

Luxe Green Energy Technology Co.,Ltd. and its
subsidiaries
(Originally: Luxe Electric Co., Ltd)
Consolidated Financial Statements and Independent
Auditors' Review Report
Q3 of 2024 and 2023

Address: 7F.-1, No. 114, Chenggong Rd.,
North Dist., Tainan City
Telephone: (06)221 — 7189

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Consolidated Financial Statements
Table of Contents
Q3 of 2024 and 2023

Item	Page
I. Cover	1
II. Table of Contents	2
III. Independent Auditors' Review Report	3
IV. Consolidated Balance Sheet	4~5
V. Consolidated Statement of Comprehensive Income	6
VI. Consolidated Statement of Changes in Equity	7
VII. Consolidated Statement of Cash Flow	8~9
VIII. Notes to the Consolidated Financial Statements	
(I) Corporate history	10
(II) Date and Procedure for Approval of Financial Statements	10
(III) Application of Newly Issued and Revised Standards and Interpretations	10~11
(IV) Summary of Significant Accounting Policies	11~12
(V) Significant Accounting Judgments, Estimates and Key Sources of Assumption Uncertainty	12
(VI) Description of Significant Accounting Items	12~31
(VII) Related Party Transactions	31~35
(VIII) Assets Pledged as Collateral	36
(IX) Significant Contingent Liabilities and Unrecognized Contractual Commitments	36~38
(X) Catastrophic Losses	38
(XI) Significant Post-Term Events	38
(XII) Other Matters	38
(XIII) Notes for Disclosures	
1. Information on Material Transactions	38~39, 42~43, 45
2. Information on Intercorporate Investments	38, 44
3. Investments in Mainland China	38
4. Name of Major Shareholders	38, 46
(XIV) Department Information	38~40

Independent Auditors' Review Report

NO.23861133CA

To: LUXE GREEN ENERGY TECHNOLOGY CO., LTD.

Foreword

We have audited the consolidated balance sheet of Luxe Green Energy Technology Co., Ltd. (formerly known as Luxe Co., Ltd.) and its subsidiaries (collectively referred to as the “Group”) as of September 30, 2024 and 2023, and the consolidated statement of comprehensive income for the periods from July 1 to September 30, 2024 and 2023, from January 1 to September 30, 2024 and 2023, the consolidated statement of changes in equity, the consolidated statement of cash flows from January 1 to September 30, 2024 and 2023, and provided the related notes to the consolidated financial statements (including the summary of significant accounting policies). Our CPAs have reviewed and completed these. Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope

We conducted our reviews in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Financial Information Performed by the Independent Auditor of the Entity.” A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that caused us to believe that the aforementioned consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Luxe Green Energy Technology Co., Ltd., and its subsidiaries as of September 30, 2024 and 2023, as well as the consolidated financial performance from July 1 to September 30, 2024 and 2023, from January 1 to June 30, 2024 and 2023, and the consolidated cash flows from January 1 to September 30, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS No. 34 “Interim Financial Reporting”, as endorsed and issued into effect by the FSC.

Baker Tilly Clock & Co

CPA: _____
Chia-Yu Lai

CPA: _____
Yin-Lai Chou

Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1050043092
(80) Tai-Tsai-Cheng (VI) No. 53585

November 12, 2024

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Consolidated Balance Sheet
September 30, 2024, December 31 and September 30, 2023

Unit: NT\$ '000

Assets		Note	September 30, 2024		December 31, 2023		September 30, 2023	
Code	Accounting Items		Amount	%	Amount	%	Amount	%
11xx	Current assets							
1100	Cash	VI(I)	NT\$ 321,856	10	NT\$ 370,312	12	NT\$ 426,304	14
1110	Financial assets measured at fair value through profit or loss - current	VI(II)	144,027	4	169,932	5	116,735	4
1136	Financial assets measured at amortized cost - current	VI(IV)	5,000	-	11,298	-	11,298	-
1140	Contract assets - current	VI(XX), VII	73,728	2	43,945	2	107,447	3
1150	Notes receivable	VI(V)	1,884	-	1,090	-	148	-
1160	Notes receivable - related parties	VI(V), VII	92	-	-	-	-	-
1170	Accounts receivable	VI(V)	64,135	2	50,366	2	80,149	3
1180	Accounts receivable - related parties	VI(V), VII	5,408	-	7,746	-	15,581	-
1200	Other receivables		2,400	-	4,501	-	4,023	-
1210	Other receivables - related parties	VII	53,493	2	55,672	2	2,710	1
1220	Income tax assets in current period	VI(XXIII)	5,038	-	166	-	605	-
1310	Inventory	VI(VI)	269,478	8	160,309	5	145,921	5
1410	Prepayment	VI(XI)	85,417	2	72,069	2	91,581	2
1470	Other current assets	VI(XII)	123	-	-	-	157	-
11xx	Total current assets		1,032,079	30	947,406	30	1,002,659	31
15xx	Non-current assets							
1517	Financial assets at fair value through other comprehensive income or loss - non-current	VI(III)	31,416	1	28,397	1	24,312	1
1535	Financial assets measured at amortized cost - non-current	VI(IV)	160,977	5	146,047	5	140,309	4
1550	Investments recognized under the equity method	VI(VII)	1,737	-	1,852	-	1,756	-
1600	Property, plant and equipment	VI(VIII)	1,570,790	46	1,491,015	47	1,359,600	44
1755	Right-of-use assets	VI(IX)	221,909	6	133,046	4	136,660	4
1822	Intangible assets	VI(X)	22,751	1	24,472	1	25,045	1
1840	Deferred income tax assets	VI(XXIII)	1,257	-	1,299	-	1,101	-
1915	Prepayment for equipment purchase	VI(XI), VII	142,101	4	136,679	4	212,303	7
1920	Refundable deposit		48,618	1	19,430	1	24,322	1
1930	Long-term notes and accounts receivable	VI(XIII)	207,991	6	207,991	7	207,991	7
15xx	Total non-current assets		2,409,547	70	2,190,228	70	2,133,399	69
1xxx	Total assets		NT\$ 3,441,626	100	NT\$ 3,137,634	100	NT\$ 3,136,058	100

(Continued on next page)

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Consolidated Balance Sheet (continued)
September 30, 2024, December 31 and September 30, 2023

Unit: NT\$ '000

Liabilities and equity		Note	September 30, 2024		December 31, 2023		September 30, 2023	
Code	Accounting Items		Amount	%	Amount	%	Amount	%
21xx	Current liabilities							
2100	short-term borrowings	VI(XIV)	NT\$ 235,000	7	NT\$ 171,271	6	NT\$ 258,736	8
2130	Contract liabilities - current	VI(XX)	84,784	2	6,437	-	45,474	1
2150	Notes payable	VI(XVI)	5,004	-	9,167	-	9,878	-
2160	Notes payable - related parties	VI(XVI), VII	47	-	357	-	78	-
2170	Accounts payable	VI(XVI)	86,983	3	84,011	3	70,006	3
2180	Accounts payable - related parties	VI(XVI), VII	24,471	1	221	-	7,560	-
2219	Other payables		54,790	2	45,711	1	25,005	1
2220	Other payables - related parties	VII	8,347	-	1,618	-	1,061	-
2230	Income tax liabilities in current period	VI(XXIII)	12,812	-	4,847	-	4,920	-
2250	Liability reserve - current		1,983	-	2,032	-	1,498	-
2280	Lease liabilities - current	VI(IX), VII	14,601	-	15,780	1	14,411	-
2322	Long-term borrowings maturing within one year	VI(XV)	62,383	2	63,368	2	57,755	2
2399	Other current liabilities		744	-	529	-	615	-
21xx	Total current liabilities		591,949	17	405,349	13	496,997	15
25xx	Non-current liabilities							
2540	Long-term borrowings	VI(XV)	831,996	24	777,783	25	733,651	24
2550	Liability reserve - non-current		1,503	-	1,678	-	2,202	-
2570	Deferred income tax liabilities	VI(XXIII)	-	-	-	-	6,936	-
2580	Lease liabilities - non-current	VI(IX), VII	215,723	6	123,163	4	127,065	4
2645	Deposit received		81	-	1,445	-	1,445	-
25xx	Total non-current liabilities		1,049,303	30	904,069	29	871,299	28
2xxx	Total liabilities		1,641,252	47	1,309,418	42	1,368,296	43
3xxx	Attributable to the shareholder's equity of the parent company	VI(XVIII)						
3110	Common share capital		1,550,951	45	1,505,778	48	1,505,778	48
3200	Capital reserve		87,226	3	87,226	3	87,226	3
3300	Retained earnings							
3310	Legal reserve		44,258	1	30,456	1	30,456	1
3320	Special reserve		-	-	194	-	194	-
3350	Undistributed earnings		48,892	2	138,212	4	86,685	3
3400	Other equity		1,044	-	944	-	(1,201)	-
31xx	Total equity attributable to parent company shareholders		1,732,371	51	1,762,810	56	1,709,138	55
36xx	Non-controlling equity		68,003	2	65,406	2	58,624	2
3xxx	Total equity		1,800,374	53	1,828,216	58	1,767,762	57
	Total liabilities and equity		NT\$ 3,441,626	100	NT\$ 3,137,634	100	NT\$ 3,136,058	100

Chairman: Chen Chien-Jen

President: Chen Lien-Tsung

Chief Accounting Officer: Chien Shih-Chang

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Consolidated Statement of Comprehensive Income
From July 1 to September 30, and January 1 to September 30, 2024 and 2023

Unit: NT\$ '000

Code	Item	Note	July to September 2024		July to September 2023		January to September 2024		January to September 2023	
			Amount	%	Amount	%	Amount	%	Amount	%
4100	Net operating revenue	VI(XX)	NT\$ 152,202	100	NT\$ 237,551	100	NT\$ 505,720	100	NT\$ 531,462	100
5000	Operating costs		(113,232)	(74)	(178,016)	(75)	(393,272)	(78)	(413,237)	(78)
5900	Operating gross profit		38,970	26	59,535	25	112,448	22	118,225	22
5910	Unrealized sales profit		(169)	-	-	-	(317)	-	(47)	-
5950	Gross profit (net)		38,801	26	59,535	25	112,131	22	118,178	22
6000	Operating expenses									
6100	Marketing expense		(1,643)	(1)	(2,314)	-	(5,772)	(1)	(7,316)	(1)
6200	Administrative expense		(10,734)	(7)	(10,401)	(4)	(32,391)	(6)	(37,743)	(7)
6300	R&D expense		(1,573)	(1)	(391)	-	(4,892)	(1)	(2,284)	-
6450	Loss from expected credit impairment		-	-	29	-	-	-	21	-
6000	Total operating expense		(13,950)	(9)	(13,077)	(4)	(43,055)	(8)	(47,322)	(8)
6900	Net operating profit		24,851	17	46,458	21	69,076	14	70,856	14
7000	Non-operating revenue and expenses	VI(XXI)								
7100	Interest income		482	-	504	-	2,009	-	2,243	-
7010	Other revenue		900	1	782	-	7,154	1	6,255	1
7020	Other profits and losses		(25,258)	(17)	(92,923)	(39)	(28,003)	(5)	43,376	8
7050	Financial cost		(5,817)	(4)	(6,578)	(3)	(20,531)	(4)	(18,457)	(3)
7060	Share of profit/loss of subsidiaries recognized under the equity method		152	-	163	-	335	-	341	-
7000	Total non-operating revenue and expense		(29,541)	(20)	(98,052)	(42)	(39,036)	(8)	33,758	6
7900	Pre-tax net profit (net loss)	VI(XXIII)	(4,690)	(3)	(51,594)	(21)	30,040	6	104,614	20
7950	Income tax profit (expense)		(6,715)	(4)	11,073	5	(12,872)	(3)	(16,028)	(3)
8200	Net profit (net loss) for the period		(11,405)	(7)	(40,521)	(16)	17,168	3	88,586	17
8300	Other comprehensive income									
8310	Items not reclassified to profit or loss									
8316	Unrealized valuation loss on investments in equity instruments measured at fair value through other comprehensive income		118	-	589	-	190	-	(1,917)	-
8500	Total current comprehensive income or loss		NT\$ (11,287)	(7)	NT\$ (39,932)	(16)	NT\$ 17,358	3	NT\$ 86,669	17
8600	Net income (loss) attributable to:									
8610	Parent company shareholders		NT\$ (8,616)		NT\$ (44,102)		NT\$ 14,634		NT\$ 86,496	
8620	Non-controlling equity		(2,789)		3,581		2,534		2,090	
	Total		NT\$ (11,405)		NT\$ (40,521)		NT\$ 17,168		NT\$ 88,586	
8700	Total comprehensive income attributable to:									
8710	Parent company shareholders		NT\$ (8,554)		NT\$ (43,793)		NT\$ 14,734		NT\$ 85,489	
8720	Non-controlling equity		(2,733)		3,861		2,624		1,180	
	Total		NT\$ (11,287)		NT\$ (39,932)		NT\$ 17,358		NT\$ 86,669	
	Earnings (losses) per share (NTD)									
9750	Basic		NT\$ (0.06)		NT\$ (0.28)		NT\$ 0.09		NT\$ 0.56	
9850	Diluted		NT\$ (0.06)		NT\$ (0.28)		NT\$ 0.09		NT\$ 0.56	

Chairman: Chen Chien-Jen

President: Chen Lien-Tsung

Chief Accounting Officer: Chien Shih-Chang

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Consolidated Statement of Changes in Equity
January 1 to September 30, 2024 and 2023

