Stock Symbol: 2537

WE & WIN Development Co., LTD.

Financial Statements for the Years Ended December 31, 2023 and 2022 and Independent Auditors' Report

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Table of Contents

Accountant's Audit Report

For public review of Board of Directors of WE & WIN Development Co., LTD.:

Opinion

We have audited the Balance sheet of WE & WIN Development Co., LTD. December 31, 2023 and 2022, and the statement of comprehensive income, statement of changes in equity and cash flow statement from January 1 to December 31, 2023 and 2022, as well as individual notes to financial report (including summary of significant accounting policies).

In accordance with the accountant's opinion, based on the audit results of the accountant and the audit reports of other accountants (please refer to the other matters paragraph), the individual financial reports present fairly in all major aspects are in accordance with the securities issuer's financial report preparation standards and approved by the Financial Supervision and Administration Commission. Recognize and publish the effective International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretation Announcements to adequately express the financial status of WE & WIN Development Co., LTD. on December 31, 2023 and 2022, and financial performance and cash flow from January 1 to December 31, 2023 and 2022.

Basis for Opinion

The accountant performs the audit work in accordance with the accountant's auditing and visa financial statement rules and generally accepted auditing standards. The accountant's responsibilities under these standards will be further explained in the accountant's responsibility section for reviewing individual financial reports. In accordance with the professional ethics of accountants, the personnel subject to independence regulations of the accounting firm's affiliated firms have maintained aloof independence from WE & WIN Development Co., LTD. and performed other responsibilities under the regulations. Based on the audit results of the accountant and the audit reports of other accountants, the accountant believes that sufficient and appropriate audit evidence has been obtained as a basis for expressing the audit opinion.

Other matters

Listed in WE & WIN Development Co., LTD.'s investment using the equity method, the financial report on the investment using the equity method has not been audited by this accountant, but by other accountants. Therefore, in the opinions expressed by this accountant on the individual financial reports, the amounts listed in the financial reports of the investee companies are based on the audit reports of other accountants. The amount of investment recognized by the equity method in these investee companies on December 31, 2023 and 2022 accounted for 0.36% and 0.25% of the total assets. The share of profits and losses of affiliated companies using the equity method recognized from January 1 to December 31, 2023 and 2022 accounted for 0.56% and (0.35)% of pre-tax net profit, respectively.

Key audit matters

Key audit matters refer to the most important matters in the audit of WE & WIN Development Co., LTD.'s 2023 individual financial reports based on the professional judgment of the accountant. These matters have been responded to in the process of auditing individual financial reports as a whole and forming audit opinions. The accountant does not express opinions on these matters alone. The accountant judged that the key audit matters that should be communicated in the audit report are as follows:

1. Income recognition

For accounting policies related to Income recognition, please refer to the individual Notes to Financial Report 4 (13) about income recognition; for details, please refer to the individual Notes to Financial Report 6 (11) about revenue from customer contracts.

Description of key audit matters:

WE & WIN Development Co., LTD. real estate income is the main source of income for operations, and the risk of material misrepresentation lies in the authenticity of income recognition. Since operating income involves the operating performance of the management, the management may not recognize the income early or deferred in accordance with the regulations to achieve the expected net profit, which may affect the profit and loss and may have a major misstatement. Therefore, the income recognition test is one of the important evaluation matters for the accountant to perform the WE & WIN Development Co., LTD. financial report audit.

Corresponding audit procedures:

- Perform control tests on the sales and collection operations cycle, evaluate the control to prevent and detect errors and fraud in income recognition;
- Perform verification tests, sample inspections of sales contracts and real estate transfer registration documents with customers, and check sales data and general ledger details to assess whether WE & WIN Development Co., LTD.'s income recognition policy is handled in accordance with relevant bulletins;
- The cut-off test is performed on operating income to confirm whether the income is listed in the appropriate period.

2. Inventory evaluation

For the accounting policies for inventory evaluation, please refer to the individual Notes to Financial Report 4 (6) Inventory. For the accounting estimates and assumption uncertainties of inventory evaluation, please refer to the individual Notes to Financial Report 5 (1) Inventory evaluation. For details, please refer to the individual Notes to Financial Report 6 (2) Inventory.

Description of key audit matters:

The inventory of WE & WIN Development Co., LTD. is an important asset for operations, and its amount accounts for 82% of the total assets; the inventory evaluation is handled in accordance with the International Accounting Standards Bulletin No. 2, if the net realizable value evaluation is inappropriate, it will cause false expression in financial reports. Therefore, the inventory evaluation test is one of the important evaluation items for the accountant to perform the WE & WIN Development Co., LTD. financial report audit.

Corresponding audit procedures:

・Understand the internal operating procedures and accounting treatment of WE & WIN Development Co., LTD. for the subsequent measurement of inventories, and obtain the assessment data of the net realizable value of inventories on the financial reporting date, sample and check the market price of the previously disclosed information, and compare it with the most recent transaction price or the contract price recently sold by WE & WIN Development Co., LTD. or the actual real estate price registered to the Ministry of the Interior; or obtain a case-by-case investment return analysis table, check whether the net realizable value of the inventory is reasonable.

Responsibilities of management and governance units for individual financial reports

The management's responsibility is to prepare and express individual financial reports in accordance with the financial report preparation standards of securities issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretations approved and issued by the Financial Regulatory Commission, and to maintain and maintain the individual financial reports. Necessary internal control related to the preparation of the report to ensure that individual financial reports do not contain material false expressions due to fraud or errors.

When preparing individual financial reports, the management's responsibilities also include assessing the ability of WE & WIN Development Co., LTD. to continue operations, disclosure of related matters, and the adoption of the accounting basis for continuing operations, unless the management intends to liquidate WE & WIN Development Co., LTD. or stop doing business, or there is no practical and feasible plan other than liquidation or closure.

The governance unit (including the audit committee) of WE & WIN Development Co., LTD. is responsible for supervising the financial reporting process.

Accountant's responsibility for auditing individual financial reports

The purpose of this accountant's audit of individual financial reports is to obtain reasonable conviction as to whether the individual financial reports as a whole contain any material false expressions caused by fraud or errors, and to issue an audit report. Reasonable certainty is a high degree of certainty, but the audit work carried out in accordance with auditing standards cannot guarantee that the material false expressions in individual financial reports will be detected. Misrepresentation may result from fraud or errors. If the individual amounts or aggregated figures that are misrepresented can be reasonably expected to affect the economic decisions made by individual financial report users, they are considered to be significant.

The accountant uses professional judgment and maintains professional suspicion when conducting audits in accordance with auditing standards. The accountant also performs the following tasks:

1. Identify and evaluate the risk of material misrepresentation of individual financial reports due to fraud or errors; design and implement appropriate countermeasures for the assessed risks; and obtain sufficient and appropriate audit evidence as the basis for audit opinions. Because fraud may involve collusion, forgery, deliberate omission, false statement or violation of internal control, the risk of not detecting a major false expression caused by fraud is higher than that caused by error.
2. Obtain the necessary understanding of the internal control related to the audit to design an appropriate audit procedure under the circumstances, but its purpose is not to express an opinion on the effectiveness of WE & WIN Development Co., LTD.'s internal control.
3. Evaluate the appropriateness of the accounting policies adopted by the management and the reasonableness of accounting estimates and related disclosures.
4. Based on the obtained audit evidence, make a conclusion of the appropriateness of the management's continued operation accounting basis and whether there are major uncertainties in the event or situation that may cause major doubts about the ability of WE & WIN Development Co., LTD. to continue to operate. If the accountant believes that there are significant uncertainties in these events or circumstances, he must remind the users of individual financial reports in the audit report to pay attention to the relevant disclosures in the individual financial reports, or amend the audit opinions when such disclosures are inappropriate. The accountant's conclusion is based on the audit evidence obtained as of the date of the audit report. However, future events or circumstances may cause WE & WIN Development Co., LTD. to no longer have the ability to continue operations.
5. Evaluate the overall expression, structure and content of individual financial reports (including

relevant notes), and whether individual financial reports are appropriate to express relevant transactions and events.

6. Obtain sufficient and appropriate audit evidence for the financial information of the investee company that adopts the equity method to express opinions on individual financial reports. The accountant is responsible for the guidance, supervision and execution of the inspection case, and is responsible for forming the audit opinion of WE & WIN Development Co., LTD.

The matters communicated between the accountant and the governance unit include the planned audit scope and time, as well as major audit findings (including significant deficiencies in internal control identified during the audit process).

The accountant also provides the governance unit with a statement that the personnel of the firm's affiliated firm subject to independence regulations have complied with the independence of the accountant's professional ethics, and communicates with the governance unit all relationships that may be considered to affect the independence of the accountant and other matters (including related protective measures).

Based on the matters communicated with the governance unit, the accountant decides the key audit matters for the audit of WE & WIN Development Co., LTD.'s 2023 individual financial report. The accountant states these matters in the audit report, unless the law does not allow specific matters to be disclosed publicly, or in very rare cases, the accountant decides not to communicate specific matters in the audit report, because the negative effects of this communication can be reasonably expected to be greater than the public interest promoted.

KPMG Taiwan

Accoutant： Huang Hsin Ting

Chen Chung Che

Visa document number approved by the securities authority	：	No. Financial-Supervisory-Securities-Auditing-1100333824 No. Financial-Supervisory-Securities-Auditing-1000011652

March 13, 2024

WE & WIN Development Co., LTD.
Balance Sheet
December 31, 2023 and 2022

Unit: Thousands of New Taiwan Dollars

		2023.12.31		2022.12.31	
	Asset	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (Note 6 (1))	$ 231,995	1	438,246	3
1170	Notes receivable and accounts receivable (Note 6 (11) and 7)	68	-	3,735	-
1200	Other receivables (Notes 6 (14) and 7)	49,305	-	31,714	-
1220	Income tax assets for the current period	12,771	-	-	-
1320	Inventory (applicable to the construction industry) (Notes 6 (2), 7 and 8)	12,875,878	82	12,326,576	82
1410	Prepayments	92,737	1	72,345	-
1476	Other financial assets-current (note 6 (3), 8 and 9)	1,027,406	7	819,489	6
1479	Other current assets-other	206,488	1	147,554	1
1480	Incremental cost of obtaining a contract-current	350,465	2	333,541	2
		14,847,113	94	14,173,200	94
	Non-current assets:				
1550	Investments using the equity method (Note 7)	72,439	-	38,257	-
1600	Real estate, plant and equipment	6,020	-	5,796	-
1755	Right-of-use asset	34,559	-	33,985	-
1760	Net investment property (note 6 (2) and 8)	94,562	1	95,755	1
1975	Net defined benefit assets-non-current (Note 6 (7))	1,336	-	1,298	-
1980	Other financial assets-non-current (Note 6 (3) and 8)	707,594	5	704,124	5
1990	Other non-current assets-other	7,014	-	4,034	-
		923,524	6	883,249	6
	Total assets	$ 15,770,637	100	15,056,449	100

		2023.12.31		2022.12.31	
	Liabilities and equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term loans (Note 6 (4))	$ 7,144,005	45	6,863,178	46
2111	Short-term notes payable (Note 6 (4))	184,000	1	283,400	2
2130	Contract liabilities-current (Note 6 (11) and 7)	1,714,842	11	1,184,241	8
2150	Notes payable (note 7)	60,706	-	33,163	-
2170	Accounts payable (Note 6 (5))	407,552	3	346,430	2
2200	Other payables (Note 6 (7))	115,538	1	154,111	1
2230	Income tax liabilities for the current period (Note 6 (8))	-	-	7,076	-
2280	Lease liabilities-current	11,601	-	8,674	-
2399	Other current liabilities-other	37,480	-	20,631	-
		9,675,724	61	8,900,904	59
	Non-current liabilities:				
2530	Corporate bonds payable (Note 6 (6))	1,996,356	13	1,994,825	13
2580	Lease liabilities-non-current	23,288	-	25,279	-
		2,019,644	13	2,020,104	13
	Total liabilities	11,695,368	74	10,921,008	72
	Equity: (Note 6 (9))				
3110	Common stock	3,005,579	19	3,005,579	20
3200	Capital reserve	564,732	4	564,732	4
3300	Retained earnings	504,958	3	565,130	4
	Total equity	4,075,269	26	4,135,441	28
	Liabilities and total equity	**$ 15,770,637**	**100**	**15,056,449**	**100**

(Please read the Notes to Financial Report attached)

Chairman: Su, Yung-Yi President: Lee, Chih-Ming Chief Accountant: Tseng, Chin-Ching

WE & WIN Development Co., LTD.
Statement of Comprehensive Income
January 1 to December 31, 2023 and 2022

Unit: Thousands of New Taiwan Dollars

		2023		2022	
		Amount	%	Amount	%
4000	**Operating income (note 6 (11) and 7)**	$ 545,850	100	1,682,018	100
5000	**Operating costs (Notes 6 (2) and 7)**	401,070	73	1,265,772	75
	Operating margin	144,780	27	416,246	25
	Operating expenses (Notes 6 (7), (12) and 7):				
6100	Marketing expenses	22,772	4	78,107	5
6200	Management costs	84,720	16	91,671	5
		107,492	20	169,778	10
	Operating net profit	37,288	7	246,468	15
	Non-operating income and expenses:				
7100	Interest income (note 6 (13) and 7)	9,676	2	3,681	-
7020	Other benefits and losses (Note 6 (13) and 7)	6,435	1	(874)	-
7050	Finance costs (Note 6 (13))	(120,240)	(22)	(124,820)	(7)
7060	Share of profits and losses of affiliated companies recognized using the equity method	(416)	-	(435)	-
		(104,545)	(19)	(122,448)	(7)
7900	**Net profit before tax**	(67,257)	(12)	124,020	8
7950	**Less: income tax expense (Note 6 (8))**	(7,123)	(1)	46,118	3
8200	**Net profit for the period**	(60,134)	(11)	77,902	5
8300	**Other comprehensive profit and loss:**				
8310	**Items not reclassified to profit or loss**				
8311	Measure on defined benefit plans(Note 6 (7))	(38)	-	548	-
8349	Income tax related to items not reclassified	-	-	-	-
		(38)		548	
8300	**Other comprehensive profit and loss for the current period (net after tax)**	(38)	-	548	-
8500	**Total comprehensive profit and loss for the current period**	**$ (60,172)**	**(11)**	**78,450**	**5**
9750	**Basic earnings per share (NTD) (Note 6 (10))**	**$ (0.20)**		**0.26**	
9850	**Diluted earnings per share (NTD) (Note 6 (10))**	**$ (0.20)**		**0.26**	

