Ruentex Engineering & Construction Co., Ltd.
and Subsidiaries

Consolidated Financial Statements and Report of Independent Accountants

2024 and 2023

(Stock Code: 2597)

Company Address: 10F., No. 308, Sec. 2, Bade Rd.,
Taipei City

Telephone: (02) 8161-9999

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries

Declaration of Consolidated Financial Statements of Affiliated Enterprises

The entities that are required to be included in the consolidated financial statements of the Company as of and for the year ended December 31, 2024, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, a separate set of combined financial statements will not be prepared.

Declared by

Company name: Ruentex Engineering & Construction Co., Ltd.

Responsible person: Lee, Chih-Hung

March 12, 2025

Independent Auditors' Report

(114) Cai-Shen-Bao-Zi No. 24005002

Ruentex Engineering & Construction Co., Ltd.:

Audit Opinion

We have audited the consolidated balance sheet of Ruentex Engineering & Construction Co., Ltd. and its subsidiaries (hereinafter referred to as "Ruentex Engineering & Construction Group") for Dec. 31, 2024 and Dec. 31, 2023, the consolidated comprehensive income statements, equity statements and cash flow statements of Ruentex Engineering & Construction Group for the period from Jan. 1 to Dec. 31, 2024 and the period from Jan. 1 to Dec. 31, 2023, and the notes to the consolidated financial report (including a summary of significant accounting policies).

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended is in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed and issued by the Financial Supervisory Commission.

Basis for Audit Opinion

We conducted our audits in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the section of "Responsibilities of the Accountants for the Audit of Consolidated Financial Statements" in our report. We are independent of the Ruentex Engineering & Construction Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that sufficient and appropriate audit evidences have been obtained as a basis to express opinion of the audit.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The most significant key audit matters in our audit of Ruentex Engineering & Construction Group's consolidated financial statements for the year ended 2024 are as follows:

Assessment on Recognition of Construction Contract Income - Construction Completion Progress

<u>Description of Key Audit Matters</u>

For the year of 2024, Ruentex Engineering & Construction Group's construction contract revenue was NT$21,747,224 thousand, representing 82.89% of consolidated operating revenue. Please see Note 4(28) for accounting policies on revenue recognition, Note 5(2) for critical accounting estimates and assumptions and Note 6(22) for details of significant accounts.

The Ruentex Engineering & Construction Group of construction contract income was calculated based on the percentage of completion method and according to the completion progress during the construction contract period. The construction progress was calculated based on the percentage of the cost incurred for each construction contract up to the end of the financial report period over the expected total cost for such construction contract. The aforementioned estimation of the expected total cost was provided by the Ruentex Engineering & Construction Group based on its estimation on various construction costs required for contracting works and material/labor expenses etc. according to the quantitative units of building structural drawings etc. of owners along with the fluctuation of the Current market price at that time.

Since the estimation of construction total cost can affect the recognition of construction completion progress and the construction contract income, and since the construction total cost items are complicated and often involving high degree of estimation, such that it can cause major uncertainty, consequently, we've considered listing the assessment on the construction completion progress used in the recognition of construction contract income as one of the key matters in this year's audit.

Corresponding Audit Procedures

We summarize the audit procedures executed for the aforementioned key audit matters related to construction completion progress as follows:

1. Based on our understanding of the business operation and nature of industry of Ruentex Engineering & Construction Group, we assessed the internal operation procedures used in the estimation of construction total cost, including the quantitative unit of building structural drawings of owners in order to determine the procedures for each construction cost (contracting works and material/labor expense) and the consistency of the estimation method.
2. We assessed and tested the internal controls that would affect the recognition of construction contract revenue based on stage of completion, including verifying the evidence of additional or less work and significant constructions.
3. We conducted on-site observation and interviews at major construction sites still in progress at the end of the sampling period to confirm that the progress of such projects was proceeding as scheduled.
4. We obtained details of construction profit or loss and performed substantive procedures, including randomly checking the incurred cost of current period with the appropriate evidence, and additional or less work with the supporting documents, and recalculated the stage of completion to ensure a reasonable recognition of construction contract revenue.

Accuracy of Time for Recognition of Construction Cost

Description of Key Audit Matters

Please see Note 4(28) for accounting policies on the recognition of construction costs.

The construction cost of each construction project of Ruentex Engineering & Construction Group already incurred at the end of financial report period was estimated and Ruentex Engineering & Construction Group according to the construction progress and the acceptance result. Such process of construction cost Ruentex Engineering & Construction Group often involves whether each project construction personnel performs the acceptance and pricing operation according to the actual construction result, and difference in the time for Ruentex Engineering & Construction Group the construction cost due to failure to perform such works properly can have significant impact on the presentation of financial statements. Consequently, during the Ruentex Engineering & Construction Group of construction cost, we considered and listed the accuracy of time for Ruentex Engineering & Construction Group of construction cost as one of the key audit matters.

Corresponding Audit Procedures

We summarize the audit procedures executed for the aforementioned key audit matters as follows:

1. We conducted understanding and tested on the process adopted by the management in the recognition of construction cost to verify that it had been performed according to the internal control operation of the Company, including that the construction personnel had performed acceptance according to the construction result and had submitted to the accounting department to perform account entry after the confirmation of the responsible supervisors.
2. We performed the cut-off test on the construction cost incurred for a certain period before and after the end of the financial report period, including the verifying the acceptance record, verifying the accuracy of the calculation of construction pricing, confirming that the construction cost incurred had been recorded at the appropriate period.

– Parent Company Only Financial Statements

We have audited and expressed an unqualified opinion on the parent only financial statements of Ruentex Engineering & Construction Co., Ltd. as of and for the years ended December 31, 2024 and 2023.

Responsibilities of the Management and Governing Bodies for Consolidated Financial Statements

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIS Interpretations, and SIC Interpretations as endorsed and issued by the Financial Supervisory Commission and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the Group's ability the continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Responsibilities of the Accountants for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that included our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatement may be caused by fraud or error. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We have also conducted the following tasks:

1. We identify and assess the risks of material misstatement of consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. As frauds may involve conspiracy, forgery, deliberate omission, misstatement, or beyond the internal control, the risk of not being able to detect misstatement due to fraud is higher than that caused by the error.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. We evaluate the overall presentation, structure and content of the consolidated financial statements, including the related disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. We obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for directing, overseeing and executing audit of the Group, and forming the audit opinion for the Group.

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

We also provide the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters (including relevant protective measures), that may be considered to affect the independence of auditors.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Group's consolidated financial statements of 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PwC Taiwan

Huang, Chin-Lien

CPA

Chang, Shu-Chiung

Financial Supervisory Commission
Approval Certificate No.: Jin-Guan-Zheng-Shen-Zi No. No. 1100348083
Former Financial Supervisory Commission, Executive Yuan
Approval Certificate No.: Jin-Guan-Zheng-Shen-Zi No. No. 0990042602

March 12, 2025

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT$ thousands

	Assets	Notes	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current Assets					
1100	Cash and cash equivalents	6 (1)	$ 2,506,611	10	$ 912,362	4
1136	Financial assets measured by amortized cost - current	6(6)	50,000	-	-	-
1140	Contract assets - current	6(22) and 7	5,584,024	23	4,920,664	22
1150	Notes receivable, net	6(2)	261,798	1	1,003,702	5
1160	Notes receivable - related parties, net	6(2) and 7	175,373	1	55,557	-
1170	Net accounts receivable	6(2)	1,402,637	6	2,368,648	11
1180	Accounts receivable - related parties, net	6(2) and 7	397,217	2	749,036	3
1200	Other receivables		3,785	-	5,275	-
1210	Other receivables－related party	7	9,571	-	9,519	-
1220	Current income tax assets		92	-	87	-
130X	Inventories	6(3)	771,920	3	754,319	3
1410	Prepayments	6(4)	640,679	2	384,499	2
1470	Other current assets	6 (1), 7 and 8	310,594	1	568,561	3
11XX	**Total current assets**		12,114,301	49	11,732,229	53
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	6(5) and 7	4,861,323	20	4,334,599	20
1535	Amortized cost financial assets - non-current	6(6)	500,000	2	500,000	2
1550	Investment accounted for under the equity method	6(7)(14) and 8	1,576,964	6	-	-
1600	Property, plant, and equipment	6(8), 7, and 8	4,034,702	16	3,979,515	18
1755	Right-of-use assets	6(9) and 7	996,621	4	959,226	4
1780	Intangible assets	6(10)	200,951	1	206,088	1
1840	Deferred tax income assets	6(30)	125,346	1	125,871	1
1900	Other non-current assets	6 (1), 7 and 8	129,077	1	125,560	1
15XX	**Total non-current assets**		12,424,984	51	10,230,859	47
1XXX	**Total Assets**		$ 24,539,285	100	$ 21,963,088	100

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Ruentex Engineering & Construction Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT$ thousands

	Liabilities and Equity	Notes	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities					
2100	Short-term borrowings	6(11) and 8	$ 1,200,000	5	$ 750,000	3
2110	Short-term notes and bills payable	6(12)	409,822	2	369,932	2
2130	Contract liabilities - current	6(22) and 7	1,923,337	8	2,204,072	10
2150	Notes payable		1,052,113	4	818,024	4
2170	Accounts payable		2,994,914	12	2,829,422	13
2200	Other payables	6(13)	961,009	4	863,069	4
2230	Income tax liabilities of current period		464,507	2	473,310	2
2280	Lease liabilities - current	6(9) and 7	110,582	-	102,929	1
2320	Long-term liabilities due within one year or one operating cycle	6(14) and 8	-	-	75,000	-
2399	Other current liabilities - other		13,174	-	11,520	-
21XX	**Total current liabilities**		9,129,458	37	8,497,278	39
	Non-current liabilities					
2540	Long-term borrowings	6(14) and 8	3,430,000	14	4,225,000	19
2570	Deferred tax liabilities	6(30)	19,356	-	17,375	-
2580	Lease liabilities - non-current	6(9) and 7	901,778	4	869,425	4
2600	Other non-current liabilities	6(15)(16)	286,839	1	275,538	1
25XX	**Total non-current liabilities**		4,637,973	19	5,387,338	24
2XXX	**Total Liabilities**		13,767,431	56	13,884,616	63
	Equity					
	Equity attributed to owners of the parent company					
	Capital	6(18)				
3110	Common share capital		2,589,300	11	1,849,500	9
	Capital surplus	6(19)				
3200	Capital surplus		846,192	3	779,399	3
	Retained earnings	6(20)				
3310	Legal reserve		933,290	4	742,207	4
3350	Undistributed earnings		2,795,684	11	1,931,635	9
	Other equities	6(21)				
3400	Other equities		1,640,608	7	1,166,513	5
31XX	**Total equity attributable to the owners of the parent company**		8,805,074	36	6,469,254	30
36XX	**Non-controlling interests**	4(3)	1,966,780	8	1,609,218	7
3XXX	**Total Equity**		10,771,854	44	8,078,472	37
	Significant contingent liabilities and unrecognized contractual commitments	9				
	Significant subsequent events	11				
3X2X	**Total liabilities and equity**		$ 24,539,285	100	$ 21,963,088	100

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Lee, Chih-Hung   Manager: Mo, Wei-Han   Accounting Manager: Chao, Tsun-Kuo

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NT$ thousands
(Except earnings per share, which is in NT$)

Code	Item	Notes	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	6(22) and 7	$ 26,236,813	100	$ 22,502,526	100
5000	Operation cost	6(3)(10) (23) (28) 6(29) and 7	(21,573,146)	(82)	(19,039,748)	(85)
5900	Gross profit		4,663,667	18	3,462,778	15
	Operating expenses	6(10)(28) 6(29) and 7				
6100	Selling expenses		(205,533)	(1)	(173,455)	(1)
6200	General and administrative expenses		(813,586)	(3)	(742,669)	(3)
6300	Research & development Expenses		(92,877)	(1)	(88,842)	-
6450	Expected credit impairment loss	12(2)	(3,330)	-	(3,688)	-
6000	Total operating expenses		(1,115,326)	(5)	(1,008,654)	(4)
6900	Operating income		3,548,341	13	2,454,124	11
	Non-operating income and expenses					
7100	Interest income	6(6)(24) and 7	44,793	-	29,340	-
7010	Other income	6(25)	192,815	1	147,667	1
7020	Other gains and losses	6(26)	(1,156)	-	(3,317)	-
7050	Financial costs	6(9)(27) and 7	(97,722)	-	(118,167)	(1)
7060	Share of profits/losses of affiliated enterprises and joint ventures using the equity method	6(7)	12,616	-	-	-
7000	Total non-operating income and expenses		151,346	1	55,523	-
7900	**Net Income before tax**		3,699,687	14	2,509,647	11
7950	Income tax expenses	6(30)	(702,729)	(3)	(471,622)	(2)
8200	**Net income of current period**		$ 2,996,958	11	$ 2,038,025	9

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Ruentex Engineering & Construction Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NT$ thousands
(Except earnings per share, which is in NT$)

	Item	Notes	2024 Amount	2024 %	2023 Amount	2023 %
	Other comprehensive income (net)					
	Items not to be reclassified into profit or loss					
8311	Remeasurement of defined benefit plans	6(16)	$ 25,191	-	$ 10,256	-
8316	Unrealized profit or loss on equity investments at fair value through other comprehensive income	6(5)	523,872	2	(128,919)	-
8349	Income tax relating to non-reclassified items	6(30)	(7,001)	-	(1,860)	-
8310	Total of items not to be reclassified into profit or loss		542,062	2	(120,523)	-
8500	**Total comprehensive income of the current period**		$ 3,539,020	13	$ 1,917,502	9
	Profit attributable to:					
8610	Owners of the parent company		$ 2,774,232	10	$ 1,902,201	8
8620	Non-controlling interests		222,726	1	135,824	1
			$ 2,996,958	11	$ 2,038,025	9
	Total comprehensive income (loss) attributable to:					
8710	Owners of the parent company		$ 3,267,757	12	$ 1,786,222	8
8720	Non-controlling interests		271,263	1	131,280	1
			$ 3,539,020	13	$ 1,917,502	9
	Earnings per share	6(32)				
9750	Basic earnings per share		$ 10.71		$ 7.35	
9850	Diluted earnings per share		$ 10.70		$ 7.34	

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Lee, Chih-Hung　　Manager: Mo, Wei-Han　　Accounting Manager: Chao, Tsun-Kuo

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT$ thousands

		Equity attributed to owners of the parent company										
			Capital surplus				Retained earnings					
	Notes	Common share capital	Issued at premium	Difference between the equity price and the book value of acquisition or disposition of subsidiaries	Changes in the ownership interests of subsidiaries as recognized	Capital surplus - others	Legal reserve	Undistributed earnings	Unrealized financial assets at fair value through other comprehensive income acquired Income (Loss)	Total	Non-controlling interests	Total equity
January 1 to December 31, 2023												
Balance on January 1, 2023		$ 1,849,500	$ 520,455	$ 24,760	$ 234,133	$ -	$ 535,418	$ 2,077,092	$ 1,291,123	$ 6,532,481	$ 1,543,965	$ 8,076,446
Net income of current period		-	-	-	-	-	-	1,902,201	-	1,902,201	135,824	2,038,025
Other comprehensive income	6(21)	-	-	-	-	-	-	8,631	(124,610)	(115,979)	(4,544)	(120,523)
Total comprehensive income of the current period		-	-	-	-	-	-	1,910,832	(124,610)	1,786,222	131,280	1,917,502
Appropriation and distribution of the earnings for 2022	6(20)											
Legal reserve		-	-	-	-	-	206,789	(206,789)	-	-	-	-
Cash dividends		-	-	-	-	-	-	(1,849,500)	-	(1,849,500)	-	(1,849,500)
Changes of other capital reserves:		-	-	-	-	51	-	-	-	51	-	51
Cash dividends for non-controlling interests		-	-	-	-	-	-	-	-	-	(66,027)	(66,027)
Balance on December 31, 2023		$ 1,849,500	$ 520,455	$ 24,760	$ 234,133	$ 51	$ 742,207	$ 1,931,635	$ 1,166,513	$ 6,469,254	$ 1,609,218	$ 8,078,472
January 1 to December 31, 2024												
Balance on January 1, 2024		$ 1,849,500	$ 520,455	$ 24,760	$ 234,133	$ 51	$ 742,207	$ 1,931,635	$ 1,166,513	$ 6,469,254	$ 1,609,218	$ 8,078,472
Net income of current period		-	-	-	-	-	-	2,774,232	-	2,774,232	222,726	2,996,958
Other comprehensive income	6(21)	-	-	-	-	-	-	19,430	474,095	493,525	48,537	542,062
Total comprehensive income of the current period		-	-	-	-	-	-	2,793,662	474,095	3,267,757	271,263	3,539,020
Appropriation and distribution of the earnings for 2023	6(20)											
Legal reserve		-	-	-	-	-	191,083	(191,083)	-	-	-	-
Cash dividends		-	-	-	-	-	-	(998,730)	-	(998,730)	-	(998,730)
Stock dividends	6(18)	739,800	-	-	-	-	-	(739,800)	-	-	-	-
Changes in ownership interests in subsidiaries	6(31)	-	-	-	66,793	-	-	-	-	66,793	213,168	279,961
Cash dividends for non-controlling interests		-	-	-	-	-	-	-	-	-	(126,869)	(126,869)
Balance as of December 31, 2024		$ 2,589,300	$ 520,455	$ 24,760	$ 300,926	$ 51	$ 933,290	$ 2,795,684	$ 1,640,608	$ 8,805,074	$ 1,966,780	$ 10,771,854

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Lee, Chih-Hung | Manager: Mo, Wei-Han | Accounting Manager: Chao, Tsun-Kuo

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flow
January 1 to December 31, 2024 and 2023

Unit: NT$ thousands

	Notes	2024	2023
Cash flows from operating activities			
Profit before income tax of current period		$ 3,699,687	$ 2,509,647
Adjustments			
Income/expense items			
Expected credit impairment loss	6(28) and 12(2)	3,330	3,688
Share of loss (profit) on associates accounted for using the equity method	6(7)	(12,616)	-
Depreciation expense	6(8)(9) (28)	456,009	411,710
Amortization and depreciation expenses	6(10)(28)	10,541	12,759
Loss (gain) on disposal of property, plant and equipment	6(26)	112	(43)
Dividend income	6(25)	(166,804)	(122,213)
Interest income	6(24)	(44,793)	(29,340)
Interest expense	6(9)(27)	97,722	118,167
Gains on write-off of accounts payable past due	6(25)	(4,305)	(13,970)
Other income		(16,612)	(3,927)
Employee stock option expenses	6(17) (29)	1,735	-
Prepaid equipment transferred to R&D expenses	6(33)	-	1,087
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Contract assets- current		(663,360)	661,046
Notes receivable		741,904	(427,808)
Notes Receivable - related party		(119,816)	(55,506)
Accounts receivable		962,681	(670,802)
Accounts receivable- related party		351,819	(674,532)
Other receivables		2,622	(3,929)
Other receivables- related party		(52)	(481)
Inventories		(17,601)	(34,711)
Prepayments		(256,180)	19,609
Other current assets		3,370	(15,476)
Net changes in liabilities relating to operating activities			
Contract liabilities- current		(280,735)	1,103,284
Notes payable		234,089	(178,910)
Accounts payable		174,937	(76,518)
Other payables		86,095	103,053
Other current liabilities		3,007	(822)
Other non-current liabilities		29,794	4,344
Cash inflow from operations		5,276,580	2,639,406
Interest received		43,658	29,734
Dividend received		166,804	122,213
Interest paid		(96,736)	(120,754)
Income tax paid		(716,029)	(493,002)
Income tax refunded		-	6,042
Net cash inflow from operating activities		4,674,277	2,183,639