Unit: NT\$ '000

Code	Item	Attributable to the shareholder's equity of the parent company							Non-controlling equity	Total equity
		Share capital		Retained earnings			Other equity items	Total		
		Common share capital	Capital reserve	Legal reserve	Special reserve	Undistributed earnings	Unrealized valuation loss on financial assets measured at fair value through other comprehensive income			
A1	Balance as of January 1, 2023	NT\$ 1,454,858	NT\$ 133,054	NT\$ 25,948	NT\$ 13	NT\$ 46,341	NT\$ (194)	NT\$ 1,660,020	NT\$ 60,213	NT\$ 1,720,233
B1	Provision for legal reserve	-	-	4,508	-	(4,508)	-	-	-	-
B3	Provision for special reserve	-	-	-	181	(181)	-	-	-	-
B9	Common stock dividends	41,463	-	-	-	(41,463)	-	-	-	-
C13	Distribution of share dividends from capital reserves	9,457	(9,457)	-	-	-	-	-	-	-
C15	Distribution of cash dividends from capital reserve	-	(36,371)	-	-	-	-	(36,371)	-	(36,371)
D1	Net income from January to September 2023	-	-	-	-	86,496	-	86,496	2,090	88,586
D3	Other comprehensive income in current period	-	-	-	-	-	(1,007)	(1,007)	(910)	(1,917)
D5	Total current comprehensive income or loss	-	-	-	-	86,496	(1,007)	85,489	1,180	86,669
O1	Cash capital decrease by subsidiary	-	-	-	-	-	-	-	(2,205)	(2,205)
O1	Cash dividends to shareholders of subsidiaries	-	-	-	-	-	-	-	(564)	(564)
Z1	Balance as of September 30, 2023	NT\$ 1,505,778	NT\$ 87,226	NT\$ 30,456	NT\$ 194	NT\$ 86,685	NT\$ (1,201)	NT\$ 1,709,138	NT\$ 58,624	NT\$ 1,767,762
A1	Balance as of January 1, 2024	NT\$ 1,505,778	NT\$ 87,226	NT\$ 30,456	NT\$ 194	NT\$ 138,212	NT\$ 944	NT\$ 1,762,810	NT\$ 65,406	NT\$ 1,828,216
B1	Provision for legal reserve	-	-	13,802	-	(13,802)	-	-	-	-
B3	Provision for special reserve	-	-	-	(194)	194	-	-	-	-
B5	Cash dividend for shareholders	-	-	-	-	(45,173)	-	(45,173)	-	(45,173)
B9	Common stock dividends	45,173	-	-	-	(45,173)	-	-	-	-
D1	Net income from January to September 2024	-	-	-	-	14,634	-	14,634	2,534	17,168
D3	Other comprehensive income in current period	-	-	-	-	-	100	100	90	190
D5	Total current comprehensive income or loss	-	-	-	-	14,634	100	14,734	2,624	17,358
O1	Disposal of subsidiaries	-	-	-	-	-	-	-	(27)	(27)
Z1	Balance as of September 30, 2024	NT\$ 1,550,951	NT\$ 87,226	NT\$ 44,258	NT\$ -	NT\$ 48,892	NT\$ 1,044	NT\$ 1,732,371	NT\$ 68,003	NT\$ 1,800,374

Chairman: Chen Chien-Jen

Manager: Chen Lien-Tsung

Chief Accounting Officer: Chien Shih-Chang

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Consolidated Statement of Cash Flow
January 1 to September 30, 2024 and 2023

Unit: NT\$ '000

Code	Item	January to September 2024	January to September 2023
AAAA	Cash flow from operating activities:		
A10000	Pre-tax net profit in current period	NT\$ 30,040	NT\$ 104,614
A20010	Income and expense items:		
A20100	Depreciation expense	86,525	64,287
A20200	Amortization expense	1,721	1,721
A20300	Loss from expected credit impairment	-	(21)
A20400	Net profit/loss from financial assets measured at fair value through profit or loss	25,905	(45,965)
A20900	Financial cost	20,531	18,457
A21200	Interest income	(2,009)	(2,243)
A21300	Dividend income	(2,215)	(1,281)
A22300	Share of interests of subsidiaries recognized under the equity method	(335)	(341)
A22500	Loss from disposal of property, plant, and equipment	8	84
A29900	Profit from lease changes	-	(105)
A30000	Changes in assets/liabilities related to operating activities		
A31125	Contract assets	(29,783)	(39,169)
A31130	Notes receivable	(794)	1,162
A31130	Notes receivable - related parties	(92)	-
A31150	Accounts receivable	(13,769)	(18,601)
A31160	Accounts receivable - related parties	2,338	(10,521)
A31180	Other receivables	2,140	(1,998)
A31190	Other receivables - related parties	2,179	15,207
A31200	Inventory	(109,169)	9,494
A31230	Prepayment	(13,348)	(15,631)
A31240	Other current assets	(123)	3,300
A32125	Contract liabilities	78,347	39,072
A32130	Notes payable	(4,163)	7,955
A32140	Notes payable - related parties	(310)	(26)
A32150	Accounts payable	2,972	(9,152)
A32160	Accounts payable - related parties	24,250	(12,822)
A32180	Other payables	8,908	2,944
A32190	Other payables - related parties	6,729	(18,370)
A32200	Provisions	(224)	931
A32230	Other current liabilities	215	145
A33000	Cash inflow generated from operations	116,474	93,127
A33100	Interest received	1,970	2,317
A33200	Dividend received	2,215	1,281
A33300	Interest paid	(20,360)	(18,074)
A33500	Income tax paid	(9,737)	(13,692)
AAAA	Net cash inflow from operating activities	90,562	64,959

(Continued on next page)

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Consolidated Statement of Cash Flow (continued)
January 1 to September 30, 2024 and 2023

Unit: NT\$ '000

Code	Item	January to September 2024	January to September 2023
BBBB	Cash flow from investing activities		
B00010	Acquisition of financial assets measured at fair value through other comprehensive income	NT\$ (2,829)	NT\$ (951)
B00040	Acquisition of financial assets measured at amortized cost	(179,108)	-
B00050	Disposal of financial assets measured at amortized cost	170,476	58,507
B00100	Acquisition of financial assets at fair value through profit or loss	-	(2,047)
B02400	Capital reduction of investee company and return of share capital recognized under the equity method	450	-
B02700	Acquisition of property, plant, and equipment	(44,602)	(150,330)
B02800	Disposal of property, plant, and equipment	-	221
B03700	Increase in refundable deposit	(29,188)	-
B03800	Decrease in refundable deposit	-	5,522
B07100	Increase in prepayment for equipment	(113,597)	(16,488)
BBBB	Net cash outflow from investing activities	(198,398)	(105,566)
CCCC	Cash flow from financing activities		
C00100	Increase in short-term borrowings	383,670	374,366
C00200	Decrease in short-term borrowings	(319,941)	(356,270)
C01600	Borrowing of long-term borrowings	250,000	87,800
C01700	Repayment of long-term borrowings	(196,772)	(42,778)
C03000	Increase in deposit received		499
C03100	Decrease in deposits received	(1,364)	-
C04020	Lease principal repayment	(11,013)	(7,888)
C04500	Allocation of cash dividends	(45,173)	(36,371)
C05800	Changes in non-controlling equity	(27)	(2,769)
CCCC	Net cash inflows from financing activities	59,380	16,589
EEEE	Decrease in cash and cash equivalents for the period	(48,456)	(24,018)
018100	Cash balance at beginning of period	370,312	450,322
E00200	Cash balance at ending of period	NT\$ 321,856	NT\$ 426,304

Chairman: Chen Chien-Jen

President: Chen Lien-Tsung

Chief Accounting Officer: Chien Shih-Chang

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Notes to the consolidated financial statements
January 1 to September 30, 2024 and 2023
(expressed in NT\$ thousands, unless otherwise specified)

I. Corporate history

Luxe Green Energy Technology Co.,Ltd.(Originally: Luxe Electric Co., Ltd), hereinafter referred to as the "Company", was established on April 22, 1978, and is engaged in the design, manufacture, installation and sale of high and low voltage distribution panels, various electrical and electronic equipment (including transformers), and various electrical and photovoltaic plant engineering contracts.

The Company's original name was LUXE CO., LTD., and it was renamed LUXE GREEN ENERGY TECHNOLOGY CO., LTD. on July 14, 2022.

The Company's stock was listed for trading on the Taiwan Stock Exchange on September 11, 2000.

The consolidated financial statements are presented with the functional currency (NT\$) of the Company.

II. Date and Procedure for Approval of Financial Statements

This consolidated financial report was issued on November 12, 2024, after being approved by the Board of Directors.

III. Application of Newly Issued and Revised Standards and Interpretations

(I) Initial application of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC) and Interpretations (SIC) (hereinafter referred to as "IFRSs") endorsed by the Financial Supervisory Commission (hereinafter referred to as "FSC") and issued into effect.

The application of the revised IFRS accounting standards approved and released by the FSC will not cause major changes to the Company's accounting policies.

(II) IFRSs endorsed by the FSC in 2025

Newly Announced/Amendments/Revised Standards and Interpretations	Effective Date of IASB Pronouncements (Note 1)
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)

Note 1: Applicable to the annual reporting period beginning on or after January 1, 2025. When the amendments are applied for the first time, the period of comparison shall not be re-stated, but the impact shall be recognized in the retained earnings on the date of initial application or the exchange differences of foreign operations under equity (as appropriate) and related assets and liabilities.

In addition to the above effects, as of the date of adoption of this consolidated financial report, the Group is continuing to evaluate other impacts of various amendments on its financial position and financial performance of the Consolidated Company. The related impacts will be disclosed upon completion of the evaluation.

(III) IFRS accounting standards that have been issued by the IASB but have not yet been endorsed and issued into effect by the FSC

Newly Announced/Amendments/Revised Standards and Interpretations	Effective Date of IASB Pronouncements (Note 1)
"IFRS Annual Improvements - Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	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
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosures of Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note 1: Unless otherwise specified, the above new/amended/revised standards or interpretations are effective for annual reporting periods beginning after the respective dates.

IFRS 18 "Presentation and Disclosures of Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements" and the main changes include:

1. The income and loss items should be divided into business, investment, financing, income tax, and discontinued operations.
2. The income statement should present operating profit or loss, profit or loss before financing and income tax, as well as subtotal and total profit and loss.
3. Provide guidance to strengthen the requirements of aggregation and segmentation: The consolidated company must identify assets, liabilities, equity, revenues, expenses, and cash flows from individual transactions or other events, and classify and summarize each line item presented in the main financial statements shall have at least one similar characteristic. Items with different characteristics should be broken down in the main financial statements and notes. The consolidated company only marks such items as "others" when no more informative name can be found.
4. Increase the disclosure of performance measures defined by management: When a consolidated company engages in public communication outside of financial statements, and when communicating management's perspective on a specific aspect of the consolidated company's overall financial performance to users of the financial statements, it should disclose information about performance measures defined by management in a single note to the financial statements. This includes a description of the measure, how it is calculated, a reconciliation with subtotals or totals specified by IFRS accounting standards, and the impact of related reconciliation items on income tax and non-controlling interests.

In addition to the above effects, as of the date of adoption of this consolidated financial report, the Group is continuing to evaluate other impacts of various amendments on its financial position and financial performance of the Consolidated Company. The related impacts will be disclosed upon completion of the evaluation.

IV. Summary of Significant Accounting Policies

(I) Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" approved and released by the FSC. These consolidated financial statements do not include all the disclosures required by IFRS accounting standards for a full set of annual financial statements.

(II) Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments carried at fair value.

Fair value measurements are classified into Level 1 to Level 3 based on the degree of observability and significance of the relevant inputs:

1. Level 1 inputs: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
2. Level 2 inputs: Inputs other than those quoted in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
3. Level 3 inputs: Unobservable inputs for assets or liabilities.

(III) Basis for consolidation

1. Principles Governing the Preparation of Consolidated Financial Statements

The entity that prepares the consolidated financial statements consists of the Company and entities controlled by the Company (i.e., subsidiaries). The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date control over them is acquired until the date control is lost. Intercompany transactions, balances and any unrealized gains and losses are eliminated upon the preparation of the consolidated financial statements. The total consolidated profit or loss of subsidiaries is attributed to the Company's owners and noncontrolling interests, respectively, even if the noncontrolling interests become a loss balance as a result.

The financial statements of subsidiaries have been appropriately adjusted to conform to the accounting policies used by the Consolidated Company.

Changes in the Consolidated Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2. Subsidiaries Included in Consolidated Financial Statements

The subsidiaries included in this consolidated financial report consist of:

Name of the investment company	Investee company name	Nature of business	Percentage of shareholding (%)			Description
			September 30, 2024	December 31, 2023	September 30, 2023	
The Company	Le Hua Investment Co., Ltd.	Investment	100	100	100	
The Company	Luxe Solar Energy Co., Ltd.	Energy Technical Services	100	100	100	
The Company	Sen-Hsin Energy Co., Ltd.	Energy Technical Services	100	100	100	
The Company	Chin Lai International Development Co., Ltd.	Energy Technical Services	100	100	100	
The Company	Wan Chuan Construction Co., Ltd.	Comprehensive Construction Activities	52.5	52.5	52.5	
Chin Lai International Development Co., Ltd.	Qun Li Energy Co., Ltd.	Energy Technical Services	100	100	100	

3. Subsidiaries Not Included in Consolidated Financial Statements: None.

(IV) Other significant accounting policies

In addition to the following, please refer to the summary of significant accounting policies in the 2023 consolidated financial statements.

