Kuo Yang Construction Co., Ltd.
Individual Financial Statements and Independent Auditor's Report
2023 and 2022
(Stock Code: 2505)

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Kuo Yang Construction Co., Ltd.

Individual Financial Statements and Independent Auditor's Report for 2023 and 2022

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Independent Auditor's Report

(2024) Cai-Shen-Bao-Zi No. 23004302

To Kuo Yang Construction Co., Ltd.:

Audit Opinions

The Individual Balance Sheet of Kuo Yang Construction Co., Ltd. as of December 31, 2023 and 2022 and the Individual Statement of Comprehensive Income, Individual Statement of Changes in Equity, Individual Cash Flow Statement, and Notes to the Individual Financial Statements (including a summary of material accounting policies) from January 1 to December 31, 2023 and 2022 have been audited by the CPA.

In our opinion and based on our audits and reports of other CPAs, the Individual Financial Statements were prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" in all material respects, and present fairly the individual financial position of Kuo Yang Construction as of December 31, 2023 and 2022, and its individual financial performance and its individual cash flow from January 1 to December 31, 2023 and 2022.

Basis of Audit Opinions

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Accounting (TWSA). Our responsibility based on these standards will be explained in greater detail in the section on our responsibilities for the review of the Individual Financial Statements. The personnel of the CPA firm who are governed by regulations on independence have acted according to the ROC CPA Code of Professional Ethics and remained independent of Kuo Yang Construction when fulfilling other obligations set forth in the Code. We believe that we have obtained sufficient and appropriate evidence as the basis for the audit opinion.

Key Audit Matters

The key audit matters pertain to the most important items of Kuo Yang Construction's 2023 Individual Financial Statements as per the professional judgment of the CPA. These matters were addressed in the context of our audit of the Individual 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 of the Individual Financial Statements of Kuo Yang Construction for 2023 are as follows:

Appropriateness of the period in which income from the sales of houses and land is recognized

Description

Refer to Note 4 (26) in the Individual Financial Statements for accounting policies on operating revenue from construction, and refer to Note 6 (17) for the explanation of accounting items.

The revenue from the sales of houses and land in the construction business is recognized when the ownership of the real estate is transferred and the property handover certificate is delivered to the customer. As the houses and land of a construction business are sold to many customers, the CPA is required to review all information on the transfer of ownership before recognizing sales revenue. The process generally involves a high amount of manual labor to determine the accuracy of the timing for recognizing sales revenue. Therefore, the CPA regarded the appropriateness of the period in which income from the sales of houses and land is recognized as one of the most important items in the audit.

Corresponding auditing procedures

The CPA has compiled the following corresponding procedures that were executed for the specific levels described in the aforementioned key audit matters:

- We interviewed the management level to understand and review the procedures for recognizing sales revenue from the sales of houses and land and verify whether the procedures have been consistently adopted in the period of the Financial Statements.
- We assessed and tested the appropriateness of the period in which income from the sales of houses and land is recognized by the management within a certain period after the end of the period, including the information on the transfer of ownership of the land and houses and related dates to verify the accuracy of the timing for recognizing sales revenue.

Other matters - Reference to audits of other CPAs

We did not audit certain investments accounted for through the equity method in the financial statements of Kuo Yang Construction for 2023 and 2022. Those financial statements were audited by other CPAs. As such, our opinions in the aforementioned Individual Financial Statements on the amounts included in the aforementioned financial statements and related information disclosed in Note 13 were based on audit reports of other CPAs. The investment on equity method totaling NT$1,234,734 thousand and NT$986,405 thousand as of December 31, 2023 and 2022 accounted for 7.26% and 6.32% of the total assets, respectively. The comprehensive income recognized for 2023 and 2022 was NT$348,379 thousand and NT$142,204 thousand, which accounted for 59.04% and 50.76% of the total comprehensive income for the period, respectively.

Responsibilities of the management and the governing bodies for the Individual Financial Statements

The responsibility of the management was to prepare the individual financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" to properly indicate the company's financial status and to maintain necessary internal control with regard to establishment of individual financial statements to ensure such financial statements did not contain any false contents as a result of fraudulence or mistakes.

When the Individual Financial Statements were in the process of preparation, the responsibility of the management also included assessment of the capacity of Kuo Yang Construction to continue operation, disclosure of related matters and the accounting approaches to be adopted when the company continued to operate unless the management intended to liquidate or suspend the business of Kuo Yang Construction if there was not any other option except liquidation or suspension of the company's business.

The governance units (including the Audit Committee) of Kuo Yang Construction are responsible for overseeing the financial reporting process.

Auditors' Responsibilities for the Audit of the Individual Financial Statements

Our objectives are to obtain reasonable assurance about whether the Individual Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an independent auditor's report. Reasonably reliable means highly reliable. However, auditing work carried out in accordance with the Standards on Auditing (TWSA) cannot guarantee detection of significant misrepresentations in the individual financial statements. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

When conducting the auditing work according to the Standards on Accounting (TWSA), we exercised our professional judgment and professional skepticism. We also execute the following tasks:

1. Identified and evaluated the risk of material misstatement due to fraud or error in the Individual Financial Statements. Designed and carried out appropriate countermeasures for the evaluated risks; Obtained sufficient and appropriate evidence as the basis for the audit opinion. As fraud may involve collusion, forgery, deliberate omissions, false statements, or violations of internal controls, the risks of material misstatements due to fraud are greater than those caused by errors.
2. Acquired necessary understanding about internal control which matters to audit and provide appropriate audit procedure under such circumstances. However, the purpose of such understanding is not for providing any opinion on the effectiveness of internal control of Kuo Yang Construction.
3. Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
4. Concluded on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Kuo Yang Construction's ability to continue as a going concern. If we consider that material uncertainty exists in these matters or conditions, we are required to remind

the users of the Individual Financial Statements to pay attention to relevant disclosure in the statements in their audit report, or revise the audit opinions when such disclosure is inappropriate. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause Kuo Yang Construction to cease to continue as a going concern.

5. Evaluated the overall expression, structure and content of the Individual Financial Statements (including related notes) and if these statements present fairly the related transactions and events.
6. Obtained sufficient and appropriate proof for audit on the finances of the individual entities in Kuo Yang Construction to state our opinion on the Individual Financial Statements. We are responsible for the direction, supervision and performance of the individual audit. We remain solely responsible for the audit opinions of the Individual Financial Statements.

The CPAs' communications with the governance units include the planned scope and period of the audit and material finding in the audit (including significant defects identified in the internal control during auditing procedures).

We provided governance units with a statement assuring the personnel of our accounting firm who are subject to independent regulations had acted according to the ROC CPA Code of Professional Ethics to remain neutral and communicated with them about the all relations and other matters (including related preventive measures) that could affect the independence of the CPA.

From the matters communicated with those charged with governance, the CPA determines matters that were of most significance in the audit of the 2023 Individual Financial Statements of Kuo Yang Construction for the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Taiwan

Chun-Yuan Hsiao

CPA

Fang-Yu Wang

Former Securities and Futures Bureau, Financial Supervisory Commission
No. of Approval Document: Jin-Guan-Zheng-6 No. 0960042326
Financial Supervisory Commission
No. of Approval Document: Jin-Guan-Zheng-Shen No. 1030027246
March 13, 2024

Kuo Yang Construction Co., Ltd.
Individual Balance Sheet
January 1 to December 31, 2023 and 2022

Unit: NT$ thousand

	Assets	Notes	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets					
1100	Cash and cash equivalents	6 (1)	$ 1,012,013	6	$ 1,464,782	9
1110	Current financial assets at fair value through profit or loss	6 (2)	12,410	-	11,830	-
1120	Current financial assets at fair value through other comprehensive income	6 (3)	143,365	1	119,528	1
1140	Contract assets - current	6 (17)	39,006	-	18,434	-
1150	Notes receivable, net	6 (4)	109,944	1	61,223	-
1170	Accounts receivable, net	6 (4)	51,345	-	21,611	-
1200	Other receivables		14,861	-	18,914	-
1210	Other receivables - related parties	7	-	-	11,286	-
1220	Current income tax assets	6 (24)	850	-	283	-
130X	Inventories	6 (5) (6) and 8	10,644,038	62	9,735,453	63
1410	Prepayments		102,384	1	88,457	1
1476	Other Financial Assets - Current	8	323,605	2	600	-
1479	Other current assets - other		169,114	1	5,346	-
11XX	**Total current assets**		12,622,935	74	11,557,747	74
	Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income	6 (3) and 7	375,949	2	316,658	2
1550	Investments recognized under the equity method	6 (7)	3,745,145	22	3,456,148	22
1600	Property, plant and equipment	8	39,771	-	28,704	-
1755	Right-of-use assets	6 (8)	27,762	-	39,165	-
1760	Investment properties, net	6 (9) and 8	59,375	1	60,524	1
1840	Deferred income tax assets	6 (24)	109	-	439	-
1920	Refundable deposits		93,235	1	88,177	1
1980	Other Financial Assets - Non Current	8	48,335	-	48,335	-
1990	Other non-current assets - other		773	-	2,737	-
15XX	**Total non-current assets**		4,390,454	26	4,040,887	26
1XXX	**Total assets**		$ 17,013,389	100	$ 15,598,634	100

(Continued)

Kuo Yang Construction Co., Ltd.
Individual Balance Sheet
January 1 to December 31, 2023 and 2022

Unit: NT$ thousand

	Liabilities and Equity	Notes	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current liabilities					
2100	Short-term borrowings	6 (10)	$ 5,392,826	32	$ 4,651,483	30
2110	Short-term notes and bills payable	6 (11)	-	-	527,672	3
2130	Contract liabilities - current	6 (17)	909,875	5	42,781	-
2150	Notes payable		236,224	1	67,358	1
2170	Accounts payable		114,343	1	184,527	1
2219	Other payables - other	7	129,348	1	452,773	3
2230	Current income tax liabilities	6 (24)	18,960	-	56,144	-
2280	Lease liabilities - current		22,403	-	21,255	-
2399	Other current liabilities - other		77,876	1	60,400	1
21XX	**Total current liabilities**		6,901,855	41	6,064,393	39
	Non-current liabilities					
2580	Lease liabilities - non-current		1,216	-	21,707	-
2645	Deposits received		1,591	-	1,711	-
2670	Other non-current liabilities - other		9,051	-	1,246	-
25XX	**Total non-current liabilities**		11,858	-	24,664	-
2XXX	**Total liabilities**		6,913,713	41	6,089,057	39
	Equity					
	Share capital	6 (13)				
3110	Capital stock - common		3,800,000	22	3,800,000	24
	Capital surplus	6 (14)				
3200	Capital surplus		627,683	3	627,683	4
	Retained earnings	6 (15)				
3310	Legal reserve		1,040,789	6	999,950	7
3320	Special reserve		138,232	1	10,017	-
3350	Undistributed earnings		4,340,439	26	4,210,159	27
	Other equity	6 (16)				
3400	Other equity		152,533	1	(138,232)	(1)
3XXX	**Total equity**		10,099,676	59	9,509,577	61
	Commitment and contingencies	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 17,013,389	100	$ 15,598,634	100

The accompanying notes are an integral part of these individual financial statements.

Chairman: Tzu-Kuan Lin Manager: Shao-Ling Peng Accounting Manager: Cheng-I Wang

Kuo Yang Construction Co., Ltd.
Individual Statements of Comprehensive Income
January 1 to December 31, 2023 and 2022

Unit: NT$ thousand
(except earnings per share which is expressed in NT$)

Code	Item	Notes	2023 Amount	2023 %	2022 Amount	2022 %
4000	Operating revenue	6 (17)	$ 571,021	100	$ 3,111,563	100
5000	Operating costs	6 (22) (23)	(342,001)	(60)	(2,585,071)	(83)
5900	Operating profit		229,020	40	526,492	17
	Operating expenses	6 (22) (23)				
6100	Promotion expenses		(25,808)	(4)	(115,299)	(4)
6200	Administrative expenses		(216,445)	(38)	(306,611)	(10)
6000	Total operating expenses		(242,253)	(42)	(421,910)	(14)
6900	Operating profit (loss)		(13,233)	(2)	104,582	3
	Non-operating income and expenses					
7100	Interest income	6 (18)	8,278	1	4,616	-
7010	Other income	6 (19)	69,501	12	35,257	1
7020	Other profits and losses	6 (20)	(8,799)	(2)	(8,650)	-
7050	Finance costs	6 (21)	(19,742)	(3)	(27,110)	(1)
7070	Share of profit or loss of subsidiaries, affiliates, and joint ventures recognized under the equity method	6 (7)	290,809	51	428,955	14
7000	Total non-operating income and expenses		340,047	59	433,068	14
7900	**Pre-tax profit**		326,814	57	537,650	17
7950	Income tax expenses	6 (24)	(22,616)	(4)	(51,722)	(1)
8200	**Net profit of the term**		$ 304,198	53	$ 485,928	16
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plan		$ 781	-	$ -	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6 (16)	82,997	15	4,321	-
8330	Share of other comprehensive profit or loss of subsidiaries, affiliates, and joint ventures recognized under the equity method - components that will not be reclassified to profit or loss	6 (16)	202,076	35	(210,366)	(7)
8310	Total components of other comprehensive income that will not be reclassified to profit or loss		285,854	50	(206,045)	(7)
	Components that may be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statements		14	-	310	-
8380	Share of other comprehensive profit or loss of subsidiaries, affiliates, and joint ventures recognized under the equity method - components that may be reclassified to profit or loss		33	-	(18)	-
8360	Total components that may be reclassified to profit or loss	6 (16)	47	-	292	-
8300	**Other comprehensive income (net)**		$ 285,901	50	($ 205,753)	(7)
8500	**Total comprehensive income**		$ 590,099	103	$ 280,175	9
	Basic earnings per share	6 (25)				
9750	Basic earnings per share		$ 0.80		$ 1.28	
	Diluted earnings per share	6 (25)				
9850	Diluted earnings per share		$ 0.80		$ 1.28	

The accompanying notes are an integral part of these individual financial statements.