(Please read the attached Notes to Financial Report)

Chairman: Su, Yung-Yi **President: Lee, Chih-Ming** **Chief Accountant: Tseng, Chin-Ching**

WE & WIN Development Co., LTD.
Statement of Changes in Equity
January 1 to December 31, 2023 and 2022
Unit: Thousands of New Taiwan Dollars

			Retained earnings			
	Common stock	Capital reserve	Legal reserve	Undistributed earnings	Total	Total equity
Balance as of January 1, 2022	$ 3,005,579	564,732	190,652	566,530	757,182	4,327,493
Net profit for the period	-	-	-	77,902	77,902	77,902
Other comprehensive profit and loss of the current period	-	-	-	548	548	548
Total comprehensive profit and loss for the current period	-	-	-	78,450	78,450	78,450
Appropriation and distribution of retained earnings:						
Legal reserve appropriated	-	-	41,486	(41,486)	-	-
Stock dividends of ordinary share	-	-	-	(270,502)	(270,502)	(270,502)
Balance as of December 31, 2022	3,005,579	564,732	232,138	332,992	565,130	4,135,441
Net profit for the period	-	-	-	(60,134)	(60,134)	(60,134)
Other comprehensive profit and loss of the current period	-	-	-	(38)	(38)	(38)
Total comprehensive profit and loss for the current period	-	-	-	(60,172)	(60,172)	(60,172)
Appropriation and distribution of retained earnings:						
Legal reserve appropriated	-	-	7,845	(7,845)	-	-
Balance as of December 31, 2023	**$ 3,005,579**	**564,732**	**239,983**	**264,975**	**504,958**	**4,075,269**

(Please read the attached Notes to Financial Report)

Chairman: Su, Yung-Yi **President: Lee, Chih-Ming** **Chief Accountant: Tseng, Chin-Ching**

WE & WIN Development Co., LTD.
Cash Flow Statement
January 1 to December 31, 2023 and 2022

Unit: Thousands of New Taiwan Dollars

		2023	2022
Cash flow from operating activities:			
Net profit before tax for the current period	$	(67,257)	124,020
Adjustment items:			
Income expense item			
Depreciation expense		13,828	11,601
Amortization expense		119	118
Net profit of measure the net benefit of financial assets at fair value through profit and loss		(325)	(507)
Interest expense		120,240	124,820
Interest income		(9,676)	(3,681)
Share of losses of affiliated companies recognized using the equity method		416	435
Others		1,532	5,450
Total income and expense items		126,134	138,236
Changes in assets and liabilities related to business activities:			
Net changes in assets related to business activities:			
Decrease in mandatory reduction of financial assets measured at fair value through profit and loss		325	507
Notes and accounts receivable		3,667	629
Other receivables		(2,591)	734
Inventory		(449,252)	(373,757)
Prepayments		(20,473)	29,529
Other current assets		(58,934)	(59,856)
Other financial assets—current		(217,917)	60,791
The incremental cost of obtaining the contract		(31,924)	(56,416)
Increase in net defined benefit assets		(76)	(38)
Total net changes in assets related to business activities		(777,175)	(397,877)
Net changes in liabilities related to operating activities:			
Contract liabilities		530,601	106,992
Notes payable		27,543	(68,754)
Accounts payable		61,122	(1,373,694)
Other payables		(42,224)	28,627
Other current liabilities		16,849	(47,112)
Total net changes in liabilities related to operating activities		593,891	(1,353,941)
Total net changes in assets and liabilities related to business activities		(183,284)	(1,751,818)
Total adjustment items		(57,150)	(1,613,582)
Cash flow from operations		(124,407)	(1,489,562)
Interest charged		9,676	3,681
Interest paid		(224,266)	(157,181)
Income tax paid		(12,723)	(74,774)
Net cash flow from operating activities		(351,720)	(1,717,836)

WE & WIN Development Co., LTD.
Cash Flow Statement
January 1 to December 31, 2023 and 2022

Unit: Thousands of New Taiwan Dollars

	2023	2022
Cash flow from investing activities:		
Obtain an investment using the equity method	(34,598)	(4,906)
Obtain real estate, plant and equipment	(2,549)	-
Decrease (increase) in other financial assets-current	10,000	(10,000)
Other financial assets-non-current increase	(3,470)	(1,013)
Increase (decrease) in other non-current assets	(2,980)	2,550
Net cash outflow from investing activities	(33,597)	(13,369)
Cash flow from financing activities:		
Increase in short-term loans	2,813,394	3,399,530
Decrease in short-term loans	(2,524,980)	(1,700,400)
(Decrease) Increase in short-term notes payable	(99,400)	51,400
Repayment of lease liabilities	(9,948)	(8,528)
Cash dividends paid	-	(270,502)
Net cash inflow from financing activities	179,066	1,471,500
(Decrease) Increase in current cash and cash equivalents	(206,251)	(259,705)
Balance of beginning cash and cash equivalent	438,246	697,951
Balance of cash and cash equivalent at the end of the period	$ 231,995	438,246

(Please read the attached Notes to Financial Report)

Chairman: Su, Yung-Yi **President: Lee, Chih-Ming** **Chief Accountant: Tseng, Chin-Ching**

WE & WIN Development Co., LTD.

Notes to Financial Report

2023 and 2022

(Unless otherwise specified, all amounts are in thousands of New Taiwan Dollars)

1.Company history

WE & WIN Development Co., LTD. (hereinafter referred to as "the company") was established with the approval of the Ministry of Economic Affairs on August 19, 1987, and its shares were officially listed for trading on September 6, 1996.

The company's original name was CHUEN CHYR Construction Co., Ltd., changed its name to CHUEN CHYR Development Co., Ltd. on June 30, 1998, and was renamed Digital CHUEN CHYR Network Service Co., Ltd. on May 23, 2000. It was renamed Chunchi Development Co., Ltd. on July 4, 2006, and was renamed WE & WIN Development Co., LTD. by a resolution of the shareholders meeting on June 19, 2008. The main business projects are residential and building development, leasing and sales, real estate trading, and computer equipment installation.

2.Approval of the date and procedure of the financial report

This financial report was approved and released by the board of directors on March 13, 2024.

3.Application of newly issued and revised standards and interpretations

(1) The impact of the newly issued and revised standards and interpretations approved by the Financial Supervision Commission has been adopted

The company has applied the following newly revised International Financial Reporting Standards since January 1, 2023, and has not had a significant impact on financial reporting.

- Amendment to International Accounting Standard No. 1 "Disclosure of Accounting Policies"
- Amendment to International Accounting Standard No. 8 "Definition of Accounting Estimates"
- Amendment to International Accounting Standard No. 12 "Deferred income tax relating to assets and liabilities arising from a single transaction"

The company has applied the following newly revised International Financial Reporting Standards since May 23, 2023, and has not had a significant impact on financial reporting.

- Amendment to International Accounting Standard No. 12"International Tax Reform - Pillar Two Model Rules"

(2) The impact of not adopting the International Financial Reporting Standards recognized by the FSC

The company assesses the application of the following newly revised International Financial Reporting Standards effective from January 1, 2024, and will not have a significant impact on financial reporting.

- Amendment to International Accounting Standard No. 1 "Classification of Liabilities as Current or Non-current"

- Amendment to International Accounting Standard No. 1 “non-current liabilities with conditions in the contract”
- Amendment to International Accounting Standard No. 7 and International Financial Reporting Standard No. 7 on "Supplier Financing Arrangements"
- Amendment to International Financial Reporting Standard No. 16 on "Leases Liability in Sale and Leaseback Transactions"

(3) Newly issued and revised standards and interpretations not yet approved by the FSC

The company expects that the following newly issued and revised standards that have not yet been approved will not have a significant impact on financial reporting.

- Amendments to International Financial Reporting Standards No. 10 and International Accounting Standards No. 28 “Sales or investment of assets between investors and their affiliates or joint ventures”
- The amendment of ‘comparative information to be first adopted in IFRS 17 and IFRS 19’ in Article 17 of International Financial Reporting Standards
- Amendment to International Financial Reporting Standards No. 17 on "Comparative information on first application of IFRS 17 and IFRS 9 "
- Amendment to International Accounting Standard No. 21 on "Lack of Exchangeability"

4.Summary of significant accounting policies

The major accounting policies used in this financial report are summarized below. The following accounting policies have been consistently applied to all presentation periods in this financial report.

(1) Declaration of compliance

This financial report is in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as Preparation “Regulations”) and FSC approved and issued effective international financial reporting standards, international accounting standards, interpretations and interpretation announcements (hereinafter referred to as “FSC approved International Financial Reporting Standards”).

(2) Preparation basis

I. Basis of measurement

Except for the following important items in the Balance sheet, this financial report is prepared on the basis of historical cost:

(I) Financial instruments measured at fair value through profit and loss;

(II) Net definite benefit liabilities (or assets) are measured by subtracting the present value of definite benefit obligations from the fair value of pension fund assets.

II. Functional currency and Presentation currency

The company uses the currency of the main economic environment in which it operates as its functional currency. This financial report is expressed in the company’s functional currency, expressed in New Taiwan dollars. All financial information expressed in New Taiwan Dollars is in thousands of New Taiwan Dollars.

(3) Classification criteria for distinguishing between current and non-current assets and liabilities

The company is mainly engaged in the contracting of construction projects and the lease and sale of real estate. Its business cycle is usually longer than one year. The assets and liabilities related to construction projects are based on the business cycle of 3 to 5 years as the basis for dividing current and non-current; the rest; The criteria for dividing current and non-current assets and liabilities are as follows:

Assets that meet one of the following conditions are classified as current assets, and all other assets that are not current assets are classified as non-current assets:

I. Those who expect to realize the asset or intend to sell or consume it during the normal business cycle of the company.

II. Holding the asset mainly for trading purposes;

III. The asset is expected to be realized within twelve months after the balance sheet date; or

IV. The asset is cash or cash equivalents, unless the exchange of the asset or the use of it to settle liabilities is subject to other restrictions at least twelve months after the reporting period.

Liabilities that meet one of the following conditions are classified as current liabilities, and all other liabilities that are not current liabilities are classified as non-current liabilities:

I. It is expected that the liability will be settled during the normal business cycle of the company;

II. Holding the liability mainly for trading purposes;

III. It is expected that the liability will be settled within twelve months after the reporting period; or

IV. Liabilities that do not have the right to unconditionally defer the repayment period to at least twelve months after the reporting period. The terms of the liability, which may be settled by the issuance of equity instruments based on the choice of the counterparty, does not affect its classification.

(4) Cash and cash equivalents

Cash includes cash on hand and demand deposits. Equivalent cash refers to a short-term and highly liquid investment that can be converted into fixed cash at any time with little risk of value changes. Time deposits that meet the aforementioned definition and whose holding purpose is to meet short-term cash commitments rather than investment or other purposes are listed in cash equivalents.

Bank overdrafts are those that can be repaid immediately and are part of the company’s overall cash management. They are listed in the Cash flow statement as a component of cash and cash equivalents.

(5) Financial tool

Accounts receivable and debt securities issued are originally recognized when they arise. All other financial assets and financial liabilities were originally recognized when the company became a party to the contractual terms of financial instruments. Financial assets (except for accounts receivable that do not contain significant financial components) or financial liabilities that are not measured at fair value through profit or loss are originally measured at fair value plus transaction costs directly attributable to the acquisition or issuance. Accounts receivable that do not contain significant financial components are originally measured at transaction prices.

I. Financial assets

Where the purchase or sale of financial assets conforms to conventional transactions, the company shall uniformly adopt the transaction date accounting treatment for all purchases and sales of financial assets classified in the same way.

At the time of initial recognition, financial assets are classified into: financial assets measured at amortized cost and financial assets measured at fair value through profit and loss.

The company will only reclassify all affected financial assets from the first day of the next reporting period when it changes its business model for managing financial assets.

(I) Financial assets measured at amortized cost

When financial assets meet the following conditions at the same time and are not designated to be measured at fair value through profit and loss, they are measured at amortized cost:

- The financial asset is held under the business model for the purpose of collecting contractual cash flow.
- The contract terms of the financial asset generate cash flow on a specific date, which is entirely the interest on the payment of the principal and the amount of principal in circulation.

These assets are subsequently measured by adding or subtracting the accumulative amortization amount calculated using the effective interest method to the originally recognized amount, and adjusting the amortized cost measurement of any allowance loss. Interest income, foreign currency exchange profit and loss, and impairment losses are recognized in profit and loss. When de-listing, the profit or loss is included in the profit and loss.

(II) Financial assets measured at fair value through profit and loss

Financial assets that are not measured at amortized cost are measured at fair value through profit and loss, including derivative financial assets. At the time of initial recognition, in order to eliminate or significantly reduce the improper accounting ratio, the company must irrevocably designate financial assets that meet the amortized cost measurement as financial assets that are measured at fair value through profit and loss.

These assets are subsequently measured at fair value, and their net profit or loss (including any dividends and Interest income) is recognized as profit or loss.

(III) Business model evaluation

The purpose of this company is to evaluate the business model of holding financial assets at the portfolio level. This is the best way to reflect the business management method and provide information to the management. The consideration information includes:

- The stated investment portfolio policies and objectives, and the operation of these policies, including whether the management’s strategy focuses on earning contractual cash flow, maintaining a combination of specific interest yields, matching the duration of financial assets with the duration of related liabilities or expected cash outflows or realize cash flow by selling financial assets.
- The performance of the business model and how to evaluate the financial assets held under the business model and how to report to the key management personnel of the company
- The risks that affect the performance of the business model (and the financial assets held under the business model) and the ways in which such risks are managed; and
- The frequency, amount and timeliness of financial assets sold in previous periods, as well as the reasons for such sales and expectations for future sales activities.

According to the above-mentioned business purpose, if the transaction of transferring financial assets to a third party does not meet the delisting conditions, it is not a sale referred to above, which is consistent with the company’s purpose of continuing to recognize the asset.

(IV) Impairment of financial assets

The company recognizes an allowance loss for the expected credit loss of financial assets (Including cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables, deposits and other financial assets, etc.) measured at amortized cost.

