

Ruentex Industries Ltd. and Subsidiaries
Consolidated Financial Statements
For the Three Months Ended March 31, 2025 and
2024 and Independent Auditors' Review Report
(Stock Code: 2915)

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Independent Auditors' Review Report

(114) Cai-Shen-Bao-Zi No. 25000287

To Ruentex Industries Ltd.:

Foreword

We have reviewed the consolidated balance sheets of Ruentex Industries Ltd. and its subsidiaries as of March 31, 2025 and 2024, the consolidated comprehensive income statements, equity statements and cash flow statements for the periods from January 1 to March 31, 2025 and 2024, and the notes to the consolidated financial statements (including a summary of significant accounting policies). It is the responsibility of the management to prepare the consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and issued by the Financial Supervisory Commission. It is our responsibility to draw a conclusion on the consolidated financial statements based on the review results.

Scope

In addition to those stated in the Basis for Qualified Conclusion paragraph, we conducted the review in accordance with the R.O.C. Standards on Review Engagements 2410 "Reviews of Financial Statements." The procedures executed in reviewing the consolidated financial statements include inquiry (mainly with the person in charge of financial and accounting affairs), analytical procedures, and other review procedures. The scope of a review is significantly smaller than the scope of an audit. We therefore are unable to express an audit opinion since we may not be able to identify all the significant matters that can be identified by an audit.

Basis for Qualified Conclusion

As mentioned in Note 4(3) to the consolidated financial statements, the financial statements of some non-material subsidiaries for the same period included in the above consolidated financial statements have not been reviewed by CPAs. As of March 31, 2025 and 2024, their total assets amounted to NT\$6,615,551 thousand and NT\$5,585,554 thousand, respectively, or 5.796% and 4.842% of consolidated total assets; their total liabilities were NT\$52,048 thousand and NT\$35,573 thousand, respectively, or 0.403% and 0.356% of consolidated total liabilities; their total comprehensive income for the periods from January 1 to March 31, 2025 and 2024 was NT\$(509,668) thousand and NT\$156,932 thousand, respectively, or 12.722% and 2.172% of consolidated total comprehensive income. The amounts listed in the financial statements of some of Ruentex Industries Ltd.'s investees accounted for under equity method were based on the financial statements prepared by the respective investees for the same period that were not CPA-reviewed. The balance of relevant investments accounted for under equity method as of March 31, 2025 and 2024 was NT\$8,835 thousand and NT\$10,150 thousand, respectively, or 0.008% and 0.009% of

consolidated total assets. Share of other comprehensive income of associates and joint ventures accounted for under equity method and total other comprehensive income were NT\$707 thousand and NT\$705 thousand for the periods from January 1 to March 31, 2025 and 2024, respectively, constituting 0.018% and 0.010% of total consolidated comprehensive income.

Qualified Conclusion

Based on our review results, the financial statements of some non-material subsidiaries and investees accounted for under the equity method mentioned in the Basis for Qualified Conclusion paragraph might have caused an impact on the consolidated financial statements that requires an adjustment if they were reviewed by CPAs. We found that the above consolidated financial statements were prepared in all material respects in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and issued by the Financial Supervisory Commission and present fairly the consolidated financial position of Ruentex Industries Ltd. and its subsidiaries as of March 31, 2025 and 2024, and the consolidated financial performance and consolidated cash flows for the periods from January 1 to March 31, 2025 and 2024.

PwC Taiwan

Shu-chiung Chang

Certified Public Accountant

Ming-chuan Hsu

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

Financial Supervisory Commission's Approval Certificate No.:
Jin-Guan-Zheng-Shen-Zi No. No. 1050029449

May 14, 2025

Ruentex Industries Ltd. and Subsidiaries
Consolidated Balance Sheet
March 31, 2025, December 31, 2024, and March 31, 2024