1. Income tax expenses

Income tax expense is the sum of current income tax and deferred income tax. Income tax for the interim period is assessed on an annual basis, with the tax rate applicable to the expected total earnings for the year, on the interim income before tax.

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

Please refer to the significant accounting judgments, estimates and assumptions' main sources of uncertainty and description of the 2023 consolidated financial statements.

VI. Description of significant accounting items

(I) Cash and cash equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand	NT\$ 310	NT\$ 187	NT\$ 227
Bank deposits	281,546	370,125	426,077
Time deposits	40,000	-	-
Total	NT\$ 321,856	NT\$ 370,312	NT\$ 426,304

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

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets - current			
Non-derivative financial assets			
Domestic listed (Over-the-Counter) stocks	NT\$ 144,027	NT\$ 169,932	NT\$ 116,735

(III) Financial assets at fair value through other comprehensive income or loss - non-current

	September 30, 2024	December 31, 2023	September 30, 2023
Unlisted stocks	NT\$ 31,416	NT\$ 28,397	NT\$ 24,312

The Consolidated Company invests in Castle Applied Inc. and Wan-Hou Machinery and Electrical Engineering for medium- and long-term strategic purposes and expects to make profits from the long-term investment. It is designated as measured at fair value through other comprehensive income. The Consolidated Company's financial assets at fair value through other comprehensive income were not pledged as collateral.

(IV) Financial assets measured at amortized cost

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Domestic investments			
Time deposits with an original maturity of more than 3 months	NT\$ 5,000	NT\$ 11,298	NT\$ 11,298
<u>Non-current</u>			
Domestic investments			
Time deposits with an original maturity of more than 3 months	NT\$ 79,151	NT\$ 77,192	NT\$ 77,145
Reserve account	81,826	68,855	63,164
Total	NT\$ 160,977	NT\$ 146,047	NT\$ 140,309

The interest rate range of time deposit with original maturity date of more than 3 months on September 30, 2024, December 31, 2023, and September 30, 2023 was 0.39% to 1.71%, 0.17% to 1.57%, and 0.17% to 1.57% per annum.

For information on pledges of financial assets measured at amortized cost, see Note VIII.

(V) Notes receivable, accounts receivable and overdue receivables.

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Notes receivable (including related party)</u>			
Measured at post-amortized cost	NT\$ 1,976	NT\$ 1,090	NT\$ 148
<u>Accounts receivable - related parties</u>			
Measured at post-amortized cost			
Total carrying amount	NT\$ 69,543	NT\$ 58,112	NT\$ 95,748
Less: Allowance for losses	-	-	(18)
Total	NT\$ 69,543	NT\$ 58,112	NT\$ 95,730
<u>Overdue receivables</u>			
Due to business operations	NT\$ 10,552	NT\$ 10,552	NT\$ 10,552
Less: Allowance for losses	(10,552)	(10,552)	(10,552)
Total	NT\$ -	NT\$ -	NT\$ -

1. The average credit period for merchandise sales ranges from 30 to 180 days, and accounts receivable are non-interest-bearing. The Consolidated Company's policy is to deal only with creditworthy customers.

The Consolidated Company recognizes an allowance for losses on accounts receivable on the basis of expected credit losses over the life of the receivable. The expected credit losses for the duration of the period are calculated using an allowance matrix, which takes into account the customer's past default history and current financial condition and industry outlook. Because the Consolidated Company's credit loss history shows that there is no significant difference in loss patterns among different customer groups, the allowance matrix does not further differentiate between customer groups and only uses the number of days of aging on the accounts receivable establishment date to determine the expected credit impairment rate.

If there is evidence that the counter-party is in serious financial difficulty and the Consolidated Company cannot reasonably expect to recover the amount, for example, if the counter-party is in liquidation or the debt has been outstanding for more than 720 days, the Consolidated Company reclassifies the amount as an overdue receivable and recognizes an allowance for loss, but continues its collection activities and recognizes the amount recovered in profit or loss.

2. The Company measures the allowance for losses on notes and accounts receivable based on the allowance matrix as follows:

September 30, 2024						
	Less than 30 days		31 to 90 days		91 to 180 days	
	—%		—%		—%	
	181 to 360 days		361 days or more		Total	
	—%		—%		—%	
Loss from expected credit impairment	—%		—%		—%	
Total carrying amount	NT\$	65,319	NT\$	1,390	NT\$	4,810
Allowance for losses (expected credit losses over the life of the Company)		-		-		-
Cost after amortization	NT\$	65,319	NT\$	1,390	NT\$	4,810

December 31, 2023						
	Less than 30 days		31 to 90 days		91 to 180 days	
	—%		—%		—%	
	181 to 360 days		361 days or more		Total	
	—%		—%		—%	
Loss from expected credit impairment	—%		—%		—%	
Total carrying amount	NT\$	33,516	NT\$	23,337	NT\$	2,349
Allowance for losses (expected credit losses over the life of the Company)		-		-		-
Cost after amortization	NT\$	33,516	NT\$	23,337	NT\$	2,349

September 30, 2023						
	Less than 30 days		31 to 90 days		91 to 180 days	
	—%		—%		—%	
	181 to 360 days		361 days or more		Total	
	2%		—%		—%	
Loss from expected credit impairment	2%		—%		—%	
Total carrying amount	NT\$	61,467	NT\$	22,894	NT\$	10,628
Allowance for losses (expected credit losses over the life of the Company)		-		-		-
Cost after amortization	NT\$	61,467	NT\$	22,894	NT\$	10,628

Information on the changes in the allowance for losses on accounts receivable is as follows

	January to September 2024	January to September 2023
Balance at the beginning of period	NT\$ -	NT\$ 39
Appropriation (reversal) in current period	-	(21)
Balance at the end of period	NT\$ -	NT\$ 18

(VI) Inventory

	September 30, 2024	December 31, 2023	September 30, 2023
Finished goods	NT\$ 40,141	NT\$ 2,048	NT\$ 39,981
Work in process	200,486	152,018	92,234
Raw materials	28,851	6,243	13,706
Total	NT\$ 269,478	NT\$ 160,309	NT\$ 145,921

1. The operating costs related to inventories from July 1 to September 30, 2024 and 2023, and from January 1 to September 30, 2024 and 2023 were NT\$64,414 thousand, NT\$155,534 thousand, and NT\$240,839 thousand, and NT\$290,769 thousand, respectively. The cost of goods sold from July 1 to September 30, 2024 and 2023, and from January 1 to September 30, 2024 and 2023, includes inventory write-downs and slowdown losses (gains) of NT\$(51) thousand, NT\$(413) thousand, NT\$218 thousand, and NT\$(430) thousand, respectively. The gain on decline in value of inventories is due to the elimination of part of the inventory that has been recognized as decline in value.

2. On September 30, 2024, December 31 and September 30, 2023, the consolidated company's inventories were not provided as collateral.

3. From July 1 to September 30, 2024 and 2023, and January 1 to September 30, 2024 and 2023, the allowance for write-off against inventory devaluation loss due to the no scrapping of inventories was not processed.

(VII) Investments Accounted For Using the Equity Method

Individual Insignificant Subsidiaries

Investees	September 30, 2024		December 31, 2023		September 30, 2023	
	Book Value	Shareholdings %	Total carrying amount	Shareholdings %	Total carrying amount	Shareholdings %
Park Ave Coworking Space Co.,Ltd.	NT\$ 1,737	22.5	NT\$ 1,852	22.5	NT\$ 1,756	22.5

The calculation of the above insignificant affiliates is based on unaudited financial statements; however, in the opinion of the Company's management, such financial statements would not have resulted in a material adjustment had they been audited by the accountants.

Please refer to Schedule 4 (attached) for the business nature, principal place of business, and national information of the affiliated companies.

(VIII) Property, Plant, and Equipment

Item	January 1 to September 30, 2024					Balance at the end of period
	Balance at the beginning of period	Acquired	Disposed	Reclassification		
<u>Cost</u>						
Land	NT\$ 61,045	NT\$ -	NT\$ -	NT\$ -		NT\$ 61,045
Buildings	112,002	2,140	-	-		114,142
Machinery	43,024	31,085	-	-		74,109
Equipment	2,480	2,387	-	-		4,867
Office Equipment	1,600,425	60,450	-	-		1,660,875
Power Generation Equipment	502	-	-	-		502
Computer communication equipment	326	-	-	-		326
Transport Equipment	46,151	9,131	(45)	-		55,237
Other Equipment	4,108	47,584	-	-		51,692
Leasehold improvements	1,870,063	152,777	(45)	-		2,022,795
Subtotal						
<u>Accumulated Depreciation and Impairment</u>						
Buildings	54,479	2,756	-	-		57,235
Machinery	17,540	4,613	-	-		22,153
Equipment	1,341	356	-	-		1,697
Office Equipment	266,466	62,831	-	-		329,297
Power Generation Equipment	167	125	-	-		292
Computer communication equipment	87	41	-	-		128
Transport Equipment	38,083	1,717	(37)	-		39,763
Other Equipment	885	555	-	-		1,440
Leasehold improvements	379,048	72,994	(37)	-		452,005
Subtotal						
Net amount	NT\$ 1,491,015	NT\$ 79,783	NT\$ (8)	NT\$ -		NT\$ 1,570,790

January 1 to September 30, 2023									
Item	Balance at the beginning of period		Acquired		Disposed		Reclassification		Balance at the end of period
<u>Cost</u>									
Land	NT\$	46,969	NT\$	14,076	NT\$	-	NT\$	-	NT\$ 61,045
Buildings		99,772		5,108		-		5,253	110,133
Machinery				12,238		(1,462)		-	43,024
Equipment		32,248							
Office Equipment		2,559		264		(343)		-	2,480
Power Generation		770,330		679,246		-		-	1,449,576
Equipment									
Computer communication equipment		-		-		-		502	502
Transport		200		-		-		-	200
Equipment									
Other Equipment		44,767		1,289		(91)		-	45,965
Leasehold improvements		9,361		-		-		(5,253)	4,108
Subtotal		1,006,206		712,221		(1,896)		502	1,717,033
<u>Accumulated Depreciation and Impairment</u>									
Buildings		49,947		2,467		-		1,190	53,604
Machinery		15,041		2,645		(1,215)		-	16,471
Equipment									
Office Equipment		1,310		235		(285)		-	1,260
Power Generation		200,315		47,001		-		-	247,316
Equipment									
Computer communication equipment		-		125		-		-	125
Transport		50		25		-		-	75
Equipment									
Other Equipment		36,564		1,414		(91)		-	37,887
Leasehold improvements		1,230		655		-		(1,190)	695
Subtotal		304,457		54,567		(1,591)		-	357,433
Net amount	NT\$	701,749	NT\$	657,654	NT\$	(305)	NT\$	502	NT\$ 1,359,600

1. The Consolidated Company depreciates each component item on a straight-line basis over its useful life as follows:

Item	Useful Life
Buildings	3 to 35 years
Machinery Equipment	2 to 15 years
Office Equipment	2 to 7 years
Power Generation Equipment	15 to 20 years
Computer communication equipment	3 to 5 years
Transport Equipment	5 years
Other Equipment	2 to 20 years
Leasehold improvements	6 to 18 years

2. For the guarantees for long-term and short-term loans of the consolidated company's property, plant and equipment on September 30, 2024, December 31 and September 30, 2023, please refer to Note VIII.

(IX) Lease Agreements

1. Right-of-use assets

	September 30, 2024		December 31, 2023		September 30, 2023	
Carrying amount of right-to-use assets						
Buildings	NT\$	219,964	NT\$	130,370	NT\$	134,339
Transport		1,945		2,676		2,321
Equipment						
Total	NT\$	221,909	NT\$	133,046	NT\$	136,660

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Newly acquired right-of-use assets	NT\$ -	NT\$ 800	NT\$ 102,394	NT\$ 24,117
Lease modification (lease cancellation)	NT\$ -	NT\$ -	NT\$ -	NT\$ 4,253
Depreciation expense of right-of-use assets				
Buildings	NT\$ 3,749	NT\$ 4,057	NT\$ 12,468	NT\$ 9,048
Transport Equipment	355	295	1,063	672
Total	NT\$ 4,104	NT\$ 4,352	NT\$ 13,531	NT\$ 9,720

2. Leasing liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of lease liabilities			
Current	NT\$ 14,601	NT\$ 15,780	NT\$ 14,411
Non-current	NT\$ 215,723	NT\$ 123,163	NT\$ 127,065

The discount rate range for lease liabilities is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Buildings	2.13% ~ 2.71%	2.13% ~ 2.71%	2.13% ~ 2.71%
Transport Equipment	1.7% ~ 2.16%	1.7% ~ 2.16%	1.70% ~ 2.12%

3. Significant leasing activities and terms

The Consolidated Company leases the above transportation equipment for a period of 3 years.

The Group also leases the building for office, plants and solar farm for power generation for a period of 5 and 20 years.

