance guarantee letters issued by the bank for construction projects of the Group amounted to NT$2,207,658 thousand and NT$1,355,140 thousand, respectively.

(V) As of December 31, 2023, the performance guarantee letters issued by the bank for public-sector-led Urban Renewal of the Group amounted to NT$24,600 thousand.

(VI) As of December 31, 2023 and 2022, the guaranteed bills issued by the Group for business needs amounted to NT$537,271 thousand and NT$340,260 thousand, respectively.

XXXII. Significant Subsequent Events

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

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

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

Unit: Foreign currency/NT$ thousand

December 31, 2023

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

December 31, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
RMB	$ 69	0.1436 (RMB:USD)	$ 305
USD	6,986	30.71 (USD:NTD)	214,531
			$ 214,836

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

	2023		2022	
	Exchange Rate	Net Exchange Profit (Loss)	Exchange Rate	Net Exchange Loss
Financial assets				
RMB	0.1420 (RMB:USD)	($ 227)	0.1488 (RMB:USD)	($ 3,944)
USD	31.16 (USD:NTD)	(4,783)	29.81 (USD:NTD)	(4,480)
		($ 5,010)		($ 8,424)

XXXIV. Supplementary Disclosures

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

1. Loaning Provided to Others: (Appendix 1)
2. Endorsements/Guarantees Provided for Others: (Appendix 2)
3. Marketable Securities Held by the End of the Period (Excluding Investment in Subsidiaries, Associates and Joint Ventures): (Appendix 3)
4. Marketable Securities Acquired and Disposed of Amounting to NT$300 Million or 20% of the Paid-in Capital or More: None.
5. Acquisition of Real Estate Amounting to NT$300 Million or 20% of the Paid-in Capital or More: None.
6. Disposal of Real Estate Amounting to NT$300 Million or 20% of the Paid-in Capital or More: (Appendix 4)
7. Purchases from or Sales to Related Parties Amounting to NT$100 million or 20% of the Paid-in Capital or More. None.
8. Receivables from Related Parties Amounting to NT$100 Million or 20% of the Paid-in Capital or More. None.
9. Engaging in Derivatives Trading: None.
10. Others: Inter-company Business Relationships and Significant Inter-company Transactions: (Appendix 5)
11. Information on Invested Companies: (Appendix 6)

(III) Information on investments in Mainland China:

1. Information on invested companies in mainland China, including the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, gain or loss on investments, carrying amount of investment at the end of the period, gain or loss on repatriated investment and limits on investments in mainland China: (Appendix 7)
2. Any of the following significant transactions with invested companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms and unrealized gain or loss: (None)
   (1) Purchase amount and percentage, and the ending balance and percentage of the related payables.
   (2) Sales amount and percentage, and the ending balance and percentage of the related receivables.
   (3) Property transaction amount and the resulting gain or loss.

(4) Ending balances and purposes of endorsements/guarantees or collateral provided.
(5) The maximum balance, ending balance, interest rate range and the total amount of current-period interest of financing facilities.
(6) Other transactions with significant impact on profit or loss or financial position for the period, such as provision or receipt of service.

(IV) Information on major shareholders: names of shareholders with a holding ratio of 5% or more, the amount and proportion of shares held: (Appendix 8)

XXXV. Segment Information

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

Information on Major Customers

Individual customers from whom at least 10% of net revenue of the Group is generated are as follows:

	December 31, 2023
10000001	$ 906,971
10294428	521,591
10481552	1,114,211
10481854	644,594
	$ 3,187,367

	December 31, 2022
10000001	$ 614,967
10294428	700,566
10335434	516,383
10475891	1,026,183
10481854	886,368
	$ 3,744,467

Chien Kuo Construction Co., Ltd. and Subsidiaries
Loans Provided to Others
January 1 to December 31, 2023