Unit: NT\$ thousands

			March 31, 2025		December 31, 2024		March 31, 2024	
Assets		Notes	Amount	%	Amount	%	Amount	%
Current Assets								
1100	Cash and cash equivalents	6(1)	\$ 4,172,109	4	\$ 3,858,445	3	\$ 3,665,477	3
1136	Financial assets measured by amortized cost - current	6(6)	82,481	-	94,506	-	22,246	-
1150	Net bills receivable	6(2)	-	-	2	-	189	-
1160	Bills receivable - related parties - net	6(2) and 7	1,001	-	49	-	884	-
1170	Net Accounts Receivable	6(2) and 12 (2)	139,187	-	183,928	-	171,810	-
1180	Accounts receivable - related parties - net	6(2), 7 and 12(2)	2,287	-	1,138	-	2,461	-
1200	Other receivables		15,541	-	180,435	-	15,381	-
1210	Other Receivables - related party	7	9,668	-	4,827	-	8,709	-
1220	Current tax assets		184	-	-	-	1,499	-
130X	Inventories	6(3) and 8	643,019	1	618,853	1	493,676	1
1410	Prepayments		44,925	-	131,657	-	26,759	-
1460	Non-current assets held for sale, net	6(13)	113,425	-	113,425	-	-	-
1470	Other Current Assets		536	-	693	-	888	-
11XX	Total current assets		5,224,363	5	5,187,958	4	4,409,979	4
Non-current assets								
1510	Financial assets at fair value through profit or loss - non- current	6(4)	3,358,624	3	3,373,354	3	3,037,463	3
1517	Financial assets at fair value through other comprehensive income - non-current	6(5), 7 and 8	9,594,686	9	9,597,080	8	7,060,854	6
1535	Amortized cost financial Assets - non-Current	6(6) and 8	317,800	-	317,800	-	317,800	-
1550	Investments accounted for using equity method	6(7), 7 and 8	83,784,582	73	87,880,650	75	89,194,697	77
1600	Property, plant, and equipment	6(8) and 8	1,248,669	1	1,251,246	1	1,379,216	1
1755	Right-of-use assets	6(9)	157,629	-	58,929	-	87,671	-
1760	Net value of investment properties	6(11) and 8	9,363,630	8	9,363,630	8	8,801,563	8
1780	Intangible Assets	6(12)	796	-	995	-	683	-
1840	Deferred tax Assets		1,018,719	1	915,211	1	984,402	1
1900	Other non-current Assets	6(2)(14)	76,077	-	99,646	-	75,172	-
15XX	Total non-current assets		108,921,212	95	112,858,541	96	110,939,521	96
1XXX	Total Assets		\$ 114,145,575	100	\$ 118,046,499	100	\$ 115,349,500	100

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Ruentex Industries Ltd. and Subsidiaries
Consolidated Balance Sheet
March 31, 2025, December 31, 2024, and March 31, 2024

Unit: NT\$ thousands

Liabilities and Equity			March 31, 2025		December 31, 2024		March 31, 2024	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term borrowings	6(15) and 8	\$ 250,000	-	\$ 250,000	-	\$ 750,000	1
2130	Contract liabilities - current	6(24)	30,441	-	41,372	-	31,737	-
2150	Notes payable		96,839	-	93,353	-	123,735	-
2160	Notes payable - related party	7	64	-	444	-	32	-
2170	Accounts Payable		202,446	-	203,900	-	197,062	-
2180	Accounts payable - related party	7	-	-	759	-	29	-
2200	Other payables	6(16)	200,351	-	297,887	1	190,299	-
2220	Other Payable - Related Party	7	362	-	1,462	-	356	-
2230	Income tax liabilities of current period		165,794	-	165,794	-	594	-
2280	Lease liabilities - current	6(9)	51,911	-	41,795	-	47,628	-
2320	Long-term liabilities due within one year or one operating cycle	6(17) and 8	825,000	1	625,000	1	600,000	1
2399	Other current liabilities - other		13,041	-	12,086	-	12,019	-
21XX	Total Current Liabilities		1,836,249	1	1,733,852	2	1,953,491	2
Non-current liabilities								
2540	Long-term borrowings	6(17) and 8	8,470,000	7	8,595,000	7	5,745,000	5
2570	Deferred income tax liabilities		1,639,328	2	1,607,619	1	1,462,469	1
2580	Lease liabilities - non-current	6(9)	106,721	-	17,977	-	41,216	-
2600	Other non-Current liabilities	6(18)	869,289	1	861,747	1	803,070	1
25XX	Total Non-Current Liabilities		11,085,338	10	11,082,343	9	8,051,755	7
2XXX	Total Liabilities		12,921,587	11	12,816,195	11	10,005,246	9
Equity								
Equity attributed to owners of the parent								
3110	Share capital	6(20)	11,043,188	10	11,043,188	9	11,043,188	10
3200	Capital surplus	6(21)	28,252,071	25	28,252,294	24	28,171,245	24
	Retained earnings	6(22)						
3310	Legal reserve		4,518,212	4	4,518,212	4	3,780,852	3
3320	Special reserve		65,674,032	58	65,674,032	56	76,379,565	66
3350	Undistributed earnings		31,474,730	28	28,177,108	24	11,841,489	10
3400	Other equities	6(23)	(41,849,210)	(37)	(34,764,850)	(29)	(27,523,513)	(24)
3500	Treasury stock	6(20)	(552,479)	(1)	(552,479)	(1)	(552,479)	-
31XX	Total equity attributable to owners of parent		98,560,544	87	102,347,505	87	103,140,347	89
36XX	Non-controlling Interest	6(33)	2,663,444	2	2,882,799	2	2,203,907	2
3XXX	Total Equity		101,223,988	89	105,230,304	89	105,344,254	91
	Significant Contingent Liabilities and Unrecognized Commitments	9						
	Significant subsequent events	11						
3X2X	Total Liabilities and Equity		\$ 114,145,575	100	\$ 118,046,499	100	\$ 115,349,500	100

