Ticker Symbol：2722

Chateau International Development Company Limited and subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2021 and 2020 and Independent Auditors' Review Report

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Independent Auditors' Report

The Board of Directors and Shareholders
Chateau International Development Company Limited

Introduction
We have reviewed the accompanying consolidated balance sheets of Chateau International Development Company Limited and its subsidiaries (Château Hotels & Resorts) as of March 31, 2021 and 2020, the related consolidated statements of comprehensive income, of changes in equity, and of cash flows for the three months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). 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 International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review
We conducted our reviews in accordance with Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the consolidated financial position of the Company as of March 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the three months then ended March 31, 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Deloitte & Touche

Accountant YANG, CHAO-CHIN

No. approved by Financial Supervisory Commission

No. Financial-Supervisory-Securities-Auditing-No.1060023872

Accountant LEE, CHI-CHEN

No. approved by Securities and Futures Commission

No. Taiwan-Financial-Securities-No.0920123784

May 6, 2021

Chateau International Development Company Limited and Subsidiaries

Consolidated Balance Sheet

(In Thousands of New Taiwan Dollars)

		March 31, 2021 (Reviewed)		December 31, 2020 (Audited)		March 31, 2020 (Reviewed)	
Code		**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets						
1100	Cash and cash equivalents (Note 6)	$ 135,256	5	$ 161,178	6	$ 77,840	3
1120	Current financial assets at fair value through other comprehensive income (Note 7)	176,361	7	178,724	7	105,888	4
1136	Current financial assets at amortized cost (Notes 8 and 29)	20,386	1	18,522	1	22,659	1
1170	Accounts receivable, net (Notes 9 and 28)	9,099	-	13,935	1	6,261	-
1200	Other receivables	684	-	6	-	3,522	-
130X	Current inventories	10,841	-	11,092	-	10,149	1
1410	Prepayments (Note 10)	13,342	1	12,916	-	15,430	1
1470	Other current assets (Note 18)	128	-	127	-	665	-
11XX	Total current assets	366,097	14	396,500	15	242,414	10
	Non-current assets						
1535	Non-current financial assets at amortized cost (Notes 8 and 29)	11,000	-	11,000	1	11,000	1
1550	Investments accounted for using equity method (Note 13)	4,046	-	4,482	-	-	-
1600	Property, plant and equipment (Notes 13, 28 and 29)	1,180,516	46	1,179,382	46	1,194,737	48
1755	Right-of-use assets (Note 14)	67,579	3	72,631	3	88,093	4
1760	Investment property (Notes 15 and 29)	548,117	22	548,143	22	548,220	22
1780	Intangible assets (Note 16)	327,741	13	339,391	13	374,778	15
1840	Deferred tax assets (Note 4)	3,212	-	3,749	-	3,028	-
1960	Prepayment for Land Purchases	21,850	1	-	-	-	-
1952	Fund for improvements and expansions (Note 17)	8,002	-	8,002	-	2	-
1990	Other non-current assets (Notes 18 and 28)	13,172	1	7,520	-	4,277	-
15XX	Total non-current assets	2,185,235	86	2,174,300	85	2,224,135	90
1XXX	Total assets	$ 2,551,332	100	$ 2,570,800	100	$ 2,466,549	100
Code	Code						
	Current liabilities						
2100	Short-term loans (Notes 19 and 29)	$ 30,000	1	$ 30,000	1	$ 30,000	1
2110	Short-term notes and bills payable (Notes 19 and 29)	60,774	3	60,774	2	28,966	1
2130	Current contract liabilities (Note 23)	31,028	1	28,223	1	14,535	1
2150	Notes payable	393	-	-	-	11	-
2170	Accounts payable (note 28)	26,080	1	26,017	1	19,573	1
2200	Other payables (Notes 20 and 28)	75,075	3	78,553	3	64,986	3
2230	Current tax liabilities	28,192	1	26,766	1	8,494	-
2280	Current lease liabilities (Note 4)	17,061	1	14,058	1	18,289	1
2320	Long-term liabilities, current portion (Notes 19 and 29)	81,125	3	93,768	4	121,136	5
2399	Other current liabilities, others (Notes 20 and 28)	52,371	2	55,637	2	58,517	2
21XX	Total current liabilities	402,099	16	413,796	16	364,507	15
	Non-current liabilities						
2540	Non-current portion of non-current borrowings (Notes 19 and 30)	120,000	5	122,033	5	211,131	9
2570	Deferred tax liabilities (Note 4)	1,118	-	1,118	-	1,118	-
2580	Non-current lease liabilities (note 14)	41,180	1	51,572	2	58,252	2
2640	Net defined benefit liability, non-current (Note 4)	8,689	-	9,036	-	8,442	-
2645	Guarantee deposits received	421	-	421	-	400	-
25XX	Total non-current liabilities	171,408	6	184,180	7	279,343	11
2XXX	Total liabilities	573,507	22	597,976	23	643,850	26
	Equity attributable to the owners of the parent (Note 22)						
	Share capital						
3110	Ordinary share	1,115,229	44	1,115,229	43	1,115,229	45
3200	Capital surplus	170,663	7	170,663	7	170,663	7
	Retained earnings						
3310	Legal reserve	148,136	6	148,136	6	144,136	6
3320	Special reserve	236,201	9	236,201	9	212,747	8
3350	Unappropriated retained earnings (accumulated deficit)	135,474	5	127,852	5	76,497	3
3300	Total retained earnings	519,811	20	512,189	20	433,380	17
3400	Total other equity interest	38,310	2	40,673	2	(32,163)	(1)
31XX	Total equity attributable to owners of parent	1,844,013	73	1,838,754	72	1,687,109	68
36XX	Non-controlling interests	133,812	5	134,070	5	135,590	6
3XXX	Total equity	1,977,825	78	1,972,824	77	1,822,699	74
	Total liabilities and equity	$ 2,551,332	100	$ 2,570,800	100	$ 2,466,549	100

The attached notes are part of this consolidated financial statement.

Chateau International Development Company Limited and subsidiaries

Consolidated Statement of Comprehensive Income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

		Three Months Ended March 31			
		2021		2020	
Code		Amount	%	Amount	%
4000	Total operating revenue (Note 23 and 28)	$ 172,295	100	$ 145,947	100
5000	Total operating costs (Note 10, 24 and 28)	104,762	61	104,344	72
5900	Gross profit (loss) from operations	67,533	39	41,603	28
	Operating expenses (Notes 24 and 28)				
6100	Selling expenses	7,145	4	7,348	5
6200	Administrative expenses	49,748	29	48,313	33
6000	Total operating expenses	56,893	33	55,661	38
6510	Other income (Note 24)	(56)	-	-	-
6900	Net operating income (loss)	10,584	6	(14,058)	(10)
	Non-operating income and expenses (Note 12, 24 and 28)				
7100	Interest income	13	-	18	-
7010	Other income	1,438	1	1,587	1
7020	Other gains and losses	(46)	-	-	-
7050	Financial costs	(1,231)	(1)	(1,672)	(1)
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	(436)	-	-	-
7590	Miscellaneous disbursements	(995)	(1)	(543)	-
7000	Total non-operating income and expenses	(1,257)	(1)	(610)	-
7900	Profit (loss) from continuing operations before tax	9,327	5	(14,668)	(10)

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Code		Three Months Ended March 31			
		2021		2020	
		Amount	%	Amount	%
7950	Total tax expense (income) (Notes 4 and 25)	$ 1,963	1	$ 560	1
8200	Profit (loss) from continuing operations	7,364	4	(15,228)	(11)
	Other comprehensive income				
8310	Items not reclassified to profit or loss:				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(2,363)	(1)	(4,963)	(3)
8500	Total comprehensive income	$ 5,001	3	($ 20,191)	(14)
	Profit (loss), attributed to：				
8610	Shareholders of the parent	$ 7,622	4	($ 14,186)	(10)
8620	Non-controlling interests	(258)	-	(1,042)	(1)
8600		$ 7,364	4	($ 15,228)	(11)
	Comprehensive income attributable to：				
8710	Shareholders of the parent	$ 5,259	3	($ 19,149)	(13)
8720	Non-controlling interests	(258)	-	(1,042)	(1)
8700		$ 5,001	3	($ 20,191)	(14)
	Net profit per Share NT$, Note 26)				
9750	Basic net profit per share	$ 0.07		($ 0.13)	
9850	Diluted net profit per share	0.07		(0.13)	

he attached notes are part of this consolidated financial statement.

Chateau International Development Company Limited and subsidiaries

Consolidated Statement of Changes In Equity

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

		Equity attributable to Shareholders of parent								
				Retained earnings Special reserve			Other equity			
Code		Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total equity attributable to owners of parent	Non-controlling interests	Total Equity
A1	Balance as of January 1, 2020	$ 1,115,229	$ 170,663	$ 144,136	$ 212,747	$ 90,683	($ 27,200)	$ 1,706,258	$ 136,632	$ 1,842,890
D1	Profit (loss) for the three months ended March 31, 2020	-	-	-	-	(14,186)	-	(14,186)	(1,042)	(15,228)
D3	Other comprehensive income for the three months ended March 31, 2020	-	-	-	-	-	(4,963)	(4,963)	-	(4,963)
D5	Total comprehensive income for the three months ended March 31, 2020	-	-	-	-	(14,186)	(4,963)	(19,149)	(1,042)	(20,191)
Z1	Balance as of March 31, 2020	$ 1,115,229	$ 170,663	$ 144,136	$ 212,747	$ 76,497	($ 32,163)	$ 1,687,109	$ 135,590	$ 1,822,699
A1	Balance as of January 1, 2021	$ 1,115,229	$ 170,663	$ 148,136	$ 236,201	$ 127,852	$ 40,673	$ 1,838,754	$ 134,070	$ 1,972,824
D1	Profit (loss) for the three months ended March 31, 2021	-	-	-	-	7,622	-	7,622	(258)	7,364
D3	Other comprehensive income for the three months ended March 31, 2021	-	-	-	-	-	(2,363)	(2,363)	-	(2,363)
D5	Total comprehensive income for the three months ended March 31, 2021	-	-	-	-	7,622	(2,363)	5,259	(258)	5,001
Z1	Balance as of March 31, 2021	$ 1,115,229	$ 170,663	$ 148,136	$ 236,201	$ 135,474	$ 38,310	$ 1,844,013	$ 133,812	$ 1,977,825

The attached notes are part of this consolidated financial statement.