4. Other Lease Information

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Short-term lease expenses	NT\$ 35	NT\$ 516	NT\$ 184	NT\$ 1,319
Low-value asset lease expenses	NT\$ 143	NT\$ 267	NT\$ 411	NT\$ 511
Variable lease expenses not included in the measurement of lease liabilities	NT\$ 1,732	NT\$ 797	NT\$ 6,320	NT\$ 1,955
Total cash expenditure for leases (outflow)	NT\$ (6,499)	NT\$ (5,603)	NT\$ (21,477)	NT\$ (13,944)

(X) Other Intangible Assets

January 1 to September 30, 2024						
Item	Balance at the beginning of period	Acquired	Disposed	Reclassification	Balance at the end of period	
<u>Cost</u>						
Computer software	NT\$ 665	NT\$ -	NT\$ -	NT\$ -	NT\$ 665	
Goodwill	1,265	-	-	-	1,265	
Operating rights	32,417	-	-	-	32,417	
Subtotal	34,347	-	-	-	34,347	
<u>Accumulated amortization and impairment</u>						
Computer software	510	100	-	-	610	
Operating rights	9,365	1,621	-	-	10,986	
Subtotal	9,875	1,721	-	-	11,596	
Net amount	NT\$ 24,472	NT\$ (1,721)	NT\$ -	NT\$ -	NT\$ 22,751	

January 1 to September 30, 2023								
Item	Balance at the beginning of period		Acquired		Disposed		Reclassification	Balance at the end of period
<u>Cost</u>								
Computer software	NT\$	1,167	NT\$	-	NT\$	-	NT\$ (502)	NT\$ 665
Goodwill		1,265		-		-	-	1,265
Operating rights		32,417		-		-	-	32,417
Subtotal		34,849		-		-	(502)	34,347
<u>Accumulated amortization and impairment</u>								
Computer software		377		100		-	-	477
Operating rights		7,204		1,621		-	-	8,825
Subtotal		7,581		1,721		-	-	9,302
Net amount	NT\$	27,268	NT\$	(1,721)	NT\$	-	NT\$ (502)	NT\$ 25,045

Amortization expense is provided on a straight-line basis over the following number of durable years:

Item	Useful Life
Computer software	5 years
Operating rights	15 years

(XI) Prepayments

	September 30, 2024	December 31, 2023	September 30, 2023
Prepayment	NT\$ 27,539	NT\$ 19,052	NT\$ 36,360
Prepaid service charge	5,128	5,786	-
Prepaid insurance fees	1,894	2,060	2,565
Prepaid pensions	570	570	570
Input tax	37,194	43,267	42,432
Tax overpaid retained for offsetting future tax payable	9,448	315	3,232
Others	3,644	1,019	6,422
Total	NT\$ 85,417	NT\$ 72,069	NT\$ 91,581
Prepayment for equipment purchase	NT\$ 166,019	NT\$ 160,597	NT\$ 236,221
Less: Accumulated impairment	(23,918)	(23,918)	(23,918)
Total	NT\$ 142,101	NT\$ 136,679	NT\$ 212,303
Current	NT\$ 85,417	NT\$ 72,069	NT\$ 91,581
Non-current	NT\$ 142,101	NT\$ 136,679	NT\$ 212,303

For the assessment of the accumulated impairment on prepayment for equipment, please refer to Note IX(II).

(XII) Other Current Assets

	September 30, 2024	December 31, 2023	September 30, 2023
Others	NT\$ 123	NT\$ -	NT\$ 157

(XIII) Long-Term Notes and Accounts Receivable

	September 30, 2024	December 31, 2023	September 30, 2023
Accounts receivable - Taiwan Power Company (Taichung Power Plant)	NT\$ 355,600	NT\$ 355,600	NT\$ 355,600
Accounts receivable - Taiwan Power Company (Offshore Wind Power Development In Taichung Port)	17,226	17,226	17,226
Estimated additional receivables from construction and engineering work	13,740	13,740	13,740
Less: Estimated overdue fines payable	(141,000)	(141,000)	(141,000)
Less: Allowance for losses	(37,575)	(37,575)	(37,575)
Total	NT\$ 207,991	NT\$ 207,991	NT\$ 207,991
Other receivables - Chou, Hsiu-Mei	17,304	17,304	17,304
Less: Allowance for losses	(17,304)	(17,304)	(17,304)
Total	NT\$ -	NT\$ -	NT\$ -

1. The Consolidated Company filed an arbitration case for the delayed completion of the Taichung Power Plant and Offshore Wind Power Development In Taichung Port of Taiwan Power Company (Taipower). The arbitration judgment was issued by the Chinese Construction Industry Arbitration Association(CCIAA) on January 19, 2010 (2008 Gong-Zhong-Xie-Jing-Zi No. 019) and a judgement was issued by the High Court on May 31, 2011 (2010 Zhong-Shang-Zi No. 501). The Company recorded NT\$141,000 thousand in overdue penalties and NT\$13,740 thousand in additional receivables due for construction work based on the arbitration judgement. However, the parties did not reach a consensus on the settlement amount, which resulted in the delay in payment by Taipower, so the accounts were reclassified as long-term accounts receivable. Please refer to Note IX(III) for details.
2. In August 2012, the Consolidated Company sold 1,300,000 shares of its equity-method investment in Dakang Insurance Brokerage Co.,Ltd. at NT\$48 per share, for a total consideration of NT\$62,400 thousand. The transferee of the equity, Hsiu-Mei Chou, issued a promissory note when entering into the equity transfer contract and pledged the stocks to the Group. Since the transferee could not subsequently repay on time according to the contract, new agreements were entered into on March 25, 2013 and August 12, 2013, respectively, and an interest at an annual rate of 6% was imposed until March 25, 2014. As of September 30, 2024, December 31 and September 30, 2023, both the principal uncollected was NT\$ 40,480 thousand and the interest receivable was NT\$ 2,408 thousand. The Group has transferred it to the long-term accounts receivable and set aside an allowance for loss of a percentage of 100%. Also in Q2 of 2023, the Group wrote off NT\$ 25,584 thousand. Besides, the Consolidated Company filed an action for payment of the note against Hsiu-Mei Chou's endorser, Dah Sing Network Technology Co., Ltd., on February 26, 2015. The action was dismissed by the court on February 3, 2016. The Consolidated Company filed an appeal against the dismissal on March 4, 2016 and the high court delivered its decision (2016 Chong-Shang-Zi No. 325) in favor of the Consolidated Company on May 9, 2017. However, Dah Sing Network Technology Co., Ltd. appealed the decision to the Supreme Court. On February 27, 2020, the Supreme Court ruled (2019 Tai-Shang-Zi No. 1237) that the original judgment, with the exception of the provisional execution, was abrogated and remanded the case to the Taiwan High Court for retrial. On December 22, 2020, the High Court ruled in favor of the Consolidated Company (2020 Zhong-Shang-Geng-Yi-Zi No. 38). Provided that it is pending for the trial of the Supreme Court. It is assessed that

the possibility to recover the payment is minimal, and thus the Group has not reversed the recognized loss allowance.

3. The Consolidated Company considers the customer's past default record and current financial condition, as well as the possible outcome of future court decisions. If there is evidence that the counter-party is facing severe financial difficulties or the judgment may be unfavorable to the Consolidated Company, and the Consolidated Company cannot reasonably expect to recover the amount, the Consolidated Company will directly write off the related receivables, but shall continue to pursue debt recovery activities and recognize the amount recovered in profit or loss.

(XIV) Short-term Borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Secured loans	NT\$ 165,000	NT\$ 130,000	NT\$ 130,000
Credit loans	70,000	41,271	128,736
Total	NT\$ 235,000	NT\$ 171,271	NT\$ 258,736
Interest Rate Range	2.085% ~ 2.1%	2.15% ~ 2.41%	2.15% ~ 2.41%

For the guarantee of assets provided as short-term loans, please refer to Note VIII.

(XV) Long-term Borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Secured loans	NT\$ 894,379	NT\$ 841,151	NT\$ 791,406
Less: Due within one year	(62,383)	(63,368)	(57,755)
Long-term borrowings	NT\$ 831,996	NT\$ 777,783	NT\$ 733,651
Interest Rate Range	2.1% ~ 2.545%	2.15% ~ 2.42%	2.15% ~ 2.42%

The above-mentioned bank loans shall mature successively before January 2038. Please refer to Note VIII for information on assets pledged as collateral for long-term borrowings.

(XVI) Notes and Accounts Payable

	September 30, 2024	December 31, 2023	September 30, 2023
Notes payable (including to related parties)	NT\$ 5,051	NT\$ 9,524	NT\$ 9,956
Accounts payable (including to related parties)	111,454	84,232	77,566
Total	NT\$ 116,505	NT\$ 93,756	NT\$ 87,522

1. The average credit period for accounts payable is generally 30 to 60 days for customers, and for outsourced projects, payment is made according to the contract period agreed to between the two parties. The Company upholds a financial risk management policy to ensure that all payables are repaid within the pre-agreed credit terms.
2. Please refer to Note VI(XXVI) for disclosures of payables and other payables that are exposed to liquidity risk.

(XVII) Post-employment benefit plans

1. Defined contribution plan

The Consolidated Company's pension plan under the Labor Pension Act is a government-administered defined contribution plan that contributes 6% of employees' monthly salaries to the individual accounts under the Bureau of Labor Insurance. The consolidated company's pension cost recognized as expenses in the consolidated statement of comprehensive income from July 1 to September 30, 2024 and 2023, and from January 1 to September 30, 2024 and 2023, amounted to NT\$ 540 thousand and NT\$ 477 thousand and NT\$ 1,562 thousand and NT\$ 1,397 thousand, respectively.

(XVIII) Equity

1. Common share capital

	September 30, 2024	December 31, 2023	September 30, 2023
Number of shares (in thousands)	600,000	600,000	600,000
Authorized share capital	NT\$ 6,000,000	NT\$ 6,000,000	NT\$ 6,000,000
Number of issued and fully paid shares (in thousands)	155,095	150,578	150,578
Publicly traded common stock	NT\$ 1,550,951	NT\$ 1,505,778	NT\$ 1,505,778

The issued common stock has a par value of \$10 per share and each share has one vote and the right to receive dividends.

On May 24, 2023, the regular shareholders' meeting resolved to adopt the proposals of 2022 earnings distribution and the capital reserve capitalization, to distribute NT\$41,463 thousand as share dividends and capital reserve capitalization for NT\$9,457 thousand. The share capital amounted to NT\$1,505,778 thousand after the distribution.

At the regular shareholders' meeting held on May 14, 2024, for the dividend distribution for FY2023, the shareholders resolved to distribute NT\$45,173 thousand in stock dividends at NT\$0.3 per share, resulting in a capital stock of NT\$1,550,951 thousand after the distribution.

2. Capital reserve

	September 30, 2024	December 31, 2023	September 30, 2023
<u>May be used to make up losses, to distribute cash or to increase capital</u>			
Stock issuance in excess of par value	NT\$ 87,226	NT\$ 87,226	NT\$ 87,226

The capital surplus from the stock issuance premium may be used to offset losses or, when the Company has no losses, to distribute cash or to increase capital, provided that the capitalization is limited to a certain percentage of the paid-in capital each year.

3. Policy on retained earnings and dividends

In accordance with the provisions of the Company's Articles of Incorporation on the earnings distribution policy, if having a profit in the final accounting of the year, the Company shall first pay taxes and make up any cumulative losses in accordance with laws, and then set aside 10% of the said earnings as legal reserves, unless such legal reserves reach the amount of the Company's paid-in capital. Any surpluses remaining shall then be subject to provision or reversal of special reserves, as the laws may require. If there is any residual balance, it shall be, together with the undistributed earnings carried from previous years, used as dividends for shareholders. The Board of Directors shall draft an earnings distribution proposal and submit it to the shareholders' meeting for approval. Please refer to Note VI(XXII), for the policy on the distribution of employees and directors' remuneration under the amended Articles of Incorporation.

Legal reserve may be used to make up losses. If the Consolidated Company has no deficit, the excess of legal reserve over 25% of the paid-in capital may be distributed in cash in addition to increasing capitalization.

At the annual general shareholders' meetings held on May 14, 2024 and May 24, 2023, the Company approved the following distribution of earnings for the 2023 and 2022, respectively:

	FY2023	FY2022
Legal reserve	NT\$ 13,802	NT\$ 4,508
Special reserve	NT\$ (194)	NT\$ 181
Cash dividend	NT\$ 45,173	NT\$ -
Share dividends	NT\$ 45,173	NT\$ 41,463
Cash dividend per share (NT\$)	NT\$ 0.3	NT\$ -
Share dividends (NT\$)	NT\$ 0.3	NT\$ 0.285
4. Non-controlling equity		
	January to September 2024	January to September 2023
Balance at the beginning of period	NT\$ 65,406	NT\$ 60,213
Cash capital decrease by subsidiary	-	(2,205)
Cash dividends of subsidiaries	-	(564)
Net income for the period attributable to noncontrolling interests	2,534	2,090
Other comprehensive income or loss attributable to noncontrolling interests:		
Financial assets measured at fair value through other comprehensive income or loss	90	(910)
Decrease in non-controlling interests in subsidiaries due to disposals	(27)	-
Balance at the end of period	NT\$ 68,003	NT\$ 58,624

(XIX) Earnings (losses) per share

1. Basic earnings (losses) per share

The earnings (losses) and the weighted average number of ordinary shares used in the computation of earnings (losses) per share are as follows:

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Net profit (loss) attributable to owners of parent company (NT\$ thousand)	NT\$ (8,616)	NT\$ (44,102)	NT\$ 14,634	NT\$ 86,496
Weighted-average number of common shares for basic earnings per share calculation (in thousands)	155,095	155,095	155,095	155,095
Basic earnings (losses) per share (NTD)	NT\$ (0.06)	NT\$ (0.28)	NT\$ 0.09	NT\$ 0.56

Earnings (losses) per share in the previous paragraph have been retroactively adjusted for the effect of share dividends, and the base date of which was set on August 2, 2024. Due to the retrospective adjustment of basic earnings (losses) per share from July 1 to September 30, 2023, and January 1 to September 30, 2023, from NT\$ (0.29) and NT\$ 0.57 to NT\$ (0.28) and NT\$ 0.56, respectively.