Chairman: Tzu-Kuan Lin　　Manager: Shao-Ling Peng　　Accounting Manager: Cheng-I Wang

Kuo Yang Construction Co., Ltd.
Individual Statements of Changes in Equity
January 1 to December 31, 2023 and 2022

Unit: NT$ thousand

	Notes	Capital stock - common	Capital surplus	Retained earnings: Legal reserve	Retained earnings: Special reserve	Retained earnings: Undistributed earnings	Other equity: Exchange differences on translation of foreign financial statements	Other equity: Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
2022									
Balance as of January 1, 2022		$ 3,800,000	$ 627,683	$ 988,010	$ -	$ 3,823,726	$ 22,034	($ 32,051)	$ 9,229,402
Net profit of the term		-	-	-	-	485,928	-	-	485,928
Other comprehensive income for the period	6 (16)	-	-	-	-	-	292	(206,045)	(205,753)
Total comprehensive income		-	-	-	-	485,928	292	(206,045)	280,175
Earnings appropriation and distribution:	6 (15)								
Allocation to legal reserve		-	-	11,940	-	(11,940)	-	-	-
Provision for special surplus reserve		-	-	-	10,017	(10,017)	-	-	-
Disposal of equity instruments in other comprehensive income measured at fair value through profit and loss	6 (16)	-	-	-	-	(77,538)	-	77,538	-
Balance as of December 31, 2022		$ 3,800,000	$ 627,683	$ 999,950	$ 10,017	$ 4,210,159	$ 22,326	($ 160,558)	$ 9,509,577
2023									
Balance as of January 1, 2023		$ 3,800,000	$ 627,683	$ 999,950	$ 10,017	$ 4,210,159	$ 22,326	($ 160,558)	$ 9,509,577
Net profit of the term		-	-	-	-	304,198	-	-	304,198
Other comprehensive income for the period	6 (16)	-	-	-	-	781	47	285,073	285,901
Total comprehensive income		-	-	-	-	304,979	47	285,073	590,099
Earnings appropriation and distribution:	6 (15)								
Allocation to legal reserve		-	-	40,839	-	(40,839)	-	-	-
Provision for special surplus reserve		-	-	-	128,215	(128,215)	-	-	-
Disposal of equity instruments in other comprehensive income measured at fair value through profit and loss	6 (16)	-	-	-	-	(5,645)	-	5,645	-
Balance as of December 31, 2023		$ 3,800,000	$ 627,683	$ 1,040,789	$ 138,232	$ 4,340,439	$ 22,373	$ 130,160	$ 10,099,676

The accompanying notes are an integral part of these individual financial statements.

Chairman: Tzu-Kuan Lin　　Manager: Shao-Ling Peng　　Accounting Manager: Cheng-I Wang

Kuo Yang Construction Co., Ltd.
Individual Cash Flow Statement
January 1 to December 31, 2023 and 2022

Unit: NT$ thousand

	Notes	2023	2022
Cash Flows from Operating Activities			
Net profit before tax of the current period		$ 326,814	$ 537,650
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6 (22)	27,150	24,453
Amortization cost	6 (22)	661	542
Interest expenses	6 (21)	19,742	27,110
Interest income	6 (18)	(8,278)	(4,616)
Dividend income	6 (19)	(8,202)	(24,481)
Share of profit (loss) of affiliates and joint ventures recognized under the equity method	6 (7)	(290,809)	(428,955)
Net gains (losses) on financial assets at fair value through profit or loss	6 (20)	(580)	2,973
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		(20,572)	(18,434)
Notes receivable, net		(48,721)	(10,595)
Accounts receivable, net		(29,734)	431,580
Other receivables		3,977	261,213
Other receivables - related parties		11,286	49,689
Inventories		(864,781)	(545,656)
Prepayments		(19,626)	125,384
Other current assets		(163,768)	31,747
Other financial assets		(323,005)	609
Other non-current assets		1,927	51,104
Changes in operating liabilities			
Contract liabilities		867,094	(825,867)
Notes payable		168,866	(177,295)
Accounts payable		(70,184)	(184,637)
Other payables		(249,622)	242,782
Other current liabilities		17,476	(22,555)
Cash outflow from operations		(652,889)	(456,255)
Interest received		8,278	4,616
Interest paid		(136,444)	(108,294)
Dividends received		212,920	124,531
Income tax paid		(59,963)	(181,300)
Net cash outflow from operating activities		(628,098)	(616,702)
Cash Flows from Investing Activities			
Acquisition of current financial assets at fair value through other comprehensive income		(5,408)	(5,060)
Disposal of current financial assets at fair value through other comprehensive income	6 (3)	5,277	176,719
Acquisition of non-current financial assets at fair value through other comprehensive income	7	-	(59,548)
Acquisition of payments for investments recognized under the equity method		-)	(240,000)
Acquisition of property, plant and equipment		(10,099)	(1,968)
Acquisition of intangible assets		(624)	-
Increase in refundable deposits		(63,639)	(22,931)
Decrease in refundable deposits		58,581	74,407
Net cash used in investing activities		(15,912)	(78,381)
Cash Flows from Financing Activities			
Increase in short-term loans	6 (26)	1,973,913	3,605,850
Decrease in short-term borrowings	6 (26)	(1,232,570)	(3,080,133)
Increase in short-term notes and bills payable	6 (26)	871,555	2,752,090
Decrease in short-term notes and bills payable	6 (26)	(1,400,055)	(3,178,930)
Increase in guarantee deposits received	6 (26)	4	360
Decrease in guarantee deposits received	6 (26)	(124)	(1,107)
Repayments of lease liabilities	6 (26)	(21,482)	(20,773)
Cash inflow generated from financing activities, net		191,241	77,357
Decrease in cash and cash equivalents		(452,769)	(617,726)
Cash and cash equivalents at beginning of period		1,464,782	2,082,508
Cash and cash equivalents at end of period		$ 1,012,013	$ 1,464,782

The accompanying notes are an integral part of these individual financial statements.

Chairman: Tzu-Kuan Lin Manager: Shao-Ling Peng Accounting Manager: Cheng-I Wang

Kuo Yang Construction Co., Ltd.
Notes to Individual Financial Statements
2023 and 2022

Unit: NT$ thousand
(Unless specified otherwise)

I. Company history

Kuo Yang Construction Co., Ltd. (hereinafter referred to as the "Company") was established in June 1972. The Company is engaged in the construction of public housing and the lease and sales of commercial residential buildings, industrial plants, and commercial buildings. The Company has been listed on the Taiwan Stock Exchange since November 14, 1979.

II. Date and procedures of approval of the financial statements

The Individual Financial Report was released with the approval of the Board of Directors on March 13, 2024.

III. Application of new standards, amendments and interpretations

(I) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards as endorsed and promulgated to be effective by the Financial Supervisory Commission (hereinafter referred to as the "FSC").

1. New, revised, and amended standards, interpretations and amendments to the IFRS endorsed by the FSC and promulgated to be effective from 2023 are as follows:

New, Revised or Amended Standards and Interpretations	Effective date by International Accounting Standards Board
Amendment to IAS 1, "Accounting Policy Disclosure"	January 1, 2023
Amendments to IAS 8, "Definition of Accounting Estimates"	January 1, 2023
Amendments to IAS 12, "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023
Amendments to IAS 12 "International Tax Reform - Pillar Two Model Rules"	May 23, 2023

2. The above standards and interpretations have no significant impact to the Company's financial position and financial performance based on the Company's assessment.

(II) Effects of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

1. New, revised, and amended standards, interpretations and amendments endorsed by the FSC effective from 2024 are as follows:

New, Revised or Amended Standards and Interpretations	Effective date by International Accounting Standards Board
Amendments to IFRS 16, "Lease Liabilities in a Sale and Leaseback"	January 1, 2024
Amendments to IAS 1, "Classification of 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

2. The above standards and interpretations have no significant impact to the Company's financial position and financial performance based on the Company's assessment.

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

1. New, revised, and amended IFRSs and interpretations issued by IASB but not yet endorsed by the FSC are as follows:

New, Revised or Amended Standards and Interpretations	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17, "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17, "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9—Comparative Information"	January 1, 2023
Amendment to IAS 21 "Lack of Exchangeability"	January 1, 2025

2. The above standards and interpretations have no significant impact to the Company's financial position and financial performance based on the Company's assessment.

IV. Summary of significant accounting policies

The material accounting policies applied in the preparation of the Individual Financial Report are summarized as follows: Except as stated otherwise, such policies have been consistently applied to all the periods presented.

(I) Statement of compliance

The individual financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

(II) <u>Basis of preparation</u>

1. Except for the following items, these individual financial statements have been prepared under the historical cost convention:
   (1) Financial assets at fair value through profit or loss.
   (2) Financial assets at fair value through other comprehensive income.
2. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC and promulgated to be effective (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the individual financial statements are disclosed in Note 5.

(III) <u>Foreign currency translation</u>

Items included in the individual financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e., the "functional currency"). The Individual Financial Report is presented in NTD which is the Company's functional currency.

1. Foreign currency transactions and balances
   (1) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
   (2) Monetary assets and liabilities denominated in foreign currencies are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss in the period in which they arise.
   (3) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss in the period in which they arise. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
   (4) All other foreign exchange gains and losses are presented in the statement of comprehensive income within "other gains and losses" based on the nature of the transactions.

2. Translation of foreign operations

   (1) The operating results and financial position of the Company, subsidiaries, and affiliates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

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

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

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

(IV) Classification of current and non-current items

The Company engages in commissioned construction of buildings or plants for sale with business cycles which are generally more than 1 year. Assets and liabilities related to the construction business are classified as current or non-current based on the business cycle. The standards for the classification of current and non-current accounts are as follows:

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

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

   (2) Liabilities arising mainly from trading activities;

   (3) Assets that are expected to be realized within twelve months from the balance sheet date; or

   (4) Cash, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

   Assets not meeting the above criteria are classified by the Company as non-current assets.

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

   (1) Liabilities that are expected to be paid off within the normal operating cycle;

   (2) Liabilities arising mainly from trading activities;

   (3) Liabilities that are to be paid off within twelve months from the balance sheet date; or

   (4) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

   Liabilities not meeting the above criteria are classified by the Company as non-current assets.

(V) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(VI) Financial assets at fair value through profit or loss

1. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
2. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using transaction date accounting.
3. Financial assets at fair value through profit or loss are initially recognized at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently measured and stated at fair value, and any changes in the fair value of these financial assets are recognized in profit or loss.
4. The Company recognizes the dividend income in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(VII) Financial assets at fair value through other comprehensive income

1. The Company may make irrevocable election at initial recognition to recognize the changes in fair value in other comprehensive income for the investments in equity instruments that are not held for trading.
2. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive profit or loss are recognized and derecognized using transaction date accounting.
3. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value:

   The changes in fair value of equity instruments are recognized in other comprehensive income. The cumulative gain or loss previously recognized in other comprehensive income shall be recorded to retained earnings and not be reclassified to profit or loss upon the derecognition. The Company recognizes the dividend income in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(VIII) Accounts and notes receivable

1. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
2. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(IX) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortized cost at each balance sheet date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information (including forecasts). On the other hand, the Company recognizes the impairment provision for lifetime ECLs for accounts receivable or contract assets containing a significant financing component.

(X) Derecognition of financial assets

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

(XI) Lease transaction as a lessor - rent receivable/operating leases

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

(XII) Inventories

1. Inventories include construction land, houses and land under construction, and houses and land to be sold which are initially recorded at cost. Construction profit and loss is recognized based on the completed-contract method. Construction land is listed as houses and land under construction when they are under active development. The related interest expenses are capitalized in the period from active development or commencement of construction till the completion of construction.
2. Inventories at the end of the period is measured based on the cost and net realizable value, whichever is lower. The item-by-item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable expenses.

(XIII) Investments/subsidiaries and affiliates recognized under the equity method

1. "Subsidiaries" are all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
2. Inter-company transactions, balances and unrealized gains or losses on transactions between the Company and subsidiaries are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
3. The Company's share of its affiliates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses of a subsidiary equals or exceeds its interest in that subsidiary, the Company shall continue to recognize losses based on the shareholding percentage.

4. Affiliates are all entities over which the Company has significant influence but not control. In general, it is presumed that an investor has significant influence if the investor holds, directly or indirectly, 20% or more of the voting rights of the investee. Investments in affiliates are accounted for through the equity method and are initially recognized at cost.
5. The Company's share of its affiliates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in an affiliate equals or exceeds its interest in the affiliate, the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the affiliate.
6. When changes in an affiliate's equity do not arise from profit or loss or other comprehensive income of the affiliate and such changes do not affect the Company's ownership percentage of the affiliate, the Company recognizes change in ownership interests in the affiliate in "capital surplus" in proportion to its ownership.
7. Unrealized gains on transactions between the Company and its affiliates are eliminated to the extent of the Company's interest in the affiliates. Unrealized losses are also eliminated unless evidence of an impairment of the asset transferred in the transaction is provided. Accounting policies of affiliates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
8. When the Company disposes its investment in an affiliate and loses significant influence over this affiliate, the amounts previously recognized in other comprehensive income in relation to the affiliate are reclassified to profit or loss, on the same basis as would be required if the Company directly disposed of relevant assets or liabilities. It means that profit or loss previously recognized in other consolidated profit or loss shall be reclassified as profit or loss when related assets or liabilities are disposed of. When the Company loses material influence over this affiliate, the profit and loss shall be transferred from equity and reclassified as profit or loss. If it retains significant influence over this affiliate, the amounts previously recognized in other comprehensive income in relation to the affiliate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
9. Pursuant to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", the current-period profit and loss and other consolidated profit or loss in the individual financial statements shall be the same as the current profit or loss in the individual financial statements and the amortized amount in the other consolidated profit or loss attributable to owners of parent company. The equity attributable to owners of the Company in the individual financial statements shall be equal to the equity attributable to owners of the parent company in the consolidated financial statements.

(XIV) Joint operations

With regard to equity in joint operations, the Company recognizes the direct rights (and its share) of the assets, liabilities, income, and expenses from joint operations, and has included them in the applicable accounts of the Financial Report.

(XV) Property, plant and equipment

1. Property and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
2. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
3. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
4. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, "Accounting policies, changes in accounting estimates and errors", from the date of the change. The estimated useful life of real property is 50 years and the useful life of other assets is 3-5 years.

(XVI) Lease transaction as a lessee - right-of-use assets/lease liabilities

1. The Company recognizes lease assets as right-of-use assets and lease liabilities at the commencement date of the lease. For short-term leases or leases of low value assets, lease payments are recognized as expenses using the straight-line method during the lease term.
2. On the commencement date, the Company measures lease liabilities by the present value of outstanding lease payments, using the Company's incremental borrowing rate. Lease payments include
   (1) Fixed payments less any lease incentives receivable; and
   (2) Variable lease payments determined by changes in an index or rate.
   In subsequent periods, the Company measures lease liabilities at amortized cost using the effective interest method and recognizes interest expense during the lease term. If the lease term or lease payment is changed due to reasons other than amendments to the lease contracts, the Company will remeasure the lease liabilities. The remeasurement amount is then recognized as an adjustment to the right-of-use assets.
3. Lease liabilities are recognized at cost on the starting date of the lease. The cost includes:
   (1) the original measurement amount of the lease liabilities;
   (2) any lease payments made on or before the commencement date;
   (3) any original direct cost incurred; and
   (4) Estimated cost for the dismantling and removal of the asset and the restoration of its location, or the estimated cost for the restoration of conditions specified in the lease criteria and conditions.

The right-of-use assets are subsequently measured by adopting the cost model. The Company depreciates the right-of-use assets at the earlier of the right-of-use assets' useful life or the end of lease term. When a lease liability is reassessed, the right-of-use asset is adjusted for any remeasurements of the lease liability.