The accompanying notes are an integral part of these consolidated financial statements.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: Chang, Hsiu-Yen

Ruentex Industries Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31, 2025 and 2024

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

Item	Notes	January 1 to March 31, 2025		January 1 to March 31, 2024	
		Amount	%	Amount	%
4000 Operating Revenue	6(24) and 7	\$ 648,982	100	\$ 702,431	100
5000 Operation cost	6(3)(25) (30)(31) and 7	(437,069)	(67)	(482,871)	(68)
5900 Gross profit		211,913	33	219,560	32
Operating Expenses	6(30) (31)				
6100 Selling expenses		(146,093)	(22)	(148,444)	(21)
6200 General & administrative expenses		(76,319)	(12)	(61,654)	(9)
6450 Expected credit impairment gains	6(30) and 12 (2)	1,708	-	83	-
6000 Total Operating Expenses		(220,704)	(34)	(210,015)	(30)
6900 Operating Profit (loss)		(8,791)	(1)	9,545	2
Non-operating Income and Expenses					
7100 Interest revenue	6(26) and 7	36,518	6	33,997	5
7010 Other income	6(27) and 7	14,847	2	13,781	2
7020 Other gains and losses	6(28)	2,971	-	67,945	9
7050 Financial Costs	6(29)	(47,551)	(7)	(37,115)	(5)
7060 Share of income of associates and joint ventures accounted for using the equity method	6(7)	3,313,396	510	4,425,802	630
7000 Total non-operating income and expenses		3,320,181	511	4,504,410	641
7900 Net profit before tax		3,311,390	510	4,513,955	643
7950 Income tax expense	6 (32)	(3,265)	-	(35,218)	(5)
8200 Net income of current period		\$ 3,308,125	510	\$ 4,478,737	638

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Ruentex Industries Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31, 2025 and 2024

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

Item	Notes	January 1 to March 31, 2025		January 1 to March 31, 2024	
		Amount	%	Amount	%
Other comprehensive income (net)					
Items not to be reclassified into profit or loss					
8316	Unrealized profit or loss on equity investments at fair value through other comprehensive income	6(5)			
			(\$ 36,218) (5)	\$ 644,002	92
8320	Share of other comprehensive income of associates and joint ventures accounted for under equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(23)			
			(169,229) (26)	27,667	4
8349	Income tax relating to non-reclassified items	6 (32)			
			33,841 5	(67,996) (10)	
8310	Total of items not to be reclassified into profit or loss		(171,606) (26)	603,673	86
Items may be reclassified subsequently to profit or loss					
8361	Exchange differences on translating foreign operations		81,059 12	190,658	27
8370	Share of other comprehensive income of associates and joint ventures accounted for using the equity method - items that may be reclassified subsequently to profit or loss	6(23)			
			(7,240,202) (1116)	1,904,111	271
8399	Income tax related to items may be reclassified into profit or loss	6 (32)			
			16,531 3	47,512	7
8360	Total of items may be reclassified subsequently to profit or loss		(7,142,612) (1101)	2,142,281	305
8300	Other comprehensive income (net)		(\$ 7,314,218) (1127)	\$ 2,745,954	391
8500	Total comprehensive income for this period		(\$ 4,006,093) (617)	\$ 7,224,691	1029
Profit attributable to:					
8610	Owners of the parent		\$ 3,297,596 508	\$ 4,467,889	636
8620	Non-controlling Interest		\$ 10,529 2	\$ 10,848	2
Comprehensive Income attributed to:					
8710	Owners of the parent		(\$ 3,786,738) (583)	\$ 7,087,253	1009
8720	Non-controlling Interest		(\$ 219,355) (34)	\$ 137,438	20
Earnings per share					
9750	Basic earnings per share	6(34)			
			\$ 3.16	\$ 4.28	
9850	Diluted earnings per share		\$ 3.16	\$ 4.28	

The accompanying notes are an integral part of these consolidated financial statements.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG, Hsiu-Yen

Ruentex Industries Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
For the Three Months Ended March 31, 2025 and 2024