Chateau International Development Company Limited and subsidiaries

Consolidated Cash Flow Statement

(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

Code		Three Months Ended March 31 2021	2020
	Cash flows from (used in) operating activities, indirect method		
A10000	Profit (loss) before tax	$ 9,327	($ 14,668)
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	18,048	21,330
A20200	Amortization expense	12,365	12,887
A20900	Interest expense	1,231	1,672
A21200	Interest income	(13)	(18)
A22400	Share of loss (profit) of associates and joint ventures accounted for using equity method	436	-
A22500	Loss (gain) on disposal of property, plan and equipment	56	-
A22800	Loss (gain) on disposal of intangible assets	46	-
A30000	Changes in operating assets and liabilities		
A31150	Decrease (increase) in accounts receivable	4,836	4,111
A31180	Decrease (increase) in other receivable	(678)	(2,468)
A31200	Adjustments for decrease (increase) in inventories	251	650
A31230	Decrease (increase) in prepayments	(426)	(1,878)
A31240	Adjustments for decrease (increase) in other current assets	(1)	2,267
A32125	Increase (decrease) in contract liabilities	2,805	(5,684)
A32130	Increase (decrease) in notes payable	393	(13)
A32150	Increase (decrease) in accounts liabilities	63	(7,841)
A32180	Increase (decrease) in other payable	(265)	(15,078)
A32230	Adjustments for increase (decrease) in other current liabilities	(3,266)	(7,600)
A32240	Increase (decrease) in net defined benefit liability	(347)	(77)
AAAA	Net cash flows from (used in) operating activities	44,861	(12,408)
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortized cost	(1,864)	-
B00050	disposal of financial assets at amortized cost	-	8,609
B02000	Increase in prepayments for Land Purchases	(21,850)	-
B07100	Increase in prepayments for business facilities	(5,247)	-
B02700	Acquisition of property, plant and equipment	(17,390)	(13,896)

（Next page）

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Code		Three Months Ended March 31 2021	2020
B04500	Acquisition of intangible assets	($ 761)	($ 1,750)
B05350	Acquisition of use-of-right assets	-	(3,233)
B06700	Increase in other non-current assets	(405)	-
B06800	Decrease in other non-current assets	-	37
B07500	Interest received	13	18
BBBB	Net cash flows from (used in) investing activities	(47,504)	(10,215)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	-	50,000
C00200	Decrease in short-term loans	-	(50,000)
C00500	Increase in short-term notes and bills payable	61,000	30,000
C00600	Decrease in short-term notes and bills payable	(61,000)	(30,000)
C01600	Proceeds from long-term debt	10,000	80,000
C01700	Repayments of long-term debt	(24,676)	(65,464)
C04020	Payments of lease liabilities	(7,389)	(7,487)
C04300	Increase in other non-current liabilities	-	100
C05600	Interest paid	(1,214)	(1,644)
CCCC	Net cash flows from (used in) financing activities	(23,279)	5,505
EEEE	Net increase (decrease) in cash and cash equivalents	(25,922)	(17,118)
E00100	Cash and cash equivalents at beginning of period	161,178	94,958
E00200	Cash and cash equivalents at end of period	$ 135,256	$ 77,840

The attached notes are part of this consolidated financial statement.

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

1. GENERAL

Chateau International Development Company Limited(hereinafter referred to as "the company")was founded in September 1995, formerly known as JinHai Development Co., Ltd., and was changed to its current name in December 2006. The main business is the operation of amusement areas, hotels and restaurants.

Quintain Steel Co., Ltd. had 29.43% and 28.05% of the company's comprehensive shareholding ratio as of the end of December 2020 and 2019, respectively. Because of its substantial control over the company, it is the ultimate parent company of the company.

The company's stock has been listed and traded on the Taiwan Stock Exchange since March 2012.

This consolidated financial statement is expressed in New Taiwan Dollar, the company’s functional currency.

2. THE AUTHORIZATION OF FINANCIAL

The accompanying consolidated financial statements were reported to the Board of Directors and issued on May 6, 2021.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

(1) For the first time, it is applicable to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations and SIC Interpretations (hereinafter referred to as "IFRSs") recognized and issued by the Financial Supervisory Commission (hereinafter referred to as the "FSC").

(2) The application of the revised FSC approved and issued effective IFRSs will not cause major changes in the accounting policies of the consolidated company:

New, Revised or Amended Standards and Interpretations	Effective date issued by the IASB (Note 1)
Annual Improvements to IFRS Standards 2018 - 2020 Cycle	January 1, 2022(Note 2)
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022(Note 3)

(Continued)

New, Revised or Amended Standards and Interpretations	Effective date issued by the IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 "Insurance Contract"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendment to IAS 1 "Classification of liabilities as current or non-current"	January 1, 2023
Amendment to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 6)
Amendment to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 7)
Amendment to IAS 16 " Property, Plant and Equipment – Proceeds before Intended Use "	January 1, 2022 (Note 4)
Amendment to IAS 37 " Onerous Contracts–Cost of Fulfilling a Contract "	January 1, 2022 (Note 5)

(Concluded)

Note 1: Unless otherwise specified, the above newly issued and revised standards and interpretations are effective for the annual reporting period beginning after each date.

Note 2: The amendment of IFRS 9 is applicable to the exchange or clause modification of financial liabilities during the annual reporting period beginning after January 1, 2022; the amendment of IAS 41 "Agriculture" is applicable to the fair value measurement beginning after January 1, 2022 during the annual reporting period; the amendment to IFRS 1 "First Adoption of IFRSs" is retrospectively applied to the annual reporting period beginning after January 1, 2022.

Note 3: This amendment applies to business mergers whose acquisition date starts after January 1, 2022 during the annual reporting period.

Note 4: Plants, real estate and equipment that have reached the necessary locations and conditions for the expected operation of the management after January 1, 2021 are applicable to this amendment.

Note 5: Contracts that have not fulfilled all obligations on January 1, 2022 apply to this amendment.

Note 6: The postponement of the annual reporting period starting after January 1, 2023 is applicable to this amendment.

Note 7: Changes in accounting estimates and changes in accounting policies that occur during the annual reporting period beginning after January 1, 2023 are applicable to this amendment.

As of the date of approval of this consolidated financial report, the consolidated company continues to evaluate the impact of other standards and amendments to the interpretation on the financial status and financial performance, and the relevant impact will be disclosed when the evaluation is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of Compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting,” endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRSs endorsed and issued into effect by the FSC (collectively, “Taiwan-IFRSs”).

(2) Basis of Preparation

Except for the financial instruments measured at fair value and the current value of the determined benefit obligation minus the net determined benefit liabilities recognized at the fair value of the planned assets, the consolidated financial statement is prepared on the historical cost basis.

The fair value measurement is divided into level 1 to level 3 according to the observability and importance of the relevant input value:

1. Level 1 input value: refers to the quotation of the same asset or liability in the active market that can be obtained on the measurement date (unadjusted).
2. Level 2 input value: refers to the observable input value of an asset or liability directly (that is, price) or indirectly (that is, derived from price) except for the quotation of the first level.
3. Level 3 input value: refers to the unobservable input value of assets or liabilities.

(3) Basis of Consolidation

This consolidated financial statement includes the financial reports of the company and the entities (subsidiaries) controlled by the company. The financial reports of the subsidiaries have been adjusted to make their accounting policies consistent with the accounting policies of the consolidated company. When preparing the consolidated financial statement, all transactions, account balances, income and expenses between each entity have been eliminated. The total consolidated profit and loss of the subsidiary is attributable to the owners and non-controlling interests of the company, e

For details of subsidiaries, shareholding ratios and business items, please refer to Note 11 and Attached Table 3.

(4) Other Significant Accounting Policies

Except for the following explanations, Please refer to the summary of significant accounting policies in the 2020 consolidated financial report.

1. **Retirement Benefits**

   Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year. Adjust the major market fluctuations and major plan amendments, settlements or other major one-off events during the current period.

2. **Taxation**

   Income tax expense represents the sum of the tax currently payable and deferred tax. The interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings; that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

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

When the combined company adopts accounting policies, the management must make relevant judgments, estimates and assumptions based on historical experience and other relevant factors for those who cannot easily obtain relevant information from other sources. Actual results may differ from estimates.

The combined company takes the economic impact caused by the COVID-19 epidemic into consideration in major accounting estimates, and the management will continue to review the estimates and basic assumptions. If the revision of the estimate only affects the current period, it is recognized in the current period of the revision; if the revision of the accounting estimate affects both the current period and the future period, it is recognized in the current period and the future period of the revision.

Please refer to the explanation of major sources of uncertainties in major accounting judgments, estimates and assumptions in the 2020 consolidated financial report.

6. Cash and cash equivalents

	March 31, 2021	December 31, 2020	March 31, 2020
Cash on hand and working fund	$ 2,005	$ 3,559	$ 1,998
Bank cheques and demand deposits	133,251	157,619	75,842
	$ 135,256	$ 161,178	$ 77,840

7. Current financial assets at fair value through other comprehensive income

	March 31, 2021	December 31, 2020	March 31, 2020
Investment of equity instruments —			
Domestic investment			
Listed stocks			
Quintain Steel Co., Ltd.	$ 143,571	$ 145,934	$ 74,208
Unlisted (counter) stocks			
Smokey Joe's Co., Ltd.	32,790	32,790	31,680
	$ 176,361	$ 178,724	$ 105,888

The combined company invests in the above-mentioned equity in accordance with strategic purposes and expects to make a profit through the investment. The management of the combined company believes that if the fair value's fluctuations of these investments are included in the profit and loss, it is inconsistent with the aforementioned investment plan, so they choose to designate these investments as through other comprehensive income measured at fair value.