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Ruentex Engineering & Construction Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flow
January 1 to December 31, 2024 and 2023

Unit: NT$ thousands

	Notes	2024	2023
Cash flows from investing activities			
Acquisition of financial assets measured at amortized costs - current		($ 50,000)	($ 360)
Disposal of financial assets measured at amortized costs - current		-	75,360
Decrease (increase) in other financial assets		254,584	(25,905)
Share capital returned from capital reduction in financial assets at fair value through other comprehensive income	6(5)	-	10,793
Acquisition of financial assets at fair value through other comprehensive income - non-current	6(5)	(2,852)	-
Acquisition of investments by equity method	6(7)	(1,564,348)	-
Acquisition of property, plant and equipment	6(33)	(352,918)	(450,907)
Proceeds from disposal of property, plant and equipment		-	109
Acquisition of intangible assets	6(10)	(4,754)	(10,793)
Decrease (increase) in refundable deposits		(382)	26,358
Increase in prepayments for equipment		(29,242)	(15,682)
Cash used in investing activities		(1,749,912)	(391,027)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	6(34)	450,000	(2,489,000)
Increase (decrease) in short-term notes and bills payable	6(34)	40,000	(515,000)
Proceeds from long-term borrowings	6(34)	1,380,000	3,000,000
Repayments of long-term borrowings	6(34)	(2,250,000)	(1,250,000)
Increase in guaranteed deposits and margins received	6(34)	15,947	6,366
Principal elements of lease payments	6(9)(34)	(118,690)	(97,236)
Issuance of cash dividends	6(20)	(998,730)	(1,849,500)
Changes in non-controlling interest	6(31)	278,226	-
Distribution of cash dividends by subsidiary		(126,869)	(66,027)
Changes of other capital reserves:		-	51
Cash used in financing activities		(1,330,116)	(3,260,346)
Net increase (decrease) in cash and cash equivalents		1,594,249	(1,467,734)
Cash and cash equivalents at the beginning of the period		912,362	2,380,096
Cash and cash equivalents at the end of the period		$ 2,506,611	$ 912,362

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Lee, Chih-Hung   Manager: Mo, Wei-Han   Accounting Manager: Chao, Tsun-Kuo

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
2024 and 2023

Unit: NT$ thousand
(unless otherwise specified)

I. Company History

1. Ruentex Engineering & Construction Co., Ltd. (hereinafter referred to as "the Company") was formerly known as the PING HUEI CONSTRUCTION INC. established in November 1975. In April 2006, Ruen-An Mechanical & Electrical Engineering, Co., Ltd. and Ruentex Engineering & Construction Co., Ltd. merged. The Company is the surviving company and in December of the same year, the name was changed to Ruentex Engineering & Construction Co., Ltd.
2. After going through the first capital increase, as of December 31, 2024, the Company's paid-in capital was NT$2,589,300 with face value per share at NT$10. There are total of 258,930,000 shares and all shares are issued as common stock. Of which, Ruentex Development Co., Ltd. owns 39.14% of the Company's equity.
3. The main businesses of the Company and subsidiaries (hereinafter referred to as "the Group") are: (1) Contract of construction and civil engineering, (2) Electrical and mechanical engineering, water supply engineering, and refrigeration and air-conditioning engineering services, (3) Manufacture and sale of beams, columns, floor slabs, exterior walls, and building structural components, (4) Manufacture and sale of clay used for wall primer, powder coating material, tile adhesive, self-leveling cement, and dry-mixed cement mortar applications, (5) Planning, design and consultancy for precast and civil engineering, (6) Distribution and import-export trading business for all preceding materials and equipment, (7) Design and construction of interior decoration and garden greening business.
4. The Company has been listed for trading on the Taipei Stock Exchange (TWSE) since March 26, 2010.

II. Date and Procedure for Approval of Financial Statements

The consolidated financial statements were authorized for issuance by the Company's board of directors on March 12, 2025.

III. Application of New Standards, Amendments and Interpretations

(I) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRSs") as endorsed and issued by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed and issued by FSC effective from 2024 are as follows:

New and revised standards, amendments to standards and interpretations	Effective date published by the International Accounting Standards Board
Amendments to IFRS 16, "Lease Liability in a Sale and Leaseback"	January 1, 2024
Amendment to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024

Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7, “Supplier finance arrangements”	January 1, 2024

The above standards and interpretations have no significant impact to the Group’s financial condition and operating result based on the Group’s assessment.

(II) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRSs”) as endorsed by FSC

New standards, interpretations and amendments endorsed by FSC effective from 2025 are as follows:

New and revised standards, amendments to standards and interpretations	Effective date published by the International Accounting Standards Board
Amendments to IAS No. 21 "Lack of Convertibility"	January 1, 2025

The above standards and interpretations have no significant impact to the Group’s financial condition and operating result based on the Group’s assessment.

(III) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New and revised standards, amendments to standards and interpretations	Effective date published by the International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by the International Accounting Standards Board (IASB)
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17 “Initial application of IFRS 17 and IFRS 9 — Comparative information”	January 1, 2023
IFRS 18 "Presentation and Disclosure in of Financial Statements"	January 1, 2027
IFRS 19 “Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

Except for the following, the above standards and interpretations have no significant impact on the Group’s financial condition and operating result based on the Group’s assessment:

1. Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments”

The amendments are as follows:

(1) They are to clarify the dates of recognition and derecognition of certain financial assets and liabilities, add that when a financial liability (or part of a financial liability) is settled in cash using an electronic payment system, if and only if an enterprise initiates a payment instruction that results in the following, the enterprise is allowed to have its financial liabilities discharged before the settlement date:

A. The enterprise does not have the ability to withdraw, stop, or cancel the payment instruction;

B. The enterprise has no actual ability to obtain cash for settlement due to the payment instruction;

C. The settlement risk related to the electronic payment system is not significant.

(2) They are to clarify and add further guidance on assessing whether financial assets meet the SPPI criteria, including contractual terms that change cash flows based on contingencies (e.g., interest rates linked to ESG instruments), non-recourse instruments, and contract-linked tools.

(3) It is updated that the fair values of equity instruments designated as at fair value through other comprehensive income through an irrevocable election should be disclosed on a per-category basis without a need to disclose the fair value per instrument. In addition, the amount of fair value gain or loss recognized in other comprehensive income during the reporting period should be disclosed and separately presented in the amount of fair value gain or loss related to the investments that were derecognized during the reporting period, the amount of fair value gain and loss related to the investments still held at the end of the reporting period; and cumulative gains and losses from investments derecognized during the reporting period and transferred to equity during the reporting period.

2. IFRS 18 "Presentation and Disclosure in of Financial Statements"

IFRS 18 "Presentation and Disclosure in of Financial Statements" replaces IAS 1, updates the structure of statements of comprehensive income, adds the disclosure of management performance measures, and improves the principles for aggregation and disaggregation used in the main financial statements and notes.

IV. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(I) Compliance statement

The consolidated financial statements have been prepared in accordance with the “Rules Governing the Preparation of Financial Statements by Securities Issuers”, International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed and issued by the FSC (collectively referred herein as the “IFRSs”).

(II) Basis of preparation

1. Except the following material items, these consolidated financial statements have been prepared under the historical cost convention:

   (1) Financial assets at fair value through other comprehensive income.

   (2) Defined benefit liabilities recognized based on the net amount of pension fund Assets less present value of defined benefit obligation.

2. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Consolidated Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(III) Basis of consolidation

1. Basis for preparation of consolidated financial statements

   (1) The Group has included all subsidiaries in the entities for the preparation of consolidated financial statements. Subsidiaries are all entities (including structural entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

   (2) Inter-company transactions, balances, and unrealized gains or losses on transactions between companies within the Group are eliminated. The accounting policies of the subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

   (3) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent company and to the non-controlling interests even if these results in the non-controlling interests having a deficit balance.

   (4) Changes in parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. The Company recognizes directly in equity any difference between the adjusted amount of non-controlling equity and the fair value of the consideration paid or received.

2. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary		Percentage of shareholding (%)		
Name	Name	Business nature	December 31, 2024	December 31, 2023	Description
Ruentex Engineering & Construction Co., Ltd.	Ruentex Materials Co., Ltd. (Ruentex Materials)	Building materials business	39.15	39.15	Note 1

”	Ruen Yang Construction Co., Ltd. (Ruen Yang Construction)	Civil engineering projects	100	100	
”	Ruentex Interior Design Inc. (Ruentex Interior Design)	Design and construction of interior decoration and garden greening	18.30	20.34	Notes 1 and 2
Ruentex Materials Co., Ltd.	Ruentex Interior Design Inc. (Ruentex Interior Design)	Design and construction of interior decoration and garden greening	31.66	35.19	Notes 1 and 2

Note 1: Though the Company does not own more than 50% of the voting rights directly or indirectly, but meets the requirement of controlling capability, and thus it is included in the consolidated entity.

Note 2: In order to cooperate with the public underwriting before the initial listing on Taipei Exchange by Ruentex Interior Design, a third-tier subsidiary of the Company, the board of directors approved by resolution on March 26, 2024, the cash capital increase by 1,500 thousand shares, with a face value of NT$10 per share, all of which are ordinary shares. May 17, 2024, was the record date for capital increase, and the registration of the change was completed on June 19, 2024. Neither the Company nor Ruentex Materials has subscribed for shares in the capital increase by Ruentex Interior Design in proportion to the shareholding. As a result, the direct shareholding in Ruentex Interior Design by the Company and Ruentex Materials has decreased from 20.34% and 35.19% to 18.30% and 31.66%, respectively. The Company’s combined direct and indirect shareholding in Ruentex Interior Design decreased from 34.12% to 30.70% and recognized NT$66,793 in capital surplus - changes in the ownership interests of subsidiaries. Please find Note 6(31) for details of transactions with non-controlling interests.

3. Subsidiaries not included in the consolidated financial statements: None.
4. Adjustments for subsidiaries with different balance sheet dates: None.
5. Significant restrictions: None.
6. Subsidiaries that have non-controlling interests that are material to the Group:

		Non-controlling interests			
Subsidiary	Main business	December 31, 2024		December 31, 2023	
Name	Place of Business	Amount	Percentage shareholding	Amount	Percentage shareholding
Ruentex Materials	Taiwan	$ 1,523,386	60.85%	$ 1,388,092	60.85%

Summary of subsidiaries' financial information:

Balance Sheet

	Ruentex Materials	
	December 31, 2024	December 31, 2023
Current assets	$ 3,743,146	$ 2,761,413
Non-current assets	6,346,597	4,660,209
Current liabilities	(3,891,180)	(2,258,708)
Non-current liabilities	(3,089,394)	(2,559,465)
Total net assets	$ 3,109,169	$ 2,603,449

Statement of Comprehensive Income

	Ruentex Materials	
	2024	2023
Revenue	$ 6,667,704	$ 5,500,872
Net Income before tax	412,416	254,428
Income tax expenses	(74,002)	(43,474)
Net income of current period	338,414	210,954
Other comprehensive income (Net of tax)	77,095	(7,280)
Total comprehensive income of the current period	$ 415,509	$ 203,674
Total comprehensive income attributed to non-controlling interest	$ 152,700	$ 66,435
Dividends paid to non-controlling interest	($ 59,328)	($ 20,993)

Statement of Cash Flows

	Ruentex Materials	
	2024	2023
Net cash inflow from operating activities	$ 1,055,312	$ 309,176
Cash used in investing activities	(2,029,456)	(258,134)
Net cash inflow (outflow) from financing activities	1,579,676	(403,523)
Net increase (decrease) in cash and cash equivalents	605,532	(352,481)
Cash and cash equivalents at the beginning of the period	300,262	652,743
Cash and cash equivalents at the end of the period	$ 905,794	$ 300,262

(IV) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in "New Taiwan dollars", which is the Group's functional currency.

Foreign currency translation and balances

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

(V) <u>Classification of Current and non-Current items</u>

1. Assets that meet one of the following criteria are classified as Current Assets:
   (1) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
   (2) Assets held mainly for trading purposes;
   (3) Assets that are expected to be realized within 12 months from the balance sheet date;
   (4) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than 12 months after the balance sheet date.

   Assets that do not meet the above criteria are classified as non-current assets.
2. Liabilities that meet one of the following criteria are classified as Current liabilities:
   (1) Liabilities that are expected to be settled within the normal operating cycle;
   (2) Assets held mainly for trading purposes;
   (3) Liabilities that are to be settled within 12 months from the balance sheet date;
   (4) Liabilities of which the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period.

   Liabilities that do not meet the above criteria are classified as non-current liabilities by the Group.
3. The operating cycles of construction contracts are usually longer than one year, so assets and liabilities in relation to operation and long-term construction contracts are classified as current or non-current according to the length of their operating cycles.

(VI) <u>Cash equivalents</u>

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

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

1. It refers to an irrevocable choice made during the initial recognition, and the fair value change of the equity tool investment not held for trading is listed in the other comprehensive income.
2. The Group adopts the trade date accounting to account for financial assets at fair value through other comprehensive profit or loss that are an arm's length transaction.
3. These financial assets are initially recognized at fair value plus transaction costs and subsequently remeasured and stated at fair value:

   The fair value change of equity tool is recognized under the other comprehensive income, and during the derecognition, the cumulative profit or loss previously recognized under the other comprehensive income should not be re-categorized into income, but should be listed under the retained earnings. When the right for dividend receipt is confirmed, the economic benefit related to the dividend may be received as income, and when the dividend amount can be reliably measured, the Group then recognizes it as dividend income.

(VIII) Financial assets measured at amortized cost

1. Refer to financial Assets satisfying the following criteria at the same time:
   (1) Financial Assets held under the operating model for the purpose of receiving contractual cash flows.
   (2) Where contract terms of such financial assets generated cash flow of specific date, and it is completely for the payment of the interest of principle and external circulating principle amount.
2. On a regular way purchase or sale basis, the Group recognizes or derecognizes financial assets at amortized cost by using trade date accounting.
3. During the initial recognition the Group calculated the transaction cost measurement at fair value, and subsequently adopted the effective interest rate method to recognize the interest income according to the amortization procedure during the circulation period, and to recognize the impairment loss. In addition, during the derecognition, the gain or loss was recognized in the income or loss.
4. The Group holds time deposits that do not meet the definition of cash equivalents. With the short-term nature, the effect of discounting is not significant, so they are measured as investment.

(IX) Notes and accounts receivable

1. Refer to accounts and notes to be received due to transfer of commodities or labors already performed unconditionally in exchange for the right for consideration amount according to the contract terms.
2. Short-term notes and accounts receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(X) Impairment of financial assets

The Group assesses the financial assets at amortized cost at each balance sheet date, and after considering all reasonable and evidentiary information (including prospective information), measure the loss allowance according to the 12-month expected credit loss for the financial assets without significant increase of credit risk after the initial recognition. For the financial assets with credit risk already increased significantly after the initial recognition, loss allowance is measured according to the expected credit loss amount during the existence period. For the accounts receivable or contract assets without material financial composition, the loss allowance is measured according to the expected credit loss during the existence period.

(XI) Impairment of financial assets

The Group derecognizes a financial asset when one of the following conditions is met:

1. The contractual rights to receive the cash flows from the financial asset expire.
2. The contractual rights to receive cash flows of the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.
3. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Company has not retained control of the financial asset.

(XII) Lease transactions of lessor - operating lease

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

(XIII) Inventories

The inventory is measured based on the cost and net realizable value, whichever is lower, and determined using the weighted average approach. The cost of finished goods and work-in-progress includes raw materials, direct labor, other direct costs, and production-related manufacturing expenses (amortized based on normal productivity) but does not include borrowing costs. Comparing the cost and the net realizable value to see which is lower, the item-by-item comparison approach is adopted. The net realizable value refers to the balance of the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(XIV) Investment accounted for under the equity method - associates

1. An associate is an entity over which the Group has significant influence but without control power, and it generally refers to an entity that the Group directly or indirectly holds more than 20% of shares of voting rights. The Group recognizes the investments in associates using the equity method at acquisition cost initially.
2. The Group recognizes the share of profit or loss obtained by the associates as the profit or loss of the current period, and recognizes the share of other comprehensive income or loss obtained by the associates as other comprehensive income or loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any other unsecured accounts receivable), with the consolidated company discontinues recognizing its share of further losses; unless hat the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.
3. When an associate is subject to equity change not for profit or loss or other comprehensive income and when the shareholding percentage of the associate held by the Group is not affected, the Group then recognizes all of the equity change as the "capital reserve" according to the shareholding percentage.

4. The unrealized profit or loss generated from the transactions between the Group and an associate has been eliminated according to the equity ratio of the associate. Unless there is evidence indicating that the asset transferred in such transaction has impairment, the unrealized loss is also eliminated. The accounting policies of the associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

5. When an associate issues new shares, if the Group does not subscribe of acquire according to such ratio such that there is a change in the investment ratio and still causing significant impact, then “capital reserve” and “investment accounted for using equity method” are adjusted for the increase/decrease of the change of net value of the equity. If it causes the investment ratio to decrease, in addition to the aforementioned adjustment, for the profit or loss related to the decrease of the ownership equity and previously recognized in the other comprehensive income, and such profit or loss requires to be reclassified into profit or loss during the disposal of relevant Assets or liabilities, it is reclassified into profit or loss according to the ratio of decrease.

6. When the Group disposes an associate, if the Group loses its significant influence on the associate, then for all of the amounts related to the associate previously recognized in other comprehensive income, if its accounting handling basis is identical to the disposal of relevant assets or liabilities directly, i.e. such as the profit or loss recognized in the other comprehensive income, it is re-classified as profit or loss during the disposal of relevant assets or liabilities, then when the Group losses its significant influence on the associate, such profit or loss shall be re-classified as profit or loss from equity. If the Group still has significant influence on the associate, then the amount previously recognized in the other comprehensive income is transferred out proportionally according to the aforementioned method.

(XV) Property, plant, and equipment

1. Property, plant and equipment are recorded at acquisition cost, and the interest is capitalized over the acquisition and construction period.

2. Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

3. Land is not depreciated. Other real estate, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Property, plant, and equipment is depreciated individually if they contain any significant components.