2. Diluted earnings (losses) per share

The earnings (losses) and the weighted average number of ordinary shares used in the computation of diluted earnings (losses) per share are as follows:

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Net profit (loss) attributable to owners of parent company (NT\$ thousand)	NT\$ (8,616)	NT\$ (44,102)	NT\$ 14,634	NT\$ 86,496
Weighted-average number of common shares for basic earnings per share calculation (in thousands)	155,095	155,095	155,095	155,095
Impact of common stock with potential dilutive effects				
Employee remuneration	6	29	14	32
Weighted-average number of common shares for the purpose of calculating diluted earnings per share	155,101	155,124	155,109	155,127
Diluted earnings (losses) per share (NTD)	NT\$ (0.06)	NT\$ (0.28)	NT\$ 0.09	NT\$ 0.56

If the Consolidated Company has the option to pay employees in stock or cash, the calculation of diluted earnings (losses) per share assumes that employee remuneration will be paid in stock and is included in the weighted-average number of common shares outstanding for the purpose of calculating diluted earnings (losses) per share when the potential common shares have a dilutive effect. The dilutive effect of these potential common shares will continue to be considered in the calculation of diluted earnings (losses) per share before the number of shares awarded to employees is determined in the following year's shareholders' resolution.

Due to the retrospective adjustment of diluted earnings (losses) per share from July 1 to September 30, 2023, and January 1 to September 30, 2023, from NT\$ (0.29) and NT\$ 0.57 to NT\$ (0.28) and NT\$ 0.56, respectively.

(XX) Revenue from Customer Contracts

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Construction and engineering revenue	NT\$ 19,303	NT\$ 32,095	NT\$ 74,119	NT\$ 87,382
Sales revenue	71,260	155,517	273,934	319,934
Electricity retailing revenue	60,596	48,660	153,026	119,274
Others	1,043	1,279	4,641	4,872
Total	NT\$ 152,202	NT\$ 237,551	NT\$ 505,720	NT\$ 531,462

1. Contract balance

	September 30, 2024	December 31, 2023	September 30, 2023
Accounts receivable and notes receivable	NT\$ 71,519	NT\$ 59,202	NT\$ 95,878
Contract assets - current			
Construction of photovoltaic power station and booster station	NT\$ -	NT\$ 8,376	NT\$ 7,725
Construction and engineering	12,541	5,698	26,405
Sales of electrical equipment	61,187	29,871	73,317
Total	NT\$ 73,728	NT\$ 43,945	NT\$ 107,447
Contract liabilities - current			
Construction of photovoltaic power station	NT\$ 7,303	NT\$ 2,790	NT\$ 36,536
Construction and engineering	75,906	3,647	8,938
Sales of electrical equipment	1,575	-	-
Total	NT\$ 84,784	NT\$ 6,437	NT\$ 45,474

The variation of the contract assets and liabilities is the result of the difference in the time point when the Group fulfills the obligations and the customer makes the payment.

2. Breakdown of revenue from customer contracts

July 1 to September 30, 2024										
		Reportable segments							Total	
		Energy Business Group		Electrical Engineering Business Group		Construction Business Group		Others		
<u>Contract revenue type</u>										
Construction and engineering revenue	NT\$	-	NT\$	-	NT\$	19,303	NT\$	-	NT\$ 19,303	
Sales revenue		-		71,260		-		-	71,260	
Electricity retailing revenue		60,596		-		-		-	60,596	
Others		-		1,043		-		-	1,043	
Total	NT\$	60,596	NT\$	72,303	NT\$	19,303	NT\$	-	NT\$ 152,202	
Point in time for revenue recognition:										
At a certain point in time	NT\$	60,596	NT\$	72,303	NT\$	-	NT\$	-	NT\$ 132,899	
To be satisfied over time		-		-		19,303		-	19,303	
Total	NT\$	60,596	NT\$	72,303	NT\$	19,303	NT\$	-	NT\$ 152,202	
July 1 to September 30, 2023										
		Reportable segments							Total	
		Energy Business Group		Electrical Engineering Business Group		Construction Business Group		Others		
<u>Contract revenue type</u>										
Construction and engineering revenue	NT\$	914	NT\$	-	NT\$	31,181	NT\$	-	NT\$ 32,095	
Sales revenue		-		155,517		-		-	155,517	
Electricity retailing revenue		48,660		-		-		-	48,660	
Others		-		1,279		-		-	1,279	
Total	NT\$	49,574	NT\$	156,796	NT\$	31,181	NT\$	-	NT\$ 237,551	
Point in time for revenue recognition:										
At a certain point in time	NT\$	48,660	NT\$	156,796	NT\$	-	NT\$	-	NT\$ 205,456	
To be satisfied over time		914		-		31,181		-	32,095	
Total	NT\$	49,574	NT\$	156,796	NT\$	31,181	NT\$	-	NT\$ 237,551	
January 1 to September 30, 2024										
		Reportable segments							Total	
		Energy Business Group		Electrical Engineering Business Group		Construction Business Group		Others		
<u>Contract revenue type</u>										
Construction and engineering revenue	NT\$	1,414	NT\$	93	NT\$	72,612	NT\$	-	NT\$ 74,119	
Sales revenue		-		273,934		-		-	273,934	
Electricity retailing revenue		153,026		-		-		-	153,026	
Others		-		4,641		-		-	4,641	
Total	NT\$	154,440	NT\$	278,668	NT\$	72,612	NT\$	-	NT\$ 505,720	
Point in time for revenue recognition:										
At a certain point in time	NT\$	153,026	NT\$	278,575	NT\$	-	NT\$	-	NT\$ 431,601	
To be satisfied over time		1,414		93		72,612		-	74,119	
Total	NT\$	154,440	NT\$	278,668	NT\$	72,612	NT\$	-	NT\$ 505,720	
January 1 to September 30, 2023										
		Reportable segments							Total	

	Energy Business Group		Electrical Engineering Business Group		Construction Business Group		Others		
<u>Contract revenue type</u>									
Construction and engineering revenue	NT\$	13,891	NT\$	-	NT\$	73,491	NT\$	-	NT\$ 87,382
Sales revenue		-		319,934		-		-	319,934
Electricity retailing revenue		119,274		-		-		-	119,274
Others		-		4,872		-		-	4,872
Total	NT\$	133,165	NT\$	324,806	NT\$	73,491	NT\$	-	NT\$ 531,462
Point in time for revenue recognition:									
At a certain point in time	NT\$	119,274	NT\$	324,806	NT\$	-	NT\$	-	NT\$ 444,080
To be satisfied over time		13,891		-		73,491		-	87,382
Total	NT\$	133,165	NT\$	324,806	NT\$	73,491	NT\$	-	NT\$ 531,462

(XXI) Non-operating Income and Expenses

1. Interest income

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Bank deposits	NT\$ 482	NT\$ 504	NT\$ 2,009	NT\$ 2,243

2. Other revenue

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Rental revenue	NT\$ 63	NT\$ 64	NT\$ 189	NT\$ 185
Dividend income	468	-	2,215	1,281
Compensation income	-	270	2,441	2,720
Other revenue	369	448	2,309	2,069
Total	NT\$ 900	NT\$ 782	NT\$ 7,154	NT\$ 6,255

3. Other profits and losses

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Gain (loss) on financial assets at fair value through profit or loss	NT\$ (24,998)	NT\$ (92,766)	NT\$ (25,905)	NT\$ 45,965
(Gains) losses from disposal of property, plant and equipment	-	120	(8)	(84)
Profit from lease changes	-	-	-	105
Others	(260)	(277)	(2,090)	(2,610)
Total	NT\$ (25,258)	NT\$ (92,923)	NT\$ (28,003)	NT\$ 43,376

4. Financial Costs

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Interest on bank loans	NT\$ 6,403	NT\$ 6,153	NT\$ 19,075	NT\$ 18,256
Interest on lease liabilities	1,286	807	3,549	2,271
Less: Amounts of the qualified asset costs (included in property, plant and equipment and equipment prepayment)	(1,872)	(382)	(2,093)	(2,070)
Net amount	NT\$ 5,817	NT\$ 6,578	NT\$ 20,531	NT\$ 18,457

Information on interest capitalization is as follows:

	January to September 2024	January to September 2023
Amount of interest capitalized	NT\$ 2,093	NT\$ 2,070
Rate of capitalized interest	1.89%~2.503%	1.95%~2.32%

(XXII) Remuneration to employees and directors

In accordance with the Company's Articles of Incorporation, the Company contributes no less than 1% and no more than 1% of the pre-tax benefit to employees' and directors' remuneration, respectively, for the year before the distribution of employees' and directors' remuneration.

From July 1 to September 30, 2024 and 2023, and from January 1 to September 30, 2024 and 2023 are estimated as follows:

	January to September 2024	January to September 2023
Employee remuneration	1%	1%
Remuneration to directors	0%	0%

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
<u>Amount</u>				
Employee remuneration	NT\$ (70)	NT\$ (604)	NT\$ 165	NT\$ 944

If there is a change in the amount of the annual consolidated financial report after the date of its issuance, the change in accounting estimate is treated as an adjustment in the following year.

The remuneration for employees and directors for 2023 and 2022, which was resolved by the Board of Directors on February 26, 2024 and February 21, 2023, respectively, are as follows:

	FY2023	FY2022
Cash		
Employee remuneration	NT\$ 1,393	NT\$ 458

There is no difference between the actual amount of employee compensation paid in 2023 and 2022 and the amount recognized in the consolidated financial statements for 2023 and 2022.

For additional information on the remunerations to the employees and directors approved by the Board, visit the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(XXIII) Income Taxes

1. The major components of income tax expense recognized in profit or loss were as follows

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Current income tax				
Generated in the current period	NT\$ 4,996	NT\$ 4,660	NT\$ 10,448	NT\$ 8,991
Additional taxes levied on undistributed earnings	1,694	-	2,382	92
Adjusted from the previous year	-	-	-	30
Deferred income tax				
Generated in the current period	25	(15,733)	42	6,915
Income tax expense recognized in profit or loss	NT\$ 6,715	NT\$ (11,073)	NT\$ 12,872	NT\$ 16,028

2. Status of assessed Income taxes

The Company and subsidiaries' income tax returns for FY2022 have been duly examined and cleared by the tax authorities.

(XXIV) Additional information on the nature of the expenses:

1. Summary of employee benefits, depreciation, depletion and amortization expenses of the Group for the period by function as follows:

By function By nature	July to September 2024			July to September 2023		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expenses						
Wage expenses	NT\$ 9,524	NT\$ 5,661	NT\$ 15,185	NT\$ 6,631	NT\$ 5,268	NT\$ 11,899
Labor and health insurance expenses	943	458	1,401	728	403	1,131
Pension expense	308	232	540	257	220	477
Remuneration to directors	-	230	230	-	256	256
Other employee benefit expenses	472	542	1,014	294	528	822
Depreciation expense	27,569	1,260	28,829	23,933	1,364	25,297
Amortization expense	-	574	574	-	574	574

By function By nature	January to September 2024			January to September 2023		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expenses						
Wage expenses	NT\$ 27,764	NT\$ 17,229	NT\$ 44,993	NT\$ 18,282	NT\$ 19,350	NT\$ 37,632
Labor and health insurance expenses	2,763	1,365	4,128	2,079	1,338	3,417
Pension expense	889	673	1,562	729	668	1,397
Remuneration to directors	-	648	648	-	641	641
Other employee benefit expenses	1,138	1,607	2,745	736	1,782	2,518
Depreciation expense	82,780	3,745	86,525	60,571	3,716	64,287
Amortization expense	-	1,721	1,721	-	1,721	1,721

(XXV) Capital Risk Management

The Consolidated Company is required to maintain sufficient capital to meet the concerns of going concern assumptions. Therefore, the Consolidated Company's capital is prudently managed to ensure that the necessary financial resources and operating plans are in place to support future needs for working capital, capital expenditures and debt servicing.

(XXVI) Financial Instruments

1. Fair value information - financial instruments not measured at fair value

The carrying amounts of the Consolidated Company's financial instruments not carried at fair value, such as cash, financial assets carried at amortized cost, accounts receivable, other receivables, refundable deposits, long-term and short-term loans (including long-term loans due within one year), accounts payable, other payables and guarantee deposits received, are a reasonable approximation of fair value.

2. Fair value information - financial instruments measured at fair value on a recurring basis

(1) Fair value hierarchy

	September 30, 2024			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Domestic listed (Over-the-Counter) stocks	NT\$ 144,027	NT\$ -	NT\$ -	NT\$ 144,027
<u>Financial assets at fair value through other comprehensive income or loss - non-current</u>				
Domestic TWSE (TPEX) unlisted stocks	-	-	31,416	31,416
Stocks				
Total	NT\$ 144,027	NT\$ -	NT\$ 31,416	NT\$ 175,443

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Domestic listed (Over-the-Counter) stocks	NT\$ 169,932	NT\$ -	NT\$ -	NT\$ 169,932
<u>Financial assets at fair value through other comprehensive income or loss - non-current</u>				
Domestic TWSE (TPEX) unlisted stocks	-	-	28,397	28,397
Total	NT\$ 169,932	NT\$ -	NT\$ 28,397	NT\$ 198,329

	September 30, 2023			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Domestic listed (Over-the-Counter) stocks	NT\$ 116,735	NT\$ -	NT\$ -	NT\$ 116,735
<u>Financial assets at fair value through other comprehensive income or loss - non-current</u>				
Domestic TWSE (TPEX) unlisted stocks	-	-	24,312	24,312
Total	NT\$ 116,735	-	NT\$ 24,312	NT\$ 141,047

(2) There were no transfers between Level 1 and Level 2 fair value measurements from January 1 to September 30, 2024 and 2023.