The following financial assets are measured by the amount of expected credit losses for twelve months, and the rest are measured by the amount of expected credit losses during the duration:

- The credit risk of the judgment debt securities at the reporting date is low; and
- The credit risk of other debt securities and bank deposits (that is, the risk of default in the expected duration of financial instruments) has not increased significantly since initial recognition.

The allowance loss for accounts receivable is measured by the amount of expected credit loss during the duration.

Expected credit loss during the lifetime refers to the expected credit loss arising from all possible defaults during the expected lifetime of a financial instrument.

Twelve-month expected credit loss refers to the expected credit loss (or a shorter period, if the expected duration of the financial instrument is shorter than twelve months) incurred by a financial instrument that may default within twelve months after the reporting date.

The longest period for measuring expected credit losses is the longest contract period during which the company is exposed to credit risk.

In determining whether the credit risk has increased significantly since the initial recognition, the company considers reasonable and verifiable information (which can be obtained without excessive cost or investment), including qualitative and quantitative information, and based on the company's historical experience, credit assessment and analysis of forward-looking information.

If the contract payment is overdue for more than 30 days, the company assumes that the credit risk of the financial asset has increased significantly.

If the contract payment is overdue for more than 90 days, or the borrower is unlikely to fulfill its credit obligation to pay the full amount to the company, the company will regard the financial asset as breach of contract.

If the credit risk rating of the financial instrument is equivalent to the "investment grade" defined by the world (for Standard & Poor's investment grade BBB-, Moody's investment grade Baa3 or China Credit Ratings investment grade twA, or higher). The company considers the credit risk of the debt securities to be low.

Expected credit loss is the probability-weighted estimate of the credit loss during the expected life of the financial instrument. Credit loss is measured by the present value of all short-term cash receipts, that is, the difference between the cash flow that the company can receive in accordance with the contract and the cash flow that the company expects to receive. Expected credit losses are discounted at the effective interest rate of financial assets.

In each report day, the company assesses whether financial assets are credit-impaired based on amortized cost. When one or more events that have an adverse effect on the estimated future cash flow of a financial asset have occurred, the financial asset has been credit-impaired. Evidence that financial assets have been credit-impaired includes observable information about the following matters:

- Major financial difficulties of the borrower or issuer;
- Breach of contract, such as delay or overdue for more than 90 days;

- Due to economic or contractual reasons related to the borrower's financial difficulties, the company gives the borrower a concession that the borrower would not otherwise consider;
- The borrower is likely to file for bankruptcy or other financial reorganization; or
- The active market for the financial asset disappeared due to financial difficulties.

The allowance loss for financial assets measured at amortized cost is deducted from the asset's carrying amount.

When the company cannot reasonably expect the recovery of financial assets as a whole or part, it directly reduces the total book value of its financial assets. For corporate accounts, the company individually analyzes the timing and amount of write-off based on whether it is reasonably expected to be recoverable. The company expects that the amount that has been written off will not be materially reversed. However, financial assets that have been written off can still be enforced to comply with the company's procedures for recovering overdue amounts.

(V) Derecognition of financial assets

The company only terminates the contractual rights from the cash flow of the asset, or the financial asset has been transferred and almost all the risks and rewards of the asset's ownership have been transferred to other companies, or almost no ownership has been transferred or retained. When all risks and rewards are not kept under the control of the financial assets, the financial assets are only derecognized.

The company signs a transaction to transfer financial assets, and if it retains all or almost all risks and rewards of the ownership of the transferred assets, it will continue to be recognized on the balance sheet.

II. Financial liabilities and equity instruments

(I) Classification of liabilities or equity

The liabilities and equity instruments issued by the company are classified as financial liabilities or equity based on the substance of the contractual agreement and the definition of financial liabilities and equity instruments.

(II) Equity transaction

An equity instrument refers to any contract that recognizes the remaining equity of the company after deducting all its liabilities from its assets. The equity instruments issued by the company are recognized at the amount obtained after deducting the cost of direct issuance.

(III) Compound financial instrument

The compound financial instrument issued by the company is a convertible bond (denominated in New Taiwan dollars) that the holder has the option to convert into equity. The number of issued shares will not vary with changes in its fair value.

For the component of the liability of a compound financial instrument, the amount originally recognized is measured by the fair value of the similar liability that does not include the equity conversion rights. The originally recognized amount of the equity component is measured by the difference between the fair value of the overall compound financial instrument and the fair value of the liability component. Any directly attributable transaction costs are allocated to the components of liabilities and equity based on the ratio of the book value of the original liabilities and equity.

After the initial recognition, the liability component of the compound financial instrument is measured by the amortized cost using the effective interest rate method. The equity component of a compound financial instrument will not be remeasured after initial recognition.

Interests related to financial liabilities are recognized as profit or loss. Financial liabilities are reclassified into equity at the time of conversion, and the conversion is not recognized as profit or loss.

(IV) Financial liabilities

Financial liabilities are classified as amortized cost or measured at fair value through profit and loss. If financial liabilities are held for trading, derivatives, or designated at the time of initial recognition, they are classified as measured at fair value through profit or loss. Financial liabilities measured at fair value through profit and loss are measured at fair value, and related net benefits and losses, including any Interest expense, are recognized in profit and loss.

Other financial liabilities are subsequently measured at the cost after amortization using the effective interest method. Interest expense and exchange profit and loss are recognized in profit and loss. Any profit or loss at the time of derecognition is also recognized in profit and loss.

(V) Derecognition of financial liabilities

The company derecognizes financial liabilities when contractual obligations have been fulfilled, cancelled or expired. When the financial liability terms are modified and there is a significant difference in the cash flow of the liabilities after the modification, the original financial liabilities are derecognized, and the new financial liabilities are recognized at fair value on the basis of the modified terms.

When derecognizing financial liabilities, the difference between its book value and the total consideration paid or payable (including any transferred non-cash assets or liabilities assumed) is recognized as profit or loss.

(VI) Offset between financial assets and liabilities

Financial assets and financial liabilities are only offset when the company currently has legally enforceable rights to offset and intends to settle on a net amount or to realize assets and repay liabilities at the same time, and then they are offset and expressed in the balance sheet as a net amount.

(6) Inventory

Inventory is measured by the lower of cost and net realizable value. Cost includes the necessary expenses incurred to bring it to the available location and state. The development cost of the premises includes construction costs, land costs, borrowing costs and project costs incurred during the development period. When the inventory cost is higher than the net realizable value, the cost should be reduced to the net realizable value, and the amount of the reduction should be recognized as the cost of goods sold in the current period. Net realizable value refers to the estimated selling price under normal operations after deducting the estimated costs that will be required to complete the project and the estimated costs required to complete the sale. The method for determining the net realizable value is as follows:

I. Land for construction: The net realizable value is estimated by the management authority based on the current market conditions.

II. Construction in progress: The net realizable value is calculated based on the estimated selling price (according to the prevailing market conditions) reduced to the costs and sales expenses to be invested to completion.

III. Premises for sale: the net realizable value is the estimated selling price (according to the prevailing market conditions) minus the estimated cost incurred when selling the premises.

(7) Investments in Associates

Associates refers to the company that has significant influence on its financial and operating policies, but is not a controlling or joint controller.

If the original accounting treatment for obtaining Associates has not been completed before the reporting date of the transaction, the company will recognize the incomplete accounting treatment items at a tentative amount, and retrospectively adjust or recognize additional assets or liabilities during the measurement period to reflect the new information obtained during the measurement period on the facts and circumstances that existed on the date of acquisition. The measurement period shall not exceed one year from the date of acquisition.

The contingent consideration included in the transfer consideration is recognized at its fair value on the date of acquisition. If the change in the fair value of the contingent consideration after the acquisition is a measurement period adjustment, it is a retrospective adjustment of the acquisition cost and a relative adjustment of goodwill. The adjustment of the measurement period is an adjustment made by the company to obtain additional information about the facts and circumstances existing on the acquisition date after the acquisition date, and the measurement period does not exceed one year from the acquisition date. For changes in fair value of contingent consideration that are not adjusted during the measurement period, the accounting treatment depends on the classification of contingent consideration. Contingent consideration classified as equity shall not be re-measured, and its subsequent settlement shall be adjusted within equity. Other contingent consideration is measured at fair value on each reporting day after the date of acquisition, and changes in fair value are recognized as profit or loss.

The company adopts the equity method for the equity of Associates. Under the equity method, the original acquisition is recognized based on cost, and investment costs include transaction costs. The book value of the investment in Associates includes the goodwill identified at the time of the original investment, minus any accumulated impairment losses.

This financial report covers the period from the date of significant influence to the date of loss of significant influence. After adjustments are made for consistency with the company's accounting policies, the company recognizes the profit and loss of each investment in the Associates and other amount of comprehensive profit and loss based on the proportion of equity. When the Associates have non-profit and loss and other comprehensive profit and loss of equity changes that do not affect the company's shareholding ratio, the company will attributable to the company's share of the Associates' share of the equity changes and recognize it as capital reserve based on the shareholding ratio.

The unrealized benefits and losses arising from the transaction between the company and Associates are only recognized in the corporate financial statements within the scope of the rights and interests of non-related parties to the Associates.

When the company's proportionately recognized Associates' loss share equals or exceeds its interest in Associates, it will stop recognizing its losses, and only within the scope of legal obligations, constructive obligations, or payments on behalf of the investee company, recognizing additional losses and related liabilities.

(8) Investment Property

Investment Property refers to the immovable property held for rent earning or asset appreciation or both, but not for normal business sale, production, provision of goods or labor, or for administrative management purposes. Investment Property is originally measured by cost, and subsequently measured by cost minus accumulated depreciation and accumulated impairment. Its depreciation method, service life and residual value shall be treated in accordance with the provisions of real estate, plant and equipment.

The profit or loss of Investment Property's disposal (calculated as the difference between the net disposal price and the carrying amount of the item) is recognized in the profit and loss.

The rental income of Investment Property is recognized as other profit and loss according to the straight-line method during the lease period. The incentive to lease it is recognized as part of the lease income during the lease period.

(9) Real estate, plant and equipment

I. Recognition and measurement

Real estate, plant and equipment items are measured by cost (including capitalized borrowing costs) minus accumulated depreciation and any accumulated impairment.

When the significant components of real estate, plant and equipment have different service life, they are treated as separate items (main components) of real estate, plant and equipment.

Real estate, plant and equipment dispenses profits or losses are recognized in profit and loss.

II. Follow-up cost

Subsequent expenditures are only capitalized when their future economic benefits are likely to flow into the company.

III. Depreciation

Depreciation is calculated by subtracting the residual value from the cost of the asset, and the straight-line method is used to recognize it in the profit and loss within the estimated useful life of each component.

Land is not depreciated.

The estimated service life of the current period and the comparative period are as follows:

(I)	Transportation Equipment	5 years
(II)	Office equipment	5 years
(III)	Other equipment	5～6 years

The company reviews the depreciation method, service life and residual value on each reporting day, and adjusts it appropriately if necessary.

(10) Lease

The company assesses whether the contract belongs to or contains a lease on the date of contract establishment. If the contract transfers control over the use of the identified asset for a period of time in exchange for consideration, the contract belongs to or contains a lease.

I. Lessee

The company recognizes the right-of-use asset and the lease liability on the lease start date. The right-of-use asset is measured based on the original cost. The cost includes the original measurement amount of the lease liability and adjustments paid on or before the lease start date. Any lease payments, plus the original direct costs incurred and the estimated costs for dismantling, removing the underlying assets and restoring the location or underlying assets, and deducting any lease incentives received.

Right-of-use asset is subsequently depreciated using the straight-line method, whichever is earlier, from the lease start date to the end of the useful life of the right-of-use asset or when the lease period expires. In addition, the company regularly assesses whether the right-of-use asset has been impaired and deals with any impairment losses that have occurred, and coordinates the adjustment of the right-of-use asset when the lease liability is remeasured.

Lease liabilities are measured based on the original value of the present value of the lease payments not yet paid on the lease start date. If the implicit interest rate of the lease is easy to determine, the discount rate is that interest rate. If it is not easy to determine, the company's incremental borrowing interest rate is used. Generally speaking, the company uses its incremental borrowing interest rate as the discount rate.

Lease payments included in the measurement of lease liabilities include:

(I) Fixed benefits, including substantive fixed benefits;
(II) The lease payment depends on a change in an index or rate, and the index or rate on the lease start date is used as the original measurement;
(III) The amount of the expected residual value guarantee to be paid; and
(IV) The exercise price or the penalty to be paid when the purchase option or lease termination option is reasonably determined.

The subsequent lease liabilities are accrued interest using the effective interest method, and the amount is measured when the following situations occur:

(I) Changes in the index or rate used to determine lease payments result in changes in future lease payments;
(II) There is a change in the amount of residual value guaranteed to be paid;
(III) There is a change in the evaluation of the option to purchase the underlying asset;
(IV) The estimation of whether to exercise the extension or termination option is changed, and the assessment of the lease period is changed;
(V) Modification of the lease object, scope or other terms.

When the lease liability is remeasured due to changes in the index or rate used to determine the lease payment, changes in the amount of residual value guarantee, and changes in the evaluation of the purchase, extension or termination options, the book value of the right-of-use asset is adjusted accordingly When the Carrying amount of the right-of-use asset is reduced to zero, the remaining remeasured amount is recognized in the profit and loss.

For lease modifications that reduce the scope of the lease, the book value of the right-of-use asset is reduced to reflect the partial or full termination of the lease, and the difference between it and the remeasured amount of the lease liability is recognized in the profit and loss.

The company expresses the right-of-use asset and lease liabilities that do not meet the definition of Investment Property as separate items in the Balance sheet.

For short-term leases of office equipment and other low-value underlying asset leases, the company chose not to recognize right-of-use assets and lease liabilities, and instead recognized related lease payments as expenses on a straight-line basis during the lease period.

II. Lessor

The company’s transaction as a lessor is to classify the lease contract according to whether it transfers almost all the risks and rewards attached to the ownership of the underlying asset on the date of establishment of the lease. If it is, it is classified as a financial lease, otherwise it is classified as an operating lease. In the assessment, the company considers relevant specific indicators including whether the main part of the economic life of the underlying asset is covered during the lease period.

If the company is a sublease lessor, the main lease and sublease transactions are handled separately, and the right-of-use asset generated by the main lease is used to assess the classification of sublease transactions. If the main lease is a short-term lease and the recognition exemption applies, its sublease transaction should be classified as an operating lease.

