

RUENTEX DEVELOPMENT CO., LTD.
Unconsolidated Financial Statements and Report
of Independent Accountants
2024 and 2023
(Stock Code: 9945)

Company Address: 11F.-1, No. 308, Sec. 2, Bade Rd.,
Taipei City
Telephone: (02)8161-9888

RUENTEX DEVELOPMENT CO., LTD.

Unconsolidated Financial Statements and Report of Independent Accountants of 2024
and 2023
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Independent Auditors' Report

(114) Cai-Shen-Bao-Zi No. 24004731

Ruentex Development Co., Ltd. The Board of Directors and Shareholders:

Audit Opinions

We have audited the accompanying financial statements of Ruentex Development Co., Ltd. (the Company), which comprise the unconsolidated balance sheets as of December 31, 2024 and 2023 and the unconsolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the unconsolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying unconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Audit Opinions

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 Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We are independent of the Company 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. In view of the audit result concluded by our representatives and the audits concluded by other independent auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the Company for the year ended December 31, 2024. These matters were addressed in the context of our audit opinion of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's unconsolidated financial statements for the year ended December 31, 2024 are stated as follows:

Accuracy of Investment Balance Accounted for Using Equity Method

Description of Key Audit Matters

The investment balance under equity method of the Company as of December 31, 2024 was NT\$111,878,774 thousand, representing 77.64% of total assets. For the accounting policy related to investments under equity method, please refer to Unconsolidated Financial Statements Note 4(13). For the explanation on the accounts, please refer to Financial Statements Note 6(7).

Since the investments accounted for using equity method involves domestic and overseas investments at various levels with cross-holdings, it is considered to be a relatively complicated calculation. In addition, since the amount is significant and requires greater manpower to perform the audit, we are of the opinion that the accuracy of the investment balance under equity method shall be listed as one of the most important matters for the audit of the present year.

Corresponding Audit Procedures

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

1. We assessed the consistency of the internal control and the accounting process adopted by the management on the investments under equity method.

2. We obtained the investment profit/loss and equity account calculation form and the annual financial statements of investees audited by independent auditors from the management re-calculated the investment profit/loss and equity account amounts, and entered into account appropriately.

Assessment on Investment Balance Under Equity Method

For the accounting policy related to investments under equity method, please refer to Unconsolidated Financial Statements Note 4(13). For the explanation on the accounts, please refer to Financial Statements Note 6(7).

On December 31, 2024, the Company adopted the equity method to assess its subsidiary, Ruentex Engineering & Construction Co., Ltd. (hereinafter referred to as “Ruentex Engineering & Construction”). Under the consideration of comprehensive shareholding, since the investment balance under equity for Ruentex Engineering & Construction and the investment gain Ruentex Engineering & Construction in 2024 have significant impacts on the parent company only financial statements of the Company, we listed the key audit matters of Ruentex Engineering & Construction - assessment on Ruentex Engineering & Construction of construction contract income - construction completion progress and accuracy of time for Ruentex Engineering & Construction of construction cost as the key audit matters.

The key audit matters of Ruentex Engineering & Construction are respectively described in the following:

Assessment on Recognition of Construction Contract Income - Construction Completion Progress

Description of Key Audit Matters

The Ruentex Engineering & Construction of construction contract income of Ruentex Engineering & Construction 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 Ruentex Engineering & Construction 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 as follows:

1. Based on our understanding of the business operation and nature of industry of Ruentex Engineering & Construction, 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

The construction cost of each construction project of Ruentex Engineering & Construction already incurred at the end of financial report period was estimated and Ruentex Engineering & Construction according to the construction progress and the acceptance result. Such process of construction cost Ruentex Engineering & Construction 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 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 of construction cost, we considered and listed the accuracy of time for Ruentex Engineering & Construction 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.

Assessment of the fair value of investment property (including investment property held by subsidiaries under the equity method)

For the main sources of uncertainty in the accounting policies and critical accounting judgments, estimates and assumptions of the investment property, please refer to Notes 4(16) and 5 of the parent company only financial statements. For explanation of accounting items, please refer to Note 6(10) of the parent company only financial statements.

The investment property (including investment property held by subsidiaries under the equity method) held by Ruentex Development is subsequently measured at fair value. Since the assessment of fair value involves significant accounting estimates and judgments of the management, we have listed the fair value assessment of the investment properties held by Ruentex Development (including subsidiaries invested under the equity method) as one of the most important audit matters of the year.

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

1. Valuation of the professional competence and independence of the independent appraiser by the management. And discuss with management the scope of work and appointment method of the valuation personnel to ensure that there are no factors that affect their independence or limit their scope of work.
2. Evaluate the judgments made by the independent appraiser used by management, including whether the appraisal method and the key assumptions used are reasonable.
3. Verify the accuracy and completeness of the data used by the independent valuer employed by the management during the evaluation process.

Other matters- Reference to Audits by Other Accountants

For the investee listed in the aforementioned unconsolidated financial statements under equity method, its financial statements were not audited by our representatives, but was audited by other independent auditors. Accordingly, regarding our opinion on the aforementioned unconsolidated financial statements, relevant amount listed in financial statements of such company was based on the audit report by other independent auditors. The balances of the investment in the aforementioned companies under the equity method as of December 31, 2024 and 2023 were NT\$2,531,348 thousand and NT\$1,892,327 thousand, respectively, or 1.76% and 1.43% of total assets, respectively. From January 1 to December 31, 2024 and 2023, the share of income and other comprehensive income of the subsidiaries, affiliates and joint ventures recognized under the equity method were NT\$597,697 thousand and NT\$(295,185) thousand, respectively, accounting for 5.41% and 1.58% of the comprehensive income, respectively.

Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, the management is responsible for assessing the Company's ability to 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 Company'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 Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes 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 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 unconsolidated 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. Identify and assess the risk of material misstatement of the unconsolidated financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidences in order to be used as the basis for the audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made at the management level.
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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our audit 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 Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidences for the financial information of individual entity of the Company and provide opinions on its respective unconsolidated financial statements. We handle the guidance, supervision and execution of the audit on the Company and are responsible for preparing the audit opinion for the Company.

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 measure, 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 the most significance in the audit of the unconsolidated financial statements for the year ended December 31, 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

Chin-Lien Huang

CPA

Shu-Chiung Chang

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 Development Co., Ltd.
Unconsolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousands

Assets		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current Assets						
1100	Cash and cash equivalents	6(1)	\$ 1,447,692	1	\$ 1,494,465	1
1170	Net accounts receivable	6(2)	42,546	-	12,151	-
1180	Accounts receivable - related parties - net	6(2) and 7	-	-	916	-
1200	Other receivables		130,508	-	8,270	-
1210	Other receivables - related parties	7	1,103	-	1,112	-
130X	Inventories	6(3), 7, 8 and 9	23,735,849	16	22,084,796	17
1410	Prepayments		266,161	-	222,362	-
1470	Other current assets	6(1)(4) and 8	874,623	1	774,637	1
11XX	Total current assets		26,498,482	18	24,598,709	19
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(5), 7 and 8	1,455,867	1	1,274,216	1
1535	Financial assets at amortized cost - non-current	6(6)	60,000	-	60,000	-
1550	Investments accounted for using equity method	6(7), 7 and 8	111,878,774	78	101,520,448	77
1600	Property, plant, and equipment	6(8)	90,500	-	111,937	-
1755	Right-of-use assets	6(9)	410,242	-	502,859	-
1760	Investment properties, net	6(10)	3,016,159	2	3,128,890	2
1840	Deferred tax assets	6(28)	538,398	1	632,787	1
1900	Other non-current assets	6(1)(11) and 8	148,260	-	146,392	-
15XX	Total non-current assets		117,598,200	82	107,377,529	81
1XXX	Total Assets		\$ 144,096,682	100	\$ 131,976,238	100

(Continued)

Ruentex Development Co., Ltd.
Unconsolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousands

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current liabilities						
2100	Short-term borrowings	6(12) and 8	\$ 5,784,000	4	\$ 4,400,000	3
2110	Short-term bills payable	6(13) and 8	3,328,169	2	2,559,620	2
2130	Contract liabilities - current	6(20) and 7	2,020,379	2	1,601,518	1
2150	Notes payable		86,129	-	100,685	-
2160	Notes payable - related parties	7	302,965	-	205,251	-
2170	Accounts payable		138,969	-	170,955	-
2180	Accounts payable - related parties	7	1,039,009	1	946,888	1
2200	Other payables		427,304	-	390,994	-
2230	Income tax liabilities of current period		231,039	-	146,520	-
2280	Lease liabilities - current	6(9)	94,902	-	93,086	-
2310	Advance receipts		326,547	-	139,211	-
2320	Long-term liabilities due within one year or one operating cycle	6(14) and 8	1,028,750	1	4,603,750	4
21XX	Total current liabilities		14,808,162	10	15,358,478	11
Non-current liabilities						
2540	Long-term borrowings	6(14) and 8	25,426,946	18	19,616,785	15
2570	Deferred tax liabilities	6(28)	996,900	1	1,003,555	1
2580	Lease liabilities - non-current	6(9)	336,660	-	431,562	-
2640	Net defined benefit liability - non-current	6(15)	27,876	-	46,949	-
2645	Guarantee deposits received		1,180,247	1	1,073,020	1
25XX	Total non-current liabilities		27,968,629	20	22,171,871	17
2XXX	Total Liabilities		42,776,791	30	37,530,349	28
Equity						
	Capital	6(16)				
3110	Share capital		28,442,251	20	28,442,251	22
	Capital surplus	6(17)				
3200	Capital surplus		17,817,960	12	17,730,264	13
	Retained earnings	6(18)				
3310	Statutory reserve		8,770,022	6	8,007,702	6
3320	Special reserve		47,385,370	33	58,772,480	45
3350	Undistributed earnings		30,579,851	21	7,623,193	6
	Other equities	6(19)				
3400	Other equities		(31,594,114)	(22)	(26,048,552)	(20)
3500	Treasury stock	6(16)	(81,449)	-	(81,449)	-
3XXX	Total Equity		101,319,891	70	94,445,889	72
	Significant contingent liabilities and unrecognized contractual commitments	9				
	Significant subsequent events	11				
3X2X	Total liabilities and equity		\$ 144,096,682	100	\$ 131,976,238	100

The attached unconsolidated financial statement and notes are parts of this unconsolidated financial report, please refer to them all together.

Chairman: Jean, Tsang-Jiunn

Manager: Lee, Chih-Hung

Accounting Manager: Lin, Chin-Tzu

Ruentex Development Co., Ltd.
Unconsolidated Statements 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		2023	
			Amount	%	Amount	%
4000	Operating revenue	6(20) and 7	\$ 6,824,755	100	\$ 8,025,879	100
5000	Operation cost	6(3)(21) (26) (27) and 7	(5,173,531)	(76)	(5,808,188)	(72)
5900	Gross operating profit		<u>1,651,224</u>	<u>24</u>	<u>2,217,691</u>	<u>28</u>
	Operating expenses	6(15)(26) (27) and 7	(627,557)	(9)	(625,724)	(8)
6100	Selling expenses		(331,652)	(5)	(289,830)	(4)
6200	General & administrative expenses		(7)	-	88	-
6450	Expected credit impairment (losses) gains	12(2)	(959,216)	(14)	(915,466)	(12)
6000	Total operating expenses		<u>692,008</u>	<u>10</u>	<u>1,302,225</u>	<u>16</u>
6900	Operating profit					
	Non-operating income and expenses					
7100	Interest revenue	6(6)(22) and 7	20,496	-	140,388	2
7010	Other income	6(5)(23) and 7	47,389	1	18,657	-
7020	Other gains and losses	6(24)	(129,959)	(2)	104,770	1
7050	Financial costs	6(3)(9) (25)	(422,576)	(6)	(415,851)	(5)
7070	Share of other comprehensive gains and losses of subsidiaries, associates and joint ventures recognized using the Equity method	6(7)				
			<u>16,625,212</u>	<u>244</u>	<u>6,848,139</u>	<u>86</u>
7000	Total non-operating income and expenses		<u>16,140,562</u>	<u>237</u>	<u>6,696,103</u>	<u>84</u>
7900	Net profit before tax		<u>16,832,570</u>	<u>247</u>	<u>7,998,328</u>	<u>100</u>
7950	Income tax expense	6(28)	(269,596)	(4)	(253,813)	(3)
8200	Net income of current period		<u>\$ 16,562,974</u>	<u>243</u>	<u>\$ 7,744,515</u>	<u>97</u>
	Other comprehensive income					
	Items not to be reclassified into profit or loss					
8311	Remeasurement of defined benefit plans	6(15)	\$ 17,412	-	(\$ 4,451)	-
8316	Unrealized profit or loss on equity investments at fair value through other comprehensive income	6(5)	118,075	2	82,337	1
8330	Share of other comprehensive income of subsidiaries, associates & joint ventures accounted for using equity method - items not to be reclassified into profit or loss	6(19)	774,942	11	23,252	-
8349	Income tax relating to non-reclassified items	6(19) (28)	(99,873)	(1)	(3,100)	-
8310	Total of items not to be reclassified into profit or loss		<u>810,556</u>	<u>12</u>	<u>98,038</u>	<u>1</u>
	Items may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign operations	6(19)	145,592	2	(1,046)	-
8380	Share of other comprehensive income of subsidiaries, associates & joint ventures accounted for using equity method - items that may be reclassified to profit or loss	6(19)	(6,469,353)	(95)	10,861,293	135
8399	Income tax related to items may be reclassified into profit or loss	6(19) (28)	<u>2,875</u>	<u>-</u>	<u>(12,352)</u>	<u>-</u>
8360	Total of items may be reclassified subsequently to profit or loss		<u>(6,320,886)</u>	<u>(93)</u>	<u>10,847,895</u>	<u>135</u>
8300	Other comprehensive income (net)		<u>(\$ 5,510,330)</u>	<u>(81)</u>	<u>\$ 10,945,933</u>	<u>136</u>
8500	Total comprehensive income for this period		<u>\$ 11,052,644</u>	<u>162</u>	<u>\$ 18,690,448</u>	<u>233</u>
	Earnings per share	6(29)				
9750	Basic earnings per share		<u>\$ 6.07</u>		<u>\$ 2.65</u>	
9850	Diluted earnings per share		<u>\$ 6.06</u>		<u>\$ 2.65</u>	

The attached unconsolidated financial statement and notes are parts of this unconsolidated financial report, please refer to them all together.

Chairman: Jean, Tsang-Jiunn

Manager: Lee, Chih-Hung

Accounting Manager: Lin, Chin-Tzu

Ruentex Development Co., Ltd.
Unconsolidated Statement of Changes in Equity
For the Year Ended December 31, 2024 and 2023

Unit: NT\$ thousands

				Retained earnings					
	Notes	Share capital	Capital surplus	Statutory reserve	Special reserve	Undistributed earnings	Other equities	Treasury stock	Total Equity
2023									
Balance on January 1, 2023		\$ 31,602,501	\$ 17,616,034	\$ 6,962,392	\$ 20,326,692	\$ 39,491,098	(\$ 37,115,807)	(\$ 84,639)	\$ 78,798,271
Net income of current period	6(18)	-	-	-	-	7,744,515	-	-	7,744,515
Other comprehensive income	6(18)(19)	-	-	-	-	(121,637)	11,067,570	-	10,945,933
Total comprehensive income for this period		-	-	-	-	7,622,878	11,067,570	-	18,690,448
Appropriation and distribution of the earnings for 2022:	6(18)								
Statutory reserve		-	-	1,045,310	-	(1,045,310)	-	-	-
Special reserve		-	-	-	38,445,788	(38,445,788)	-	-	-
Cash capital reduction	6(16)	(3,160,250)	-	-	-	-	-	3,190	(3,157,060)
Dividends unclaimed by shareholders with claim period elapsed	6(17)	-	1,717	-	-	-	-	-	1,717
Changes in associates & joint ventures accounted for using equity method	6(17)	-	22,391	-	-	-	-	-	22,391
Disposal of equity instrument at fair value through other comprehensive income	6(18)	-	-	-	-	315	(315)	-	-
Adjustments of associates not recognized in proportion to shareholdings	6(7)(17)	-	90,122	-	-	-	-	-	90,122
Balance on December 31, 2023		\$ 28,442,251	\$ 17,730,264	\$ 8,007,702	\$ 58,772,480	\$ 7,623,193	(\$ 26,048,552)	(\$ 81,449)	\$ 94,445,889
2024									
Balance on January 1, 2024		\$ 28,442,251	\$ 17,730,264	\$ 8,007,702	\$ 58,772,480	\$ 7,623,193	(\$ 26,048,552)	(\$ 81,449)	\$ 94,445,889
Net income of current period	6(18)	-	-	-	-	16,562,974	-	-	16,562,974
Other comprehensive income	6(18) (19)	-	-	-	-	40,526	(5,550,856)	-	(5,510,330)
Total comprehensive income for this period		-	-	-	-	16,603,500	(5,550,856)	-	11,052,644
Appropriation and distribution of the earnings for 2023:	6(18)								
Statutory reserve		-	-	762,320	-	(762,320)	-	-	-
Special reserve		-	-	-	(11,387,110)	11,387,110	-	-	-
Cash dividends		-	-	-	-	(4,266,338)	-	-	(4,266,338)
Dividends unclaimed by shareholders with claim period elapsed	6(17)	-	1,117	-	-	-	-	-	1,117
Changes in associates & joint ventures accounted for using equity method	6(17)	-	44,509	-	-	-	-	-	44,509
Disposal of equity instrument at fair value through other comprehensive income	6(18)	-	-	-	-	(5,294)	5,294	-	-
Adjustments of associates not recognized in proportion to shareholdings	6(7)(27)	-	82	-	-	-	-	-	82
Changes in ownership interests in subsidiaries	6(7)(27)	-	41,988	-	-	-	-	-	41,988
Balance as of December 31, 2024		\$ 28,442,251	\$ 17,817,960	\$ 8,770,022	\$ 47,385,370	\$ 30,579,851	(\$ 31,594,114)	(\$ 81,449)	\$ 101,319,891

The attached unconsolidated financial statement and notes are parts of this unconsolidated financial report, please refer to them all together.

Chairman: Jean, Tsang-Jiunn

Manager: Lee, Chih-Hung

Accounting Manager: Lin, Chin-Tzu

Ruentex Development Co., Ltd.
Unconsolidated Statements of Cash Flows
For the Year Ended December 31, 2024 and 2023

Unit: NT\$ thousands

	Notes	2024	2023
<u>Cash flows from operating activities</u>			
Profit before income tax of current period		\$ 16,832,570	\$ 7,998,328
Adjustments			
Income and expenses			
Unrealized incomes among affiliates		4,578	26,568
Depreciation expense	6(26)	122,458	126,009
Expected credit impairment (losses) gains	6(26)	7 (	88)
Interest expense	6(25)	422,576	415,851
Interest revenue	6(22)	(20,496 ) (	140,388)
Dividend income	6(5)(23)	- (	89)
Share of profit of associates accounted for using the equity method	6(7)	(16,625,212 ) (	6,848,139)
Gains on disposals of property, plant and equipment	6(24)	- (	1)
Investment property fair value loss (gain)	6(10)(24)	112,731 (	43,560)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Notes receivable		-	29,476
Accounts receivable		(30,402)	1,200
Accounts receivable - related parties		916 (	281)
Other receivables		(122,220)	133,410
Other receivables - related parties		9	233
Inventories		(1,422,987 ) (	24,551)
Prepayments		(43,799 ) (	150,093)
Other current assets		(38,745)	502,089
Net change in liabilities related to operating activities			
Contract liabilities - current		418,861 (	331,754)
Notes payable		(14,556)	13,374
Notes payable - related parties		97,714	138,977
Accounts payable		(31,986 ) (	206,834)
Accounts payable - related parties		92,121	55,718
Other payables		35,029	22,288
Advance receipts		187,336 (	1,861)
Net defined benefit liability - non-current		(1,661 ) (	1,452)
Cash flow generated from (used in) operations		(25,158)	1,714,430
Interest received		20,478	154,977
Interest paid		(648,280 ) (	582,685)
Dividend received		1,433,230	1,708,873
Income tax paid		(202,507 ) (	352,586)
Net cash generated from operating activities		<u>577,763</u>	<u>2,643,009</u>

(Continued)

Ruentex Development Co., Ltd.
Unconsolidated Statements of Cash Flows
For the Year Ended December 31, 2024 and 2023

Unit: NT\$ thousands

	Notes	2024	2023
<u>Cash flows from investing activities</u>			
Acquisition of financial Assets at fair value through other comprehensive income acquired - non-Current	6(5)	(\$ 64,980)	\$ -
Share capital returned from capital reduction in financial assets at fair value through other comprehensive income - non-current	6(5)	-	1,498
Acquisition of financial Assets at fair value through other comprehensive income acquired - non-Current; consider a dividend returned at initial holding cost	6(5)	1,404	4,083
Acquisition of investment accounted for using the equity method	6(7)	(625,000)	(586,161)
Share capital returned from capital reduction in investments using the equity method	6(7)	-	105,363
Acquisition of property, plant and equipment	6(8)	(8,404)	(6,201)
Proceed from disposal of property, plant and equipment		-	1
Decrease (increase) in other financial assets		(61,879)	44,337
Increase in other non-current assets		(1,230)	(166)
Cash used in investing activities		(760,089)	(437,246)
<u>Cash flows from financing activities</u>			
Net increase (decrease) in short-term borrowings	6(30)	1,384,000	(895,000)
Net increase (decrease) in short-term bills payable	6(30)	770,000	(30,000)
Amount of long-term borrowings	6(30)	27,600,000	32,112,000
Repayments of long-term borrowings	6(30)	(25,366,250)	(34,412,000)
Increase in guarantee deposits		107,227	70,711
Repayments to the lease principal	6(9)(30)	(93,086)	(91,959)
Cash dividends paid	6(18)	(4,266,338)	-
Cash capital reduction	6(16)	-	(3,160,250)
Net cash generated from (used in) financing activities		135,553	(6,406,498)
Decrease of cash and cash equivalents current period		(46,773)	(4,200,735)
Cash and cash equivalents at the beginning of the year	6(1)	1,494,465	5,695,200
Cash and cash equivalents at the end of year	6(1)	<u>\$ 1,447,692</u>	<u>\$ 1,494,465</u>

The attached unconsolidated financial statement and notes are parts of this unconsolidated financial report, please refer to them all together.

Chairman: Jean, Tsang-Jiunn

Manager: Lee, Chih-Hung

Accounting Manager: Lin, Chin-Tzu

RUENTEX DEVELOPMENT CO., LTD.

Notes to Financial Statements

2024 and 2023

Unit: NT\$ thousands
(Except as Otherwise Indicated)

I. History and Organization

Ruentex Development Co., Ltd. (hereinafter referred to as the “Company”), was incorporated In September 1977 under the laws of Republic of China (ROC) and formerly known as “Ruentex Construction Co., Ltd.” On July 2, 2002, the Company changed its name to “Ruentex Development Co., Ltd.” under the approval of the competent authority. The Company was authorized to trade its stocks on the Taiwan Stock Exchange since April 30, 1992. The Company primarily operates the businesses of contracted construction of congregate housings and lease/sale of commercial buildings, purchase and sale of building materials as well as department store business and super market business.