Appendix 1

Unit: NT$ Thousands

No.	Financing Company	Counterparty	Financial Statement Account	Whether a Related Party	Maximum Balance	Balance - end of year	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	$ 36,000	$ 36,000	2.00%	(1)	$ -	Operating capital	$ -	-	$ -	40% of the company's net worth $ 37,019	40% of the company's net worth $ 37,019	
2	CKTech Engineering Co., Ltd.	Chien Kuo Construction Co., Ltd.	Other receivables	Yes	22,000	22,000	22,000	2.00%	(1)	-	Operating capital	-	-	-	40% of the company's net worth 23,429	40% of the company's net worth 23,429	
3	Chien Bang Real Estate Development Co., Ltd.	Chien Kuo Construction Co., Ltd.	Other receivables	Yes	19,000	19,000	19,000	2.00%	(1)	-	Operating capital	-	-	-	40% of the company's net worth 19,937	40% of the company's net worth 19,937	

Note1: The nature of financing is described as follows:
(1) For the purpose of short-term financing.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Endorsements/Guarantees Provided for Others
January 1 to December 31, 2023

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.	Shun Long International Electrical Engineering Co., Ltd.	Subsidiary	$ 2,448,882	$ 50,000	$ 50,000	$ -	$ -	1.02%	$ 4,897,763	Y	N	N	Financing endorsements/guarantees
0	Chien Kuo Construction Co., Ltd.	Chien Bang Real Estate Development Co., Ltd.	Subsidiary	2,448,882	24,600	24,600	24,600	-	0.50%	4,897,763	Y	N	N	Performance Guarantee

Note1: The limit on endorsements/guarantees provided for each guaranteed party is calculated as follows:
1. The limit on endorsements/guarantees made to companies in the same industry should be 200% of net worth of shareholders' equity.
2. The limit on endorsements/guarantees made to other guaranteed parties should be 50% of net worth of shareholders' equity.

Note2: The maximum endorsements/guarantees amount allowable is calculated as follows:
1. The maximum endorsements/guarantees amount allowable to companies in the same industry should be 400% of net worth of shareholders' equity.
2. The maximum endorsements/guarantees amount allowable to other guaranteed parties should be 100% of net worth of shareholders' equity.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Marketable Securities Held at the End of the Period
December 31, 2023

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.	Stock - Common Stock							
	BMC Venture Capital Investment Corporation	—	Financial assets measured at FVTPL - non-current	2,850	$ 33,132	4.92%	$ 33,132	—
	BMD Venture Capital Investment Corporation	—	〃	1,500	13,500	6.65%	13,500	—
	Taiwan Bio Therapeutics Co., Ltd.	—	〃	100	3,408	0.16%	3,408	—
	Revivegen Co., Ltd.	—	〃	341	12,017	0.72%	12,017	—
	Gogolook Co., Ltd.	—	〃	86	13,158	0.27%	13,158	—
	Chia Hsin Cement Corporation	—	Financial assets measured at FVTOCI - current	1,137	21,655	0.14%	21,655	—
	Taiwan Cement Corporation	—	Financial assets measured at FVTOCI - non-current	6,810	237,318	0.10%	237,318	—
	Chia Hsin Cement Corporation	—	〃	6,990	133,160	0.88%	133,160	(Note 2)
CKTech Engineering Co., Ltd.	Fund							
	SinoPac TWD Money Market Fund	—	Financial assets at FVTPL - current	704	10,062	-	10,062	—
Golden Canyon Venture Capital Investment Co., Ltd.	Stock - Common Stock							
	Phoenix Pioneer technology Co., Ltd.	—	Financial assets at FVTPL - current	1,165	20,935	0.39%	20,935	—
	MEGA UNION TECHNOLOGY INC.	—	〃	1,084	177,272	1.76%	177,272	—
	TCM Biotech International corporation	—	Financial assets measured at FVTPL - non-current	700	40,523	1.19%	40,523	—
	Stocks - Preferred Stock							
	Brain Navi Ltd	—	Financial assets measured at FVTPL - non-current	1,000	61,950	-	61,950	—
Golden Canyon Limited	Bonds							
	Mercedes-Benz Finance North America LLC (MBGGR 5 3/8 11/26/25)	—	Financial Assets Measured at Amortized Cost - Non-current	1,000	30,784	-	30,784	—

(Continued on next page)

(Continued from the previous page)