8. Current financial assets at amortized cost

	March 31, 2021	December 31, 2020	March 31, 2020
Current			
Domestic investment			
Trust account (1)	$ 20,386	$ 18,522	$ 22,659
Non-current			
Domestic investment			
Pledged time deposits with the original expiry date more than 3 months (3)	$ 11,000	$ 11,000	$ 11,000

(1) Since October 2017, the combined company has established the trust account of Cathay United Bank in accordance with the law. As of March 31, 2021, December 31, 2019 and March 31,2020, the amounts that are collected in advance due to the issuance of gift certificates and should be delivered to the Cathay United Bank Trust are 10,772 (In Thousands of NTD), 11,167(In Thousands of NTD), and 18,020 (In Thousands of NTD).

(2) As of March 31, 2021, December 31, 2019 and March 31,2020, the annual interest rate of the pledged time deposit interest rate range for the original expiry date more than 3 months is 0.18%.

(3) For information on pledge of financial assets measured at amortized cost, please refer to Note 29.

9. Current financial assets at amortized cost

	March 31, 2021	December 31, 2020	March 31, 2020
Accounts receivable			
Measured by amortized cost			
Total carrying amount	$ 9,099	$ 13,935	$ 6,261

The average credit period of the combined company's accounts receivable is within 30 days. The policy adopted by the combined company is to only conduct transactions with individuals and corporate organizations with good credit, and the combined company’s customer group is large and unrelated. The concentration of credit risk is not high and is mostly cash transactions, so the risk of financial loss caused by relevant defaults is limited.

The combined company recognizes the loss allowance of accounts receivable according to lifetime expected credit losses. The lifetime expected credit losses are calculated using a provision matrix, which takes into account the past default records of the customer and the current financial situation. According to the credit loss history experience of the combined company, there is no significant difference in the loss patterns of different customer groups. Therefore, the provision matrix does not further differentiate the customer groups, and only sets the rate of expected credit losses based on the accounts receivable overdue days. However, historical experience shows that the average credit period is within 30 days, so the impact of the rate of expected credit losses is limited.

The combined company measures the loss allowance of accounts receivable according to the provision matrix as follows:

March 31, 2021

	Not overdue	Overdue 1～60 days	Overdue 61～90 days	Overdue 91～120 days	Overdue more than 120 days	Total
Rate of expected credit losses	0%	0%	0%～0.1%	0.1%～0.5%	0.5%～1%	
Total carrying amount	$ 7,530	$ 1,493	$ -	$ -	$ 76	$ 9,099
loss allowance（Lifetime expected credit losses）	-	-	-	-	-	-
amortized cost	$ 7,530	$ 1,493	$ -	$ -	$ 76	$ 9,099

December 31, 2020

	Not overdue	Overdue 1～60 days	Overdue 61～90 days	Overdue 91～120 days	Overdue more than 120 days	Total
Rate of expected credit losses	0%	0%	0%～0.1%	0.1%～0.5%	0.5%～1%	
Total carrying amount	$ 7,987	$ 567	$ 2,472	$ 2,804	$ 105	$ 13,935
loss allowance（Lifetime expected credit losses）	-	-	-	-	-	-
amortized cost	$ 7,987	$ 567	$ 2,472	$ 2,804	$ 105	$ 13,935

March 31, 2020

	Not overdue	Overdue 1～60 days	Overdue 61～90 days	Overdue 91～120 days	Overdue more than 120 days	Total
Rate of expected credit losses	0%	0%	0%～0.1%	0.1%～0.5%	0.5%～1%	
Total carrying amount	$ 4,331	$ 1,080	$ 599	$ 75	$ 176	$ 6,261
loss allowance （Lifetime expected credit losses）	-	-	-	-	-	-
amortized cost	$ 4,331	$ 1,080	$ 599	$ 75	$ 176	$ 6,261

10. Inventory

	March 31, 2021	December 31, 2020	March 31, 2020
Room equipment and other	$ 6,737	$ 6,674	$ 6,316
Ingredients and beverages	3,710	4,042	3,460
Commodity	394	376	373
	$ 10,841	$ 11,092	$ 10,149

From January 1 to March 31, 2021 and 2020, the hotel’s operating, room catering and leisure costs and other related costs are as follows

	Three Months Ended March 31	
	2021	2020
Food and beverage costs	$ 53,856	$ 50,922
Room cost	43,608	45,636
Other costs	7,298	7,786
	$ 104,762	$ 104,344

11.Subsidiary

(1) Subsidiaries included in consolidated financial statements

The compilation of this consolidated financial statement is as follows:

			Percentage of equity held（%）			
The name of the investment company	Name of subsidiary	Business nature	March 31, 2021	December 31, 2020	March 31, 2020	Explanation
The company	Chateau Fulang Hotel Co., Ltd.	Engaged in the operation of hotels and restaurants	47	47	47	-

(2) Information on subsidiaries with significant non-controlling interests

	The proportion of equity held and voting rights of non-controlling interests		
Name of subsidiary	March 31, 2021	December 31, 2020	March 31, 2020
Chateau Fulang Hotel Co., Ltd.	53%	53%	53%

Please refer to Attached Table 3 for the main business place and country information of company registration.

	Profit and loss allocated to non-controlling interests	
	Three Months Ended March 31	
Name of subsidiary	2021	2020
Chateau Fulang Hotel Co., Ltd.	($ 258)	($ 1,042)

	Non-controlling interests		
Name of subsidiary	March 31, 2021	December 31, 2020	March 31, 2020
Chateau Fulang Hotel Co., Ltd.	$ 133,812	$ 134,070	$ 135,590

The summary financial information of the following subsidiaries is compiled based on the amount before the elimination of inter-company transactions:

Chateau Fulang Hotel Co., Ltd.

	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	$ 11,994	$ 27,968	$ 12,842
Non-current assets	342,063	325,744	314,694
Current liabilities	(96,064)	(94,911)	(65,888)
Non-current liabilities	(1,118)	(1,439)	(1,418)
Equity	$ 256,875	$ 257,362	$ 260,230
Equity attributed to:			
Owner of the company	$ 123,063	$ 123,292	$ 124,640
Non-controlling interests	133,812	134,070	135,590
	$ 256,875	$ 257,362	$ 260,230

	Three Months Ended March 31	
	2021	2020
Operating income	$ 7,992	$ 4,846
Net loss and total comprehensive profit and loss for the period	($ 486)	($ 1,966)
Net loss and total comprehensive profit and loss attributed to：		
Owner of the company	($ 228)	($ 924)
Non-controlling interests	(258)	(1,042)
	($ 486)	($ 1,966)

	Three Months Ended March 31	
	2021	2020
Cash flow		
Operating activities	$ 2,911	($ 1,643)
Investment activities	(18,393)	(2,097)
Financing activities	($ 15,482)	($ 3,740)

12. Investments accounted for using equity method

	March 31, 2021	December 31, 2020	March 31, 2020
Investments in Associates			
Individually insignificant associate	$ 4,046	$ 4,482	$ -

The summary information of Individually insignificant associate is as follows:

	Three Months Ended March 31	
	2021	2020
The combined company's share		
Net loss this year and total comprehensive profit and loss	($ 436)	$ -

The combined company obtained an Individually insignificant associate in 2020, and its use of Equity method of associate's profit and loss and other comprehensive income share are recognized based on associate's financial statements that have not been audited by an accountant during the same period. However, the management of the combined company believes that the above-mentioned financial statements of the investee company have not been checked by accountants and have not yet had a significant impact.

13. Property, plant and equipment

Statement of changes in Property, plant and equipment is detailed in attached table 5.
The depreciation of the Property, plant and equipment of the combined company is calculated on a straight-line basis based on the following durability years:

Housing and construction	
Staff dorm	32~50 years
Elevator equipment (Staff dorm)	15 years
Other	3~50 years
Transportation equipment	3~5 years
Office equipment	2~20 years
Hydropower equipment	3~20 years
Landscape gardening	2~15 years
Miscellaneous equipment	2~20 years

The business appliance of the combined company is recorded at the actual cost when it is acquired, and the cost is transferred when it is actually damaged.
For setting the amount of real estate, plant and equipment used as loan guarantee, please refer to Note 29.

14. Rental agreement

(1) right-of-use asset

	March 31, 2021	December 31, 2020	March 31, 2020
right-of-use asset Carrying amount			
Land	$ 3,360	$ 3,686	$ 4,664
Building	57,080	60,548	71,074
Transportation equipment	7,077	8,309	12,187
Office equipment	62	88	168
	$ 67,579	$ 72,631	$ 88,093

	Three Months Ended March 31	
	2021	2020
Added right-of-use asset	$ -	$ 3,233
depreciation expense of right-of-use asset		
Land	$ 326	$ 327
Building	3,467	3,532
Transportation equipment	1,232	1,269
Office equipment	27	79
	$ 5,052	$ 5,207

(2) lease liability

	March 31, 2021	December 31, 2020	March 31, 2020
lease liability Carrying amount			
Current	$ 17,061	$ 14,058	$ 18,289
Non-current	$ 41,180	$ 51,572	$ 58,252

The range of discount rate of lease liability is as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Land	1.61%	1.61%	1.61%
Building	1.53%～1.61%	1.53%～1.61%	1.53%～1.61%
Transportation equipment	1.53%～1.61%	1.53%～1.61%	1.53%～1.61%
Office equipment	1.50%	1.50%	1.50%

(3) Important lease activities and terms

The combined company leases the above-mentioned transportation equipment and office equipment for 3 to 5 years and 4 years respectively.
The combined company also leases certain land and buildings for office and operational use. The lease period is 4-8 years and 2-20 years.