If the agreement contains lease and non-lease components, the company uses IFRS 15 to allocate the consideration in the contract.

(11) Impairment of non-financial assets

The company assesses on each reporting date whether there are signs that the carrying amount of non-financial assets (except inventories and deferred income tax assets) may be impaired. If there are any signs, estimate the recoverable amount of the asset. Goodwill means that impairment tests are conducted on a regular basis every year.

For the purpose of impairment testing, a group of assets that are mostly independent of cash inflows from other individual assets or asset groups are regarded as the smallest identifiable asset group. The goodwill obtained by a business merger is allocated to each cash-generating unit or group of cash-generating units that are expected to benefit from the merger synergy.

The recoverable amount is the higher of the fair value of an individual asset or cash-generating unit minus the cost of disposal and its value in use. When assessing the value in use, the estimated future cash flows are converted to the present value at a pre-tax discount rate, which should reflect the current market's assessment of the time value of money and the specific risks of the asset or cash-generating unit.

If the recoverable amount of an individual asset or cash-generating unit is lower than the Carrying amount, an impairment loss is recognized.

The impairment loss is immediately recognized in the profit and loss, and first reduces the Carrying amount of the cash-generating unit's amortized goodwill, and then reduces the Carrying amount of each asset in proportion to the book value of the other assets in the unit. Goodwill impairment losses will not be reversed. Non-financial assets other than goodwill can only be reversed within the scope of the book value (excluding depreciation or amortization) determined when the asset had not been recognized for impairment losses in the previous year.

(12) Borrowing cost

In order for an asset to reach a usable or saleable state, a considerable amount of work must be passed. The borrowing costs incurred during this period that can be directly attributable to the acquisition, construction or manufacture of an asset should be capitalized as the cost of the asset. All other borrowing costs are expensed in the current period. The cost of borrowing is composed of interest and other related costs incurred by borrowing.

(13) Recognition of income

I. Income from customer contracts

Income is measured by the consideration that is expected to be entitled to the transfer of goods or services. The company recognizes income when the control of goods or services is transferred to the customer and the performance obligations are met. The company's main income items are explained as follows:

(I) Land development and real estate sales

The company develops and sells residential real estate, and often sells real estate during construction or in advance. The company recognizes income when the control of real estate is transferred. Due to contract restrictions, the real estate usually has no other purpose for the company. Therefore, the company transfers the legal ownership of the real estate to the customer, and the date of the actual delivery of the real estate shall prevail. However, only one item was completed before the reporting date. If another item is actually completed in the subsequent period, income is also recognized.

Revenue is measured based on the transaction price of the contract agreement. If it is a sale of existing homes, in most cases, the consideration can be collected when the legal ownership of the real property is transferred. In a few cases, the payment of the account can be deferred according to the contract agreement, but the deferred period does not exceed twelve months. Therefore, the transaction price is not adjusted to reflect the impact of significant financial components. In the case of pre-sale of real estate, the payment is usually received in installments during the period from the signing of the contract to the transfer of the real estate to the customer. If the contract contains a significant financial component, the transaction price is adjusted during the period according to the project loan interest rate of the construction project to reflect the time value of money influences. Receipts in advance are recognized as contract liabilities, and when the time value of money is adjusted, Interest expense and contract liabilities are recognized. The accumulated amount of contract liability is transferred to income when the real estate is transferred to the customer.

Some contracts include multiple delivery items, such as the sale of residential real estate and decoration services. The decoration services are regarded as a separate performance obligation, and the transaction price is shared on the basis of the stand-alone selling price. If there is no directly observable price, the stand-alone selling price is estimated based on the expected cost plus profit. Decoration services are recognized during the financial reporting period for the provision of labor services, which is determined on the basis of the proportion of the project costs incurred so far to the estimated total contract costs.

(II) Financial components

The company expects that the time between the transfer of goods or services to customers in all customer contracts and the time between the customer's payment for the goods or services will not exceed one year or the impact of financial composition is not significant to individual contracts. Therefore, the company does not adjust the currency time value of the transaction price.

II. Cost of customer contracts

(I) Incremental cost of obtaining the contract

If the company expects to recover the incremental costs of obtaining customer contracts, the company recognizes these costs as assets. The incremental cost of obtaining the contract is the cost incurred in obtaining the customer contract and will not be incurred if the contract is not obtained. The cost of obtaining the contract that will occur regardless of whether the contract is obtained is recognized as an expense when incurred, unless the cost is clearly chargeable to the customer regardless of whether the contract has been obtained.

The company adopts the practical expedient practice of the standard. If the incremental cost of obtaining the contract is recognized as an asset and the amortization period of the asset is within one year, it is recognized as an expense when the incremental cost occurs.

(II) The cost of fulfilling the contract

If the cost incurred in fulfilling the contract with the customer is not within the scope of other standards (International Accounting Standard No. 2 "Inventory", International Accounting Standard No. 16 "Real estate, plant and equipment" or International Accounting Standard No. 38 "Intangible Assets"), the company only starts when these costs are directly related to the contract or clearly identifiable expected contract, will generate or enhance resources that will be used to meet (or continue to meet) the performance obligations in the future, and recognize these costs as assets when they are expected to be recovered.

General and administrative costs, waste of raw materials, labor or other resources used to fulfill the contract but not reflected in the contract price, costs related to fulfilled (or partially fulfilled) performance obligations, and the inability to distinguish between the research system and the unsatisfied performance or the cost related to the obligation or the fulfillment (or partial fulfillment) of the performance obligation is recognized as an expense when incurred.

(14) Employee Benefits

I. Defined contribution plans

The contribution obligations of Defined contribution plans are recognized as expenses during the period when employees provide services. The amount of advance payment will result in the refund of cash or the reduction of future payments, and it will be recognized as an asset.

II. Defined benefit plan

The company's net obligations for defined benefit plans are calculated based on the current value of the future benefits earned by the employee's services in the current or previous periods for each benefit plan, deducting the fair value of any plan assets.

The defined benefit obligation is calculated annually by qualified actuaries using the projected unit benefit method. When the calculation result is likely to be beneficial to the company, the recognized asset is limited to the present value of any economic benefits that can be obtained in the form of refunding the withdrawal from the plan or reducing the plan in the future. When calculating the present value of economic benefits, any minimum funding requirements are considered.

Remeasurements of the net defined benefit liability, including actuarial profit and loss, return on plan assets (excluding interest), and any changes in the impact of the asset limit (excluding interest) are immediately recognized in other comprehensive profit and loss and accumulated in retained earnings. The company determines the net interest expense (income) of net defined benefit liability (assets), using the net defined benefit liability (assets) and discount rate determined at the beginning of the annual reporting period. The net interest expense and other expenses of the defined benefit plan are recognized in profit and loss.

When the plan is revised or reduced, the amount of changes in the welfare related to the previous service cost or the reduced benefit or loss is immediately recognized as profit and loss. The company recognizes the settlement profit and loss of the defined benefit plan when the settlement occurs.

III. Short-term employee benefits

Short-term employee benefit obligations are recognized as expenses when the service is provided. If the company has the current statutory or constructive payment obligation due to the past service provided by the employee, and the obligation can be estimated reliably, the amount shall be recognized as a liability.

(15) Income tax

Income tax includes current and deferred income tax. Except for those related to business combination, directly recognized in equity or other comprehensive profit and loss items, current income tax and deferred income tax shall be recognized in profit and loss.

The company judges that the interest or penalty related to income tax (including uncertain tax treatment) does not meet the definition of income tax, and therefore the accounting treatment of International Accounting Standard No. 37 is applied.

Current income tax includes the estimated income tax payable or tax refund receivable calculated based on the taxable income (loss) of the current year, and any adjustments to the income tax payable or tax refund receivable in previous years. The amount is the best estimate of the expected payment or receipt based on the statutory tax rate on the reporting date or the tax rate of the substantive legislation after reflecting the uncertainty (if any) related to income tax.

Deferred income taxes are measured and recognized for the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Temporary differences arising from the following circumstances are not recognized for deferred income tax:

I. The assets or liabilities that are not originally recognized in a business combination transaction and (i) do not affect accounting profits and taxable income (loss) at the time of the transaction,(ii) Furthermore, there are no corresponding taxable and deductible temporary differences generated.

II. Due to the temporary differences arising from investment in subsidiaries, Associate and interests in Joint Ventures, the company can control the timing of the reversion of the temporary differences and is likely to not revert in the foreseeable future; and

III. Taxable temporary differences arising from the original recognition of goodwill.

For unused taxable losses and unused tax deductions in the later stages of deduction, and deductible temporary differences, they are recognized as deferred tax assets to the extent that future taxable income is likely to be available for use. It will be reassessed on each reporting day, and the relevant income tax benefits will be adjusted to the extent that it is not likely to be realized; or the original reduced amount will be reversed to the extent that it is likely to have sufficient taxable income.

Deferred income tax is measured by the tax rate when the expected temporary difference is reversed, based on the statutory tax rate or the substantive legislative tax rate on the reporting date, and has reflected the uncertainty related to income tax (if any).

The company only offsets deferred income tax assets and deferred income tax liabilities when the following conditions are met at the same time:

I. Have the legal enforcement power to offset the current income tax assets and current income tax liabilities; and

II. Deferred income tax assets and deferred income tax liabilities are related to one of the following taxpayers to income tax levied by the same tax authority:

(I) The same taxpayers; or

(II) Different taxpayers, but each taxpayers intends to settle the current income tax liabilities and assets on a net basis in each future period during the expected recovery of significant amounts of deferred income tax assets and the expected settlement of deferred income tax liabilities, or realize assets and liabilities at the same time.

(16) Earnings per share

The company lists the basic and diluted earnings per share attributable to holders of the company's common equity. The company's basic earnings per share is calculated by dividing the profit and loss attributable to the company's common equity holders by the weighted average number of common shares outstanding for the period. Diluted earnings per share is calculated after adjusting the profit and loss attributable to ordinary equity holders of the company and the weighted average number of ordinary shares outstanding, respectively, after adjusting the effects of all potential diluted ordinary shares. The company's potentially diluted ordinary shares include compensation to employees based on share-based payments.

(17) Department Information

The operating department is an integral part of the company and engages in operating activities that may earn income and incur expenses (including income and expenses related to transactions between other components of the company). The operating results of all operating departments are regularly reviewed by the company's chief operating decision makers to make decisions about the allocation of resources to the departments and evaluate their performance. Each operating department has its own financial information.

5.Major sources of uncertainty in major accounting judgments, estimates and assumptions

When the management compiles this financial report, it must make judgments, estimates and assumptions, which will affect the adoption of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

The management continuously reviews estimates and basic assumptions, and changes in accounting estimates are recognized during the period of change and the affected future period.

The following assumptions and estimated uncertainties have a significant risk of causing significant adjustments to the carrying amount of assets and liabilities in the next financial year, and have reflected the impact of the COVID-19 epidemic. The relevant information is as follows:

(1) Inventory evaluation

Since inventory must be measured at the lower of cost and net realizable value, the company assesses the amount of inventory at the reporting date because it has no market sales value, and offsets the cost of inventory to net realizable value. This inventory evaluation is mainly based on the current market conditions, so there may be major changes due to rapid changes in the industry. Please refer to Note 6 (2) for details of inventory evaluation and estimation.

The company uses market-observable input values as much as possible when measuring its assets and liabilities. The level of fair value is based on the input value used in the valuation technique. Please note 6 (14) for the classification.

For relevant information on the assumptions used to measure fair value, please refer to Note 6 (14), Financial Instruments.

6.Explanation of important accounting items

(1) Cash and cash equivalents

		2023.12.31	2022.12.31
Cash in hand and petty cash	$	204	291
Demand Deposit		231,539	436,798
Check Deposit		252	1,157
Cash and cash equivalents listed in the Cash flow statement	**$**	**231,995**	**438,246**

Please refer to Note 6 (14) for the disclosure of interest rate risk and sensitivity analysis of the company's financial assets and liabilities.

(2) Inventory

	2023.12.31	2022.12.31
Advance land payment	$ 382,859	539,689
Construction land	3,594,963	5,678,408
Under construction	7,567,006	4,377,553
Property for sale	1,331,050	1,730,926
	$ 12,875,878	**12,326,576**
Expected to be recovered in more than twelve months	**$ 11,544,828**	**10,595,650**

I. In December 31, 2023 and 2022, the inventory cost recognized as cost of goods sold and expenses were NT$399,877 thousand and NT$1,264,748 thousand respectively.
II. No inventory depreciation loss and inventory write-down reversal were recognized in 2023 and 2022.
III. In December 2022, due to changes in the use of some of the assets, the company transferred NT$16,706 thousand of the property for sale that meets the definition of Investment Property under Investment Property.
IV. On December 31, 2023 and 2022, the company's inventory is provided as a pledge guarantee, please Note 7 and 8 for details.

(3) Other financial assets

	2023.12.31	2022.12.31
Current:		
Account of pre-sale house values trust	$ 948,295	737,870
Green Building Deposit	25,497	5,825
Co-construction deposit	34,175	46,435
Mortgage for loans	-	10,000
Other	19,439	19,359
Total	**$ 1,027,406**	**819,489**
Non-Current:		
Ordinary corporate bond security deposit	**$ 707,594**	**704,124**

On December 31, 2023 and 2022, the other financial assets of the company-the situation where the current is provided as a pledge guarantee, please refer to Note 8 for details.

(4) Short-term loans and short-term notes payable

	2023.12.31	2022.12.31
Mortgaged bank loans	$ 7,144,005	6,593,178
No mortgage bank loans	-	270,000
Short-term notes payable	184,000	283,400
Total	**$ 7,328,005**	**7,146,578**
Unused quota	**$ 1,336,079**	**1,546,263**
Interest rate range	**2.07%~3.72%**	**1.40%~2.70%**

Please refer to Note 8 for details of the company's asset setting mortgage for bank borrowing and guarantee situation of short-term notes payable.