(3) Reconciliation of financial instruments measured at fair value on a Level 3 basis

	<u>Financial assets at fair value through other comprehensive income or loss - non-current</u>	
	January to September 2024	January to September 2023
Balance at the beginning of period	NT\$ 28,397	NT\$ 25,278
Acquired during the period	2,829	951
Recognized in other comprehensive income	190	(1,917)
Balance at the end of period	NT\$ 31,416	NT\$ 24,312

(4) For equity instruments without quoted prices in active markets for Level 3 fair value measurements, the Company measures the fair value of the investee by taking into account the quoted prices not available in active and inactive markets, the net financial statements of the investee for the same period obtained by the Company, the changes in the investee's plans, performance, investment objectives, management, etc., and the Company's expected return on investment through the distribution of earnings of the investee.

3. Types of financial instruments

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial Assets</u>			
Measured at fair value through profit or loss	NT\$ 144,027	NT\$ 169,932	NT\$ 116,735
Financial assets carried at amortized cost (Note 1)	871,854	874,453	912,835
Financial assets measured at fair value through other comprehensive income or loss	31,416	28,397	24,312
Total	NT\$ 1,047,297	NT\$ 1,072,782	NT\$ 1,053,882
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost (Note 2)	NT\$ 1,309,102	NT\$ 1,154,952	NT\$ 1,165,175
Lease liabilities	230,324	138,943	141,476
Total	NT\$ 1,539,426	NT\$ 1,293,895	NT\$ 1,306,651

Note 1: The balance includes cash, financial assets carried at amortized cost, notes receivable, accounts receivable, other receivables, long-term notes and accounts receivable and refundable deposits, and other financial assets carried at amortized cost.

Note 2: The balance includes financial liabilities measured at amortized cost, such as long-term and short-term loans (including long-term loans due within one year), notes payable, accounts payable, dividends payable, other payables and guarantee deposits received.

4. Financial risk management objectives and policies

The Group's main financial instruments includes accounts receivable, accounts payable, and borrowings. The Consolidated Company's finance department provides services to each business unit, coordinates access to domestic and international financial markets, and monitors and manages the financial risks associated with the Company's operations through internal risk reports that analyze risk exposures based on the level and breadth of risk. These risks include market risk (including interest rate risk and other price risks), credit risk and liquidity risk.

(1) Market risk

A. Interest rate risk

The carrying amounts of the Consolidated Company's financial assets and financial liabilities exposed to interest rate risk as of the balance sheet date were as follows:

	September 30, 2024		December 31, 2023		September 30, 2023	
Fair value interest rate risk						
Financial Assets	NT\$	165,977	NT\$	157,345	NT\$	151,607
Financial liabilities		230,324		310,214		400,212
Cash flow rate risk						
Financial Assets		319,340		367,294		414,279
Financial liabilities		1,129,379		841,151		791,406

Sensitivity analysis

The following sensitivity analysis is based on the interest rate risk of non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis assumes that the amount of the liability outstanding at the balance sheet date is outstanding for the period reported. The rate of change used in the Consolidated Company's internal reporting of interest rates to key management is a one-digit increase or decrease in interest rates, which also represents management's assessment of the range of reasonably possible changes in interest rates.

An increase of interest rate by 1 will result in an increase/decrease of the earnings before tax by NT\$1,519 thousand and NT\$1,192 thousand from January 1 to September 30, 2024 and 2023, respectively, if all other variables remained unchanged. This variation is largely attributed to the exposure to the cash flow interest rate risk in the Group's deposits and borrowings at variable rate.

B. Other price risk

The Consolidated Company has equity price risk due to its investment in domestic listed securities. The management of the Consolidated Company manages the risk by holding different risky investment portfolios.

Sensitivity analysis

The following sensitivity analysis was performed based on the equity price risk at the balance sheet date.

If equity prices increased/decreased by 1%, net income before income tax would have increased/decreased by NT\$1,440 thousand and NT\$1,167 from January 1 to September 30, 2024 and 2023 respectively, due to the increase/decrease in the fair value of financial assets at fair value through profit or loss.

The Consolidated Company's sensitivity to stock investments has increased, mainly due to changes in stock prices.

(2) Credit risk

Credit risk refers to the risk of financial loss resulting from the counter-party's default on contractual obligations. Up to the balance sheet date, the Group's potential highest credit risk exposure due to failure of the counterparty to fulfill its obligations was mainly derived from the unlikelihood of collecting the receivables from the customer.

As of September 30, 2024, December 31 and September 30, 2023, the percentages of accounts receivable from the top ten customers to the Consolidated Company's accounts receivable were 57.45%, 69.82% and 81%, respectively, and the credit concentration risk of the remaining accounts receivable was relatively insignificant.

(3) Liquidity risk

A. Liquidity and interest rate risk of non-derivative financial liabilities

The analysis of the remaining contractual maturities of non-derivative financial liabilities is based on the undiscounted cash flows (including principal and estimated interest) of the financial liabilities based on the earliest possible date on which the Consolidated Company could be required to make repayment. Accordingly, the Consolidated Company's bank loans that are repayable on demand are listed in the table below at the earliest possible date, without regard to the probability that the banks will enforce rights immediately; the maturity analysis of other non-derivative financial liabilities is prepared based on the contractual repayment dates.

The undiscounted interest amount of interest cash flows paid at floating interest rates is derived from the borrowing rate at the balance sheet date.

September 30, 2024					
	Less than 6 months	6 months to 1 year	1 to 2 years	More than 2 years	Total
<u>Non-derivative financial liabilities</u>					
Non-interest-bearing liabilities	NT\$ 170,369	NT\$ -	NT\$ -	NT\$ 81	NT\$ 170,450
Floating rate instruments	278,240	40,909	81,719	844,185	1,245,053
Lease liabilities	9,913	9,630	18,933	235,453	273,929
Total	NT\$ 458,522	NT\$ 50,539	NT\$ 100,652	NT\$1,079,719	NT\$1,689,432

More information on the analysis of lease liabilities due:

	Less than 1 year	1 to 5 years	6 to 10 years	11 to 15 years	16 to 20 years
Lease liabilities	NT\$ 19,543	NT\$ 69,521	NT\$ 80,795	NT\$ 73,083	NT\$ 30,987

December 31, 2023					
	Less than 6 months	6 months to 1 year	1 to 2 years	More than 2 years	Total
<u>Non-derivative financial liabilities</u>					
Non-interest-bearing liabilities	NT\$ 131,487	NT\$ -	NT\$ -	NT\$ 1,445	NT\$ 132,932
Floating rate instruments	212,764	41,040	82,977	783,146	1,119,927
Lease liabilities	8,605	10,156	20,364	121,765	160,890
Total	NT\$ 352,856	NT\$ 51,196	NT\$ 103,341	NT\$ 906,356	NT\$1,413,749

More information on the analysis of lease liabilities due:

	Less than 1 year	1 to 5 years	6 to 10 years	11 to 15 years	16 to 20 years
Lease liabilities	NT\$ 18,761	NT\$ 53,036	NT\$ 42,089	NT\$ 35,776	NT\$ 11,228

		September 30, 2023				
		Less than 6 months	6 months to 1 year	1 to 2 years	More than 2 years	Total
<u>Non-derivative financial liabilities</u>						
Non-interest-bearing liabilities	NT\$	105,828	NT\$ -	NT\$ -	NT\$ 1,445	NT\$ 107,273
Floating rate instruments		297,663	37,295	77,493	739,976	1,152,427
Lease liabilities		8,154	9,311	20,208	126,697	164,370
Total	NT\$	411,645	NT\$ 46,606	NT\$ 97,701	NT\$ 868,118	NT\$1,424,070
More information on the analysis of lease liabilities due:						
		Less than 1 year	1 to 5 years	6 to 10 years	11 to 15 years	16 to 20 years
Lease liabilities	NT\$	17,464	NT\$ 55,577	NT\$ 42,089	NT\$ 36,392	NT\$ 12,848

B. Financing amount

		September 30, 2024	December 31, 2023	September 30, 2023
Unsecured bank loan credit line				
- Amount utilized	NT\$	70,000	NT\$ 59,611	NT\$ 128,736
-Unutilized amount		320,000	63,264	63,264
Total	NT\$	390,000	NT\$ 122,875	NT\$ 192,000
Guaranteed Bank credit line				
- Amount utilized	NT\$	1,223,640	NT\$ 1,088,640	NT\$ 1,019,515
-Unutilized amount		186,575	120,700	120,700
Total	NT\$	1,410,215	NT\$ 1,209,340	NT\$ 1,140,215

VII. Related Party Transactions

All transactions, account balances, revenues and expenses between the Company and subsidiaries (related parties of the Company) are eliminated upon consolidation and are therefore not disclosed in this note. Transactions between the Group and other related parties are described as follows:

(I) Names of related parties and their relationships

Name of related party	Relationship with the Company
Ching Tien Energy and System Co., Ltd. (hereinafter referred to as "Ching Tien Energy")	Other related party
Chao Hsing Energy Co.,Ltd. (hereinafter referred to as "Chao Hsing Energy")	Other related party
<u>Sel Tech Co.,Ltd.</u> (hereinafter referred to as "SEL Tech")	Other related party
Quintain Steel Co., Ltd. (hereinafter referred to as "Quintain")	Other related party
Chateau Rich Hotel Co.,Ltd. (hereinafter referred to as "Chateau Rich")	Other related party
Chateau International Development Co.,Ltd. (hereinafter referred to as "Chateau International")	Other related party
Castle Applied Inc. (hereinafter referred to as "Castle Applied")	Other related party
Gala Castle Co.,Ltd. (hereinafter referred to as "Gala Castle")	Other related party

Name of related party	Relationship with the Company
Jing Hao Landscape Design Company Limited (hereinafter referred to as "Jing Hao Landscape Design")	Other related party
Mei Chi Interior Design and Engineering Co.,Ltd. (hereinafter referred to as "Mei Chi Interior Design")	Other related party
Wan-Hou Machinery and Electrical Engineering Co., Ltd. (hereinafter referred to as Wan-Hou Machinery and Electrical Engineering")	Other related party
Asahi Enterprises Corp. (hereinafter referred to as "Meiyu Industrial")	Other related party
Park Ave Coworking Space Co.,Ltd. (hereinafter referred to as Park Ave)	Other related party
Chao Ming Sheng Co., Ltd. (hereinafter referred to as "Chao Ming Sheng")	Other related party

(II) Operating revenue

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Sel Tech Co., Ltd.	NT\$ -	NT\$ -	NT\$ 4,831	NT\$ -
Quintain Steel Co., Ltd.	5,794	7,292	13,019	19,096
Wan-Hou Machinery and Electrical Engineering	-	-	3,407	-
Château International	2,616	-	4,290	-
Chao Hsing Energy Co., Ltd.	-	-	-	13,195
Ching Tien Energy	-	-	-	472
Other related party	24	-	2023	807
Total	NT\$ 8,434	NT\$ 7,292	NT\$ 25,659	NT\$ 33,570

1. Ching Tien Energy and System Co., Ltd. and Chao Hsing Energy Co., Ltd. subcontract photovoltaic equipment projects including installation services. These projects are subcontracted to Sel Tech Co.,Ltd. The financial statements of the Group present the construction revenue after deducting the cost of the outsourcing. Prices and payment terms are based on individual agreements between the parties for each project.

	Construction and engineering revenue	Construction and engineering cost	Net Amount
<u>July to September 2023</u>			
Ching Tien Energy	NT\$ -	NT\$ -	NT\$ -
Chao Hsing Energy Co., Ltd.	-	-	-
Total	NT\$ -	NT\$ -	NT\$ -
<u>January to September 2023</u>			

Ching Tien Energy	NT\$	2,079	NT\$	1,607	NT\$	472
Chao Hsing Energy Co., Ltd.		20,795		16,240		4,555
Total	NT\$	22,874	NT\$	17,847	NT\$	5,027

2. For the transactions between the Group and its related parties, the transaction prices and collection terms are agreed by both parties case by case.

(III) Purchases

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Sel Tech Co., Ltd.	NT\$ -	NT\$ -	NT\$ -	NT\$ 17,847
Other related party	2,857	4,711	5,829	4,711
Total	NT\$ 2,857	NT\$ 4,711	NT\$ 5,829	NT\$ 22,558

The transaction price and payment terms for the purchase of goods between the consolidated company and the related party are negotiated by both parties in accordance with the contract.