4. The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets’ residual values and useful lives differ from previous estimates or the patterns of consumption of the assets’ future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, “Accounting Policies, Changes in Accounting Estimates and Errors”, from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	2~60 years
Machinery and equipment	2~25 years
Transportation equipment	2~7 years
Office equipment	2~6 years
Leased assets	5~6 years
Leasehold improvements	5~10 years
Miscellaneous equipment	2~10 years

(XVI) Lessees' lease transactions - right-of-use assets/lease liabilities

1. The lease assets are recognized as the right-of-use assets and lease liabilities on the date availed to the Group. If the lease contracts are short-term lease or low-value underlying asset lease, the lease payments are recognized as expenses during the lease terms with the straight line method.
2. From the starting date of lease, the lease liabilities are recognized at the current values of the unpaid lease payments discounted with the Group's incremental lending rate; the lease payments include the fixed payments deducting the receivable lease incentives. Subsequently, they are measured at the amortized costs based on the interest method, and recognized as the interest expenses during the lease terms. Shall the lease terms or lease payments change due to the non-contractual modifications, the lease liabilities will be measured again, and the re-measurements will be used to adjust the right-of-use assets.
3. The right-of-use assets are recognized as the costs on the starting date of leases. The costs include the original measured amount of the lease liabilities. Subsequently, they are measured at the costs; the depreciation expenses are recognized at the end of useful lives, or the expiry of the lease terms, whichever is earlier. Shall the lease liabilities be reassessed, the right-of-use assets will adjust any re-measurement of the lease liabilities.

(XVII) Intangible assets

1. Trademark, patent rights and service concession

   Trademark, patent rights and service concession are stated as acquisition cost and amortized on a straight line basis with useful lives of 10~20 years.

2. Computer software

   Computer software is stated at acquisition cost and amortized on a straight line basis with useful lives of 3~5 years.

3. Mineral rights

   Based on expected number of units the mineral resource should produce, depreciation is calculated using the unit of production method. If there is any change to the expected production units, the depreciation per unit is recalculated using the assets' carrying amount, and the depreciation recognized in the prior years is not restated.

4. Intangible assets generated internally - expenses of R&D

   (1) R&D expenses are recognized as the expenses of the current term when occur.
   (2) The R&D expenses disqualified from the following criteria are recognized as the expenses of the current term; the R&D expenses qualified with the following criteria

are recognized as intangible assets:

A. The technical feasibility of being intangible assets has been achieved, so that the intangible asset may be used or sold;

B. Intention to complete the intangible assets for use or sale;

C. Capability to use or sell the intangible assets;

D. The likely perspective economic benefits of the concerned intangible assets may be proved;

E. Sufficient technical, financial, and other resources to complete the developments are in place, to use or sell the intangible assets;

F. The expenses attributed to the intangible assets during the development may be measured reliably.

(3) The intangible assets generated internally - the grouting materials for offshore wind power generation - are amortized on a straight-line basis over their estimated useful lives of 5 years after they have reached the state of use.

5. Goodwill

Goodwill is resulted from the business combination using the acquisition method.

(XVIII) Impairment of non-financial Assets

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

2. Periodic estimate of recoverable amounts of goodwill, and intangible assets not available for use shall be estimated regularly. An impairment loss is recognized for the amount by which the carrying amount of goodwill exceeds its recoverable amount. Impairment loss for goodwill is not reversible.

3. To test for impairment, goodwill must be allocated to each cash-generating units. The allocation is based on operation units, and goodwill is allocated to each cash-generating units or groups of cash-generating units that are expected to be benefited by the business combination.

(XIX) Borrowings

Refer to long-term, short-term borrowings from banks and other long-term, short-term loans. During the initial recognition, the Group measures according to the fair value with deduction of transaction cost. Subsequently, for any difference between the amount after the deduction of transaction cost and the redemption value, the effective interest method is adopted to recognize the interest expense in the profit or loss according to amortized procedure during the circulation period.

(XX) Notes and accounts payable

1. Debt arising from purchase of raw materials, goods or services and notes payable arising from ordinary course of business or non-business related matters.

2. For short-term notes and accounts payable without bearing interest are subsequently

measured at initial invoice amount as effect of discounting is immaterial.

(XXI) Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the contract obligations are discharged, canceled, or expired.

(XXII) Provisions

Provisions for warranty liability are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. Provisions are not recognized for future operating losses.

(XXIII) Employee benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

2. Pensions

(1) Defined contribution plans

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

(2) Defined benefit plans

A. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in Current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan Assets, together with adjustments for unrecognized past service costs. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

B. Remeasurement arising on defined benefit plans is recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

3. Termination benefits

Termination benefits are benefits paid to employees when their employment has been terminated prior to their ordinary date of retirement or for acceptance of termination of employment. Termination benefits are recognized when the Group can no longer withdraw the offer of the benefit or when the Group recognizes costs for a restructuring, whichever is earlier. Benefits that are not expected to be settled wholly before twelve months after the end of the balance sheet date should be discounted.

4. Remuneration to employee

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

(XXIV) Employee share-based payment

The equity share-based payment agreement refers to the employees' services obtained by measuring the fair value of the equity instruments given on the grant date and is recognized in remuneration costs during the vesting period with the equity adjusted relatively. The fair value of equity instruments should reflect the effects of vesting and non-vesting conditions related to market prices. The remuneration costs recognized are adjusted as per the amount of remuneration expected to meet the service conditions and non-vesting conditions related to market prices, and the final amount recognized is based on the vested amount on the grant day.

(XXV) Income tax

1. The income tax expense for the period comprises Current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
2. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. The management assesses the status of income tax declaration according to relevant applicable income tax laws, and shall pay the income tax liability estimated to the taxation agency according to the expect ion under applicable status. Additional income tax is levied on undistributed earnings in accordance with the Income Tax Act. Surtax expenses on undistributed retained earnings are recognized when the actual distribution of earnings is approved by the shareholders' meeting in the year following the year in which the earnings are generated.
3. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. The deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not generate equivalent taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates or laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

4. Deferred income tax Assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax Assets are reassessed.

5. Current income tax Assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax Assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset Current tax Assets against Current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

6. Tax credits resulting from research and development expenditures are treated with accounting for income tax credits.

(XXVI) Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are recognized in equity as a deduction, net of tax, from the proceeds.

(XXVII) Dividends

Dividends distributed to the Company's shareholders are recognized in the financial statements when the distribution is resolved at the shareholders' meeting. Cash dividends are recognized as a liability, while stock dividends are recognized as stock dividends to be distributed and transferred to common stock on the record date for issuing the new shares.

(XXVIII) Revenue

1. Sale of goods

(1) For the cement and building material related products manufactured and sold by the Group, the income from sale of goods is recognized when the control of goods is transferred to customers, i.e. when the goods are delivered to the customer. In addition, the Group has no unfulfilled obligations that may affect the customer from accepting the goods. When goods are transported to the designated location, the obsolete and impairment risks have been transferred to the customer, and customer also accepts goods according to the sales contract, or when there is objective evidence proofing that all acceptable standards have been satisfied, which occurs when the goods is delivered to the customer.

(2) Accounts receivable is recognized when goods are delivered to customers since starting from such time of delivery, the Group has the unconditional right on the contract price, and the Group can receive the consideration from the customer after time has passed.

(3) Financial component

Since the period from the time when contracts are signed between the Group and customers, the goods or services are promised to be transferred to customers to the time when the payments are made by customers have not exceeded one year, consequently, the Group has not adjusted the transaction price to reflect the currency time value.

(4) There is a customer loyalty plan managed by the Group for its distribution customers. At the end of every year, reward points will be given to distribution customers based on the year's transaction amount for the year. Distribution customers have the rights to redeem the reward points for a fixed percentage of the price when they obtain products in the future. The reward point is an important right that cannot be obtained if a customer has not made any initial transaction; therefore, the reward point provided to customers is a single contract performance obligation. The transaction price is appropriated to the goods and reward point based on the relative independent sales price. The independent sales price of reward point is estimated according to the discount obtained by the customer and the possibility of exchange of points based on the past experience. The basis for calculating single sales prices of products is the contract price. The transaction price allocated to reward points is recognized as contract liabilities until the customer redeems the points or when the points have expired, then it will be transferred to revenue.

2. Revenue from construction contracts

(1) The Group sub-contracts construction projects. As the performance of construction contracts creates or enhances one asset, and the concerned asset becomes under control of the client or does not create an asset with an alternative use to the Group, and the Group has an enforceable right to payment for performance completed to date, the Group recognizes revenue over time as it satisfies the performance obligation.

(2) The Group's recognition of construction contract revenue is based on the stage of completion of a contract using the percentage of completion method of accounting during the duration of a contraction. The contract costs are recognized as expenses in the incurred period. The stage of completion is determined by reference to the contract costs incurred to date and the proportion that contract costs incurred for work performed to date compared to the estimated total contract costs. If the total contract costs are probable to exceed total contract revenue, the estimated loss is recognized as expenses immediately. When the results of the construction contracts may not be able to be used to reasonably measure the results of the performance obligations, but the Group expects to recover the incurred costs when the performance obligations are fulfilled, the Group will only recognize the contracts in revenue within the scope of the incurred costs before the results of the performance obligations can be measured.

(3) The Group's estimations for revenue, costs, and stage of completion are adjusted accordingly. Any variation of estimated revenue or costs arising from change of estimations is reflected in profit or loss in the period when the condition for change of estimation is made known to the management.

(4) The variable consideration arising from performance bonuses, penalties or claims that could result in variation of total contract price is only included in the transaction price if, and to the extent that, it is highly probable that its inclusion will not result in a significant revenue reversal in the future.

(5) Retention money mandated in the construction contract should be paid after acceptance of construction by the customers. The retention money receivable is a form of protection for its customers in the event that the counter-party does not perform parts or all obligations properly, and thus does not contain any significant financing component.

(6) The excess of receivables from customers on construction contracts, that is, the

cumulative costs incurred plus recognized profits (less recognized losses) over the progress billings on each construction contract is presented as a contract asset. While the excess of the progress billings over the cumulative costs incurred plus, recognized profits (less recognized losses) on each construction contract is presented as a contract liability.

(XXIX) Government grants

Government grants are recognized at fair value when there is reasonable assurance that an enterprise will comply with the conditions attached to the government grants and will receive the grant. If the nature of the government grants is to compensate the expenses incurred by the Group, such grants shall be recognized as the current profit or loss on a systematic basis during the period in which such expenses are incurred (listed as a deduction of "Manufacturing expenses" and "Operating expenses").

(XXX) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker is responsible for the allocation of resources to operating segments and the evaluation of their performance. The Board of Directors is identified as the Chief Operating Decision-Maker of the Group.

V. Critical Accounting Judgments, Estimates and Key Sources of Assumption Uncertainty

The preparation of these consolidated financial statements requires management to make critical judgments in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. There may be differences between the significant accounting estimations and assumptions made and the actual outcomes. Assessments and adjustments will be made constantly taking into account historical experiences and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of Assets and liabilities within the next financial year. The critical accounting judgments, estimates and key sources of assumption uncertainty is addressed as follows:

(1) Critical judgments in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

1. Financial assets - fair value measurement for unlisted securities with no active market.

For the stocks of non-TWSE/TPEx companies in the active market held by the Group, the measurement at fair value is estimated mainly based on the assessment of companies of similar type, company's technology development status, market condition and other economic indicators. Any change of determination and estimation can affect the measurement at fair value. For explanation of financial tool at fair value, please refer to Note 12(3).

On December 31, 2024, the carrying amount of the Group's investments in securities of other unlisted companies with no active market was NT$73,012 (listed under "financial assets at fair value through other comprehensive income - non-current").

2. Revenue recognition

Construction contract revenue should be recognized by reference to the stage of completion in the contract period using the percentage of completion method. Contract costs are recognized in the incurred period. The construction progress was calculated based on the percentage of the contract cost incurred for each construction contract up to the end of the financial report period over the expected total cost for such construction contract. The aforementioned estimation of the expected total cost was provided by the Group based on its estimation on various construction costs required for contracting works and material/labor expenses etc. according to the quantitative units of building structural drawings etc. of owners along with the fluctuation of the current market price at that time. Since the estimation of construction total cost can affect the recognition of construction completion progress and the construction contract income, and since the construction total cost items are complicated and often involving high degree of estimation, such that it can cause major uncertainty.

VI. Details of Significant Accounts

(I) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and revolving funds	$ 4,950	$ 3,800
Checking deposits	246,043	258,536
Demand deposits	617,406	177,373
Time deposits	351,136	50,585
Cash equivalents - Bonds under repurchase agreements	1,287,076	422,068
	$ 2,506,611	$ 912,362

1. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
2. The Group's restricted cash and cash equivalents on December 31, 2024 and 2023 due to business contracts, engineering contract guarantee deposits, warranties, and so on guarantees were NT$363,466 and NT$618,050, respectively, of which NT$271,568 and NT$526,194 were classified as other financial assets, current (recognized in "other current assets") and NT$91,898 and NT$91,856 were classified as other financial assets, non-current (recognized in "other non-current assets"). Please refer to Note 8 for details.

(II) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	$ 261,798	$ 1,003,702
Notes Receivable - related party	175,373	55,557
	$ 437,171	$ 1,059,259
Accounts receivable	$ 1,413,417	$ 2,376,098
Less: Allowance for loss	(10,780)	(7,450)
Subtotal	1,402,637	2,368,648
Accounts receivable- related party	397,217	749,036
	$ 1,799,854	$ 3,117,684

1. Ruentex Materials issues the invoice and bill of lading when taking the customer's order, debts accounts receivable and credits advance sales receipt (the "contract liability-current" account). When it receives notes issued by the customer, the amount is then transferred to notes receivable from accounts receivable. Based on demand quantity, the customer pick up the cement in batches, and the actual sales amount is then transferred from advance sales receipt to revenue. To prevent inflated assets and liabilities, the notes and accounts receivable and advance sales receipt related to undelivered cement are offset with each other and presented in the net values. As of December 31, 2024 and 2023, the amounts were NT$92,525 and NT$112,165, respectively.

2. The aging analysis of accounts receivable (including related parties) and notes receivable (including related parties) is as follows:

	December 31, 2024		December 31, 2023	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not overdue	$ 1,798,659	$ 437,171	$ 2,541,584	$ 1,059,259
Within 30 days	2,698	-	89,253	-
31-60 days	770	-	130	-
61-90 days	1,970	-	69,469	-
91 days and more	6,537	-	424,698	-
	$ 1,810,634	$ 437,171	$ 3,125,134	$ 1,059,259

The aging analysis was based on past due date.

3. The balances of the receivables and notes receivable as of December 31, 2024 and 2023 were incurred by the clients' contracts; also as of January 1, 2023, the balances of the notes receivable (including related parties) and accounts receivables (including related parties) were NT$575,945 and NT$1,776,038 respectively.

4. The Group's maximum exposure to credit risk, before consideration of associated collateral held and other credit enhancements, were NT$437,171 and NT$1,059,259 for notes receivable (including related parties), as of December 31, 2024 and 2023, respectively; the accounts receivable (including related parties) were NT$1,799,854 and NT$3,117,684 as of December 31, 2024 and 2023, respectively.

5. For credit risk information related to accounts receivable and notes receivable, please refer to Note 12(2).

6. The Group's accounts receivable to a certain customer exceeded the normal credit period. As of December 31, 2023, according to the Group's credit risk management policy, it should have appropriated an impairment loss of NT$421,612. However, the Group has obtained guarantees for this account receivable the value of the collateral amounted to NT$1,457,057, and no impairment loss was appropriated for the accounts receivable of this customer considering the collateral held. The accounts receivable of the consolidated company from this customer were fully recovered on April 29, 2024, and the mortgage was written off on May 1, 2024. Please refer to Note 12 (2) for details.

(III) Inventories

	December 31, 2024		
	Cost	Allowance for inventory valuation	Carrying amount
Materials and supplies	$ 527,538	($ 4,557)	$ 522,981
Work in process	138,575	-	138,575
Finished goods	110,119	(154)	109,965
Merchandise inventory	399	-	399
	$ 776,631	($ 4,711)	$ 771,920

	December 31, 2023		
	Cost	Allowance for inventory valuation	Carrying amount
Materials and supplies	$ 491,056	($ 2,843)	$ 488,213
Work in process	164,837	-	164,837
Finished goods	94,139	(195)	93,944
Merchandise inventory	7,325	-	7,325
	$ 757,357	($ 3,038)	$ 754,319

Inventory and construction costs recognized as expenses in the current period.

	2024	2023
Cost of inventories sold and construction costs	$ 21,587,654	$ 19,048,675
Loss on market value decline of inventory	1,673	1,063
Unallocated manufacturing costs	5,129	6,840
Revenue from sales of scraps	(28,399)	(24,839)
	$ 21,566,057	$ 19,031,739

(IV) Prepayments

	December 31, 2024	December 31, 2023
Prepayment for purchases	$ 583,065	$ 346,011
Overpaid sales tax	20,672	1,499
Prepaid rent	13,982	9,425
Other prepayments	22,960	27,564
	$ 640,679	$ 384,499

(V) Financial assets at fair value through other comprehensive profit or loss - non-current

Item	December 31, 2024	December 31, 2023
Equity Instrument		
Shares of TWSE listed companies	$ 2,881,529	$ 2,881,529
Shares of the TPEx listed companies	83,131	80,279
Shares of non-TWSE/TPEx listed companies	286,324	286,324
	3,250,984	3,248,132
Adjustments for valuation		
- Shares of TWSE listed companies	1,882,058	1,345,711
- Shares of the TPEx listed companies	(58,407)	(54,041)
- Shares of non-TWSE/TPEx listed companies	(213,312)	(205,203)
	1,610,339	1,086,467
	$ 4,861,323	$ 4,334,599

1. The Group elected to classify the TWSE listed securities for stable dividends as financial assets at fair value through other comprehensive income; such investments amounted to NT$4,763,587 and NT$4,227,240, as of December 31, 2024 and 2023, respectively.
2. The Group elected to classify the strategic investments of listed and unlisted shares as financial assets at fair value through other comprehensive income, amounting to NT$97,736 and NT$107,359 as of December 31, 2024 and 2023, respectively.
3. The listed company-Ruentex Development Co., Ltd.'s shareholders meeting passed the resolution to conduct a capital reduction in cash. The record date for capital reduction was August 15, 2023 at an amount of $10,793.
4. TPEx-listed company, OBI Pharma, Inc., had increased its capital in cash in November 2024, and the Group subscribed for 44,558 shares in the amount of NT$2,852.
5. The maximum exposure to credit risk for the Group's financial assets at fair value through other comprehensive income, before consideration of associated collateral held and other credit enhancements, was NT$4,861,323 and NT$4,334,599 as of December 31, 2024 and 2023, respectively.
6. Detail of the financial Assets at fair value through other comprehensive income recognized under the comprehensive income is as follows:

Item	2024	2023
Changes in fair value recognized as other comprehensive income	$ 523,872	($ 128,919)
Dividend incomes recognized in profit and loss	$ 166,804	$ 122,213

7. For information on the price risk of financial assets at fair value through other comprehensive income, please refer to Note 12(2).

(VI) Financial assets measured at amortized cost

Item	December 31, 2024	December 31, 2023
Current items:		
Demand deposit with original maturity date for more than three months		
Time deposits	$ 50,000	$ -
Non-current items:		
Subordinated corporate bonds	$ 500,000	$ 500,000

1. Detail of the financial Assets at amortized cost recognized under the profit (loss) is as follows:

	2024	2023
Interest income	$ 18,162	$ 18,069

2. The Group's maximum exposure to credit risk for financial assets measured at amortized costs, before consideration of associated collateral held and other credit enhancements was NT$550,000 and NT$500,000 as of December 31, 2024 and 2023, respectively.
3. For information on the credit risk of financial assets at amortized cost, please refer to Note 12(2).