II. Date and Procedure for Approval of Financial Statements

The unconsolidated 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:

<u>New and revised standards, amendments to standards and interpretations</u>	<u>Effective date published by the International Accounting Standards Board</u>
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 Company’s financial condition and operating result based on the Company’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:

	<u>Effective date published by the International Accounting Standards Board</u>
<u>New and revised standards, amendments to standards and interpretations</u>	
Amendments to IAS No. 21 "Lack of Convertibility"	January 1, 2025
The above standards and interpretations have no significant impact to the Company's financial condition and operating result based on the Company'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:

	<u>Effective date published by the International Accounting Standards Board</u>
<u>New and revised standards, amendments to standards and interpretations</u>	
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
Amendments 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 Company's financial condition and operating result based on the Company'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 17 “Insurance Contracts”

The potential impact of IFRS 17 “Insurance Contracts” and its amendments on investments using the equity method is currently under assessment, and it is temporarily unable to reasonably estimate the impact on the The Company. The relevant amount impacted will be disclosed when the assessment is completed.

3. 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 unconsolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(I) Compliance statement

The unconsolidated financial statements were prepared in accordance with the ‘Regulations Governing the Preparation of Financial Reports by Securities Issuers’.

(II) Basis of preparation

1. Except for the following items, these unconsolidated financial statements have been prepared under the historical cost convention:
 - (1) Financial assets at fair value through other comprehensive income.
 - (2) Investment property subsequently measured at fair value
 - (3) 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 International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed and issued into effect by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the unconsolidated financial statements are disclosed in Note 5.

(III) Foreign currency translation

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

1. 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'.

2. Translation of foreign operations

- (1) The operating results and financial position of all the subsidiaries and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - A. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - B. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - C. All resulting exchange differences are recognized in other comprehensive income.
- (2) When the foreign operation partially disposed of or sold is an associate cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred into part of the gain or loss on the sale or disposal thereof. In addition, even when the Company still retains partial interest in the former associate after losing its major influence on the former foreign operation associate such transactions should be accounted for as disposal of all interest in the foreign operation.
- (3) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(IV) Classification of Current and non-Current items

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) No right to defer settlement of a liability for at least twelve months after the reporting period.

Liabilities that do not meet the above criteria are classified as non-Current liabilities.

3. Since the operating cycle of building and housing sale is longer than one year, the Assets and liabilities related to construction and long-term construction contracts are classified into current and non-current according to the standard of the operating cycle.

(V) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of 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.

(VI) Financial Assets at fair value through other comprehensive income acquired

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. On a regular way purchase or sale basis, financial Assets at fair value through comprehensive income are recognized and derecognized using settlement date accounting.
3. The Company initially recognized the financial Assets at fair value through profit or loss are initially recognized at fair value, and subsequently, they were measured 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 receipts is confirmed, the economic benefit related to the dividend may be received as income, and when the dividend amount can be reliably measured, the Company then recognizes it as dividend income.

(VII) Financial assets 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 Company recognizes or derecognizes financial Assets at amortized cost by using settlement date accounting.
3. During the initial recognition the Company 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.

(VIII) 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. However, short-term notes and accounts receivable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

(IX) Impairment of financial assets

The Company 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.

(X) Derecognition of financial assets

The Company 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.

(XI) Lease transactions of lessor - rent payments receivable /operating lease

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

(XII) Inventories

The perpetual inventory system is adopted. The acquisition cost is used as the basis for account entry, and relevant interest during the construction period (at construction site) is capitalized, and the carry down of cost is calculated by using the weighted average method. The ending inventories are stated at the lower of cost and net realizable value. In addition, the item-by-item approach is used in applying the lower of cost and net realizable value. Net realizable value represents the balance with costs required to complete the production and get the products ready subtracted from the estimated selling price.

(XIII) Investments accounted for using equity method / subsidiaries, associates and joint ventures

1. Subsidiaries are all entities (including structural entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
2. Unrealized profit (loss) occurred from the transactions between the Company and subsidiaries have been offset. The accounting policies of the subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
3. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses proportionate to its ownership.
4. Changes in the Company's ownership interest in a subsidiary that do not result in the Company's losing control (and non-controlling equity transaction) of the subsidiary are equity transactions, and it is also considered as a transaction between 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.
5. When the Company loses its control on a subsidiary, the remaining investment on the former subsidiary is remeasured at fair value and is used as the fair value for the initial recognition of financial Assets or the cost for initial recognition of investment in an associate. The difference between the fair value and the carrying amount is recognized as the profit or loss of the Current period. For all of the amounts related to the subsidiary 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 Company loses its control on the subsidiary, such profit or loss shall be re-classified as profit or loss from equity.
6. An associate is an entity over which the Company has significant influence but without control power, and it generally refers to an entity that the Company directly or indirectly holds more than 20% of shares of voting rights. The Company uses the equity method to account for its investments in associates, and costs are recognized during the acquisition thereof.
7. The Company's share of its associate' post-acquisition profits or losses are recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income.
 - (1) Among them, for "other comprehensive income recognized by share - reclassification using overlay approach", the overlay approach may only be designated for financial assets that meet the criteria below:
 - (a) The financial asset at fair value through profit or loss under IFRS 9, but if the International Accounting Standards 39 (IAS 39) (Financial Instruments: Recognition and Measurement) applies, it will not be measured at fair value

through profit or loss as a whole; and

- (b) The financial asset is not held for an activity not connected to a contract within the scope of IFRS 4.

(2) Investees using the equity method may (but are not required to) apply the overlay approach to a designated financial asset. The overlay approach is accounting treatment of a reclassified amount between profit or loss and other comprehensive income; such that the gain or loss on the designated financial asset at the end of the reporting period is the same as that on the designated financial asset with IAS 39 applied. Accordingly, the reclassified amount is the difference between:

- (a) the amount recognized in profit or loss when IFRS 9 applies to the designated financial asset; and
- (b) The amount recognized in profit or loss if IAS 39 applies to the designated financial asset.

When the Company's share of losses of an associate equals or exceeds its interest in that associate (which includes any other unsecured accounts receivable), the Company discontinues recognizing its share of further losses; unless that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

- 8. For changes of equity interests in affiliated company that do not relate to profit and loss or other comprehensive income or affect proportion of shares held by the Company, the Company shall recognize these changes in equity interests as capital reserve in proportion to shares it holds in the affiliated company.
- 9. The unrealized profit or loss generated from the transactions between the Company 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 Company.
- 10. When an associate issues new shares, if the Company does not subscribe or 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.
- 11. When the Company loses its significant influence on an associate, the remaining investment on the former associate is remeasured at fair value, and the difference between the fair value and the carrying amount is recognized as the profit or loss of the Current period.

12. When the Company disposes an associate, if the Company 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 Company loses its significant influence on the associate, such profit or loss shall be re-classified as profit or loss from equity. If the Company 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.
13. When the Company disposes an associate, if it loses its significant influence on the associate, the capital reserve related to the associate is recognized as profit or loss. If it shall have significant influence on the associate, then it is recognized as profit or loss according to the disposal ratio.
14. If an investment recognized under equity method holds shares of the Company and measures the investment in the Company using the equity method, the gains or losses from such investment is measured at the investment's carrying amount excluding the Company's profit or loss recognized by the former investment entity.
15. Pursuant to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", profit (loss) of the Current period and other comprehensive income in the unconsolidated financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the unconsolidated financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statement.

(XIV) Property, plant, and equipment

1. Real estate, plant and equipment are initially recorded at cost.
2. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
3. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of real estate, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
4. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors", from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Machinery and equipment	2 years ~ 11 years
Warehouse equipment	2 years ~ 8 years

Transportation equipment	2 years ~ 6 years
Office equipment	2 years ~ 10 years
Other equipment	2 years ~ 11 years

(XV) 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 Company. 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 Company'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, and the lease payment on or before the starting date, if any. 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.

(XVI) Investment Properties

An investment property is stated initially at its cost and measured subsequently using the fair value model. The gains or losses resulting from changes in the fair value of investment properties recognized for the current period.

(XVII) Impairment of non-financial Assets

The Company 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. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(XVIII) Loans

Refer to long-term, short-term borrowings from banks and other long-term, short-term loans. During the initial recognition, the Company 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.

(XIX) Notes and accounts payable

1. Notes and accounts payable refer to debts occurred due to goods or services that have been acquired in the course of business and occurred due to non-operating activities.
2. For short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

(XX) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged or canceled or expires.

(XXI) 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. 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.

(XXII) 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 Company 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 expectation under applicable status. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings in a shareholders' meeting of the following year.
3. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of Assets and liabilities and their carrying amounts in the parent only 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 standalone business 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 Company 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.

(XXIII) Capital

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

(XXIV) Dividends

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

(XXV) Income

1. Land development and sale

- (1) The Company operates the business of land development and sales of housing, and

income is recognized when the control of real estate is transferred to customers. For the housing sales contract already signed, based on the restriction of contract terms, such real estate serves no other purposes to the Company; however, when the statutory ownership of the real estate is transfer to customer, the Company then has the executable right on the contract terms. Consequently, income is recognized at the time when the statutory ownership is transferred to the customer.

- (2) Income is measured based on the contract negotiated amount, and the contract price is paid when the statutory ownership of the real estate is transferred. Under extremely rare cases, the Company and customers engaged in negotiation for the deferred time of payment; however, the deferred repayment periods were all less than 12 months. Therefore, it is determined that there is no major financial composition in the contract, such that the consideration amount is not adjusted.

2. Sale of goods

- (1) The Company operates the business related to department store purchase and sale, as well as the business of super market. 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 customer. In addition, the Company has no unfulfilled obligations that may affect 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) There is a customer loyalty plan managed by the Company 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 right 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.
- (3) Accounts receivable is recognized when goods are delivered to customers since starting from such time of delivery, the Company has the unconditional right on the contract price, and the Company can receive the consideration from the customer after time has passed.
- (4) Financial component
Since the period from the time when contracts are signed between the Company 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 Company has not adjusted the transaction price to reflect the currency time value.

3. Income from lease

Income is recognized in profit or loss on a straight-line basis over the lease term.

4. Costs to obtain clients' contracts

For the incremental costs incurred to obtain clients' contracts (mainly sales commission), the expected recoverable parts are recognized as asset when incur (listed as other current assets), and amortized based on the systematic basis consistent to the transfer of the products or services related to the concern assets. Subsequently, if the expected receivable consideration becomes lower than the carrying amount recognized in the Assets after deducting the costs not recognized as expenses, the excessive amount to the carrying amount in the Assets is recognized as the impairment loss.

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

The preparation of these unconsolidated financial statements requires management to make critical judgments in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. 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:

(I) Critical judgments in applying the Company accounting policies

Investment Properties

When the purpose of the real estate held by the Company are to gain rent or capital increase, such real estate are classified under the investment Assets.

(II) Critical accounting estimates and assumptions

As investment property is subsequently measured at fair value, and the investment property held by the Company is mainly land and buildings, an expert should be appointed to determine the fair value of investment property on the balance sheet date with their professional judgment and appraisal. The Company will adjust the carrying amount to the fair value based on the appraisal report issued by the expert. The valuation of these investment properties is primarily based on expert reports and estimates, which may be subject to changes in the demand for products, the real estate market conditions, the valuation method and key assumptions used, and the judgment and estimation of experts during a specific future period. Therefore, the fair value measurement of these properties may be affected.

VI. Details of Significant Accounts

(I) Cash and cash equivalents

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash on hand and revolving funds	\$ 2,982	\$ 4,243
Checking deposits	125,643	135,421
Demand deposits	548,416	445,898
Time deposits	139,346	133,139
Cash equivalents - Bonds under repurchase agreements	631,305	775,764
	<u>\$ 1,447,692</u>	<u>\$ 1,494,465</u>

1. The Company 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 Company's restricted cash and cash equivalents on December 31, 2024 and 2023 due to advance receipt trust for construction projects and project performance bond were NT\$329,138 and NT\$316,954, respectively, of which NT\$234,387 and NT\$222,838 were classified as other current assets - other financial assets (see Note 6(4) for details); NT\$94,751 and NT\$94,116 were classified as other non-current assets - other financial assets; see Note 6(11) for details.

(II) Accounts receivable

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Accounts receivable	\$ 42,562	\$ 12,160
Less: Allowance for loss	(16)	(9)
Subtotal	<u>42,546</u>	<u>12,151</u>
Accounts receivable - related parties	<u>-</u>	<u>916</u>
	<u>\$ 42,546</u>	<u>\$ 13,067</u>

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Not overdue	\$ 42,533	\$ 13,060
Overdue		
91 days and more	<u>29</u>	<u>16</u>
	<u>\$ 42,562</u>	<u>\$ 13,076</u>

The aging analysis was based on past due date.

2. The balances of the receivables and as of December 31, 2024 and 2023 were incurred by the clients' contracts; also as of January 1, 2023, the balances of the receivables was NT\$13,898.
3. The maximum exposure to credit risk for the Company's accounts receivable, before consideration of associated collateral held and other credit enhancements was NT\$42,546 and NT\$13,067 as of December 31, 2024 and 2023, respectively.
4. The Company does not hold any collateral as security.
5. For credit risk information related to accounts receivable, please refer to Note 12(2).

(III) Inventories

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Construction business department:		
Real property for sale (including parking space)	\$ 3,878,203	\$ 5,359,798
Property under construction	15,089,270	10,925,907
Construction land	3,053,112	3,752,376
Prepayment for land purchases	2,160,746	2,502,776
Less: Allowance for valuation losses	(516,078)	(536,877)
Subtotal	<u>23,665,253</u>	<u>22,003,980</u>
Wholesale Business Department:		
Merchandise inventory	71,389	81,696
Less: Allowance for obsolescence loss	(793)	(880)
Subtotal	<u>70,596</u>	<u>80,816</u>
Total	<u>\$ 23,735,849</u>	<u>\$ 22,084,796</u>

1. The cost of inventories recognized as expense for the Current period is as follows:

	<u>2024</u>	<u>2023</u>
Cost of inventories sold	\$ 5,184,397	\$ 5,804,351
loss on physical inventory	9,823	9,450
Gain on declining price recovery	(20,886)	(5,815)
	<u>\$ 5,173,334</u>	<u>\$ 5,807,986</u>

The market price recovery during 2024 and 2023 led to rebounded gains from inventories for the Company.

2. Inventory capitalization amount and interest range:

	<u>2024</u>	<u>2023</u>
Amount of capitalization	<u>\$ 228,066</u>	<u>\$ 169,095</u>
Interest rate collars of capitalization	1.71%~1.93%	1.66%~1.76%

3. The aforementioned construction lands include the payment amount of the Company for the purchase of the agricultural lands. Since they are still agricultural lands, and the land category has not been changed completely, the ownership of the lands is still registered under the name of third party, and pledge has been set on such agricultural lands, please refer to Note 7.
4. For the collateral status for the inventory of the aforementioned Construction Business Department, please refer to Note 8.

(IV) Other current assets

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Joint construction guarantee deposits	\$ 500,066	\$ 421,137
Restricted bank deposits	234,387	222,838
Guarantee deposits paid	1,409	30,646
Incremental costs of obtaining contracts	<u>138,761</u>	<u>100,016</u>
	<u>\$ 874,623</u>	<u>\$ 774,637</u>

For the collateral status for other financial assets of the Company, please refer to Note 8.

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

<u>Item</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Non-current items		
Equity Instrument		
Shares of the TPEx listed companies	\$ 737,636	\$ 674,060
Shares of non-TWSE/TPEx listed companies	<u>963</u>	<u>963</u>
	<u>738,599</u>	<u>675,023</u>
Adjustments for valuation		
- Shares of the TPEx listed companies	717,331	599,256
- Shares of non-TWSE/TPEx listed companies	<u>(63)</u>	<u>(63)</u>
	<u>717,268</u>	<u>599,193</u>
Total	<u>\$ 1,455,867</u>	<u>\$ 1,274,216</u>

1. The Company elected to classify the strategic investments in TPEx listed securities as financial assets at fair value through other comprehensive income, amounting to NT\$1,454,967 and NT\$1,273,316 as of December 31, 2024 and 2023, respectively.
2. The Company chose to classify the non-TWSE/TPEx stocks under strategic investment as the financial Assets at fair value through other comprehensive income, and the fair value of such investment on December 31, 2024 and 2023 was NT\$900.
3. The maximum exposure to credit risk for the Company's financial assets at fair value through other comprehensive income, before consideration of associated collateral held and other credit enhancements, was NT\$1,455,867 and NT\$1,274,216 as of December 31, 2024 and 2023, respectively.
4. TPEx-listed company, TaiMed Biologics, Inc., increased its capital in cash in March 2024, and the Company subscribed for 655 thousand shares in the amount of NT\$53,701.
5. TPEx-listed company, OBI Pharma, Inc., increased its capital in cash in December 2024, and the Company subscribed for 176 shares in an amount of NT\$11,279.
6. The non-listed Pacific Resources Corporation held by the Company was set to revitalize the use of investors' fund and enhance the ROE, it has conducted a cash capital reduction in

May 2023, to reduce capital by 95% at the par value of NT\$10 per share. Therefore, the total amount of capital to be reduced by the Company was NT\$1,498, of which NT\$1,173 was regarded as the return of the original investment cost, and the investment cost and unrealized valuation adjustment - loss were written off; additionally, NT\$325 was regarded as realized valuation gain reclassified to retained earnings. After the capital reduction, the Company's shareholding remained at 1.05%.

7. Brogent Technologies Inc., a listed company held by the Company has distributed cash of NT\$1,404 and NT\$4,083 from the original capital surplus contributed to by shareholders in August 2024 and 2023, respectively. This was regarded as a reduction of the Company's original cost of the holding.
8. The details of financial assets at fair value through other comprehensive income recognized in comprehensive income (loss) and retained earnings are as follows:

<u>Item</u>	<u>2024</u>	<u>2023</u>
Changes in fair value recognized as other comprehensive income	<u>\$ 118,075</u>	<u>\$ 82,337</u>
Unrealized valuation gains on financial assets transferred to retained earnings due to disposal	<u>\$ -</u>	<u>(\$ 325)</u>
Dividend incomes recognized in profit and loss	<u>\$ -</u>	<u>\$ 89</u>

9. For the status of the Company using the financial Assets at fair value through other comprehensive income as collateral for security, please refer to Note 8.
10. 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 at amortized cost- non-Current

<u>Item</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Subordinated corporate bonds	<u>\$ 60,000</u>	<u>\$ 60,000</u>

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

	<u>2024</u>	<u>2023</u>
Interest revenue	<u>\$ 2,100</u>	<u>\$ 2,096</u>

2. Under the condition where the increase of collaterals or other credits held was not considered, for the most representing financial Assets at amortized cost held by the Company, the maximum exposure amount of credit risk on December 31, 2024 and 2023 was both NT\$60,000.
3. For the financial Assets at amortized cost held by the Company, there was no collateral provided as security.
4. For information on the credit risk of financial assets at amortized cost, please refer to Note 12(2).

(VII) Investments accounted for using equity method

1. Details are as follows:

<u>The investee company</u>	<u>Book value</u>	
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
The listed asset accounts:		
<u>Subsidiaries</u>		
Ruentex Construction International (B.V.I.) Co., Ltd. (Ruentex B.V.I.)	\$ 1,845,874	\$ 1,572,229
Ruentex Construction & Development Co., Ltd. (Ruentex Construction)	2,891,491	1,995,297
Ruentex Bai-Yi Development co., Ltd. (Ruentex Bai Yi)	7,135,135	7,102,527
Ruentex Xu-Zhan Development co., Ltd. (Ruentex Xu Zhan)	6,960,345	6,937,013
Ruentex Materials Co., Ltd. (Ruentex Materials)	198,575	177,666
Ruentex Security Co., Ltd. (Ruentex Security)	107,694	94,212
Ruentex Property Management & Maintenance Co., Ltd. (Ruentex Property)	48,025	38,446
Ruen Fu Newlife Corp. (Ruen Fu)	14,313	16,337
Ruentex Engineering & Construction Co., Ltd. (Ruentex Engineering)	2,367,554	1,519,668
Ruentex Innovative Development Co., Ltd. (Ruentex Innovative Development)	5,184,836	1,874,923
Ruentex Interior Design Inc. (Ruentex Interior Design)	37,441	24,524
Subtotal	<u>26,791,283</u>	<u>21,352,842</u>

<u>The investee company</u>	<u>Book value</u>	
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Associates</u>		
Shing Yen Construction Development Co., Ltd. (Shing Yen)	\$ 414,610	\$ 398,388
Ruentex Industries Ltd. (Ruentex Industries)	11,389,347	10,863,692
Gin-Hong Investment Co., Ltd. (Gin-Hong)	824,409	708,113
Concord Greater China Ltd. (Concord)	937,660	569,928
Sunny Friend Environmental Technology Co., Ltd. (Sunny Friend)	1,366,891	1,306,417
Ruen Chen Investment Holdings Ltd. (Ruen Chen)	69,328,548	65,523,748
Nan Shan Life Insurance Co., Ltd. (Nan Shan Life Insurance)	826,026	797,320
Global Mobile Corp. (Global Mobile)	-	-
Subtotal	<u>85,087,491</u>	<u>80,167,606</u>
Total	<u>\$ 111,878,774</u>	<u>\$ 101,520,448</u>

2. The investment shareholder percentage is as follows:

<u>The investee company</u>	<u>Proportion of Shareholding</u>	
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Subsidiary</u>		
Ruentex B.V.I.	100.00%	100.00%
Ruentex Construction	100.00%	100.00%
Ruentex Bai Yi	35.00%	35.00%
Ruentex Xu-Zhan	80.00%	80.00%
Ruentex Materials	10.49%	10.49%
Ruentex Security	100.00%	100.00%
Ruentex Property	100.00%	100.00%
Ruen Fu	60.00%	60.00%
Ruentex Engineering & Construction	39.14%	39.14%
Ruentex Innovative Development	70.00%	70.00%
Ruentex Interior Design	4.91%	5.45%

<u>The investee company</u>	<u>Proportion of Shareholding</u>	
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Associates</u>		
Shing Yen	45.45%	45.45%
Ruentex Industries	14.28%	14.28%
Gin-Hong	30.00%	30.00%
Concord	25.56%	25.46%
Sunny Friend	25.67%	25.67%
Ruen Chen	25.00%	25.00%
Nan Shan Life Insurance	0.23%	0.23%
Global Mobile	9.46%	9.46%

3. Details of the share of profit or loss of subsidiaries and associates under equity method are as follows:

<u>The investee company</u>	<u>2024</u>	<u>2023</u>
<u>Subsidiary</u>		
Ruentex	\$ 91,064	\$ 59,765
Ruentex Construction	539,898	(8,271)
Ruentex Bai Yi	114,508	28,119
Ruentex Xu-Zhan	275,216	169,966
Ruentex Materials	17,256	10,573
Ruentex Security	26,220	18,055
Ruentex Property	9,981	3,363
Ruen Fu	(2,959)	(5,859)
Ruentex Engineering & Construction	1,039,081	637,324
Ruentex Innovative Development	3,314,490	(25,308)
Ruentex Interior Design	7,865	6,077
Subtotal	<u>5,432,620</u>	<u>893,804</u>
<u>Associates</u>		
Shing Yen	14,374	3,301
Ruentex Industries	1,380,822	818,609
Gin-Hong	27,374	22,099
Concord	57,086	14,244
Sunny Friend	123,265	106,763
Ruen Chen	9,491,232	4,938,055
Nan Shan Life Insurance	98,439	51,264
Global Mobile	-	-
Subtotal	<u>11,192,592</u>	<u>5,954,335</u>
Total	<u>\$ 16,625,212</u>	<u>\$ 6,848,139</u>

4. As of December 31, 2024 and 2023, among the investments accounted under equity method, the amounts for Gin-Hong, Concord, and Ruen Fu were measured based on the financial reports audited by other independent accountants.