(XVII) Investment properties

An investment property is measured initially at its cost and subsequently measured under the cost approach. Except for land, the depreciation is recognized on a straight-line basis over a useful life of 30 to 60 years.

(XVIII) Intangible assets

Intangible assets include computer software which is recognized at acquisition cost and amortized on a straight-line basis over its estimated useful life of 3 years.

(XIX) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there are any impairment indications. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(XX) Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(XXI) Accounts and notes payable

1. Accounts payable are the liabilities for purchases of raw materials, goods, or services, and notes payable generated from operations and those not generated from operations.
2. The short-term accounts and notes payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(XXII) Financial guarantee contracts

Financial guarantee contracts are contracts for which the Company must pay specific benefits to reimburse the holder of debt instruments for losses incurred when a specific debtor is unable to repay its debts upon maturity in accordance with the terms of the original or modified debt instrument. At initial recognition, the Company measures the financial guarantee contracts at fair value. The Company subsequently measures them based on the impairment provision for the expected credit losses and recognized cumulative earnings, whichever is higher.

(XXIII) Employee benefits

1. Short-term employee benefits

   Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for that service, and shall be recognized as expenses when the employees have rendered service.

2. Pension

   Defined contribution plans

   For defined contribution plans, the contributions shall be recognized as pension expenses when they are due on an accrual basis. Prepaid contributions shall be recognized that excess as an asset to the extent that the prepayment will lead to a cash refund or a reduction in the future payments.

3. Employees’ remuneration and directors' remuneration

   Employees’ remuneration and directors’ remuneration are recognized as expense and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employees' remuneration is distributed by shares, the Company calculates the number of shares based on the closing price at the previous day of the Board of Directors' resolution.

(XXIV) Income tax

1. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
2. The current income tax expense is calculated on the basis of the tax laws enacted as of the balance sheet date in the countries where the Company operates and generates taxable income. The income tax is levied on the unappropriated retained earnings and is recorded as income tax expense for the year after the shareholders' meeting passes the earnings distribution proposal in the following year.
3. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the individual balance sheet. The deferred income tax is not accounted if it arises from initial recognition of an asset or liability in a transaction (excluding business mergers) that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and affiliates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

4. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
5. Current income tax assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(XXV) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities.

(XXVI) Revenue recognition

Land development and real property sales

1. The Company operates land development and real property sales. Revenue is recognized when the control of the real property is transferred to customers. For contracts for the sale of residential properties, the real property has no other use to the Company due to contract restrictions. However, the Company has an enforceable right to the contract payments only when the legal title or use of the real estate is transferred to the customer. Therefore, revenue is recognized when the legal title or use is transferred to the customer.
2. Some of the Company's sales contracts include variable consideration for price reduction and the Company uses the expected or most probable amount as the appropriate estimated value for variable consideration.
3. The Company has included customers' advance payments in the contracts for pre-sales houses, and the period between the advanced payment and the transfer of the control of the product is longer than one year. According to IFRS 15, if the Company determines that there are material financial compositions in the individual contracts for pre-sales houses, it is required to adjust the pledged consideration and recognize interest expenses. IFRS 15 also states that companies should consider the materiality of financial components only at the level of the contract and not at the level of the portfolio when determining whether a financial loan is material.

Labor services services

The Company provides consultancy services for planning, construction, and sales of construction development projects, and executes relevant services accordingly. Labor services are recognized as revenue when providing services to customers during the financial reporting period. The customer is required to pay at the time specified in the payment schedule. A contract asset is recognized when the services provided by the Company exceed the payment, while a contract liability is recognized when the payments exceed the services provided by the Company.

V. Significant accounting judgments, estimates and main uncertainty assumptions

The preparation of these consolidated financial statements requires management to make critical judgments in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Refer to the explanation on significant accounting judgments, estimates, and uncertainty assumptions below. Such assumptions and estimates have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year,

(I) Critical judgments in applying accounting policies

None.

(II) Critical accounting estimates and assumptions

Evaluation of inventories

As inventories are stated at the lower of cost and net realizable value, the Company must determine the net realizable value of inventories on balance sheet date using judgments and estimates. The management of the Company mainly uses past experience and estimates of future market sales value as the basis for estimation. Therefore, there may be significant changes.

The Company's inventory information as of December 31, 2023 is detailed in Note 6 (5).

VI. Details of significant accounts

(I) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and working capital	$ 2,549	$ 4,055
Demand deposits	1,008,476	1,460,648
Cheque deposits	988	79
	$ 1,012,013	$ 1,464,782

1. The Company transacts with a variety of financial institutions with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
2. The Company's revenue from pre-sales placed in a trust account is limited in use and the limitations are recognized in "other financial assets". Please refer to Note 8.

(II) Current financial assets at fair value through profit or loss

	December 31, 2023	December 31, 2022
Mandatory measurement of financial assets at fair value through profit or loss		
Beneficiary certificates	$ 15,000	$ 15,000
Valuation adjustment	(2,590)	(3,170)
	$ 12,410	$ 11,830

1. The Company recognized net gain (loss) of $580 and $2,973 within financial assets at fair value through profit or loss for 2023 and 2022 based on the financial assets at fair value through profit or loss.
2. The Company has no financial assets at fair value through profit or loss pledged to others.

(III) Financial assets at fair value through other comprehensive income

	December 31, 2023	December 31, 2022
Current items		
Listed stocks	$ 181,345	$ 181,345
Valuation adjustment	(37,980)	(61,817)
	$ 143,365	$ 119,528
Non-current items		
Stocks no listed on the TWSE, TPEx, or emerging stocks	$ 257,824	$ 257,824
Valuation adjustment	118,125	58,834
	$ 375,949	$ 316,658

1. The Company opted to classify strategic investments and investments in equity instruments with stable dividend payments as financial assets at fair value through profit or loss. The fair value of such investments as of December 31, 2023 and 2022 were $519,314 and $436,186, respectively.
2. Based on the Company's financial plans for 2023 and 2022, the Company disposed of shares of listed companies with a fair value of $5,277 and $176,719. The cumulative gains (losses) from disposal totaled ($131) and ($1,059).
3. Amounts recognized in other comprehensive income in relation to the financial assets at fair value in income and other comprehensive income are listed below:

	2023	2022
Disposal of equity instruments in other comprehensive income measured at fair value through profit and loss		
Changes in fair value recognized in other comprehensive income	$ 82,997	$ 4,321
Cumulative gains (losses) converted to retained earnings due to derecognition	($ 131)	($ 1,059)

4. The Company has no financial assets at fair value through other comprehensive profit or loss pledged to others.

(IV) Notes and accounts receivable

	December 31, 2023	December 31, 2022
Notes receivable	$ 109,944	$ 61,223
Accounts receivable	51,195	21,461
Accounts receivable due from related parties	150	150
	$ 161,289	$ 82,834

1. The Company has no notes and accounts receivable pledged to others.
2. As of December 31, 2023, December 31, 2022 and January 1, 2022, the balance of the Company's accounts receivable (including notes receivable) were $160,413, $82,651 and $503,395, respectively.
3. If the collaterals held or other credit enhancement tools are disregarded, the amount that best represents the Company's maximum exposure to credit risk for notes and accounts receivable as of December 31, 2023 and 2022 is the carrying amount of the notes and accounts receivable in each period.
4. The aforementioned notes and accounts receivable are notes and accounts that are not past due or impaired.
5. Please refer to Note 12 (2) for relevant credit risk information.

(V) Inventories

	December 31, 2023	December 31, 2022
Houses and land held for sale		
Beautiful Tree Hall	$ 910	$ 910
Kuo Yan Project	1,019,057	1,047,546
Kuo Yang The Green Place Project (Ziwei, Ruhaku, Kanazawa)	306,625	635,300
South Manor Project (Wenshan Gongxun Section Project)	-	4,326
	1,326,592	1,688,082
Minus: Allowance for valuation losses	(197,338)	(241,142)
	1,129,254	1,446,940
Houses and land under construction		
Kuo Yang The Green Place Project (The Green World)	202,114	33,246
Good morning, Kuo Yang Phase 2 (Keelung Tiaohe Section Project)	334,135	327,135
Kuo Yang Intercontinental Project (formerly Neihu Jiuzong Project)	2,208,553	1,913,082
Kuo Yang Jilin Project (formerly Jilin Urban Renewal Project)	462,841	179,595
Kuo Yang Digital Project (formerly Sanchong Project)	1,435,049	-
Kaohsiung Gushan Project	1,484,370	-
	6,127,062	2,453,058

	December 31, 2023	December 31, 2022
Land for construction and others		
Zhudong Project	$ 251,872	$ 251,872
Minquan East Road Project	273,821	273,821
Jingmei Section	40,174	40,174
Kaohsiung Yunwen Section	108,170	108,170
Tucheng Section	1,333,834	1,240,546
Kuo Yang Digital Project (formerly Sanchong Project)	-	1,242,518
Kaohsiung Gushan Project	-	1,429,195
Guowang Xiwan Road Project	1,127,733	1,006,094
Other	69,012	59,959
	3,204,616	5,652,349
Minus: Allowance for valuation losses	(170,970)	(170,970)
	3,033,646	5,481,379
Prepayments for houses and land and others		
Kuo Yang The Green Place Project (The Green World)	354,076	354,076
	$ 10,644,038	$ 9,735,453

1. The Company recognized cost of inventories as expenses totaling $340,852 and $2,583,922 in 2023 and 2022, respectively. They included the gains on reversal recognized as a result of the recovery in net realizable value totaling $43,804 and $194,214. This is mostly attributable to the Company's sales of certain inventories of which the net realizable value was lower than the cost, hence, the net realizable value was recovered.
2. In 2023 and 2022, the amount of inventory interest capitalization was $119,226 and $78,364, respectively. The interest capitalization rates ranged from 2.30% to 3.00% and 1.80% to 3.00%, respectively.
3. Please refer to Note 8 for detailed information on the Company's use of inventory as collateral.

(VI) Joint operations

1. The Company operates certain development projects through joint operations. With regard to equity in joint operations, the Company recognizes the direct rights (and its share) of the assets, liabilities, income, and expenses from joint operations, and has included them in the applicable accounts of the Individual Financial Report.

2. The information on the joint operations held by the Company is as follows:

Project name	Percentage held	Landowner or joint builder	Description
Kuo Yang The Green Place Project	65%	Five companies including Wei Li International Development Co., Ltd.	Annan District, Tainan City
Good morning, Kuo Yang Project	55%	Chi Hsuan Construction Co., Ltd., Tsang Shan Development Co., Ltd.	Zhongzheng District, Keelung City
Kuo Yang Intercontinental Project (Formerly Neihu Jiuzong Project)	50%	Five companies including Wei Li International Development Co., Ltd.	Neihu District, Taipei City
Tucheng Project	50%	Four companies including Wei Li International Development Co., Ltd.	Tucheng District, New Taipei City
Kuo Yang Digital Project (Formerly Sanchong Project)	50%	Four companies including Wei Li International Development Co., Ltd.	Sanchong District, New Taipei City
Kaohsiung Gushan Project	50%	Six companies including Wei Li International Development Co., Ltd.	Gushan District, Kaoshiung
Guowang Xiwan Road Project	50%	Four companies including Wei Li International Development Co., Ltd.	Xizhi District, New Taipei City
Huangpu New Village Project	50%	Radeq Enterprise Co., Ltd.	Songshan District, Taipei City

3. The information on the shares of joint operations held by the Company is compiled as follows:

	December 31, 2023		
Balance Sheet	Kuo Yang Intercontinental Project	The Green Place Project	Other joint construction operations
Current assets			
Inventories	$ 2,208,553	$ 862,815	$ 5,642,058
Other current assets	50,997	424,070	792,156
	2,259,550	1,286,885	6,434,214
Non-current assets	-	23,791	16,297
Total assets	$ 2,259,550	$ 1,310,676	$ 6,450,511
Current liabilities			
Short-term borrowings	$ 1,351,858	$ -	$ 3,383,119
Short-term notes and bills payable	-	-	-
Contract liabilities	21,098	144,197	529,714
Other current liabilities	286,496	44,165	60,737
	1,659,452	188,362	3,973,570
Non-current liabilities	-	-	-
Total liabilities	$ 1,659,452	$ 188,362	$ 3,973,570
Statement of Comprehensive Income			
Revenue	$ -	$ 462,140	$ 18,028
Cost	$ -	$ 343,612	$ 17,973
Fees	$ 1,290	$ 22,351	$ 4,655

Balance Sheet	December 31, 2022 Kuo Yang Intercontinental Project	The Green Place Project	Other joint construction operations
Current assets			
Inventories	$ 1,913,082	$ 1,022,622	$ 5,212,003
Other current assets	47,661	356,640	299,968
	1,960,743	1,379,262	5,511,971
Non-current assets	99	23,811	21,470
Total assets	$ 1,960,842	$ 1,403,073	$ 5,533,441
Current liabilities			
Short-term borrowings	$ 1,305,890	$ 53,430	$ 3,256,024
Short-term notes and bills payable	-	186,953	-
Contract liabilities	-	11,228	2,043
Other current liabilities	84,624	57,835	86,042
	1,390,514	309,446	3,344,109
Non-current liabilities	-	-	120
Total liabilities	$ 1,390,514	$ 309,446	$ 3,344,229
Statement of Comprehensive Income			
Revenue	$ 1,429	$ 703,195	$ 1,929,655
Cost	$ -	$ 598,106	$ 1,740,309
Fees	$ 1,277	$ 39,603	$ 61,097

(VII) Investments recognized under the equity method

	December 31, 2023	December 31, 2022	Shareholding ratio
Subsidiaries:			
Shen Yang Construction Co., Ltd.	$ 1,654,912	$ 1,614,534	100%
Shang Yang International Asset Management Co., Ltd.	648,268	647,160	100%
Star Epoch International Co., Ltd.	239,391	240,098	80%
SHADWELL LIMITIED	2,356	2,389	100%
Affiliate enterprises:			
Hanshin Shopping Plaza Co., Ltd.	1,187,647	940,755	20%
Sweet Me Hot Spring Resort Co., Ltd.	12,571	11,212	20%
	$ 3,745,145	$ 3,456,148	

1. Refer to Note 4 (3) of the 2023 Consolidated Financial Statements for information on the Company's subsidiaries.

2. The carrying amounts of the Company's individual insignificant affiliates as of December 31, 2023 and 2022 are shown in the table above, and the results of operations are as follows:

	2023	2022
Net profit from continuing operations for the period	$ 237,576	$ 194,222
Other comprehensive income (net income after tax)	110,725	(52,004)
Total comprehensive income	$ 348,301	$ 142,218

3. The Company's aforementioned investment targets have no public quotations on the market. The share of profit/loss on equity-accounted investee companies in 2023 and 2022 was $290,809 and $428,955, respectively. They were evaluated and disclosed based on the audited financial statements of each investee company for the same periods.