(VII) Investment accounted for under the equity method

1. Statement of investments accounted for using the equity method is as follows:

	December 31, 2024
Associates:	
Teh Hsin Enterprise Co., Ltd. (Teh Hsin)	$ 1,576,964

2. Share of profit or loss of associates accounted for using equity method in 2024 is as follows:

	2024
Associates:	
Teh Hsin	$ 12,616

3. Associates

(1) The basic information of material associates of the Group is as follows:

Company name	Principal Place of Business	Shareholding percentage December 31, 2024	Nature of relationship	Measurement method
Teh Hsin	Taiwan	35%	Diversification	Equity method

(2) The summary on the financial information of material associates of the Group is as follows:

Balance Sheets

		Teh Hsin
		December 31, 2024
Current assets	$	1,319,000
Non-current assets		652,051
Current liabilities	(	218,577)
Non-current liabilities	(	3,561)
Total net assets (Note)	$	1,748,913
Portion of the net assets of associates	$	1,576,964

Note: Te difference from the carrying amount mainly arises from the fair value of non-current assets.

Statement of Comprehensive Income

		Teh Hsin
		2024
Revenue	$	1,310,534
Net income of current period		280,694
Other comprehensive income (Net after tax)		-
Total comprehensive income of the current period	$	280,694

(3) On September 20, 2024, the Board of Directors resolved to purchase the equity in Teh Hsin, and the Group signed an equity transaction contract with a non-related party on September 26, 2024 to purchase 14,969,837 shares at NT$104.5 per share in the amount of NT$ 1,564,348, with relevant procedures for equity ownership transfer have been completed on November 15, 2024.

(4) The Group holds 35% of Teh Hsin as the single largest shareholder of the company. Taking into account the attendance of past shareholders' meetings, it shows that other shareholders are actively participating in Teh Hsin's business decision-making. There are nine seats on the board of directors of Teh Hsin, only three of which are occupied by the Group, showing that the Group has no actual ability to lead Teh Hsin activities. Therefore, it is determined that the Group has no control over it and only has significant influence.

(5) For the status of collaterals provided for the share investments under equity method of the Group, please refer to Note 6(14) and 8.

(VIII) Property, plant, and equipment

	2024									
	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leased assets	Leasehold improvements	Miscellaneous equipment	Construction in progress and equipment to be inspected	Total
January 1										
Cost	$ 1,535,961	$ 1,686,737	$ 2,537,138	$ 41,733	$ 113,282	$ 4,944	$ 70,445	$ 253,054	$ 209,720	$ 6,453,014
Accumulated depreciation	-	(696,488)	(1,435,977)	(29,680)	(77,442)	(4,944)	(16,356)	(146,461)	-	(2,407,348)
Accumulated impairment	-	(10,331)	(55,441)	-	-	-	-	(379)	-	(66,151)
	$ 1,535,961	$ 979,918	$ 1,045,720	$ 12,053	$ 35,840	$ -	$ 54,089	$ 106,214	$ 209,720	$ 3,979,515
January 1	$ 1,535,961	$ 979,918	$ 1,045,720	$ 12,053	$ 35,840	$ -	$ 54,089	$ 106,214	$ 209,720	$ 3,979,515
Addition	-	5,359	82,168	2,945	19,198	-	4,732	49,876	200,259	364,537
Transfer (Note)	-	17,748	323,102	50	-	-	-	36,738	(352,168)	25,470
Costs of disposal of assets	-	(299)	(103,405)	-	(5,488)	-	-	(18,283)	-	(127,475)
Accumulated depreciation balance on disposal date	-	258	103,358	-	5,464	-	-	18,283	-	127,363
Depreciation expense	-	(47,580)	(225,605)	(3,453)	(15,350)	-	(6,574)	(36,146)	-	(334,708)
December 31	$ 1,535,961	$ 955,404	$ 1,225,338	$ 11,595	$ 39,664	$ -	$ 52,247	$ 156,682	$ 57,811	$ 4,034,702

	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leased assets	Leasehold improvements	Miscellaneous equipment	Construction in progress and equipment to be inspected	Total
December 31										
Cost	$ 1,535,961	$ 1,709,545	$ 2,839,003	$ 44,728	$ 126,992	$ 4,944	$ 75,177	$ 321,385	$ 57,811	$ 6,715,546
Accumulated depreciation	-	(743,810)	(1,558,224)	(33,133)	(87,328)	(4,944)	(22,930)	(164,324)	-	(2,614,693)
Accumulated impairment	-	(10,331)	(55,441)	-	-	-	-	(379)	-	(66,151)
	$ 1,535,961	$ 955,404	$ 1,225,338	$ 11,595	$ 39,664	$ -	$ 52,247	$ 156,682	$ 57,811	$ 4,034,702

Note: The balance of the transfer amount is the transfer from prepayments for business facilities.

	2023									
	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Leased assets	Leasehold improvements	Miscellaneous equipment	Construction in progress and equipment to be inspected	Total
January 1										
Cost	$ 1,535,961	$ 1,674,941	$ 2,389,374	$ 37,540	$ 99,157	$ 4,944	$ 41,583	$ 202,086	$ 39,239	$ 6,024,825
Accumulated depreciation	-	(642,993)	(1,290,563)	(28,804)	(68,669)	(4,944)	(12,572)	(108,443)	-	(2,156,988)
Accumulated impairment	-	(10,331)	(55,441)	-	-	-	-	(379)	-	(66,151)
	$ 1,535,961	$ 1,021,617	$ 1,043,370	$ 8,736	$ 30,488	$ -	$ 29,011	$ 93,264	$ 39,239	$ 3,801,686
January 1	$ 1,535,961	$ 1,021,617	$ 1,043,370	$ 8,736	$ 30,488	$ -	$ 29,011	$ 93,264	$ 39,239	$ 3,801,686
Addition	-	4,466	117,052	6,283	19,989	-	19,929	60,886	203,430	432,035
Transfer (Note)	-	7,330	80,217	-	-	-	8,933	(9,110)	(32,949)	54,421
Costs of disposal of assets	-	-	(49,505)	(2,090)	(5,864)	-	-	(808)	-	(58,267)
Accumulated depreciation balance on	-	-	49,505	2,090	5,798	-	-	808	-	58,201

disposal date										
Depreciation expense	-	(53,495)	(194,919)	(2,966)	(14,571)	-	(3,784)	(38,826)	-	(308,561)
December 31	$ 1,535,961	$ 979,918	$ 1,045,720	$ 12,053	$ 35,840	$ -	$ 54,089	$ 106,214	$ 209,720	$ 3,979,515
December 31										
Cost	$ 1,535,961	$ 1,686,737	$ 2,537,138	$ 41,733	$ 113,282	$ 4,944	$ 70,445	$ 253,054	$ 209,720	$ 6,453,014
Accumulated depreciation	-	(696,488)	(1,435,977)	(29,680)	(77,442)	(4,944)	(16,356)	(146,461)	-	(2,407,348)
Accumulated impairment	-	(10,331)	(55,441)	-	-	-	-	(379)	-	(66,151)
	$ 1,535,961	$ 979,918	$ 1,045,720	$ 12,053	$ 35,840	$ -	$ 54,089	$ 106,214	$ 209,720	$ 3,979,515

Note: The balance of the transfer amount is the transfer from prepayments for business facilities.

1. Details of the property, plant and equipment pledged to others as collateral are provided in Note 8.
2. Due to legal restrictions, part of the land of the Group is held in the name of another person and a mortgage is created to the Group. Please refer to Note 7 for details.

(IX) Lease transactions - lessee

1. The underlying assets of the Group to be leased include land used for industry, land used for mining, offices, employee dormitories, warehouses, parking, and company vehicles in the form of operating lease, and the lease period is from 2021 to 2040. The lease contracts are negotiated individually, with different terms and conditions. The leased assets are neither to be used as collaterals for loans, nor the rights to be transferred to others in the form of business transfer or merge, among other forms.
2. The lease period for the offices, employee dormitories, warehouse and exhibition center leased by the Group is less than 12 months.
3. The information of the right-of-use assets are as the following:

	2024			
	Land	Buildings	Transportation equipment	Total
January 1				
Cost	$ 932,258	$ 210,033	$ 5,458	$ 1,147,749
Accumulated depreciation	(76,411)	(111,218)	(894)	(188,523)
	$ 855,847	$ 98,815	$ 4,564	$ 959,226
January 1	$ 855,847	$ 98,815	$ 4,564	$ 959,226
Addition-Newly added lease contracts	80,780	2,514	463	83,757
Lease contract modifications - costs	65,093	-	-	65,093
Cost of derecognition	(16,400)	(486)	-	(16,886)
Accumulated depreciation on the de-booking date	16,400	486	-	16,886
Revaluation of lease liabilities	9,846	-	-	9,846
Depreciation expense	(75,961)	(43,398)	(1,942)	(121,301)
December 31	$ 935,605	$ 57,931	$ 3,085	$ 996,621

December 31				
Cost	$ 1,071,577	$ 212,061	$ 5,921	$ 1,289,559
Accumulated depreciation	(135,972)	(154,130)	(2,836)	(292,938)
	$ 935,605	$ 57,931	$ 3,085	$ 996,621

	2023			
	Land	Buildings	Transportation equipment	Total
January 1				
Cost	$ 901,940	$ 207,238	$ 6,051	$ 1,115,229
Accumulated depreciation	(62,749)	(68,962)	(5,043)	(136,754)
	$ 839,191	$ 138,276	$ 1,008	$ 978,475
January 1	$ 839,191	$ 138,276	$ 1,008	$ 978,475
Addition-Newly added lease contracts	13,212	2,795	5,458	21,465
Lease contract modifications - costs	62,435	-	-	62,435
Cost of derecognition	(45,329)	-	(6,051)	(51,380)
Accumulated depreciation on the de-booking date	45,329	-	6,051	51,380
Depreciation expense	(58,991)	(42,256)	(1,902)	(103,149)
December 31	$ 855,847	$ 98,815	$ 4,564	$ 959,226
December 31				
Cost	$ 932,258	$ 210,033	$ 5,458	$ 1,147,749
Accumulated depreciation	(76,411)	(111,218)	(894)	(188,523)
	$ 855,847	$ 98,815	$ 4,564	$ 959,226

4. Lease liabilities related to lease contracts are as the following:

	December 31, 2024		December 31, 2023	
Total amount of lease liabilities	$	1,012,360	$	972,354
Less: Due within one year (listed as lease liabilities - current)	(	110,582)	(	102,929)
	$	901,778	$	869,425

5. Information of income items related to lease contracts are as the following:

	2024		2023	
Items affects the income of the current period				
Interest expenses of lease liabilities	$	15,111	$	15,001
Rent expenses of short-term lease contracts		123,476		120,607
	$	138,587	$	135,608

6. In July 2024 and 2023, the Company adjusted upward the right-of-use assets - land and lease liabilities by NT$65,093 and NT$62,435 according to the consumer price index.

7. The Group's total lease cash outflows were $257,277 and $232,844 in 2024 and 2023, respectively, which consisted of $123,476 and $120,607 for short-term lease contracts; $15,111 and $15,001 for interest expenses on lease liabilities; and $118,690 and $97,236 for lease principal repayments.

8. Yilan Luodong Business Area No. 70, 71, 73-75, 80, 82-85, and Nan'ao Business Area No. 27 and 28 were leased by the Group for mineral field use. As said leases expired on June 18, 2020. The Group applied to the competent authorities for the renewal of the leases of the ancillary facilities of the mining land, and the process was completed in January 2023. In addition, according to the letter from the Yilan Branch of the Forestry and Conservation Administration, Ministry of Agriculture, in March 2024, the rent of the mining land was calculated based on the approved market value of forest land and included in the ecological damage compensation. The Group re-assessed the said lease liability and recognized right-of-use assets of NT$9,846 and lease liabilities of NT$9,846. The above lease contracts expired on June 18, 2024. The Group has applied to the competent authority for the lease renewal to June 18, 2028, and has also recognized right-of-use assets of NT$21,454 and lease liabilities of NT$21,454.

9. The Group rented lands from related parties. Please refer to Note 7(2)7. for related explanations.

(X) Intangible assets

	2024					
	Mineral source	Trademark, patent rights and service concession	Computer software	Good will	Others	Total
January 1						
Cost	$ 234,798	$ 60,483	$ 77,189	$ 2,553	$ 94,053	$ 469,076
Accumulated amortization	(60,416)	(30,552)	(71,450)	-	(27,358)	(189,776)
Accumulated impairment	(61,972)	-	-	-	(11,240)	(73,212)
	$ 112,410	$ 29,931	$ 5,739	$ 2,553	$ 55,455	$ 206,088
January 1	$ 112,410	$ 29,931	$ 5,739	$ 2,553	$ 55,455	$ 206,088
Addition	-	3,433	653	-	668	4,754
Transfer (Note)	-	-	650	-	-	650
Cost of derecognition	-	-	(7,446)	-	-	(7,446)
Balance of accumulated amortization on the derecognition date	-	-	7,446	-	-	7,446
Amortization expense	-	(2,325)	(3,087)	-	(5,129)	(10,541)
December 31	$ 112,410	$ 31,039	$ 3,955	$ 2,553	$ 50,994	$ 200,951
December 31						
Cost	$ 234,798	$ 63,916	$ 71,046	$ 2,553	$ 94,721	$ 467,034
Accumulated amortization	(60,416)	(32,877)	(67,091)	-	(32,487)	(192,871)
Accumulated impairment	(61,972)	-	-	-	(11,240)	(73,212)
	$ 112,410	$ 31,039	$ 3,955	$ 2,553	$ 50,994	$ 200,951

Note: The balance of the transfer amount is the transfer from prepayments for business facilities.

	2023					
	Mineral source	Trademark, patent rights and service concession	Computer software	Good will	Others	Total
January 1						
Cost	$ 234,798	$ 55,670	$ 77,618	$ 2,553	$ 88,773	$ 459,412
Accumulated amortization	(60,416)	(28,184)	(69,028)	-	(20,518)	(178,146)
Accumulated impairment	(61,972)	-	-	-	(11,240)	(73,212)
	$ 112,410	$ 27,486	$ 8,590	$ 2,553	$ 57,015	$ 208,054
January 1	$ 112,410	$ 27,486	$ 8,590	$ 2,553	$ 57,015	$ 208,054
Addition	-	4,813	700	-	5,280	10,793
Cost of derecognition	-	-	(1,129)	-	-	(1,129)
Balance of accumulated amortization on the derecognition date	-	-	1,129	-	-	1,129
Amortization expense	-	(2,368)	(3,551)	-	(6,840)	(12,759)
December 31	$ 112,410	$ 29,931	$ 5,739	$ 2,553	$ 55,455	$ 206,088
December 31						
Cost	$ 234,798	$ 60,483	$ 77,189	$ 2,553	$ 94,053	$ 469,076
Accumulated amortization	(60,416)	(30,552)	(71,450)	-	(27,358)	(189,776)
Accumulated impairment	(61,972)	-	-	-	(11,240)	(73,212)
	$ 112,410	$ 29,931	$ 5,739	$ 2,553	$ 55,455	$ 206,088

1. Details of amortization of intangible assets are as follows:

	2024	2023
Operation cost	$ 6,374	$ 8,124
Operating expenses	4,167	4,635
	$ 10,541	$ 12,759

2. The Subsidiary owns the mine operation rights at Yilan Lankan Mine (Tai-Ji-Cai-Zi No. 5569 Mine Operation Right) and Hualien Huahsin Mine (Tai-Ji-Cai-Zi No. 5345 Marble Mine Operation Right) which will expire on June 18, 2032 and July 1, 2025, respectively. At present, the limestone quarrying in the original mining area has nearly been exhausted and an application has been made to the Bureau of Mines, Ministry of Economic Affairs, in accordance with Article 43 of the Mining Act for an extension of the mining area within the original mine operation rights (Expansion).

   On September 15, 2020, the above-mentioned application for the Yilan Lankan Mine Expansion received the Administrative Disposition Jin Shou Wu Zi No. 10920107100 from the Ministry of Economic Affairs, which stated, “Because the public land authority (i.e. the Luodong District Office of the Forestry Bureau of the Council of Agriculture, Executive Yuan) has indicated that the approval of mineral land is denied because it does not meet the requirements of No. 13 of the Regulations for Conservation Forest Managements; therefore, the application is rejected in accordance with Article 43 of the Mining Act.” The Subsidiary filed a petition in accordance with the law on October 6, 2020 due to dissatisfaction with the administrative sanction imposed by the authority; however, the petition was rejected by the Executive Yuan, referencing Yuan-Tai-Su-Zi No. 1100178798 dated July 8, 2021. The material changes from the adverse impact on the Company’s assets due to administrative authorities’ fact determination and application of laws had led to signs of impairment of the Company’s assets in accordance with the IAS 36. The property, plants, and equipment of NT$66,151 and intangible assets of NT$73,212 related to the Yilan Lankan Mine, totaling NT$139,363, were recognized in impairment losses in June 2021.

   However, to ensure the equity and efficiency of the Company's assets, if the mining land for mining sources legally held can be expanded and continued to be mined, it will make a reasonable contribution to the Company's future profits. The Yilan Lankan Stone Mine expansion case was filed with The High Administrative Court on September 9, 2021, but the administrative lawsuit was dismissed on February 29, 2024 by the Taipei High Administrative Court judgment year 2021 Su-Zi No. 1062. The subsidiary has already make a provision for impairment loss. Hence, there is no material impact on the subsidiary’s finance or business of the judgment results, and an appeal has been filed to the Supreme Administrative Court in March 2024, and the litigation is ongoing.

   The mining and transportation method for the Hualien Huahsin Mine expansion application was to borrow another entity’s road. However, because the consent to pass through the adjacent mines was not obtained, the Subsidiary took the initiative to withdraw the application and will file another application after re-planning. As of March 12, 2025, the relevant planning is still in progress and the application procedure has not yet been completed.