5. Subsidiaries

- (1) Please refer to Note 4(3) in the consolidated financial statements for the year ended December 31, 2024 for more information on the Company's subsidiaries.
- (2) In order to improve financial structure and strengthen the operating capital, Ruen Fu conducted a capital reduction for making-up losses in December 2023, followed by a subsequent cash capital increase by issuing 1,799,997 new shares based on the plan, the Company paid NT\$18,000 for the new issue in proportion to its shareholding.
- (3) In order to cooperate with the public underwriting before the initial listing on Taipei Exchange by Ruentex Interior Design, 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 Engineering & Construction and Ruentex Materials have 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, Ruentex Engineering & Construction, and Ruentex Materials has decreased from 5.45%, 20.34%, and 35.19% to 4.91%, 18.30%, and 31.66%, respectively. The Company's combined direct and indirect shareholding in Ruentex Design decreased from 23.45% to 20.25%; therefore, the Company recognized NT\$4664,8 in capital surplus - changes in the ownership interests of subsidiaries recognized (including income tax effect of NT\$2,680).
- (4) Ruentex Construction, upon the resolution of the board of directors on March 18, 2024, approved a capital increase in cash for 500,000 shares in an amount of NT\$500,000. The Company subscribed for all shares in proportion to its shareholding.

6. Associates

- (1) The basic information of primary associates of the Company is as follows:

<u>Company name</u>	<u>Principal Place of Business</u>	<u>Shareholding percentage</u>		<u>Nature of relationship</u>	<u>Measurement method</u>
		<u>December 31,</u>	<u>December 31,</u>		
		<u>2024</u>	<u>2023</u>		
Ruen Chen	Taiwan	25.00%	25.00%	Diversification	Equity method
Ruentex Industries	Taiwan	14.28%	14.28%	Diversification	Equity method

- (2) The summary on the consolidated financial information of primary associates of the Company is as follows:

Balance Sheets

	<u>Ruen Chen Investment Holdings</u>	
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Current assets	\$ 146,279,074	\$ 121,888,195
Non-current assets (Note 1)	5,493,140,523	5,281,003,679
Current liabilities	(19,381,724)	(42,098,461)
Non-current liabilities	(5,305,494,025)	(5,062,762,560)
Total net assets (Note 2)	<u>\$ 314,543,848</u>	<u>\$ 298,030,853</u>
Portion of the net assets of associates	<u>\$ 69,328,548</u>	<u>\$ 65,523,748</u>

Note 1: Nan Shan Life Insurance, a subsidiary controlled by Ruen Chen Investment Holdings, adopts the fair value model for the subsequent measurement of the investment property held, and the valuation technique is used in accordance with the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises.

Note 2: Included in non-controlling interests in Ruen Chen Investment Holdings as of December 31, 2024 and 2023 were NT\$37,229,657 and NT\$35,935,861, respectively.

	<u>Ruentex Industries</u>	
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Current assets	\$ 5,187,958	\$ 8,011,592
Non-current assets	112,858,541	108,058,633
Current liabilities	(1,733,852)	(1,880,037)
Non-current liabilities	(11,082,343)	(16,070,358)
Total net assets (Note)	<u>\$ 105,230,304</u>	<u>\$ 98,119,830</u>
Portion of the net assets of associates	<u>\$ 11,389,347</u>	<u>\$ 10,863,692</u>

Note: The difference from the carrying amount mainly represents the difference between non-controlling interests and mutual shareholdings.

Statement of Comprehensive Income

	<u>Ruen Chen Investment Holdings</u>	
	<u>2024</u>	<u>2023</u>
Income	\$ 491,390,167	\$ 467,629,672
Current net income (Note 1)	42,401,649	22,062,715
Other comprehensive income (net after tax)	(25,958,431)	44,309,180
Total current comprehensive income (Note 2)	<u>\$ 16,443,218</u>	<u>\$ 66,371,895</u>

Note 1: Included the net consolidated income attributable to non-controlling interests in Ruen Chen Investment Holdings for 2024 and 2023, in the amount of NT\$4,436,719 and NT\$2,310,494, respectively.

Note 2: Included the net combined comprehensive Income attributable to non-controlling interests in Ruen Chen Investment Holdings for 2024 and 2023, in the amount of NT\$1,724,019 and NT\$6,940,879, respectively.

	Ruentex Industries	
	2024	2023
Income	\$ 2,893,203	\$ 2,680,640
Net income of current period	13,738,591	7,574,805
Other comprehensive income (Net after tax)	(3,938,302)	10,567,108
Total comprehensive income for this period	\$ 9,800,289	\$ 18,141,913
Dividends received from associates	\$ 402,557	\$ 322,045

- (3) The summary on the share of individual insignificant associate's carrying amount and operating result of the Company is as follows:

As of December 31, 2024 and 2023, the total of the carrying amount of individual insignificant associate of the Company were NT\$4,369,596 and NT\$3,780,166 respectively.

	2024	2023
Net income of current period	\$ 43,281,691	\$ 22,654,466
Other comprehensive income (Net after tax)	(28,625,022)	39,057,122
Total comprehensive income for this period	\$ 14,656,669	\$ 61,711,588

- (4) For the investments accounted for under equity method of the Company with public market price, their fair values are as follows:

	December 31, 2024	December 31, 2023
Ruentex Industries	\$ 11,417,308	\$ 10,139,957
Sunny Friend	2,863,159	3,837,568
	\$ 14,280,467	\$ 13,977,525

- (5) Ruen Chen Investment Holding conducted cash capital increase in December 2024 and October 2023 and the Company subscribed the new issued shares in proportion to its shareholding for the amount of NT\$125,000 in both years.
- (6) Global Mobile was an investee of the Company with valuation under equity method - Ruentex Industries' investment under equity method. After the assessment of the Company, the Company had significant influence on Global Mobile; therefore, the investment under equity method was adopted to recognize such company. Global Mobile received a letter in March 2015 stating that its application for the extension of wireless

broadband reception business was rejected by the competent authority. Global Mobile had filed appeal for its application according to the law, and subsequently, in November 2015, it received a letter informing that its appeal had been rejected by the competent authority such that its service was terminated in December of the same year. Global Mobile had filed appeal and subsequent litigation according to laws. However, based on the conservative and stable business principle of the Company, it had recognized an accumulated provision of impairment loss as NT\$5,247. As of the reporting date, the litigation has been concluded, but the dissolution procedure has not yet been resolved.

- (7) As instructed by the FSC on June 13, 2016, the Company issued a letter of undertaking for the investment in Nan Shan General Insurance Company, Ltd. (Referred herein as “Nan Shan General Insurance”; originally named as Chartis Taiwan Insurance Co., Ltd.), and the undertaking is as follows:
- A. The Company undertakes to request Nan Shan Life Insurance to ensure its long-term operation in handling the investment in Nan Shan General Insurance according to the laws and FSC’s commitment.
 - B. The Company undertakes that after Nan Shan Life Insurance acquires 200,000,000 ordinary shares of Nan Shan General Insurance, i.e. 100% issued shares with voting rights, when Nan Shan General Insurance has the needs for capital increase at any time, the Company will request Nan Shan Life Insurance to handle the capital increase for Nan Shan General Insurance according to the laws and the request of the competent authority.
 - C. To fulfill the commitment of the Company and Ruen Chen Investment Holdings other shareholders on the long-term operation of Nan Shan General Insurance, in case where there is a need for capital increase for the Nan Shan General Insurance according to the laws or the request of competent authority such that new shares are to be issued for the capital increase, the Company and Ruen Chen Investment Holdings other shareholders undertake to request Nan Shan Life Insurance to hold at least a percentage of 51% on the number of outstanding ordinary shares.
7. The Company subscribed 3,693 thousand shares of SUNNY FRIEND for cash capital increase of 3,693 thousand shares for a total of NT\$443,161 in June 2023. As a result, the Company's comprehensive shareholding in SUNNY FRIEND decreased from 26.62% to 25.67%, and the capital surplus was adjusted for increase at the same time and recognized the changes in ownership interests in associates of NT\$102,411 (including income tax impact of NT\$12,289).
8. To adjust its capital structure and improve return on equity ratio, Shing Yen conducted a capital reduction in September 2023 and returned cash capital to its shareholders with a capital reduction ratio of 9.63%. The Company received NT\$27,363 from the payment according to the shareholding percentage.
9. In order to improve the use of funds, Gin-Hong conducted capital reductions in October 2023 and returned the capital to shareholders with a capital reduction percentage of 45.61%. The capital refunded to the Company in proportion to the shareholding was NT\$78,000.
10. In order to protect shareholders' equity, the Company's affiliate, Concord, bought back and retired a total of 166,666 treasury shares in April 2024. As the Company did not participate in Concord’s transaction mentioned above, its shareholding increased from 25.46% to 25.56%, while the capital surplus was adjusted for increase at the same time and recognized the changes in ownership interests in associates of NT\$102 (including income tax effect of NT\$20).

11. The Company holds 14.28% of Ruentex Industries 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 Ruentex Industries' business decision-making. There are nine seats on the board of directors of Ruentex Development, the Company does not hold any seat, showing that the Company has no actual ability to lead Ruentex Industries activities. Therefore, it is judged that the Company has no control over it and only has significant influence.
12. The Company holds 25.67% of Sunny Friend 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 Sunny Friend's business decision-making. There are nine seats on the board of directors of Ruentex Development, only two of which are occupied by the Company, showing that the Company has no actual ability to lead Sunny Friend activities. Therefore, it is judged that the Company has no control over it and only has significant influence.
13. To meet the demands for reinvestment and diversify the operations, the Company invested in Nan Shan Life Insurance with a shareholding of 0.23%. As Nan Shan Life Insurance is the investee company accounted for the subsidiary of Ruen Chen Investment Holding, the Company is considered has a material influence to Nan Shan Life Insurance, and thus Nan Shan Life Insurance was recognized as the investment accounted with the equity method.
14. For the status of collaterals provided for investments under equity method of the Company, please refer to Note 8.
15. Although the Company's holding of the voting shares of Ruentex Industries, directly or indirectly, does not exceed 20%, but it meets the conditions for significant influence, it is recognized as investment under equity method.
- 16.(1) Due to the supply chain disruption caused by the global pandemic in the recent years and the Russo-Ukrainian War, and other factors that have raised global inflationary pressures, interest rates have surged in 2022, which has met the definition of an extreme scenario defined by the Insurance Capital Standard (ICS). Therefore, the Board of Directors of Nan Shan Life Insurance, an insurance investee directly and indirectly invested in by the Company through Ruen Chen Investment Holdings, passed a resolution on September 29, 2022 in accordance with IFRS 9 to change the business model of financial assets management. For the affected financial assets, the collection of contractual cash flows and sales of financial assets were mainly replaced with the collection of contractual cash flows through the financial assets held. The reclassification of financial assets derived from the change of this business model is in alignment with the Accounting Research and Development Foundation's Letter Ji-Mi No. 0000000354 regarding the guidance on the reclassification of financial assets due to changes in the business model for managing financial assets in the insurance industry due to drastic changes in the international economic situation. The Company recognized the effect of reclassification of Nan Shan Life Insurance's assets in accordance with IAS 28 on October 1, 2022, including an increase of investments using the equity method by NT\$58,572,369, a decrease in deferred tax assets by NT\$447,554, and an increase in other equity by NT\$58,124,815. In accordance with the Letter Jin-Guan-Zheng-Fa No. 1110384722, when the distributable earnings are distributed, a special reserve for the changes in the fair value of the financial assets reclassified by Nan Shan Life Insurance should be provided in proportion to the shareholding using the equity method. Additionally, when there is a reversal of the change in the fair value of financial assets reclassified by Nan Shan Life Insurance, the Company may reverse the special reserve and distribute the special reserve in proportion to the shareholding using the equity method; the changes in the fair values

of financial assets reclassified by Nanshan Life Insurance and the corresponding special reserve provided are disclosed in the notes to the annual financial statements. The information on the finances before and after the relevant reclassification dates is summarized as follows:

	September 30, 2022 (Before reclassification)	Effects of reclassification	October 1, 2022 (After reclassification)
Unconsolidated total assets	\$ 63,639,903	\$ 58,259,527	\$121,899,430
Unconsolidated total liabilities	42,618,055	-	42,618,055
Unconsolidated total equity	21,021,848	58,259,527	79,281,375

- (2) Nan Shan Life Insurance reclassified financial assets on October 1, 2022 that were affected by significant changes in reclassification from being measured at fair value through other comprehensive income to being measured at amortized cost. As of December 31, 2024 and 2023, the fair value of the affected financial assets was NT\$1,011,103,167 and NT\$1,036,744,167, respectively. If Nan Shan Life Insurance had not reclassified these assets on October 1, 2022, the other equity would have been (NT\$344,651,654) and (NT\$256,308,182) as of December 31, 2024 and 2023. The after-tax change in fair value recognized in other comprehensive income for 2024 and 2023 was (NT\$88,343,472) and NT\$34,238,192, respectively.
- (3) As per Jin-Guan-Zheng-Fa No. 1110384722 and the Questions and Answers Regarding Public Companies' Applicability of the Provision of Special Reserves for Changes in the Fair Values of Financial Assets Reclassified by Insurance Investees, when the cumulative amount of changes in the fair values of the financial assets reclassified by an insurance investee in proportion to the shareholding using the equity method, the amount of the special reserve that should be available for the period (that is, the balance of the special reserve after provision and reversal) shall not exceed the carrying amount of the public company's investment in the insurance investee using the equity method for the period. As of December 31, 2024 and 2023, a special reserve that should be provided by the Company as per the above regulations is NT\$87,624,071 and NT\$65,163,669, respectively. As of December 31, 2024 and 2023, the cumulative provisions approved by resolution at the shareholders' meeting both amounted to NT\$3,027,780.

(VIII) Property, plant, and equipment

	2024					
	<u>Machinery and equipment</u>	<u>Warehouse equipment</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Other equipment</u>	<u>Total</u>
January 1						
Cost	\$ 100,860	\$ 30,441	\$ 28,112	\$ 36,046	\$ 160,568	\$ 356,027
Accumulated depreciation	(81,291)	(16,026)	(27,978)	(33,718)	(85,077)	(244,090)
	<u>\$ 19,569</u>	<u>\$ 14,415</u>	<u>\$ 134</u>	<u>\$ 2,328</u>	<u>\$ 75,491</u>	<u>\$ 111,937</u>
January 1	\$ 19,569	\$ 14,415	\$ 134	\$ 2,328	\$ 75,491	\$ 111,937
Addition	3,829	-	1,723	2,489	363	8,404
Costs of disposal of assets	-	-	-	(1,407)	-	(1,407)
Accumulated depreciation on disposal date	-	-	-	1,407	-	1,407
Depreciation expense	(7,260)	(3,989)	(142)	(1,252)	(17,198)	(29,841)
December 31	<u>\$ 16,138</u>	<u>\$ 10,426</u>	<u>\$ 1,715</u>	<u>\$ 3,565</u>	<u>\$ 58,656</u>	<u>\$ 90,500</u>
December 31						
Cost	\$ 104,689	\$ 30,441	\$ 29,835	\$ 37,128	\$ 160,931	\$ 363,024
Accumulated depreciation	(88,551)	(20,015)	(28,120)	(33,563)	(102,275)	(272,524)
	<u>\$ 16,138</u>	<u>\$ 10,426</u>	<u>\$ 1,715</u>	<u>\$ 3,565</u>	<u>\$ 58,656</u>	<u>\$ 90,500</u>

2023						
	<u>Machinery and equipment</u>	<u>Warehouse equipment</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Other equipment</u>	<u>Total</u>
January 1						
Cost	\$ 97,209	\$ 30,441	\$ 28,112	\$ 34,421	\$ 159,836	\$ 350,019
Accumulated depreciation	(73,004)	(11,738)	(27,437)	(31,802)	(66,910)	(210,891)
	<u>\$ 24,205</u>	<u>\$ 18,703</u>	<u>\$ 675</u>	<u>\$ 2,619</u>	<u>\$ 92,926</u>	<u>\$ 139,128</u>
January 1	\$ 24,205	\$ 18,703	\$ 675	\$ 2,619	\$ 92,926	\$ 139,128
Addition	3,768	-	-	1,656	777	6,201
Costs of disposal of assets	(117)	-	-	(31)	(45)	(193)
Accumulated depreciation on disposal date	117	-	-	31	45	193
Depreciation expense	(8,404)	(4,288)	(541)	(1,947)	(18,212)	(33,392)
December 31	<u>\$ 19,569</u>	<u>\$ 14,415</u>	<u>\$ 134</u>	<u>\$ 2,328</u>	<u>\$ 75,491</u>	<u>\$ 111,937</u>
December 31						
Cost	\$ 100,860	\$ 30,441	\$ 28,112	\$ 36,046	\$ 160,568	\$ 356,027
Accumulated depreciation	(81,291)	(16,026)	(27,978)	(33,718)	(85,077)	(244,090)
	<u>\$ 19,569</u>	<u>\$ 14,415</u>	<u>\$ 134</u>	<u>\$ 2,328</u>	<u>\$ 75,491</u>	<u>\$ 111,937</u>

None of the Company's property, plants, and equipment are used for pledge.

(IX) Lease transactions - lessees

1. The underlying asset leased by the Company are the land for hypermarket business and the Zhonglun office building and the term of lease is between 2020 and 2030. 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 information of the right-of-use assets are as the following:

	<u>2024</u>	<u>2023</u>
	<u>Buildings - rent</u>	<u>Buildings - rent</u>
January 1		
- Cost	\$ 849,578	\$ 849,578
- Accumulated depreciation	(346,719)	(254,102)
	<u>\$ 502,859</u>	<u>\$ 595,476</u>
January 1	\$ 502,859	\$ 595,476
Depreciation expense	(92,617)	(92,617)
December 31	<u>\$ 410,242</u>	<u>\$ 502,859</u>
December 31		
- Cost	\$ 849,578	\$ 849,578
- Accumulated depreciation	(439,336)	(346,719)
	<u>\$ 410,242</u>	<u>\$ 502,859</u>

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Total amount of lease liabilities	\$ 431,562	\$ 524,648
Less: Due within one year (listed as lease liabilities - current)	(94,902)	(93,086)
	<u>\$ 336,660</u>	<u>\$ 431,562</u>

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

	<u>2024</u>	<u>2023</u>
<u>Items affects the income of the current period</u>		
Interest expenses of lease liabilities	\$ 5,785	\$ 6,914
Expenses of short-term lease contracts	<u>3,532</u>	<u>3,089</u>
	<u>\$ 9,317</u>	<u>\$ 10,003</u>

5. The Company's total lease cash outflows were NT\$102,403 and NT\$101,962 in 2024 and 2023, respectively, which consisted of NT\$3,532 and NT\$3,089 for short-term lease contracts; NT\$5,785 and NT\$6,914 for interest expense on lease liabilities; and NT\$93,086 and NT\$91,959 for lease principal repayments.

(X) Investment Properties

	<u>2024</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
January 1	\$ 1,976,806	\$ 1,152,084	\$ 3,128,890
Fair value adjustment loss	(84,044)	(28,687)	(112,731)
December 31	<u>\$ 1,892,762</u>	<u>\$ 1,123,397</u>	<u>\$ 3,016,159</u>

	<u>2023</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
January 1	\$ 1,951,078	\$ 1,134,252	\$ 3,085,330
Fair value adjustment gain	<u>25,728</u>	<u>17,832</u>	<u>43,560</u>
December 31	<u>\$ 1,976,806</u>	<u>\$ 1,152,084</u>	<u>\$ 3,128,890</u>

1. Rent income from the lease of the investment property and direct operating expenses:

	<u>2024</u>	<u>2023</u>
Rental income from investment real estate	<u>\$ 45,145</u>	<u>\$ 40,618</u>
Direct operating expenses incurred by investment real estate with the rental income for current period.	<u>\$ 197</u>	<u>\$ 202</u>

2. Basis of Investment Property Fair Value

The fair value of the investment property held by the Company on December 31, 2024 and 2023 at Level 3 fair value based on the valuation results by an independent appraiser. The main assumptions adopted for the discounted cash flow analysis method used in the valuation and relevant details are as follows:

- (1) The appraisal reports on the parking spaces of Ruentex Spectacular Life, Banqiao New Land, Ruen Fu Newlife (New Aspects), Ruentex Family, Ruentex Tulip, Ruen Hua Building and Ruentax Dunnan Wonder as of December 31, 2024 and December 31, 2023 were issued by Jian, Wu-Chi, appraiser at the Jhong-Ding Real Estate Appraisers Firm.
- (2) The discounted cash flow analysis method using the income approach is used, which compares the rental income of the subject property with that of comparable properties in nearby markets or estimates of target income, taking into account the characteristics of the subject property, the intended use, rental income of neighboring or similar properties, vacancy losses, and annual rental growth rates. After adjustments are made based on the comparison, the income approach trial rental income of the subject property is calculated, and the discounted cash flow analysis method is used to determine the value of the subject property by discounting the future net income of the subject property and its terminal value over the analysis period using an appropriate discount rate. The valuation process complies with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” and the analysis, judgment, and conclusions reached can be supported. Related information as below:

	December 31, 2024		
	Residences (NT\$/ping/month)	Offices and stores (NT\$/ping/month)	Parking space (NT\$/space/month)
Estimated rent of the project	\$309~\$1,070	\$1,690~\$2,180	\$3,500~\$4,000
Local rents, or the rental trends of similar property in the market	Equivalent to estimated rent	Equivalent to estimated rent	Equivalent to estimated rent
Occupancy rate		91.67%~97.22%	
Rental growth rate		0%~2%	
	December 31, 2023		
	Residences (NT\$/ping/month)	Offices and stores (NT\$/ping/month)	Parking space (NT\$/space/month)
Estimated rent of the project	\$448~\$990	\$1,680~\$1,910	\$3,000~\$4,000
Local rents, or the rental trends of similar property in the market	Equivalent to estimated rent	Equivalent to estimated rent	Equivalent to estimated rent
Occupancy rate		91.67%~97.22%	
Rental growth rate		0%~2%	

- (3) Future cash outflows included relevant rents, property management expenses, utilities, promotion costs, other necessary expenses directly related to leasing, necessary operating expenses related to operations (such as repair fees), taxes, insurance premiums, and capital expenditures; the percentages of movements used to indicate the future movements are consistent with the rental growth rates used in imputing rental income.
- (4) Ranges of discount rates refers to a benchmark that cannot be lower than the mobile interest rate plus three yards of the 2-year postal savings fixed deposit announced by Chunghwa Post Co., Ltd. The risk premium is determined based on factors such as bank deposit rates, government bond rates, currency fluctuations in real estate investment, and trends in real estate prices. The most general investment return rate is selected as the benchmark, and the differences between the individual characteristics of the investment goods and the appraised target are observed and compared, taking into account factors such as liquidity, risk, appreciation potential, and ease of management.

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Discount rate	2.67%~5.17%	2.55%~3.54%

- (5) The income approach is adopted for the Company's investment property valuation. The cash flow, analysis period, and discount rate in the valuation method are in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

3. Please refer to Note 12(3) for the details of fair value of investment property.

4. The investment properties held by the Company were not pledged as collaterals.

(XI) Other non-current assets

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Restricted deposit	\$ 94,751	\$ 94,116
Guarantee deposits paid	47,691	47,688
Others	<u>5,818</u>	<u>4,588</u>
	<u>\$ 148,260</u>	<u>\$ 146,392</u>

For the collateral status for other financial assets of the Company, please refer to Note 8.