(4) Other lease information

	Three Months Ended March 31	
	2021	2020
Short-term lease expenses	$ 372	$ 392
Low-value asset lease expenses	$ 332	$ 343
Variable lease payments not included in the measurement of lease liability	$ 1,617	$ 1,536
Total cash outflow from lease	$ 9,961	$ 13,339

15.Rental agreement

	March 31, 2021	December 31, 2020	March 31, 2020
Land	$ 543,729	$ 543,729	$ 543,729
Building	4,388	4,414	4,491
	$ 548,117	$ 548,143	$ 548,220

	Land	Building	Total
Cost			
Balance as of January 1,2020	$ 541,153	$ -	$ 541,153
Transferred from Real estate, plant and equipment	2,576	5,235	7,811
Balance as of March 31,2020	$ 543,729	$ 5,235	$ 548,964
Accumulated Depreciation			
Balance as of January 1, 2020	$ -	$ -	$ -
Transferred from Real estate, plant and equipment	-	718	718
depreciation expense	-	26	26
Balance as of March 31,2020	$ -	$ 744	$ 744
Net as of March 31, 2020	$ 543,729	$ 4,491	$ 548,220
Cost			
Balance as of January 1, 2021 and March 31, 2021	$ 543,729	$ 5,235	$ 548,964
Accumulated Depreciation			
Balance as of January 1,2021	$ -	$ 821	$ 821
depreciation expense	-	26	26
Balance as of March 31,2021	$ -	$ 847	$ 847
Net as of December 31, 2020 and January 1,2021	$ 543,729	$ 4,414	$ 548,143
Net as of March 31,2021	$ 543,729	$ 4,388	$ 548,117

The Investment Property of the combined company did not undergo any material additions, dispositions and impairment from January 1 toMarch 31, 2021 and 2020.

The fair value of the Investment Property of the combined company on December 31, 2018 was 971,009 (In Thousands of NTD). The fair value is measured by the independent evaluation company Evermore Valuation Firm on the Balance Sheet Date based on the level 3 input value. The evaluation is conducted with reference to market evidence of similar real estate transaction prices. On March 31,2021, December 31, 2020, and March 31,2020, the management of the combined company evaluated that there was no price drop. The fair value has not been evaluated by an independent evaluator. It is only evaluated by the management of the combined company using the evaluation model commonly used by market participants.

The evaluation is conducted with reference to market evidence of similar real estate transaction prices.

The subsidiary of the combined company leases out the Investment Property owned by it in 2020, and the lease period is 5-10 years. The rent is calculated with reference to the rent of the neighboring shopping mall and adjusted according to the agreement of the lease contract, and the rent is collected on a monthly basis. The lessee does not have the right of bargain purchase of Investment Property at the end of the lease term. The fair value of the Investment Property was approximately 16,902 and 15,975 (In Thousands of NTD) as of March 31,2021 and 2020. The combined company's management has assessed that there is no price drop. The fair value has not been evaluated by an independent evaluator and is only evaluated by the combined company's management, considering the transaction situation of real estate.

The combined company leases out Investment Property under operating lease and will receive the following total lease payments in the future:

	March 31, 2021
Year 1	$ 1,870
Year 2	1,870
Year 3	1,170
Year 4	669
Year 5	669
More than 5 years	2,567
	$ 8,815

All Investment Property of the combined company is its own equity. For information on Investment Property mortgage, please refer to Note 29.

16.Intangible asset

	March 31, 2021	December 31, 2020	March 31, 2020
Franchising	$ 326,322	$ 337,513	$ 371,989
Computer software license	1,419	1,878	2,789
	$ 327,741	$ 339,391	$ 374,778

	Franchising	Computer software license	Other	Total
Cost				
Balance as of January 1, 2020	$ 1,093,309	$ 5,933	$ 124	$ 1,099,366
Additions	1,511	239	-	1,750
Disposal	(62)	-	-	(62)
Balance as of March 31, 2020	$ 1,094,758	$ 6,172	$ 124	$ 1,101,054
Accumulated amortization				
Balance as of January 1, 2020	($ 710,333)	($ 2,994)	($ 124)	($ 713,451)
Amortization expense	(12,498)	(389)	-	(12,887)
Disposal	62	-	-	62
Balance as of March 31, 2020	($ 722,769)	($ 3,383)	($ 124)	($ 726,276)
Net as of March 31, 2020	$ 371,989	$ 2,789	$ -	$ 374,778
Cost				
Balance as of January 1, 2021	$ 1,094,994	$ 6,391	$ 124	$ 1,101,509
Additions	761	-	-	761
Disposal	(304)	-	-	(304)
Balance as of March 31, 2021	$ 1,095,451	$ 6,391	$ 124	$ 1,101,966
Accumulated amortization				
Balance as of January 1, 2021	($ 757,481)	($ 4,513)	($ 124)	($ 762,118)
Amortization expense	(11,906)	(459)	-	(12,365)
Disposal	258	-	-	258
Balance as of March 31, 2021	($ 769,129)	($ 4,972)	($ 124)	($ 774,225)
Net as of December 31, 2020 and January 1, 2021	$ 337,513	$ 1,878	$ -	$ 339,391
Net as of March 31, 2021	$ 326,322	$ 1,419	$ -	$ 327,741

The investment and management contract for the recreational facility area in the seaside area of the Kenting Forest Recreation Area signed by the combined company and the Forestry Bureau of the Executive Yuan Agriculture Committee clearly stipulates that the ownership of real estate and facilities built on the land of the Forestry Bureau of the Agriculture Committee of the Executive Yuan belongs to Forestry Bureau of the Executive Yuan Agriculture Committee, the relevant agreement is detailed in Note 30. Therefore, the combined company lists the cost of building real estate and facilities as the cost of obtaining franchising.

The above-mentioned intangible asset with limited useful life is calculated the amortization expense based on the following useful life on a straight-line basis:

Franchising	2 to 30 years
Computer software license	4 years
Other intangible asset	5 years

17. Fund for improvement and expansion

According to the articles of association of the company, the annual net profit will retain 20% of the special reserve as an expansion fund. The funds in the fund account are dedicated to special funds, and are limited to the expansion of new operating bases for building, operating equipment, operating working fund or Bank guarantees and other related operations. As of March 31, 2021, December 31, 2020, and March 31, 2020, the carrying amount of funds for improvement and expansion is 8,002 (In Thousands of NTD), 8,002 (In Thousands of NTD) and 2 (In Thousands of NTD) mainly invested in bank time deposits.

The changes in fund for improvement and expansion are as follows:

	Three Months Ended March 31	
	2021	2020
Initial balance	$ 8,002	$ 2
Purchase property, plant and equipment	-	4,225
Provision	-	(4,225)
Year-end balance	$ 8,002	$ 2

18. Other assets

	March 31, 2021	December 31, 2020	March 31, 2020
Current			
Temporary payments	$ 128	$ 127	$ 165
Payment on behalf of others	-	-	500
	$ 128	$ 127	$ 665
Non-current			
Prepayments for equipment	$ 8,768	$ 3,521	$ -
Refundable deposits	4,404	3,999	4,277
	$ 13,172	$ 7,520	$ 4,277

Refundable deposits are mainly vehicle deposits required for leasing operations.

19.Borrowing

(1) short-term debt

	March 31, 2021	December 31, 2020	March 31, 2020
Collateralized borrowing (Note 29)	$ 30,000	$ 30,000	$ 30,000
Annual interest rate	1.23%	1.50%	1.50%

(2) short-term notes and bills payable（Note 29）

March 31, 2021

Guarantee/Acceptance Agency	Par value	Discount amount	Carrying amount	Interest rate range	Name of collateral
Commercial paper payable					
IBFC	$ 61,000	$ 226	$ 60,774	0.862%	Property

December 31, 2020

Guarantee/Acceptance Agency	Par value	Discount amount	Carrying amount	Interest rate range	Name of collateral
Commercial paper payable					
IBFC	$ 61,000	$ 226	$ 60,774	0.862%	Property

March 31, 2020

Guarantee/Acceptance Agency	Par value	Discount amount	Carrying amount	Interest rate range	Name of collateral
Commercial paper payable					
IBFC	$ 29,000	$ 34	$ 28,966	0.912%	Property

(3) Long-term debt payable

	March 31, 2021	December 31, 2020	March 31, 2020
Collateralized borrowing (Note 1)	$ 21,125	$ 34,135	$ 73,100
Credit loan (Note 2)	180,000	181,666	259,167
	201,125	215,801	332,267
Minus: the part due within one year	81,125	93,768	121,136
	$ 120,000	$ 122,033	$ 211,131

Note 1： Changhua Bank and First Bank guarantee loans are guaranteed by the combined company’s own land and buildings (note 29), which expire in February 2022, and as of March 31, 2021, December 31, 2020, and March 31, 2020, the annual interest rates for 2020 and 2019 are 1.23~1.40%, 1.23%~ 1.40% and 1.48%~ 1.50% respectively.

Note 2： Several companies including Taishin Bank and Yuanta Bank will expire before October 2022, as of March 31, 2021, December 31, 2020, and March 31, 2020, with annual interest rates ranging from 1.35%~ 1.46%, 1.30%~ 1.46% and 1.35%~ 1.59%, respectively.

(4) The restrictions of financial ratio on long-term loans are as follows:

Taishin bank

Debt ratio (not higher than)	100%
Times interest earned (not less than)	2.5times
Net tangible (not less than)	1.5 billion NT dollars

Yuanta Bank

Debt ratio (not higher than)	100%
Times interest earned (not less than)	5.0times
Net tangible (not less than)	1.2 billion NT dollars

Shin Kong Bank

Debt ratio (not higher than)	100%
Times interest earned (not less than)	2.5times
Net tangible (not less than)	1.2 billion NT dollars

Taipei Fubon Bank

Debt ratio (not higher than)	100%
Times interest earned (not less than)	5.0times
Net tangible (not less than)	1.2 billion NT dollars

The combined company has already complied with the above financial ratio restrictions.