3. The Group did not pledge intangible assets to others as collateral.

(XI) Short-term borrowings

Nature of loan	December 31, 2024	December 31, 2023
Bank loans		
Credit loan	$ 1,200,000	$ 750,000
Interest rate interval	1.90%~1.95%	1.78%~1.83%

In addition to the collateral provided for the short-term borrowings as described in Note 8, the Group also issued the guarantee notes of the amount as follows:

	December 31, 2024	December 31, 2023
Guarantee notes	$ 8,310,000	$ 7,510,000

(XII) Short-term notes and bills payable

	December 31, 2024	December 31, 2023
Commercial papers payable	$ 410,000	$ 370,000
Less: Unamortized discount	(178)	(68)
	$ 409,822	$ 369,932
Interest rate interval	1.62%~1.82%	1.32%~1.61%

The guaranteed bills for the short-term notes and bills quota issued by the Group are as follows:

	December 31, 2024	December 31, 2023
Guarantee notes	$ 1,520,000	$ 1,380,000

(XIII) Other payables

	December 31, 2024	December 31, 2023
Salary and wages payable	$ 781,158	$ 656,898
Electricity bill payable	39,605	30,230
Payables on equipment	24,684	13,065
Commodity tax payable	16,353	16,854
Business tax payable	4,080	67,622
Other charges payable	95,129	78,400
	$ 961,009	$ 863,069

(XIV) Long-term borrowings

Nature of loan	Loan period and means of repayment	Interest rate interval	Guarantee	December 31, 2024
Long-term bank loan				
Secured loan	From September 1, 2024 to November 1, 2027, monthly payment of interest, re-payment on maturity.	1.865% - 1.90%	Note	$ 2,480,000
Credit loan	From January 23, 2024 to October 31, 2026, monthly payment of interest, re-payment on maturity.	1.95% - 2.096%	Note	950,000
				$ 3,430,000

Nature of loan	Loan period and means of repayment	Interest rate interval	Guarantee	December 31, 2023
Long-term bank loan				
Secured loan	From September 1, 2023 to August 31, 2025, monthly payment of interest, re-payment on maturity.	1.75%	Note	$ 1,600,000
Credit loan	From February 22, 2023 to July 24, 2026, with interest paid monthly, repayable in accordance with the contractual period	1.78% - 2.02%	Note	2,700,000
				4,300,000
Less: Long-term borrowings due within one year or one operating cycle				(75,000)
				$ 4,225,000

Note: In addition to the collateral provided for the long-term borrowings as described in Note 8, the Group also issued the guarantee notes of the amount as follows:

	December 31, 2024	December 31, 2023
Guarantee notes	$ 6,401,000	$ 6,444,480

In November 2024, subsidiary-Ruentai Precision Industry Co., Ltd. signed a credit contract with Bank Sinopac with the credit line for the operating turnover and investment needs of the Group. Loan 1 is a mid-term loan, with a credit period from November 2024 to October 2026. Loan 2 is a short-term loan, with a credit period from November 2024 to October 2025. The total credit extension amount of Loan 1 and Loan 2 is NT$400,000. Loan 3 is a mid-term loan and the credit period is from November 2024 to October 2027, at the credit extension amount of NT$780,000. The collateral is the stock of the consolidated company's investment under the equity method, and the shares can be set up within three months after the first drawdown. The pledge of the shares have been completed in January 2025. As of December 31, 2024, the total amount of mid-term loans amount drawn is NT$1,180,000.

The main commitments are as follows:

The following financial ratios shall be maintained during the credit period of this loan contract, and shall be reviewed once every six months. If not met, the interest rate is increased by 0.25%:

a. Current ratio shall not be less than 60%.

a. Debt-to-equity ratio shall not be higher than 400%.

The financial ratios referred to above are calculated based on the consolidated financial statements that have been audited or reviewed by the CPAs.

Details of the loan credit not yet drawn down by the Group are as follows:

	December 31, 2024	December 31, 2023
Due within one year	$ 6,066,667	$ 5,468,525
Due longer than one year	2,026,585	1,167,185
	$ 8,093,252	$ 6,635,710

(XV) Other non-current liabilities

	December 31, 2024	December 31, 2023
Accrued pension liabilities	$ 68,773	$ 95,459
Warranty provision	161,988	142,770
Guarantee deposits received	41,954	26,007
Advance rent receipts of more than one year	14,124	11,302
	$ 286,839	$ 275,538

(XVI) Pension

1.(1) .By adhering to the requirements set forth in the Labor Standards Act, the with the consolidated company has established its own defined retirement benefits plan, which is applicable both to the service years of all regular employees rendered before the enforcement of the Labor Pension Act on July 1, 2005, and to the service years of all employees who selected to continue applying the Labor Standards Act after the implementation of the Labor Pension Act, and it is also applicable to foreign mid-level skilled workers employed. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Group contributes an amount equal to 2% of the employees' monthly salaries and wages each month to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. In addition, the Group assesses the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, the Group will make contributions to employees expected to be qualified for retirement next year to cover the deficit by next March.

(2) The amounts recognized in the balance sheet are determined as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligation	($ 204,615)	($ 219,704)
Fair value of plan assets	135,842	124,245
Defined benefit liability (listed as “non-current liabilities”)	($ 68,773)	($ 95,459)

(3) Movements in net defined benefit liabilities are as follows:

	2024		
	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
Balance, January 1	($ 219,704)	$ 124,245	($ 95,459)
Service costs in current period	(571)	-	(571)
Interest (expense) revenue	(2,451)	1,366	(1,085)
	(222,726)	125,611	(97,115)
Remeasurement:			
Return on plan assets (Other than the amount included in interest revenue or expense)	-	11,472	11,472
Effects of changes in economic assumptions	5,359	-	5,359
Experience adjustments	8,360	-	8,360
	13,719	11,472	25,191
Contribution to pension fund	-	3,151	3,151
Payment of pension benefits	4,392	(4,392)	-
Balance, December 31	($ 204,615)	$ 135,842	($ 68,773)

	2023		
	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
Balance, January 1	($ 232,892)	$ 125,614	($ 107,278)
Service costs in current period	(667)	-	(667)
Interest (expense) revenue	(2,628)	1,349	(1,279)
	(236,187)	126,963	(109,224)
Remeasurement:			
Return on plan assets (Other than the amount included in interest revenue or expense)	-	1,307	1,307
Effects of changes in economic assumptions	(834)	-	(834)
Experience adjustments	9,783	-	9,783
	8,949	1,307	10,256
Contribution to pension fund	-	3,500	3,500
Payment of pension benefits	7,534	(7,525)	9
Balance, December 31	($ 219,704)	$ 124,245	($ 95,459)

(4) The Bank of Taiwan was commissioned to manage the Fund of the Company’s and domestic subsidiaries’ defined benefit pension plan in accordance with the Fund’s annual investment and utilization plan and the “Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund” (Article 6:

The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings are less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Group has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 Paragraph 142. The composition of fair value of plan Assets as of December 31, 2024 and 2023 is given in the Annual Labor Retirement Fund Utilization Report announced by the government.

(5) The principal actuarial assumptions used were as follows:

	2024	2023
Discount rate	1.55%~1.60%	1.15%~1.20%
Future salary increase in percent	3.00%	3.00%

The future mortality rates in 2024 and 2023 were both estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increase in percent	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2024				
Effects on the present value of a defined benefit obligation	($ 3,239)	$ 3,323	$ 3,267	($ 3,202)
December 31, 2023				
Effects on the present value of a defined benefit obligation	($ 3,743)	$ 3,846	$ 3,768	($ 3,685)

The sensitivity analysis above is based on other conditions that are unchanged but only one assumption is changed. In practice, more than one assumption may change all at once. The method of analyzing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The method and assumptions used for the preparation of sensitivity analysis the current period are the same as the ones of the previous period.

(6) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2025 amount to NT$3,058.

(7) As of December 31, 2024, the weighted average duration of that retirement plan is 6~7 years. The analysis of timing of the future pension payment was as follows:

Less than 1 year	$	8,655
1-2 years		12,978
2-5 years		78,937
More than 5 years		125,314
	$	225,884

(8) The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2024 and 2023 were $1,671 and $1,946 respectively.

2.(1) Effective July 1, 2005, the Group has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(2) The pension costs under the defined contribution pension plans of the Group for 2024 and 2023 were $59,754 and $57,627 respectively.

(XVII) Share-based payment

1. As of December 31, 2024, the share-based payment agreement of sub-subsidiary Ruentex Interior Design is as follows:

Type of agreement	Grant date	Quantity granted	Contract period	Vesting conditions
Shares retained from cash capital increase for employee subscription	May 7, 2024	225,000	NA	Immediate vesting

In the above-mentioned share-based payment agreement, the settlement is based on equity.

2. Details of the above share-based payment agreement are as follows:

	2024		
	Subscription quantity (shares)	Strike price (NT$)	
Outstanding stock options on January 1	-	$	-
Stock options granted in this period	225,000		165
Stock options exercised in this period	(225,000)		165
Outstanding stock options on December 31	-		-

3. For Ruentex Design's share-based payment transaction on the grant date, the Black-Scholes model was adopted to estimate the fair value of the stock options. The relevant information is as follows:

Type of agreement	Grant date	Fair value per share of options (NT$)	Expected price volatility	Expected duration (years)	Expected dividend rate	Strike price (NT$)	Risk-free rate	Fair value per share (NT$)
Shares retained from cash capital increase for employee subscription	May 7, 2024	$ 171.73	34.43%	0.02	0.00%	$ 165	1.22%	$ 7.7106

4. Share-based payments for the expenses generated by transactions are as follows:

	2024
Equity settled	$ 1,735

(XVIII) Capital

1. The Company's outstanding shares as of December 31, 2024 and 2023 are 258,930 thousand shares and 184,950 thousand shares.
2. As of December 31, 2024, the Company's authorized capital was NT$3,000,000, and the paid-in capital was NT$2,589,300 with 258,930 thousand shares and a par value of NT$10 per share. All proceeds from shares issued have been collected.

   Movements in the number of the Company's ordinary shares outstanding (in thousand shares) are as follows:

	2024	2023
January 1	184,950	184,950
Capital increase by retained earnings	73,980	-
December 31	258,930	184,950

3. The Company's shareholders' meeting reached the resolution threshold through electronic voting on May 16, 2024 to conduct capitalization of the undistributed earnings of NT$739,800 by issuing new shares. It was reported to and approved by the competent authority on July 11, 2024. The ex-rights record date was August 20, 2024, and the registration of the change was completed on September 12, 2024.

(XIX) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(XX) Retained earnings

1. Under the Articles of Incorporation of the company, the earnings, if any, shall be distributed after close of the year as follows:

   (1) Appropriate amounts to pay income tax in priority.

   (2) Make up loss accumulated in previous year, if any.

   (3) Amortize 10% as legal reserve unless the accumulated legal reserve is up to the total paid-in capital of the Company.

   (4) Amortize or rotate special reserve as required by law or the competent authority.

   (5) For the balance after deduction of the sums under Paragraphs (1)-(4), the Board of Directors shall propose the allocation to be duly allocated after being submitted and resolved in the shareholders' meeting.

2. The Company sets its dividend policy pursuant to the Company Act and the Company's Articles of Incorporation, taking into account the Company's capital and financial structure, conditions of business operation, earnings, the attributes of industries and cycles concerned. The Company pays dividends by means of either stock dividend or cash dividends. However, dividends to shareholders shall be paid in the amount of no less than 50% of the balance of the net profit after tax for the year deducting the provision for legal reserve and various special reserves, within the balance of the distributable earnings for the current year. For cash dividends, the ratio of cash dividend shall not be less than 30% of the total dividends for the year.

3. Except for covering accumulated deficit or issuing new stocks or cash to shareholder in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

4.(1) The 2023 earnings distribution proposal was passed by the shareholders' meeting on May 16, 2024 and the 2022 earnings distribution proposal was approved by the shareholders' meeting on May 31, 2023 as follows:

	2023		2022	
	Amount	Dividend per share (NT$)	Amount	Dividend per share (NT$)
Legal reserve	$ 191,083		$ 206,789	
Cash dividends	998,730	$ 5.40	1,849,500	$ 10.00
Stock dividends	739,800	4.00	-	-
Total	$ 1,929,613		$ 2,056,289	

(2) For the aforementioned shareholders' meeting resolution on the appropriation of earnings, please refer to the "Market Observation Post System" of the Taiwan Stock Exchange.

5. The Company's earning distribution plan for 2024 approved by the board of directors' meeting on March 12, 2025 is as follows:

	2024	
	Amount	Dividend per share (NT$)
Legal reserve	$ 279,366	
Cash dividends	1,993,761	$ 7.70
Stock dividends	517,860	2.00
Total	$ 2,790,987	

(XXI) Other equity items

	Unrealized valuation profit or loss	
	2024	2023
January 1	$ 1,166,513	$ 1,291,123
Valuation - Total amount of the Group	474,652	(124,676)
Valuation - Tax amount of the Group	(557)	66
December 31	$ 1,640,608	$ 1,166,513

(XXII) Operating revenue

	2024	2023
Revenue from contracts with customers:		
Revenue from construction contracts	$ 21,747,224	$ 18,668,335
Revenue from sales of goods	4,384,753	3,716,526
Revenue from contract for service	4,807	6,898
Other revenue from contracts	100,029	110,767
	$ 26,236,813	$ 22,502,526

1. Detail of customer contract income

The Group's revenue is mainly from the transfer of products and services over time or at a point of time, and it can be divided based on product lines and regions as follows:

	Taiwan			
2024	Construction business	Building materials business	Design of interior decoration	Total
Departmental revenue	$ 19,846,375	$ 4,673,931	$ 2,005,109	$ 26,525,415
Revenue from internal department transactions	(64,393)	(174,036)	(50,173)	(288,602)
Revenue from contracts with external customers	$ 19,781,982	$ 4,499,895	$ 1,954,936	$ 26,236,813

Timing of revenue recognition				
Revenue recognized at a point in time	$ -	$ 4,344,149	$ 40,604	$ 4,384,753
Revenue recognized over time	19,781,982	155,746	1,914,332	21,852,060
	$ 19,781,982	$ 4,499,895	$ 1,954,936	$ 26,236,813

	Taiwan			
2023	Construction business	Building materials business	Design of interior decoration	Total
Departmental revenue	$ 17,213,177	$ 3,988,002	$ 1,521,800	$ 22,722,979
Revenue from internal department transactions	(59,485)	(160,682)	(286)	(220,453)
Revenue from contracts with external customers	$ 17,153,692	$ 3,827,320	$ 1,521,514	$ 22,502,526
Timing of revenue recognition				
Revenue recognized at a point in time	$ -	$ 3,683,992	$ 32,534	$ 3,716,526
Revenue recognized over time	17,153,692	143,328	1,488,980	18,786,000
	$ 17,153,692	$ 3,827,320	$ 1,521,514	$ 22,502,526

2. Outstanding construction contracts

As of December 31, 2024 and 2023 for the signed construction contracts, the aggregated amounts of the transaction amount allocated to the unsatisfied contract performance, and the estimated recognition years are as the following:

Year	Year of the estimated recognized revenues	Amounts of the signed contracts
2024	2025 ~ 2030	$ 46,719,631
2023	2024 ~ 2027	$ 34,698,766

3. Contract assets and contract liabilities

The Group's recognition of contract assets and contract liabilities related to contracts with customers is as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
Contract asset:			
Contract asset - Construction retainage	$ 2,434,865	$ 2,303,767	$ 1,820,327
Contract asset - Construction contract	3,149,159	2,616,897	3,761,383
Total	$ 5,584,024	$ 4,920,664	$ 5,581,710
Contract liability:			
Contract liability - Construction contract	$ 1,890,804	$ 2,180,545	$ 994,435
Contract liability - Sales contract for goods	32,533	23,527	18,079
Total	$ 1,923,337	$ 2,204,072	$ 1,012,514

4. Contract assets and contract liabilities related to aforementioned contracts recognized as of December 31, 2024 and 2023, and as of January 1, 2023:

	December 31, 2024	December 31, 2023	January 1, 2023
Total costs incurred plus profits recognized (less losses recognized)	$ 48,046,191	$ 42,197,162	$ 35,728,397
Less: Amount requested for progress of works	(46,787,836)	(41,760,810)	(32,961,449)
Status of net assets (liabilities) of ongoing contracts	$ 1,258,355	$ 436,352	$ 2,766,948
Listed as:			
Contract asset - Construction contract	$ 3,149,159	$ 2,616,897	$ 3,761,383
Contract liability - Construction contract	(1,890,804)	(2,180,545)	(994,435)
	$ 1,258,355	$ 436,352	$ 2,766,948

(XXIII) Operation cost

	2024	2023
Cost of construction contract	$ 17,493,865	$ 15,541,365
Cost of sales of goods	4,072,192	3,490,374
Cost of contract for service	855	856
Other costs from contracts	6,234	7,153
	$ 21,573,146	$ 19,039,748

(XXIV) Interest income

	2024	2023
Interest income from the financial assets measured at amortized costs	$ 18,162	$ 18,069
Interest on cash in banks	15,564	11,041
Other interest income	11,067	230
	$ 44,793	$ 29,340

(XXV) Other income

	2024	2023
Dividend income	$ 166,804	$ 122,213
Rent income	3,510	2,608
Gains on write-off of accounts payable past due	4,305	13,970
Other income - others	18,196	8,876
	$ 192,815	$ 147,667

(XXVI) Other gains and losses

	2024	2023
Gain (loss) on foreign currency valuation	$ 88	($ 49)
Net foreign exchange loss	-	(1,704)
Gain (loss) on disposal of property, plant and equipment	(112)	43
Other Losses	(1,132)	(1,607)
	($ 1,156)	($ 3,317)

(XXVII) Financial costs

	2024	2023
Interest expense:		
Bank loans	$ 82,611	$ 103,166
Interest expenses of lease liabilities	15,111	15,001
	$ 97,722	$ 118,167

(XXVIII) Additional information of expenses by nature

	2024	2023
Raw materials purchased and contract work for current period (including inventory change)	$ 18,305,605	$ 16,237,592
Employee benefit expense	2,237,232	2,019,150
Freight expense	433,334	328,406
Utilities bill	392,459	318,471
Depreciation expenses for property, plant and equipment	334,708	308,561
Commodity tax	163,475	170,230
Repairs and maintenance expense	162,649	117,897
Rent expense	123,476	120,607
Depreciation expenses for right-of-use assets	121,301	103,149
Amortization and depreciation expenses of intangible assets	10,541	12,759
Expected credit impairment loss	3,330	3,688
Other expense	400,362	307,892
Operating costs and expenses	$ 22,688,472	$ 20,048,402

(XXIX) Employee benefit expense

	2024	2023
Wages and salaries	$ 1,927,872	$ 1,729,575
Labor and Health Insurance costs	132,983	129,386
Pension expense	61,425	59,573
Remuneration of directors	10,019	9,759
Compensation cost of employee stock options	1,735	-
Other employment fees	103,198	90,857
	$ 2,237,232	$ 2,019,150

1. According to the Articles of Incorporation, the Company shall appropriate 1% of the remainder of the profit for the year as profit sharing remuneration for employees after deducting the accumulated losses from the profit for the current year.
2. For the years ended December 31, 2024 and 2023, employees' compensation was accrued at $34,373 and $23,535, respectively. The aforementioned amounts were recognized in salary expenses.

   The 2024 profit situation as of the end of the current period is estimated based on at least 1%. The employees' compensation resolved by the Board of Directors was NT$34,373, which will be distributed in the form of cash.

   Employees' compensation of 2023 as resolved by the Board of Directors was consistent with the amount recognized in the 2023 financial statements. The 2023 employees' compensation was distributed in the form of cash.

Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the board of directors and the shareholders at the shareholders' meeting will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(XXX) Income tax

1. Income tax expense

(1) Components of Income tax expense:

	2024	2023
Current income tax:		
Income tax from the taxable income of the current period	$ 707,537	$ 475,654
Extra imposed on undistributed earnings	-	580
Overestimation on income tax for prior years	(313)	(4,128)
Total income tax for current period	707,224	472,106
Deferred income tax:		
Origination and reversal of temporary differences	(4,545)	(900)
Tax loss	50	416
Total deferred income tax	(4,495)	(484)
Income tax expenses	$ 702,729	$ 471,622

(2) Income tax expense relating to components of other comprehensive income:

	2024	2023
Financial assets at fair value through other comprehensive income - fair value change	($ 1,963)	$ 191
Remeasurements of defined benefit obligation	(5,038)	(2,051)
Total	($ 7,001)	($ 1,860)

2. The making of any adjustment for differences between the accounting income and taxable income:

	2024	2023
Imputed income taxes on pre-tax income at a statutory tax rate	$ 739,937	$ 501,930
Expenses to be excluded as stipulated in the tax law	335	1,305
Income with exemption from tax as stipulated in the tax law	(35,882)	(24,443)
Overestimation on income tax for prior years	(313)	(4,128)
Temporary differences on unrealized deferred income tax assets	-	(541)
Income tax effects of investment tax credits	(1,348)	(3,081)
Extra imposed on undistributed earnings	-	580
Income tax expenses	$ 702,729	$ 471,622

3. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax loss (loss carryforwards) are as follows:

	2024			
	January 1	Recognized in profit or loss	Recognized in other comprehensive net income	December 31
Deferred income tax assets:				
- Temporary differences:				
Loss on market value decline of inventory	$ 606	$ 335	$ -	$ 941
Actuarial gains and losses of pension	13,958	(299)	(5,038)	8,621
Warranty provision	28,178	4,039	-	32,217
Unrealized gains or losses	10,479	(221)	-	10,258
Valuation income and loss	44,299	-	-	44,299
Unrealized sales discounts	3,105	1,635	-	4,740
Unrealized impairment loss	25,192	(926)	-	24,266
- Tax losses (loss carryforwards)	54	(50)	-	4
Subtotal	125,871	4,513	(5,038)	125,346

Deferred income tax liability:				
- Temporary differences:				
Unrealized gain on financial instruments	(3,416)	-	(1,963)	(5,379)
Unrealized foreign exchange gains	(20)	(18)	-	(38)
Capital surplus	(13,939)	-	-	(13,939)
Subtotal	(17,375)	(18)	(1,963)	(19,356)
Total	$ 108,496	$ 4,495	($ 7,001)	$ 105,990

	2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive net income	December 31
Deferred income tax assets:				
- Temporary differences:				
Loss on market value decline of inventory	$ 393	$ 213	$ -	$ 606
Actuarial gains and losses of pension	16,322	(313)	(2,051)	13,958
Warranty provision	26,924	1,254	-	28,178
Unrealized gains or losses	10,700	(221)	-	10,479
Valuation income and loss	44,299	-	-	44,299
Unrealized sales discounts	2,157	948	-	3,105
Unrealized impairment loss	26,184	(992)	-	25,192
- Tax losses (loss carryforwards)	470	(416)	-	54
Subtotal	127,449	473	(2,051)	125,871
Deferred income tax liability:				
- Temporary differences:				
Unrealized gain on financial instruments	(3,607)	-	191	(3,416)
Unrealized foreign exchange gains	(31)	11	-	(20)
Capital surplus	(13,939)	-	-	(13,939)
Subtotal	(17,577)	11	191	(17,375)
Total	$ 109,872	$ 484	($ 1,860)	$ 108,496

4. Expiration dates of loss carryforwards unused by the Group and amounts of unrecognized deferred tax assets are as follows:

December 31, 2024				
Year of occurrence	Declared/Verified	Amount not deducted	Non-recognized amount of deferred income tax assets	The final year in which the tax deduction is applied
2021	$ 3,988	$ 21	$ -	2031

December 31, 2023				
Year of occurrence	Declared/Verified	Amount not deducted	Non-recognized amount of deferred income tax assets	The final year in which the tax deduction is applied
2021	$ 3,988	$ 269	$ -	2031

5. The Company's income tax returns through 2022 have been assessed as approved by the Tax Authority.

(XXXI) Transactions with non-controlling interests

For the cash capitalization of a sub-subsidiary, the Group has not subscribed according to shareholding percentage.

The Group's sub-subsidiary, Ruentex Interior Design, conducted capital increase in cash by issuing new shares on May 17, 2024. The Group did not subscribe in proportion to the shareholding, which resulted in a decrease in the combined shareholding of Ruentex Interior Design from 34.12% to 30.70%. Please refer to Note 4(3) for details.

The effects of changes in the sub-subsidiary Ruentex Interior Design's equity in 2024 on the equity attributable to the owners of parent are as follows:

	2024
Cash	$ 278,226
Share-based payment	1,735
Increase in the carrying amount of non-controlling interests	(213,168)
Capital surplus - changes in the ownership interests of subsidiaries as recognized	$ 66,793

(XXXII) Earnings per share

	2024		
	After-tax amount	Retroactively adjusted number of shares outstanding (thousand shares)	Earnings per share (NT$)
Basic earnings per share			
Net income attributable to ordinary shareholders of the parent	$ 2,774,232	258,930	$ 10.71
Diluted earnings per share			
Net income attributable to ordinary shareholders of the parent	$ 2,774,232	258,930	
Impact of potential diluted common shares			
Remuneration to employee	-	263	
Effects of the net income attributable to ordinary shareholders of the parent plus potential ordinary shares	$ 2,774,232	259,193	$ 10.70

	2023		
	After-tax amount	Retroactively adjusted number of shares outstanding (thousand shares)	Earnings per share (NT$)
Basic earnings per share			
Net income attributable to ordinary shareholders of the parent	$ 1,902,201	258,930	$ 7.35
Diluted earnings per share			
Net income attributable to ordinary shareholders of the parent	$ 1,902,201	258,930	
Impact of potential diluted common shares			
Remuneration to employee	-	245	
Effects of the net income attributable to ordinary shareholders of the parent plus potential ordinary shares	$ 1,902,201	259,175	$ 7.34

The above retroactive adjustments to the number of shares outstanding have been retroactively adjusted in proportion to the capitalization of retained earnings in 2024.

(XXXIII) Cash flow supplementary information

1. Investing activities not affecting cash flow:

	2024		2023	
Prepayments for business facilities reclassified to property, plant and equipment	$	25,470	$	54,421
Prepayments for business facilities reclassified to intangible assets	$	650	$	-
Prepaid equipment transferred to R&D expenses	$	-	$	1,087

2. Investing activities paid partially by cash:

	2024		2023	
Acquisition of property, plant and equipment	$	364,537	$	432,035
Add: Other payables at the beginning of the period		13,065		31,937
Less: Other payables at the end of the period	(	24,684)	(	13,065)
Cash payments for current period	$	352,918	$	450,907

3. Operating and financing activities with no cash flow effects:

	2024		2023	
Guarantee deposits received transferred to contract liabilities	$	-	$	88,274

(XXXIV) Changes of liabilities from financing activities

	2024					
	Short-term borrowings	Short-term bills payable	Long-term borrowings (including due within one year or one operating cycle)	Lease liabilities (including those due within 1 year)	Guarantee deposits received	Total liabilities from financing activities
January 1	$ 750,000	$ 369,932	$4,300,000	$ 972,354	$ 26,007	$ 6,418,293
Changes in cash flow from financing activities	450,000	40,000	(870,000)	(118,690)	15,947	(482,743)
Newly added lease contracts	-	-	-	83,757	-	83,757

Lease contract modifications	-	-	-	65,093	-	65,093
Revaluation of lease liabilities	-	-	-	9,846	-	9,846
Other non-monetary changes	-	(110)	-	-	-	(110)
December 31	$ 1,200,000	$ 409,822	$3,430,000	$ 1,012,360	$ 41,954	$ 6,094,136

	2023					
	Short-term borrowings	Short-term bills payable	Long-term borrowings (including due within one year or one operating cycle)	Lease liabilities (including those due within 1 year)	Guarantee deposits received	Total liabilities from financing activities
January 1	$3,239,000	$884,342	$ 2,550,000	$985,690	$107,915	$ 7,766,947
Changes in cash flow from financing activities	(2,489,000)	(515,000)	1,750,000	(97,236)	6,366	(1,344,870)
Newly added lease contracts	-	-	-	21,465	-	21,465
Lease contract modifications	-	-	-	62,435	-	62,435
Other non-cash changes	-	590	-	-	(88,274)	(87,684)
December 31	$ 750,000	$369,932	$ 4,300,000	$972,354	$ 26,007	$ 6,418,293

VII. Related party transactions

(I) Names of related parties and relationship

Names of related parties	Relation to the Group
Ruentex Development Co., Ltd. (Ruentex Development)	Parent company
Ruentex Innovative Development Co., Ltd. (Ruentex Innovative Development)	Fellow subsidiary
Ruentex Baiyi Co., Ltd.	Fellow subsidiary
Ruentex Xu-Zhan Development Co., Ltd.	Fellow subsidiary
Ruentex Property Management and Maintenance Co., Ltd.	Fellow subsidiary
Ruen Fu Newlife Corp.	Fellow subsidiary
Ruentex Construction International Co., Ltd.	Fellow subsidiary
Ruentex Security Co., Ltd.	Fellow subsidiary
Ruentex Industries Ltd. (Ruentex Industries)	Other related parties (an investee recognized under the equity method by the parent company)

Ruentex Construction & Engineering Co., Ltd.	Other related party (the Group’s management personnel is the representative of the juridical person director of the company)
Ruentex Xing Co. Ltd.	Other related party (the Group’s corporate director representative acts as a director of the company)
Huei Hong Investment Co., Ltd.	Other related party (the Group’s corporate director representative acts as a director of the company)
Yin Shu Tien Medical Foundation	Other related party (corporate director of the parent company's associate)
Nan Shan Life Insurance Co., Ltd. (Nan Shan Life Insurance)	Other related party (an investee recognized under the equity method by the parent company)
Nan Shan General Insurance Co., Ltd.	Other related party (a subsidiary of an investee recognized under the equity method by the parent subsidiary of company)
Shing Yen Construction & Development Co., Ltd.	Other related party (an investee recognized under the equity method by the parent company)
Ruen Hua Dyeing & Weaving Co., Ltd.	Other related party (the Group’s management personnel is the representative of the juridical person director of the company)
Yi Tai Investment Co., Ltd.	Other related party (the Group’s management personnel is the representative of the juridical person director of the company)
Sunny Friend Environmental Technology Co., Ltd.	Other related party (an investee recognized under the equity method by the parent company)
OBI Pharma, Inc.	Other related party (the Group’s substantial related party)
Chang Quan Investment Co., Ltd.	Other related party (The Group’s representative of the juridical person director is the representative of the juridical person director of the company)
Penglin Investment Co., Ltd.	Other related party (the Group’s corporate director representative acts as a director of the company)
Teh Hsin Enterprise Co., Ltd. (Teh Hsin)(Note 1)	Associate (an investee accounted for under the equity method by with the Group)
Teh Shi Co., Ltd.	Other related party (the chairman of the associate accounted for under the equity method of the Group is a corporate director representative of the company)
Samuel Yen-Liang Yin	Other related party (the relative within the first degree of kinship of the representative of the juridical corporate director of the Group)
Lee, Chih-Hung	Key management personnel (Chairman of the Company and President of the parent company)

Mo, Wei-Han	Key management personnel (President of the Company and Chairman of the subsidiary)
Chen, Hsueh-Hsien (Note 2)	Key management personnel (President of the subsidiary)
Chien, Tsang-Tsun	Key management personnel (Chairperson of the parent company and sub-subsidiary)
Lu, Yu-Huang	Key management personnel (President of the sub-subsidiary)

Note 1: The Group acquired 35% of the shares of Teh Hsin on November 15, 2024, becoming an associate of the Group, and the transactions between the Group and Teh Hsin have been disclosed since that date. Please refer to Note 6(7) for details.

Note 2: Chen, Hsueh-Hsien resigned as the President on March 12, 2025. The subsidiary, Ruentai Precision Industry Co., Ltd., through resolution of the Board of Directors, has appointed Lin, I-Chieh as the new President.

(II) Significant related party transactions and balances

1. Operating revenue

	2024	2023
Contract of construction:		
- Ruentex Development	$ 4,488,208	$ 4,028,230
- Fellow subsidiary	797,782	1,675,587
- Other related party	170,595	239,618
Sales of goods:		
- Parent	71,965	64,743
- Fellow subsidiary	255	3,540
- Other related party	12,006	8,371
- Associates	55	-
Total	$ 5,540,866	$ 6,020,089

The contract price of the contract of construction and sales of goods are negotiated by both parties and are collected by the due date as stated in the contract.

2. Purchase of goods

	2024	2023
Fellow subsidiary	$ -	$ 8
Other related party	5,578	4,996
Associate	18,465	-
	$ 24,043	$ 5,004

(1) The Group's purchase price from the aforementioned related parties is determined through negotiation by both parties. The payment of the purchases shall be processed according to the payment terms in the contract.

(2) Regarding the procurement contracts signed by the Group and related parties, the unfinished procurement contracts and the payment amounts were as follows:

	December 31, 2024		December 31, 2023	
	Total contract amount (tax excluded)	Amount paid	Total contract amount (tax excluded)	Amount paid
Fellow subsidiary	$ -	$ -	$ 1,445	$ 1,435
Associate	757,059	611,767	-	-
	$ 757,059	$ 611,767	$ 1,445	$ 1,435

3. Receivables from related parties

	December 31, 2024	December 31, 2023
Notes receivable:		
- Ruentex Development	$ 158,553	$ 27,124
- Fellow subsidiary	15,841	28,433
- Other related party	979	-
	$ 175,373	$ 55,557
Accounts receivable:		
- Ruentex Development	$ 333,934	$ 447,973
- Fellow subsidiary	59,596	266,156
- Other related party	3,630	34,907
- Associates	57	-
	$ 397,217	$ 749,036
Other receivables (Note 1):		
- Nan Shan Life Insurance	$ 9,037	$ 9,038
- Other related party	534	481
	$ 9,571	$ 9,519
Contract assets (Note 2):		
- Ruentex Development	$ 528,542	$ 497,688
- Fellow subsidiary	120,622	178,229
- Other related party	8,774	14,699
	$ 657,938	$ 690,616

Note 1: Mainly related to interest receivable and other receivables due to secondment of personnel and payment on behalf of others.

Note 2: mainly the retention money related to construction contracts.

4. Incomplete work of construction contracting and advance construction receipts

	December 31, 2024	
	Total contract amount (tax excluded)	Amount requested for progress of works
Ruentex Innovation	$ 32,533,992	$ 10,963,422
Ruentex Development	4,124,111	3,931,432
Other related party	368,876	337,330
	$ 37,026,979	$ 15,232,184

	December 31, 2023	
	Total contract amount (tax excluded)	Amount requested for progress of works
Ruentex Innovation	$ 19,731,148	$ 10,373,028
Ruentex Development	3,889,964	3,150,490
Fellow subsidiary	491,290	383,946
Other related party	423,721	305,661
	$ 24,536,123	$ 14,213,125

5. Interest revenue

	2024	2023
Financial assets measured at amortized cost		
Interest revenue:		
- Nan Shan Life Insurance	$ 17,500	$ 17,500

6. Property transactions

Acquisition of financial Assets

Please refer to the description of Note 6(5)4.

7. Lease transactions - lessees/rent expenses

(1) The Group leases land from Ruentex Industries, and the lease agreement with Ruentex Industries covers the period from June 2022 to May 2040. In addition, the right-of-use assets and lease liabilities of $342,534 are recognized. The lease contracts are negotiated individually, with different terms and conditions. The leased assets are neither to be used as collaterals for loans, nor the rights to be transferred to others in the form of business transfer or merge, among other forms.

(2) The Group signed a land lease contract with Ruentai Global in June 2020. The lease contract period was until May 2040. Subsequently, the Group completed the delivery of some of the underlying points in September 2022 and December 2024, and recognized the right-of-use assets and lease liabilities as a total of NT$506,812 and NT$59,326, respectively. According to the terms and conditions of lease contracts, the leased assets are neither to be used as collaterals for loans, nor the rights to be transferred to others in the form of business transfer or merge, among other forms.

(3) Rent expenses of short-term lease contracts

	2024	2023
Fellow subsidiary	$ 2,057	$ 343
Other related parties	47,520	43,047
	$ 49,577	$ 43,390

(4) Lease liabilities

A. Balance at the end of the period

Other related parties

	December 31, 2024	December 31, 2023
Total amount of lease liabilities (Note)	$ 928,485	$ 851,787
Less: Due within one year (listed as "Lease liabilities - current")	(53,571)	(45,743)
	$ 874,914	$ 806,044

Note: Please refer to the descriptions in Note 6(9)6.

B. Interest Costs:

	2024	2023
Other related parties	$ 13,859	$ 13,493

8. Guarantee deposits

	December 31, 2024	December 31, 2023
Other related parties	$ 760	$ -

It mainly refers to the guarantee deposits for the facility leased.

9. Endorsements or guarantees made by related parties

	December 31, 2024	December 31, 2023
Key management personnel and other related parties	$ 19,552,870	$ 19,522,870

10. Others

A portion of the subsidiary's land is agricultural land. Due to legal restrictions, the Consolidated Company is not entitled to the property rights of the aforementioned land. Therefore, the property rights of the agricultural land of $84,306 obtained in 2009, 2010, 2015, and 2020 were registered to the chief management and pledged as collateral to the subsidiary. As of December 31, 2023, the carrying value of agricultural and animal husbandry land was NT$84,306 under "Property, plant and equipment."

(III) Key management compensation information

	2024	2023
Short term employee benefits	$ 261,415	$ 237,861
Post-employment benefits	3,569	3,585
Termination benefits	1,111	2,500
Total	$ 266,095	$ 243,946

VIII. Pledged Assets

The Group's Assets pledged as collateral are as follows:

	Carrying amount		
Asset items	December 31, 2024	December 31, 2023	For guarantee purpose
Other financial assets-current (listed as "other current assets")	$ 271,568	$ 526,194	Business contracts, engineering contract guarantee deposits, warranties, and so on guarantees
Other financial assets - non-current (listed as "other non-current assets")	91,898	91,856	Performance bond
Land (listed in "real estate properties, plants, and equipment")	1,367,269	1,367,269	Long-term borrowings and guarantee quota
Buildings (listed in "real estate properties, plants, and equipment")	151,724	159,772	Long-term borrowings and guarantee quota
	$ 1,882,459	$ 2,145,091	

(5) For the status of collaterals provided for the investments under equity method of the Group, please refer to Note 6(14).

IX. Significant contingent liabilities and unrecognized contractual commitments

(I) Contingencies

Please refer to Note 6(10) for details.

(II) Commitments

Except those described in Note 6(9), (14) and 7, other material commitments are as follows:

1. As of December 31, 2024 and 2023, the total amount of the construction contracts entered into by the Group for construction projects were $57,548,526 and $47,497,257, respectively. Amounts of $33,433,246 and $30,423,172 have been paid, respectively, and the remainder will be paid based on the stage of completion.

2. The amounts of letters of credit issued by the Group but not yet used are as follows:

Currency (in thousands)	December 31, 2024	December 31, 2023
USD	$ 347	$ 139
EUR	-	106

3. On the performance bond for contracting major public construction projects, the Company applied to local banks registered with the Ministry of Finance for a guarantee amount and issued guarantee notes totaling NT$700,000.

X. Significant Disaster Loss

None.

XI. Significant subsequent events

Please refer to the descriptions of Note 6(14), (20), (29) and Note 7(1).