(XII) Short-term borrowings

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Credit bank loan	\$ 5,230,000	\$ 3,900,000
Secured bank loan	<u>554,000</u>	<u>500,000</u>
	<u>\$ 5,784,000</u>	<u>\$ 4,400,000</u>
Interest rate range	1.78%~2.20%	1.65%~1.80%

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Guarantee notes	<u>\$ 8,000,000</u>	<u>\$ 8,735,000</u>

(XIII) Short-term bills payable

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Commercial papers payable	\$ 3,330,000	\$ 2,560,000
Less: Unamortized discount	(1,831)	(380)
	<u>\$ 3,328,169</u>	<u>\$ 2,559,620</u>
Interest rate range	1.50%~1.82%	1.32%~1.61%

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Guarantee notes	<u>\$ 7,263,000</u>	<u>\$ 6,428,000</u>

(XIV) Long-term borrowings

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Secured bank loan	\$ 13,908,750	\$ 12,404,000
Credit bank loan	<u>10,265,000</u>	<u>11,366,000</u>
	24,173,750	23,770,000
Less: Arrangement fees for leading banks of syndicated loan	(16,635)	(19,260)
	24,157,115	23,750,740
Face value of long term commercial paper	2,300,000	470,000
Less: Unamortized discount	(1,419)	(205)
	26,455,696	24,220,535
Less: Due within one year	(1,028,750)	(4,603,750)
	<u>\$ 25,426,946</u>	<u>\$ 19,616,785</u>
Interest rate range	1.67%~2.58%	1.42%~2.40%

- In July 2010, the company signed a syndicated loan agreement with Land Bank of Taiwan and other banks for its construction financing. The loan lasted from July 2014 to July 2026 and was worth NT\$4,600,000. As of December 31, 2024, the Company had not yet drawn down the credit amount. The main commitments of the Company are as follows:

- (1) The Company shall use the loan amount obtained under this agreement in the purpose of credit extension for payment specified in this agreement, and shall prepare accounting books and records as well as certificates for recordation.
 - (2) The Company shall provide the consolidated financial report audited by independent director as well as audited consolidated and unconsolidated financial reports within 60 days and 120 days after the first half and the end of each fiscal year respectively.
 - (3) Before obtaining the prior consents of all members of the syndicated loan banks, the Company shall not merger with others or demerger the Company according to the Company Act. However, where the Company is a survival company (after merger) and the merger result has no adverse impacts on its ability to perform obligations under this agreement, then such restriction shall not be applied.
2. The Company signed a long-term borrowing contract with Mega International Commercial Bank in July 2024 for its operating funds, and the loan period is from June 2024 to May 2026 with a credit line of NT\$7,500,000. As of December 31, 2024, the facility drawn was NT\$4,055,000.
 3. The Company signed a syndicated loan agreement with the financial institution group including Mega Bills in December 2018 to provide the operational financing necessary for the Company. The original term of the loan was from December 2018 to December 2021, and the Company extended the term to December 2023. The total loan amount was NT\$2,450,000. Up to the date of December 31, 2022, the Company has drawn down the credit amount of NT\$2,450,000. The above-mentioned borrowings was repaid in full in December 2023.
 4. The Company signed a long-term borrowing contract with Bank of Taiwan in September 2024 for its operating funds, and the loan period is from September 2024 to September 2027 with a credit line of NT\$5,000,000. As of December 31, 2023, the facility drawn was NT\$5,000,000.
 5. The Company signed a long-term borrowing contract with Bank of Taiwan in September 2024 for its operating funds, and the loan period is from September 2024 to September 2026 with a credit line of NT\$2,000,000. As of December 31, 2023, the facility drawn was NT\$2,000,000.
 6. The Company signed a syndicated loan agreement with Bank of Taiwan and other banks in March 2023 for the Company's construction financing. The term of the loan was from March 2023 to March 2031, the total loan amount was NT\$21,000,000. Up to the date of December 31, 2024, the Company has not yet drawn down the credit amount. The main commitments of the Company are as follows:

- (1) The Company should provide the audited financial statements within 150 days after the end of each fiscal year.
- (2) The Company should provide the reviewed financial statements within 45 days after the end of each fiscal quarter.
7. The Company signed a long-term loan agreement with Taishin Bank in April 2023 to provide the financing for the construction of the Company. The term of the loan was from April 2023 to April 2026, the total loan amount was NT\$1,000,000. Up to the date of December 31, 2024, the Company has not yet drawn down the credit amount.
8. The Company signed a long-term loan agreement with Chang Hwa Bank in March 2024 to provide the financing for the construction of the Company. The term of the loan was five years from the first draw down date, the total loan amount was NT\$2,670,000. Up to the date of December 31, 2024, the Company has not yet drawn down the credit amount.
9. Except for the loans mentioned above, the term of the remaining loan of the Company was from December 2020 to January 2034.
10. In addition to the collateral provided for the long-term loan as described in Note 8, the Company also issued the guarantee notes of the amount as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Guarantee notes	<u>\$ 61,866,000</u>	<u>\$ 61,276,000</u>

11. Detail of the long-term loan credit not yet drawn down by the Company is as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Due within one year	\$ 1,352,331	\$ 2,772,000
Due longer than one year	<u>42,368,453</u>	<u>40,744,957</u>
	<u>\$ 43,720,784</u>	<u>\$ 43,516,957</u>

(XV) Pensions

- 1.(1) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. 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 Company

contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. In addition, the Company would assess 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, to the employees expected to be qualified for retirement next year, the Company will make contributions to cover the deficit by next March.

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Present value of defined benefit obligation	(\$ 104,700)	(\$ 115,813)
Fair value of plan assets	<u>76,824</u>	<u>68,864</u>
Defined benefit liability (listed as non-current liabilities)	<u>(\$ 27,876)</u>	<u>(\$ 46,949)</u>

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

	<u>2024</u>		
	<u>Present value of defined benefit obligation</u>	<u>Fair value of plan assets</u>	<u>Defined benefit liability</u>
Balance, January 1	(\$ 115,813)	\$ 68,864	(\$ 46,949)
Current service cost	(366)	-	(366)
Interest (expense) revenue	<u>(1,244)</u>	<u>713</u>	<u>(531)</u>
	<u>(117,423)</u>	<u>69,577</u>	<u>(47,846)</u>
Remeasurements:			
Return on plan assets (Other than the amount included in interest revenue or expense)	-	6,478	6,478
Effects of changes in economic assumptions	2,910	-	2,910
Experience adjustments	<u>8,024</u>	<u>-</u>	<u>8,024</u>
	<u>10,934</u>	<u>6,478</u>	<u>17,412</u>
Contribution to pension fund	-	2,558	2,558
Payment of pension benefits	<u>1,789</u>	<u>(1,789)</u>	<u>-</u>
Balance, December 31	<u>(\$ 104,700)</u>	<u>\$ 76,824</u>	<u>(\$ 27,876)</u>

The worksheet corresponding to the form is lost, and the content cannot be generated.

- (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 Company 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:

	<u>2024</u>	<u>2023</u>
Discount rate	1.60%	1.15%
Future salary increase in percent	2.00%	2.00%

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:

	<u>Discount rate</u>		<u>Future salary increase in percent</u>	
	<u>Increase 0.25%</u>	<u>Decrease 0.25%</u>	<u>Increase 0.25%</u>	<u>Decrease 0.25%</u>
December 31, 2024				
Effects on the present value of a defined benefit obligation	(\$ 1,559)	\$ 1,600	\$ 1,589	(\$ 1,556)
December 31, 2023				
Effects on the present value of a defined benefit obligation	(\$ 1,805)	\$ 1,856	\$ 1,835	(\$ 1,794)

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 Company for the year ending December 31, 2025 amounts to NT\$1,668.
- (7) As of December 31, 2024, the weighted average duration of that retirement plan is 6 years. The analysis of timing of the future pension payment was as follows:

Less than 1 year	\$	7,004
1-2 years		4,786
2-5 years		46,813
Over 5 years		<u>56,772</u>
	\$	<u>115,375</u>

- 2.(1) Effective July 1, 2005, the Company 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 Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (2) In 2024 and 2023, the pension cost recognized by the Company in accordance with the above regulations was NT\$9,071 and NT\$8,838, respectively.

(XVI) Capital

1. As of December 31, 2024, the Company’s authorized capital was NT\$50,000,000, and the paid-in capital was NT\$28,442,251 (including share capital of convertible corporate bonds of NT\$346,085) with a par value of NT\$10 per share, all issued as ordinary shares. 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:

	<u>2024</u>	<u>2023</u>
January 1	2,844,225	3,160,250
Cash capital reduction	<u>-</u>	<u>(316,025)</u>
December 31	<u>2,844,225</u>	<u>2,844,225</u>

2. In order to improve return on equity ratio and adjust the capital structure, the Company’s cash capital reduction and return of capital was approved by the shareholders meeting on June 9, 2023, with the capital to be reduced by NT\$3,160,250, or 10%, cancelled 316,025 shares. As approved by the competent authority, and approved by the Board of Directors on August 11, 2023, August 15, 2023 was set as the base date for the capital decrease. After that, the share capital change registration was completed on August 22, 2023, and the share payment was returned on October 2, 2023.

3. The treasury shares Ruentex Engineering & Construction accounted for by the Company refer to the subsidiary of the Company - Ruentex Engineering & Construction holding shares of the Company for the purpose of protecting the interests of the shareholders and the treasury shares for the associate of the Company - Ruentex Industries. As of December 31, 2024 and 2023, Ruentex Engineering & Construction held 9,714 thousand shares, 9,714 thousand shares and 9,714 thousand shares, respectively. The information on their respective amounts is as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Ruentex Engineering & Construction	\$ 16,794	\$ 16,794
Amount accounted for using equity method	<u>64,655</u>	<u>64,655</u>
	<u>\$ 81,449</u>	<u>\$ 81,449</u>

(XVII) Capital surplus

1. 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.
2. In accordance with Jin-Shang-Zi No.10202420460 of the Ministry of Economic Affairs on July 15, 2013, upon the adoption of IFRSs, if the change in parent's ownership in a subsidiary does not result in the loss of control, the capital surplus arising from the excess of share price over carrying amount can be deemed as the income derived from the issuance of new shares at a premium as specified in Paragraph 1, Article 241 of the Company Act. In addition, according to Jing-Shang-Zi No. 10300532520 of MOEA dated March 31, 2014, for the capital surplus actually acquired as recorded or the difference between the disposal of subsidiary's equity and carrying amount, Article 241 of the Company Act may be applicable in order to use it for issuance of new shares or cash.

3. Change of capital surplus is as follows:

2024							
	<u>Issued at premium</u>	<u>Treasury share transactions</u>	<u>Dividends not claimed by shareholders in the given period of time</u>	<u>Changes in the associates' net value of equity</u>	<u>Difference between the equity price and the book value of actual acquisition or disposition of subsidiaries</u>	<u>Changes in the ownership interests of subsidiaries as recognized</u>	<u>Total</u>
January 1	\$ 17,283,659	\$ 136,626	\$ 13,604	\$ 122,086	\$ 5,209	\$ 169,080	\$ 17,730,264
Others	-	-	1,117	50,077	-	44,668	95,862
Income tax effect	-	-	-	(5,486)	-	(2,680)	(8,166)
December 31	<u>\$ 17,283,659</u>	<u>\$ 136,626</u>	<u>\$ 14,721</u>	<u>\$ 166,677</u>	<u>\$ 5,209</u>	<u>\$ 211,068</u>	<u>\$ 17,817,960</u>

2023							
	<u>Issued at premium</u>	<u>Treasury share transactions</u>	<u>Dividends not claimed by shareholders in the given period of time</u>	<u>Changes in the associates' net value of equity</u>	<u>Difference between the equity price and the book value of actual acquisition or disposition of subsidiaries</u>	<u>Changes in the ownership interests of subsidiaries as recognized</u>	<u>Total</u>
January 1	\$ 17,283,659	\$ 136,626	\$ 11,887	\$ 9,573	\$ 5,209	\$ 169,080	\$ 17,616,034
Others	-	-	1,717	126,269	-	-	127,986
Income tax effect	-	-	-	(13,756)	-	-	(13,756)
December 31	<u>\$ 17,283,659</u>	<u>\$ 136,626</u>	<u>\$ 13,604</u>	<u>\$ 122,086</u>	<u>\$ 5,209</u>	<u>\$ 169,080</u>	<u>\$ 17,730,264</u>

(XVIII) Retained earnings

- As per the Articles of Incorporation, if after the annual closing of books, there is a profit, the Company shall, after having provided for income taxes and offset the accumulated losses of previous years, retain the 10% legal reserve; Where such legal reserve amounts to the total paid-in capital of the Company, this provision shall not apply. If the balance (distributable profits for the current year), together with the undistributed earnings at the beginning of the same period and retained or reversed special reserves prescribed by laws and regulations, are available for distribution, the Board shall present a proposal on dividends, or retention at a shareholders' meeting for resolution. The Company's dividend distribution policy is based on the Company Law and its articles of incorporation. The Board of Directors proposes an annual distribution plan to the shareholder meeting, taking into account factors such as finance, business, management, and capital budgeting, as well as balancing shareholder interests and the company's long-term financial planning. However, shareholder dividends must be no less than 20% of the net profit after tax for the year, excluding the share of profit or loss of associates and joint ventures accounted for using the equity method, after the legally required statutory reserve and various special reserves have been appropriated. The cash dividend ratio must be no less than 20% of the total dividend distribution for the year.

2. 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.
- 3.(1) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- (2) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi No. 1010012865 Letter dated April 6, 2012, shall be reversed proportionately when the relevant Assets are used, disposed of or reclassified subsequently.
4. The appropriation of 2023 and 2022 earnings were proposed, and the proposal was resolved at the shareholders' meetings on May 29, 2024 and June 9, 2023, respectively. Details are summarized as follows:

	<u>2023</u>		<u>2022</u>	
	<u>Amount</u>	<u>Dividend per share</u> <u>(NTD)</u>	<u>Amount</u>	<u>Dividend per share</u> <u>(NTD)</u>
Statutory reserve	\$ 762,320		\$ 1,045,310	
Provision of special reserve (Note)	-		38,445,788	
Reversal of special reserve (Note) (11,387,110)			-	
Cash dividends	<u>4,266,338</u>	\$ 1.50	<u>-</u>	\$ -
Total	<u>(\$ 6,358,452)</u>		<u>\$ 39,491,098</u>	

5. The Company's earning distribution plan for the year ended December 31, 2024 submitted by the Board of Directors' meeting on March 12, 2025 is as follows:

	<u>2024</u>
	<u>Amount</u>
Statutory reserve	\$ 1,659,820
Provision of special reserve (Note)	<u>28,920,031</u>
Total	<u>\$30,579,851</u>

In addition, according to the approval of the proposal made by the Board of Directors on March 12, 2025, the Company distributed cash at NT\$1.1 per share with the statutory reserve, for a total amount of NT\$3,128,648.

Note: (1) As per Jin-Guan-Zheng-Fa No. 10901500221, regarding the 2024 and 2023 investment property that the Company continues to adopt the fair value model for measurement, the net increase (decrease) in the fair value during the period and the net increase (decrease) in the fair value of the investees' investment property in the investment income recognized in proportion to the shareholding using the equity method during the year was recorded as a provision of NT\$3,226,031 and a reversal of (NT\$319,855).

(2) According to the Order Jin-Guan-Zheng-Fa-Zi No. 1090150022, the Company recorded a provision of NT\$5,545,562 and a reversal of (\$11,067,255) for the net deduction of other equity recognized in 2024 and 2023, respectively.

(3) As mentioned in Note 6(7)16.(3), as per Jin-Guan-Zheng-Fa No. 1110384722 and the Questions and Answers Regarding Public Companies' Applicability of the Provision of Special Reserves for Changes in the Fair Values of Financial Assets Reclassified by Insurance Investees, when the cumulative amount of changes in the fair values of the financial assets reclassified by an insurance investee in proportion to the shareholding using the equity method, the amount of the special reserve that should be available for the period (that is, the balance of the special reserve after provision and reversal) shall not exceed the carrying amount of the public company's investment in the insurance investee using the equity method for the period. The Company provided a special reserve from the 2024 and 2023 distributable earnings in accordance with the above regulations (1) and (2) and also provided NT\$20,148,438 and NT\$0, respectively, in accordance with the above-mentioned regulations.

6. Change of undistributed earnings is as follows:

	<u>2024</u>
January 1, 2024	\$ 7,623,193
Appropriation and distribution of retained earnings of 2023:	
- Legal reserve	(762,320)
- Special reserve	11,387,110
- Cash dividend	(4,266,338)
Disposal of equity instruments at fair value through other comprehensive income by the associates	(5,294)
Net income of current period	16,562,974
Remeasurements of defined benefit plans with actuarial valuation	17,412
Other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method using the equity method	27,597
Income tax relating to items that will not be reclassified:	
- Tax related to the group	(3,481)
- Tax related to the associates	(1,002)
December 31, 2024	<u>\$ 30,579,851</u>
	<u>2023</u>
January 1, 2023	\$ 39,491,098
Appropriation and distribution of retained earnings of 2022:	
- Legal reserve	(1,045,310)
- Special reserve	(38,445,788)
Unrealized valuation gains on financial assets transferred to retained earnings due to disposal	325
Disposal of equity instruments at fair value through other comprehensive income by the associates	(10)
Net income of current period	7,744,515
Remeasurements of defined benefit plans with actuarial valuation	(4,451)
Other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method using the equity method	(118,790)
Income tax relating to items that will not be reclassified:	
- Tax related to the group	664
- Tax related to the associates	940
December 31, 2023	<u>\$ 7,623,193</u>

(XIX) Other equity items

	2024					
	<u>Unrealized valuation profit or loss</u>	<u>Foreign currency translation</u>	<u>Hedging reserve</u>	<u>Reclassification by the overlay approach</u>	<u>Property revaluation surplus</u>	<u>Total</u>
January 1, 2024	(\$ 11,398,110)	(\$396,096)	\$ 6	(\$ 14,294,948)	\$ 40,596	(\$ 26,048,552)
Unrealized valuation profit or loss of financial assets:						
- The Company	118,075	-	-	-	-	118,075
- Tax related to the Company	(7,646)	-	-	-	- (7,646)	(7,646)
- Subsidiaries and associates (Note 1)	(2,307,742)	-	-	-	- (2,307,742)	(2,307,742)
- Tax amount of subsidiaries and affiliates	(78,259)	-	-	-	- (78,259)	(78,259)
- Changes in disposal of associates (Note 1)	5,294	-	-	-	-	5,294
Foreign currency translation differences:						
- The Company	-	145,592	-	-	-	145,592
- Tax related to the Company	-	(29,118)	-	-	- (29,118)	(29,118)
- Subsidiaries and affiliates	-	48,407	-	-	-	48,407
- Tax amount of subsidiaries and affiliates	-	(2,738)	-	-	- (2,738)	(2,738)
Reclassification by the overlay approach:						
- Associates (Note 1)	-	-	-	(3,486,816)	- (3,486,816)	(3,486,816)
- Tax related to the associates	-	-	-	26,316	-	26,316
Property revaluation surplus:						
- Subsidiaries and affiliates	-	-	-	-	24,143	24,143
- Tax amount of subsidiaries and affiliates	-	-	-	- (1,070)	(1,070)	(1,070)
December 31, 2024	<u>(\$ 13,668,388)</u>	<u>(\$ 233,953)</u>	<u>\$ 6</u>	<u>(\$ 17,755,448)</u>	<u>\$ 63,669</u>	<u>(\$ 31,594,114)</u>

	2023					
	<u>Unrealized valuation profit or loss</u>	<u>Foreign currency translation</u>	<u>Hedging reserve</u>	<u>Reclassification by the overlay approach</u>	<u>Property revaluation surplus</u>	<u>Total</u>
January 1, 2023	(\$ 12,488,283)	(\$ 382,633)	\$ 6	(\$24,281,691)	\$ 36,794	(\$37,115,807)
Unrealized valuation profit or loss of financial assets:						
- The Company	82,337	-	-	-	-	82,337
- Tax related to the Company	(5,279)	-	-	-	-	(5,279)
- Subsidiaries and associates (Note 1)	950,260	-	-	-	-	950,260
- Tax amount of subsidiaries and affiliates	63,170	-	-	-	-	63,170
- Unrealized valuation gains on financial assets transferred to retained earnings due to(derecognition (Note 2)	325)	-	-	-	-	(325)
- Changes in disposal of associates (Note 1)	10	-	-	-	-	10
Foreign currency translation differences:						
- The Company	- (1,046)	-	-	-	-	(1,046)
- Tax related to the Company	- 209	-	-	-	-	209
- Subsidiaries and affiliates	- (13,458)	-	-	-	-	(13,458)
- Tax amount of subsidiaries and affiliates	- 832	-	-	-	-	832
Reclassification by the overlay approach:						
- Associates (Note 1)	-	-	-	10,063,557	-	10,063,557
- Tax related to the associates	-	-	-	(76,814)	-	(76,814)
Property revaluation surplus:						
- Subsidiaries and affiliates	-	-	-	-	2,976	2,976
- Tax amount of subsidiaries and affiliates	-	-	-	-	826	826
December 31, 2023	<u>(\$ 11,398,110)</u>	<u>(\$ 396,096)</u>	<u>\$ 6</u>	<u>(\$14,294,948)</u>	<u>\$ 40,596</u>	<u>(\$26,048,552)</u>

Note 1: the changes in unrealized gains or losses from valuation and reclassification using overlay method were due to the affiliates Sinopac and Nan Shan Life Insurance's effect of changes in the fair value of financial assets through profit or loss or through other comprehensive income or disposal of such financial assets.

Note 2: Please refer to Note 6(5)6 for details.

(XX) Operating revenue

	<u>2024</u>	<u>2023</u>
Revenue from contracts with customers:		
Revenue from sales of real estate	\$ 5,800,032	\$ 7,019,698
Revenue from sales of goods	<u>979,578</u>	<u>965,563</u>
Subtotal	<u>6,779,610</u>	<u>7,985,261</u>
Rent income	<u>45,145</u>	<u>40,618</u>
	<u>\$ 6,824,755</u>	<u>\$ 8,025,879</u>

1. Detail of customer contract income

The income of the Company comes from the real estate and goods transferred at a certain time point, and the income detail can be classified into the following main product lines and geographical area:

	<u>Taiwan</u>		
<u>2024</u>	<u>Construction business</u>	<u>Hypermarket business</u>	<u>Total</u>
Departmental revenue	<u>\$ 5,800,032</u>	<u>\$ 979,578</u>	<u>\$ 6,779,610</u>
Timing of revenue recognition			
Revenue recognized at a point in time	<u>\$ 5,800,032</u>	<u>\$ 979,578</u>	<u>\$ 6,779,610</u>
	<u>Taiwan</u>		
<u>2023</u>	<u>Construction business</u>	<u>Hypermarket business</u>	<u>Total</u>
Departmental revenue	<u>\$ 7,019,698</u>	<u>\$ 965,563</u>	<u>\$ 7,985,261</u>
Timing of revenue recognition			
Revenue recognized at a point in time	<u>\$ 7,019,698</u>	<u>\$ 965,563</u>	<u>\$ 7,985,261</u>

2. Contract liabilities

Contract liabilities related to customer contract income recognized by the Company are as follows:

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>January 1,</u> <u>2023</u>
Contract liability:			
Contract liability - Sales contract for real estate	\$ 2,018,697	\$ 1,600,097	\$ 1,930,831
Contract liability - Sales contract for goods	<u>1,682</u>	<u>1,421</u>	<u>2,441</u>
Total	<u>\$ 2,020,379</u>	<u>\$ 1,601,518</u>	<u>\$ 1,933,272</u>

(XXI) Operation cost

	<u>2024</u>	<u>2023</u>
Cost of sales of real estate	\$ 4,437,430	\$ 5,091,001
Cost of sales of goods	735,904	716,985
Rental cost	<u>197</u>	<u>202</u>
	<u>\$ 5,173,531</u>	<u>\$ 5,808,188</u>

(XXII) Interest revenue

	<u>2024</u>	<u>2023</u>
Interest on cash in banks	\$ 18,318	\$ 138,217
Imputed interest for deposit	78	69
Interest income from the financial assets measured at amortized costs	2,100	2,096
Others	<u>-</u>	<u>6</u>
	<u>\$ 20,496</u>	<u>\$ 140,388</u>

(XXIII) Other income

	<u>2024</u>	<u>2023</u>
Dividend income	\$ -	\$ 89
Income from guarantee fee (Note)	30,733	-
Other income	<u>16,656</u>	<u>18,568</u>
	<u>\$ 47,389</u>	<u>\$ 18,657</u>

Note: The income from guarantee fees was generated mainly from the endorsement and guarantee provided to subsidiaries, please see Note 7(1)4 for details.