20. Other payables and other current liabilities

	March 31, 2021	December 31, 2020	March 31, 2020
Other payables			
Salaries and bonuses payable	$ 19,980	$ 31,128	$ 18,903
Royalties payable	13,840	9,513	6,139
Pay in lieu of untaken annual leave	7,372	9,711	6,696
Equipment payment payable	5,412	8,642	8,386
Insurance payable	4,041	4,076	3,623
Utility bills payable	2,610	2,971	2,582
Employee bonus payable	2,516	2,420	3,109
Other	19,304	10,092	15,548
	$ 75,075	$ 78,553	$ 64,986
Other current liabilities			
Accommodation vouchers in advance	$ 39,076	$ 41,125	$ 44,190
Meal coupons in advance	8,413	9,300	9,816
Travel voucher in advance	1,351	1,382	1,395
Other	3,531	3,830	3,116
	$ 52,371	$ 55,637	$ 58,517

21. Retirement benefit plans

Relevant pension expenses for definite benefit plans recognized from January 1 to March 31, 2021 and 2020 are are calculated based on the pension cost rate determined by actuarial calculations on December 31, 2020 and 2019, and the amounts are 25 (In Thousands of NTD) and 27 (In Thousands of NTD).

22. Equity

(1) Share capital of ordinary share

	March 31, 2021	December 31, 2020	March 31, 2020
Authorized shares (in thousands)	120,000	120,000	120,000
Authorized capital	$ 1,200,000	$ 1,200,000	$ 1,200,000
Issued and paid shares (in thousands)	111,523	111,523	111,523
Issued capital	$ 1,115,229	$ 1,115,229	$ 1,115,229

Issued ordinary shares have a par value of NT$10 per share, and each share has one voting right and the right to receive dividends.

(2) Capital surplus

	March 31, 2021	December 31, 2020	March 31, 2020
Can be used to make up for losses, distribute cash or allocate share capital (Note)			
Stock issue premium	$ 170,581	$ 170,581	$ 170,581
Can only be used to make up for losses			
Gain on disposal of asset	3	3	3
Expiry share option	79	79	79
	$ 170,663	$ 170,663	$ 170,663

Note: This type of additional paid-in capital can be used to make up for losses. It can also be used to distribute cash or allocate share capital when the company has no losses. However, when the share capital is allocated, it is limited to a certain percentage of the paid-in share capital each year.

(3) Retained earnings and dividend policy

According to the surplus distribution policy of the company's articles of association, if there is a surplus in the annual final accounts, taxes shall be paid in accordance with the law, and after the accumulated losses are made up, another 10% will be set as the legal reserve, and the rest shall be listed or transferred to the Special reserve according to laws and regulations and the articles of association; If there is a balance, and with the accumulated undistributed earnings, the board of directors will draft a surplus distribution proposal and submit it to the shareholders meeting for a resolution to distribute shareholder dividends. For the remuneration distribution policy for employees and directors and supervisors as stipulated in the articles of association of the company, please refer to Note 24 (9) Employee Remuneration and Remuneration of Directors and Supervisors.

In addition, in accordance with the company’s articles of association, the net profit for the current period each year will be distributed in the following order:

1. To make up for losses.
2. To contribute 10% legal reserve, and from 2011 to 2048, the company must contribute 20% special reserve as an expansion fund for the year when the company is a single operating base, and an expansion fund account shall be established for the annual contribution funds.
3. To contribute special reserve in accordance with other laws and regulations.

After the balance after the distribution in the preceding paragraph is added to the undistributed earnings at the beginning of the period and the undistributed earnings adjustment for the current period, the board of directors shall draft a distribution plan in accordance with the dividend policy and submit it to the shareholders meeting for resolution.

The 20% special reserve contributed in accordance with the provisions of the second subparagraph of the first paragraph:

1. The funds in the expansion fund account are for special purposes only, and are limited to the construction of the library, operating equipment, operating working fund or bank guarantees for the expansion of new operating bases;
2. The investment target of its expanded fund account is mainly based on stable profits, and is limited to investment in fixed deposits, government bonds, bond funds, ETF funds and fund of funds. Please refer to Note 17 of the financial report for the relevant contribution.
3. The contribution can be stopped unless one of the following conditions is met:
   (1) The total amount of investment required to obtain a new operating base must be more than 500 million NT dollars, and the new operating base has been profitable for two consecutive years.
   (2) The special reserve has reached twice the paid-in capital.

The company is at a stage of stable growth, and will grasp the changes in internal and external environments in order to achieve sustainable business development. When the board of directors draws up a profit distribution plan, it should consider the company's future capital expenditure budget and capital needs, and measure the necessity of using surplus to support funds to determine the amount of surplus retained or distributed, the amount of dividends or bonuses distributed to shareholders in cash, the distribution of cash shall not be less than 30%, and the distribution of stocks shall not exceed 70%.

Legal reserve should be contributed until its balance reaches the total amount of the company's actual share capital. Legal reserve can be used to make up for losses. When the company has no losses, the portion of the legal reserve exceeding 25% of the total paid-in share capital can be contributed as share capital and still be contributed in cash.

The company has made a recommendation based on No. Financial-Supervisory-Securities-Auditing-1010012865, No. Financial-Supervisory-Securities-Auditing-1010047490, No. Financial-Supervisory-Securities-Auditing-1030006415 and "International Financial Reporting Standards (IFRSs)". Questions and Answers on the Application of Special Reserve" and other regulations to mention and transfer the special reserve.

The company's Board of Directors and regular shareholders' meetings in March 9, 2021 and May 12 2020 resolved and approved the 2020 and 2019 earnings distribution proposals as follows:

	2021	2020
Legal reserve	$ 8,693	$ 4,000
Special reserve	$ 17,385	$ 23,454
Cash dividend	$ 55,761	$ 22,305
Cash dividend per share (NT$)	$ 0.5	$ 0.2

The case of earnings distribution for 2020 is still pending the resolution of the shareholders' meeting on May 6, 2021.

(4) Non-controlling interests

	Three Months Ended March 31	
	2021	2020
Opening Balance	$ 134,070	$ 136,632
Net loss for the period	(258)	(1,042)
Ending balance	$ 133,812	$ 135,590

23. Net Revenue

	Three Months Ended March 31	
	2021	2020
Customer contract revenue		
Room income	$ 119,543	$ 99,419
Catering income	50,533	44,347
Other income	2,219	2,181
	$ 172,295	$ 145,947

Contract balance

	March 31, 2021	December 31, 2020	March 31, 2020	January 1, 2020
Contract liability －Current				
Deposit received in advance	$ 31,028	$ 28,223	$ 14,535	$ 20,219

24. Profit before tax

(1) Other income and net expenses

	Three Months Ended March 31	
	2021	2020
Disposal of benefits (losses) of property, plant and equipment	$ 56	$ -

(2) Interest income

	Three Months Ended March 31	
	2021	2020
Bank deposits	$ 5	$ 9
Other	8	9
	$ 13	$ 18

(3) Other income

	Three Months Ended March 31	
	2021	2020
Rental income	$ 788	$ 639
Other	650	948
	$ 1,438	$ 1,587

(4) Other benefits and losses

	Three Months Ended March 31	
	2021	2020
Loss on disposal of intangible assets	$ 46	$ -

(5) Miscellaneous expenses

	Three Months Ended March 31	
	2021	2020
depreciation expense	$ 430	$ 453
Investment Property related expenses	18	23
Other	547	67
	$ 995	$ 543

(6) Financial costs

	Three Months Ended March 31	
	2021	2020
Interest on bank loans	$ 1,082	$ 1,449
Interest on lease liability	259	356
	1,341	1,805
Minus: The amount included in the cost of eligible assets (listed under Real estate, plant and equipment)	(110)	(133)
	$ 1,231	$ 1,672

The relevant information of capitalization of interest is as follows:

	Three Months Ended March 31	
	2021	2020
The amount of capitalization of interest	$ 110	$ 133
The interest rate of capitalization of interest	1.23%～1.46%	1.35%～1.57%

(7) Depreciation and amortization

	Three Months Ended March 31	
	2021	2020
Investment property	$ 26	$ 26
Property, plant and equipment	12,970	16,097
Right-of-use assets	5,052	5,207
Intangible assets	12,365	12,887
	$ 30,413	$ 34,217
Depreciation expense summarized by function		
Operating cost	$ 13,549	$ 16,703
Operating expenses	4,069	4,174
Miscellaneous expenses	430	453
	$ 18,048	$ 21,330
Amortization expense summarized by function		
Operating cost	$ 11,907	$ 12,498
Operating expenses	458	389
	$ 12,365	$ 12,887

(8) Employee benefits expenses

	Three Months Ended March 31	
	2021	2020
Short-term employee benefits		
Salary	$ 52,934	$ 51,082
Labor and health insurance	5,832	5,604
Directors' remuneration	129	120
Other	3,084	2,837
	61,979	59,643
Retirement benefit plans		
Defined contribution plans	2,450	2,372
Defined benefit plans	25	27
	2,475	2,399
	$ 64,454	$ 62,042
Summary by function		
Operating cost	$ 45,737	$ 43,912
Operating expenses	18,717	18,130
	$ 64,454	$ 62,042

(9) Remuneration of employees and remuneration of directors and supervisors

In accordance with the provisions of the articles of association, the company shall contribute at least 1% and not more than 1% of the employee compensation and directors and supervisors' compensation based on the current year's pre-tax benefits before deducting the distribution of employee compensation and directors and supervisors' compensation. The pre-tax net loss from January 1 to March 31, 2020, is not assessed for employee compensation. The estimated employee compensation for the period from January 1 to March 31, 2021 is as follows:

Estimated ratio

	January 1 to March 31, 2021
Remuneration of employee	1%

Amount

	January 1 to March 31, 2021
Remuneration of employee	$ 97

If the amount of consolidated financial statements still changes after the publication date of the annual consolidated financial statements, they shall be treated according to the changes in accounting estimates and adjusted and recorded in the following year.