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	
	Fund							
	Citi Taiwan - A1USD Trade Finance Fund	—	Financial assets at FVTPL - current	119	$ 399,167	-	$ 399,167	—
	BlackRock ICS US Dollar Liquidity Fund	—	〃	9	31,597	-	31,597	—
	AB FCP I-Short Duration Bond Portfolio Class A2	—	〃	168	95,458	-	95,458	—
	PIMCO GIS Global Investment Grade Credit Fund	—	〃	177	96,575	-	96,575	—
	JPMorgan Funds - Global Corporate Bond Fund	—	〃	169	96,844	-	96,844	—
	PIMCO GIS Income Fund	—	〃	169	64,010	-	64,010	—
	AB FCP I-American Income Portfolio Class A2	—	〃	35	32,331	-	32,331	—
	PVG GCN VENTURES, L.P.	—	Financial assets measured at FVTPL - non-current	-	8,369	5.00%	8,369	—
	CSVI VENTURES,L.P.	(Note 1)	〃	-	33,420	4.06%	33,420	—
Silver Shadow Holding Limited	Fund							
	Citi Taiwan-45A2USD Liquidity Fund	—	Financial assets at FVTPL - current	5	16,590	-	16,590	—
	Citi Taiwan - A1USD Trade Finance Fund	—	〃	94	316,279	-	316,279	—
	Nomura Global Financial Bond Fund	—	〃	249	81,187	-	81,187	—
	BlackRock ICS US Dollar Liquidity Fund	—	〃	27	93,992	-	93,992	—
	JPMorgan Liquidity Funds -USD Liquidity LVNAV Fund	—	〃	-	85,014	-	85,014	—
	iShares 20+ Year Treasury Bond ETF(TLT)	—	〃	15	45,245	-	45,245	—
	Blackstone Real Estate Income Trust iCapital Offshore Access Fund SPC	—	〃	-	869	-	869	—
	Lord Abbet Short Duration Income	—	〃	176	63,316	-	63,316	—
	PIMCO Funds: Global Investors Series plc Dynamic Bond Fund	—	〃	133	47,738	-	47,738	—

Note1: The chief decision-makers of the fund are the directors of the Group.
Note2: Among them, 2,000 thousand shares are pledged to the bank as collateral for the performance of construction contracts.
Note3: For information regarding investment of subsidiaries, please refer to Appendix 6 and Appendix 7.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Disposal of Real Estate Amounting to NT$300 Million or 20% of the Paid-in Capital or More
January 1 to December 31, 2023

Appendix 4

Unit: NT$ Thousands

Company disposing of real estate	Name of property	Occurrence date	Original acquisition date	Carrying Amount	Transaction Amount	Payment Collection Status	Gain or loss on disposals	Counterparty	Relationship	Purpose of Disposal	Basis for Price Determination	Other Agreements
Chien Kuo Construction Co., Ltd.	Xinzhi Section, Xinzhuang District Land	2023/5/10	2017/7/20	$ 465,926	$ 583,832	Note 1	$ -	Tai Tung Communication Co., Ltd.	-	Earning Capital Appreciation	Appraisal Report issued by Hung-Pang Real Estate Appraisers Firm	Please refer to Note XI for more information

Note1: As of December 31, 2023, the Group has received a prepayment of NT$117,065 thousand for the first installment of land payment in accordance with the Contract. This prepayment is recorded as part of other current liabilities.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Inter-company Business Relationships and Significant Inter-company Transactions
January 1 to December 31, 2023

Appendix 5

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)	Construction costs	$ 42,591	Note 2	1.02%
			(1)	Contract assets - property construction	206,467	Note 2	2.55%
			(1)	Short-term loans	22,000	Note 2	0.27%
			(1)	Accounts payable	26,780	Note 2	0.33%
			(1)	Accounts payable - Provisional	22,814	Note 2	0.28%
			(1)	Miscellaneous Income	3,840	Note 2	0.09%
		Chien Kuo Building Co., Ltd.	(1)	Short-term loans	36,000	Note 2	0.44%
		Chien Bang Real Estate Development Co., Ltd.	(1)	Short-term loans	19,000	Note 2	0.23%

Note1: The nature of relationship is divided into the following three categories:
1. Parent to subsidiary.
2. Subsidiary to parent.
3. Subsidiary to subsidiary.