(5) Accounts payable

	2023.12.31	2022.12.31
Payable to the construction contractor	$ 407,010	286,287
Land purchase payable	542	60,143
	$ 407,552	**346,430**

(6) Bonds payable

I. The company's Bonds payable details are as follows:

	2023.12.31	2022.12.31
Guaranteed general corporate bonds	**$ 1,996,356**	**1,994,825**

II. The main information of the company's corporate bonds is as follows:

Item	The first guaranteed general corporate bond in 2021
1.Total issuance	300,000 thousand
2.Issue date	2021.06.25
3.Coupon rate	Fixed annual interest rate 0.57%
4.Period	2021.06.25~2026.06.25
5.Repayment method	The principal shall be repaid once at the expiry of five years from the date of issuance.
6.Assurance agency	Taiwan Cooperative Bank

Item	The second guaranteed general corporate bond in 2021
1.Total issuance	300,000 thousand
2.Issue date	2021.10.14
3.Coupon rate	Fixed annual interest rate 0.57%
4.Period	2021.10.14~2026.10.14
5.Repayment method	The principal shall be repaid once at the expiry of five years from the date of issuance.
6.Assurance agency	Agricultural Bank of Taiwan Co, Ltd.

Item	The third guaranteed general corporate bond in 2021
1.Total issuance	400,000 thousand
2.Issue date	2021.11.01
3.Coupon rate	Fixed annual interest rate 0.57%
4.Period	2021.11.01~2026.11.01
5.Repayment method	The principal shall be repaid once at the expiry of five years from the date of issuance.
6.Assurance agency	Taiwan Cooperative Bank, Agricultural Bank of Taiwan Co, Ltd.

Item	The first guaranteed general corporate bond in 2020
1.Total issuance	500,000 thousand
2.Issue date	2020.11.27
3.Coupon rate	Fixed annual interest rate 0.62%
4.Period	2020.11.27~2025.11.27
5.Repayment method	The principal shall be repaid once at the expiry of five years from the date of issuance.
6.Assurance agency	HUA NAN COMMERCIAL BANK, LTD

Item	The second guaranteed general corporate bond in 2020
1.Total issuance	500,000 thousand
2.Issue date	2021.01.13
3.Coupon rate	Fixed annual interest rate 0.62%
4.Period	2021.01.13~2026.01.13
5.Repayment method	The principal shall be repaid once at the expiry of five years from the date of issuance.
6.Assurance agency	HUA NAN COMMERCIAL BANK, LTD

(7) Employee Benefits

I. defined benefit plan

The adjustment between the present value of the company's defined benefit obligation and the fair value of plan assets is as follows:

	2023.12.31	2022.12.31
Present value of defined benefit obligation	$ 5,560	5,398
Fair value of plan assets	(6,896)	(6,696)
Net defined benefit liability (asset)	**$ (1,336)**	**(1,298)**

The company's Employee Benefits liabilities are as follows:

	2023.12.31	2022.12.31
Paid leave liabilities	**$ 1,247**	**1,154**

The defined benefit plan of the company is transferred to the special account of labor retirement reserve fund of Bank of Taiwan. The retirement payment of each employee subject to the Labor Standards Law is calculated based on the base number of years of service and the average salary of the six months before retirement.

(I) Composition of Plan assets

The retirement fund allocated by the company in accordance with the Labor Standards Law is coordinated and managed by the Bureau of Labor Funds, MOL (hereinafter referred to as the Bureau of Labor Funds). The minimum income allocated shall not be lower than the income calculated based on the two-year fixed deposit interest rate of the local bank.

As of the reporting date, the company's Taiwan Bank Labor Retirement Reserve Special Account has a balance of NT$6,896 thousand. The information on the use of labor pension fund assets includes fund return rate and fund asset allocation. Please refer to the information published on the website of Bureau of Labor Funds.

(II) Changes in the present value of defined benefit obligation

The changes in the present value of the company's defined benefit obligation in 2023 and 2022 are as follows:

	2023	2022
Defined benefit obligation on January 1	$ 5,398	5,412
Current service cost and interest	76	64
Net defined benefit liability (asset) re-measurement		
—Experience profit (loss) of defined benefit obligation	59	119
—Actuarial profit (loss) due to changes in financial assumptions	27	(197)
Defined benefit obligation on December 31	**$ 5,560**	**5,398**

(III) Changes in the fair value of plan assets

The changes in the fair value of the company's defined benefit plan assets in 2023 and 2022 are as follows:

	2023	2022
Fair value of plan assets on January 1	$ 6,696	6,124
Interest income	94	46
Net defined benefit liability(asset) re-measurement		
－Return on plan assets (excluding interest income calculated by discount rate)	48	470
Amount allocated to the plan	58	56
Fair value of plan assets on December 31	**$ 6,896**	**6,696**

(IV) Expenses recognized as profit and loss

The details of the company as expenses 2023 and 2022 are as follows:

	2023	2022
Current service cost	$ -	23
Net interest of net defined benefit liability (asset)	(18)	(5)
	$ (18)	**18**
Management costs	**$ (18)**	**18**

(V) Actuarial assumptions

The important actual assumptions used by the company to determine the present value of the defined benefit obligation on the end of the financial report are as follows:

	2023.12.31	2022.12.31
Discount Rate	1.300%	1.400%
Future increase in salary	1.250%	1.250%

The company expects to pay NT$0 thousand to the defined benefit plan within one year after the 2023 reporting date.

The weighted average duration of the defined benefit plan is 5 years.

(VI) Sensitivity Analysis

The changes in the main actual assumptions adopted in December 31, 2023 and 2022 will affect the present value of the defined benefit obligation as follows:

	Impact on defined benefit obligation	
	Increase by 0.25%	**Decrease by 0.25%**
December 31, 2023		
Discount Rate (Change 0.25%)	(71)	72
Future increase in salary rate (Change 0.25%)	70	(70)
December 31, 2022		
Discount Rate (Change 0.25%)	(78)	80
Future increase in salary rate (Change 0.25%)	78	(76)

The above-mentioned sensitivity analysis is based on the analysis of the impact of a single hypothesis change under the condition that other hypotheses remain unchanged. In practice, many changes in assumptions may be linked. Sensitivity Analysis is consistent with the method used to calculate the net defined benefit liability of the balance sheet.

The methods and assumptions used in compiling Sensitivity Analysis in this issue are the same as those in the previous period.

II. Defined contribution plans

The company's defined contribution plans are in accordance with the provisions of the Labor Pension Regulations, and are allocated to the individual labor pension account of the Bureau of Labor Insurance at a contribution rate of 6% of the labor's monthly salary. Under this plan, after the company allocates a fixed amount to Bureau of Labor Insurance, there is no statutory or constructive obligation to pay additional amounts.

The company's retirement pension expenses under the company's 2023 and 2022 definite provision of pension plans were NT$1,422 thousand and NT$1,334 thousand, which have been allocated to the Bureau of Labor Insurance.

(8) Income tax

I. The company's income tax expense details in 2023 and 2022 are as follows:

	2023	2022
Current income tax expense		
Current Period Production	$ -	22,523
Retained Earnings Plus 5%	494	5,143
Unrealized revaluation	11,752	11,761
Income tax of the year before adjustment	(19,369)	6,691
Income Tax Expenses for Continuing Business Units	**$ (7,123)**	**46,118**

The relationship between the company's 2023 and 2022 income tax expenses and pre-tax net (loss) profit is adjusted as follows:

	2023	2022
Net (loss) profit before tax	$ (67,257)	124,020
Income tax calculated based on the domestic tax rate of the company's location	(13,451)	24,804
Non-deductible expenses	759	-
Investment losses and impairment losses recognized by the equity method	83	87
Land tax-free income	(8,709)	(20,487)
Financial asset evaluation benefits	(65)	(101)
Current taxable loss for which deferred tax assets not yet been recognized	11,282	-
Land value increment tax	11,752	11,761
Retained Earnings Plus 5%	494	5,143
Finance and tax difference in Interest capitalization	10,296	17,621
The gap with the lower estimation of previous year	(19,369)	6,691
Other	(195)	599
	$ (7,123)	**46,118**

II. Unrecognized Deferred Tax Assets

The items for which the company has not recognized deferred tax assets are as follows:

	2023	2022
Tax losses	**$ 11,282**	**-**

Tax losses, as defined by tax regulations, allow for the deduction of losses incurred in the preceding ten years from the current year's net profit before assessing income tax. The non-recognition of these items as deferred tax assets is due to the company's lack of sufficient taxable income in the future to utilize the temporary differences.

As of December 31, 2023, the company has not recognized tax losses as deferred tax assets. The remaining unutilized losses and their expiry dates are as follows:

Loss Year	Unutilized Loss	Last Year Available for Deduction:
2023 (estimated)	**$ 56,410**	**2033**

III. Situation of income tax verification

The income tax settlement declaration of the company's profitable business has been approved by the auditing agency until 2021.

(9) Capital and other rights

On December 31, 2023 and 2022, the company's total rated share capital is NT$3,500,000 thousand, and the denomination per share is NT$10. The issued shares are all 300,558,000 ordinary shares, and the payment for all issued shares has been received.

I. Capital reserve

The content of the company's capital reserve balance is as follows:

	2023.12.31	2022.12.31
Issuing stock premium	$ 508,311	508,311
Lapsed stock options	50,896	50,896
Income received from gifts	930	930
Other	4,595	4,595
	$ 564,732	**564,732**

According to the provisions of the Company Act, the capital reserve must be given priority to cover the losses before it can be issued to new shares or cash based on the shareholders' original shares in proportion to the realized capital reserve. The "realized capital reserve" mentioned in the preceding paragraph includes the excess of the issuance of stocks in excess of the par value and the proceeds from the receipt of donations. In accordance with the issuer's securities offering and issuance guidelines, the total amount of capital reserve that can be refilled each year shall not exceed 10% of the paid-in capital.

II. Retained earnings

According to the company's articles of association, if the company's annual final accounts have net profit after tax for the current period, it shall first make up for the accumulated losses and set aside 10% as a legal reserve in accordance with the law. The special reserve shall be set according to the company's operating needs or legal requirements. If there are earnings, together with the undistributed earnings at the beginning of the period, the board of directors shall draft a distribution proposal and submit it to the shareholders meeting for resolution.

On June 23, 2022, The Company authorizes distribution of the distributable dividends and bonuses or legal reserve and additional paid-in capital in whole or in part paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. The submission of proposal to the shareholders' meeting for resolution and distribution as prescribed in the preceding paragraph shall not apply.

The company is in the construction industry and is currently in the stage of business expansion. The board of directors should consider the company's future capital planning and capital needs when formulating the profit distribution proposal. When dividends are distributed to shareholders, it can be done in cash or stocks, of which cash dividends shall not be less than 10% of the total dividends of shareholders.

(I) Legal reserve

When the company has no losses, it may be approved by the shareholders' meeting to issue new shares or cash with legal reserve, but only if the reserve exceeds 25% of the paid-in capital.

(II) Distribution of earnings

The company decided to distribute dividends in 2022 and 2021 through the general meeting of shareholders on June 27, 2023 and June 23, 2022. the amount of dividends distributed to owners is as follows:

	2021	
	Dividend per share (Dollar)	**Amount**
Dividends distributed to ordinary shareholders		
Cash	**$ 0.9**	**270,502**

(10) Earnings (loss) per share

The calculation of the company's basic earnings (loss) per share and diluted earnings per share is as follows:

	2023	2022
Basic earnings (loss) per share:		
Net profit (loss) attributable to holders of the company's common equity	**$ (60,134)**	**77,902**
The weighted average number of shares outstanding	300,558	300,558
	$ (0.20)	**0.26**
Diluted earnings per share:		
Net profit (diluted) attributable to holders of ordinary equity of the company	**$ (60,134)**	**77,902**
The weighted average number of shares outstanding	300,558	300,558
The effect of dilutive potential ordinary shares		
Impact of employee bonus stock	85	776
The weighted average number of common shares outstanding (diluted)	300,643	301,334
Diluted earnings per share	**$ (0.20)**	**0.26**

(11) Income from customer contracts

I. Income details

	2023	2022
Main product:		
Sales of real estate	$ 543,516	1,680,502
Other	2,334	1,516
Total	**$ 545,850**	**1,682,018**

II. Contract balance

	2023.12.31	2022.12.31	2022.1.1
Notes receivable	$ -	3,100	3,150
Accounts receivable	68	635	1,214
Minus: allowance for loss	-	-	-
Total	**$ 68**	**3,735**	**4,364**
Contract liabilities-sales of real estate	**$ 1,714,842**	**1,184,241**	**1,077,249**

The opening balance of contract liabilities on January 1, 2023 and 2022, recognized as revenue in 2023 and 2022, is NT$3,886 thousand and NT$255,389 thousand, respectively.

The changes in contract liabilities are mainly due to the difference between the time when the company transfers goods or services to customers to meet the performance obligations and the time when customers pay. There are no other major changes.

(12) Bonuses of Employees, Directors and Supervisors

According to the articles of association of the company, if there is any profit during the year (referring to the profit before tax minus the profit before the distribution of employee bonus stock and directors' remuneration), no less than 1% shall be allocated for employee bonus stock and no more than 3% for directors remuneration. However, when the company still has accumulated losses, it shall reserve the compensation amount in advance. The employee bonus stock mentioned in the preceding paragraph can be obtained by stock or cash, and it shall be implemented by the resolution of the board of directors and reported to the shareholders meeting. The payment objects of employee bonus stock may include employees of affiliated companies who meet the conditions set by the board of directors.

The company's employee bonus stock withdrawal amounts in 2023 and 2022 are NT$0 thousand and NT$3,371 thousand, and the directors' remuneration withdrawal amounts are NT$0 thousand and NT$1,500 thousand. It is estimated based on the company's pre-tax net profit for the period before deducting bonuses of employees and directors multiplied by the employee bonus stock and directors' remuneration distribution rate stipulated in the company's articles of association, and presented as operating expenses for the period. If there is a difference between the actual distribution amount in the next year and the estimated amount, it will be treated as the change in accounting estimates. The difference will be recognized as the profits and losses of the following year. If the board of directors decides to pay the stock for employee compensation, the calculating basis for the number of shares will base on the closing price of ordinary shares on the day before the decision of the board of directors. related information can be inquired at the public information observatory. There is no difference between the amount of bonuses of employees and directors distributed by the aforementioned board resolution and the estimated amount in the company's financial reports in 2023 and 2022.