Unit: NT\$ thousands

Notes	Equity attributed to owners of the parent								Non-controlling Interest	Total Equity
	Share capital	Capital surplus	Retained earnings			Other equities	Treasury stock	Total		
			Legal reserve	Special reserve	Undistributed earnings					
	\$ 11,043,188	\$ 28,171,512	\$ 3,780,852	\$ 76,379,565	\$ 7,373,600	(\$ 30,142,877)	(\$ 552,479)	\$ 96,053,361	\$ 2,066,469	\$ 98,119,830
6(22)	-	-	-	-	4,467,889	-	-	4,467,889	10,848	4,478,737
6(23)(33)	-	-	-	-	-	2,619,364	-	2,619,364	126,590	2,745,954
	-	-	-	-	4,467,889	2,619,364	-	7,087,253	137,438	7,224,691
6(21)	-	(267)	-	-	-	-	-	(267)	-	(267)
	\$ 11,043,188	\$ 28,171,245	\$ 3,780,852	\$ 76,379,565	\$ 11,841,489	(\$ 27,523,513)	(\$ 552,479)	\$ 103,140,347	\$ 2,203,907	\$ 105,344,254
	\$ 11,043,188	\$ 28,252,294	\$ 4,518,212	\$ 65,674,032	\$ 28,177,108	(\$ 34,764,850)	(\$ 552,479)	\$ 102,347,505	\$ 2,882,799	\$ 105,230,304
6(22)	-	-	-	-	3,297,596	-	-	3,297,596	10,529	3,308,125
6(23)(33)	-	-	-	-	-	(7,084,334)	-	(7,084,334)	(229,884)	(7,314,218)
	-	-	-	-	3,297,596	(7,084,334)	-	(3,786,738)	(219,355)	(4,006,093)
6(21)	-	(195)	-	-	-	-	-	(195)	-	(195)
6(21)(22)(23)	-	(28)	-	-	26	(26)	-	(28)	-	(28)
	\$ 11,043,188	\$ 28,252,071	\$ 4,518,212	\$ 65,674,032	\$ 31,474,730	(\$ 41,849,210)	(\$ 552,479)	\$ 98,560,544	\$ 2,663,444	\$ 101,223,988

The accompanying notes are an integral part of these consolidated financial statements.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: Chang, Hsiu-Yen

Ruentex Industries Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2025 and 2024

Unit: NT\$ thousands

	Notes	January 1 to March 31, 2025	January 1 to March 31, 2024
<u>Cash flows from operating activities</u>			
Profit before Income Tax current period		\$ 3,311,390	\$ 4,513,955
Adjustments			
Income and expenses			
Depreciation expense	6(30)	25,311	23,912
Amortization	6(30)	522	297
Gain on reversal of expected credit impairment loss	6(30)	(1,708)	(83)
Interest Cost	6(29)	47,551	37,115
Dividend income	6(27)	(4,795)	(3,086)
Interest revenue	6(26)	(36,518)	(33,997)
Share of income of associates and joint ventures accounted for using the equity method	6(7)	(3,313,396)	(4,425,802)
Gain (loss) on disposal of property, plant and equipment	6(28)	636	(15)
Gain from the price recovery of inventory declines	6(3)(30)	(5,947)	(7,194)
Net foreign exchange gains		(1,986)	(178,612)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		14,730	(7,385)
Notes receivable		2	130
Notes Receivable – related party	(	952)	(44)
Accounts receivable		46,437	(13,880)
Accounts receivable - related party	(	901)	(1,021)
Other receivables		164,048	49
Other receivables - related Party	(	2,653)	225
Inventories		50,155	26,312
Prepayments	(	6,193)	(6,030)
Other Current Assets		157	(317)
Net defined benefit asset (listed as “non-current assets”)	(	923)	(761)
Net change in liabilities related to operating activities			
Contract liabilities	(	10,931)	(3,856)
Notes payable		3,486	26,350
Notes Payable – related Party	(	380)	(356)
Accounts Payable	(	1,673)	(6,820)
Accounts Payable – related Party	(	759)	-
Other payables	(	97,590)	(85,680)
Other Payable - Related Party	(	1,100)	(1,809)
Other Current liabilities		955	424
Other non-Current liabilities		1	(180)
Cash inflow (outflow) from operations		176,976	(148,159)
Interest received		33,771	43,510
Interest paid	(	47,931)	(39,411)
Income tax paid	(	271)	(1,517)
Income tax refunded		-	79
Net cash inflow (outflow) from operating activities		162,545	(145,498)

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Ruentex Industries Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2025 and 2024