(XXIV) Other gains and losses

	2024	2023
Gains on disposals of property, plant and equipment	\$ -	\$ 1
Investment property fair value adjustment loss (gain)	(112,731)	43,560
Net foreign exchange gains	8,828	90,151
Others	(26,056)	(28,942)
	<u>(\$ 129,959)</u>	<u>\$ 104,770</u>

(XXV) Financial costs

	2024	2023
Interest expense:		
Bank loan and short-term notes and bills	\$ 635,702	\$ 578,032
Lease liabilities	5,785	6,914
Others (Note)	9,155	-
	650,642	584,946
Less: Assets eligible for capitalization	(228,066)	(169,095)
	<u>\$ 422,576</u>	<u>\$ 415,851</u>

Note: Please refer to Note 9(1) for details.

(XXVI) Additional information of expenses by nature

	2024	2023
Changes in inventory	\$ 5,173,334	\$ 5,807,986
Employee benefit expense	436,063	403,496
Depreciation expenses for real estate properties, plants, equipment	29,841	33,392
Depreciation expenses for right-of-use assets	92,617	92,617
Rent expense	3,532	3,089
Tax expense	61,362	55,837
Advertisement expense	97,978	103,932
Expected credit impairment (losses) gains	7	(88)
Other expense	238,013	223,393
Operating costs and expenses	<u>\$ 6,132,747</u>	<u>\$ 6,723,654</u>

(XXVII) Employee benefit expense

	2024	2023
Wages and salaries	\$ 339,322	\$ 307,804
Labor and Health Insurance costs	22,255	21,614
Pension expense	9,968	9,843
Remuneration to Directors	54,171	53,813
Other employment fees	10,347	10,422
	<u>\$ 436,063</u>	<u>\$ 403,496</u>

1. In accordance with the Articles of Incorporation of the Company, when the Company has a profit in a fiscal year, 0.3% to 5% of such profit shall be distributed as the employees' compensation; however, when the Company still has accumulated losses, amount still be reserved in advance to make up the losses. The employees' compensation as stated in the preceding paragraph can be paid in form of stock or cash, and the object of distribution must include employees of the subordinate company that meet certain conditions.
2. For the years ended December 31, 2024 and 2023, employees' compensation was accrued at NT\$50,650 and NT\$24,067, respectively. The aforementioned amounts were recognized in salary expenses.

Employees' compensation was estimated and accrued based on 0.3% of distributable profit of the current year for the year ended December 31, 2024. The employees' compensation resolved by the board of directors was NT\$50,650, which will be distributed in the form of cash.

The remuneration to employees for 2023 as resolved by the board of directors is consistent with the remuneration to employees amounting to \$24,067 recognized in the 2023 financial statements. The aforementioned 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.

(XXVIII) Income tax

1. Income tax expense

(1) Components of Income tax expense:

	<u>2024</u>	<u>2023</u>
Current income tax:		
Income tax occurred in the current period	\$ 86,632	\$ 161,429
Land value increment tax	53,684	79,406
Income tax imposed on undistributed earnings	145,720	-
Underestimate (Overestimate) of income tax for prior years	<u>990</u>	<u>(5,548)</u>
Total income tax for current period	<u>287,026</u>	<u>235,287</u>
Deferred income tax:		
Origination and reversal of temporary differences	<u>(17,430)</u>	<u>18,526</u>
Income tax expense	<u>\$ 269,596</u>	<u>\$ 253,813</u>

(2) The income tax direct (debit) credit relating to components of other comprehensive income is as follows:

	<u>2024</u>	<u>2023</u>
Changes in unrealized valuation profit or loss	(\$ 7,646)	(\$ 5,279)
Share of other comprehensive income of subsidiaries and affiliates	(55,751)	(11,986)
Differences on translation of foreign operations	(29,118)	209
Remeasurements of defined benefit obligation	<u>(4,483)</u>	<u>1,604</u>
	<u>(\$ 96,998)</u>	<u>(\$ 15,452)</u>

(3) The income tax direct (debit) credit equity is as follows:

	<u>2024</u>	<u>2023</u>
Capital surplus	<u>(\$ 8,166)</u>	<u>(\$ 13,756)</u>

2. Reconciliation between income tax expense and accounting profit

	<u>2024</u>	<u>2023</u>
Imputed income taxes on pretax income at statutory tax rate	\$ 3,366,514	\$ 1,599,665
Expenses to be excluded as stipulated in the tax law	36,179	36,332
Income with exemption from tax as stipulated in the tax law	(3,332,572)	(1,450,352)
Realizability evaluation on deferred income tax assets	2,040	7,154
Income tax imposed on undistributed earnings	145,720	-
Income tax effects of increases in land rice	(2,959)	(12,844)
Land value increment tax	53,684	79,406
Underestimate (Overestimate) of income tax for prior years	990	(5,548)
Income tax expense	<u>\$ 269,596</u>	<u>\$ 253,813</u>

3. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	2024				
	<u>January 1</u>	<u>Recognized in profit and loss</u>	<u>Recognized in other comprehensive income</u>	<u>Recognized in equity</u>	<u>December 31</u>
Deferred income tax assets:					
- Temporary differences:					
Loss for market price decline and obsolete and slow-moving inventories	\$ 33,324	(\$ 4,177)	\$ -	\$ -	\$ 29,147
Pension exceeding the limits	8,823	(332)	-	-	8,491
Deferred promotion expenses	39,497	(6,269)	-	-	33,228
Valuation loss	315	-	-	-	315
Domestic investment loss	41,253	1,348	-	-	42,601
Unrealized incomes among affiliates	19,904	917	-	-	20,821
Share of other comprehensive income of subsidiaries and associates	397,173	-	(55,751)	-	341,422
Differences on translation of foreign operations	53,981	-	(29,118)	-	24,863
Remeasurements of defined benefit obligation	1,007	-	(1,007)	-	-
Retained earnings	<u>37,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,510</u>
Subtotal	<u>632,787</u>	<u>(8,513)</u>	<u>(85,876)</u>	<u>-</u>	<u>538,398</u>
Deferred income tax liability:					
- Temporary differences:					
Foreign investment gain	(691,626)	-	-	-	(691,626)
Changes in unrealized valuation profit or loss	(35,484)	-	(7,646)	-	(43,130)
Allowance for bad debt exceeding the limits	(24)	24	-	-	-
Unrealized foreign exchange gains	(8,481)	7,920	-	-	(561)
Rental cost of investment property	(100,876)	5,620	-	-	(95,256)
Fair value adjustment gain - investment property	(66,854)	15,789	-	-	(51,065)
Land value increment tax of investment property	(85,918)	(3,410)	-	-	(89,328)
Remeasurements of defined benefit obligation	-	-	(3,476)	-	(3,476)
Capital surplus	<u>(14,292)</u>	<u>-</u>	<u>-</u>	<u>(8,166)</u>	<u>(22,458)</u>
Subtotal	<u>(1,003,555)</u>	<u>25,943</u>	<u>(11,122)</u>	<u>(8,166)</u>	<u>(996,900)</u>
Total	<u>(\$ 370,768)</u>	<u>\$ 17,430</u>	<u>(\$ 96,998)</u>	<u>(\$ 8,166)</u>	<u>(\$ 458,502)</u>

2023					
	<u>January 1</u>	<u>Recognized in profit and loss</u>	<u>Recognized in other comprehensive income</u>	<u>Recognized in equity</u>	<u>December 31</u>
Deferred income tax assets:					
- Temporary differences:					
Loss for market price decline and obsolete and slow-moving inventories	\$ 34,491	(\$ 1,167)	\$ -	\$ -	\$ 33,324
Pension exceeding the limits	9,114	(291)	-	-	8,823
Deferred promotion expenses	53,577	(14,080)	-	-	39,497
Valuation loss	315	-	-	-	315
Domestic investment loss	36,739	4,514	-	-	41,253
Unrealized incomes among affiliates	14,591	5,313	-	-	19,904
Share of other comprehensive income of subsidiaries and affiliates	409,159	-	(11,986)	-	397,173
Differences on translation of foreign operations	53,772	-	209	-	53,981
Remeasurements of defined benefit obligation	-	-	1,007	-	1,007
Retained earnings	<u>37,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,510</u>
Subtotal	<u>649,268</u>	<u>(5,711)</u>	<u>(10,770)</u>	<u>-</u>	<u>632,787</u>
Deferred income tax liability:					
- Temporary differences:					
Foreign investment gain	(691,626)	-	-	-	(691,626)
Changes in unrealized valuation profit or loss	(30,205)	-	(5,279)	-	(35,484)
Allowance for bad debt exceeding the limits	(68)	44	-	-	(24)
Unrealized foreign exchange gains	(18,035)	9,554	-	-	(8,481)
Rental cost of investment property	(95,413)	(5,463)	-	-	(100,876)
Fair value adjustment gain - investment property	(61,636)	(5,218)	-	-	(66,854)
Land value increment tax of investment property	(74,186)	(11,732)	-	-	(85,918)
Remeasurements of defined benefit obligation	(597)	-	597	-	-
Capital surplus	<u>(536)</u>	<u>-</u>	<u>-</u>	<u>(13,756)</u>	<u>(14,292)</u>
Subtotal	<u>(972,302)</u>	<u>(12,815)</u>	<u>(4,682)</u>	<u>(13,756)</u>	<u>(1,003,555)</u>
Total	<u>(\$ 323,034)</u>	<u>(\$ 18,526)</u>	<u>(\$ 15,452)</u>	<u>(\$ 13,756)</u>	<u>(\$ 370,768)</u>

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

(XXIX) Earnings per share

	2024		
	<u>After-tax amount</u>	<u>Number of shares outstanding (thousand shares) at the end of the period</u>	<u>Earnings per share (NTD)</u>
<u>Basic earnings per share</u>			
Net income attributable to common shareholders	<u>\$ 16,562,974</u>	<u>2,730,130</u>	<u>\$ 6.07</u>
<u>Diluted earnings per share</u>			
Net income attributable to common shareholders	\$ 16,562,974	2,730,130	
Impact of potential diluted common shares			
Remuneration to employee	<u>-</u>	<u>1,307</u>	
Effects of the net income attributable to common shareholders plus potential common stocks	<u>\$ 16,562,974</u>	<u>2,731,437</u>	<u>\$ 6.06</u>
	2023		
	<u>After-tax amount</u>	<u>Weighted average number of shares outstanding (thousand shares)</u>	<u>Earnings per share (NTD)</u>
<u>Basic earnings per share</u>			
Net income attributable to common shareholders	<u>\$ 7,744,515</u>	<u>2,918,499</u>	<u>\$ 2.65</u>
<u>Diluted earnings per share</u>			
Net income attributable to common shareholders	\$ 7,744,515	2,918,499	
Impact of potential diluted common shares			
Remuneration to employee	<u>-</u>	<u>769</u>	
Effects of the net income attributable to common shareholders plus potential common stocks	<u>\$ 7,744,515</u>	<u>2,919,268</u>	<u>\$ 2.65</u>

(XXX) Changes of liabilities from financing activities

	2024					
	<u>Short-term borrowings</u>	<u>Short-term notes payable</u>	<u>Guarantee deposits received</u>	<u>Long-term borrowings (including due within one year and one operating cycle)</u>	<u>Lease liabilities (including those due within 1 year)</u>	<u>Total liabilities from financing activities</u>
January 1	\$ 4,400,000	\$ 2,559,620	\$ 1,073,020	\$ 24,220,535	\$ 524,648	\$ 32,777,823
Changes of the financing cash flows	1,384,000	770,000	107,227	2,233,750	(93,086)	4,401,891
Other non-cash changes	-	(1,451)	-	1,411	-	(40)
December 31	<u>\$ 5,784,000</u>	<u>\$ 3,328,169</u>	<u>\$ 1,180,247</u>	<u>\$ 26,455,696</u>	<u>\$ 431,562</u>	<u>\$ 37,179,674</u>
	2023					
	<u>Short-term borrowings</u>	<u>Short-term notes payable</u>	<u>Guarantee deposits received</u>	<u>Long-term borrowings (including due within one year and one operating cycle)</u>	<u>Lease liabilities (including those due within 1 year)</u>	<u>Total liabilities from financing activities</u>
January 1	\$ 5,295,000	\$ 2,587,360	\$ 1,002,309	\$ 26,534,219	\$ 616,607	\$ 36,035,495
Changes of the financing cash flows	(895,000)	(30,000)	70,711	(2,300,000)	(91,959)	(3,246,248)
Other non-cash changes	-	2,260	-	(13,684)	-	(11,424)
December 31	<u>\$ 4,400,000</u>	<u>\$ 2,559,620</u>	<u>\$ 1,073,020</u>	<u>\$ 24,220,535</u>	<u>\$ 524,648</u>	<u>\$ 32,777,823</u>

VII. Related Party Transactions

(I) Names of related parties and relationship

<u>Name of the related party</u>	<u>Relationship with the Company</u>
Ruentex Bai-Yi Development co., Ltd.	Subsidiary of the Company
Ruentex Xu-Zhan Development Co., Ltd.	Subsidiary of the Company
Ruentex Construction & Development Co., Ltd.	Subsidiary of the Company
Ruen Fu Newlife Corp.	Subsidiary of the Company
Ruentex Innovative Development Co., Ltd. (Ruentex Innovative Development)	Subsidiary of the Company
Ruentex Property Management & Maintenance Co., Ltd.	Subsidiary of the Company
Ruentex Security Co., Ltd.	Subsidiary of the Company
Ruentex Engineering & Construction Co., Ltd. (Ruentex Engineering)	Subsidiary of the Company
Ruentex Materials Co., Ltd. (Ruentex Materials)	Sub-subsidiary of the Company
Ruen Yang Construction Co., Ltd.	Sub-subsidiary of the Company
Ruentex Interior Design Inc. (Ruentex Interior Design)	Sub-sub-subsidiary of the Company
Ruentex Industries Co., Ltd.	Associate (the investment company which accounts for using the equity method to the Company)
Sunny Friend Environmental Technology Co., Ltd.	Associate (the investee company accounted for using the equity method by the Company)
Ruen Chen Investment Holdings Ltd.	Associate (the investee company accounted for using the equity method by the Company)
Nan Shan Life Insurance Co., Ltd. (Nan Shan Life Insurance)	Associate (the investee company accounted for using the equity method by the Company)
Nan Shan General Insurance Co., Ltd.	Associate (the subsidiary of the investee company accounted for using the equity method by the Company)
OBI Pharma, Inc.	Other related party (the Company's substantial related party)
TaiMed Biologics, Inc. (TaiMed)	Other related party (one of the juridical person director of the Company's subsidiaries is also a juridical person director of the company)
Yin Shu Tien Medical Foundation	Other related party (juridical person director of the Company's associates)
Ruentex Construction & Engineering Co., Ltd.	Other related party (the key management personnel of the Company's subsidiary is a director of the company)
Huei Hong Investment Co., Ltd.	Other related party (the Company's representative of juridical person director is the representative of the juridical person director of the company)
Yin, Samuel Yen-Liang	Other related party (relative of the representative of the juridical person director of the Company)
Chen, Tang-Jien	Other related party (the key management personnel at the Company's subsidiary)

Wang, Kuan-Fei	Other related party (relative of the Company's key management personnel)
Chang, Kai-Hsiang	Other related party (relative of the Company's key management personnel)
Chien, Chieh-Ni	Other related party (relative of the Company's key management personnel)
Jean, Tsang-Jiunn	The Company's key management personnel
Lee, Chih-Hung	The Company's key management personnel
Yang, Ai-Zhen	The Company's key management personnel
Chen, Li-Yu	The Company's key management personnel

1. Operating revenue

	<u>2024</u>	<u>2023</u>
Subsidiaries	\$ 40,687	\$ 40,687
Other related parties	<u>25,861</u>	<u>-</u>
	<u>\$ 66,548</u>	<u>\$ 40,687</u>

- (1) The Company sold houses and lands to related parties, and the transaction prices were determined based on the negotiation between both parties. In addition, payments were collected according to the contract schedule signed by both parties. The transaction terms had no major difference from general non-related parties. The aforementioned transactions had been completed and the ownership of houses had been transferred. In addition, payments were collected according to the contract schedule signed by both parties.
- (2) The Company signed consultation service agreements with related parties, and the transaction prices were determined based on the negotiation between both parties. In addition, payments were collected according to the contract schedule signed by both parties.
- (3) The Company pre-sells premises to related parties, and the total sales and advance sale receipt (recognized in contract liabilities-current) are as follows:

	<u>December 31, 2024</u>		<u>December 31, 2023</u>	
	<u>Total contract amount</u>	<u>Advance real estate receipts</u>	<u>Total contract amount</u>	<u>Advance real estate receipts</u>
Other related parties	\$ 70,820	\$ 13,650	\$ 96,980	\$ 15,080
Key management personnel	<u>35,630</u>	<u>7,130</u>	<u>-</u>	<u>-</u>
	<u>\$ 106,450</u>	<u>\$ 20,780</u>	<u>\$ 96,980</u>	<u>\$ 15,080</u>

2. Purchases of goods

	<u>2024</u>	<u>2023</u>
Ruentex Engineering & Construction	\$ 3,768,885	\$ 4,073,723
Subsidiaries	482,646	388,751
Other related parties	<u>163,772</u>	<u>109,237</u>
	<u>\$ 4,415,303</u>	<u>\$ 4,571,711</u>

- (1) The Company had issued checks matured within 1~2 months for payments to related parties.
- (2) The construction price for the project contracted out by the Company to related parties were determined based on the price negotiation between both parties.
- (3) For the decoration works contracted out by the Company to related parties, contracts were established according to additional percentages on top of the costs, and the costs were determined after considering the decoration area and the materials used.
- (4) The Company entrusts related parties to purchase construction materials based on the actual purchase items and quantity.
- (5) Regarding the construction and decoration project contracts accumulated and already signed by the Company and related parties, the unfinished construction contracts in progress and the payment amounts were as follows:

	<u>December 31, 2024</u>		<u>December 31, 2023</u>	
	Total contract amount		Total contract amount	
	<u>(Tax excluded)</u>	<u>Amount paid</u>	<u>(Tax excluded)</u>	<u>Amount paid</u>
Ruentex Engineering & Construction	\$ 29,391,363	\$ 8,518,958	\$ 11,611,977	\$ 6,808,116
Subsidiaries	817,730	228,026	806,688	66,148
Other related parties	611,191	260,945	629,306	107,126
	<u>\$ 30,820,284</u>	<u>\$ 9,007,929</u>	<u>\$ 13,047,971</u>	<u>\$ 6,981,390</u>

3. Interest revenue

	<u>2024</u>	<u>2023</u>
Nan Shan Life Insurance	<u>\$ 2,100</u>	<u>\$ 2,096</u>

Note: the interest incomes from the financial assets measured at amortized costs.

4. Other Income

	<u>2024</u>	<u>2023</u>
Ruentex Innovative Development	<u>\$ 30,733</u>	<u>\$ -</u>

Note: The income from guarantee fee received by the Company is generated from the endorsement and guarantee provided to the subsidiary, Ruentex Innovative Development. The income was deferred and recognized as a deduction from “investments accounted for using the equity method” in the previous years as the license for using the subject of the endorsement and guarantee had not yet been obtained. In February 2024, the license for using the subject of the endorsement and

guarantee has been obtained, and the guarantee fee received since March 2024 is recognized in "other income." The original deferred recognized guarantee fee income of NT\$103,326 is recognized as realized income when the underlying subject of the endorsement and guarantee is sold.

5. Receivables from related parties

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Accounts receivable:		
Subsidiaries	<u>\$ -</u>	<u>\$ 916</u>
Other receivables (Note):		
Nan Shan Life Insurance	\$ 1,090	\$ 1,090
Subsidiaries	12	22
Associates	<u>1</u>	<u>-</u>
	<u>\$ 1,103</u>	<u>\$ 1,112</u>

Note: Mainly for interest receivable.

6. Payables to related parties

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Notes payable:		
Ruentex Engineering & Construction	\$ 229,991	\$ 194,418
Subsidiaries	53,729	8,758
Associates	1,051	2,075
Other related parties	<u>18,194</u>	<u>-</u>
	<u>\$ 302,965</u>	<u>\$ 205,251</u>
Accounts payable:		
Ruentex Engineering & Construction	\$ 936,993	\$ 894,502
Ruentex Design	78,492	37,646
Subsidiaries	9,102	8,359
Associates (Note)	1	558
Other related parties	<u>14,421</u>	<u>5,823</u>
	<u>\$ 1,039,009</u>	<u>\$ 946,888</u>

Note: mainly refer to computer maintenance fee payable.

7. Property transactions

Acquisition of financial Assets

Please refer to the descriptions in Note 6(5)4, 6(5)5, 6(7)5(2), 6(7)5(4), 6(7)6(5) and 6(7)7 for details.

8. Others

A portion of the Company's inventories is agricultural and pastoral land. Due to legal restrictions, the Group is not entitled to the property rights of the aforementioned land.

Therefore, the property rights of said land were registered to the chief management and other related parties, and pledged as collateral to the Company. As of December 31, 2024, the book value of said land was NT\$680,714.