(13) Non-operating income and expenses

I. Interest income

The company's other income details are as follows:

	2023	2022
Interest on bank deposits	$ 9,642	3,594
Other	34	87
	$ 9,676	**3,681**

II. Other benefits and losses

The company's other benefits and losses are detailed as follows:

	2023	2022
Net benefit of financial assets measured at fair value through profit and loss	$ 325	507
Other benefits and losses	6,110	(1,381)
	$ 6,435	**(874)**

III. Financial costs

The company's financial costs are detailed as follows:

		2023	2022
Interest expense			
Bank loan and Corporate Bonds	$	196,008	151,747
Lease Liability Interest		633	642
Financial related fees and deposit interest		23,649	21,622
Subtotal		220,290	174,011
Minus: interest capitalization		(100,050)	(49,191)
	$	**120,240**	**124,820**
Capitalized interest rate		**2.16%~2.58%**	**1.46%~2.05%**

(14) Financial Instruments

I. Type of financial Instruments

Financial asset

		2023.12.31	2022.12.31
Financial asset measured by cost after amortization:			
Cash and cash equivalents	$	231,995	438,246
Net notes and accounts receivable		68	3,735
Net of other receivables		49,305	31,714
Other financial assets (including current and non-current)		1,735,000	1,523,613
Refundable deposits (Accounting other current or Non-current assets)		7,014	4,034
Total	**$**	**2,023,382**	**2,001,342**

Financial liabilities

		2023.12.31	2022.12.31
Financial liabilities measured by cost after amortization:			
Short-term loan	$	7,144,005	6,863,178
Short-term notes payable		184,000	283,400
Notes payable, accounts payable and other payables		583,796	533,704
Lease liabilities (including current and non-current)		34,889	33,953
Bonds payable (including part due within one year)		1,996,356	1,994,825
Guarantee deposit received (including current and non-current)		4,722	2,399
Total	**$**	**9,947,768**	**9,711,459**

II. credit risk

(I) credit risk exposures

The book value of financial asset represents the maximum amount of credit exposures.

(II) Concentration of credit risk

The company's customer base is large and unrelated, so the concentration of credit risk is low.

(III) Credit risk of accounts receivable

The company's notes receivable and accounts receivable are based on the expected credit loss during the lifetime to measure the allowance loss.

The company's other financial assets measured at amortized cost include other receivables and certificates of deposit, etc., except for the capital loan and other receivables of the Metropolitan Living Development reinvested by the company, NT$50,000 thousand. In the case of bounced tickets in the third quarter in 2019, it is assessed that its credit risk has increased, and the allowance for other receivables is measured according to the expected credit loss amount during the duration. The rest is due to the time deposit certificate held by the company, the transaction object and the other party performing the contract. Financial institutions with investment grade and above are all at low credit risk. Therefore, the amount of expected credit loss for twelve months is used to measure the allowance loss during the period (how the company determines the credit risk is low, please refer to Note 4 (5)).

On December 31, 2023 and 2022, the company assessed that the above financial asset must be provided for the loss amount of NT$50,000 thousand.

The changes in the allowance loss for financial asset measured at amortized cost in 2023 and 2022 are as follows:

	12 months Expected credit loss	**Credit loss during the duration-credit impairment**	**Total**
Balance as of December 31, 2023 (Opening Balance)	$ -	50,000	50,000
Balance as of December 31, 2022 (Opening Balance)	$ -	50,000	50,000

III. Liquidity risk

The following table shows the contract expiry date of financial liabilities, including estimated interest but not the impact of the net agreement.

	Carrying amount	Contract cash flow	Within 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
December 31, 2023							
Non-derivative financial liabilities							
Lease liability	$ 34,889	35,924	6,087	5,307	11,394	13,136	-
Floating interest rate instruments	7,144,005	7,665,013	365,181	627,809	1,269,999	5,402,024	-
Fixed interest rate instruments	2,180,356	2,224,347	194,847	1,710	11,900	2,015,890	-
Liabilities without interest	588,518	588,518	436,195	18,050	18,050	116,223	-
	$ 9,947,768	**10,513,802**	**1,002,310**	**652,876**	**1,311,343**	**7,547,273**	**-**
December 31, 2022							
Non-derivative Financial liabilities							
Lease liability	$ 33,953	35,064	4,585	4,585	8,574	17,320	-
Floating interest rate instruments	6,863,178	7,186,460	2,194,481	1,102,903	992,228	2,896,848	-
Fixed interest rate instruments	2,278,225	2,337,572	8,636	293,236	11,900	2,023,800	-
Liabilities without interest	536,103	536,103	404,692	32,904	6,337	92,170	-
	$ 9,711,459	**10,095,199**	**2,612,394**	**1,433,628**	**1,019,039**	**5,030,138**	**-**

The company does not expect the cash flow analysis on the due date to occur significantly earlier, or the actual amount will be significantly different.

Bank loans and loans from non-financial organizations are important source of capital for the Company. The Company applies for loans and has its stocked merchandises and real estate assets for investment; please refer to note 8 for details. Based on the experience in the past, before the due date of solvency, the Company applies an extension of the loans and has the aforementioned assets as mortgage. The managerial personnel continuously monitor the use of loans and ensure the implementation of articles in the loan contract and make the cash statements for the future. It is expected that there is little risk for the Company to have difficulty raising the capital needed to fulfill the conditions in the contract.

IV. Currency risk: None.

V. Interest rate analysis

The carrying amount of the financial asset and financial liabilities that the company was exposed to interest rate risk insurance on the reporting day is as follows:

	Carrying amount	
	2023.12.31	**2022.12.31**
Fixed interest rate instruments:		
Financial liabilities	**$ 2,180,356**	**2,278,225**
Variable interest rate tools:		
Financial asset	$ 1,903,738	1,895,023
Financial liabilities	7,144,005	6,863,178
	$ (5,240,267)	**(4,968,155)**

The following Sensitivity Analysis is determined based on the interest rate exposure of derivative and non-derivative tools on the reporting day. For floating-rate liabilities, the analysis method is based on the assumption that the amount of liabilities out of circulation at the reporting date will be out of circulation throughout the year. The rate of change used by the company when reporting interest rates internally to key management is an increase or decrease of 0.5% in interest rates, which also represents management's assessment of the reasonably possible range of changes in interest rates.

If the interest rate increases or decreases by 0.5%, and all other variables remain unchanged, the company's after-tax net (loss) profit in 2023 and 2022 will decrease or increase by NT$20,961 thousand and NT$19,873 thousand, mainly due to the company's change in interest rates of the loan.

VI. Fair value information

(I) Financial Instruments not measured by fair value

Except as listed in the table below, the carrying amount of financial assets and financial liabilities that are not measured by fair value by the company is close to their fair value, so there is no need to disclose their fair value information.

	2023.12.31		**2022.12.31**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial liabilities:				
Bonds payable (Including maturity within one year)	$ 1,996,356	1,960,511	1,994,825	1,936,358

(II) Fair value valuation technique of financial Instruments not measured by fair value

Financial liabilities measured by amortized cost: if there is a transaction or market maker's quotation data, the latest transaction price and quotation data will be used as the basis for evaluating the fair value; if there is no market value for reference, the evaluation method will be used to estimate. The fair value of ordinary corporate bonds payable is measured by the second-level input value. The fair value is calculated based on the weighted average NT$100 price of the over-the-counter trading center on the reporting day.

(III) Financial Instruments measured by fair value

The company uses market-observable input values as much as possible when measuring its assets and liabilities. The level of fair value is classified as follows based on the input value used in the valuation technique:

- Level 1: Public quotation (unadjusted) of the same asset or liability in an active market.

- Level 2: Except for the public quotes included in the first level, the input parameters of assets or liabilities are observable directly (that is, prices) or indirectly (that is, derived from prices).
- Level 3: The input parameters of assets or liabilities are not based on observable market data (non-observable parameters).

(15) Financial risk management

I. Summary

The company is exposed to the following risks due to the use of financial instruments:

(I) Credit risk

(II) Liquidity risk

(III) Market risk

This note expresses the company's risk information on the above-mentioned risks, the company's objectives, policies and procedures for measuring and managing risks. For further quantitative disclosure, please refer to the notes of the financial report.

II. Risk management structure

The board of directors is solely responsible for overseeing the company's risk management structure, in order to be responsible for the development and control of the company's risk management policies, and regularly report its operations to the board of directors.

The establishment of the company's risk management policy is to identify and analyze the risks faced by the company, set appropriate risk limits and controls, and supervise the compliance of risks and risk limits. Risk management policies and systems are regularly reviewed to reflect market conditions and changes in the company's operations. The company develops a disciplined and constructive control environment through training, management standards and operating procedures, so that all employees understand their roles and responsibilities.

III. Credit risk

Credit risk is the risk of financial loss caused by the company's customers or financial Instruments' counterparties failing to fulfill contractual obligations. It mainly comes from the company's accounts receivable from customers.

(I) Accounts receivable and other receivables

The company's credit risk exposure is mainly affected by the individual conditions of each customer. The company's customers are scattered across a broad consumer base. In order to reduce the credit risk of accounts receivable, the company requires customers to directly disburse their bank loans to the company from their lending bank, so the credit risk can be effectively controlled.

The company has set up allowance for doubtful accounts to reflect the estimation of the losses incurred in the corresponding accounts receivable and other receivables and investments. The main components of an allowance account include specific loss components related to individual significant exposures, and combined loss components established for similar asset groups that have occurred but have not been identified. The combined loss allowance account is determined based on historical payment statistics of similar financial assets.

(II) Investment

The credit risk of bank deposits and other financial instruments is measured and monitored by the company's financial department. Since the company's trading partners and other parties are creditworthy banks and financial institutions, corporate organizations and government agencies with investment grade and above, there is no major performance concerns, so there is no major credit risk.

(III) Guarantee

As of December 31, 2023 and 2022, the company has not provided any endorsement guarantee.

IV. Liquidity risk

Liquidity risk refers to the risk that the company cannot deliver cash or other financial assets to settle financial liabilities and fail to perform related obligations. The company's method of managing liquidity is to ensure that the company has sufficient liquidity to meet the due liabilities under normal and stressful situations as much as possible, without causing unacceptable losses or causing the company's reputation to suffer risk of damage.

V. Market risk

Market risk refers to the risk that changes in market prices, such as changes in interest rates and equity instrument prices, affect the company's income or the value of financial Instruments held. The goal of market risk management is to control the risk of market risk within a tolerable range and to optimize the return on investment.

(16) Capital management

The company's capital management goal is to ensure the ability to continue operations, to continue to provide shareholder compensation and other stakeholders' benefits, and to maintain the best capital structure to reduce capital costs.

In order to maintain or adjust the capital structure, the company may adjust the dividends paid to shareholders, reduce capital to return shareholders' shares, issue new shares or sell assets to settle liabilities.

The company, like its peers, controls capital on the basis of debt-to-capital ratio. The ratio is calculated by dividing net liabilities by total capital. Net liabilities are the total liabilities listed in the balance sheet minus cash and cash equivalents. Total capital is the total component of equity (that is, equity, Capital reserve, retained earnings and other equity) plus net liabilities.

The company's capital management strategy in 2023 is the same as in 2022. The management authority uses appropriate net liabilities (total equity plus net liabilities) or other financial ratios to determine the company's optimal capital and ensure that financing can be carried out at a reasonable cost. The debt-to-equity ratios for December 31, 2023 and 2022 are as follows:

	2023.12.31	**2022.12.31**
Total liabilities	$ 11,695,368	10,921,008
Minus: Cash and cash equivalents	(231,995)	(438,246)
Net liabilities	11,463,373	10,482,762
Total equity	4,075,269	4,135,441
Adjusted capital	**$ 15,538,642**	**14,618,203**
Debt-to-equity ratio	**73.77%**	**71.71%**

7.Related party transaction

(1) Name and relationship of related parties

The related parties that have transactions with the company during the period covered by this financial report are as follows:

Name of related parties	Relationship with the company
WE & WIN Investment Co., LTD.	The chairman of the company is the same as the chairman of this company
WE&WIN Diversification Co., LTD.	〃
Lee Chih-Ming Architect office	The general manager of the company is the same as the person in charge of the firm
Metropolitan Living Development Co., LTD.	Associate of the company
Good life Co., LTD.	〃
Yunzan Construction Co., Ltd.	〃
WE & WIN International Hospitality Co., LTD.	The chairman of the company has a close relationship with the chairman of this company
Lian Li Construction LTD.	〃
Liansheng Investment Co., Ltd.	〃
Mei-Li Construction Co.,Ltd.	The director of the company is the same as the chairman of this company
Tseng ○○	Key management personnel of the company

(2) Other transaction of related party

I. Sales transaction

(I) Sell merchandise to related parties

Name of related parties	Subject matter	Total contract price (excluding tax)	Amount charged
2023.12.31			
Other related parties	WE&WIN Shi-Yu	$ 12,300	2,469
2022.12.31			
Other related parties	WE&WIN Shi-Yu	$ 12,300	2,221

The price of selling the premises to related parties is not significantly different from the general sales price, and the payment terms are not significantly different from those of non-related parties.

II. Purchase transaction

(I) Purchase labor services from related parties

	2023	2022
Other related parties－Administration fee, service fee	$ 2,800	6,863

The purchase conditions of related parties are nothing more than related party transaction for comparison.

(II) Contracted Construction Projects

Type of related parties	Item	Total contract price (excluding tax)	Current Period Billable Amount:	Cumulative Billable Amount:
Other related parties	Kaohsiung Siwei case	$ 223,810	-	-

The purchases from related parties mentioned above are based on the company's established procedures for soliciting bids, negotiating prices, and project budgeting to determine the contract prices. Payments are made periodically according to the contract terms based on the progress of the project. The transaction prices and payment terms are not significantly different from those of similar transactions in the industry.

III. Receivable /Payable to related parties

The details of the payment due to related parties by the company are as follows:

Item	Type of related parties	2023.12.31	2022.12.31
Notes receivable and Accounts receivable	Other related parties	$ 32	32
Notes payable	Other related parties	$ 9	9

IV. Acquisition of financial assets

The details of the parties involved in the cash capital increase in 2023 are summarized as follows:

Related Persons Category	Ledger Account	Number of Shares Traded (Shares)	Transaction Subject	Amount of Capital Increase
Related Company	Investments using the equity method	1,959,872	Good life Co., LTD.	$ 19,599
Related Company	Investments using the equity method	1,095,000	Yunzan Construction Co., Ltd..	10,950
				$ 30,549

The details of the parties involved in the cash capital increase in 2022 are summarized as follows:

Related Persons Category	Ledger Account	Number of Shares Traded (Shares)	Transaction Subject	Amount of Capital Increase
Related Company	Investments using the equity method	490,549	Good life Co., LTD.	$ 4,906

V. Loan to related parties

The actual expenditures of the company's capital loans and related parties are as follows:

	2023.12.31	2022.12.31
Associate- Metropolitan Living Development Co., LTD.	$ 50,000	50,000

The company's capital loaner are unsecured loans, and interest is charged monthly at an annual interest rate of 5%. If the payment was overdue, interest was calculated at an annual interest rate of 10% in 2020, and interest was calculated at an annual interest rate of 20% starting from January 1st, 2021. However, since it exceeds the statutory limit of 16% as specified in Article 205 of the Civil Code, it is calculated at 16%. Interest income in 2022 and 2021 are all NT$ 0.