Unit: NT\$ thousands

	Notes	January 1 to March 31, 2025	January 1 to March 31, 2024
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at fair value through other comprehensive income	6(5)	\$ -	(\$ 53,204)
Disposal of financial assets at amortized cost		13,552	4,345,804
Real estate, plant and equipment acquired	6(35)	(10,202)	(8,445)
Disposal of real estate properties, plants and equipment	6(35)	1,546	6,642
Acquisition of intangible assets	6(35)	(323)	(118)
Increase in refundable deposits (listed in “other non-current assets”)		(48)	(480)
Decrease in refundable deposits (listed in “other non-current assets”)		24,540	-
Decrease in prepayments for business facilities (recognized in “other non-current assets”)		-	(1,909)
Dividends received		4,795	3,086
Net cash inflow from investing activities		<u>33,860</u>	<u>4,291,376</u>
<u>Cash flows from financing activities</u>			
Increase in short-term borrowings	6(36)	-	400,000
Proceeds from long-term borrowings	6(36)	5,450,000	1,000,000
Repayments of long-term borrowings	6(36)	(5,375,000)	(9,300,000)
Increase in guarantee deposits received (listed in “other non-current liabilities”)	6(36)	18,570	33,913
Decrease in guarantee deposits received (listed in “other non-current liabilities”)	6(36)	(11,029)	(21,424)
Principal elements of lease payments	6(9)(36)	(13,011)	(13,049)
Net cash inflow (outflow) from financing activities		<u>69,530</u>	<u>(7,900,560)</u>
Net effect of changes in foreign currency exchange rates on cash and cash equivalent		47,729	171,197
Net increase (decrease) in cash and cash equivalents		313,664	(3,583,485)
Cash and cash equivalents at the beginning of the period		3,858,445	7,248,962
Cash and cash equivalents, end of period		<u>\$ 4,172,109</u>	<u>\$ 3,665,477</u>

The accompanying notes are an integral part of these consolidated financial statements.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG, Hsiu-Yen

Ruentex Industries Ltd. and Subsidiaries
Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2025 and 2024 and Independent Auditors' Review Report

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

I. History and Organization

For Ruentex Industries Ltd. (hereinafter referred to as the "Company"), it was originally merged from Huaxin Textile Co., Ltd. and Ruentex Textile Dyeing & Finishing Industry Co., Ltd. to Huaxin Ruentex Co., Ltd. on January 14, 1976, and was renamed Ruentex Textile Co., Ltd. on May 14, 1990, and later renamed Ruentex Industries Ltd. on July 25, 2002. The Company's stock was approved by the competent authority and was listed on the Taiwan Stock Exchange in July 1977. The main business items of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") are the textile business, including manufacturing, processing, dyeing and finishing, printing, and marketing of woven fabrics, garments, knitted fabrics, and woven fabric items, and the construction business, including commissioning of construction companies to build public housing projects and office buildings as well as leasing and sales of property. In 1997, it engaged in the operation and management of shopping malls and markets and import for its hypermarket business.

II. Date and Procedure for Approval of Financial Statements

The consolidated financial statements were authorized for issuance by the Company's board of directors on May 14, 2025.

III. Application of New Standards, Amendments and Interpretations

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

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

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

The above standards and interpretations have no significant impact on the Group's financial position and financial performance based on the Group's assessment.

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

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

<u>New and revised standards, amendments to standards and interpretations</u>	<u>Effective date published by the International Accounting Standards Board</u>
Some Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026

The above standards and interpretations have no significant impact on the Group’s financial position and financial performance based on the Group’s assessment.

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

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

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

Except for the following, the above standards and interpretations have no significant impact on the Group’s financial position and financial performance based on the Group’s assessment.

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

The Financial Supervisory Commission has approved some of these amendments. The parts that have not yet been approved are explained as follows:

- (1) They are to clarify the dates of recognition and derecognition of certain financial assets and liabilities, add that when a financial liability (or part of a financial liability) is settled in cash using an electronic payment system, if and only if an enterprise initiates a payment instruction that results in the following, the enterprise is allowed to have its financial liabilities discharged before the settlement date:
 - A. The enterprise does not have the ability to withdraw, stop, or cancel the payment instruction;
 - B. The enterprise has no actual ability to obtain cash for settlement due to the payment instruction;
 - C. The settlement risk related to the electronic payment system is not significant.
- (2) It is updated that the fair values of equity instruments designated as at fair value through other comprehensive income through an irrevocable election should be disclosed on a per-category basis without a need to disclose the fair value per instrument. In addition, the amount of fair value gain or loss recognized in other comprehensive income during the reporting period should be disclosed and separately presented in the amount of fair value gain or loss related to the investments that were derecognized during the reporting period, the amount of fair value gain and loss related to the investments still held at the end of the reporting period; and cumulative gains and losses from investments derecognized during the reporting period and transferred to equity during the reporting period.