(IV) Contract Assets

	September 30, 2024	December 31, 2023	September 30, 2023
Ching Tien Energy	NT\$ -	NT\$ -	NT\$ 3,391
Château International Steel Co., Ltd.	5,050	-	-
Other related party	1,699	-	-
Total	24	-	540
Total	NT\$ 6,773	NT\$ -	NT\$ 3,931

(V) Contract liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Quintain Steel Co., Ltd.	NT\$ 72,424	\$ 3,350	NT\$ -
Other related party	52	-	4,583
Total	NT\$ 72,476	NT\$ 3,350	NT\$ 4,583

(VI) Accounts Receivables From Related Parties

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable			
ZHAO MING SHENG Co., Ltd.	NT\$ 92	NT\$ -	NT\$ -
Accounts receivable			
Ching Tien Energy	NT\$ -	NT\$ -	NT\$ 1,456
Quintain Steel Co., Ltd.	598	-	-
Chao Hsing Energy Co., Ltd.	-	-	10,399
Sel Tech Co., Ltd.	4,810	7,652	-
Other related party	-	94	3,726
Total	NT\$ 5,408	NT\$ 7,746	NT\$ 15,581
Other receivables			
Sel Tech Co., Ltd.	NT\$ 53,493	NT\$ 55,672	NT\$ 2,710

Tainan City Government terminated the contract for the solar power generation system around the detention basins of Water Resources Bureau, Tainan City Government. The construction has not yet started, thus the Company will apply to the contractor, Sel Tech Co., Ltd., for a refund of the prepayment amounted to NT\$50,906 thousand. As of September 30, 2024, the uncollected amount amounted to NT\$47,096 thousand.

(VII) Accounts Payable to Related Parties

		<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Notes payable				
Castle Applied Inc.	NT\$	47	NT\$ 357	NT\$ -
Mei-Chi		-	-	78
Total	NT\$	<u>47</u>	NT\$ <u>357</u>	NT\$ <u>78</u>
Accounts payable				
Mei-Chi	NT\$	-	NT\$ 66	NT\$ -
Castle Applied Inc.		-	62	-
Jinghao		-	59	-
Sel Tech Co., Ltd.		24,463	34	5,665
Other related party		-	-	1,895
Total	NT\$	<u>24,471</u>	NT\$ <u>221</u>	NT\$ <u>7,560</u>

		<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other payables				
Quintain Steel Co., Ltd.	NT\$	3	NT\$ 845	NT\$ -
Wan-Hou Machinery and Electrical Engineering		481	573	-
Sel Tech Co., Ltd.		7,769	153	153
Other related party		94	47	908
Total	NT\$	<u>8,347</u>	NT\$ <u>1,618</u>	NT\$ <u>1,061</u>

(VIII) Prepayment for Equipment

		<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Sel Tech Co., Ltd.	NT\$	89,086	NT\$ 70,296	NT\$ 90,131
Other related party		750	-	-
Total	NT\$	<u>89,836</u>	NT\$ <u>70,296</u>	NT\$ <u>90,131</u>

The consolidated company's prepayment for equipment to Sel Tach Co., Ltd., is mainly for the purchase of solar power generation equipment and installation, on September 30, 2024, December 31 and September 30, 2023, the total prices signed into contracts were NT\$297,856 thousand, NT\$937,911 thousand, and NT\$1,956,027 thousand respectively, and will be paid according to the progress of the project. Prices and payment terms are based on individual agreements between the parties for each project. The amount of property, plant and equipment transferred from January to September, 2024 and 2023 was NT\$35,090 thousand and NT\$437,869 thousand, respectively.

(IX) Lease Agreements

	September 30, 2024	December 31, 2023	September 30, 2023
Right-of-use assets			
Meiyu Industrial Co., Ltd.	NT\$ 65,685	NT\$ 17,339	NT\$ 19,133
Lease liabilities - current			
Meiyu Industrial Co., Ltd.	NT\$ 3,035	NT\$ 6,718	NT\$ 5,569
Lease liabilities - non-current			
Meiyu Industrial Co., Ltd.	NT\$ 65,740	NT\$ 12,456	NT\$ 14,615
Interest expense			
Meiyu Industrial Co., Ltd.	NT\$ 742	NT\$ 250	NT\$ 146

(X) Acquisition of property, plant, and equipment

The prices for the consolidated company's acquisition of property, plant and equipment from related parties are summarized as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Chateau-Fulang	NT\$ -	NT\$ 18,957	NT\$ 18,957
Other related party	-	126	-
Total	NT\$ -	NT\$ 19,083	NT\$ 18,957

(XI) Transactions with other related parties

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Other revenue				
Other related party	NT\$ 9	NT\$ 23	NT\$ 396	NT\$ 62
Expenditure on repairs				
Other related party	NT\$ 1,303	NT\$ 2,196	NT\$ 4,523	NT\$ 4,030
Rent expenses				
Other related party	NT\$ 816	NT\$ -	NT\$ 2,306	NT\$ -
Miscellaneous expenses				
Other related party	NT\$ 296	NT\$ 134	NT\$ 1,104	NT\$ 175

(XII) The remuneration of key management personnel is as follows:

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Short-term employee benefits	NT\$ 2,607	NT\$ 1,987	NT\$ 8,991	NT\$ 6,248
Postemployment benefits	60	44	172	130
Total	NT\$ 2,667	NT\$ 2,031	NT\$ 9,163	NT\$ 6,378

The remuneration of directors and other key managerial officers is determined by the Remuneration Committee based on individual performance and market trends.

VIII. Assets Pledged as Collateral

The following assets have been provided as collateral for performance bonds and financing facilities:

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets measured at amortized cost - non-current (reserve account)	NT\$ 81,826	NT\$ 68,855	NT\$ 63,164
Financial assets measured at amortized cost - current and non-current (pledged time deposits)	84,151	88,490	88,443
Property, plant and equipment	1,210,285	1,348,930	1,259,550
Total	NT\$ 1,376,262	NT\$ 1,506,275	NT\$ 1,411,157

IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

In addition to those described in other notes, the Consolidated Company's material commitments and contingencies as of the balance sheet date are as follows:

- (I) The details of the Consolidated Company's guaranteed notes payable and bank guarantee letters are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Performance guarantee	NT\$ 79,151	NT\$ 83,490	NT\$ 83,443
Performance guarantee letter	23,003	23,003	23,003
Guarantee notes for construction projects	20,770	19,915	19,915
Total	NT\$ 122,924	NT\$ 126,408	NT\$ 126,361

- (II) The Consolidated Company and Aircom Pacific Inc. jointly developed an in-flight connection system for use in the passenger cabin of an aircraft for a total contract price of NT\$28,750 thousand (US\$909,000), of which NT\$23,918 thousand (US\$762,000) had been paid as of September 30, 2024. The Company has no plan to continue the operation of the business, and no manpower is currently committed to the venture; therefore, a total impairment loss of NT\$23,918 thousand was recorded in 2015 for the prepaid equipment.

- (III) As for the wind power projects contracted by the Group for Taiwan Power Company in its Taichung Power Plant and Taichung Port area. Many factors that were beyond the control of the Group, such as delayed provision of land, frequent change of the wind turbine sites, and changes in design and construction methods on the side of Taipower as well as the bankruptcy of a subcontractor, the Dutch wind generator supplier, typhoons and severe weather, occurred after the commencement of the works and resulted in a significant increase of the required construction period for the project. For this, the Group asked for extension of the construction period according to the contract and, thus, run into contractual disputes with Taipower. The Chinese Construction Industry Arbitration Association made the arbitral award (Gong-Zhong-Xie-(Jing)-Zi No. 019, 2008) on January 19, 2010 with the text described below:

1. Taipower shall extend the construction period for each wind turbine (#1, #2, #3 and #4 turbines) of Taichung Power Plant by 290 calendar days.
2. Taipower shall extend the work period of 563 calendar days for each wind turbine (#1-#4) of the first group of wind turbines in the Taichung Harbor Area; 756 calendar days for each wind turbine (#5-#8) of the second group; 773 calendar days for each wind turbine (#9-#12) of the third group; 663 calendar days for each wind turbine (#13-#18) of the fourth group.

3. Taipower shall calculate the completion date of the sub-projects of Taichung Power Plant and Taichung Harbor Area by adding 120 calendar days to the last date of completion of the commercial transfer of each site (#3 wind turbine of Taichung Power Plant; #11 wind turbine of Taichung Port Area) as the last completion date of the site.
4. Taipower shall pay the Consolidated Company NT\$13,740 thousand and interest at 5% per annum from September 28, 2007 to the date of settlement.

Taipower filed an action against the arbitral award and requested for its revocation. For this, Taiwan Taipei District Court made a decision to dismiss the action (Zhong-Su-Zi No. 11, 2010) and Taipower filed an appeal against the decision. On May 31, 2011, the high court delivered its decision (Chong-Shang-Zi No. 501, 2010) to reserve the dismissal of Taipower's action and the determination on the litigation expenses as declared in the original judgment. As for the text of the arbitral award (Gong-Zhong-Xie-(Jing)-Zi No. 019, 2008) made by the Chinese Construction Industry Arbitration Association, the decision of the high court found that Point (3) exceeded the scope of the arbitration agreement and should be revoked, and the appeal should be dismissed with regard to Points (1), (2) and (4). The two parties had negotiated on the settlement amount, but no consensus could be reached. As a result, Taipower has still not paid the Consolidated Company the amount due.

The Consolidated Company filed a lawsuit with the Taipei District Court on September 5, 2013, requesting Taipower to pay the Company NT\$401,631 thousand and on August 25, 2016, the Taipei District Court ruled (2013 Jian-Zi No. 274) that Taipower should pay the Company NT\$309,690 thousand, plus interest at 5% per annum from April 14, 2012 to the date of full settlement. Taipower appealed against the judgment and filed an appeal. On May 29, 2020, the Taiwan High Court ruled in (2016 Jian-Shang-Zi No.74) that Taipower should pay the Group NT\$301,955 thousand, including NT\$250,070 thousand from April 14, 2012, and the remaining NT\$51,885 thousand with interest at 5% per annum from the day after the judgment was finalized until the date of settlement. Based on the above judgement, the Group filed an appeal with the Supreme Court in which Taipower was required to pay the Group NT\$16,045 thousand and interest at 5% per annum from April 14, 2012 to the date of settlement. Taipower objected the judgment and re-appealed again. On August 16, 2023, the Taiwan Supreme Court ruled (2021 Tai-Shang-Zi No. 690) that the original judgment ordered Taipower to pay again and dismissed the remaining appeals of Taipower. In addition, the litigation fees were partially discarded and was sent for a remanded trial.

In addition, in February 2015, the Consolidated Company obtained an execution decree from the Taipei District Court of Taiwan in accordance with the above-mentioned arbitration judgment on Item 4 seeking NT\$13,740 thousand in outstanding payments due. Taipower filed a debtor's dispute lawsuit seeking a stay of execution. On December 9, 2016, the Taipei District Court ruled against Taipower (2015 Zhong-Shu-Zi No.195). Taipower has filed an appeal, which is currently pending before the Taiwan High Court.

- (IV) The Group placed an order of 54 blades to Umoe (a Dutch company) on June 22, 2005 and authorized it to deal with their transport. Umoe (a Dutch company) authorized another company for this transport matter. A batch of the blades was affected by severe weather during the transport and 15 blades were damaged as a result. Umoe (a Dutch company) found that the procurement agreement was entered into based on the FOB conditions and, thus, asked the Group to reimburse the freight paid on behalf of the Group. On August 16, 2010, the Group received a notice from Taiwan Banqiao District Court about the suit at Oslo District Court, Norway. The JuridiskByra law firm in Norway was authorized for the suit. Oslo District Court made a decision against the Group on April 11, 2011 and required that the Group should pay a compensation of EUR 222 thousand (ca. NT\$7,359 thousand) and a sum of legal expenses of NOK 404 thousand (ca. NT\$1,258 thousand) with delay

interest. As there is no mutual recognition of judicial decisions based on treaties or agreements between Taiwan and Norway, the Company has not received any notice from the court to enforce the above compensation as of September 30, 2024.

- (V) As of September 30, 2024, December 31 and September 30, 2023, the consolidated company had entered into contracts for solar power generation equipment, and the total amount due, less the amount paid, was NT\$169,857 thousand, NT\$290,455 thousand and NT\$1,321,008 thousand, respectively.

X. Catastrophic Losses: None.

XI. Significant Post-Term Events: None.

XII. Other Matters: None.

XIII. Notes for Disclosures

(I) Information on Material Transactions:

1. Loaning of funds to others: Schedule 1.
2. Endorsement and guarantees for others: see Schedule 2.
3. Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliates and joint ventures): see Schedule 3.
4. Cumulative purchases or sales of marketable securities amounting to at least NT\$300 million or 20% of the paid-in capital: None.
5. Acquisition of real estate amounting to at least NT\$300 million or 20% of the paid-in capital: None.
6. Disposal of real estate amounting to at least NT\$300 million or 20% of the paid-in capital: None.
7. Purchase from or sale to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: none.
8. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
9. Derivative transactions: None.
10. Other: Business relationships and material transactions between parents and subsidiaries: see Schedule 5.

(II) Information on Intercorporate Investments: see Schedule 4.

(III) Investments in Mainland China: None.

(IV) Name of Major Shareholders: Name, amount and percentage of shares held by shareholders with a 5% or more ownership: see Schedule 6.

XIV. Department Information

The Company and subsidiaries assess the performance of the operating segments based on the profit or loss of each operating segment. Information on segment assets and liabilities of the Consolidated Company is not provided to key management for reference or decision making purposes, therefore, disclosure of segment assets and liabilities is not required.

Energy Business Group - Installation of wind power and solar power projects.

Electrical Engineering Group - Design, manufacture, installation and sale of power distribution panels.

Construction business group - comprehensive construction projects.