(VIII) Lease transaction - lessee

1. The assets leased by the Company include buildings and office equipment and the lease term is generally between 1 and 6 years. The lease contracts are negotiated individually and contain various terms and conditions without other restrictions except for the leased assets restricted to pledge to others.
2. The information of the carrying amount of the right-of-use assets and the recognition of depreciation expense are as follows:

	2023		
	Real estate rental and leasing	Transportation equipment	Total
January 1, 2023			
Cost	$ 117,557	$ -	$ 117,557
Accumulated depreciation	(78,392)	-	(78,392)
	$ 39,165	$ -	$ 39,165
January 1	$ 39,165	$ -	$ 39,165
New addition/lease modification	7,727	2,139	9,866
Depreciation	(21,031)	(238)	(21,269)
December 31	$ 25,861	$ 1,901	$ 27,762
December 31			
Cost	$ 125,284	$ 2,139	$ 127,423
Accumulated depreciation	(99,423)	(238)	(99,661)
	$ 25,861	$ 1,901	$ 27,762

	2022		
	Real estate rental and leasing	Transportation equipment	Total
January 1, 2022			
Cost	$ 117,557	$ -	$ 117,557
Accumulated depreciation	(58,810)	-	(58,810))
	$ 58,747	$ -	$ 58,747
January 1	$ 58,747	$ -	$ 58,747
New addition/lease modification	-	-	-
Depreciation	(19,582)	-	(19,582)
December 31	$ 39,165	$ -	$ 39,165
December 31			
Cost	$ 117,557	$ -	$ 117,557
Accumulated depreciation	(78,392)	-	(78,392)
	$ 39,165	$ -	$ 39,165

3. The information on the lease contract affecting profit or loss is as follows:

	2023	2022
Items affecting current profit or loss		
Interest expense from lease liabilities	$ 686	$ 1,104
Rent expense of short-term leases	2,798	2,606
Income from lease of right-of-use assets	558	844

4. The cash flows used in the lease payments of the Company in 2023 and 2022 amounted to $24,966 and $24,483, respectively.

(IX) Investment properties

	Land	Buildings and structures	Total
January 1, 2023			
Cost	$ 65,657	$ 49,924	$ 115,581
Accumulated depreciation and impairment	(28,643)	(26,414)	(55,057)
	$ 37,014	$ 23,510	$ 60,524
2023			
January 1	$ 37,014	$ 23,510	$ 60,524
Depreciation	-	(1,149)	(1,149)
December 31	$ 37,014	$ 22,361	$ 59,375
December 31, 2023			
Cost	$ 65,657	$ 49,924	$ 115,581
Accumulated depreciation and impairment	(28,643)	(27,563)	(56,206)
	$ 37,014	$ 22,361	$ 59,375

	Land	Buildings and structures	Total
January 1, 2022			
Cost	$ 65,657	$ 49,924	$ 115,581
Accumulated depreciation and impairment	(28,643)	(25,266)	(53,909)
	$ 37,014	$ 24,658	$ 61,672
2022			
January 1	$ 37,014	$ 24,658	$ 61,672
Depreciation	-	(1,148)	(1,148)
December 31	$ 37,014	$ 23,510	$ 60,524
December 31, 2022			
Cost	$ 65,657	$ 49,924	$ 115,581
Accumulated depreciation and impairment	(28,643)	(26,414)	(55,057)
	$ 37,014	$ 23,510	$ 60,524

1. Rent income and direct operating expenses from investment properties:

	2023	2022
Rent income from investment properties	$ 3,555	$ 2,948
Direct operating expenses incurred by investment properties that generate rent income in the current period	($ 1,626)	($ 1,632)

2. The fair value of the investment properties held by the Company as of December 31, 2023 and 2022 was $123,603 and $118,946, respectively. They were determined based on the appraisal report prepared by external appraisal experts or comparisons with recent transaction prices of similar targets in the area of the investment properties. The fair value is determined based on property rights, regional factors, individual factors, current conditions of the real estate market, and the subject of the survey, and is evaluated based on the comparison approach and the income approach, which are level 2 and level 3 fair values, respectively.
3. Please refer to Note 8 for detailed information on the Company's use of investment properties as collateral.

(X) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Secured loans	$ 5,392,826	2.35%~2.76%	Please refer to Note 8

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Secured loans	$ 4,651,483	2.30%~2.89%	Please refer to Note 8

(XI) Short-term notes and bills payable

	December 31, 2023	December 31, 2022
Commercial papers payable	$ -	$ 528,500
Minus: Discounted short-term notes and bills payable	-	(828)
Net amount	$ -	$ 527,672
Interest rate range	-	1.30%~1.66%

(XII) Pension

Effective July 1, 2005, the Company has established a defined contribution pension plan (New Plan) under the Labor Pension Act, covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance for employees who opt for the pension system in the "Labor Pension Act". The contribution plan accrues dividends from an employee’s individual account and is paid monthly or in lump sum upon retirement of an employee. The pension costs recognized by the Company in accordance with the above pension plan were $3,870 and $3,482 in 2023 and 2022.

(XIII) Share capital

As at December 31, 2023 and 2022, the Company's authorized capital was $7,000,000 and the paid-in capital was both $3,800,000. The par value per share is $10. The payment for all issued shares of the Company has been collected. The beginning and the ending of the Company's ordinary shares outstanding in 2023 and 2022 were both 380,000 thousand shares.

(XIV) Capital surplus

Item	December 31, 2023	December 31, 2022
Paid-in capital in excess of par value of common stock	$ 596,116	$ 596,116
Changes in subsidiary's equity	1,724	1,724
Gain on disposal of assets	3,323	3,323
Donations	17,652	17,652
Changes in net value of equity of affiliates and joint ventures recognized under the equity method	8,868	8,868
	$ 627,683	$ 627,683

According to the Company Act, capital surplus can only be used to offset losses. However, capital surplus arising from shares issued at premium (including the issuance of common shares at premium, capital stock premiums as a result of stock issuance due to a merger, and treasury stock transactions) and donations received may be used, in part or in whole, for the distribution of new shares or cash based on the shareholders' original shareholding ratio in accordance with a resolution of the shareholders' meeting when the Company does not have deficits. The Company may use capital surplus to offset losses only when the legal reserve cannot fully cover capital losses. The capital surplus recognized as long-term equity investments under the equity method cannot not be used for any purpose.

(XV) Retained earnings

1. According to the earnings distribution policy in the Articles of Incorporation of the Company, in the event of surplus earnings after closing of annual accounts, due taxes shall be paid in accordance with the law, and losses incurred in previous years shall be compensated. Upon completion of the preceding actions, 10% of the remainder surplus shall be allocated as legal reserve. However, in the event that the accumulated legal reserve is equivalent to or exceeds the Company's total paid-in capital, such allocation may be exempted. In addition, the Board of Directors may, after allocating or reversing special reserve pursuant to the laws or regulations of the competent authority, retain parts of the earnings and prepare an earnings distribution proposal along with undistributed earnings at the beginning of the period. Where the Company intends to distribute earnings by issuing new shares, it shall file a proposal to the shareholders' meeting and obtain approval in a resolution before the distribution. Where dividends are distributed in cash, the Board of Directors shall be authorized to determine such distribution by a resolution adopted by a majority vote at a meeting attended by over two thirds of the Directors and it shall be reported at the shareholders' meeting.
2. The shareholders' meeting approved the amendment of the Articles of Incorporation in a resolution on Friday, June 17, 2022. According to the Company's earnings distribution policy in the Articles of Incorporation, the Company has deleted the Article stating that it may proceed with the distribution of earnings of making up for losses at the end of each quarter in accordance with the Company Act.

3. The legal reserve may only be used for offsetting deficits and the distribution of new shares or cash based on the shareholders' original shareholding ratio. However, when new shares or cash dividends are distributed, the distribution shall be restricted to the legal reserve in excess of 25% of the paid-in capital.
4. When the Company distributes earnings, it shall first appropriate funds for the special reserve from the balance of other equities of borrowers as of the balance sheet date of the current year in accordance with laws and regulations. Once the balance of other equities of borrowers has been reversed, the reversed amount may be calculated as distributable earnings.
5. The Company's dividend policy is set up in accordance with the Company Act and the Articles of Incorporation and determined by the Company's financial structure, earnings, and long-term business plans to meet the development and transformation needs. The ratio of stock dividends to cash dividends shall be determined each year based on the requirements for working capital, provided that the cash dividends shall not be less than 20%. When the paid-in capital has reached NT$10 billion, the cash dividends shall not be less than 50%.
6. The appropriations of 2022 and 2021 earnings were approved by the shareholders' meeting on June 13, 2023 and June 17, 2022, respectively. Details are summarized as follows:

	2022		2021	
	Amount	Dividends per share (NT$)	Amount	Dividends per share (NT$)
Legal reserve	$ 40,839	$ -	$ 125,878	$ -
Special reserve	128,215	-	10,017	-
Cash dividends	-	-	380,000	1.0

7. The 2023 earnings distribution proposal was approved by the Board of Directors on Wednesday, March 13, 2024, and details are as follows:

	2023	
	Amount	Dividends per share (NT$)
Legal reserve	$ 29,933	$ -
Reversal of special reserve	138,232	-
Cash dividends	152,000	0.4

8. Please refer to Note 6 (23) for more information on employees' remuneration and Directors' remuneration.

(XVI) Other equity interests

	2023		
	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
January 1	$ 22,326	($ 160,558)	($ 138,232)
Valuation adjustment - the Company	-	192,940	192,940
Valuation adjustment - subsidiaries	-	92,133	92,133
Valuation adjustment transferred to retained earnings	-	5,645	5,645
Currency translation differences	47	-	47
December 31	$ 22,373	$ 130,160	$ 152,533

	2022		
	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
January 1	$ 22,034	($ 32,051)	($ 10,017)
Valuation adjustment - the Company	-	(47,684)	(47,684)
Valuation adjustment - subsidiaries	-	(158,361)	(158,361)
Valuation adjustment transferred to retained earnings	-	77,538	77,538
Currency translation differences	292	-	292
December 31	$ 22,326	($ 160,558)	($ 138,232)

(XVII) Operating revenue

	2023	2022
Revenue from contracts with customers	$ 562,647	$ 3,101,474
Rental income	8,374	10,089
	$ 571,021	$ 3,111,563

1. Detailed items of revenues from contracts with customers

   The Company’s revenue is derived from the transfer of product and services at certain points in time or gradual transfer as time progresses. Revenue by operation is further divided as follows:

2023	Sales of construction projects	Other	Total
Revenue recognition time			
- Revenue recognized at a certain point in time	$ 511,288	$ -	$ 511,288
- Revenue transferred gradually as time progresses	-	51,359	51,359
	$ 511,288	$ 51,359	$ 562,647

2022	Sales of construction projects	Other	Total
Revenue recognition time			
- Revenue recognized at a certain point in time	$ 3,080,217	$ -	$ 3,080,217
- Revenue transferred gradually as time progresses	-	21,257	21,257
	$ 3,080,217	$ 21,257	$ 3,101,474

2. The total amounts in the apportionment of the transactions and estimated year of revenue recognition for the Company's outstanding contract performance obligations for sales contracts signed as of December 31, 2023 are as follows:

Estimated year of revenue recognition	Amount in signed contracts
2024~2027	$ 5,344,954

3. Contract assets and contract liabilities

   The Company recognizes revenues generated by customer contracts, and the following contract assets and contract liabilities are as follows:

	December 31, 2023	December 31, 2022	January 1, 2022
Contract assets - current:			
Labor services services	$ 39,006	$ 18,434	$ -
Contract liabilities - current:			
- Advance receipt of land payment	$ 499,522	$ 28,537	$ 552,436
- Advance receipt of property payment	380,183	14,244	316,212
- Labor services services	30,170	-	-
	$ 909,875	$ 42,781	$ 868,648

(1) The Company has included customers' advance payments in the contracts for pre-sales houses, and the period between the advanced payment and the transfer of the control of the product is longer than one year. The Company recognizes contract liabilities related to the pre-sales house contracts in accordance with IFRS 15.

(2) Opening contract liabilities recognized as income in the current period

	2023	2022
Opening balance of contract liabilities recognized as income in the current period		
Construction project sales contract	$ 13,271	$ 849,366

(3) Contract modifications and variable consideration

In 2023 and 2022, as the contract price of the certain project development contracts for the operation and management service revenue was revised according to the partners' supplementary agreement, and the Company's contract obligations are labor services that cannot be separated, the Company has considered the most appropriate estimate and recognized an catch-up adjustment to revenue of $0 and $1,731, respectively, based on the amended contracts.

(XVIII) Interest income

	2023	2022
Interest from bank deposits	$ 8,008	$ 2,780
Other interest income	270	1,836
	$ 8,278	$ 4,616

(XIX) Other income

	2023	2022
Dividend income	$ 8,202	$ 24,481
Other	61,299	10,776
	$ 69,501	$ 35,257

(XX) Other profits and losses

	2023	2022
Net gains (losses) on financial assets at fair value through profit or loss	$ 580	($ 2,973)
Other	(9,379)	(5,677)
	($ 8,799)	($ 8,650)

(XXI) Finance costs

	2023	2022
Interest expenses:		
Bank borrowings	$ 126,511	$ 82,990
Interest on short-term notes and bills payable	8,074	14,908
Other	4,383	7,576
	138,968	105,474
Minus: Amount eligible for asset capitalization	(119,226)	(78,364)
Finance costs	$ 19,742	$ 27,110

(XXII) Additional information on expenses

	2023	2022
Construction cost in this period	$ 340,852	$ 2,583,922
Employee benefit expenses	114,910	119,610
Depreciation	27,150	24,453
Amortization of intangible assets	661	542
Tax expenses	13,203	13,643
Professional service expenses	19,584	22,093
Advertising expenses	4,188	9,973
Commission expenditures	13,386	78,506
Management fees	7,392	21,723
Other expenses	42,928	132,516
	$ 584,254	$ 3,006,981

(XXIII) Employee benefit expenses

	2023	2022
Salary expenses	$ 91,864	$ 90,462
Labor and health insurance fees	7,655	7,386
Pension expenses	3,870	3,482
Remuneration for Directors	9,749	14,271
Other benefit expenses	1,772	4,009
	$ 114,910	$ 119,610

1. According to the Articles of Incorporation, if the Company has earnings in the current year, the Company's remuneration for employees and Directors shall be 0.5% to 5% and no more than 5% of the earnings before tax of the year and before deducting remuneration for employees and Directors. However, in the event the Company has sustained cumulative losses, a proportion of profit shall be reserved in advance to make up for losses.
2. The Company's estimated amounts of employees' remuneration in 2023 and 2022 amounted to $6,809 and $11,201, respectively. The estimated amounts of Directors' remuneration are $6,809 and $11,201, respectively. All amounts are recognized as salary expenses.