2. Impact of IFRS 17, “Insurance Contracts” and its amendments on investments using the equity method.

(1) IFRS 17 “Insurance Contracts”

IFRS 17 “Insurance Contracts” replace IFRS 4, and establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts issued. The standard applies to the insurance contracts, including reinsurance contracts, issued by an entity, reinsurance contracts it holds, and investment contracts with discretionary participation features it issues, provided the entity also issues insurance contracts. Separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts. At the original recognition, an entity shall divide a portfolio of insurance contracts issued to three groups: a group of contracts that are onerous at initial recognition, a group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently, and a group of the remaining contracts in the portfolio. IFRS 17 requires present value measurement model, and remeasurement to such estimates at each reporting period. The measurement is based on the cash flow, risk-adjustment, and the element representing

the unearned profit (contractual service margins) after discounting and probability-weighting the contracts. An entity may apply a simplified measurement approach (the premium allocation approach) to some insurance contracts. Recognizes the profit from a group of insurance contracts over the period the entity provides insurance coverage, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognizes the loss immediately. An entity shall recognize and report the insurance revenue, insurance service expenses, and insurance finance income or expenses separately, and disclose the amount, judgement, and risk related information from the insurance contracts.

(2) Amendment to IFRS 17 “Insurance Contracts”

The amendments include deferred effective dates, expected recovery of insurance acquisition cash flows, contractual service margin attributable to investment services, reinsurance contracts held - recovery of losses and other amendments that do not change the fundamental principles of the standard.

(3) Amendments to IFRS 17 - “Initial Application of IFRS 17 and IFRS 9—Comparative Information”

The amendment to IFRS 17 allows an entity to apply a classification overlay in the comparative periods presented on initial application of IFRS 17. The application allows an entity to align the classification of financial assets, including financial assets that are held in respect of an activity that is unconnected with contracts within the scope of IFRS 17, in the comparative period with the way the entity expects those assets to be classified on initial application of IFRS 9, on an instrument-by-instrument basis. An entity that has already applied IFRS 9 or is applying both IFRS 9 and IFRS 17 for the first time may choose to apply a classification overlay.

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

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

IV. Summary of Significant Accounting Policies

The compliance statement, basis of preparation, basis of consolidation, and additions are described as follows. The other significant accounting policies are the same as those in Note 4 to the 2024 consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(I) Compliance statement

1. These consolidated financial statements have been prepared in accordance with the “Rules Governing the Preparation of Financial Statements by Securities Issuers” and IAS 34 “Interim Financial Reporting” endorsed and issued by the Financial Supervisory Commission.
2. These consolidated financial statements shall be read in conjunction with the 2024 consolidated financial statements.

(II) Basis of preparation

1. Except the following material items, these consolidated financial statements have been prepared under the historical cost convention:
 - (1) Financial assets (including derivative instruments) at fair value through profit or loss.
 - (2) Financial assets at fair value through other comprehensive income.
 - (3) Investment property subsequently measured at fair value
 - (4) Defined benefit assets liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
2. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed and issued into effect by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(III) Basis of consolidation

1. Basis for preparation of consolidated financial statements

The basis for preparation of these consolidated financial statements are the same as that of the 2024 consolidated financial statements.

2. Subsidiaries included in the consolidated financial statements:

			<u>Percentage of shareholding (%)</u>			<u>Description</u>
<u>Name of the investing company</u>	<u>Name of subsidiary</u>	<u>Business nature</u>	<u>March 31, December 31,</u>		<u>March 31,</u>	
			<u>2025</u>	<u>2024</u>	<u>2024</u>	
Ruentex Industries Ltd.	Gin-Hong Investment Co., Ltd. (Gin-Hong)	Investment	55.00	55.00	55.00	Notes 1, 2, and 3
Ruentex Industries Ltd.	Shing Yen Construction & Development Co., Ltd. (Shing Yen)	Construction Business	50.94	50.94	50.94	Note 1