After evaluating the company's financial status in 2019, an expected credit impairment loss of NT$50 million was listed. On July 3rd, 2020, the company received a payment order between the company and the debtor Metropolitan Life Development Co., Ltd. issued by the Kaohsiung District Civil Court confirmed on June 22nd, 2020. On December 14th, 2020, it obtained the credit certificate from Shilin District Court.

Other receivables on December 31st, 2023 and 2022 are all NT$ 0.

VI. Financing to Related Parties

In August 2023, the Company's Board of Directors resolved to apply for revolving working capital financing from another related party, Lian-Jing Investment Co.,LTD., with a total limit of NT$639,000,000. The Company provided land for construction use, located at Lots 107 and 108 in Xinzhou Subsection, Beitou District, Taipei City, valued at NT$276,934,000 as collateral, and set a second-priority mortgage of NT$767,000,000 for the company. As of December 31, 2023, the actual amount borrowed was nil.

VII. Lease

The company leases Kaohsiung office to other related parties and signs a five-year lease contract. The total annual contract value is NT$36 thousand (tax included). The rental costs for 2023 and 2022 are both NT$36 thousand.

VIII. Other

Item	2023	2022
Expenses of other business	$ 274	71
Income from other services	$ 360	360

(3) Key management transactions

Remuneration of key management personnel includes:

	2023	2022
Short-term Employee Benefits	$ 9,329	13,430

8.Pledged assets

The details of the book value of the assets provided by the company as pledge guarantee are as follows:

Asset Name	Pledge guarantee subject	2023.12.31	2022.12.31
Iventory	Loans from financial institutions and Financing provided to related parties with accompanying guarantees	$ 12,122,311	11,593,050
Other financial asset －Current	Price trust account, green building guarantee and co-construction deposit, etc.	1,027,405	819,489
Investment Property	Bank loan	90,000	91,194
Other financial asset －non-current	Ordinary corporate bond guarantee	707,594	704,124
		$ 13,947,310	**13,207,857**

9.Significant contingent liabilities and unrecognized contractual commitments

(1) The sales contract prices signed by the company with customers for the cases launched are as follows:

	2023.12.31	2022.12.31
Signed sales contract price (excluding tax)	**$ 7,342,713**	**6,581,650**
Amount collected as agreed (without tax)	**$ 1,714,842**	**1,184,241**

(2) The total price of the main contract signed by the company for the project under construction is as follows:

	2023.12.31	2022.12.31
The price of the signed construction contract (without tax)	**$ 4,678,857**	**2,631,238**
Amount not yet denominated (without tax)	**$ 3,010,500**	**1,753,421**

(3) The total price of the land sale and purchase contract signed by the company for the purchase of land is as follows:

	2023.12.31	2022.12.31
The total price of the signed sale and purchase agreement	**$ 846,780**	**1,783,305**
Amount not yet paid	**$ 608,768**	**1,386,588**

(4) As of December 31, 2023, the company's construction projects and projects were successfully constructed and delivered. The trust registration cases are as follows:

Item	trustee	Date of contract	Trust scope
Beitou Taoyuan Case	Land Bank	2012.04.26~Until the date when the purpose of the trust is completed	Property rights trust
WE&WIN Chun	Land Bank	2013.06.20~Until the date when the	Land trust, Real Estate

		purpose of the trust is completed	Development Trust
Qing-sheng case	Land Bank	2013.07.17~Until the date when the purpose of the trust is completed	Land trust
WE&WIN Da-Shi	Land Bank	2016.08.20~Until the date when the purpose of the trust is completed	Land trust, Real Estate Development Trust
WE&WIN Yuan-Lang	Land Bank	2018.12.19~Until the date when the purpose of the trust is completed	〃
WE&WIN Shi-Yu	Land Bank	2019.09.05~Until the date when the purpose of the trust is completed	〃
San-Chong Jen Hsin Case	Land Bank	2022.03.17~Until the date when the purpose of the trust is completed	Land trust
No. 77, Beitou Xinzhoumei Section	Land Bank	2022.08.25~Until the date when the purpose of the trust is completed	〃
Taipower Renai Road Case	Land Bank	2022.12.01~Until the date when the purpose of the trust is completed	Price trust

(5) The details of the joint construction contract signed between the company and the landlord on December 31, 2023 and 2022 are as follows:

Project name	Landlord	Land number	The nature of joint construction	Estimated completion year
2023.12.31				
WE&WIN Chun	Twenty-four people including Li, Zhao, Xu and Huang	Qingxi Section, Zhongli District, Taoyuan City	Jointly built and allocate houses	2024
Qing-sheng case	Ten people including Lu	Qingsheng Section, Zhongli District, Taoyuan City	〃	2027
WE&WIN Da-Shi	Fifteen people including Chen	Sanchong Section, Sanchong District, New Taipei City	〃	2025
WE&WIN Shi-Yu	Thirty-one people including Huang and Jiang	Baoqiang Section, Xindian District, New Taipei City	〃	2024
WE&WIN Yuan-Lang	Eleven people including Li, Lin, Zhang, Chen and the landlord	Sixin Section, Xindian District, New Taipei City	Jointly built and sold separately	2028
Taipower case	Taiwan Power Co., Ltd.	Linyi Section, Zhongzheng District, Taipei City	Jointly built and allocate houses	2027
Beitou Xinzhoumei 34 Case	Nine people including Lin	Xinzhoumei Section, Beitou District, Taipei City	〃	Undecided
San-Chong Jen Hsin Case	Mr./ Ms. Yeh and the other 17 people	Jen Hsin Section, San Chong District, New Taipei City	〃	〃
The Case Xindian Shisichang	Mr. /Ms. Chen and the other two people	Da Feng Section, Xindian District, New Taipei City, and so on.	〃	〃
No. 77, Beitou Xinzhoumei	Mr. /Ms. He and the other three people	Xinzhoumei Section, Beitou District, Taipei City	〃	〃
Tainan Annan Kegong Case	Hi-Yes Construction Co., Ltd. And Xi-hua Construction Co., Ltd.	Kegong Section, Annan District, Tainan City	joint investment and building	〃
No. 261 Zhixing Section, Wanhua District	China Man-Made Fiber Corporation	No. 261 Zhixing Section, Wanhua District	Jointly built and allocate house	〃
2022.12.31				
WE&WIN Chun	Twenty-four people including Li, Zhao, Xu and Huang	Qingxi Section, Zhongli District, Taoyuan City	Jointly built and allocate houses	2023
Qing-sheng case	Ten people including Lu	Qingsheng Section, Zhongli District, Taoyuan City	〃	Undecided
WE&WIN Da-Shi	Fifteen people including Chen	Sanchong Section, Sanchong District, New Taipei City	〃	2025
WE&WIN Shi-Yu	Thirty-one people including Huang and Jiang	Baoqiang Section, Xindian District, New Taipei City	〃	2024
WE&WIN Yuan-Lang	Eleven people including Li, Lin,	Sixin Section, Xindian District, New	Jointly built and	2028

	Zhang, Chen and the landlord	Taipei City	sold separately	
Taipower case	Taiwan Power Co., Ltd.	Linyi Section, Zhongzheng District, Taipei City	Jointly built and allocate houses	2027
Beitou Xinzhoumei 34 Case	Nine people including Lin	Xinzhoumei Section, Beitou District, Taipei City	〃	Undecided
San-Chong Jen Hsin Case	Mr./ Ms. Yeh and the other 17 people	Jen Hsin Section, San Chong District, New Taipei City	〃	〃
The Case Xindian Shisichang	Mr. /Ms. Chen and the other two people	Da Feng Section, Xindian District, New Taipei City, and so on.	〃	〃
No. 77, Beitou Xinzhoumei	Mr. /Ms. He and the other three people	Xinzhoumei Section, Beitou District, Taipei City	〃	〃

(6) Other unrecognized contractual commitments:

Item	Subject	2023.12.31	2022.12.31
Guarantee notes received	Outsourcing engineering and equipment procurement, etc.	$ 699,686	551,455
Guaranteed notes submitted	Purchase of construction land	$ 42,570	42,570

(7) ○ ○ Real Estate Co., Ltd. (referred to as the plaintiff) on September 12, 2016 through the Taoyuan District Court to the company for a total of NT$106 million and an annual interest rate from the day following August 15, 2016 to the settlement date 5 % calculated by interest. The reason was that the company planned to build pre-sale houses on 11 lands, including the Xiapu Section, Wukuo Section, Dayuan District, Taoyuan City. The plaintiff took the initiative to propose an underwriting plan, build a reception center, and put forward sales planning proposals, etc., all paid during the period is approximately NT$106 million. The company received a civil complaint from the Taoyuan District Court on October 11, 2016. Although the plaintiff claimed that the company should appoint him to sell and advance related expenses, he requested to repay the related expenses, but the parties did not have written the appointment contract and any exchange documents record the advancement. The judgment of this case was pronounced on July 6, 2020. The plaintiff's lawsuit and the false execution petition were rejected. The litigation costs were borne by the plaintiff, but the plaintiff has filed an appeal. Taiwan High Court Transfer to Mediation. According to the lawyer's opinion, there is no matter that will materially affect the company's finances.

(8) In accordance with the Financial Supervisory Commission's letter dated September 5, 2012, Financial Supervisory Bandars Note No. 10100274650, the article 8 of the matters needing attention when handling the pre-sale housing real estate development trust and the price trust business was negotiated. On December 31, 2023, the pre-sale house price trust signed by the company and the bank, the collection information of each special account is as follows:

I. WE&WIN Chun

(I) Amount of advance receipt that should be delivered to the trust: NT$158,720 thousand.

(II) Amount of advance receipt actually delivered to the trust: NT$158,720 thousand.

(III) The amount and date the company should deliver to the trust are consistent with the actual delivery of the trust, and there is no delay in the delivery of the trust.

II. WE&WIN Shi-Yu

(I) Amount of advance receipt that should be delivered to the trust: NT$190,958 thousand.

(II) Amount of advance receipt actually delivered to the trust: NT$190,958 thousand.

(III) The amount and date the company should deliver to the trust are consistent with the actual delivery of the trust, and there is no delay in the delivery of the trust.

III. WE&WIN Da-Shi

(I) Amount of advance receipt that should be delivered to the trust: NT$296,470 thousand.

(II) Amount of advance receipt actually delivered to the trust: NT$296,470 thousand.

(III) The amount and date the company should deliver to the trust are consistent with the actual delivery of the trust, and there is no delay in the delivery of the trust.

IV. WE&WIN Yuan-Lang

(I) Amount of advance receipt that should be delivered to the trust: NT$1,137,310 thousand.

(II) Amount of advance receipt actually delivered to the trust: NT$1,131,420 thousand.

(III) The difference between the amount of prepayment received to be delivered to the trust and the actual amount delivered to the trust is due to differences in process time. The difference has been transferred to the trust account in January, 2024, and there is no other situation of delay or failure to deliver to the trust.

10.Major disaster loss: None.

11.Significant post-period events:

(1) On January 31, 2024. our company sign the joint construction contract with unrelated party for the second Subsection, Taishan Section, Taishan District, New Taipei City. The construction of houses is undertaken through a joint venture partnership. For detailed information, please refer to our website or other relevant public information platforms.

(2) On January 31, 2024. our company sign the construction contract of structural framework with related party, Yunzan Construction Co., Ltd. for the case of We & Win Yuan-Lang . Construction work price: NT$ 718,360,000(after tax).

12.Other

(1) The functions of Employee Benefits, Depreciation, Depletion and Amortization expense are summarized as follows:

Function / Nature	2023			2022		
	Belonging to operating costs	Belonging to operating expenses	Total	Belonging to operating costs	Belonging to operating expenses	Total
Employee Benefits expenses						
Salary expenses	-	30,227	30,227	-	32,129	32,129
Labor and health insurance expenses	-	3,072	3,072	-	3,193	3,193
Pension expenses	-	1,404	1,404	-	1,352	1,352
Directors' remuneration	-	4,956	4,956	-	6,579	6,579
Other Employee Benefits expenses	-	1,273	1,273	-	1,831	1,831
Depreciation expense	1,193	12,635	13,828	1,024	10,577	11,601
Amortization expense	-	119	119	-	118	118

Additional information on the number of employees and Employee Benefits of the company in 2023 and 2022 are as follows:

	2023	2022
number of workers	39	40
Number of directors who are not part-time employees	6	6
Average Employee Benefits expenses	$ 1,090	1,133
Average employee salary expenses	$ 916	945
Average situation of employee salary expenses'	(3.07)%	

adjustment		
Supervisor's remuneration	$ -	$ -

The company's salary and remuneration policy (including directors, managers and employees) are as follows:

The company's directors, managers and employees' remuneration policies are based on market conditions, company operating conditions, personnel's professional qualifications, and relevant regulations and methods (such as Articles 16 and 19 of the Articles of Association, employees' and Directors' remuneration methods, salary Management measures and company performance management measures, etc.) shall be implemented.

The remuneration of directors is determined annually in accordance with the aforementioned company regulations, and with reference to the degree of participation and contribution of the directors to the company's operations, after review by the remuneration committee, the board of directors resolves and approves reasonable remuneration.

The remuneration of the company's managers and employees includes recurring salaries and benefits for fixed items, bonuses and Employee bonus stock for variable items. The remuneration for variable items is evaluated based on comprehensive considerations such as the company's operating profitability and personal performance. The remuneration items of managers also need to be reviewed by the remuneration committee, and then approved by the board of directors.

(2) Other: In 2023 and 2022, the Company donated NT$2,400 thousand and NT$6,450 thousand respectively to various foundations, social groups, and other legal entities. The donations were aimed to help improve the environment and various research and development initiatives.