   The estimated amounts of employees' remuneration and Directors' remuneration based on the profitability in 2023 are 2% and 2%, respectively. The preceding employees' remuneration will be distributed in cash.

   Employees' remuneration and Directors' remuneration in the Board of Directors' resolution for 2022 were equal to the amount recognized in the financial statements for 2022.

   Information on employees' remuneration and directors' remuneration of the Company for 2022 as resolved by the Board of Directors is posted in the "Market Observation Post System".

(XXIV) Income tax

1. Income tax expenses

   (1) Components of income tax expenses:

	2023	2022
Current income tax		
Income tax arising in the current period	$ -	$ -
Surtax on undistributed earnings	11,967	56,144
Land value increment tax included in current income tax	3,716	22,779
Adjustments in respect of prior years	6,603	(27,508)
Total current income tax	22,286	51,415
Deferred income tax		
Origination and reversal of temporary differences	330	307
Income tax expenses	$ 22,616	$ 51,722

   (2) The Company's income tax directly in other comprehensive income was $0 in both 2023 and 2022.

2. Relationship between income tax expenses and accounting profits:

	2023	2022
Income tax from net profit before tax calculated at the statutory tax rate	$ 65,363	$ 107,530
Surtax on undistributed earnings	11,967	56,144
Expenses to be excluded based on tax laws	3,299	20,455
Tax-exempt income based on tax laws	(61,175)	(178,629)
Temporary differences not recognized in deferred income tax assets	(2,475)	(39,868)
Tax losses in previous years not recognized in deferred income tax assets	(5,012)	-
Tax losses not recognized in deferred income tax assets	-	90,512
Origination and reversal of temporary differences	330	307
Adjustments in respect of prior years	6,603	(27,508)
Land value increment tax included in current income tax, etc.	3,716	22,779
Income tax expenses	$ 22,616	$ 51,722

3. The deferred income tax assets or liabilities from temporary differences are as follows:

	2023			
	January 1	Recognized in profit and loss	Recognized in other comprehensive income	December 31
Deferred income tax assets				
Unrealized expenses	$ 439	($ 330)	$ -	$ 109
Prepaid land value increment tax	-	-	-	-
	$ 439	($ 330)	$ -	$ 109

	2022			
	January 1	Recognized in profit and loss	Recognized in other comprehensive income	December 31
Deferred income tax assets				
Unrealized expenses	$ 746	($ 307)	$ -	$ 439
Prepaid land value increment tax	12,991	(12,991)	-	-
	$ 13,737	($ 13,298)	$ -	$ 439

4. The effective periods of unused tax losses and related amounts of unrecognized deferred income tax assets are as follows:

December 31, 2023				
Year occurred	Reported amount/approved amount	Amount not yet deducted	Unrecognized deferred income tax assets	Final deductible year
2022	$ 452,401	$ 427,342	$ 427,342	2032

December 31, 2022				
Year occurred	Reported amount/approved amount	Amount not yet deducted	Unrecognized deferred income tax assets	Final deductible year
2022	$ 452,560	$ 452,560	$ 452,560	2032

5. The Company's profit-seeking enterprise income tax returns have been approved by the tax authorities up to 2021.

(XXV) EPS

	2023		
	Amount after tax	Number of ordinary shares outstanding (shares in thousands)	EPS (NT$)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 304,198	380,000	$ 0.80
Assumed conversion of all dilutive potential ordinary shares of employee remuneration	-	406	
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent considering assumed conversion of all dilutive potential ordinary shares	$ 304,198	380,406	$ 0.80

	2022		
	Amount after tax	Number of ordinary shares outstanding (shares in thousands)	EPS (NT$)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 485,928	380,000	$ 1.28
Assumed conversion of all dilutive potential ordinary shares of employee remuneration	-	680	
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent considering assumed conversion of all dilutive potential ordinary shares	$ 485,928	380,680	$ 1.28

(XXVI) Changes in liabilities from financing activities

	Short-term borrowings	Short-term notes and bills payable	Lease liabilities	Deposits received	Total
January 1, 2023	$ 4,651,483	$ 527,672	$ 42,962	$ 1,711	$ 5,223,828
Increase in current period	1,973,913	871,555	-	4	2,845,472
Decrease in current period	(1,232,570)	(1,400,055)	(21,482)	(124)	(2,654,231)
Interest paid (Note)	-	(2,746)	(686)	-	(3,432)
Other non-cash changes	-	3,574	2,825	-	6,399
December 31, 2023	$ 5,392,826	$ -	$ 23,619	$ 1,591	$ 5,418,036

	Short-term borrowings	Short-term notes and bills payable	Lease liabilities	Deposits received	Total
January 1, 2022	$ 4,125,766	$ 954,728	$ 63,735	$ 2,458	$ 5,146,687
Increase in current period	3,605,850	2,752,090	-	360	6,358,300
Decrease in current period	(3,080,133)	(3,178,930)	(20,773)	(1,107)	(6,280,943)
Interest paid (Note)	-	(4,725)	(1,104)	-	(5,829)
Other non-cash changes	-	4,509	1,104	-	5,613
December 31, 2022	$ 4,651,483	$ 527,672	$ 42,962	$ 1,711	$ 5,223,828

Note: Recorded Cash flows from operating activities.

VII. Related-party transactions

(I) Name and relationship of related parties

Names of related parties	Relationship with the Company
Shen Yang Construction Co., Ltd. (Shen Yang)	Subsidiary
Shang Yang International Asset Management Co., Ltd. (Shang Yang)	Subsidiary
Star Epoch International Co., Ltd.	Subsidiary
Che Yang Agricultural Technology Co., Ltd. (Che Yang)	Sub-subsidiary
Hanshin Asset Management Co., Ltd. (Hanshin Asset Management)	Other related party
Hanshin Department Store Co., Ltd. (Hanshin Department Store)	Other related party
Chi Hsuan Development Co., Ltd. (Chi Hsuan Development)	Other related party
Grand Hi-Lai Hotel Co., Ltd. (Grand Hi-Lai Hotel)	Other related party
Hi-Lai Foods Co., Ltd. (Hi-Lai Foods)	Other related party
Wei Li International Development Co., Ltd. (Wei Li)	Other related party
Hanshin Shopping Plaza Co., Ltd. (Hanshin Shopping Plaza)	Other related party
Grand Hi-Lai International Property Management Consulting Co., Ltd. (Grand Hi-Lai International Property)	Other related party
Kaohsiungaquas Co., Ltd. (AQUAS)	Other related party
Ascent Development Co., Ltd. (Ascent)	Other related party
5 individuals including Shao-Hui Peng	Other related party

(II) Major transactions with related parties

1. Operating revenue - income from management services

	2023	2022
Other related party - Wei Li	$ 22,989	$ -
Subsidiary - Shen Yang	-	10,748
	$ 22,989	$ 10,748

2. Operating revenue - rental income

	2023	2022
Subsidiary	$ 389	$ 389
Sub-subsidiary	186	186
Other related party	1,793	2,076
	$ 2,368	$ 2,651

3. Promotion expenses

	2023	2022
Other related party	$ 1,188	$ 1,175

4. Administrative expenses

	2023	2022
Other related party - Hi-Lai Foods	$ 5,391	$ 6,633
Other related party - Grand Hi-Lai International Property	1,371	1,371
Other related party - AQUAS	2,355	3,931
Other related party - Others	679	867
	$ 9,796	$ 22,598

5. Expenses for investments in construction

	December 31, 2023	December 31, 2022
Other related party	$ 4,287	$ 6,887

6. Accounts receivable

	December 31, 2023	December 31, 2022
Other related party	$ 150	$ 150

7. Other receivables

	December 31, 2023	December 31, 2022
Subsidiary - Shen Yang	$ -	$ 11,286

The aforementioned accounts receivable from related parties consist mainly of the operating management income receivable recognized based on the letter of appointment for operating management signed by the Company for joint development and operation projects, and labor revenue from executing bookkeeping duties on behalf of subsidiaries.

8. Contract liabilities

	December 31, 2023	December 31, 2022
Subsidiary	$ 30,169	$ -

9. Other credit and debt transactions

(1) Refundable deposits

	December 31, 2023	December 31, 2022
Other related party - Wei Li	$ 23,262	$ 23,262
Other related party	2,191	1,335
	$ 25,453	$ 24,597

(2) Deposits received

	December 31, 2023	December 31, 2022
Other related party	$ 458	$ 450

10. Acquisition of financial assets

(1) No financial assets were obtained from related parties from January 1 to December 31, 2023.

(2) The Company participated in the cash capital increase of related parties in 2022 and completed the registration of changes on June 10, 2022, and January 10, 2023, respectively, details on the Company's subscription are as follows:

Account	Number of shares traded	Object of transaction	Acquisition price
Non-current financial assets at fair value through other comprehensive income	3,970 thousand shares	Grand Hi-Lai Hotel - stocks	$ 59,548

11. Related party financing

	December 31, 2023	December 31, 2022
Other related party	$ -	$ 250,432

The accounts payable - related party on December 31, 2022 was attributable to the joint operations construction project being developed by the Company having taken out loan from other related party - Hanshin Shopping Plaza Co., Ltd.. Total loan was $500,000, and the Group recognized 50% of which based on the investment ratio. The aforesaid amount is the principal and interests payable.

12. Endorsements and guarantees

	December 31, 2023	December 31, 2022
Subsidiary - Shen Yang	$ 499,000	$ 522,700
Other related party - Wei Li	7,057,922	8,473,922
- Chi Hsuan	93,000	93,000
	$ 7,649,922	$ 9,089,622

13. Other

(1) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Han Lin Development Co., Ltd., Grand Hi-Lai Hotel Co., Ltd., and Hanshin Shopping Plaza Co., Ltd. for 29 plots of land including Plot 895 on Jiangbei Section in Xizhi District, New Taipei City with a total area of 5,551.35 pings on Monday, July 4, 2022. According to the contract, the Company serves as the manager of the Project. The investment ratio is 50% for the Company, 20% for Wei Li International Development Co., Ltd., 10% for Han Lin Development Co., Ltd., 10% for Grand Hi-Lai Hotel Co., Ltd., and 10% for Hanshin Department Store.

(2) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Goldshare Investment Corporation, Hanshin Asset Management Co., Ltd., Hanshin Shopping Plaza Co., Ltd., Hsueh-Yong Ltd., and Heng-Rui Development Co., Ltd. for 3 plots of land including Plot 194, 196, and 197 on Longzhong Section, Gushan District, Kaohsiung City with a total area of 4,905.25 pings on Monday, March 21, 2022. According to the contract, the Company

serves as the manager of the Project. The investment ratio is 50% for the Company, 10% for Wei Li International Development Co., Ltd., 5% for Goldshare Investment Corporation, 15% for Hanshin Asset Management Co., Ltd., 10% for Hanshin Shopping Plaza Co., Ltd, 5% for Hsueh-Yong Ltd., and 5% for Heng-Rui Development Co., Ltd.

(3) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Ascent Development Co., Ltd., Hanshin Asset Management Co., Ltd., and Grand Hi-Lai Hotel Co., Ltd. for 9 plots of land including Plot 28 on Zhongxing Section, Sanchong District, New Taipei City with a total area of 1,828.28 pings on July 15, 2021. According to the contract, the Company serves as the manager of the Project. The investment ratio is 50% for the Company, 10% for Wei Li International Development Co., Ltd., 15% for Ascent Development Co., Ltd., 10% for Hanshin Asset Management Co., Ltd., and 15% for Grand Hi-Lai Hotel Co., Ltd.

(4) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Ascent Development Co., Ltd., Hanshin Asset Management Co., Ltd., Li Yang Agricultural Technology Co., Ltd., and Grand Hi-Lai Hotel Co., Ltd. for 4 plots of land including plot 83-1 on Jiuzhong Section, Neihu District, Taipei City with a total area of 2,127.33 pings on November 23, 2020. According to the contract, the Company serves as the manager of the Project. The investment ratio is 50% for the Company and 10% for each of the other 5 companies.

(5) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Ascent Development Co., Ltd., Hanshin Asset Management Co., Ltd., Li Yang Agricultural Technology Co., Ltd., and Grand Hi-Lai Hotel Co., Ltd. for 19 plots of land including Plot 365 on Zhongyi Section, Tucheng District, New Taipei City with a total area of 5,344.27 pings on January 28, 2021. According to the contract, the Company serves as the manager of the Project. The investment ratio is 50% for the Company and 10% for each of the other 5 companies. "Grand Hi-Lai Hotel Co., Ltd." later withdrew from the project on June 29, 2021. The shares it previously held were transferred to Hanshin Asset Management Co., Ltd. The investment ratio change became effective on July 1, 2021.

(6) The Company signed a joint investment and development agreement with "Wei Li" land including plot 24 on Heguan Section, Annan District, Tainan City with a total area of 77,479.53 square meters on June 29, 2012 for joint construction of residential buildings. The parties later signed a letter of appointment for operating management which appointed the Company to take charge of overall development plans, building planning, and construction and sales of residential buildings. "Wei Li" represented the Project externally and executed the Project based on the contract signed with Taiwan Sugar Corporation. Wei Li became the main operator of the Project as well as the company responsible for selling the houses and land (the company issuing the sales invoice) and the company responsible for purchases products or services (the company with input documentary evidence). It is also responsible for the settlement of the project. The parties later signed the "Joint Development Supplementary Agreement"

on March 15, 2016 for changing the investment ratio and settlement distribution to 60%, 6%, 1.5%, 4%, 13.5%, 10%, and 5%, respectively for the Company, "Wei Li", "Feminine", "Tsu Yan", "Hanshin Asset Management", "Crowell Development", and "Han Lin Development". "Crowell Development" later withdrew from the project on July 15, 2019. "Wei Li" and the co-funders signed the "Joint Development Supplementary Agreement" for changing the investment ratio and settlement distribution to 65%, 6%, 1.5%, 4%, 13.5%, and 10%, respectively for the Company, "Wei Li", "Feminine", "Tsu Yan", "Hanshin Asset Management", and "Han Lin Development".

(7) The Company signed a joint investment and development contract with Chi Hsuan Development Co., Ltd., and Tsang Shan Development Co., Ltd. for 14 plots of land including Plot 1381-21 in Zhongzheng District, Keelung City with a total area of 12,520.95 pings, and 1 building No. 7256 in Tiaohe Section, Zhongzheng District, Keelung City with an area of 26.77 pings. According to the contract, the Company serves as the manager of the Project. The investment ratio is 55% for the Company, 30% for Chi Hsuan Development Co., Ltd., and 15% for Tsang Shan Development Co., Ltd.

(III) Key management compensation

The Company's remuneration for Directors and key management:

	2023	2022
Short-term employee benefits	$ 24,538	$ 31,583

The remuneration to Directors and other key management is determined by the Remuneration Committee based on personal performance and market trends and submitted to the Board of Directors for resolution.