Note2: Conducted in line with ordinary terms.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Information on Invested Companies and Their Locations, etc.
January 1 to December 31, 2023

Appendix 6

Unit: NT$ Thousands

Name of Investor	Name of Investee	Location	Principal Business Activities	Original Investment Amount		Ending Balance			Profit or Loss of Invested Company in 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	$ 183,751	$ 183,751	5,881	100.00%	$ 1,644,221	$ 84,764	$ 84,764	Subsidiary
	Silver Shadow Holding Limited	British Virgin Islands	Reinvestment	704,069	704,069	21,606	100.00%	2,018,052	97,411	97,411	Subsidiary
	Chien Kuo Building Co., Ltd.	Taiwan	Building construction commission; public housing lease and sale	144,065	144,065	10,000	100.00%	87,055	(5,493)	(5,493)	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%	55,710	(2,261)	(2,261)	Subsidiary
	Golden Canyon Venture Capital Investment Co., Ltd.	Taiwan	Venture capital business	401,000	401,000	40,100	100.00%	520,521	115,131	115,131	Subsidiary
	Golden Canyon II Venture Capital Investment Co., Ltd.	Taiwan	Venture capital business	200,000	200,000	20,000	100.00%	201,101	1,158	1,158	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%	27,471	106	58	Subsidiary
	Leader Construction Co., Ltd.	Taiwan	Undertaking renovation and construction/Buying and selling construction materials	10,000	-	1,000	100.00%	8,299	(1,701)	(1,701)	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%	22,476	106	48	Subsidiary
Golden Canyon Venture Capital Investment Co., Ltd.	Chang Jia Energy Co., Ltd.	Taiwan	Renewable Energy Self-Generation Equipment Industry	31,500	31,500	3,150	31.50%	31,270	(282)	(89)	Associates
Golden Canyon II Venture Capital Investment Co., Ltd.	Chang Jia Energy Co., Ltd.	Taiwan	Renewable Energy Self-Generation Equipment Industry	17,500	17,500	1,750	17.50%	17,372	(282)	(49)	Associates
Silver Shadow Holding Limited	CK Asia Co., Ltd.	British Virgin Islands	Reinvestment	974	118,002	2	54.29%	26,169	5,096	Note 3	Sub-subsidiary
Golden Canyon Limited	CK Asia Co., Ltd.	British Virgin Islands	Reinvestment	840	104,987	2	45.71%	21,613	5,096	Note 3	Sub-subsidiary

Note1: Where there involves a foreign currency, it is translated into New Taiwan Dollars by using the exchange rate as of December 31, 2023 (US$1＝NT$30.71), except for profit or loss items, which are translated into New Taiwan Dollars by using the average exchange rate over January 1 - December 31, 2023 (US$1＝NT$31.16).
Note2: Please refer to Appendix 7 for information on investments in Mainland China.
Note3: The gains or losses of an invested company are incorporated into those of the investor. To avoid confusion, they are not separately presented here.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Information on Investments in Mainland China
January 1 to December 31, 2023

Appendix 7

Unit: NT$ Thousands, unless otherwise specified

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	Profit or Loss of Invested Company in the Current Period	Percentage of Ownership (Direct or Indirect)	Investment Gains (Losses) Recognized for the Current Period (Note 1)	Carrying Amount as of December 31, 2023 (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	$ 3,071	Investment through a company founded in a third region	$ 68,326	$ -	$ -	$ 68,326	$ 1,602	100%	$ 1,602	$ 13,412	$ 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)	NT$1,046,278 (Note 2)	$ 2,909,852

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

Note2: The amount authorized by the Investment Commission, MOEA was NT$1,589,060 thousand, of which NT$542,782 thousand was the earnings of invested companies in Mainland China remitted to the third regions, and was not included in the calculation of the limit on investment.

Note3: The amount remitted from Taiwan was NT$868,785 thousand, including the following expenses:

(1) Loss on investment:

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

(2) Of the amount, NT$163,869 thousand (USD5,682 thousand) originated from the funds of the third regions.

Chien Kuo Construction Co., Ltd. and Subsidiaries
Information on Major Shareholders
December 31, 2023

Appendix 8

Unit: In thousand shares

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

Note: Information on major shareholders in this table is provided by Taiwan Depository & Clearing Corporation according to information on shareholders holding at least 5% or greater of common stocks and preferred shares (including treasury 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.