13.Note to Disclosure Matters

(1) Information about major transactions

In 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Company shall disclose Information about major transactions as follows:

I. Loan funds to others:

Unit: Thousands of New Taiwan Dollars

No.	The company that lends the funds	The object of the loan	Subjects	If it is related parties	The highest amount of the current period	Ending balance	Actual spending amount	Interest rate range	The nature of the loan	Business transaction amount	Reasons why short-term financing is necessary	Allowance for loss	Guarantee		Loan and limit of funds for individual objects	Fund loan and total limit
												Amount	Name	Value		
0	Our company	Metropolitan Living Development	Other receivables	Yes	50,000	50,000	50,000	20% (Note)	2	-	Operating turnover	50,000	-	-	407,527	815,054

(Note) Both parties agreed upon 20%, however, as it exceeds the statutory limit of 16% as specified in Article 205 of the Civil Code, it is calculated at 16%.

Note 1: The nature of the fund loan is as follows:
(1) Those who have business contacts.
(2) There is a need for short-term financing.

Note 2: The company's Procedure for Lending Funds sets the limits for total amount of funds lent and individual objects as follows:
1. The total loan amount of the company shall not exceed 40% of the company's net value.
2. There is a need for short-term financing of funds between companies or between banks, and the total amount of funds loaned to others shall not exceed 20% of the company's net worth, and the amount of individual loans shall not exceed a percentage of the company's net worth Ten of them are limited.

3. The company or bank number with which the company has business dealings, the individual loan amount and the total loan amount shall not exceed the business transaction amount between the two parties, and the total loan amount shall not exceed 20% of the company's net worth Is limited. The term "business transaction amount" refers to the maximum amount of purchases or sales between the two parties in the most recent fiscal year, whichever is higher.
4. The authorized amount of the company's or its subsidiaries' capital loans to a single enterprise shall not exceed 10% of the company's or its subsidiaries' most recent net value of financial statements.

Note 3: In January 2019, the company lent funds to the Metropolitan Living Development Co., Ltd. (hereinafter referred to as "MLD") The repayment was overdue due to the financial difficulties of Metropolitan, and there was no property to be detained. Therefore, the company will check MLD's assets every year, and continue to negotiate the repayment. In addition, according to the principle of conservative and stable income, the relevant interest income will be recognized as interest income. Please refer to Appendix 7 for other explanations.

II. Endorsement guarantee for others: None.

III. Status of holding securities at the end of the period (excluding investment subsidiaries, Associate and Interests in Joint Ventures): None.

IV. The cumulative amount of buying or selling of the same securities amounts to NT$300 million or more than 20% of the paid-in capital: None.

V. The amount of real estate acquired reaches NT$300 million or more than 20% of the paid-in capital:

Unit: Thousands of New Taiwan Dollars

The company that acquired the real estate	Property name	Day of fact	Transaction amount	Payment situation	Trading partners	relationship	The previous transfered data for which the transaction object is related parties'				Reference basis for price determination	Purpose of acquisition and usage	Other agreed matters
							holder	Relationship with the issuer	Transfer date	Amount			
Our company	NO.1700 (9 Land Parcels) Yuantian Section Tainan	2021.10.13	617,880	123,562	Taiwan Advanced Development Co., LTD.	Non related parties	-	-	-	-	Appraisal (Note 1)	Build sales	None

Note 1: The appraisal amount is NT$621,901 thousand.

VI. Disposal of real estate with an amount of NT$300 million or more than 20% of the paid-in capital: None.

VII. If the amount of purchase or sale with related parties reaches NT$100 million or more than 20% of the paid-in capital: None.

VIII. Receivables from related parties amounting to NT$100 million or more than 20% of the paid-in capital: None.

IX. Engaged in derivatives trading: None.

X. Business relations and important transactions between parent and subsidiary companies: None.

(2) Information about re-investment business:

The company's reinvestment business information for 2023 is as follows (excluding China's investee company):

Unit: Thousands of shares/NT$ thousand

Name of investment company	Name of investee company	Area	Main business items	Original investment amount		Hold at the end of the period			Current profit and loss of invested company	Investment profit and loss recognized in the current period	Note
				At the end of the period	At the end of the previous period	Number of shares	Ratio	Carrying amount			
Our company	Metropolitan Living Development	Taiwan	Catering and hotel industry	214,936	214,936	10,459	26.43%	-	(28,634)	-	
Our company	Good life Co., LTD.	Taiwan	The BOT Project in Kaohsiung Aozihdi Parking Area	59,933	40,335	5,993	14.98%	57,476	(2,784)	(379)	
Our company	Yunzan Construction Co., Ltd.	Taiwan	Construction and residential and commercial real estate development	15,000	-	3,000	30.00%	14,963	(493)	(37)	

Note: The net worth of Metropolitan Living Development Co., LTD. in December 31st, 2023 and 2022 was negative. The company has no defined or presumed obligations to it. Therefore, the balance of the investment using equity is recognized to be zero.

(3) Information about China Investment: None.

(4) Information about major shareholder:

Unit: share

Shares / Name of major shareholder	Number of shares held	Shareholding ratio
WE & WIN Investment Co., LTD.	59,505,702	19.79%
Lian-Jing Investment Co., LTD.	29,855,796	9.93%

14.Department Information

The reportable department of the company is a professional construction unit, mainly engaged in residential and building development, lease and sale, real estate sales, and computer equipment installation. In addition, the department's profit and loss, department assets and department liabilities information are consistent with the financial statements. Please refer to the Balance sheet and statement of comprehensive income.

WE & WIN Development Co., LTD.

List of Inventory

December 31, 2023

Unit: Thousands of New Taiwan Dollars

Item	Amount	Mortgage or guarantee provided
Prepaid land payment:		
No. 26, Beitou Xinzhoumei Section	$ 139,171	None
Taipower Case	114,450	〃
Tainan Yuantian Case	123,562	〃
No. 77, Beitou Xinzhoumei Section	1,876	〃
Jen Hsin Section of San Chung District	3,800	〃
	382,859	
Land for construction:		
WE&WIN Dajiang Case	293,122	Mortgage for Farglory Life
No. 107, Beitou Xinzhoumei Section	276,934	〃
No. 34, Beitou Xinzhoumei Section	354,528	Mortgage for BANK SINOPAC
Xindian Shisizhang	11,139	None
Case of Kaohsiung Fengshan	1,200,254	Mortgage for Land Bank
Tainan Annan Kegong Case	937,736	〃
North Side of Luzhou	110,832	Mortgage for Hwa Tai Bank
No. 7, 10, Beitou Xinzhoumei Section	51,114	Mortgage for DBS Bank
The case of Yuan Bei Section, Tainan	286,241	Mortgage for Hua Nan Bank
Tangzai Canal in Tai Shan District, Xin Zhuang, New Taipei City	16,776	Mortgage for DBS Bank
Cadastral number 877, Qionglin Section, Xin Zhuang District	15,431	〃
Cadastral number 829, Qionglin Section, Xin Zhuang District	18,959	〃
Cadastral number 821, Qionglin Section, Xin Zhuang District	16,142	〃
XianDe Section of Qianzhen District, Kaohsiung City	5,755	None
	3,594,963	
Building under construction:		
WE&WIN Chun	576,858	Mortgage for Land Bank
Qing-sheng case	381,236	〃
Kaohsiung Siwei case	923,058	Mortgage for Yuanta Bank
WE&WIN Yuan-Lang	1,390,413	Mortgage for Land Bank
WE&WIN Da-Shi	940,899	〃
WE&WIN Shi-Yu	372,473	〃
Taipower Renai Road Case	165,428	〃
No. 26, Beitou Xinzhoumei Section	2,649,080	Mortgage for Hua Nan Bank
Jen Hsin Section of San Chung District	143,970	None
No. 77, Beitou Xinzhoumei Section	15,454	〃
Other	8,137	〃
	7,567,006	

Item	Amount	Mortgage or guarantee provided
Property for sale:		
WE&WIN Shi-Jie	60,519	Mortgage for Taiwan Life
WE&WIN Han-Cui	1,630	Mortgage for BANK SINOPAC
WE&WIN Liang	291,310	Mortgage for Shin Kong Life
WE&WIN Tianmu	977,591	Mortgage for BANK SINOPAC, Ta Ching
	1,331,050	
Total inventory	**$ 12,875,878**	

WE & WIN Development Co., LTD.

List of other financial assets-current

December 31, 2023

Unit: Thousands of New Taiwan Dollars

For related information, please refer to Note 6 (3)

List of other financial assets-non-current

For related information, please refer to Note 6 (3)

WE & WIN Development Co., LTD.

List of short-term loan

December 31, 2023 **Unit: Thousands of New Taiwan Dollars**

Type of loan	explanation	Ending balance	Contract period	Interest rate range	Financing amount	Mortgage or guarantee
Land Bank	Mortgage for loan	$ 238,820	2020.11.26~2025.01.20	Note	382,800	Under construction
〃	〃	15,100	2022.07.01~2025.01.20	〃	15,100	〃
〃	〃	156,000	2022.11.08~2027.11.08	〃	156,000	〃
〃	〃	133,200	2016.12.23~2025.06.24	〃	133,200	〃
〃	〃	314,064	2022.06.29~2025.05.28	〃	713,300	〃
〃	〃	62,947	2021.04.27~2028.04.08	〃	125,800	〃
〃	〃	103,950	2023.09.01~2028.09.01		462,000	〃
〃	〃	884,000	2018.04.18~2026.04.18		884,000	〃
〃	〃	46,810	2021.07.02~2026.07.02	〃	46,821	〃
〃	〃	177,030	2022.04.08~2025.03.19	〃	311,200	〃
〃	〃	44,800	2022.04.08~2025.03.19	〃	44,800	〃
〃	〃	421,300	2022.01.03~2027.01.03	〃	505,600	Construction land
〃	〃	600,000	2022.01.05~2027.01.05	〃	720,000	〃
Hua Nan Bank	〃	1,662,414	2023.04.10~2028.04.10	〃	1,670,000	Under construction
〃	〃	330,000	2023.06.29~2028.04.10	〃	330,000	〃
	〃	113,580	2023.02.13~2024.08.13	〃	142,000	Construction land
Taiwan Life	〃	80,000	2021.10.01~2026.10.01	〃	80,000	Property for sale, investment real estate
Yuanta Bank	〃	660,250	2022.01.03~2026.01.03	〃	660,250	Under construction
Shin Kong Life	〃	100,000	2022.12.23~2025.12.23	〃	100,000	Property for sale
BANK SINOPAC	〃	5,320	2023.10.12~2024.10.31	〃	5,320	Property for sale, investment real estate
〃	〃	288,000	2023.10.12~2024.10.31	〃	288,000	Property for sale
〃	〃	68,100	2023.10.12~2024.10.31	〃	68,100	〃
〃	〃	40,990	2023.10.12~2024.10.31	〃	40,990	〃
〃	〃	201,400	2021.01.06~2026.01.06	〃	201,400	Construction land
Hwa Tai Bank	〃	76,260	2023.02.23~2025.02.23	〃	76,260	〃
DBS bank	〃	20,220	2022.04.08~2024.03.31	〃	25,280	〃

〃	〃	11,620	2023.03.16~2025.03.14	〃	11,620	〃
〃	〃	10,660	2022.11.04~2024.11.04	〃	10,660	〃
〃	〃	13,120	2022.11.30~2024.11.30	〃	13,120	〃
〃	〃	11,150	2023.03.16~2025.03.14	〃	11,150	〃
Farglory Life	〃	58,900	2023.02.15~2024.02.15	〃	58,900	〃
〃	〃	194,000	2023.01.16~2024.01.16	〃	194,000	〃
Total		$ 7,144,005			8,487,671	

Note: Interest rate range 2.20%～3.72%.

WE & WIN Development Co., LTD.

List of contract liabilities

December 31, 2023

Unit: Thousands of New Taiwan Dollars

Item	Summary	Amount	Note
Advance payment for premises	WE&WIN Yuan-Lang	$ 1,081,152	
	WE&WIN Da-Shi	275,548	
	WE&WIN Chun	155,594	
	WE&WIN Shi-Yu	189,207	
	Other	13,341	The amount of each item does not exceed 5% of the amount of the subject
		$ 1,714,842	

WE & WIN Development Co., LTD.

List of Company Bonds Payable

December 31, 2023

Unit: Thousands of New Taiwan Dollars

Bond name	Trustee	Issued date	Date of interest payment	interest rate	Amount: Total issuance	Amount: Sold back Number	Amount: Ending balance	Amount: Unamortized premium (discount)	Amount: Book amount	Repayment method	Guarantee situation
Guaranteed first ordinary corporate bond in 2020	JIH SUN INTERNATIONAL BANK	2020.11.27	annually	0.62%	$ 500,000	-	500,000	(575)	499,425	Repayment of principal at maturity	Bank deposits (Other financial assets-non-current)
Guaranteed second ordinary corporate bond in 2020	〃	2021.01.13	〃	〃	500,000	-	500,000	(740)	499,260	〃	〃
Guaranteed first ordinary corporate bond in 2021	〃	2021.06.25	〃	0.57%	300,000	-	300,000	(672)	299,328	〃	〃
Guaranteed second ordinary corporate bond in 2021	〃	2021.10.14	〃	〃	300,000	-	300,000	(677)	299,323	〃	〃
Guaranteed third ordinary corporate bond in 2021	〃	2021.11.01	〃	〃	400,000	-	400,000	(980)	399,020	〃	〃
					$ 2,000,000	**-**	**2,000,000**	**(3,644)**	**1,996,356**		

WE & WIN Development Co., LTD.

List of operating income

January 1 to December 31, 2023

Unit: Thousands of New Taiwan Dollars

Item	Quantity	Amount	
Land Income		$	404,430
Building Income			139,086
Rental income			2,334
		$	**545,850**

List of operating costs

Item	Quantity	Amount	
Land Cost		$	255,528
Building Cost			144,349
Lease cost			1,193
		$	**401,070**

WE & WIN Development Co., LTD.

List of operating expenses

January 1 to December 31, 2023

Unit: Thousands of New Taiwan Dollars

Item	Marketing expenses	Management expenses	Total
Salary	$ -	34,317	34,317
Tax	-	16,903	16,903
Commission expense	11,977	-	11,977
Advertising fee	6,913	2	6,915
Depreciation	-	12,635	12,635
Other (Note)	3,882	20,863	24,745
	$ 22,772	**84,720**	**107,492**

Note: The amount of each item does not exceed 5% of the amount of the subject