The remuneration of employees and the remuneration of directors and supervisors for 2020 and 2019 were paid in cash by the resolutions of the board of directors on February 5, 2021 and February 24, 2020 as follows:

Amount

	2021	2020
Remuneration of employee	$ 1,071	$ 444
Remuneration of Directors and Supervisors	48	48

There is no difference between the actual allotment amount of remuneration of employees and remuneration of Directors and Supervisors in 2020 and 2019 and the amount recognized in the financial reports of each year.

For information on the remuneration of employees and remuneration of Directors and Supervisors resolved by the company’s board of directors, please go to the "Public Information Observatory" of the Taiwan Stock Exchange.

25. Income tax

(1) Income tax recognized in profit and loss

The main components of income tax recognized in profit and loss was as follows:

	Three Months Ended March 31	
	2021	2020
Current tax expense recognized in the current year		
Income tax adjustments on prior years	$ 1,426	$ -
Deferred tax		
Current tax expense recognized in the current year	537	560
	$ 1,963	$ 560

(2) Verification situation of income tax

The company's and its subsidiaries' profit-making business income tax declarations before 2019 and 2018 have been approved by the Revenue Service Office.

26. Net profit (loss) per share

It is used to calculate the net profit (loss) per share and the weighted average number of ordinary shares as follows:

Net profit (loss) for the period

	Three Months Ended March 31	
	2021	2020
Net income available to common shareholders of the parent	$ 7,622	($ 14,186)

Number of shares

Unit: Thousand shares

	Three Months Ended March 31	
	2021	2020
Used to calculate the weighted average number of ordinary shares of basic earnings per share	111,523	111,523
The impact of potential ordinary share with dilution effect:		
Remuneration of employee	7	-
Used to calculate the ordinary share weighted average number of dilutive earnings per share	111,530	111,523

If the company of the combined company chooses to issue the remuneration of employees in stocks or cash, when calculating the dilutive earnings per share, it is assumed that the remuneration of employees will adopt the method of issuing shares, and it will be included in the weighted average circulation when the potential ordinary share has a dilution effect. The number of foreign shares is used to calculate dilutive earnings per share. When calculating the dilutive earnings per share before the resolution of the remuneration of employees to issue shares in the next year's shareholders' meeting, the dilution effect of these potential ordinary shares will continue to be considered.

From January 1 to March 31, 2020, the consolidated company was settled as a net loss. The effect of the anti-dilution effect of employee compensation on potential ordinary shares was not included in the calculation of diluted net loss per share.

27. Financial instruments

(1) Fair value information - Financial instruments that are not measured at fair value

The combined company's non-measured at fair value financial instruments, such as cash, financial assets measured at amortized cost (including current and non-current), receivables, other receivables, fund for improvement and expansion, refundable deposits (other non-current assets), short-term loan, short-term notes and bills payable, payables, other payables, long-term loans (including due within one year) and deposits received, etc. The carrying amount is a reasonable approximation of Fair value.

(2) Fair value information - financial instruments measured at fair value based on repeatability

1. Fair value level

March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through Other comprehensive income				
Investment of equity instruments				
Domestic listed (counter) stocks	$ 143,571	$ -	$ -	$ 143,571
Domestic unlisted (counter) stocks	-	-	32,790	32,790
	$ 143,571	$ -	$ 32,790	$ 176,361

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through Other comprehensive income				
Investment of equity instruments				
Domestic listed (counter) stocks	$ 145,934	$ -	$ -	$ 145,934
Domestic unlisted (counter) stocks	-	-	32,790	32,790
	$ 145,934	$ -	$ 32,790	$ 178,724

March 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through Other comprehensive income				
Investment of equity instruments				
Domestic listed (counter) stocks	$ 74,208	$ -	$ -	$ 74,208
Domestic unlisted (counter) stocks	-	-	31,680	31,680
	$ 74,208	$ -	$ 31,680	$ 105,888

From January 1 to March 31, 2020 and 2019, there will be no transfer between level 1 and level 2 fair value measurement.

2. Method of measuring the fair value of financial instruments

The fair value of financial asset and financial liability is determined in the following way:

(1) For financial asset and financial liability with standard terms and conditions and traded in an active market, the fair value of the financial asset and financial liability are determined with reference to market quotations.

(2) The financial asset of the third level fair value measurement held by the combined company is an unlisted (counter) company stock, which is mainly based on the market method to measure the fair value. The estimates or assumptions used are based on the relevant information and estimates of comparable transactions in the market Future cash flow. The main unobservable inputs include discounts without control rights and risk discounts for lack of marketability.

(3) Types of financial instruments

	March 31, 2021	December 31, 2020	March 31, 2020
Financial asset			
Financial assets measured at amortized cost (Note 1)	$ 188,831	$ 216,642	$ 125,561
Financial assets measured at fair value through Other comprehensive income			
Investment of equity instruments	176,361	178,724	105,888
Financial liability			
Measured by amortized cost (Note 2)	393,868	411,566	476,203

Note 1：The balance includes cash, financial assets measured at amortized cost (including current and non-current), receipts, other receivables, fund for improvement and expansion, and refundable deposits (other non-current assets) and other financial assets measured at amortized cost.

Note 2： The balance is the financial liability measured by amortized cost, such as payables, other payables, short-term loans, short-term notes and bills payable, long-term loans (including due within one year) and deposits received.

(4) Objectives and policies of financial risk management

The combined company's main financial instruments include investment of equity instruments, receipts and payables, loans and lease liability, etc. The combined company's financial management department provides services for various business units, coordinates and coordinates the operation of entering the domestic market, and supervises and manages the financial risks related to the combined company's operations by analyzing the internal risk report of the risk according to the degree and breadth of the risk. These risks include market risk (interest rate risk and other price risk), credit risk and liquidity risk。

The important financial activities of the combined company are reviewed by the board of directors in accordance with relevant regulations and internal control systems, and internal auditors continue to review compliance with policies and risk limits. The combined company does not trade financial instruments (including derivative financial instruments) for speculative purposes.

1. Market risk

The combined company's operating activities cause the combined company to bear the main financial risks of interest rate changes (see (1) below) and other price risks (see (2) below).

(1) Interest rate risk

Because the combined company borrows funds at a fixed interest rate and a floating interest rate at the same time, interest rate exposure occurs. The combined company manages interest rate risk by maintaining an appropriate combination of fixed and floating interest rates.

The financial asset and financial liability carrying amount of the combined company subject to interest rate exposure on the balance sheet date are as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
With fair value interest rate risk			
－Financial asset	$ 11,000	$ 11,000	$ 11,000
－Financial liability	119,015	126,404	105,507
With cash flow interest rate risk			
－Financial asset	153,490	175,994	98,353
－Financial liability	231,125	245,801	362,267

Sensitivity Analysis

The following sensitivity analysis is determined based on the interest rate exposure of non-derivative instruments on Balance Sheet Date. For floating rate liabilities, the analysis method assumes that the amount of liabilities outstanding on the Balance Sheet Date is in circulation during the reporting period. The rate of change used in the company's internal reporting of interest rates to key management is an increase or decrease of 1% in interest rates, which also represents management's assessment of the reasonably possible range of changes in interest rates.

If the interest rate increases by 1% and all other variables remain unchanged, the profit before tax of the combined company from January 1 to March 31, 2021 and 2020 will be reduced by 194 (In Thousands of NTD) and increased by 660 (In Thousands of NTD), respectively, mainly because of the combined company’s variable interest rate risk exposure of deposits and loans.

(2) Other price risks

As the combined company invests in domestic listed stocks and unlisted stocks, the risk exposure of equity price is generated.

Sensitivity Analysis

If the equity price increases/decreases by 1%, other comprehensive income before taxes from January 1 to March 31, 2021 and 2020 will increase/decrease by 1,764 (In Thousands of NTD) and 1,059 (In Thousands of NTD) due to changes in financial assets measured at fair value through other comprehensive income fair value.

2. Credit risk

Credit risk refers to the risk of the combined company's financial losses caused by the counterparty's default contract obligations. As of the Balance Sheet Date, the maximum credit risk exposure of the combined company that may cause financial losses due to the counterparty's failure to perform its obligations mainly comes from the financial asset carrying amount recognized on the balance sheet.

The counterparties of the combined company are individuals and corporate organizations with good credit, so no significant credit risk is expected.

3. Liquidity risk

The combined company supports the operation of the company by managing and maintaining sufficient cash or liquid financial products. The management of the combined company supervises the use of bank financing facility and ensures compliance with the terms of the loan contract.

Bank loans are an important source of liquidity for the combined company. For the unused financing facility of the combined company, please refer to the description of (2) financing facility below.

Since the equity in the capital structure of the combined company is far greater than the liabilities, the cash is sufficient to repay the liabilities, and there is no liquidity risk due to the inability to raise funds to fulfill the contractual obligations.