9. Status of endorsements and guarantees provided by the Company to related parties

	<u>December 31, 2024</u>
Subsidiaries	<u>\$ -</u>

10. Endorsements or guarantees made by related parties

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Key management personnel	<u>\$ 79,288,649</u>	<u>\$ 74,697,112</u>

(II) Key management compensation information

	<u>2024</u>	<u>2023</u>
Wages and salaries and other short-term employee benefits	<u>\$ 145,941</u>	<u>\$ 145,364</u>
Post-employment benefits	<u>1,661</u>	<u>1,628</u>
Total	<u>\$ 147,602</u>	<u>\$ 146,992</u>

VIII. Pledged Assets

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

	<u>Carrying amount</u>		
<u>Asset items</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>For guarantee purpose</u>
Inventories	\$ 18,015,205	\$ 16,201,244	Long-term/short-term borrowings and Issuance of Commercial Paper
Other financial assets-current (listed as other current assets)	734,453	643,975	Joint construction guarantee deposits and real estate trust receipts in advance
Financial assets at fair value through other comprehensive income acquired	430,000	-	Long-term borrowings
Investments accounted for using equity method	15,626,371	16,107,781	Long-term/short-term borrowings and Issuance of Commercial Paper
Other financial assets - non-current (listed as "other non-current assets")	94,751	94,116	Money Lodged at Courts and Performance Bonds
	<u>\$ 34,900,780</u>	<u>\$ 33,047,116</u>	

IX. Significant contingent liabilities and unrecognized contractual commitments

(I) Contingencies

Jing-Guan Construction (“Jing-Guan”) claimed that it entered the agreement for transferring rights of joint-construction with the Company on December 6, 1996, to transfer the joint construction at 63 pieces of lands at the Sub-section 2 No. 363 of Muzha Section, Wenshan District, Taipei City. Under the agreement, when certain conditions were met, the Company should pay the transfer premium one by one, for total NT\$31,000. In addition, the legal representative of Jing-Guan, Chen, OO, claimed that the Company signed a real estate sales contract with Jing-Guan and its legal representative as well as Shi, OO and Su, OO, on the same day, to buy several properties in the names of Shi, OO and Su, OO; under the agreement, when certain conditions were met, the Company should pay the considerations one by one, totaling NT\$59,070, and the considerations claim has been transferred to Chen, OO. Jing-Guan Construction believed that the Company had the actions to make the agreed payment conditions of the agreement for transferring rights of joint-construction and the real estate sales contract fail to be met, and thus sued the Company to claim the unpaid transfer premiums NT\$30,000 and the interest from the delay. The legal representative of Jing-Guan, Chen, OO, also sued the Company to claim the unpaid considerations of NT\$19,470 and the interest from the delay. The Company claimed that Jing-Guan Construction and its legal representative both firstly breached the obligations in the agreement for transferring rights of joint-construction and the real estate sales contract, and the payment conditions were not met. The right of claim was eliminated due to time. Pursuant to the contracts, the Company has not obliged to pay transfer premiums and considerations.

On April 24, 2019, Taiwan Taipei District Court rejected the lawsuit filed by Jing-Guan and its legal representative. The latter filed an appeal against the judgment of the first instance. On November 17, 2020, the Taiwan High Court ruled to reject the appeal of Jing-Guan and its legal representative; the latter filed an appeal against the judgment of the second instance; on June 30, 2022, the Supreme Court ruled that the appeal of the second-instance judgment rejecting Jing-Guan’s request that the Company pay NT\$29,000 for principal and interest, and the company’s legal representative Chen, OO’s request that the Company pay \$19,470 for principal and interest was partially abandoned and remanded to the Taiwan High Court and that Jing-Guan’s another appeal (i.e. the principal and interest of NT\$1,000) was rejected.

The case was remanded to the Taiwan High Court. On January 2, 2024, regarding the part to be remanded, the Taiwan High Court changed the judgment and ruled that the Company should pay Jing-Guan NT\$28,782 and interest calculated at an annual rate of 5% from July 21, 2018 to the settlement date, as well as the litigation expenses of all previous trials on a pro rata basis, and that Jing-Guan’s another appeal (i.e. the principal and interest of NT\$218) was rejected. As for the appeal by the legal representative of Jing-Guan, Chen, OO, requesting for a payment of NT\$19,470 for principal and interest, the Taiwan High Court has rejected the appeal. The Company disagreed with and appealed against the amended judgment of the first instance on the payment to Jing-Guan before the deadline as required; the legal representative of Jing-Guan, Chen, OO, disagreed with the judgment of the first instance on the amended judgment of the

first instance before the deadline as required. The case was appealed to the Supreme Court, and on October 29, 2024, the Supreme Court's ruled in a civil ruling that the appeals by both appellants were rejected, and the original judgment by the Taiwan High Court on January 2, 2024 was maintained, and that the Company shall pay NT\$28,782 (recorded as inventory - land prepayment) to Jing-Guan and the interest accrued of interest \$9,155 (\$915 withholding tax) at the annual rate of 5% from July 21, 2018 to the settlement date and bear the litigation expenses of all previous trials on a pro rata basis \$1,017. The Company paid NT\$ 38,039 to the aforementioned company, Jing-Guan on November 26, 2024.

(II) Commitments

As of December 31, 2024 and 2023, in addition to the content described in Note 6(7), (9), (14) and 7, other significant commitments are as follows:

1. As of December 31, 2024 and 2023, the joint construction contracts signed by the Company and land owners included the construction projects of LA GRAND RIVE GAUCHE, Ruentex Forest and Xinzhuang Fu Jen University Section, and the joint construction guarantee bonds provided were NT\$ \$500,066 and NT\$ \$421,137 respectively.
2. Authorized operation contracts of Hypermarket Business Department

(1) The Company and RT-MART International Co., Ltd. signed an authorized operation contract and an entrusted management and purchase agreement for the Zhonglun Hypermarket in August 2004 in order to allow RT-MART International Co., Ltd. to provide relevant services for the establishment, operation and maintenance of the hypermarket, and the contract contents are summarized in the following:

A. Term of contract: Original contract was from August 2004 to December 2009, and both parties had agreed to extend for 10 years.

B. Purchase and management service remuneration: According to the following calculation method, for the retail store earnings of the sales location remuneration (excluding the financial income amount and the remuneration payable), the earnings remuneration payable was calculated:

If sales outlets have profits, 50% surplus of stores and food courts should be paid to RT-MART International Co., Ltd. as surplus remuneration, and RT-MART International Co., Ltd. is not liable for losses of the sales outlets.

C. Restrictive provisions:

During the contract period, if the Company intends to sell, lease, or otherwise dispose of the assets or business of the wholesale store, it shall propose in writing to sell, rent, or transfer the same to RT-MART International Co., Ltd. at the agreed price. If the RT-MART International Co., Ltd. fails to inform the Company its willingness to accept the offer within 60 days after the receipt of the proposal, then the Company may then lease, sell or dispose the asset or operation of the store in other methods to

a third party.

(2) The parties have entered into an agreement in December 2019 to extend the term of the original contract and to amend the remuneration, which is summarized as follows:

A. Contract period: Both parties have made several supplementary contracts and agreed to extend the contract to February 2030.

B. Remuneration for procurement and management services: The management service fee, remuneration for procurement services and management service fee for the operation of the food court under the original contract are calculated based on 1% of the total monthly revenue before tax of the Zhonglun Store (excluding the food court).

X. Significant Disaster Loss

None.

XI. Significant Subsequent Events

Except described in Notes 6(18) and (27), there is no other subsequent event occurring.

XII. Others

(I) Capital management

The Company'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 Company 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 Company 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 calculation of the net debt refers to total borrowings (including the "Current and non-Current borrowings" listed in the unconsolidated balance sheet) with the deduction of cash and cash equivalents. The calculation of the total capital refers to the addition of the "equity" listed on the unconsolidated balance sheet with the net debt.

The Company's strategy for 2024 remains the same as that for 2023. As of December 31, 2024 and 2023, the debt to total assets ratio was as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Total borrowings	\$ 35,567,865	\$ 31,180,155
Less: Cash and cash equivalents	(1,447,692)	(1,494,465)
Net debt	34,120,173	29,685,690
Total equity	101,319,891	94,445,889
Total capital	<u>\$ 135,440,064</u>	<u>\$ 124,131,579</u>
Debt-to-total-capital ratio	25.19%	23.91%

(II) Financial instruments

1. Type of financial instruments

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Financial assets</u>		
Financial assets at fair value through other comprehensive income acquired - non-Current	\$ 1,455,867	\$ 1,274,216
Financial assets at amortized cost		
Cash and cash equivalents	1,447,692	1,494,465
Accounts receivable (including related parties)	42,546	13,067
Other receivables (including related parties)	131,611	9,382
Financial Assets at amortized cost-non-Current	60,000	60,000
Other financial assets (listed as other current assets and other non-current assets)	878,304	816,425
	<u>\$ 4,016,020</u>	<u>\$ 3,667,555</u>

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Financial liability</u>		
Financial liabilities at amortized cost		
Short-term borrowings	\$ 5,784,000	\$ 4,400,000
Short-term bills payable	3,328,169	2,559,620
Notes payable (including related parties)	389,094	305,936
Accounts payable (including related parties)	1,177,978	1,117,843
Other payables	427,304	390,994
Long-term borrowings (including due within one year or one operating cycle)	26,455,696	24,220,535
Guarantee deposits received (listed as other non-current liabilities)	1,180,247	1,073,020
	<u>\$ 38,742,488</u>	<u>\$ 34,067,948</u>
Lease liabilities - current and non-current	<u>\$ 431,562</u>	<u>\$ 524,648</u>

2. Risk management policies

- (1) The Company'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.
- (2) The risk management of the Company is executed by the financial department according to the policies approved by the board of directors, and cooperation with all operating units of the Company closely 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 exchange risk

A. The Company holds several foreign operating institution investments, and its net asset bears the foreign exchange risk. In addition, the Company's businesses involve some non-functional currency operations. The information on assets denominated in foreign currencies whose values would be affected by the exchange rate fluctuations is as follow:

December 31, 2024							
				Sensitivity analysis			
	<u>Foreign currency (thousands)</u>	<u>Exchan ge rate</u>	<u>Carrying amount (NT\$)</u>	<u>Range of variation</u>	<u>Effects on profit and loss</u>	<u>Effects on other comprehensive income</u>	
<u>Financial assets</u>							
<u>Monetary Items</u>							
USD:NTD	\$ 4,361	32.79	\$ 142,997	1%	\$ 1,430	\$ -	
<u>Non-monetary Items</u>							
USD:NTD	84,890	32.79	2,783,534	1%	-	27,835	
December 31, 2023							
				Sensitivity analysis			
	<u>Foreign currency (thousands)</u>	<u>Exchange rate</u>	<u>Carrying amount (NT\$)</u>	<u>Range of variation</u>	<u>Effects on profit and loss</u>	<u>Effects on other comprehensive income</u>	
<u>Financial assets</u>							
<u>Monetary Items</u>							
USD:NTD	\$ 4,166	30.71	\$ 127,938	1%	\$ 1,279	\$ -	
<u>Non-monetary Items</u>							
USD:NTD	69,754	30.71	2,142,157	1%	-	21,422	

- B. Foreign exchange risk has significant impact on the Company, and all of the foreign exchange gains (including realized and unrealized) on recognized monetary items were NT\$8,828 and NT\$90,151, for the years ended December 31, 2024 and 2023, respectively.

Price risk

- A. The Company'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 Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.
- B. The Company 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 on equity instruments 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\$14,559 and NT\$12,742.

Cash flow and fair value interest rate risk

- A. The Company's interest rate risk arises from total borrowings with floating interest rates that expose the Company to cash flow interest rate risk. For 2024 and 2023, the borrowing of the Company at floating interest rate was mainly calculated in NTD.
- B. The borrowing of the Company was measured at amortized cost, and re-pricing was performed according to the annual interest rate specified in the contract. Therefore, the Company is exposed to the risk of future market interest rate change.
- C. If interest rates on borrowings had been 0.125% 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\$29,958 and NT\$28,170, 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 Company arising from default by the clients or transaction counterparties of financial instruments on the contract obligations. Such risk is mainly due to the counterparties cannot repay the accounts payable according to the payment terms, and contractual cash flows from investments in debt instruments classified as measured at amortized cost and at fair value through profit or loss.

- B. The Company established management of credit risk from the Company's perspective. For corresponding banks and financial institutions, the Company set up to only accept transaction counterparties receiving the credit rating of at least Class "A". According to the internally specified credit extension policy, before each operating entity and each new customer of the Company 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 Company 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 Company uses IFRS to provide the following assumptions, to determine if the credit risks of the financial instrument significantly increased since the initial recognition.
- (A) 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.
 - (B) Investments in bonds traded in the Over-the-Counter (OTC) with an external rating agency rated as investment grade at the balance sheet date, the asset will be regarded as having low credit risk.
- E. The indicators for determining the impairment of the debt instrument investment used by the Company is as the following:
- (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 Company classifies the accounts payable of customers according to the characteristics of customer type, and adopts the simplified method to use the loss rate method as the basis for estimating the expected credit loss.
- G. The Company incorporates the future prospective consideration described in the economic forecast of Taiwan Institute of Economics Research for adjusting the loss rate established according to the specific period history and Current

information, in order to estimate the allowance loss for accounts receivable. The loss rate method as of December 31, 2024 and 2023 was as follows:

	<u>Each</u>	<u>Group A</u>	<u>Total</u>
<u>December 31, 2024</u>			
Expected loss	50%~100%	0%~0.03%	
Total carrying amount	\$ 29	\$ 42,533	\$ 42,562
Allowance for losses	16	-	16
<u>December 31, 2023</u>			
Expected loss	50%~100%	0%~0.03%	
Total carrying amount	\$ 16	\$ 13,060	\$ 13,076
Allowance for losses	9	-	9

Group A: Customers who do not have overdue payments

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

	<u>2024</u>	<u>2023</u>
	<u>Accounts receivable</u>	<u>Accounts receivable</u>
January 1	\$ 9	\$ 97
Impairment loss (reversal)	7	(88)
December 31	<u>\$ 16</u>	<u>\$ 9</u>

I. The Company's financial assets at amortized cost are subordinated bonds, which are expected to have a low probability of default due to the good credit quality of the counter-parties in the past.

(3) Liquidity risk

- A. The cash flow forecast of the Company is executed by the operating entity and summarized by the financial department. The financial department monitors rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times, as described in Note VI(14), in order to prevent the Company from breaching relevant borrowing limits or term. Such forecasts also consider the credit financing plan, credit terms compliance and the conformity with the financial ratio target specified in the internal balance sheet.
- B. For the remaining cash held by the operating entity of the Company, when it exceeds the management needs of operating capital, the financial department invests the remaining capital in the saving deposit with interest, time deposit and 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 Company's position held in money market were NT\$1,319,067 and NT\$1,354,801.

C. The table below analyses the Company'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	<u>Within 1 year</u>	<u>Within 2-5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 5,784,000	\$ -	\$ -
Short-term notes and bills payable (Note 1)	3,330,000	-	-
Notes payable (including related parties)	389,094	-	-
Accounts payable (including related parties)	1,177,978	-	-
Other payables	427,304	-	-
Lease liabilities (Note 1)	99,542	331,418	13,554
Long-term borrowings (including due within one year or one operating cycle) (Note 1)	3,350,611	24,866,409	-
Other financial liabilities (Note 2)	-	1,180,247	-

Non-derivative financial liabilities:

December 31, 2023	<u>Within 1 year</u>	<u>Within 2-5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 4,400,000	\$ -	\$ -
Short-term notes and bills payable (Note 1)	2,560,000	-	-
Notes payable (including related parties)	305,936	-	-
Accounts payable (including related parties)	1,117,843	-	-
Other payables	390,994	-	-
Lease liabilities (Note 1)	98,871	349,634	94,879
Long-term borrowings (including due within one year or one operating cycle) (Note 1)	4,684,316	20,340,183	-
Other financial liabilities (Note 2)	-	1,073,020	-

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

Note 2: It is for the bond deposited, and is listed as other non-current liabilities.

- D. The Company does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(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 Company's investment in stocks listed in Taipei and TPEX falls under this category.

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 fair values of the Company's investment in equity instruments without an active market and investment property are included.

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

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

December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial Assets at fair value through other comprehensive income acquired - Non-Current				
Equity securities	\$1,454,967	\$ -	\$ 900	\$ 1,455,867
Investment property (Note)	-	-	3,016,159	3,016,159
Total	<u>\$1,454,967</u>	<u>\$ -</u>	<u>\$ 3,017,059</u>	<u>\$ 4,472,026</u>

December 31, 2023	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial Assets at fair value through other comprehensive income acquired - Non-Current				
Equity securities	\$1,273,316	-	\$ 900	\$ 1,274,216
Investment property (Note)	-	-	3,128,890	3,128,890
Total	<u>\$1,273,316</u>	<u>\$ -</u>	<u>\$ 3,129,790</u>	<u>\$ 4,403,106</u>

Note: Investment property subsequently measured at fair value

4. The methods and assumptions the Company used to measure fair value are as follows:

- (1) For the investments on OTC stocks by the Company used market quoted prices as their fair values (i.e. Level 1), which are listed below according to the characteristics of the instruments:

	<u>Shares of the TPEX listed companies</u>
Quoted market price	Closing market prices

- (2) 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. The fair value of financial instruments measured by using valuation techniques can be referred to Current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date (such as the reference yield curve of TPEX, Reuters commercial paper interest rate average price).
- (3) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- (4) For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. Such type of valuation model is normally applied to derivative financial instruments. Certain inputs used in such type of valuation model are not observable at market, and the Company must make reasonable estimates based on its assumptions. For the impacts of non-market observable parameters on financial

instrument valuation, please refer to Note 12(3)8 for details.

- (5) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company'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 Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet date. The inputs and pricing information used during valuation are carefully assessed and adjusted based on Current market conditions.
- (6) The fair value valuation techniques adopted by the Company for the investment property measured at fair value are in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and such fair values are measured by external appraisers using the income approach. The related assumptions and input values are as follows:
 - A. Cash Flow: It is evaluated based on the existing lease contracts, local rents, or the rental trends of similar property in the market, excluding those that are too high or too low. If there is an end-of-period value, the present value of the end-of-period value may be added.
 - B. Analysis Period: If there is no specific period for income, the analysis period should not exceed ten years in principle; if there is a specific period for income, it should be estimated based on the remaining period.
 - C. Discount Rate: It is estimated with the risk premium approach at a certain interest rate, with the individual characteristics of investment property considered. The so-called constant interest rate refers to a benchmark that cannot be lower than the two-year postal time deposit small amount deposit flexible interest rate announced by Chunghwa Post Co., Ltd. plus 0.75 percentage points.
 - D. Growth rate: The adjustment is made by considering the growth rate of rental income of similar properties in markets and taking into account the economic fluctuations in recent years.
5. For the years ended December 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.
6. For the years ended December 31, 2024 and 2023, there was no transfer in or out for Level 3.
7. For the valuation process of classifying fair values under Level 3 of the Company, the accounting department is responsible for performing the independent fair value

verification of the financial asset. Through independent source information to allow the result to be close to the market status, confirming information source being independent, reliable, and consistent with other sources as well as representing the executable price. In addition, the valuation model is calibrated periodically, retroactive test is performed, the input values and data required for the valuation model is spaded and other necessary fair value adjustments are made, in order to ensure that the valuation result is reasonable. Investment properties are valued according to the valuation method and parameter assumptions announced by the Financial Supervisory Commission, or they are appraised by external appraisers.

8. 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:

	<u>December 31, 2024</u>		<u>Significant</u>		<u>Relationship</u>
	<u>Fair value</u>	<u>Valuation techniques</u>	<u>unobservable inputs</u>	<u>Discount rate</u>	<u>between inputs and fair value</u>
Non-derivative Equity Instrument: Non public traded securities	\$ 900	Net assets value method	N/A	N/A	N/A
Investment Properties	3,016,159	The discounted cash flow method of the income approach	Long-term rental income growth rates and discount rates	Note	The higher the growth rate of long-term rental income, the higher the fair value; the higher the discount rate, the lower the fair value.

	<u>December 31, 2023</u>		<u>Significant</u>		<u>Relationship</u>
	<u>Fair value</u>	<u>Valuation techniques</u>	<u>unobservable inputs</u>	<u>Discount rate</u>	<u>between inputs and fair value</u>
Non-derivative Equity Instrument: Non public traded securities	\$ 900	Net assets value method	N/A	N/A	N/A
Investment Properties	3,128,890	The discounted cash flow method of the income approach	Long-term rental income growth rates and discount rates	Note	The higher the growth rate of long-term rental income, the higher the fair value; the higher the discount rate, the lower the fair value.

Note: Please refer to Note 6(10) for the range of long-term rental income growth rates and the range of discount rates.

9. The Company carefully assesses and selects the valuation model and valuation parameters used; however, when different valuation model or valuation parameters are used, it may lead to different valuation result. For financial Assets classified as Level 3, if there is change in the valuation parameters, then the impact on other comprehensive income is as follows:

		2024	
		<u>Recognized as other comprehensive income</u>	
	<u>Inputs</u>	<u>Changes</u>	
			<u>Favorable changes</u> <u>Adverse changes</u>
Financial assets			
Equity Instrument	Discount for lack of marketability	±1%	<u>\$ 9</u> <u>(\$ 9)</u>
		2023	
		<u>Recognized as other comprehensive income</u>	
	<u>Inputs</u>	<u>Changes</u>	
			<u>Favorable changes</u> <u>Adverse changes</u>
Financial assets			
Equity Instrument	Discount for lack of marketability	±1%	<u>\$ 9</u> <u>(\$ 9)</u>

XIII. Separately Disclosed Items

(I) Significant transaction information

1. Loans to others: None.
2. Provision of endorsements and guarantees to others: Please refer to Table 1.
3. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to Table 2.
4. Acquisition or sale of the same security with the accumulated cost exceeding NT\$300 million or 20% of the Company's paid-in capital: Please refer to Table 3.
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. Trading in derivative instruments undertaken during the reporting periods: None.

10. Significant transactions between the parent to subsidiary and between subsidiary during the reporting periods: 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

Not applicable.

RUENTEX DEVELOPMENT CO., LTD.
Statement of cash and cash equivalents
December 31, 2024

Statement 1

Unit: NT\$ thousands

Item	Summary	Amount
Cash on hand		\$ 1,512
Petty cash		1,470
Bank deposits		
- Checking deposits		125,643
- Demand deposits	Including USD 28 thousand, an exchange rate of 32.79 NTD to 1 USD.	548,416
- Time deposits	Including USD 4,333 thousand at an exchange rate of 32.79 NTD to 1 USD Period from October 9, 2024–January 9, 2025	139,346
Cash equivalents (Bonds under repurchase agreements)	Interest rate from 0.69%~0.82%; period from December 25, 2024–January 9, 2025	<u>631,305</u>
		<u>\$ 1,447,692</u>

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RUENTEX DEVELOPMENT CO., LTD.

Statement of Inventories

December 31, 2024

Statement 2

Unit: NT\$ thousands

Item	Summary	Amount		Remarks
		Cost	Fair value	
<u>Construction Business Department</u>				
Real property for sale (including parking space)	\$	3,878,203	\$ 4,643,243	1. Net realizable value.
Property under construction		15,089,270	17,918,431	2. Please refer to the “Note 8, Pledged assets" for details.
Construction land		3,053,112	2,944,499	
Prepayment for land purchases		2,160,746	2,166,324	
Less: Allowance for valuation losses	(	516,078)	-	
Subtotal		23,665,253	27,672,497	
<u>Wholesale Business Department</u>				
Merchandise inventory		71,389	92,557	
Less: Allowance for obsolescence losses	(793)	-	
		70,596	92,557	
Total inventories		<u>\$ 23,735,849</u>	<u>\$ 27,765,054</u>	

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RUENTEX DEVELOPMENT CO., LTD.
Statement of changes in financial assets measured at fair value through profit or loss - non-Current
January 1 to December 31, 2024

Statement 3

Unit: NT\$ thousands

Name	<u>Balance at the beginning of the period</u>		<u>Increase in the current period (Note 1)</u>		<u>Decrease in the current period (Note 2)</u>		<u>Adjustments for valuation</u>	<u>Balance at the end of the period</u>			<u>Guarantee or hedge</u>
	<u>Number of shares (thousand shares)</u>	<u>Amount</u>	<u>Number of shares (thousand shares)</u>	<u>Amount</u>	<u>Number of shares (thousand shares)</u>	<u>Amount</u>	<u>Amount</u>	<u>Number of shares (thousand shares)</u>	<u>Shareholding percentage</u>	<u>Amount</u>	
Brogent Technologies Inc.	2,809	\$ 320,233	-	\$ 91,295	-	(\$ 1,404)	\$ -	2,809	4.01%	\$ 410,124	Nil
OBI Pharma, Inc.	1,496	103,776	176	11,279	-	(17,269)	-	1,672	0.64%	97,786	"
TaiMed Biologics, Inc.	10,357	849,307	655	97,750	-	-	-	11,012	4.03%	947,057	Please refer to the "Notes 8, Pledged Asset" for more details
Pacific Resources Corporation	8	-	-	-	-	-	-	8	1.05%	-	Nil
Asia Pacific Federation of Industry and Commerce	21	900	-	-	-	-	-	21	0.03%	900	"
		<u>\$ 1,274,216</u>		<u>\$ 200,324</u>		<u>(\$18,673)</u>				<u>\$1,455,867</u>	

Note 1: They are the changes in fair values in the amount of NT\$135,344, the cash capital increase by OBI Pharma, Inc. in the amount of NT\$11,279, and the cash capital increase by TaiMed Biologics, Inc. in the amount of NT\$53,701.