XII. Others

(I) Capital management

The Group's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return share capital to shareholders, issue new shares or sell assets in order to adjust to reach the most suitable capital structure. The Group uses the debt-to-capital ratio to monitor its capital, and such ratio is calculated by dividing the net debt by the total capital. The net liabilities is equal to total borrowings (including "current and non-current borrowings" on the consolidated financial statements) deducting cash and cash equivalents. Total capital is the "equity" stated on the consolidated balance sheet plus net liabilities.

As of December 31, 2024 and 2023, the debt-to-capital ratio is as follows:

	December 31, 2024	December 31, 2023
Total borrowings	$ 5,040,000	$ 5,420,000
Less: Cash and cash equivalent	(2,506,611)	(912,362)
Net debt	2,533,389	4,507,638
Total equity	10,771,854	8,078,472
Total capital	$ 13,305,243	$ 12,586,110
Debt-to-total-capital ratio	19.04%	35.81%

(II) Financial instruments

1. Type of financial instruments

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets at fair value through other comprehensive income acquired - non-Current	$ 4,861,323	$ 4,334,599
Financial assets measured at amortized cost		

Cash and cash equivalents	$ 2,506,611	$ 912,362
Notes receivable (including related parties)	437,171	1,059,259
Accounts receivable (including related parties)	1,799,854	3,117,684
Other receivables (including related parties)	13,356	14,794
Current and non-current financial assets at amortized cost	550,000	500,000
Other financial assets listed in ("other current assets" and "other non-current assets")	363,466	618,050
Refundable deposits listed in ("other current assets" and "other non-current assets")	60,022	59,640
	$ 5,730,480	$ 6,281,789

	December 31, 2024	December 31, 2023
Financial liabilities		
Financial liabilities at amortized cost		
Short-term borrowings	$ 1,200,000	$ 750,000
Short-term notes and bills payable	409,822	369,932
Notes payable	1,052,113	818,024
Accounts payable	2,994,914	2,829,422
Other payables	961,009	863,069
Long-term borrowings (including due within one year or one operating cycle)	3,430,000	4,300,000
Guarantee deposits received (listed as "other non-current liabilities")	41,954	26,007
	$ 10,089,812	$ 9,956,454
Lease liabilities - current and non-current	$ 1,012,360	$ 972,354

2. Risk management policies

(1) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk, and price risk), credit risk, and liquidity risk. The Group's overall risk management policy emphasizes the unforeseeable matters of the financial market and seeks to lower the effects from potential disadvantages to the Group's financial position and performance.

(2) Risk management is executed by the financial department according to the policies approved by the Board of Directors, and closely cooperated with the operating units of the Group in order to be responsible for the identification, assessment, and hedging of financial risks. The board of directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess

liquidity.

3. Significant financial risks and degrees of financial risks

(1) Market risk

Foreign currency risk

A. The Group's financial risk management objective is to manage currency exchange risk, interest risk, credit risk, and liquidity risk regarding operating activities. To reduce relevant financial risks, the Group is devoted to identifying, evaluating, and circumventing market uncertainties to mitigate the potential negative impacts on the Group's financial performance due to market movements.

B. The Group's businesses involve some non-functional currency operations. The information on assets and liabilities denominated in foreign currencies whose values would be affected by exchange rate fluctuations is as follow:

	December 31, 2024				
				Sensitivity analysis	
	Foreign currency (NT$ Thousand)	Exchange rate	Carrying amount (NT$)	Range of variation	Effects on profit and loss
Financial assets					
Monetary Items					
USD : NTD	$ 17	32.79	$ 557	1%	$ 6
Financial liabilities					
Monetary Items					
USD : NTD	52	32.79	1,705	1%	17
EUR : NTD	2	34.14	68	1%	1
JPY : NTD	409	0.2099	86	1%	1

	December 31, 2023				
				Sensitivity analysis	
	Foreign currency (NT$ Thousand)	Exchange rate	Carrying amount (NT$)	Range of variation	Effects on profit and loss
Financial assets					
Monetary Items					
USD : NTD	$ 57	30.71	$ 1,750	1%	$ 18

Financial liabilities					
Monetary Items					
USD : NTD	3,005	30.71	92,284	1%	923
EUR : NTD	31	33.98	1,053	1%	11

C. Foreign exchange risk has significant impact on the Group, and the recognized foreign exchange gains or losses (including realized and unrealized) on monetary items were NT$88 and NT$1,753 for the years ended December 31, 2024 and 2023, respectively.

Price risk

A. The Group's equity instruments exposed to price risk were the financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

B. The Group mainly invests in domestic or foreign equity instruments. The prices of equity instruments is affected by the uncertainty of the future value of investment subject matters. If the prices of these equity instruments had increased/decreased by 1% with all other variables held constant, gains or losses at fair value through other comprehensive income and available-for-sale financial assets for the years ended December 31, 2024 and 2023 would have increased/decreased by NT$48,613 and NT$43,346.

Cash flow and fair value interest rate risk

A. The Group's interest rate risk mainly arises from long- and short-term borrowings with floating interest rates that expose the Group to cash flow interest rate risk. For 2024 and 2023, the borrowing of the Group at the floating interest rate was mainly calculated in NTD.

B. The borrowing of the Group was measured at amortized cost, and re-pricing was performed according to the annual interest rate specified in the contract. Therefore, the Group is exposed to the risk of future market interest rate changes.

C. If interest rates on borrowings had been 0.1% higher or lower with all other variables held constant, profit after income tax for the years ended December 31, 2024 and 2023 would have increased/decreased NT$3,704 and NT$4,040, respectively, due to change of interest expenses of borrowings at variable interest rate.

(2) Credit risk

A. Credit risk refers to the risk of financial loss to the Group arising from default by clients or transaction counterparties of financial instruments on the contract obligations. Such risk is mainly due to the counterparties inability to repay the accounts receivable and contract assets according to the payment terms, and it is classified as contract cash flow at amortized cost.

B. The Group established management of credit risk from the Group's perspective. For corresponding banks and financial institutions, the Company set up to only accept transaction counterparties receiving the credit raking of at least Class “A”. According to the internally specified credit extension policy, before each operating entity and each new customer of the Group establish the terms for payment and goods delivery, it is necessary to perform management and credit risk analysis. The internal risk control considers the financial position, past experience and other factors in order to assess the credit quality of customers. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilization of credit limits is regularly monitored.

C. The Group adopts IFRS 9 to provide preliminary assumption, and when the payment specified according to the contract term has exceeded 90 days, breach of contract is deemed to have occurred.

D. The Group uses IFRS 9 to provide the following assumptions, to determine if the credit risks of the financial instrument significantly increased since the initial recognition.

When the contractual payments overdue from the payment terms for more than 30 days, it is deemed the credit risks of the financial instrument significantly increased since the initial recognition.

E. The indicators for determining the impairment of the debt instrument investment used by the Group are as follows:

(A) The possibilities that an issuer has a significant financial difficulty, or will become bankrupt or financial reorganized;

(B) Due to the financial difficulty of the issuer, such that the active market of the financial asset vanishes;

(C) An issuer delay or fail to repay the interests or principals;

(D) The unfavorable changes to the national or regional economic conditions leading to the default of an issuer.

F. The Group classifies the accounts payable of customers and contract assets according to the characteristics of customer rating and type, and adopts the simplified method to use the loss rate method as the basis for estimating the expected credit loss.

G. After the collection procedures, the financial assets amount that cannot be reasonably estimated will be written-off. However, the Group will continue to continue to pursue the legal right of recourse to protect its claims.

H. The Group used the forecasting ability Year of the Taiwan Institute of Economic Research report to adjust historical and timely information to assess the default possibility and estimate impairment provisions for accounts receivable (including related parties) and contract assets. As of December 31, 2024 and 2023, the loss rate methodology is as follows:

	Individual	Group A	Group B	Total
December 31, 2024				
Expected loss	0.00%	0.01%~0.03%	0.63%~100%	
Total carrying amount	$ -	$ 7,085,618	$ 309,040	$ 7,394,658
Allowance for losses	-	342	10,438	10,780

	Individual	Group A	Group B	Total
December 31, 2023				
Expected loss	0.00%	0.01%~0.03%	0.52%~100%	
Total carrying amount	$ 695,261	$ 7,035,223	$ 315,314	$ 8,045,798
Allowance for losses	-	398	7,052	7,450

Individual: As of December 31, 2023, the Group's accounts receivable arising from the contracting of construction to a certain customer exceeded the normal credit period. The two parties negotiated and obtained the negotiation record and payment plan signed by the customer in November 2023. According to the negotiation record, the Group retrieved and completed the pre-registration of mortgage on the construction contracted. Then, the accounts receivable of the consolidated company from this customer were fully recovered on April 29, 2024, and the mortgage was written off on May 1, 2024.

Group A: Sales counterparty established for 10 years and more, or accounts receivable arising from transactions with related parties and contracts for public construction or to debtors who are a high probability of performing the payment financially.

Group B: Sales counterparty established for less than 10 years, or those who have general payment performance ability.

I. The accounts receivable allowance loss change table under the simplified approach of the Group is as follows:

	2024	2023
	Accounts receivable	Accounts receivable
January 1	$ 7,450	$ 3,762
Impairment loss	3,330	3,688
December 31	$ 10,780	$ 7,450

The amounts set forth above are based on the collateral held and other credit enhancements, so the unrecognized allowance for losses was NT$0 and NT$421,612 on December 31, 2024 and 2023, respectively.

J. The Group's financial assets measured at amortized cost are time deposits with a maturity of more than three months and subordinated corporate bonds. Since the counterparties of transactions are with good credit quality, the probability of default is expected to be very low.

(3) Liquidity risk

A. Cash flow forecasting is performed by each of the operating entities of the Group and aggregated by the Finance Department. The Department also monitors the projections for the Group's need for funds to ensure that there is sufficient funding to support operating requirements.

B. For the remaining cash held by each of the operating entities, when it exceeds the management needs of operating capital, it then invests the remaining capital in a saving deposit with interest, time deposit, or equivalent cash - repurchase agreements, etc. The instruments selected have appropriate maturity date or sufficient liquidity in order to cope with the aforementioned forecasts and to provide sufficient movement level. As of December 31, 2024 and 2023, the Group holds a currency market position at $2,305,618 and $650,026 respectively. It is expected to immediately generate cash flow in managing liquid currency.

C. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the following table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:			
December 31, 2024	Less than 3 months	3 months to 1 year	More than 1 year
Short-term borrowings	$ 1,200,000	$ -	$ -
Short-term notes and bills payable (Note)	410,000	-	-
Notes payable	1,048,275	3,838	-
Accounts payable	868,589	1,310,663	815,662
Other payables	901,547	39,559	19,903
Lease liabilities (Note)	34,174	91,551	1,006,772
Long-term borrowings (Note)	16,364	49,091	3,489,962

Non-derivative financial liabilities:			
December 31, 2023	Less than 3 months	3 months to 1 year	More than 1 year
Short-term borrowings	$ 750,000	$ -	$ -
Short-term notes and bills payable (Note)	370,000	-	-
Notes payable	814,066	3,958	-
Accounts payable	767,312	1,272,414	789,696
Other payables	807,950	30,942	24,177
Lease liabilities (Note)	32,082	88,202	970,894
Long-term borrowings (Note)	611,734	109,384	3,698,548

Note: The amount includes the expected interest to be paid in the future.

(III) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical Assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included.

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

Level 3: Unobservable inputs for the asset or liability. The Group's investment in equity instruments without an active market is included.

2. The carrying amounts of the Group's financial instruments not measured at fair value, including cash and cash equivalents, financial assets at amortized cost, notes receivable (including related parties), accounts receivable (including related parties), other receivables (including related parties), other financial assets, short-term borrowings, short-term notes payable, notes payable, accounts payable, other payables, long-term borrowings, and other financial liabilities are approximate to their fair values.

3. The related information of financial instruments measured at fair value by level on the basis of the nature, characteristics, and risks of the assets and liabilities is as follows:

(1) The Group classifies the assets based on its nature. Related information is as below:

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial Assets at fair value through other comprehensive income acquired - Non-Current				
Equity securities	$ 4,788,311	$ -	$ 73,012	$ 4,861,323

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial Assets at fair value through other comprehensive income acquired - Non-Current				
Equity securities	$ 4,253,478	$ -	$ 81,121	$ 4,334,599

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

A. The Group's financial instruments are traded in active markets, its fair value is measured based on the market quotation at the end of the balance sheet date. The market price of the financial assets held by the Group is the closing market price. These instruments belong to Level 1. (Level 1 instruments are mainly equity instruments. Their classification is financial assets at fair value through other comprehensive income.)

B. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. Fair value obtained through the valuation techniques may be referenced to the current available fair value, discount cash flow method or valuation techniques of other financial instruments of similar natures and features, including value obtained through market information calculation model on the balance sheet date.

C. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group’s financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group’s management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary to reasonably represent the fair value of financial and non-financial instruments on the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on Current market conditions.

D. The Group includes credit risk valuation adjustment in the fair value calculation for financial instruments and non-financial instruments to reflect the counterparty credit risk and the credit quality of the Group.

4. For the years ended December 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.

5. The following table shows the change of Level 3 for the years ended December 31, 2024 and 2023.

	2024	2023
	Equity securities	Equity securities
January 1	$ 81,121	$ 78,815
Gains recognized as other comprehensive income or loss		
Accounted for in unrealized profit or loss on equity investments at fair value through other comprehensive income	(8,109)	2,306
December 31	$ 73,012	$ 81,121

6. There have been no occurrences of transfer in or out for Level 3 in 2024 and 2023.

7. The significant non-observable input value quantified information and significant non-observable input value change sensitivity analysis for the valuation model used in relation to the Level 3 fair value measurements are as follows:

	Fair value on December 31, 2024	Valuation techniques	Significant unobservable inputs	Interval (weighted average)	Relationship between inputs and fair value
Non-derivative Equity Instrument:					
Shares of non-TWSE/TPEx listed companies	$ 73,012	Comparable TWSE/TPEx listed companies	Discount for lack of marketability	21.04%	The higher the marketability discount, the lower the fair value.

	Fair value on December 31, 2023	Valuation techniques	Significant unobservable inputs	Interval (weighted average)	Relationship between inputs and fair value
Non-derivative Equity Instrument:					
Shares of non-TWSE/TPEx listed companies	$ 81,121	Comparable TWSE/TPEx listed companies	Discount for lack of marketability	20.89%	The higher the marketability discount, the lower the fair value.

8. The Group carefully assesses and selects the valuation model and valuation parameters used; however, when different valuation models or valuation parameters are used, it may lead to different valuation results. For financial assets classified as Level 3, if there is a change in the valuation parameters, then the impact on profit or loss or other comprehensive income is as follows:

			2024	
			Recognized as other comprehensive income	
	Inputs	Changes	Favorable changes	Adverse changes
Financial assets				
Equity Instrument	Discount for lack of marketability	±1%	$ 730	($ 730)

			2023	
			Recognized as other comprehensive income	
	Inputs	Changes	Favorable changes	Adverse changes
Financial assets				
Equity Instrument	Discount for lack of marketability	±1%	$ 811	($ 811)

XIII. Separately Disclosed Items

(I) Information on significant transactions

1. Loans to others: None.
2. Provision of endorsements and guarantees to others: Please refer to Table 1.
3. Holding of marketable securities at the end of the period (excluding subsidiaries and associates): Please refer to Table 2 for details.
4. Acquisition or sale of the same security with the accumulated cost exceeding NT$300 million or 20% of the paid-in capital: Please refer to Table 3 for details.
5. Acquisition of individual real estate properties at costs of at least NT$300 million or 20% of the paid-in capital: None.
6. Disposal of individual real estate properties at prices of at least NT$300 million or 20% of the paid-in capital: None.
7. Purchases or sales of goods from or to related parties reaching NT$ 100 million or 20% of

paid-in capital or more: Please refer to Table 4.

8. Receivables from related parties reaching NT$ 100 million or 20% of paid-in capital or more: Please refer to Table 5.
9. Engaged in trading of derivative instruments undertaken during the reporting periods: None.
10. Business relationships and significant intercompany transactions and amount between a parent and its subsidiary company, or between its subsidiaries: Transaction amount reaching NT$10,000 thousand shall be disclosed in terms of assets and revenue. Please refer to Table 6.

(II) Information on Investees

Names, locations and other information of investees (not including investees in China): Please refer to Table 7.

(III) Information on investments in Mainland China

None.

(IV) Information on main investors

Information on main investors: Please refer to Table 8.

XIV. Information on Departments

(I) General information

The Group's management has determined the reportable operating segments based on the reports reviewed by the Board of Directors are used to make strategic decisions. The Group currently focuses on the departments of construction business, building materials, and interior design.

(II) Measurement of segment information

1. The accounting policies of the reportable operating segments is in a manner consistent with the significant accounting policies provided in Note 4.
2. The Group evaluates the performance based on segment revenue and segment net operating profit (loss), instead of the segment assets.

(III) Information of departmental loss, assets, and liabilities

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

2024	Construction Business Division	Building Materials Division	Interior Decoration Design Division	Total
External revenue	$ 19,781,982	$ 4,499,895	$ 1,954,936	$26,236,813
Internal departmental revenue	64,393	174,036	50,173	288,602
Departmental revenue	$ 19,846,375	$ 4,673,931	$ 2,005,109	$26,525,415
Operating net income from the department to be reported	$ 3,114,501	$ 169,818	$ 263,668	$ 3,547,987

Segment income (loss) includes:				
Depreciation expense	$ 174,957	$ 270,894	$ 10,158	$ 456,009
Amortization expense	4,138	6,269	134	10,541
	$ 179,095	$ 277,163	$ 10,292	$ 466,550

2023	Construction Business Division	Building Materials Division	Interior Decoration Design Division	Total
External revenue	$ 17,153,692	$ 3,827,320	$ 1,521,514	$22,502,526
Internal departmental revenue	59,485	160,682	286	220,453
Departmental revenue	$ 17,213,177	$ 3,988,002	$ 1,521,800	$22,722,979
Operating net income from the department to be reported	$ 2,163,494	$ 115,869	$ 174,440	$ 2,453,803
Segment income (loss) includes:				
Depreciation expense	$ 167,628	$ 234,862	$ 9,220	$ 411,710
Amortization expense	4,199	8,362	198	12,759
	$ 171,827	$ 243,224	$ 9,418	$ 424,469

(IV) Reconciliation for segment income (loss)

1. Sales between the operation segments of the Group are determined through price negotiation by both parties. The revenue from external parties reported to the Chief Operating Decision-Maker is measured in a manner consistent with the revenue in comprehensive income statements.
2. Reconciliation for reportable segment income (loss) and profit from continuing operations is as follows:

	2024	2023
Operating net income from the department to be reported	$ 3,547,987	$ 2,453,803
Adjustments and written-off	354	321
Total	3,548,341	2,454,124
Financial costs	(97,722)	(118,167)
Interest income	44,793	29,340
Operating profit (loss)	88	(1,753)
Gain (loss) on disposal of property, plant and equipment	(112)	43
Dividend income	166,804	122,213
Share of profits/losses of affiliated enterprises and joint ventures using the equity method	12,616	-
Others	24,879	23,847
Income before tax from continuing operations	$ 3,699,687	$ 2,509,647

(V) Information on products and services

External customer revenue mainly comes from the construction projects and sale of cement. The statement of the revenue balance is the same as departmental information in Note 14(3).