Segment revenues and operating results

The revenue and operating results of the Consolidated Company's continuing business units are analyzed by reportable segments as follows:

		July 1 to September 30, 2024				
		Energy	Electrical	Construction	Others	Total
		Business Group	Engineering Business Group	Business Group		
Segment operating revenue		NT\$ 60,596	NT\$ 72,303	NT\$ 19,303	NT\$ -	NT\$ 152,202
Segment operating profit or loss		NT\$ 29,737	NT\$ 8,770	NT\$ (1,678)	NT\$ (11,978)	NT\$ 24,851
Interest income						482
Other revenue						900
Other profits and losses						(25,258)
Share of profit or loss of subsidiaries recognized under the equity method						152
Financial cost						(5,817)
Segment pre-tax net loss						NT\$ (4,690)

		July 1 to September 30, 2023				
		Energy	Electrical	Construction	Others	Total
		Business Group	Engineering Business Group	Business Group		
Segment operating revenue		NT\$ 49,574	NT\$ 156,796	NT\$ 31,181	NT\$ -	NT\$ 237,551
Segment operating profit or loss		NT\$ 20,500	NT\$ 27,645	NT\$ 8,655	NT\$ (10,342)	NT\$ 46,458
Interest income						504
Other revenue						782
Other profits and losses						(92,923)
Share of profit or loss of subsidiaries recognized under the equity method						163
Financial cost						(6,578)
Segment pre-tax net loss						NT\$ (51,594)

		January 1 to September 30, 2024				
		Energy	Electrical	Construction	Others	Total
		Business Group	Engineering Business Group	Business Group		
Segment operating revenue		NT\$ 154,440	NT\$ 278,668	NT\$ 72,612	NT\$ -	NT\$ 505,720
Segment operating profit or loss		NT\$ 60,240	NT\$ 37,930	NT\$ 1,479	NT\$ (30,573)	NT\$ 69,076
Interest income						2,009
Other revenue						7,154
Other profits and losses						(28,003)
Share of profit or loss of subsidiaries recognized under the equity method						335
Financial cost						(20,531)
Pre-tax net profit in current period						NT\$ 30,040

		January 1 to September 30, 2023				
		Energy	Electrical	Construction	Others	Total
		Business Group	Engineering Business Group	Business Group		
Segment operating revenue		NT\$ 133,165	NT\$ 324,806	NT\$ 73,491	NT\$ -	NT\$ 531,462
Segment operating profit or loss		NT\$ 54,191	NT\$ 43,543	NT\$ 5,878	NT\$ (32,756)	NT\$ 70,856
Interest income						2,243
Other revenue						6,255
Other profits and losses						43,376
Share of profit or loss of subsidiaries recognized under the equity method						341
Financial cost						(18,457)
Pre-tax net profit in current period						NT\$ 104,614

Schedule 1

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Loans to others
January 1 to September 30, 2024

Unit: NT\$ '000

Number (Note 1)	Lending company	Borrower	Current account	Related party	Current maximum amount (Note 5)	Balance at the end of period (Note 5)	Actual amount	Interest rate range (%)	Nature of loan (Note 4)	Business transaction amount	Reasons for the necessity of short- term financing	Allowance for bad debt	Collateral		Limit of loans to individual borrowers (Note 3)	Total limit of loans (Note 3)
													N a m e	V a l u e		
1	Wan Chuan Construction Co., Ltd.	Castle Applied Inc.	Notes receivable - related parties	Yes	NT\$ 10,000	NT\$ 10,000	NT\$ -	4%	2	NT\$ -	Operating turnover	NT\$ -	-	-	NT\$ 14,892	NT\$ 59,567

Note 1: A "0" in the code column refers to the issuer. The investee companies are numbered in order by company, starting from the Arabic numeral 1.

Note 2: The total amount of the Company's loans and the limits of individual borrowers are as follows:

1. The total amount of loans shall not exceed 40% of the net amount in the most recent financial report.
2. To the extent that there is a business transaction between the loaning of funds and the business transaction between the two parties (the "business transaction amount" refers to the higher of the purchase or sale amount between the two parties) .
Where there is a need for short-term financing, the individual amount of loan shall not exceed 10% of the net value in the most recent financial report.

Note 3: The total amount of funds lending by subsidiaries and the limits of individual borrowers are as follows:

1. The total amount of loans shall not exceed 40% of the net worth of the subsidiary in the most recent financial report certified by a CPA.
2. When loaning funds to companies that need short-term financing, the loan amount shall not exceed 10% of the net worth of the subsidiary's most recent financial report certified by a CPA.

Note 4: Nature of the loaning of funds:

1. Fill in "1" for those who have business transactions.
2. Fill in 2 for those who need short-term financing.

Note 5: The amount of funds loaned to the Board of Directors.

Schedule 2

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Endorsement and guarantees for others:
January 1 to September 30, 2024

Unit: NT\$ '000

Number (Note 1)	Company name of the guarantor	Target of endorsement and guarantee		Endorsement and guarantee limit for a single company (Note 3)	Maximum endorsement and guarantee balance for the period	Ending balance of endorsement and guarantee	Actual amount	Endorsement and guarantee amount secured by assets	Ratio of cumulative guarantee amount to net worth of the most recent financial statements (%)	Maximum amount of endorsement and guarantee (Note 3)	Endorsement and guarantee from parent to subsidiary (Note 4)	Endorsement and guarantee from subsidiary to parent company (Note 4)	Endorsement and guarantee for Mainland China (Note 4)
		Company name	Relationship (Note 2)										
0	The Company	Sen-Hsin Energy Co., Ltd.	2	NT\$ 866,185	NT\$ 450,000	NT\$ 450,000	NT\$ 270,386	NT\$ -	25.98	NT\$ 1,732,371	Y	N	N
0	The Company	Chin Lai International Development Co., Ltd.	2	NT\$ 866,185	NT\$ 150,000	NT\$ 150,000	NT\$ 75,682	NT\$ -	8.66	NT\$ 1,732,371	Y	N	N

Note 1: The description of the number column is as follows:

(1) The issuer is entered as 0.

(2) The investee companies are numbered in order by company, starting from the Arabic numeral 1.

Note 2: There are two types of relationships between the guarantor and the target of the endorsement, which can be indicated as follows:

(1) Companies with business relationship.

(2) Subsidiaries where the guarantor directly holds more than 50% of the common stock.

Note 3: In accordance with the Company's operating procedures, the total amount of endorsement and guarantee shall not exceed 100% of the Company's latest net financial statements. The individual limits of the Company's external endorsement or guarantee shall not exceed 50% of the Company's net worth, and the same applies to the individual limits of the Company's endorsement and guarantee for subsidiaries directly or indirectly holding 100% of the voting shares.

Note 4: Endorsement and guarantee by a listed parent company to its subsidiary, the endorsement and guarantee by the subsidiary to the listed parent company, and the endorsement and guarantees in Mainland China are required to fill in line item Y.

Schedule 3

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Breakdown of marketable securities held at the end of the period
September 30, 2024

Unit: NT\$ '000

Company held	Type and Name of Marketable Securities	Relationship between the issuer of the securities and the Company	Accounting Item	End of period				Remarks
				Shares	Total carrying amount	Shareholding ratio (%)	Market price or equity net value	
The Company	Shares - Chateau International Development Co.,Ltd.	Other related party	Financial assets measured at fair value through profit or loss - current	1,800,330	76,514	1.49	76,514	
	Shares - Concord International Securities Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	96,802	1,878	0.03	1,878	
Le Hua Investment Co., Ltd.	Shares - Concord International Securities Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	1,298,942	25,199	0.38	25,199	
	Shares - Chateau International Development Co.,Ltd.	Other related party	Financial assets measured at fair value through profit or loss - current	55,411	2,355	0.05	2,355	
Luxe Solar Energy Co., Ltd.	Shares - Chateau International Development Co.,Ltd.	Other related party	Financial assets measured at fair value through profit or loss - current	65,190	2,771	0.05	2,771	
Wan Chuan Construction Co., Ltd.	Castle Applied Inc.	Other related party	Financial assets at fair value through other comprehensive income or loss - non-current	2,641,233	29,929	9.43	29,929	
	Wan-Hou Machinery and Electrical Engineering Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income or loss - non-current	95,000	1,487	19	1,487	
	Shares - Concord International Securities Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	1,820,123	35,310	0.54	35,310	

Note 1: Marketable securities referred to in this table are stocks, bonds, beneficiary certificates and marketable securities derived from the above items that fall within the scope of IAS 9, "Financial Instruments".

Note 2: Please refer to Schedule 4 for information on investments in subsidiaries and affiliates.

Schedule 4

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Information about the investee company, its location,, etc.
January 1 to September 30, 2024

Unit: NT\$ '000/thousand shares

Name of the investment company	Name of investee company	Location	Main business scope	Investment amount		Held at the end of the period			Income (loss) of the investee for the period	Gain (loss) on investment recognized in the period	Notes
				End of period	End of last year	Shares	Ratio (%)	Par value			
The Company	Le Hua Investment Co., Ltd.	Taiwan	Reinvestment business	NT\$ 22,000	NT\$ 20,000	2,200	100	NT\$ 28,388	NT\$ 4,173	NT\$ 4,173	
	Luxe Solar Energy Co., Ltd.	Taiwan	Energy Technical Services	5,286	4,826	546	100	4,190	(1,322)	(1,322)	
	Sen-Hsin Energy Co., Ltd.	Taiwan	Energy Technical Services	813,000	813,000	81,300	100	867,850	28,477	28,477	
	Chin Lai International Development Co., Ltd.	Taiwan	Energy Technical Services	214,110	202,320	19,179	100	227,742	11,168	9,547	(Note 1)
	Wan Chuan Construction Co., Ltd.	Taiwan	Comprehensive Construction Activities	63,000	63,000	6,300	52.5	76,426	8,596	2,801	(Note 2)
Chin Lai International Development Co., Ltd.	Qun Li Energy Co., Ltd.	Taiwan	Energy Technical Services	32,889	32,889	2,900	100	29,606	(38)	(38)	
Wan Chuan Construction Co., Ltd.	Park Ave Coworking Space Co.,Ltd.	Taiwan	Indoor Decoration	1,800	2,250	180	22.5	1,737	1,488	335	

Note 1: The investment gains and losses recognized in the current period include current gains of NT\$11,168 thousand less amortization of operating rights of NT\$ 1,621 thousand.

Note 2: The investment gains and losses recognized in the current period include the current gain of NT\$4,513 thousand less the unrealized gross profit of NT\$1,720 thousand from upstream transactions, and add the realized gross profit of NT\$8 thousand.

Schedule 5

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries
(Originally: Luxe Electric Co., Ltd)
Business relationships and material transactions between parent and subsidiary
January 1 to September 30, 2024

Unit: NT\$ '000

Number (Note 1)	Name of the transactional party	Counterparty	Relationship with the counterparty (Note 2)	Transactions (Note 6)			
				Accounting item	Amount	Transactional terms and conditions	As a percentage to consolidated total revenue or total assets (%)
0	The Company	Wan Chuan Construction Co., Ltd.	1	Prepayment for equipment purchase	NT\$ 31,052	(Note 4)	1
1	Wan Chuan Construction Co., Ltd.	Luxe Green Energy Technology Co.,Ltd.	2	Construction and engineering revenue	40,788	(Note 4)	8
				Unearned sales revenue	31,052	(Note 4)	1
		Sen-Hsin Energy Co., Ltd.	3	Construction and engineering revenue	137	(Note 4)	-
				Unearned sales revenue	904	(Note 4)	-
		Chin Lai International Development Co., Ltd.	3	Construction and engineering revenue	3,113	(Note 4)	1
				Accounts receivable	365	(Note 4)	-
				Unearned sales revenue	3,476	(Note 4)	-

Note 1: The description of the numbering column is as follows:

1. The issuer is entered as 0.
2. The investee companies are numbered in order by company, starting from the Arabic numeral 1.

Note 2: There are three types of relationship with the transactional party, and the types are indicated as follows:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary company.

Note 3: For the calculation of the percentage of the transaction amount to the total consolidated revenue or total assets, if it is an item under assets and liabilities, it is calculated as the ratio of the ending balance to the total consolidated assets; if it is an item under profit or loss, it is calculated as the ratio of the accumulated amount to the total consolidated revenue at the period to be calculated.

Note 4: Pricing is based on the price negotiated by both parties, and credit terms are determined case by case.

Note 5: The Company may decide whether to list the material transactions in this table based on the principle of materiality.

Note 6: Written-off in the preparation of the consolidated statements.

Schedule 6

Luxe Green Energy Technology Co.,Ltd. and its subsidiaries

(Originally: Luxe Electric Co., Ltd)

Name of Major Shareholders

September 30, 2024

Name of major shareholders	Shares	
	Number of shares held	Shareholding ratio (%)
Quintain Steel Co., Ltd.	15,568,543	10.03
Concord International Securities Co., Ltd.	13,754,943	8.86
Pao Li Tou Investment Co., Ltd.	10,833,893	6.98
Asahi Enterprises Corp.	9,043,420	5.83

Note 1: The information on major shareholders in this table is based on the last business day of the quarter in which the shareholders hold 5% or more of the Company's common and preferred shares in dematerialized format. The number of shares recorded in the consolidated financial statements and the actual number of shares in dematerialized format may differ depending on the basis of calculation.

Note 2: The above information is disclosed by the trustee's opening of a trust account with individual subaccounts of the trustee if the shareholders have entrusted their shares to the trust. As for the shareholder's shareholding of more than 10% of the shares of insiders reported under the Securities and Exchange Act, the shareholding includes the shareholding of the shareholder plus the shareholding of the shareholder who entrusted shares held to the trust and has the right to decide the use of the trust property.