Note 2: The NT\$1,404 dividends were distributed from changes in fair value of NT\$17,269 and capital surplus of Brogent Technologies Inc. in the nature of shareholders' original capital contribution.

RUENTEX DEVELOPMENT CO., LTD.
Statement of financial Assets at amortized cost - non-Current
January 1 to December 31, 2024

Statement 4

Unit: NT\$ thousands

<u>Name</u>	<u>Beginning of Period</u>		<u>Increased in the current period</u>		<u>Decreased in the current period</u>		<u>End of Period</u>		<u>Provided as a guarantee or hedge</u>	<u>Remarks</u>
	<u>Number of shares (thousand shares)</u>	<u>Carrying amount</u>	<u>Number of shares (thousand shares)</u>	<u>Amount</u>	<u>Number of shares (thousand shares)</u>	<u>Amount</u>	<u>Number of shares (thousand shares)</u>	<u>Carrying amount</u>		
Subordinated corporate bonds	60	<u>\$ 60,000</u>	-	<u>\$ -</u>	-	<u>\$ -</u>	60	<u>\$ 60,000</u>	Nil	

RUENTEX DEVELOPMENT CO., LTD.
Statement of changes in investments accounted for using the equity method
January 1 to December 31, 2024

Statement 5

Unit: NT\$ thousands

Name	<u>Balance at the beginning of the period</u>		<u>Increase in the current period</u>		<u>Decrease in the current period</u>		<u>Balance at the end of the period</u>			<u>Market price or net value of equity</u>			Notes
	<u>Number of shares (thousand shares)</u>	<u>Amount</u>	<u>Number of shares (thousand shares)</u>	<u>Amount</u>	<u>Number of shares (thousand shares)</u>	<u>Amount</u>	<u>Number of shares (thousand shares)</u>	<u>Shareholding percentage</u>	<u>Amount</u>	<u>Unit price (NT\$)</u>	<u>Total amount</u>	<u>Guarantee or pledge</u>	
Shing Yen Construction & Development Co., Ltd.	25,679	\$ 398,388	-	\$ 16,222	-	\$ -	25,679	45.45%	414,610	\$ 16.15	\$ 415,257	Nil	
Ruentex Industries Ltd.	157,697	10,863,692	-	1,416,670	-	(891,015)	157,697	14.28%	11,389,347	72.40	11,417,308		Please refer to the “Notes 8, Pledged Asset” for more details
Ruentex Construction International (B.V.I.) Ltd.	25,000	1,572,229	-	278,867	-	(5,222)	25,000	100.00%	1,845,874	73.83	1,845,363	Nil	
Gin-Hong Investment Co., Ltd.	9,300	708,113	1,989	116,296	-	-	11,289	30.00%	824,409	73.03	825,013	”	
Concord Greater China Ltd.	10,593	569,928	-	367,732	-	-	10,593	25.56%	937,660	88.51	936,758	”	
Ruentex Construction & Development Co., Ltd.	200,000	1,995,297	50,000	1,040,656	-	(144,462)	250,000	100.00%	2,891,491	11.57	2,889,965	”	
Ruentex Baiyi Co., Ltd.	70,000	7,102,527	-	114,508	-	(81,900)	70,000	35.00%	7,135,135	101.93	7,135,135	”	
Ruentex Xu-Zhan Development co., Ltd.	160,000	6,937,013	-	292,132	-	(268,800)	160,000	80.00%	6,960,345	43.50	6,960,226	”	
Sunny Friend Environmental Technology Co., Ltd.	33,370	1,306,417	-	187,281	-	(126,807)	33,370	25.67%	1,366,891	85.80	2,863,159		Please refer to the “Notes 8, Pledged Asset” for more details
Ruentex Materials Co., Ltd.	15,740	177,666	-	31,140	-	(10,231)	15,740	10.49%	198,575	25.60	402,954	Nil	
Ruen Chen Investment Holdings Ltd.	7,796,750	65,523,748	447,375	9,636,836	-	(5,832,036)	8,244,125	25.00%	69,328,548	8.41	69,328,548		Please refer to the “Notes 8, Pledged Asset” for more details
Ruentex Security Co., Ltd.	6,900	94,212	-	29,896	-	(16,414)	6,900	100.00%	107,694	15.61	107,693	Nil	
Ruentex Property Management & Maintenance Co., Ltd.	2,829	38,446	-	12,917	-	(3,338)	2,829	100.00%	48,025	16.98	48,025	”	
Ruen Fu Newlife Corp.	1,800	16,337	-	935	-	(2,959)	1,800	60.00%	14,313	7.95	14,313	”	
Ruentex Engineering & Construction Co., Ltd.	72,398	1,519,668	28,959	1,238,832	-	(390,946)	101,357	39.14%	2,367,554	149.50	15,152,787	”	
Ruentex Interior Design Inc.	736	24,524	-	19,540	-	(6,623)	736	4.91%	37,441	234.00	172,192	”	
Global Mobile Corp.	26,082	-	-	-	-	-	26,082	9.46%	-	-	-	”	
Ruentex Innovative Development Co. Ltd.	198,800	1,874,923	-	3,314,491	-	(4,578)	198,800	70.00%	5,184,836	26.60	5,288,162	”	
Nan Shan Life Insurance Co., Ltd.	32,048	<u>797,320</u>	2,034	<u>98,652</u>	-	<u>(69,946)</u>	34,082	0.23%	<u>826,026</u>	24.24	<u>826,026</u>	”	
Total		<u>\$ 101,520,448</u>		<u>\$ 18,213,603</u>		<u>(\$ 7,855,277)</u>			<u>\$111,878,774</u>		<u>\$126,628,884</u>		

RUENTEX DEVELOPMENT CO., LTD.
Statement of changes in real estate, plant and equipment
January 1 to December 31, 2024

Statement 6

Unit: NT\$ thousands

<u>Item</u>	<u>Balance at the beginning of the period</u>	<u>Increase in the current period</u>	<u>Decrease in the current period</u>	<u>Transfer amount for current period</u>	<u>Balance at the end of the period</u>	<u>Provided as a guarantee or hedge</u>	<u>Remarks</u>
Machinery and equipment	\$ 100,860	\$ 3,829	\$ -	\$ -	\$ 104,689	Nil	
Warehouse equipment	30,441	-	-	-	30,441	”	
Transportation equipment	28,112	1,723	-	-	29,835	”	
Office equipment	36,046	2,489	(1,407)	-	37,128	”	
Other equipment	160,568	363	-	-	160,931	”	
	<u>\$ 356,027</u>	<u>\$ 8,404</u>	<u>(\$ 1,407)</u>	<u>\$ -</u>	<u>\$ 363,024</u>		

Explanation: For more details in depreciation method and years of useful life for real estate, plant and equipment please refer to Note 4 (14).

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RUENTEX DEVELOPMENT CO., LTD.
Statement of changes in accumulated depreciation of real estate, plant and equipment
January 1 to December 31, 2024

Statement 7

Unit: NT\$ thousands

<u>Item</u>	<u>Beginning balance</u>	<u>Increased in the current period</u>	<u>Decreased in the current period</u>	<u>Transfer amount for current period</u>	<u>Ending balance</u>	<u>Provided as a guarantee or hedge</u>	<u>Remarks</u>
Machinery and equipment	\$ 81,291	\$ 7,260	\$ -	\$ -	\$ 88,551	Nil	
Warehouse equipment	16,026	3,989	-	-	20,015	”	
Transportation equipment	27,978	142	-	-	28,120	”	
Office equipment	33,718	1,252	(1,407)	-	33,563	”	
Other equipment	85,077	17,198	-	-	102,275	”	
	<u>\$ 244,090</u>	<u>\$ 29,841</u>	<u>(\$ 1,407)</u>	<u>\$ -</u>	<u>\$ 272,524</u>		

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RUENTEX DEVELOPMENT CO., LTD.
Detailed changes of right-of-use assets
January 1 to December 31, 2024

Statement 8

Unit: NT\$ thousands

<u>Item</u>	<u>Beginning balance</u>	<u>Increased in the current period</u>	<u>Decreased in the current period</u>	<u>Transferred in the current period</u>	<u>Ending balance</u>	<u>Provided as a guarantee or hedge</u>	<u>Remarks</u>
Cost:							
Buildings	\$ 849,578	\$ -	\$ -	\$ -	\$ 849,578	Nil	
Accumulated depreciation:							
Buildings	(346,719)	(92,617)	-	-	(439,336)		
Carrying amount	<u>\$ 502,859</u>	<u>(\$ 92,617)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 410,242</u>		

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RUENTEX DEVELOPMENT CO., LTD.
Statement of changes in investment real estate
January 1 to December 31, 2024

Statement 9

Unit: NT\$ thousands

									Provided as a guarantee or hedge
Item	Beginning balance		Increased in the current period		Decreased in the current period		Ending balance		Remarks
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	
Cost:									
Land	\$ 1,008,724	\$ 1,976,806	\$ -	\$ -	\$(84,044)		\$ 1,008,724	\$ 1,892,762	Nil
Buildings	861,293	1,152,084	-	-	(28,100)	(28,687)	833,193	1,123,397	
Carrying amount	\$ 1,870,017	\$ 3,128,890	\$ -	\$ -	\$(28,100)	\$(112,731)	\$ 1,841,917	\$ 3,016,159	

Note: Please refer to Note 6(10) for the fair value of investment property.

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RUENTEX DEVELOPMENT CO., LTD.

Statement of short-term borrowings

December 31, 2024

Statement 10

Unit: NT\$ thousands

<u>Types of borrowing</u>	<u>Creditor</u>	<u>Balance at the end of the period</u>	<u>Time-limit for contract</u>	<u>Interest rate range</u>	<u>Loan limit</u>	<u>Mortgage or guarantee</u>	<u>Remarks</u>
Secured loan	Taishin Bank	\$ 100,000	2024.12.18-2025.01.15	1.78%~2.20%	\$ 500,000	Stocks and guarantee notes NT\$500,000	
	Chang Hwa Bank	154,000	2024.10.18-2025.06.16	"	500,000	Stock and loan contract \$2,000,000	
	Bank of Taiwan	300,000	2024.12.26-2025.03.26	"	300,000	Shares and guarantee notes NT\$300,000	
		<u>554,000</u>			<u>1,300,000</u>		
Credit Loan	Taishin Bank	650,000	2024.12.11-2025.01.10	1.78%~2.20%	700,000	Guaranteed notes \$700,000	
	Bank SinoPac	500,000	2024.11.27-2025.01.24	"	500,000	Guaranteed notes \$500,000	
	E-Sun Bank	2,000,000	2024.12.20-2025.01.10	"	2,000,000	Guaranteed notes \$2,000,000	
	Taiwan Cooperative Bank	400,000	2024.12.13-2025.12.12	"	400,000	Guaranteed notes \$400,000	
	Hua Nan Commercial Bank	80,000	2024.12.24-2025.01.21	"	200,000	Guaranteed notes \$200,000	
	Land Bank of Taiwan	600,000	2024.12.20-2025.03.20	"	600,000	Guaranteed notes \$600,000	
	Far Eastern International Bank Co., Ltd.	500,000	2024.12.17-2025.01.17	"	500,000	Guaranteed notes \$500,000	
	Bank of Taiwan	300,000	2024.12.10-2025.03.10	"	300,000	Guaranteed notes \$300,000	
	Bangkok Bank	200,000	2024.12.20-2025.01.14	"	300,000	Guaranteed notes \$300,000	
		<u>5,230,000</u>			<u>5,500,000</u>		
		<u>\$ 5,784,000</u>			<u>\$ 6,800,000</u>		

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RUENTEX DEVELOPMENT CO., LTD.
Statement of short-term bills payable
December 31, 2024

Statement 11

Unit: NT\$ thousands

<u>Item</u>	<u>Guarantee or acceptance institution</u>	<u>Time-limit for contract</u>	<u>Interest rate range</u>	<u>Amount</u>			<u>Mortgage or guarantee</u>	<u>Notes</u>
				<u>Issuing amount</u>	<u>Unamortized bond discount</u>	<u>Carrying amount</u>		
Commercial papers payable	China Bills Finance	2024.12.06-2025.02.14	1.50%~1.82%	\$ 430,000(\$	695)	\$ 429,305	Building and land held for sale and guarantee notes NT\$618,000	
	Taiwan Finance Corporation	2024.12.05-2025.01.06	"	460,000(	104)	459,896	Stocks and guarantee notes NT\$500,000	
	Mega Bills Finance Corporation	2024.11.19-2025.01.15	"	1,600,000 (	746)	1,599,254	Construction land in progress, stocks, and guarantee notes NT\$2,420,000	
	Dah Chung Bills Finance Corporation	2024.12.12-2025.01.09	"	590,000(	225)	589,775	Building and land held for sale and guarantee notes NT\$590,000	
	International Bills Finance Corporation	2024.12.27-2025.01.06	"	250,000(61)	249,939	Shares and guarantee notes NT\$650,000	
				<u>\$ 3,330,000 (\$</u>	<u>1,831)</u>	<u>\$ 3,328,169</u>		

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RUENTEX DEVELOPMENT CO., LTD.
Statement of long-term borrowings
December 31, 2024

Statement 12

Unit: NT\$ thousands

<u>Creditor</u>	<u>Summary</u>	<u>Amount borrowed</u>	<u>Time-limit for contract</u>	<u>Interest Rate</u>	<u>Mortgage or guarantee</u>	<u>Remarks</u>
Taipei Fubon Bank	Secured loan	\$ 378,750	September 6, 2022-September 6, 2025	1.73%~2.58%	Shares and guarantee notes NT\$1,240,000	The principal does not need to be amortized in the first 18 months, but will be amortized in seven installments thereafter, with 10% of the balance amortized for each installment for the first to three installments and 17.5% for each installment for the fourth to seventh installments.
Taipei Fubon Bank	"	400,000	2024.08.06-2027.08.06	"	Shares and guarantee notes NT\$1,240,000	The principal does not need to be amortized in the first 18 months, but will be amortized in seven installments thereafter, with 10% of the balance amortized for each installment for the first to three installments and 17.5% for each installment for the fourth to seventh installments.
Taishin Bank	"	335,000	2024.12.20-2026.05.10	"	Shares and guarantee notes NT\$1,500,000	One-off payment upon maturity
Bank of Taiwan	"	5,000,000	2024.10.21-2027.09.10	"	Shares and guarantee notes NT\$500,000	One-off payment upon maturity
Bank of Taiwan	"	2,000,000	2024.03.01-2026.09.10	"	Shares and guarantee notes NT\$2,000,000	Amortized to repay NT\$100 million on a semi-annual basis starting from the second year
Bank of Taiwan	"	150,000	2024.12.18-2026.09.10	"	Shares and guarantee notes NT\$300,000	One-off payment upon maturity
KGI Bank	"	1,300,000	2020.12.10-2027.12.22	"	Construction lands, securities for sale and guarantee notes NT\$1,300,000	One-off payment upon maturity
Hua Nan Commercial Bank	"	100,000	2024.12.20-2026.11.29	"	Stocks and loan agreements NT\$500,000	One-off payment upon maturity
Mega International Commercial Bank	"	1,660,000	2024.12.11-2026.05.31	"	Stocks and guarantee notes NT\$3,000,000	One-off payment upon maturity
Chang Hwa Bank	"	1,235,000	2024.11.08-2026.06.30	"	Stock and loan agreements NT\$3,900,000	One-off payment upon maturity
Taiwan Cooperative Bank	"	1,000,000	2023.12.13-2026.11.11	"	Stocks and IOUs NT\$1,000,000	One-off payment upon maturity
CTBC Bank	"	300,000	2024.12.30-2026.09.30	"	Stocks and guarantee notes NT\$500,000	One-off payment upon maturity
First Bank	"	50,000	2024.12.16-2026.03.14	"	Stocks and IOUs NT\$2,000,000	One-off payment upon maturity
		<u>13,908,750</u>				
Bank of China	Credit Loan	1,200,000	2024.11.18-2026.03.19	1.73%~2.58%	Issuing guarantee notes NT\$1,200,000	One-off payment upon maturity
Bank SinoPac	"	1,000,000	2024.08.06-2026.08.06	"	Issuing guarantee notes NT\$1,000,000	The grace period is 18 months. The principal will be repaid evenly in 2 installments in the 3rd and 6th month after the grace period.
Mega International Commercial Bank	"	2,395,000	2024.12.11-2026.05.31	"	Issuing guarantee notes NT\$4,500,000	One-off payment upon maturity
Taiwan Cooperative Bank	"	500,000	2023.12.13-2026.11.11	"	IOU NT\$500,000	One-off payment upon maturity
Bank of East Asia	"	600,000	2024.03.08-2026.03.06	"	Issuing guarantee notes NT\$600,000	One-off payment upon maturity

RUENTEX DEVELOPMENT CO., LTD.
Statement of long-term borrowings
December 31, 2024

Statement 12

Unit: NT\$ thousands

DBS Bank	"	420,000	2024.12.11-2026.12.13	"	Issuing guarantee notes NT\$1,000,000	One-off payment upon maturity
Cathay United Bank	"	375,000	2022.09.06-2025.09.06	"	Issuing guarantee notes NT\$500,000	Amortized in four installments starting from the third year to repay 25% for each installment
Cathay United Bank	"	500,000	2023.09.28-2026.09.28	"	Issuing guarantee notes NT\$500,000	Evenly repaid on a quarterly basis from the third year
The Shanghai Commercial & Savings Bank	"	300,000	2024.09.24-2026.09.24	"	Issuing guarantee notes NTD 300,000	One-off payment upon maturity
National Agricultural Treasury	"	500,000	2023.09.28-2026.09.28	"	Issuing guarantee notes NT\$500,000	Evenly repaid on a semi-annual basis from the third year
Chang Hwa Bank	"	75,000	2022.06.30-2025.06.30	"	Loan contract NT\$2,000,000	Repay NT\$75 million on a semi-annual basis starting from the second year
Taishin Bank	"	600,000	2024.12.26-2026.05.09	"	Issuing guarantee notes NT\$1,000,000	One-off payment upon maturity
Taishin Bank	"	1,000,000	2024.12.19-2027.08.06	"	Issuing guarantee notes NT\$1,000,000	One-off payment upon maturity
Panhsin Bank	"	300,000	2024.08.06-2026.08.06	"	Issuing guarantee notes NT\$300,000	Only pay interest for the first 14 months; the first installment is due in the 15th month.
Hua Nan Commercial Bank	"	<u>500,000</u>	2024.12.20-2026.11.29	"	Credit contracts finalized NT\$1,000,000	Each installment will repay the principal of NT\$75 million and the remaining balance will be paid off at the end of the contract.
		<u>10,265,000</u>				One-off payment upon maturity
		<u>24,173,750</u>				
Long-term commercial papers		<u>2,300,000</u>	2024.11.11-2026.01.15	1.67%~1.68%	Issuing guarantee notes NT\$2,300,000	Long-term commercial paper, one-off payment upon maturity
		<u>2,300,000</u>				
Less: Arrangement fees for leading banks of syndicated loan	(	16,635)				
Due within one year	(	1,028,750)				
Discount on commercial papers	(	1,419)				
Total		<u>\$ 25,426,946</u>				

RUENTEX DEVELOPMENT CO., LTD.

Statement of operating revenue

January 1 to December 31, 2024

Statement 13

Unit: NT\$ thousands

<u>Item</u>	<u>Summary</u>	<u>Amount</u>		<u>Remarks</u>
		<u>Subtotal</u>	<u>Total</u>	
Revenue from contracts with customers				
Revenue from sales of goods				
Chung Lun hypermarket				
- Revenue from hypermarket		\$ 968,322		
- Revenue from food street		<u>25,505</u>	\$ 993,827	
Rent income			45,145	
Revenue from contracts with customers -				
Revenue from sales of real property				
Revenue from sales of house, land and				
parking spaces		5,730,056		
Sales of house agency, consultancy and				
others		<u>74,237</u>	<u>5,804,293</u>	
Subtotal			6,843,265	
Less: Sales returns			(14,249)	
Sales discounts			<u>(4,261)</u>	
			<u>\$ 6,824,755</u>	

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RUENTEX DEVELOPMENT CO., LTD.
Statement of operating costs
January 1 to December 31, 2024

Statement 14

Unit: NT\$ thousands

Item	Amount	
	Subtotal	Total
Cost of sales		
Beginning inventory	\$ 81,696	
Add: Purchases for current period	725,684	
Less: Loss on physical inventory	(9,823)	
Ending inventory	(71,389)	\$ 726,168
Gain from the price recovery of inventory declines	(87)	
Loss on physical inventory		9,823
		735,904
Rental cost		
Other expense		197
Construction cost		
Prepayment for land purchases		
Beginning prepayments of land	2,502,776	
Add: Purchases for current period	972,033	
Capitalization of interest	183	
Less: Transferred to construction in progress	(1,310,594)	
Transferred to construction land	(3,652)	
Ending prepayments of land	(2,160,746)	-
Construction land		
Beginning construction land	3,752,376	
Add: Capitalization of interest	837	
Reclassified from prepayments of land	3,652	
Less: Transferred to construction in progress	(703,753)	
Construction lands at the end of the period	(3,053,112)	-
Gain from the price recovery of inventory declines		(20,133)
		(20,133)
Property under construction		
Beginning construction in progress	10,925,907	
Add: Purchases for current period	4,256,480	
Capitalization of interest	227,046	
Reclassified from prepayments of land	1,310,594	
Transferred from land for sale	703,753	
Less: Reclassified to house for sale	(2,334,510)	
Ending property under construction	(15,089,270)	-
Gain from the price recovery of inventory declines		(591)
		(591)
Real property for sale (including parking space)		
Beginning house for sale	5,359,798	
Add: Purchases for current period	651,549	
Reclassified from property under construction	2,334,510	
Less: Compensation for jointly-constructed with house divided	(9,425)	
Ending house for sale	(3,878,203)	4,458,229
Gain from the price recovery of inventory declines		(75)
		4,458,154
Total operating costs		\$ 5,173,531

RUENTEX DEVELOPMENT CO., LTD.