(1) Liquidity and interest rate risk table of non-derivative financial liability

The following table summarizes the financial liability analysis of the combined company's agreed repayment period based on the due date and undiscounted due amount:

	Within 1 year	1～5 years	More than 5 years
March 31, 2021			
Instruments of fixed interest rate	$ 61,000	$ -	$ -
Instruments of floating interest rate	113,162	120,457	-
Liabilities without interest	101,548	421	-
lease liability	17,848	31,448	11,917
	$ 293,558	$ 152,326	$ 11,917

	Within 1 year	1～5 years	More than 5 years
December 31, 2020			
Instruments of fixed interest rate	$ 61,000	$ -	$ -

Instruments of floating interest rate	125,350	122,037	-
Liabilities without interest	104,570	421	-
lease liability	14,969	41,002	12,685
	$ 305,889	$ 163,460	$ 12,685
March 31, 2020			
Instruments of fixed interest rate	$ 29,000	$ -	$ -
Instruments of floating interest rate	154,971	212,165	-
Liabilities without interest	84,570	400	-
lease liability	19,714	47,205	16,138
	$ 288,255	$ 259,770	$ 16,138

(2) Loan Commitments

	March 31, 2021	December 31, 2020	March 31, 2020
Credit loan facilities			
Used amount	$ 180,000	$ 210,000	$ 280,000
Unused amount	275,000	275,000	90,000
	$ 455,000	$ 485,000	$ 370,000
Collateralized borrowing facilities			
Used amount	$ 201,000	$ 201,000	$ 169,000
Unused amount	89,000	89,000	121,000
	$ 290,000	$ 290,000	$ 290,000

28. Related party transaction

The transactions, account balances, income and expenses between the company and its subsidiaries (which are related parties of the company) are all eliminated at the time of the merger, so they are not disclosed in this Note. Except as disclosed in other Note, the transactions between the combined company and other related parties are as follows:

(1) The name of the related party and its relationship

The name of the related party	Related Party Categories
Quintain Steel Co., Ltd.	The ultimate parent company of the company
Guantian Investment Development Co., Ltd.	The parent company of the company
Asahi Enterprises Corp.	Other related parties (The company’s parent company is the company’s legal person director)
Chia Chi Sdry Enterprise Co., Ltd.	Other related parties (The director

	of the parent company of the company is the chairman of the company)
Wise Co., Ltd.	Other related parties (The director of the company is the chairman of the company)
Polydo Investment Co., Ltd.	Other related parties (The chairman of the company and the chairman of the company are first relatives)
Hsin-shih Textile Co., Ltd.	Other related parties (The chairman of the company is a director of the company)

(2) Net revenue

		Three Months Ended March 31	
Item	Type of related party	2021	2020
Net revenue	The ultimate parent company of the company	$ 418	$ 352
	Other related parties	49	28
		$ 467	$ 380

The combined company's sales prices to the parent company and other related parties are comparable to general customers.

(3) Purchase

	Three Months Ended March 31	
Type of related parties	2021	2020
Other related parties	$ 1,298	$ 1,628

The purchase price of the combined company to other related parties is equivalent to that of general manufacturers.

(4) Receivables from related parties

Item	The name of the related party	March 31, 2021	December 31, 2020	March 31, 2020
Receivables from related parties	The ultimate parent company of the company	$ 112	$ 135	$ 144
	Other related parties	19	16	17
		$ 131	$ 151	$ 161

The credit period is within 30 days, and there is no major difference from general manufacturers.

Outstanding amounts receivable from related parties have not received guarantees. The amounts receivable from related parties from January 1 to March 31, 2021 and 2020 is not listed in the loss allowance.

(5) Payables to related parties

Item	Type of related parties	March 31, 2021	December 31, 2020	March 31, 2020
Payables to related parties	Other related parties	$ 1,315	$ 1,222	$ 1,326
Other payables	The ultimate parent company of the company	$ 297	$ 297	$ 281

The payment period is from 30 days to 55 days, which is not significantly different from the general manufacturer (the general manufacturer's payment period is 55 days).

The balance of the outstanding amount due to related parties is not guaranteed.

(6) Acquisition of property, plant and equipment

	Proceeds	
	Three Months Ended March 31	
Type of related parties／Name	2021	2020
Other related parties	$ 82	$ 101

(7) Advance receipts (listed in other current liabilities)

Type of related parties	March 31, 2021	December 31, 2020	March 31, 2020
The ultimate parent company of the company	$ 1,988	$ 2,013	$ 1,259
Other related parties	487	473	415
	$ 2,475	$ 2,486	$ 1,674

(8) Refundable deposits（listed in other non-current assets）

Type of related parties	March 31, 2021	December 31, 2020	March 31, 2020
Other related parties	$ 156	$ 156	$ 156

(9) Other transactions

Type of related parties	Property	Contract period	Item	Three Months Ended March 31	
				2021	2020
The ultimate parent company of the company	Hotel management system maintenance	The lease term is one year, and the contract is renewed every year	Administrative expenses	$ 139	$ 139
The ultimate parent company of the company	Lease operation premises	The lease term is one year, and the contract is renewed every year	Operating cost	216	216
The ultimate parent company of the company	Lease office	The lease term is one year, and the contract is renewed every year	Administrative expenses	48	-
Other related parties	Lease operation premises	The lease term is one year, and the contract is renewed every year	Other income	54	54

(10) Compensation of key management personnel

	Three Months Ended March 31	
	2021	2020
Short-term employee benefits	$ 3,645	$ 4,508
Post-employment benefit	189	206
	$ 3,834	$ 4,714

The remuneration of directors and other major management levels is determined by the remuneration committee in accordance with individual performance.

29. Pledged assets

The following assets have been provided as Long-term financing, gift certificate performance bond, franchise agreement signing deposit, bank loan and collateral of commercial paper:

	March 31, 2021	December 31, 2020	March 31, 2020
Financial assets measured at amortized cost（Pledged time deposit and trust account）	$ 31,386	$ 29,522	$ 33,659
Net investment Property	36,964	36,990	37,067
Land	88,214	88,214	88,214
Net building	165,421	165,089	169,094
	$ 321,985	$ 319,815	$ 328,034

30. Significant contingent liabilities and unrecognized contractual commitments

Except for those already mentioned in other notes, the significant commitments and contingencies of the combined company on Balance Sheet Date are as follows:

Significant commitments

(1) The combined company and the Forestry Bureau of the Agriculture Committee of the Executive Yuan signed a contract for the investment and operation of amusement facilities in the seaside area of the Kenting Forest Recreation Area. The original contract expires on September 30, 2016. The lease term according to the new contract is October 2015. From 1st to September 30th, 2023, the contract stipulates that each renewal period is 8 years, and the number of renewals shall not exceed 4 times (including this contract). The total operating period is from October 23, 1998 It shall not exceed 50 years from the date of calculation. A performance bond of 11,000 (In Thousands of NTD) shall be paid at the time of signing the contract. The agreed conditions regarding the combined company's rent and royalties are as follows:

1. Rent

The land rent shall be paid for the area covered by the contract (Eluanbi Section of Hengchun Township) at the annual interest rate of 5% of the announced land price in the year of contract. The other building rent shall be the buildings and equipment specified in the contract (Provence Hall, Marbella Hall and Positano Hall), pay the building equipment rental at 10% of the present tax value of the house in the year of contract.

2. Royalty

The annual operating royalty payable is based on the estimated operating income of NT$520 million per year. If the actual operating income is less than NTD$520 million yuan each year, it will be collected at 14,976 (In Thousands of NTD). If it exceeds NT$520 million, it will be calculated on a progressive basis, and the basic royalties will be paid at 7,488 (In Thousands of NTD) yuan every six months, and the difference will be paid in September of the following year.

The land, construction and equipment rentals and operating royalties mentioned in the preceding paragraph shall be paid semiannually from the date of conclusion of the contract, and shall be paid before March 31 and September 30 each year.

3. Return of assets

In accordance with the provisions of Article 5, Article 36 and Article 37 of the contract, the construction of the combined company's facilities on the land provided by the Forest Service Bureau of the Agriculture Committee of the Executive Yuan shall be carried out in the name of the Forest Service Bureau of the Agriculture Committee of the Executive Yuan. After the completion, the ownership will belong to the Forestry Bureau of the Agriculture Committee of the Executive Yuan free of charge. The so-called facilities include the completed real estate (Provence Hall, Marbella Hall and Positano Hall). And upon the expiration or termination of the entrusted operation period, all properties and articles owned by the Forestry Bureau of the Agriculture Committee of the Executive Yuan will be returned unconditionally.

(2) As of March 31, 2021, December 31, 2019 and March 31, 2020, the combined company has signed related contracts for the repair of franchising equipment, and the unpaid amounts are all 126 (In Thousands of NTD).

(3) As of March 31, 2021, December 31, 2019 and March 31, 2020, the combined company has committed to purchase real estate, plant and equipment, and the unpaid amount is 8,573 (In Thousands of NTD), 8,504 (In Thousands of NTD) and 24,728 (In Thousands of NTD).

31. Other matters

The combined company was affected by the global pandemic of COVID-19, resulting in a 22% decrease in Operating income from January to June 2020 compared to the same period last year. In response to the impact of the epidemic, the combined company has applied for salary and working capital subsidies from the government. And received a subsidy of 18,556 (In Thousands of NTD) (Note 24). However, since June 2020, the domestic epidemic has slowed down and the government's policies have been loosened one after another, and the return of national tourism has gradually returned the source of tourists. As of the date of publication of this consolidated financial statement, the combined company continues to evaluate the economic impact of the epidemic on the combined company.

32. Note Disclosure Matters

(1) Information about significant transactions:
1. Financings provided. (Attached Table 1)
2. Endorsement/guarantee provided: None.
3. Marketable securities held (excluding investments in subsidiaries and associates): (Attached Table 2)
4. Cumulative purchase or sale of the same securities amounts to NT$300 million or more than 20% of the paid-in capital: None.
5. The amount of real estate acquired is NT$300 million or more than 20% of the paid-in capital: None.
6. Disposal of real estate with an amount of NT$300 million or more than 20% of the paid-in capital: None.
7. The amount of purchase and sale of goods with related parties reaches NT$100 million or more than 20% of the paid-in capital: None.
8. Receivables from related parties amounting to NT$100 million or more than 20% of paid-in capital: None.
9. Information about the derivative financial instruments transaction: None.
10. Other business relationships and important transactions and amounts between parent and subsidiary companies and between subsidiaries, none.

(2) Information about reinvestment business. (Note 3)

(3) Investment information of China: None.