<u>Name of the investing company</u>	<u>Name of subsidiary</u>	<u>Business nature</u>	<u>Percentage of shareholding (%)</u>			<u>Description</u>
			<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	
	Construction & Development)					
Ruentex Industries Ltd.	Kompass Global Sourcing Solutions Ltd. (Kompass)	International Trade	100.00	100.00	100.00	Note 1 & 2
Ruentex Industries Co., Ltd.	Full Shine International Holding Ltd. (Full Shine)	Investment	100.00	100.00	100.00	Note 1 & 2
Ruentex Industries Ltd.	Gold Leaf International Group Co., Ltd. (Gold Leaf)	International Trade	100.00	100.00	100.00	Note 1 & 2
Ruentex Industries Ltd.	East Capital International Limited. (East Capital)	Investment	100.00	100.00	100.00	Note 1
Ruentex Industries Ltd.	New Zone International Limited. (New Zone)	Investment	100.00	100.00	100.00	Note 1
Ruentex Industries Ltd.	Concord Greater China Limited. (Concord)	Investment	42.42	42.42	42.25	Notes 1, 2, 4, and 7
Full Shine International Holding Ltd.	Sinopac Global Investment Ltd. (Sinopac)	Investment	49.06	49.06	49.06	Notes 1, 2, and 6
Sinopac Global Investment Ltd.	Concord Greater China Limited. (Concord)	Investment	15.57	15.57	15.51	Notes 1, 2, 4, and 7
East Capital International Limited.	Shanghai Newzone Fashion Ltd. (Shanghai Newzone)	Trade	23.08	23.08	23.08	(Notes 1 & 5)
New Zone International Limited.	Shanghai Newzone Fashion Ltd. (Shanghai Newzone)	Trade	76.92	76.92	76.92	(Notes 1 & 5)

Note 1: As it does not meet the definition of a material subsidiary, its financial statements as of March 31, 2025 and 2024 have not been reviewed by CPAs.

Note 2: Audited by other independent accountants for the year ended December 31, 2024.

Note 3: Gin-Hong Investment held 36,593,388 ordinary shares issued by the Company on March 31, 2025, December 31, 2024, and March 31, 2024, respectively, accounting

for around 3.31% of the Company's outstanding ordinary shares, respectively.

Note 4: As of March 31, 2025, December 31, 2024, and March 31, 2024, the Company's ownership of Concord's shares is 42.42%, 42.42%, and 42.25%, respectively; the Company's subsidiary Full Shine holds 15.57%, 15.57%, and 15.51%, respectively, of its shares indirectly; therefore, the Company's comprehensive ownership of Concord's voting rights is 57.99%, 57.99%, and 57.76%, respectively.

Note 5: The comprehensive ownership is 100%.

Note 6: Although the Group's ownership of Sinopac's shares through the subsidiary Full Shine does not reach 50%, it has decision-making power over Sinopac's finance, operations, and personnel, and thus has control over it, so it is included in the consolidated financial statements prepared by the Group.

Note 7: In order to protect the interests of shareholders, Concord bought back 166,666 shares outstanding in April 2024 and canceled the shares in the same month, resulting in shareholdings by the Company and its subsidiary Sinopac invested in through its subsidiary Full Shine in Concord's shares increasing from 42.25% to 42.42% and from 15.51% to 15.57%, respectively.

3. Subsidiaries not included in the consolidated financial statements.

None.

4. Adjustments for subsidiaries with different balance sheet dates.

None.

5. Significant restrictions.

None.

6. Subsidiaries that have non-controlling interests that are material to the Group.

None.

(IV) Employee benefits

Pension - defined benefit plan

The pension cost for the interim period was calculated using the actuarially determined pension cost rate at the end of the previous fiscal year based on the period from the beginning of the year to the end of the current period. If there are significant market changes and major reductions, settlements or other significant one-time events after the end date, adjustments will be made accordingly, and the relevant information will be disclosed in accordance with the aforementioned policies.

(V) Income tax

The annual average effective tax rate used to estimate the interim income tax expense shall be used to calculate the interim income before tax, and the relevant information is disclosed in accordance with the aforementioned policies.

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

There was no significant change in the current period. Please refer to Note 5 to the 2024 consolidated financial statements.

VI. Details of Significant Accounts

(I) Cash and cash equivalents

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Cash on hand and revolving funds	\$ 3,845	\$ 4,253	\$ 5,173
Checking deposits	116,166	59,203	52,018
Demand deposits	469,670	441,700	1,044,588
Time deposits	3,218,427	2,983,679	2,293,627
Cash equivalents - Bonds under repurchase agreements	<u>364,001</u>	<u>369,610</u>	<u>270,071</u>
	<u>\$ 4,172,109</u>	<u>\$ 3,858,445</u>	<u>\$ 3,665,477</u>

1. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
2. The Group did not pledge cash and cash equivalents to others as collateral.