Statement of selling expenses
January 1 to December 31, 2024

Statement 15

Unit: NT\$ thousands

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Wages and salaries	\$	159,010	
Depreciation		102,856	
Advertisement expense		97,880	
Taxes		61,154	
Cleaning administrative expense		49,572	
Utilities expense		36,142	
Insurance expenses		12,279	
Maintenance expenses		11,688	
Pensions		4,445	
Other expense		<u>92,531</u>	
	\$	<u>627,557</u>	

RUENTEX DEVELOPMENT CO., LTD.
Statement of administrative and general affairs expenses
January 1 to December 31, 2024

Statement 16

Unit: NT\$ thousands

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Wages and salaries	\$	180,312	
Remuneration to Directors		54,171	
Services expenses		22,732	
Depreciation		19,602	
Insurance expenses		13,918	
Maintenance expenses		11,087	
Pensions		5,523	
Other expense		<u>24,307</u>	
	\$	<u>331,652</u>	

RUENTEX DEVELOPMENT CO., LTD.

Statement of aggregate current-period employee benefits and depreciation expenses by function (continued)

January 1 to December 31, 2024

Statement 17

Unit: NT\$ thousands

Function Nature	2024			2023		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefit expense						
Wages and salaries	\$ -	\$ 339,322	\$ 339,322	\$ -	\$ 307,804	\$ 307,804
Labor and Health Insurance costs	-	22,225	22,225	-	21,614	21,614
Pension expense	-	9,968	9,968	-	9,843	9,843
Remuneration to Directors	-	54,171	54,171	-	53,813	53,813
Other employee benefit expense	-	10,347	10,347	-	10,422	10,422
Depreciation expense	-	122,458	122,458	-	126,009	126,009

Notes:

1. The employees of the current year and the previous year are 292 and 298 persons, respectively, and the directors not concurring employees are six.
2. Shall the shares of the company listed and traded in TWSE or TPEX, the following information shall be disclosed:
 - (1) The averaged employees' benefit expenses of the year was NT\$1,335 (Total of employees' benefit expenses - total remunerations of directors of the year/ number of the employees - numbers of directors no concurring employees of the year).
The averaged employees' benefit expenses of the previous year was NT\$1,198 (Total of employees' benefit expenses - total remunerations of directors of the previous year/ number of the employees - numbers of directors no concurring employees of the previous year).
 - (2) The averaged employees' salary expenses of the year was NT\$1,186 (Total of salary expenses of the year/ number of the employees - numbers of directors no concurring employees of the year).
The averaged employees' salary expenses of the previous year was NT\$1,054 (Total of salary expenses of the previous year/ number of the employees - numbers of directors no concurring employees of the previous year).
 - (3) The average adjustment to employees' salary expenses was 12.52% (Average salary expenses of the year - average salary expenses of the previous year/ average salary expenses of the previous year).

RUENTEX DEVELOPMENT CO., LTD.

Statement of aggregate current-period employee benefits and depreciation expenses by function (continued)

January 1 to December 31, 2024

Statement 17

Unit: NT\$ thousands

(4) Please describe the company's remuneration policy (including for directors, managers and employees).

A. Employee remuneration:

In accordance with Article 33 of the Company's Articles of Incorporation, the Company shall contribute 0.3% to 5% of the net profit before tax in each fiscal year prior to deduction of the remuneration for employees.

The employees' compensation as stated in the preceding paragraph can be paid in form of stock or cash, and the object of distribution must include employees of the subordinate company that meet certain conditions.

B. Managerial officer remuneration

In accordance with Article 31 of the Articles of Incorporation of the Company, the remuneration for the managerial officers shall be in accordance with the provisions of Article 29 of the Company Act.

C. Remuneration for directors

In accordance with Article 30 of the Articles of Incorporation of the Company, the Board of Directors is authorized to determine the remuneration for each director based on the extent of his/her involvement in and value of his/her contribution to the operations of the Company.

Regardless of whether the Company has profits or losses, the compensation may be paid at the general level of standards of the industry.

The remuneration of the managerial officers and the directors shall be proposed by the Remuneration Committee and submitted to the Board of Directors for discussion and approval before being presented to the Shareholders' Meeting in accordance with the rules.

For information on the employees compensation, please refer to the Market Observation Post System of the Taiwan Stock Exchange.

RUENTEX DEVELOPMENT CO., LTD.

Endorsements and Guarantees for Others

January 1 to December 31, 2024

Attached Table 1

Unit: NT\$ thousands
(Except as Otherwise Indicated)

		<u>Entity for which the endorsement/guarantee is made</u>		<u>Maximum amount of endorsements/guarantees permitted to any single entity</u>	<u>Maximum balance of endorsements/guarantees for the current period</u>	<u>Balance of endorsements/guarantees at the end of the period</u>	<u>Actual amount drawn</u>	<u>Amount of endorsements/guarantees secured by property</u>	<u>Cumulative amount of endorsements/guarantees as a percentage of the net worth as stated in the latest financial statement</u>	<u>Maximum amount of endorsements/guarantees</u>	<u>Endorsements/guarantees made by the parent for its subsidiaries</u>	<u>Endorsements/guarantees made by the subsidiary company for its parent</u>	<u>Endorsements/guarantees made for the entities in China</u>	<u>Notes</u>
<u>No.</u> <u>(Note 1)</u>	<u>Name of the company making an endorsement/guarantee</u>	<u>Company name</u>	<u>Relations</u> <u>(Note 2)</u>											
0	Ruentex Development Co., Ltd.	Ruentex Innovative Development Co. Ltd.	2	\$ 91,187,902	\$ 6,200,000	\$ -	\$ -	\$ -	-	\$ 101,319,891	Y	N	N	Notes 3
1	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	Notes 4

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 seven 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). A company in which the Company directly and indirectly holds more than 50% of the voting shares.
- (3). A company that directly and indirectly holds more than 50% of the voting shares in the Company.
- (4). A company in which the Company holds, directly or indirectly, 90%, or more of the voting shares.
- (5). A company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- (6). A company in which all capital contributing shareholders make endorsements/guarantees for their jointly invested in proportion to their shareholding percentages.
- (7). Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The maximum amount of endorsements/guarantees made by the Company shall not exceed 100% or more of the net worth of the Company and the amount of endorsements/guarantees made by the Company for any single entity shall not exceed 90% or more of the net worth of the Company.

Note 4: The maximum amount of endorsements/guarantees made by the subsidiary 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.

RUENTEX DEVELOPMENT CO., LTD.

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

December 31, 2024

Attached Table 2

Unit: NT\$ thousands
(Except as Otherwise Indicated)

				End of the period				Notes
Company holding the securities	Type and name of the securities (Note 1)	Relations with the issuer of securities (Note 2)	Account recognized	Number of shares	Carrying amount (Note 3)	Shareholding percentage	Fair value (Note 4)	
Ruentex Development Co., Ltd.	Shares of TaiMed Biologics	The juridical person director of the Company's subsidiary is also the juridical person director of that company	Financial assets at fair value through other comprehensive income - non-current	11,012,298	\$ 947,057	4.03	\$ 947,057	Notes 5
	Shares of OBI Pharma, Inc.	Substantive related party of the Company	”	1,671,563	97,786	0.64	97,786	
	Shares of Brogent Technologies Inc.	The Company’s subsidiary’s representative of juridical person director is the representative of the juridical person director of the subsidiary	”	2,809,060	410,124	4.01	410,124	
	Shares of Pacific Resources Corporation	-	”	7,886	-	1.05	-	
	Shares of Asia Pacific Federation of Industry and Commerce	-	”	21,090	900	0.03	900	
	Subordinated debts of Nan Shan Life Insurance	Associates of the Company	Financial assets at amortized cost - non-current	-	60,000	-	-	
Ruentex Engineering & Construction Co., Ltd.	Shares of Ruentex Development Co., Ltd.	The company	Financial assets at fair value through other comprehensive income - non-current	9,713,457	416,707	0.34	416,707	
	Shares of Ruentex Industries Ltd.	The investment company accounts using the equity method to the Company	”	50,241,066	3,637,454	4.55	3,637,454	
	Shares of OBI Pharma, Inc.	Substantive related party of the Company	”	291,478	17,051	0.11	17,051	
	Shares of Save & Safe Corporation	-	”	4,267,233	73,012	2.51	73,012	
	Shares of Powertec Electrical Chemicals Corp.	-	”	19,737,629	-	1.39	-	
	Subordinated debts of Nan Shan Life Insurance	Associates of the Company	Financial assets at amortized cost - non-current	-	500,000	-	-	
Ruentex Materials Co., Ltd.	Shares of Ruentex Industries Ltd.	The investment company accounts using the equity method to the Company	Financial assets at fair value through other comprehensive income - non-current	7,200,236	521,297	0.65	521,297	
	Shares of OBI Pharma, Inc.	Substantive related party of the Company	”	131,165	7,673	0.05	7,673	
Ruentex Interior Design Inc.	Shares of Ruentex Industries Ltd.	The investment company accounts using the equity method to the Company	”	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”.

Note 5: The provision of 5,000 thousand shares, a total of NTD 430,000 thousand was pledged to financial institutions for financing loans.

RUENTEX DEVELOPMENT CO., LTD.

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

Attached Table 3

Unit: NT\$ thousands

(Except as Otherwise Indicated)

Buying/selling company	Type of the securities and Name		Account recognized	Counterparty (Note 2)	Relationship (Note 2)	Beginning of the period		Buy (Notes 3 and Note 5)		Shares	Selling (Note 3)		Gain(loss) on disposal	End of the period	
	(Note 1)					Shares	Amount	Shares	Amount		Price	Book cost		Shares	Amount
Ruentex Materials Co., Ltd.	Stock of TEH HSIN ENTERPRISE CO., LTD.		Investments accounted for using 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 should be calculated separately at market prices to determine whether they are up to 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. 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.

Note 5: It is the equity of TEH HSIN ENTERPRISE CO., LTD. acquired by for Ruentex Materials Co., Ltd. The amount paid for the investment was NT\$1,564,348 and was recognized as gain or loss on the investment of NT\$12,616.

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

Unit: NT\$ thousands

(Except as Otherwise Indicated)

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. 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.

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

RUENTEX DEVELOPMENT CO., LTD.

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

December 31, 2024

Attached Table 5

Unit: NT\$ thousands

(Except as Otherwise Indicated)

<u>The company recognized as</u> <u>receivables</u>	<u>Name of counterparty</u>	<u>Relationship</u>	<u>Balance of accounts receivable</u> <u>due from related parties</u>	<u>Turnover</u>	<u>Overdue accounts receivable due from related parties</u>		<u>Recovered amount in</u> <u>subsequent periods for</u> <u>accounts receivable due from</u> <u>related parties</u>	<u>Provision for allowance</u> <u>for bad debts</u>
					<u>Amount</u>	<u>Processing method</u>		
Ruentex Engineering & Construction Co., Ltd.	Ruentex Development Co., Ltd.	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 DEVELOPMENT CO., LTD.

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

Attached Table 6

Unit: NT\$ thousands
(Except as Otherwise Indicated)

Transaction information							
No. (Note 1)	Name of the transaction party	Transaction counterparty	Relationship with the counterparty (Note 2)	Account	Amount	Terms and conditions of transaction	As a percentage of the consolidated total operating
							revenue or total assets (Note 3)
0	Ruentex Development Co., Ltd.	Ruentex Construction & Development Co., Ltd.	1	Rent income	\$ 18,316	Note 5	0.06
		Ruentex Innovative Development Co. Ltd.	1	Service revenue	11,571	Notes 5	0.04
		”	1	Other income	30,733	Notes 5	0.10
1	Ruentex Interior Design Inc.	Ruentex Development Co., Ltd.	2	Construction revenue/sales revenue	549,979	Notes 4 and 5	1.73
		”	2	Receivable	77,041	Note 4	0.04
		”	2	Contract asset	14,786	Note 4	0.01
		Ruentex Innovative Development Co. Ltd.	3	Construction contract revenue	378,865	Note 4	1.19
		”	3	Contract asset	32,573	Note 4	0.02
		Ruentex Engineering & Construction Co., Ltd.	2	Construction contract revenue	48,578	Note 4	0.15
		Ruentex Development Co., Ltd.	2	Construction contract revenue	3,947,060	Note 4	12.41
2	Ruentex Engineering & Construction Co., Ltd.	”	2	Receivable	408,557	Note 4	0.21
		”	2	Contract asset	513,302	Note 4	0.26
		Ruentex Construction & Development Co., Ltd.	3	Construction contract revenue	72,352	Note 4	0.23
		”	3	Receivable	15,841	Note 4	0.01
		Ruentex Innovative Development Co. Ltd.	3	Construction contract revenue	339,340	Note 4	1.07
		”	3	Receivable	49,611	Note 4	0.03
		”	3	Contract asset	88,049	Note 4	0.05
		Ruentex Materials Co., Ltd.	1	Service revenue	21,984	Note 5	0.07
		Ruentex Development Co., Ltd.	2	Construction revenue/sales revenue	56,736	Notes 4 and 5	0.18
		Ruentex Engineering & Construction Co., Ltd.	2	Sales revenue	129,305	Note 5	0.41
3	Ruentex Materials Co., Ltd.	”	2	Construction contract revenue	34,990	Note 4	0.11
		”	2	Receivable	21,584	Note 4	0.01
		Ruentex Development Co., Ltd.	2	Service revenue	20,989	Note 5	0.07
		Ruentex Xu-Zhan Development co., Ltd.	3	Service revenue	68,278	Note 5	0.21
		”	3	Receivable	11,776	Note 5	0.01
		Ruentex Baiyi Co., Ltd.	3	Service revenue	47,872	Note 5	0.15
		Ruentex Construction & Development Co., Ltd.	3	Service revenue	13,687	Note 5	0.04
5	Ruentex Security Co., Ltd.	Ruentex Development Co., Ltd.	2	Service revenue	24,670	Note 5	0.08
		Ruentex Baiyi Co., Ltd.	3	Service revenue	15,267	Note 5	0.05
		Ruentex Xu-Zhan Development co., Ltd.	3	Service revenue	19,499	Note 5	0.06
		Ruentex Engineering & Construction Co., Ltd.	2	Construction contract revenue	31,844	Note 4	0.10
6	Ruen Yang Construction Co., Ltd.						

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 is not required to make a duplicate disclosure; and in the case of the transaction between subsidiaries, if one of the subsidiaries has disclosed the information, the other subsidiary is not required to make a duplicate disclosure.):

(1). Parent to its subsidiary

(2). Subsidiary to its parent

(3). Subsidiary to 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: The price shall be set according to negotiations between the two parties, and the amount shall be collected according to the prescribed period of the construction contract.

Note 5: The price shall be set according to negotiations between the two parties.

Note 6: Transactions amounting to NT\$10,000 shall be disclosed. The information shall be also disclosed from the asset side and revenue side.

RUENTEX DEVELOPMENT CO., LTD.											
The name of the invested company, the location and other relevant information (excluding the invested companies in China)											
January 1 to December 31, 2024											
Attached Table 7										Unit: NT\$ thousands	
(Except as Otherwise Indicated)											
Name of the investing company	Name of the investee company	Location	Main business items	Original investment amount		Holding at the end of period			Current profit and loss of the investee company	Gains and losses on investment recognized for the current period	Notes
				End of the current period	End of last year	Shares	Percentage	Carrying amount			
Ruentex Development Co., Ltd.	Ruentex Construction International (B.V.I.) Ltd.	British Virgin Islands (BVI)	General Investment	\$ 635,403	\$ 635,403	25,000,000	100.00	\$ 1,845,874	\$ 91,064	\$ 91,064	Subsidiary of the Company
Ruentex Development Co., Ltd.	Ruentex Interior Design Inc.	Taiwan	Design and construction of interior decoration and garden greening	22,076	22,076	735,862	4.91	37,441	224,005	7,865	Sub-sub-subsidiary of the Company
Ruentex Development Co., Ltd.	Ruentex Property Management & Maintenance Co., Ltd.	Taiwan	Mansions Management Services	15,998	15,998	2,828,650	100.00	48,025	9,981	9,981	Subsidiary of the Company
Ruentex Development Co., Ltd.	Ruen Fu Newlife Corp.	Taiwan	Senior citizen’s housing and buildings general affairs administration	18,000	18,000	1,800,000	60.00	14,313	(4,932)	(2,959)	Subsidiary of the Company
Ruentex Development Co., Ltd.	Ruentex Security Co., Ltd.	Taiwan	Private Security Service	49,000	49,000	6,900,000	100.00	107,694	26,220	26,220	Subsidiary of the Company
Ruentex Development Co., Ltd.	Ruentex Construction & Development Co., Ltd.	Taiwan	Operating shopping center, self-operated counter, commercial real estate leasing, residential buildings and building rental and sale business development and Enterprise Management consultant Business	2,459,299	1,959,299	250,000,000	100.00	2,891,491	539,898	539,898	Subsidiary of the Company
Ruentex Development Co., Ltd.	Ruentex Xu-Zhan Development co., Ltd.	Taiwan	Mall Operations and Commercial Property Leasing	1,600,000	1,600,000	160,000,000	80.00	6,960,345	344,020	275,216	Subsidiary of the Company
Ruentex Development Co., Ltd.	Ruentex Baiyi Co., Ltd.	Taiwan	Mall Operations and Commercial Property Leasing	700,000	700,000	70,000,000	35.00	7,135,135	327,166	114,508	Subsidiary of the Company
Ruentex Development Co., Ltd.	Ruentex Innovative Development Co. Ltd.	Taiwan	Congregate housing and commercial building rental and sale development and investment management consultant	1,988,000	1,988,000	198,800,000	70.00	5,184,836	4,734,986	3,314,490	Subsidiary of the Company
Ruentex Development Co., Ltd.	Ruentex Engineering & Construction Co., Ltd.	Taiwan	Contract of construction and civil engineering	3,052,215	3,052,215	101,356,438	39.14	2,367,554	2,774,232	1,039,081	Subsidiary of the Company
Ruentex Development Co., Ltd.	Ruentex Materials Co., Ltd.	Taiwan	Building materials production and distribution	44,087	44,087	15,740,381	10.49	198,575	187,533	17,256	Sub-subsidiary of the Company
Ruentex Development Co., Ltd.	Gin-Hong Investment Co., Ltd.	Taiwan	General Investment	93,000	93,000	11,288,923	30.00	824,409	91,246	27,374	The investee company accounted for using the equity method
Ruentex Development Co., Ltd.	Ruen Chen Investment Holdings Ltd.	Taiwan	General Investment	19,565,000	19,440,000	8,244,125,000	25.00	69,328,548	37,964,929	9,491,232	The investee company accounted for using the equity method (Note 3)

Name of the investing company	Name of the investee company	Location	Main business items	Original investment amount		Holding at the end of period			Gains and losses on		Notes
				End of the current period	End of last year	Shares	Percentage	Carrying amount	Current profit and loss of investment recognized for the investee company	the current period	
Ruentex Development Co., Ltd.	Concord Greater China Ltd.	British Virgin Islands (BVI)	General Investment	\$ 409,489	\$ 409,489	10,593,334	25.56	\$ 937,660	\$ 223,389	\$ 57,086	The investee company accounted for using the equity method
Ruentex Development Co., Ltd.	Shing Yen Construction & Development Co., Ltd.	Taiwan	Congregate housing and commercial building rental and sale and operation of department store business	256,784	256,784	25,678,430	45.45	414,610	30,909	14,374	The investee company accounted for using the equity method
Ruentex Development Co., Ltd.	Sunny Friend Environmental Technology Co., Ltd.	Taiwan	Waste disposal and pollution prevention equipment manufacturing	774,308	774,308	33,370,156	25.67	1,366,891	480,203	123,265	The investee company accounted for using the equity method (Note 1)
Ruentex Development Co., Ltd.	Global Mobile Corp.	Taiwan	Type I Telecommunications Enterprises and Communication Engineering Industry	269,443	269,443	26,082,039	9.46	-	-	-	The investee company accounted for using the equity method
Ruentex Development Co., Ltd.	Ruentex Industries Ltd.	Taiwan	Spinning, Textiles, and Manufacturing, Processing and Sales of Garments	6,167,924	6,167,924	157,697,626	14.28	11,389,347	9,669,563	1,380,822	The investment company accounts for using the equity method to the Company (Note 2)
Ruentex Development Co., Ltd.	Nan Shan Life Insurance Co., Ltd.	Taiwan	Personal insurances, including life insurance, health insurance, damage insurance or annuity.	474,720	474,720	34,081,844	0.23	826,026	42,455,945	98,439	The investee company accounted for using the equity method
Ruentex Construction International (B.V.I.) Ltd.	Ruentex Construction International Ltd.	Hong Kong	General Investment	32,860	32,860	7,800,000	100.00	23,074	(495)	(495)	Sub-subsiidiary of the Company
Ruentex Construction International (B.V.I.) Ltd.	Sinopac Global Investment Ltd.	Cayman Islands	General Investment	640,770	640,770	19,500,000	49.06	754,966	79,404	38,953	The investee company accounted for using the equity method
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	Sub-subsiidiary of the Company
Ruentex Engineering & Construction Co., Ltd.	Ruentex Interior Design Inc.	Taiwan	Design and Construction of Interior Decoration, Gardens, and Greenery	82,365	82,365	2,745,483	18.30	162,213	224,005	42,266	Sub-sub-subsiidiary 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	Sub-subsiidiary of the Company
Ruentex Materials Co., Ltd.	Ruentex Interior Design Inc.	Taiwan	Design and Construction of Interior Decoration, Gardens, and Greenery	126,721	126,721	4,750,000	31.66	280,647	224,005	73,124	Sub-sub-subsiidiary of the Company
Ruentex Materials Co., Ltd.	TEH HSIN ENTERPRISE CO., LTD.	Taiwan	Construction materials manufacturing	1,564,348	-	14,969,837	35.00	1,576,964	280,694	12,616	The investee company accounted for using the equity method
Ruentex Construction & Development Co., Ltd.	Ruentex Industries Ltd.	Taiwan	Spinning, Textiles, and Manufacturing, Processing and Sales of Garments	178,920	178,920	3,324,989	0.30	323,761	9,669,563	29,114	The investment company accounts using the equity method to the Company
Ruentex Construction & Development Co., Ltd.	Ruentex Baiyi Co., Ltd.	Taiwan	Mall Operations and Commercial Property Leasing	1,300,000	1,300,000	130,000,000	65.00	1,205,056	327,166	212,658	Subsidiary of the Company
Ruentex Security Co., Ltd.	Ruentex Engineering & Construction Co., Ltd.	Taiwan	Contract of construction and civil engineering	57,799	57,799	1,871,968	0.72	90,179	2,774,232	20,057	Subsidiary of the Company
Ruentex Property Management & Maintenance Co., Ltd.	Ruentex Engineering & Construction Co., Ltd.	Taiwan	Contract of construction and civil engineering	15,583	15,583	506,352	0.20	24,394	2,774,232	5,425	Subsidiary of the Company

Note 1: The provision of 33,370 thousand shares, a total of NT\$1,366,891 thousand was pledged to financial institutions for financing loans.

Note 2: The provision of 64,607 thousand shares, a total of NT\$4,666,077 thousand was pledged to financial institutions for financing loans.

Note 3: The provision of 1,140,789 thousand shares, a total of NT\$9,593,403 thousand was pledged to financial institutions for financing loans.

RUENTEX DEVELOPMENT CO., LTD.

Information on main investors

December 31, 2024

Attached Table 8

Name of Major Shareholders	Shares	
	<u>Number of shares held</u>	<u>Shareholding percentage</u>
Ruentex Industries Co., Ltd.	730,987,807	25.70
Huei Hong Investment Co., Ltd.	183,456,442	6.45