(4) Information on major shareholders: the name, amount and proportion of shareholders with a shareholding ratio of 5% or more. (Attached Table 4)

33. Department Information

The information provided to chief operating decision makers for allocating resources and evaluating departmental performance, focusing on the operating entity of each product or service delivered or provided. The combined company should report the following departments:

Departmental revenue and operating results

The income and operating results of the continuing operations of the combined company are analyzed by the reporting department as follows:

	Chateau International Development Company Limited	Chateau Fulang Hotel Co., Ltd.	Adjustment and write-off	Total
January 1 to March 31, 2021				
Revenue from external customers	$ 164,538	$ 7,992	($ 235)	$ 172,295
Departmental benefits (losses)	$ 10,652	$ 59	($ 127)	$ 10,584
Interest income				13
Other income				1,438
Other benefits and losses				(46)
Financial costs				(1,231)
Miscellaneous expenses				(995)
Share of loss of associates and joint ventures accounted for using equity method				(436)
Profit before tax				$ 9,327
January 1 to March 31, 2020				
Revenue from external customers	$ 141,148	$ 4,846	($ 47)	$ 145,947
Departmental benefits (losses)	($ 11,839)	($ 2,091)	($ 128)	($ 14,058)
Interest income				18
Other income				1,587
Other benefits and losses				(1,672)
Financial costs				(543)
Miscellaneous expenses				($ 14,668)

Departmental profit and loss refers to the profit earned by each department, excluding non-operating income and expenses and income tax expense. This measurement amount is provided to the chief operating decision maker to allocate resources to the department and measure its performance.

Chateau International Development Company Limited and subsidiaries
Financings provided
January 1 to December 31, 2021
Attached Table 1
Unit: Thousands of New Taiwan Dollars

No.	Financing Company	Entities to which the company may loan funds.	Account subject	Related parties or not	The highest amount in this period	Ending balance	Actual spending amount	Interest rate range (%)	The nature of the loan	Business transaction amount	Reasons why short-term financing is necessary	The amount of allowance and doubtful debts	Collateral		For individual objects Fund loan and limit (Note 1)	Fund loan Total limit (Note 2)
													Name	Value		
0	The company	Chateau Fulang Hotel Co., Ltd	Other receivables－related parties	Yes	$ 150,000	$ 150,000	$ -	1.80%	Short-term financing	$ -	Operating capital	$ -	無	-	$ 368,803	$ 737,605

Note 1：The Procedure for Lending Funds to Other Parties stipulates that the company's loan limit for a single object is 20% of the company's net value at the end of the period.
Note 2：Procedure for Lending Funds to Other Parties stipulates that the company’s capital loan and total limit is 40% of the company’s net value at the end of the period.

Chateau International Development Company Limited and subsidiaries
Marketable securities held
January 1 to December 31, 2021
Attached Table 2
Unit: Thousands of New Taiwan Dollars

Holding company	Marketable Securities Type and Name	Relationship with the securities issuer	Account	End of term				Note
				Unit/Number of shares	Carrying amount	Shareholding ratio (%)	Fair value	
The company	Quintain Steel Co., Ltd.	Ultimate parent company	Financial assets measured at fair value through Other comprehensive income－Current	11,816,494	$ 143,571	3.46	$ 143,571	
The company	Smokey Joe's Co., Ltd.	None	〃	3,000,000	32,790	17.39	32,790	

Note ：The securities mentioned in this table refer to the stocks, bonds, beneficiary certificates and securities derived from the above items that fall within the scope of the International Financial Reporting Standard No. 9 "Financial Instruments".

Chateau International Development Company Limited and subsidiaries
Information of the investee company, location... etc.
January 1 to March 31, 2021
Attached Table 3
Unit: Thousands of New Taiwan Dollars

The name of the investment company	The name of investee company	Area	Main business items	Original investment amount		Held at the end of the period			Investee company Current period profit (loss)	Investment profit (loss) recognized in the current period	Note
				At the end of the period	End of last year	Number of shares	Ratio%	Carrying amount			
The Company	Chateau Fulang Hotel Co., Ltd.	Taiwan	Leisure hotel Industry	$ 112,919	$ 112,919	9,447,188	47.00	$ 123,256	($ 359)	($ 229)	Note 1
Chateau Fulang Hotel Co., Ltd.	Park Ave Shared Space Company	Taiwan	Leisure service industry	4,500	4,500	450,000	45.00	4,046	(968)	-	Note 2

Note 1：It is calculated based on the financial statements of the investee company reviewed by an accountant on March 31, 2021..
Note 2：It is only necessary to list the profit and loss amount of each subsidiary recognized by the company for direct reinvestment and each invested company that adopts the equity method, and the rest is exempt.

Chateau International Development Company Limited
Information on major shareholders
March 31, 2021
Attached Table 4

Name of major shareholder	Shares	
	Number of shares held (shares)	Shareholding ratio
Guantian Investment Development Co., Ltd.	32,824,581	29.43%
Zhongxin Development Co., Ltd.	22,491,623	20.16%
CMC Magnetics Corporation	16,191,421	14.51%
Concord International Securities Co., ltd.	8,549,943	7.66%
Zhongjia International Investment Co., Ltd.	5,928,269	5.31%

Note 1：The main shareholder information in this table is calculated by TDCC on the last business day of the quarter at the end of the quarter, and the shareholder holding the company’s ordinary shares that have been delivered without physical registration, totaling over 5%. The share capital recorded in the company's consolidated financial statements and the actual number of shares delivered without physical registration may be different or different due to different calculation bases.

Note 2：In the case of the above information, if the shareholder delivers the shares to the trust, it is disclosed in the individual account of the trustee who opened the trust account by the trustee. As for the shareholder’s declaration of shares held by an insider who holds more than 10% of the shares in accordance with the Securities and Exchange Act, his shareholding includes his own shareholding plus the shares delivered to the trust and the right to use the trust property, etc. Please refer to the Public Information Observatory for information on insider equity declaration.

Chateau International Development Company Limited and subsidiaries
Statement of changes in real estate, plant and equipment
January 1 to March 31, 2021 and 2020
Attached Table 5
Unit: Thousands of New Taiwan Dollars

	Land	Buildings	Transportation equipment	Office equipment	Hydropower equipment	Landscape gardening	Business appliance	Miscellaneous equipment	Unfinished projects and equipment to be inspected	Total
Cost										
Balance as of January 1, 2020	$ 201,588	$ 548,506	$ 3,247	$ 27,497	$ 158,784	$ 70,327	$ 28,268	$ 393,650	$ 81,521	$ 1,513,388
Added	-	392	-	241	115	-	552	870	1,792	3,962
Disposal	-	-	-	(40)	-	-	-	(176)	(110)	(326)
Reclassification	-	-	-	2,669	-	-	-	-	(2,698)	(29)
Transfer to investment real estate	(2,576)	(5,235)	-	-	-	-	-	-	-	(7,811)
Transfer to depreciation expense（Note ）	-	-	-	-	-	-	(522)	-	-	(522)
Balance as of March 31, 2020	$ 199,012	$ 543,663	$ 3,247	$ 30,367	$ 158,899	$ 70,327	$ 28,298	$ 394,344	$ 80,505	$ 1,508,662
Accumulated Depreciation										
Balance as of January 1, 2020	$ -	$ 41,531	$ 1,262	$ 22,657	$ 36,784	$ 47,868	$ -	$ 149,182	$ -	$ 299,284
Disposal	-	-	-	(40)	-	-	-	(176)	-	(216)
Depreciation	-	3,768	170	373	3,863	816	-	6,585	-	15,575
Transfer to investment real estate	-	(718)	-	-	-	-	-	-	-	(718)
Balance as of March 31, 2020	$ -	$ 44,581	$ 1,432	$ 22,990	$ 40,647	$ 48,684	$ -	$ 155,591	$ -	$ 313,925
Net as of March 31, 2020	$ 199,012	$ 499,082	$ 1,815	$ 7,377	$ 118,252	$ 21,643	$ 28,298	$ 238,753	$ 80,505	$ 1,194,737
Cost										
Balance as of January 1, 2021	$ 204,388	$ 563,789	$ 3,247	$ 30,386	$ 158,899	$ 70,327	$ 28,926	$ 395,105	$ 77,690	$ 1,532,757
Added	-	110	-	379	-	-	381	401	12,889	14,160
Disposal	-	-	-	-	-	-	-	(413)	-	(413)
Reclassification	-	1,698	-	7,324	-	-	-	1,185	(10,207)	-
Transfer to depreciation expense（Note ）	-	-	-	-	-	-	(440)	-	-	(440)
Balance as of March 31, 2021	$ 204,388	$ 565,597	$ 3,247	$ 38,089	$ 158,899	$ 70,327	$ 28,867	$ 396,278	$ 80,372	$ 1,546,064
Accumulated Depreciation										
Balance as of January 1, 2021	$ -	$ 55,122	$ 1,941	$ 23,032	$ 48,484	$ 51,128	$ -	$ 173,668	$ -	$ 353,375
Disposal	-	-	-	-	-	-	-	(357)	-	(357)
Depreciation	-	3,516	149	470	1,981	807	-	5,607	-	12,530
Balance as of March 31, 2021	$ -	$ 58,638	$ 2,090	$ 23,502	$ 50,465	$ 51,935	$ -	$ 178,918	$ -	$ 365,548
Net as of December 31, 2020 and January 1, 2021	$ 204,388	$ 508,667	$ 1,306	$ 7,354	$ 110,415	$ 19,199	$ 28,926	$ 221,437	$ 77,690	$ 1,179,382
Net as of March 31, 2021	$ 204,388	$ 506,959	$ 1,157	$ 14,587	$ 108,434	$ 18,392	$ 28,867	$ 217,360	$ 80,372	$ 1,180,516

Note ：The business appliance is transferred to the depreciation expense when it is actually damaged.