VIII. Pledged assets

The following assets of the Company have been provided as collateral for bank loans, performance bond, and warranty bond:

Assets	Book value December 31, 2023	Book value December 31, 2022	Purpose of collateral
Inventories	$ 9,130,941	$ 8,467,947	Short-term borrowings and commercial papers
Other financial assets - current (restricted deposits)	323,605	600	Trusts and reserve accounts
Property, plant and equipment	30,315	17,768	Commercial papers
Investment properties	41,046	41,614	Commercial papers
Other financial assets - non-current (time deposits)	48,335	48,335	Performance guarantee
	$ 9,574,242	$ 8,576,264	

IX. Significant contingent liabilities and unrecognized contractual commitments

As of December 31, 2023, the total construction contract price between the Company and non-related parties was $4,092,099 and the amount that has yet not been included in the estimation was $3,114,950.

X. Significant disaster loss

None.

XI. Significant events after the balance sheet date

The appropr1at1ons of 2023 earn1ngs were appro5ed by the Board of D1rectors' meet1ng on March 13, 2024. Refer to Note 6 (15) for deta1ls.

XII. Other

(I) Capital management

The Company implements capital management to ensure sustainable development of the Company maximize the benefit for its shareholders by optimizing debts and equity. The Company's capital structure consists of equity attributable to owners of the Company (i.e., share capital, capital surplus, retained earnings, and other equity interests). In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debts. The Company adjusts loan amounts based on the construction progress and the funding required for operations.

(II) Financial instruments

1. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Current financial assets at fair value through profit or loss	$ 12,410	$ 11,830
Current financial assets at fair value through other comprehensive income	143,365	119,528
Non-current financial assets at fair value through other comprehensive income	375,949	316,658
	$ 531,724	$ 448,016
Financial assets at amortized cost		
Cash and cash equivalents	$ 1,012,013	$ 1,464,782
Notes receivable, net	109,944	61,223
Accounts receivable, net	51,345	21,611
Other receivables	14,861	18,914
Other receivables - related parties	-	11,286
Other Financial Assets - Current	323,605	600
Other Financial Assets - Non Current	48,335	48,335
	$ 1,560,103	$ 1,626,751
Financial liabilities		
Financial liabilities at amortized cost		
Short-term borrowings	$ 5,392,826	$ 4,651,483
Short-term notes and bills payable	-	527,672
Notes payable	236,224	67,358
Accounts payable	114,343	184,527
Other payables - other	129,348	452,773
	$ 5,872,741	$ 5,883,813
Lease liabilities	$ 23,619	$ 42,962

2. Risk management policy

The objective of the Company's financial risk management is to manage the market risks, credit risks, and liquidity risks related to operating activities. The Company conducts the identification, valuation, and management of the aforementioned risks based on its policies and risk preferences.

The Company has set up appropriate policies, procedures, and internal control for the aforementioned financial risk management based on relevant standards. Significant financing activities must be reviewed by the Board of Directors in accordance with relevant standards and the internal control system. During implementations of financial management activities, the Company shall strictly abide by the regulations established for financial risk management.

3. Significant financial risks and degree of financial risks

(1) Market risks

Foreign exchange risks

The Company's main operating activities are in Taiwan and the main currency is the NTD. The impact of exchange rate fluctuations is minimal and we therefore expect no significant exchange rate risks.

Price risks

A. The Company's equity instruments exposed to price risks are financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage the price risks of investments in equity instruments, the Company diversifies its investment portfolio in accordance with the limits set by the Company.

B. The Company's main investments consist of equity instruments issued by domestic companies and open-ended funds. The prices of such equity instruments are affected by the uncertainty of the future value of underlying investments. If the price of such equity instruments rises or falls by 10% and all other factors remain constant, the net profit after tax as a result of the profit or loss in the equity tools measured at fair value in 2023 and 2022 will increase or decrease by $1,241 and $1,183, respectively. The gain or loss on equity investments classified as equity instruments in other comprehensive income measured at fair value through profit and loss will increase or decrease by $14,336 and $11,953, respectively.

Interest rate risk for cash flow and fair value

A. The Company's interest rate risks mainly arise from short-term borrowings and short-term notes and bills payable. Borrowings at floating rates expose the Company to cash flow interest rate risks, which are partially offset by cash held at floating rates. Borrowings at fixed rates expose the Company to fair value interest rate risks. In 2023 and 2022, the Company's loans calculated based on floating interest rates were calculated in NTD.

B. The Company simulates various plans and analyzes interest rate risks, including considering plans for refinancing or renewal of existing positions and other available financing plans to calculate the impact of specific changes interest rates on profit or loss.

C. If all other factors remain constant, the maximum impact of a 1% change in interest rates on financial costs in 2023 and 2022 would result in an increase or decrease of $53,928 and $51,792, respectively.

(2) Credit risks

A. The Company's credit risks refer to the risks of financial loss to the Company arising from default by the clients or counterparties of financial instruments. The risks are mainly derived from the counterparty's failure to settle the accounts receivable based on payment collection terms.

B. The Company establishes credit risk management from the perspective of the Company. The Company has set a minimum independent credit rating of "A" for banks and financial institutions before they can be accepted as transaction counterparties.

C. The Company's main business activities are the lease and sales of residential buildings, industrial plants, and commercial buildings. Revenue from the sale of properties is recognized upon the full payment of the contract price, the completion of the transfer of ownership, and the actual delivery of the properties. Therefore, the amount of accounts receivable arising from the sale of properties is considered insignificant and the possibility of non-recovery is low. The Company manages receivables in special transactions on an individual basis and tracks such receivables on a regular basis. The amount of the Company's assessed credit impairment losses as of December 31, 2023 and 2022 was insignificant.

D. As of December 31, 2023 and 2022, there were no debts with recourse that were written off.

(3) Liquidity risks

A. Cash flow forecasting is performed by each Company department and aggregated by the Company treasury. The Company's Finance Department monitors rolling forecasts of the Company’s liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities.

B. The Company's non-derivative financial liabilities are grouped in the table below based on the maturity date and analyzed based on the remaining period at the balance sheet date to the contractual maturity date. The amount of undiscounted contract cash flows of other payables is approximately equal to their carrying amounts and is due within one year. The amount of undiscounted contractual cash flows for other financial liabilities is described in the following table:

Non-derivative financial liabilities:

December 31, 2023	Within 1 year	1 to 3 years	3 years or above
Short-term borrowings	$ 796,632	$ 3,851,976	$ 1,060,454
Notes payable	22,100	214,124	-
Accounts payable	44,186	40,178	29,979
Lease liabilities	22,669	1,253	-

Non-derivative financial liabilities:

December 31, 2022	Within 1 year	1 to 3 years	3 years or above
Short-term borrowings	$ 620,234	$ 203,214	$ 4,178,178
Short-term notes and bills payable	528,500	-	-
Accounts payable	171,551	-	12,976
Lease liabilities	21,917	21,917	-

(III) Fair value information

1. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

   Level 1: Quotation (unadjusted) of the same asset or liability from an active market can be obtained on the measurement date. An active market refers to a market in which transactions in assets or liabilities occur with sufficient frequency and volume to provide pricing information on a continuous basis.

   Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

   Level 3: Unobservable inputs for the assets or liabilities.

2. Please refer to Note 6 (9) for information on the fair value of investment properties carried at cost.
3. The carrying amount of financial instruments not carried at fair value, including cash and cash equivalents, notes and accounts receivable, other receivables, other financial assets - current, refundable deposits, short-term borrowings, short-term notes payable, notes payable, accounts payable, other payables, and deposit received, are reasonable approximations of the fair value.
4. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

   (1) The information on the Company's classification of assets by nature is as follows:

	Level 1	Level 2	Level 3	Total
December 31, 2023				
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss	$ 12,410	$ -	$ -	$ 12,410
Current financial assets at fair value through other comprehensive income	$ 143,365	$ -	$ -	$ 143,365
Non-current financial assets at fair value through other comprehensive income	$ -	$ -	$ 375,949	$ 375,949

	Level 1	Level 2	Level 3	Total
December 31, 2022				
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss	$ 11,830	$ -	$ -	$ 11,830
Current financial assets at fair value through other comprehensive income	$ 119,528	$ -	$ -	$ 119,528
Non-current financial assets at fair value through other comprehensive income	$ -	$ -	$ 316,658	$ 316,658

(2) The methods and assumptions that the Company used to measure the fair value are as follows:

A. The instruments for which the Company used market quoted prices as their fair values (i.e., Level 1) are divided by the characteristics of the instruments as follows:

	Listed stocks	Open-end funds
Market quoted price	Closing price	Net worth

B. Except for the financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.

5. There was no transfer between Level 1 and Level 2 in the Company in 2023 and 2022.

6. The Level-3 movements for 2023 and 2022 were as follows:

	2023	2022
January 1	$ 316,658	$ 234,385
Acquired in the current period	-	59,548
Valuation adjustment	59,291	22,725
December 31	$ 375,949	$ 316,658

7. An independent appraiser appointed by the Company is in charge of valuation procedures for fair value measurements being categorized within Level 3. The appraiser submits a valuation report for the Finance Department to perform the fair value verification of financial instruments to ensure that the source of data is independent, reliable, and represented as the exercisable price.

8. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value as of December 31, 2023	Valuation technique	Significant unobservable input	Range (Weighted average)	Relationship between inputs and fair value
Equity instruments:					
Non-listed stocks	$ 354,872	Comparable public company analysis	Product of the number of shares multiplied by value	0.50~5.49	The higher the product of the number of shares multiplied by value, the higher the fair value
			Discount for lack of marketability	17.38% ~30.00%	The higher the discount for lack of marketability, the lower the fair value
	$ 21,077	Net asset value approach	Not applicable	Not applicable	The higher the net asset value, the higher the fair value

	Fair value as of December 31, 2022	Valuation technique	Significant unobservable input	Range (Weighted average)	Relationship between inputs and fair value
Equity instruments:					
Non-listed stocks	$ 296,254	Comparable public company analysis	Product of the number of shares multiplied by value	0.44~8.06	The higher the product of the number of shares multiplied by value, the higher the fair value
			Discount for lack of marketability	20.31% ~30.00%	The higher the discount for lack of marketability, the lower the fair value
	$ 20,404	Net asset value approach	Not applicable	Not applicable	The higher the net asset value, the higher the fair value

9. The Company has carefully assessed the valuation models and inputs used to measure fair value. However, use of different valuation models or inputs may result in different measurement. The following is the effect on other comprehensive income from financial assets categorized within Level 3 if the inputs used in the valuation models have changed:

			December 31, 2023		December 31, 2022	
			Recognized in other comprehensive income		Recognized in other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments	Liquidity	±5%	$ 23,102	($ 23,102)	$ 19,872	($ 19,872)

XIII. Supplementary disclosures

(I) Significant transactions information

1. Loans to others: None.
2. Provision of endorsements and guarantees to others: Please refer to Table 1.
3. Holding of marketable securities at the end of the period (excluding investment in subsidiaries, affiliates and joint ventures): Please refer to Table 2.
4. Acquisition or sale of the same security with the accumulated cost exceeding NT$300 million or 20% of paid-in capital or more: None.
5. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: Table 3.
6. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: Table 4.
7. Purchase or sale of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: None.
8. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: None.
9. Trading in derivatives: None.
10. The business relationship and significant transactions between the parent company and its subsidiaries: Please refer to Table 5.

(II) Information on investees

Names, locations and other information of investee companies (excluding the investees in Mainland China): Please refer to Table 6.

(III) Information on investments in Mainland China

1. Basic information: Please refer to Table 7.
2. Significant transactions with the investees in Mainland China either directly or indirectly through other companies in the third areas: Please refer to Table 7.

(IV) Information on major shareholders

Information on major shareholders: Please refer to Table 8.

XIV. Segment information

Not applicable.

Kuo Yang Construction Co., Ltd.
Statement of Inventories
December 31, 2023

Unit: NT$ thousand

Item	Amount: Cost	Amount: Market price (Note)	Remarks
Houses and land held for sale	$ 1,326,592	$ 1,318,800	
Minus: Allowance for price decline	(197,338)		
	$ 1,129,254		
Houses and land under construction			
Kuo Yang The Green Place Project (The Green World)	202,114	202,114	
Good morning, Kuo Yang Phase 2 (Keelung Tiaohe Section Project)	334,135	334,135	
Kuo Yang Intercontinental Project (formerly Neihu Jiuzong section)	2,208,553	2,208,553	
Kuo Yang Jilin Project (formerly Jilin Urban Renewal Project)	462,841	462,841	
Kuo Yang Digital (formerly Sanchong Project)	1,435,049	1,435,049	
Kaohsiung Gushan Project	1,484,370	1,484,370	
	6,127,062	6,127,062	
Land for construction			
Zhudong Section	251,872	113,817	
Minquan East Road Project	273,821	246,820	
Jingmei Section	40,174	34,260	
Kaohsiung Yunwen Section	108,170	108,170	
Tucheng Section	1,333,834	1,333,834	
Guowang Xiwan Road Project	1,127,733	1,127,733	
Other	69,012	69,012	
	3,204,616	3,033,646	
Minus: Allowance for price decline	(170,970)		
	3,033,646		
Prepayments for houses and land and others			
Kuo Yang The Green Place Project (The Green World)	354,076	354,076	
Total	$ 10,644,038	$ 10,833,584	

Note: Due to the nature of the construction industry, the market value of land under construction and land awaiting construction specified as the cost or net realizable value, whichever is lower.