(VI) Geographical information

Geographical information of the Group for the years ended December 31, 2024 and 2023 is as follows:

	2024		2023	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 26,236,813	$ 5,236,340	$ 22,502,526	$ 5,145,771

The Group's geographical revenue was calculated based on regions in which the payments were received. Non-current assets included property, plants, and equipment, right-of-use assets, intangible assets and prepayments for business facilities, and excluded financial instruments.

(VII) Major customer information

Details of customers whose revenue of the Group accounts for more than 10% of the operating income on the consolidated statement of comprehensive income are as follows:

	2024		2023	
	Revenue	Segment	Revenue	Segment
Customer A	$ 4,560,173	Construction Business, Building Materials, and Interior Decoration Design Divisions	$ 4,092,973	Construction Business and Interior Decoration Design Divisions

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries

Endorsements and Guarantees for Others

January 1 to December 31, 2024

Table 1

Unit: NT$ thousand

(unless otherwise specified)

No. (Note 1)	Name of the company making an endorsement/guarantee	Entity for which the endorsement/guarantee is made: Company name	Entity for which the endorsement/guarantee is made: Relations (Note 2)	Endorsement and guarantee limit for a single enterprise (Note 3)	Current maximum endorsement/guarantee balance (Note 4)	Balance of endorsements/guarantees at the end of the period (Note 5)	Actual drawing down amount (Note 6)	Amount of endorsements/guarantees secured by property	Cumulative amount of endorsements/guarantees as a percentage of the net worth as stated in the latest financial statement	Maximum amount of endorsements/guarantees (Note 3)	Endorsements/guarantees made by the parent for its subsidiaries (Note 7)	Endorsements/guarantees made by subsidiaries for its parent (Note 7)	Endorsements/guarantees made for entities in China (Note 7)	Remarks
0	Ruentex Engineering & Construction Co., Ltd.	Ruentex Materials Co., Ltd.	1	$ 1,294,650	$ 88,368	$ 88,368	$ 88,368	$ -	1.00	$ 2,589,300	Y	N	N	

Note 1: The column of No. is described as follows:

(1). Please fill in 0 for the issuers.

(2). Please fill in the Arabic numeral sequentially numbered starting from 1 for the invested companies according to the company type.

Note 2: There are six types of the relationship between the company making an endorsement/guarantee and the entity for which the endorsement/guarantee as follows. Please indicate the type only:

(1) A company with which the Company does business.

(2) Subsidiary in which the Company holds more than 50% of its total outstanding ordinary shares.

(3) Companies in which the parent company and the subsidiaries together hold more than 50% of its outstanding ordinary shares.

(4) A parent company which holds, directly or indirectly through a subsidiary, more than 50% of its outstanding ordinary shares.

(5) A company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry.

(6) A company in which each of the capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.

Note 3: The maximum amount of endorsements/guarantees made by the Company shall not exceed 100% or more of the paid-in capital of the Company and the amount of endorsements/guarantees made by the subsidiary for any single entity shall not exceed 50% or more of the paid-in capital of the Company.

Note 4: The highest balance of the endorsement/ guarantee for others in the current year.

Note 5: As of the end of the year, when the company signed the endorsement and guarantee contract with the bank and is approved, the company assumes the endorsement or guarantee responsibilities. Other related endorsements and guarantees shall be included in the balance of the endorsements and guarantees.

Note 6: The actual amount drawn down by the endorsed company within the scope of the balance of the endorsement/guarantee provided.

Note 7: “Y” shall be entered only for the endorsements/guarantees provided by the listed parent company to a subsidiary, a subsidiary to a listed parent company, or the entities in China.

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries

Securities held at the end of the period (not including investments in subsidiaries, associates and jointly controlled entities)

December 31, 2024

Table 2

Unit: NT$ thousand

(unless otherwise specified)

Company holding the securities	Type and name of the securities (Note 1)	Relationship with the securities issuer (Note 2)	Account recognized	End of the period: Number of shares	End of the period: Carrying amount (Note 3)	End of the period: Shareholding percentage	End of the period: Fair value	Remarks (Note 4)
Ruentex Engineering & Construction Co., Ltd.	Shares of Ruentex Development Co., Ltd.	The Company is a subsidiary of the company.	Financial assets at fair value through other comprehensive profit or loss - non-current	9,713,457	$ 416,707	0.34	$ 416,707	
Ruentex Engineering & Construction Co., Ltd.	Shares of Ruentex Industries Ltd.	A company recognized using the equity method for the parent of the Company	Financial assets at fair value through other comprehensive profit or loss - non-current	50,241,066	3,637,454	4.55	3,637,454	
Ruentex Engineering & Construction Co., Ltd.	Shares of OBI Pharma, Inc.	Substantive related party of the Company	Financial assets at fair value through other comprehensive profit or loss - non-current	291,478	17,051	0.11	17,051	
Ruentex Engineering & Construction Co., Ltd.	Shares of Save & Safe Corporation	-	Financial assets at fair value through other comprehensive profit or loss - non-current	4,267,233	73,012	2.51	73,012	
Ruentex Engineering & Construction Co., Ltd.	Shares of Powertec Electrical Chemicals Corp.	-	Financial assets at fair value through other comprehensive profit or loss - non-current	19,737,629	-	1.39	-	
Ruentex Engineering & Construction Co., Ltd.	Subordinated debts of Nan Shan Life Insurance	One of parent company's affiliates is a controlled company of the company.	Financial Assets at amortized cost- non-Current	-	500,000	-	-	
Ruentex Materials Co., Ltd.	Shares of Ruentex Industries Ltd.	A company recognized using the equity method for the parent of the Company	Financial assets at fair value through other comprehensive profit or loss - non-current	7,200,236	521,297	0.65	521,297	
Ruentex Materials Co., Ltd.	Shares of OBI Pharma, Inc.	Substantive related party of the Company	Financial assets at fair value through other comprehensive profit or loss - non-current	131,165	7,673	0.05	7,673	
Ruentex Interior Design Inc.	Shares of Ruentex Industries Ltd.	A company recognized using the equity method for the parent of the Company	Financial assets at fair value through other comprehensive profit or loss - non-current	2,598,464	188,129	0.24	188,129	

Note 1: Securities indicated in the Table refer to shares, bonds, beneficiary certificates and securities derived from the items mentioned above within the scope of IFRS No.9.
Note 2: Not required to be filled in for the issuers of securities that are not related parties.
Note 3: Please fill in the value carried at adjusted fair value less accumulated impairment losses for those measured at fair value and the value varied at acquisition cost or amortized cost less accumulated impairment losses for those not measured at fair value.
Note 4: The securities listed that are limited to their use due to the provision of security, pledge loans or others in accordance with the contract shall indicate the number of shares provided for guarantee or pledge, the amount of guarantee or pledge and the limits on the use in the in the column of "Remarks"

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries

Accumulated buying and selling securities under re-purchase/re-sale conditions amounting to NT$300 million or more than 20% of the paid-in capital

January 1 to December 31, 2024

Table 3

Unit: NT$ thousand

(unless otherwise specified)

	Type of the securities and		Counterparty	Relationship	Beginning of the period		Buying (Notes 3, Note 5)		Selling (Note 3)				End of the period	
Buying/selling company	Name (Note 1)	Account recognized	(Note 2)	(Note 2)	Number of shares	Amount	Number of shares	Amount	Number of shares	Price	Book cost	Gain(loss) on disposal	Number of shares	Amount
Ruentex Materials Co., Ltd.	Shares of Teh Hsin Enterprise Co., Ltd.	Investment accounted for under the equity method	Non-related parties	-	-	$ -	14,969,837	$1,576,964	-	-	-	-	14,969,837	$1,576,964

Note 1: Securities indicated in the Table refer to shares, bonds, beneficiary certificates and securities derived from the items mentioned above.

Note 2: The two columns must be filled in for the investors who account for securities using the equity method. (not required if not applicable)

Note 3: The accumulated amount of buying and selling shall be calculated separately at market prices to determine whether they have reached the amount NT$300 million or more than 20% of the paid-in capital.

Note 4: Paid-in capital refers to the paid-in capital of the parent company. In the case of an issuer whose shares have no par value or have a par value other than NT$10, the monetary amount of the transaction of 20% of the paid-in capital shall be calculated at 10% of equity attributable to the owners of the parent company as stated in the Balance Sheet.

Note 5: The Board of Directors of the subsidiary, Ruentai Precision Industry Co., Ltd. passed a resolution on September 20, 2024 to purchase the equity of Teh Hsin Enterprise Co., Ltd. with a total of NT$1,564,348 and recognized an investment gain or loss of NT$12,616.

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries

Total purchase from or sale to related parties amounting to at least NT$100 million or 20% of the paid-in capital

January 1 to December 31, 2024

Table 4

Unit: NT$ thousand

(unless otherwise specified)

The company making the purchase (sale) of goods	Name of counterparty	Relationship	Transaction Details: Purchase (sale) of goods	Transaction Details: Amount	Transaction Details: As a percentage of total purchases (sales) of goods (Note 4)	Transaction Details: Credit period	Difference between the terms and conditions of transaction and the general type of transaction and the reason for any such difference (Note 1): Unit price	Difference between the terms and conditions of transaction and the general type of transaction and the reason for any such difference (Note 1): Credit period	Notes receivable/payable and accounts receivable/payable: Balance	Notes receivable/payable and accounts receivable/payable: As a percentage of notes receivable/payable and accounts receivable/payable (Note 4)	Remarks (Note 2)
Ruentex Engineering & Construction Co., Ltd.	Ruentex Development Co., Ltd.	The company is a parent of the Company.	Contract of construction	$ 3,947,060	19.93	The amount shall be collected in accordance with the term of the construction contract	Negotiated price	The amount shall be collected in accordance with the term of the construction contract	$408,557	34.80	
Ruentex Engineering & Construction Co., Ltd.	Ruentex Development Co., Ltd.	The company is a fellow subsidiary of the Company.	Contract of construction	339,340	1.71	The amount shall be collected in accordance with the term of the construction contract	Negotiated price	The amount shall be collected in accordance with the term of the construction contract	49,611	4.23	
Ruentex Engineering & Construction Co., Ltd.	Ruentex Xing Co., Ltd.	Other related party (its director is the representative of the juridical person director of the Company)	Contract of construction	128,924	0.65	The amount shall be collected in accordance with the term of the construction contract	Negotiated price	The amount shall be collected in accordance with the term of the construction contract	-	-	
Ruentex Materials Co., Ltd.	Ruentex Engineering & Construction Co., Ltd.	The Company	Sales of goods/Contract of construction	164,295	3.52	The amount shall be collected in accordance with the term of the construction/sales contract	Negotiated price	The amount shall be collected in accordance with the term of the construction/sales contract	21,584	2.37	
Ruentex Interior Design Inc.	Ruentex Development Co., Ltd.	The company is a parent of the Company.	Income from sales of goods/construction contract works/labor services	549,979	27.43	The amount shall be collected in accordance with the term of the construction/services/sales contract	Negotiated price	The amount shall be collected in accordance with the term of the construction/services/sales contract	77,041	41.42	
Ruentex Interior Design Inc.	Ruentex Development Co., Ltd.	The company is a fellow subsidiary of the Company.	Contract of construction	378,865	18.89	The amount shall be collected in accordance with the term of the construction contract	Negotiated price	The amount shall be collected in accordance with the term of the construction contract	-	-	

Note 1: If the terms and conditions of transaction with the related parties are different from the general terms and conditions of transaction, the difference and the reason for any such difference shall be specified in the column of unit price and the credit period.

Note 2: In the case of prepayments in advance (or advance receipts), the reasons, the terms and conditions of the contract, the amount and the difference between the general type of transactions shall be specified in the column of Remarks.

Note 3: Paid-in capital refers to the paid-in capital of the parent company. In the case of an issuer whose shares have no par value or have a par value other than NT$10, the monetary amount of the transaction of 20% of the paid-in capital shall be calculated at 10% of equity attributable to the owners of the parent company as stated in the Balance Sheet.

Note 4: Calculate from the perspective of the entity of the company making the purchase (sale) of goods.

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries

Accounts receivable due from related parties amounting to at least $100 million or 20% of the paid-in capital

December 31, 2024

Table 5

Unit: NT$ thousand

(unless otherwise specified)

The company recognized as receivables	Name of counterparty	Relationship	Balance of accounts receivable due from related parties (Note 1)	Turnover	Overdue accounts receivable due from related parties		Recovered amount in subsequent periods for accounts receivable due from related parties	Provision for allowance for bad debts
					Amount	Treatment method		
Ruentex Engineering & Construction Co., Ltd.	Ruentex Development Co., Ltd.	The Company is a subsidiary of the company.	$ 408,557	9.57	$ -	-	$ 404,067	$ -

Note 1: Please fill in the value separately according the accounts receivable, notes receivable and other receivables.

Note 2: Paid-in capital refers to the paid-in capital of the parent. In the case of an issuer whose shares have no par value or have a par value other than NT$10, the monetary amount of the transaction of 20% of the paid-in capital shall be calculated at 10% of equity attributable to the owners of the parent as stated in the Balance Sheet.

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries

Business relationships and significant intercompany transactions and amount between a parent and its subsidiary company, or between its subsidiaries

January 1 to December 31, 2024

Table 6

Unit: NT$ thousand

(unless otherwise specified)

No. (Note 1)	Name of the transaction party	Transaction counterparty	Relationship with the counterparty (Note 2)	Transaction information: Account	Amount	Terms and conditions of transaction	As a percentage of the consolidated total operating revenue or total assets (Note 3)
0	Ruentex Engineering & Construction Co., Ltd.	Ruentex Materials Co., Ltd.	1	Service revenue	$ 21,984	Processed based on the general terms and conditions of transaction	0.08%
1	Ruentex Materials Co., Ltd.	Ruentex Engineering & Construction Co., Ltd.	2	Sales revenue	129,305	Processed based on the general terms and conditions of transaction	0.49%
	Ruentex Materials Co., Ltd.	Ruentex Engineering & Construction Co., Ltd.	2	Construction contract revenue	34,990	Processed based on the general terms and conditions of transaction	0.13%
	Ruentex Materials Co., Ltd.	Ruentex Engineering & Construction Co., Ltd.	2	Receivable	21,584	Processed based on the general terms and conditions of transaction	0.09%
2	Ruen Yang Construction Co., Ltd.	Ruentex Engineering & Construction Co., Ltd.	2	Construction contract revenue	31,844	Processed based on the general terms and conditions of transaction	0.12%
3	Ruentex Interior Design Inc.	Ruentex Engineering & Construction Co., Ltd.	2	Construction contract revenue	48,578	Processed based on the general terms and conditions of transaction	0.19%

Note 1: The information about business transactions between the parent and the subsidiary shall be indicated in the column of No. respectively. Details on how to filled in No. are as follows:

(1). Please fill in “0” for the parent.

(2). Please fill in the Arabic numeral sequentially numbered starting from 1 for the subsidiaries according to the company type.

Note 2: There are three types of the relationship with the transaction party as follows. Please indicate the type only (In the case of the same transaction between the parent or subsidiaries, or between its subsidiaries, duplicate disclosure is not required. For example, in the case of the transaction between the parent or its subsidiary, if the parent has disclosed the information, the subsidiary does not require making a duplicate disclosure;

In the case of the transaction between the subsidiaries, if one of the subsidiaries has disclosed the information, the other subsidiary does not require making a duplicate disclosure.):

(1). Parent and its subsidiary

(2). Subsidiary and its parent

(3). Subsidiary and the other subsidiary

Note 3: The transaction amount as a percentage of the consolidated total operating revenue or total assets shall be calculated at the balance at the end of period as a percentage of the consolidated total assets for assets or liabilities items, and the interim cumulative amount as a percentage of the consolidated total operating revenue for profits or losses items.

Note 4: Transactions amounting to NT$10,000 shall be disclosed. The information shall be also disclosed from the asset aspect and revenue aspect.

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries

Names, locations and relevant information of investees (excluding investees in Mainland China)

January 1 to December 31, 2024

Table 7

Unit: NT$ thousand

(unless otherwise specified)

Name of the investing company	Name of the investee company (Notes 1 and 2)	Location	Main Businesses and Products	Original investment amount: End of the current period	Original investment amount: End of last year	Holding at the end of period: Number of shares	Holding at the end of period: Percentage	Holding at the end of period: Carrying amount	Current profit/loss of investee (Note 2, 2))	Investment gains and losses recognized in the current period (Note 2(3))	Remarks
Ruentex Engineering & Construction Co., Ltd.	Ruentex Materials Co., Ltd.	Taiwan	Building materials production and distribution	$ 695,548	$ 695,548	58,726,917	39.15	$ 928,888	$ 187,533	$ 73,422	Subsidiary of the Company
Ruentex Engineering & Construction Co., Ltd.	Ruentex Interior Design Inc.	Taiwan	Interior decoration and garden greening design and construction	82,365	82,365	2,745,483	18.30	162,213	224,005	42,266	Sub-subsidiary of the Company
Ruentex Engineering & Construction Co., Ltd.	Ruen Yang Construction Co., Ltd.	Taiwan	Civil engineering projects	5,408	5,408	600,000	100.00	6,254	198	198	Subsidiary of the Company
Ruentex Materials Co., Ltd.	Ruentex Interior Design Inc.	Taiwan	Interior decoration and garden greening design and construction	126,721	126,721	4,750,000	31.66	280,647	224,005	73,124	Sub-subsidiary of the Company
Ruentex Materials Co., Ltd.	Teh Hsin Enterprise Co., Ltd.	Taiwan	Construction Materials	1,564,348	-	14,969,837	35.00	1,576,964	280,694	12,616	Investee accounted for under the equity method

Note 1: For public companies with an overseas holding company and a consolidated financial report as its principal financial report according to the local laws and regulations must disclose only related information to that holding company, which is an overseas investee.

Note 2: Those who do not fall under the circumstances described in Note 1 shall be filled in according to the following rules:

(1) The columns of “Name of investee,” “Location,” “Main business items,” “Original investment amount” and “Holding at the end of the period” shall be filled out based on the (public) Company’s investment status and the investment situation of each investee directly or indirectly controlled in order, and the relationship between each investee and the (publicly listed) Company (e.g., a subsidiary or a sub-subsidiary) shall be indicated in the remarks column.

(2) In the column “Current profit or loss of investee,” the amount of current profit or loss of each investee shall be entered.

(3) In the field of "Investment gain or loss recognized in the current period," only the amount of gain or loss of each subsidiary directly invested by the Company (publicly listed) and each investee under the equity method is required to be entered, and the rest is not required to be entered. Upon entering the "Recognized amount of current profit or loss on each subsidiary directly invested,” it is necessary to verify that the amount of the current profit or loss of each subsidiary has included the investment gains and losses that shall be recognized in accordance with the regulations for its investment.

Ruentex Engineering & Construction Co., Ltd. and Subsidiaries
Information on main investors
December 31, 2024

Table 8

Unit: Shares

	Shares	
Name of Major Shareholders	Number of shares held	Shareholding percentage
Ruentex Development Co., Ltd.	101,356,438	39.14
Ruentex Industries Ltd.	23,550,359	9.09
Yingjia Investment Co., Ltd.	16,182,166	6.24