Kuo Yang Construction Co., Ltd.
Statement of Changes in Houses and Land under Construction
From January 1, 2023 to December 31, 2023

Unit: NT$ thousand

Project name	Opening balance	Increase in current period: Investment cost	Increase in current period: Capitalized interest	Transfer in current period: Inward transfer from land awaiting construction	Transfer in current period: Outward transfer after construction completion	Ending balance	Remarks
Kuo Yang The Green Place Project (The Green World)	$ 33,246	$ 168,868	$ -	$ -	$ -	$ 202,114	None
Good morning, Kuo Yang Phase 2 (Keelung Tiaohe Section Project)	327,135	2,719	4,281	-	-	334,135	Loan collateral already provided
Kuo Yang Intercontinental Project (formerly Neihu Jiuzong section)	1,913,082	261,689	33,782	-	-	2,208,553	〃
Kuo Yang Jilin Project (formerly Jilin Urban Renewal Project)	179,595	281,908	1,338	-	-	462,841	〃
Kuo Yang Digital Project (formerly Sanchong Project)	-	169,763	22,768	1,242,518	-	1,435,049	〃
Kaohsiung Gushan Project	-	37,520	17,655	1,429,195	-	1,484,370	〃
	$ 2,453,058	$ 922,467	$ 79,824	$ 2,671,713	$ -	$ 6,127,062	

Kuo Yang Construction Co., Ltd.
Statement of Changes in Investments Accounted for Using Equity Method
From January 1, 2023 to December 31, 2023

Unit: NT$ thousand

Name	Opening balance		Increase in current period		Decrease in current period		Other adjustments (Note)	Ending balance			Net equity		Provision of collateral or pledges
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount		Number of shares	Shareholding ratio	Amount	Unit price (NTD)	Total price	
Shen Yang Construction Co., Ltd.	160,000,000	$ 1,614,534	-	$ 54,534	-	$ -	($ 14,156)	160,000,000	100%	$ 1,654,912	$ 10.35	$ 1,655,634	None
Shang Yang International Asset Management Co., Ltd.	61,800,000	647,160	-	-	-	(524)	1,632	61,800,000	100%	648,268	10.49	648,268	None
Star Epoch International Co., Ltd.	24,000,000	240,098	-	-	-	(707)	-	24,000,000	80%	239,391	9.97	239,391	None
Shadwell Limited	200,000	2,389	-	-	-	(70)	37	200,000	100%	2,356	11.21	2,242	None
Hanshin Shopping Plaza Co., Ltd.	10,005,000	940,755	-	236,217	-	-	10,675	10,005,000	20%	1,187,647	64.59	646,253	None
Sweet Me Hot Spring Resort Co., Ltd.	2,200,000	11,212	-	1,359	-	-	-	2,200,000	20%	12,571	6.62	14,566	None
		$ 3,456,148		$ 292,110		($ 1,301)	($ 1,812)			$ 3,745,145			

Note: Other adjustments represent dividend payout, translation differences in the financial statements of foreign operations, and valuation adjustments on financial assets at fair value through other comprehensive income.

Kuo Yang Construction Co., Ltd.
Statement of Operating Revenue
From January 1, 2023 to December 31, 2023

Unit: NT$ thousand

Item	Summary	Amount
Revenue from sale of properties		
Revenue from land		$ 301,554
Revenue from houses		209,736
Other		51,359
Sales discount		(2)
		562,647
Rental income		8,374
		$ 571,021

Kuo Yang Construction Co., Ltd.
Statement of Operating Cost
From January 1, 2023 to December 31, 2023

Unit: NT$ thousand

Item	Amount Subtotal	Amount Total
Opening inventory		
Houses and land held for sale	$ 1,688,082	
Houses and land under construction	2,453,058	
Land for construction	5,652,349	
Prepayments for land and others	354,076	$ 10,147,565
Plus: Purchases in this period		988,291
Expenses for investments in construction in the current period		113,835
Decorations in this period		21,565
Interest capitalization		119,226
Cost of leases		1,149
Operation and management service fees		6,520
Minus: Closing inventory		
Houses and land held for sale	(1,326,592)	
Houses and land under construction	(6,127,062)	
Land for construction	(3,204,616)	
Prepayments for houses and land and others	(354,076)	(11,012,346)
Allowance for price decline (gain on recovery)		(43,804)
Construction cost		$ 342,001

Kuo Yang Construction Co., Ltd.
Statement of Operating Expenses
From January 1, 2023 to December 31, 2023

Unit: NT$ thousand

Item	Amount	Remarks
Promotion expenses		
Transferred deferred promotion expenses recognized based on full completion	$ 13,387	
Advertising expenses	1,007	
Sales expenses	560	
Administrative expenses	5,091	
Other expenses	5,763	
	25,808	
Administrative expenses		
Employee benefit expenses	114,910	
Depreciation	26,001	
Tax	13,156	
Rent expenditures	1,610	
Entertainment expenses	9,497	
Donations	4,011	
Insurance premiums	8,181	
Professional service expenses	16,625	
Other expenses	22,454	
	216,445	
Total	$ 242,253	

Kuo Yang Construction Co., Ltd.
Summary Table of Employee Benefit, Depreciation, Depletion and Amortization Expenses for the Current Year
From January 1, 2023 to December 31, 2023

Unit: NT$ thousand

	2023			2022		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expenses						
Salary expenses	$ -	$ 91,864	$ 91,864	$ -	$ 90,462	$ 90,462
Labor and health insurance fees	-	7,655	7,655	-	7,386	7,386
Pension expenses	-	3,870	3,870	-	3,482	3,482
Remuneration for Directors	-	9,749	9,749	-	14,271	14,271
Other employee benefit expenses	-	1,772	1,772	-	4,009	4,009
	$ -	$ 114,910	$ 114,910	$ -	$ 119,610	$ 119,610
Depreciation	$ -	$ 27,150	$ 27,150	$ -	$ 24,453	$ 24,453
Deduction expenses	$ -	$ -	$ -	$ -	$ -	$ -
Amortization cost	$ -	$ 661	$ 661	$ -	$ 542	$ 542

1. As of December 31, 2023 and 2022, the Company's average number of employees were 77 and 78, respectively. There were 8 and 8 Directors who do not serve concurrently as employees.
2. The Company discloses the following information in accordance with the table above:
   (1) The average employee benefit expenses in 2023 and 2022 amounted to $1,524 and $1,505, respectively.
   (2) The average employee salary expenses in 2023 and 2022 amounted to $1,331 and $1,292 respectively.
   (3) The adjustment of the average employee salary expenses in 2023 was 3.02%.
3. The Company’s salary policy is as follows:
   (1) Remuneration for Directors: The Board of Directors is authorized to determine the remuneration paid to Directors based on their participation in the Company's operations, the value of their contributions, and prevailing rates in the industry.
   (2) Manager: The Company pays reasonable compensation to the manager based on his/her rank, position, experience, local living standard, consumer price index, contribution to the Company, and team leadership skills.
   (3) Employees: The remuneration for employees includes fixed salaries and bonuses. The fixed salary is paid each month and bonuses include the year-end bonuses, employees' remuneration, and bonuses for Dragon Boat Festival and Mid-Autumn Festival.
      (a) Fixed salary: The fixed salary is based on the individual's key core competencies and professional skills, and is paid based on the rank, position, and experience specified in the "Rank and Salary Range Table".
      (b) Year-end bonus: The year-end bonus is based on the Company's business operations and performance in the current year and is calculated on an annual basis.
      (c) Employees' remuneration: In the event of profit in the year, the Company shall appropriate 0.5% to 5% of the pre-tax earnings (excluding remuneration for Directors and employees) as remuneration for employees. However, in the event the Company has sustained cumulative losses, a proportion of profit shall be reserved in advance to make up for losses. The remuneration for employees is determined by the Board of Directors which shall resolve to distribute the remuneration in stocks or cash.
4. The Company has established an Audit Committee and therefore does not pay remuneration to supervisors.

Kuo Yang Construction Co., Ltd.
Provision of endorsements and guarantees to others
January 1 to December 31, 2023

Table 1

Unit: NT$ thousand
(Unless specified otherwise)

No. (Note 1)	Name of company providing endorsement or guarantee	Entity for which the endorsement/guarantee is made: Company name	Entity for which the endorsement/guarantee is made: Relationship (Note 2)	Limit on endorsements/guarantees to a single enterprise (Note 3)	Maximum outstanding balance of endorsements/guarantees during the current period (Note 4)	Ending balance of endorsements/guarantees (Note 5)	Actual amount drawn down (Note 6)	Endorsement/guarantee secured with collateral Amount	Cumulative endorsed/guaranteed amount as a percentage of the net value in the most recent financial statements	Maximum endorsed/guaranteed amount (Note 3)	Parent company to subsidiary (Note 7)	Subsidiary to parent company (Note 7)	Endorsements and guarantees for entities in Mainland China (Note 7)	Remarks
0	Kuo Yang Construction Co., Ltd.	Wei Li International Development Co., Ltd.	5	$ 20,199,352	$ 9,431,252	$ 7,057,922	$ 6,152,959	$ -	69.88%	$ 40,398,704	N	N	N	
0	〃	Tsang Shan Development Co., Ltd.	5	20,199,352	93,000	46,500	46,500	-	0.46%	40,398,704	N	N	N	
0	〃	Chi Hsuan Development Co., Ltd.	5	20,199,352	186,000	93,000	93,000	-	0.92%	40,398,704	N	N	N	
0	〃	Shen Yang Construction Co., Ltd.	2	20,199,352	529,000	499,000	199,000	-	4.94%	40,398,704	Y	N	N	
1	Shen Yang Construction Co., Ltd.	Chi Yang Construction Co., Ltd.	2	3,311,268	2,282,500	2,282,500	111,300	-	137.86%	6,622,536	N	N	N	
1	〃	Tsang Hsin Construction Co., Ltd.	5	3,311,268	949,450	949,450	501,000	-	57.35%	6,622,536	N	N	N	

Note 1: The explanation for filling out numbers is as follows: 1. The issuer shall fill out numbers of 02. Investees are numbered in order starting from "1".
Note 2: Relationships between endorser/guarantor and the entity for which the endorsement/guarantee is made are classified into the following six categories (simply specify the respective category):
1. Companies in a business relationship with the Company.
2. Subsidiaries in which the Company directly holds more than 50% of its total outstanding ordinary shares.
3. Investees in which parent company and subsidiary hold more than 50% of total outstanding ordinary shares combined.
4. Parent company in which the Company directly or indirectly (along with subsidiary) holds more than 50% of its total outstanding ordinary shares.
5. Companies providing mutual endorsements/guarantees for industry peers for purposes of undertaking a construction project.
6. Companies where all capital-contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.

Note 3: The procedures in which the Company provides endorsements/guarantees for others, the maximum endorsements/guarantees for each entity, and the total limit of endorsements/guarantees shall be filled in. The individual entity receiving endorsements/guarantees and the calculation method for the total limit amount shall be specified in the "Remarks" column.
1. The total endorsements and guarantees provided by the Company shall not exceed the net value of the Company's most recent financial statements; the endorsements and guarantees provided for an individual enterprise may not exceed 20% of the net value of the Company's most recent financial statements.
2. Where the Company fulfills its contractual obligations by providing mutual endorsements and guarantees for another company in the same industry or for joint builders for a construction project, where all capital contributing shareholders make endorsements and guarantees for their jointly invested company in proportion to their shareholding percentages, where companies in the same industry provide joint guarantee for contract performance for pre-sale property contracts in accordance with the Consumer Protection Act, or where the Company directly or indirectly holds 100% of the voting shares and provides endorsements and guarantees, the restrictions in the preceding paragraph shall not apply and the endorsements and guarantees can still be provided. However, such endorsements and guarantees shall not exceed 400% of the net value of the most recent financial statements; the total endorsements and guarantees provided for an individual enterprise may not exceed 200% of the net value of the most recent financial statements.
3. Where Shen Yang Construction fulfills its contractual obligations by providing mutual endorsements and guarantees for another company in the same industry or for joint builders for a construction project, where all capital contributing shareholders make endorsements and guarantees for their jointly invested company in proportion to their shareholding percentages, where companies in the same industry provide joint guarantee for contract performance for pre-sale property contracts in accordance with the Consumer Protection Act, or where the Company directly or indirectly holds 100% of the voting shares and provides endorsements and guarantees, such endorsements and guarantees shall not exceed 400% of the net value of the most recent financial statements; the total endorsements and guarantees provided for an individual enterprise may not exceed 200% of the net value of the most recent financial statements.

Note 4: Highest balance of endorsements/guarantees to others for the year.
Note 5: Endorsement/guarantee liabilities are assumed when the amount of the endorsement/guarantee contracts or bills signed with the bank by the Company is approved as of the end of the year. Other matters related to endorsements/guarantees shall be included in the endorsement/guarantee balance.
Note 6: Enter the actual amount drawn down by the companies for which the endorsements/guarantees are made within the range of endorsement/guarantee balance.
Note 7: Endorsements/guarantees made by TWSE/TPEx listed parent company for subsidiary, endorsements/guarantees made by subsidiary for TWSE/TPEx listed parent company, and endorsements/guarantees made in Mainland China are must be indicated with "Y".

Kuo Yang Construction Co., Ltd.
Holding of marketable securities at the end of the period (excluding investment in subsidiaries, affiliates and joint ventures)
December 31, 2023

Table 2

Unit: NT$ thousand
(Unless specified otherwise)

Securities held by	Type and name of marketable securities	Relationship with securities issuer	General ledger account	End of period: Number of shares	End of period: Carrying amount	End of period: Shareholding ratio	End of period: Fair value	Remarks
Kuo Yang Construction Co., Ltd.	Nomura Global High Yield Bond Fund	None	Current financial assets at fair value through profit or loss	689,047	$ 4,320	-	$ 4,320	
〃	TCB Global Healthcare M-A Income Fund	None	〃	1,000,000	8,090	-	8,090	
Shang Yang International Asset Management Co., Ltd.	O-Bank No. 1 Real Estate Investment Trust	None	〃	617,000	4,955	-	4,955	
					$ 17,365		$ 17,365	
Kuo Yang Construction Co., Ltd.	Non-listed stocks - Tai Ho Construction Co., Ltd.	None	Non-current financial assets at fair value through profit or loss	2,400,000	$ -	17.14%	$ -	
Kuo Yang Construction Co., Ltd.	Listed stocks - Ascent Development Co., Ltd.	Note 4	Current financial assets at fair value through other comprehensive income	3,108,000	$ 75,214	3.38%	$ 75,214	
〃	Hi-Lai Foods Co., Ltd.	〃	〃	332,237	51,995	0.79%	51,995	
〃	Hsin Kuang Steel Co., Ltd.	None	〃	280,000	16,156	0.09%	16,156	
Shen Yang Construction Co., Ltd.	Listed stocks - Hi-Lai Foods Co., Ltd.	Note 4	〃	22,149	3,466	0.05%	3,466	
〃	Taiwan Cement Corporation	None	〃	500,000	17,425	0.01%	17,425	
〃	United Microelectronics Corporation	None	〃	300,000	15,780	0.00%	15,780	
〃	Unimicron Technology Corporation	None	〃	20,000	3,520	0.00%	3,520	
〃	Nan Ya Printed Circuit Board Corporation	None	〃	150,000	37,725	0.02%	37,725	
〃	GlobalWafers Co., Ltd	None	〃	30,000	17,610	0.01%	17,610	
〃	ASE Technology Holding Co., Ltd.	None	〃	200,000	27,000	0.00%	27,000	
〃	Chailease Holding Company Limited	None	〃	102,000	19,686	0.01%	19,686	
〃	Tatung Company	None	〃	600,000	25,200	0.03%	25,200	
					$ 310,777		$ 310,777	
Kuo Yang Construction Co., Ltd.	Unlisted stocks - United Real Estate Management Co., Ltd.	None	Non-current financial assets at fair value through other comprehensive income	1,494,794	$ 21,077	4.43%	$ 21,077	
〃	Hanshin Asset Management Co., Ltd.	Note 4	〃	4,946,472	205,971	2.29%	205,971	
〃	Grand Hi-Lai Hotel Co., Ltd.	〃	〃	4,960,081	148,901	16.53%	148,901	
Shen Yang Construction Co., Ltd.	Unlisted stocks - Han Chi Technology Co., Ltd.	〃	〃	450,000	6,795	9.00%	6,795	
Shang Yang International Asset Management Co., Ltd.	Unlisted stocks - Kaohsiung Arena Development Corporation	〃	〃	12,500,000	155,375	5.00%	155,375	
〃	SE Security Corp.	None	〃	1,526,170	28,254	15.26%	28,254	
					$ 566,373		$ 566,373	

Note 1: Leave the column blank if the issuer of marketable securities is non-related party.
Note 2: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost deducted by accumulated impairment for the marketable securities not measured at fair value.
Note 3: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.
Note 4: The securities issuer is an affiliate of the Group.

Kuo Yang Construction Co., Ltd.

Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more

January 1 to December 31, 2023

Table 3

Unit: NT$ thousand

(Unless specified otherwise)

Company that acquired real property	Name of property	Transaction date	Transaction amount	Payment status	Transaction counterparty	Relationship	Prior transaction of related counterparty: Owner	Prior transaction of related counterparty: Relationship with issuer	Prior transaction of related counterparty: Transfer date	Prior transaction of related counterparty: Amount	Basis of reference for price determination	Purpose of acquisition and status of usage	Miscellaneous
Kuo Yang Construction Co., Ltd.	Inventories - construction-in-progress (New construction project in Jiuzhong Section, Neihu District, Taipei City)	2022/11/15	$ 891,850	$ 147,075 (Note 1)	Chin Hsieh Hsing Construction Co., Ltd.	None	Not applicable	Not applicable	Not applicable	Not applicable	Appraisal report from Hung Pang Real Estate Appraisers Firm and appraisal report from He Yang Real Estate Appraisers Firm	Construction of factory and office building for sale	Not applicable
Kuo Yang Construction Co., Ltd.	Inventories - construction-in-progress (New construction project in Jilin Section, Zhongshan District, Taipei City)	2023/1/13	1,044,231	282,778	Continental Engineering Corporation	None	Not applicable	Not applicable	Not applicable	Not applicable	Appraisal report from Hung Pang Real Estate Appraisers Firm and appraisal report from He Yang Real Estate Appraisers Firm	Construction of residential buildings for sale	Not applicable
Kuo Yang Construction Co., Ltd.	Inventories - construction-in-progress (New construction project in Zhongxing Section, Sanchong District, New Taipei City)	2023/11/07	1,142,175	140,522	Chun Chieh Construction Co., Ltd.	None	Not applicable	Not applicable	Not applicable	Not applicable	Appraisal report from Hung Pang Real Estate Appraisers Firm and appraisal report from He Yang Real Estate Appraisers Firm	Construction of factory and office building for sale	Not applicable
Shen Yang Construction Co., Ltd.	Inventories - land awaiting construction (Land on Yuanzhong Section, Nanzi District, Kaoshiung City) (Note 2)	2023/12/20	460,505	-	Land Administration Bureau, Kaohsiung City Government	None	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Land for construction	Not applicable

Note 1: The Group has paid $57,063 in 2022 and paid $90,012 in this period in accordance with contracts.
Note 2: The Group jointly tendered with Chun-Chieh Kuo for the project from Land Affairs Bureau of Kaohsiung City Government in 2023, and the relevant price was paid in 2024.
Note 3: Where an appraisal is required for an acquired asset, specify the appraisal results in the "reference for price determination".
Note 4: Paid-in capital refers to the paid-in capital of the parent company. If the issuer's shares are issued without face value or where the face value does not equal to NT$10, the 20% requirement on paid-up capital shall be calculated instead at 10% of equity attributable to parent company shareholders in the balance sheet.
Note 5: The date of occurrence refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of board meeting resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier;

Kuo Yang Construction Co., Ltd.

Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more

January 1 to December 31, 2023

Table 4

Unit: NT$ thousand

(Unless specified otherwise)

Company that disposed of real property	Name of property	Transaction date	Acquisition date	Carrying amount	Transaction amount	Payment collection status	Gain (loss) on disposal	Transaction counterparty	Relationship	Purpose of disposal	Basis of reference for price determination	Miscellaneous
Kuo Yang Construction Co., Ltd.	Inventories - houses and land under construction	2023/05/19	Not applicable for pre-sale properties	Not applicable	$ 461,180	$69,165 already collected in accordance with contracts	Not applicable	Hotai Finance Co., Ltd.	None	Gains	Hung Pang Real Estate Appraisers Firm	Not applicable
Kuo Yang Construction Co., Ltd.	Inventories - houses and land under construction	2023/06/02	Not applicable for pre-sale properties	Not applicable	$ 458,320	$68,760 already collected in accordance with contracts	Not applicable	Shi-Tai Yung-Fu Investment Co., Ltd.	None	Gains	Hung Pang Real Estate Appraisers Firm	Not applicable
Kuo Yang Construction Co., Ltd.	Inventories - houses and land under construction	2023/06/09	Not applicable for pre-sale properties	Not applicable	$ 815,500	$122,340 already collected in accordance with contracts	Not applicable	eCloudvalley Digital Technology Co., Ltd.	None	Gains	Hung Pang Real Estate Appraisers Firm, Cheng Ta Real Estate Appraisers Firm	Not applicable
Kuo Yang Construction Co., Ltd.	Inventories - houses and land under construction	2023/07/04	Not applicable for pre-sale properties	Not applicable	$ 262,500	$26,250 already collected in accordance with contracts	Not applicable	Mesure Technology Co., Ltd.	None	Gains	Hung Pang Real Estate Appraisers Firm	Not applicable
Kuo Yang Construction Co., Ltd.	Inventories - houses and land under construction	2023/09/25	Not applicable for pre-sale properties	Not applicable	$ 265,650	$39,855 already collected in accordance with contracts	Not applicable	Tatung Atherton Co., Ltd.	None	Gains	Hung Pang Real Estate Appraisers Firm	Not applicable

Note 1: The transaction amount and payment collection status shall be disclosed in accordance with the project shareholding ratio.

Note 2: Where an appraisal is required for a disposed asset, specify the appraisal results in the "reference for price determination".

Note 3: Paid-in capital refers to the paid-in capital of the parent company. If the issuer's shares are issued without face value or where the face value does not equal to NT$10, the 20% requirement on paid-up capital shall be calculated instead at 10% of equity attributable to parent company shareholders in the balance sheet.

Note 4: The date of occurrence refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of board meeting resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier;

Kuo Yang Construction Co., Ltd.

The business relationship and significant transactions between the parent company and its subsidiaries

January 1 to December 31, 2023

Table 5

Unit: NT$ thousand
(Unless specified otherwise)

				Transaction status			
No. (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Kuo Yang Construction Co., Ltd.	Shen Yang Construction Co., Ltd.	1	Rental/leasing revenue	203	Note 4	0.03%
0	Kuo Yang Construction Co., Ltd.	Shang Yang International Asset Management Co., Ltd.	1	Rental/leasing revenue	186	Note 4	0.03%
0	Kuo Yang Construction Co., Ltd.	Che Yang Agricultural Technology Co., Ltd.	1	Rental/leasing revenue	186	Note 4	0.03%
0	Kuo Yang Construction Co., Ltd.	Star Epoch International Co., Ltd.	1	Contract liabilities - current	30,169	Note 4	0.16%
1	Shang Yang International Asset Management Co., Ltd.	Shadwell Limited.	3	Interest payable	471	Note 4	0.00%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
1. Parent company is "0".
2. The subsidiaries are numbered in order starting from "1".

Note 2: Relationships are categorized into the following three types. Please specify the type:
1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is calculated based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: There is no major difference in transaction conditions between sales between parent company and subsidiaries and regular sales, other transaction conditions for other trades have no relevant examples to follow and the transaction conditions are determined in accordance with mutual agreements.

Kuo Yang Construction Co., Ltd.

Names, locations and other information of investee companies (excluding the investees in Mainland China)

January 1 to December 31, 2023

Table 6

Unit: NT$ thousand

(Unless specified otherwise)

				Initial investment amount		Holdings at the end of period					
Name of investment company	Investee	Location	Main business activities	End of the period	End of last year	Number of shares	Percentage	Carrying amount	Net profit (loss) of investee for the current period	Investment income (loss) recognized by the Company for the current period	Remarks
Kuo Yang Construction Co., Ltd.	Shen Yang Construction Co., Ltd.	Taiwan	Real estate investment, development, and rental and leasing	$ 1,600,000	$ 1,600,000	160,000,000	100%	$ 1,654,912	$ 50,831	$ 54,534	Subsidiary (Note 2)
〃	Shang Yang International Asset Management Co., Ltd.	Taiwan	Residence and buildings lease construction and development	631,098	631,098	61,800,000	100%	648,268	(524)	(524)	Subsidiary (Note 2)
〃	Star Epoch International Co., Ltd.	Taiwan	Residence and buildings lease construction and development	240,000	240,000	24,000,000	80%	239,391	(901)	(707)	Subsidiary (Note 2)
〃	Shadwell Limited	British Virgin Islands	Investment in real estate property	4,742	4,742	200,000	100%	2,356	(70)	(70)	Subsidiary (Note 2)
〃	Hanshin Shopping Plaza Co., Ltd.	Taiwan	Department store	480,000	480,000	10,005,000	20%	1,187,647	1,276,009	236,217	Affiliate enterprise
〃	Sweet Me Hot Spring Resort Co., Ltd.	Taiwan	General hotel industry and restaurant management	22,000	22,000	2,200,000	20%	12,571	18,572	1,359	Affiliate enterprise
Shen Yang Construction Co., Ltd.	Che Yang Agricultural Technology Co., Ltd.	Taiwan	Horticulture services and afforestation	2,500	2,500	250,000	100%	1,039	(216)	(168)	Sub-subsidiary (Note 2)
〃	Chi Yang Construction Co., Ltd.	Taiwan	Residence and buildings lease construction and development	176,000	176,000	17,600,000	80%	175,603	134	107	Sub-subsidiary (Note 2)
Shang Yang International Asset Management Co., Ltd.	Pao Yue Landscape Co., Ltd.	Taiwan	Landscape and interior design	1,020	-	102,000	51%	1,886	1,698	866	Sub-subsidiary (Note 2)
〃	Chi Yang Construction Co., Ltd.	Taiwan	Residence and buildings lease construction and development	31,500	31,500	3,150,000	45%	34,516	173	78	Affiliate enterprise
〃	Century Rainbow Limited	Seychelles	Investment company	114,438 (USD 3,727 thousand)	114,438 (USD 3,727 thousand)	1,020,100	100%	309	(468)	(464)	Sub-subsidiary (Note 1, 2)
Century Rainbow Limited	Celestial Talent Limited	Seychelles	Investment company	83,733 (USD 2,727 thousand)	83,733 (USD 2,727 thousand)	20,100	100%	(94)	8	8	Sub-subsidiary (Note 1, 2)
Century Rainbow Limited	Charm Merit Limited	Hong Kong	Investment company	30,705 (USD 1,000 thousand)	30,705 (USD 1,000 thousand)	1,000,000	100%	485	(482)	(482)	Sub-subsidiary (Note 1, 2)
Charm Merit Limited	Good Fame Limited	Samoa	Investment company	30,705 (USD 1,000 thousand)	30,705 (USD 1,000 thousand)	1,000,000	40%	568	(1,221)	(485)	Affiliate enterprise (Note 1)

Note 1: Calculated based on the exchange rate of the foreign currency on December 31, 2023.
Note 2: All the transactions were consolidated and written off in the preparation of the consolidated financial statements.

Kuo Yang Construction Co., Ltd.

Information on investments in Mainland China - basic information

January 1 to December 31, 2023

Table 7

Unit: NT$ thousand

(Unless specified otherwise)

Investees in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Opening balance of accumulated fund transfer from Taiwan	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the current period		Ending balance of accumulated fund transfer from Taiwan	Net profit (loss) of investee for the current period	Ownership held directly or indirectly by the Company	Investment income (loss) recognized by the Company in the current period (Note 2 (2). C)	Ending investment book value	Investment revenue transferred back to Taiwan as of the end of the period	Remarks
					Remitted to Mainland China	Remitted back to Taiwan							
Guopan Investment Consultancy Co., Ltd.	Business investment consulting and enterprise management consulting	$ 92,115 (USD 3,000 thousand)	(2)	$ 30,705 (USD 1,000 thousand)	$ -	$ -	$ 30,705 (USD 1,000 thousand)	$ 1,016	40%	($ 491)	$ 629	$ -	

Company name	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 (MOEA)	Upper limit on investment authorized by MOEAIC
The Company	$30,705 (US$1,000 thousand)	$ 30,705	$ 6,123,141

Note 1: The methods for engaging in investment in Mainland China are categorized into the following three types. Please specify the type:

(1) The Company remits its own funds directly to the investee companies located in Mainland China.

(2) The Company invests in Mainland China through a company in a third region. The Company invests in Good Fame Limited which invests in Guopan Investment Consultancy Co., Ltd.

(3) Other methods.

Note 2: Investment income (loss) recognized by the Company in the current period:

(1) If the company is in preparation status and no investment loss and profit has occurred, it shall be noted.

(2) The three types of recognition of income on investment are as follows shall be noted.

A. Certified financial report audited by CPA firms in the Republic of China which have partnership with international CPA firms.

B. Financial report audited by CPA firm of Taiwan's parent company.

C. Others - Evaluations and disclosures of financial reports audited by the CPA.

Note 3: Related numbers in this table shall be expressed in NTD.

Kuo Yang Construction Co., Ltd.

Information on major shareholders

December 31, 2023

Table 8

Shareholder's name	Shares	
	Number of shares held	Shareholding ratio
Han Shen Investment Co., Ltd.	35,985,223	9.46%
Chung Shen Development Co., Ltd.	27,709,048	7.29%
Morta Enterprise Co., Ltd.	24,795,785	6.52%
Cheng Chi Co., Ltd.	23,124,570	6.08%
Han Chung Global Investment Co., Ltd.	20,205,488	5.31%

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

Membership seal certificate from Taipei City chapter of CPA Associations R.O.C. (Taiwan)

Taipei Caizheng No. 1130104

Member name: (1) Chun-Yuan Hsiao
(2) Fang-Yu Wang

CPA firm name: PricewaterhouseCoopers Taiwan

CPA firm address:	27F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City	CPA firm Unified Business No.: 03932533
CPA firm phone number:	(02)27296666	Client Unified Business No.: 11603817

Membership No.: (1) Taipei City Membership ID No. 2942
(2) Taipei City Membership ID No. 3712

Purpose of seal certificate: For the purpose of conducting financial statement verification and audit for Kuo Yang Construction Co., Ltd. in 2023 (from January 1, 2023 to December 31, 2023).

Signature format (1)		Seal on record at Association (1)	
Signature format (2)		Seal on record at Association (2)	

Chairman: Verified by:

January 4, 2024