(II) Notes and accounts receivable

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Notes receivable	\$ -	\$ 2	\$ 189
Notes Receivable – related party	<u>1,001</u>	<u>49</u>	<u>884</u>
	<u>\$ 1,001</u>	<u>\$ 51</u>	<u>\$ 1,073</u>
Accounts receivable	\$ 141,609	\$ 188,058	\$ 171,836
Less: Allowance for loss	<u>(2,422)</u>	<u>(4,130)</u>	<u>(26)</u>
	139,187	183,928	171,810
Accounts receivable - related party	<u>2,287</u>	<u>1,138</u>	<u>2,461</u>
	<u>\$ 141,474</u>	<u>\$ 185,066</u>	<u>\$ 174,271</u>
Overdue receivable	4,088	4,088	4,088
Less: Allowance for loss	<u>(4,088)</u>	<u>(4,088)</u>	<u>(4,088)</u>
Overdue receivable, net (listed as "other non-current assets")	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

1. The aging analysis of notes receivable (including related parties) and accounts receivable

(including related parties) is as follows:

	<u>March 31, 2025</u>			<u>December 31, 2024</u>		
	<u>Notes</u> <u>receivable</u>	<u>Accounts</u> <u>receivable</u>	<u>Overdue</u> <u>receivable</u>	<u>Notes</u> <u>receivable</u>	<u>Accounts</u> <u>receivable</u>	<u>Overdue</u> <u>receivable</u>
Not overdue	\$ 1,001	\$ 133,205		\$ 51	\$ 168,827	\$ -
Past due 1-90 days	-	8,586	-	-	16,739	-
91-365 days	-	2,105	-	-	3,630	-
Over 365 days	-	-	4,088	-	-	4,088
	<u>\$ 1,001</u>	<u>\$ 143,896</u>	<u>\$ 4,088</u>	<u>\$ 51</u>	<u>\$ 189,196</u>	<u>\$ 4,088</u>

	<u>March 31, 2024</u>		
	<u>Notes</u> <u>receivable</u>	<u>Accounts</u> <u>receivable</u>	<u>Overdue</u> <u>receivable</u>
Not overdue	\$ 1,073	\$ 164,527	\$ -
Past due 1-90 days	-	9,734	-
91-365 days	-	36	-
Over 365 days	-	-	4,088
	<u>\$ 1,073</u>	<u>\$ 174,297</u>	<u>\$ 4,088</u>

The aging analysis was based on past due date.

- The balance of notes and accounts receivable as of March 31, 2025, December 31, 2024, and March 31, 2024 was all generated from customer contracts. In addition, the balance of receivables from customer contracts as of January 1, 2024 was NT\$157,059.
- The Group's maximum exposure to credit risk, before consideration of associated collateral held and other credit enhancements, was NT\$1,001, NT\$51, and NT\$1,073 for notes receivable as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively; NT\$141,474, NT\$185,066, and NT\$174,271 for accounts receivable as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively.
- The Group did not hold any collateral as security.
- For credit risk information related to accounts receivable and notes receivable, please refer to Note 12(2).

(III) Inventories

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Textile Business Department:			
Raw materials	\$ 25,776	\$ 32,086	\$ 17,891
Supplies	153	153	153
Finished goods	45,966	64,494	49,395
Merchandise inventory	221,036	228,750	245,122
Less: Allowance for valuation losses	(98,976)	(105,447)	(122,160)
Subtotal	<u>193,955</u>	<u>220,036</u>	<u>190,401</u>
Wholesale Business Department:			
Work in process	1,229	1,234	1,079
Merchandise inventory	64,131	81,735	74,928
Less: Allowance for valuation losses	(1,147)	(623)	(1,774)
Subtotal	<u>64,213</u>	<u>82,346</u>	<u>74,233</u>
Construction Business Department:			
Building and land held for sale	59,055	59,055	59,055
Construction land	399,331	330,951	243,522
Less: Allowance for valuation losses	(73,535)	(73,535)	(73,535)
Subtotal	<u>384,851</u>	<u>316,471</u>	<u>229,042</u>
Total	<u>\$ 643,019</u>	<u>\$ 618,853</u>	<u>\$ 493,676</u>

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

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Cost of inventories sold	\$ 441,676	\$ 488,422
loss on physical inventory	446	306
Gain on declining price recovery	(5,947)	(7,194)
Loss on inventory scrap	<u>894</u>	<u>1,337</u>
	<u>\$ 437,069</u>	<u>\$ 482,871</u>

- For the periods from January 1 to March 31, 2025 and 2024, the Group sold inventories that had been recognized in valuation loss in prior years, resulting in a recovery in the net realizable value of the inventories, which is recognized as a decrease in sales cost.
- For the collateral status for the inventory of the aforementioned Construction Business Department, please refer to Note 8.

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

<u>Item</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Non-current items:			
Financial assets at fair value through profit or loss (mandatory)			
Foreign investments			
Privately offered fund	\$ 2,424,341	\$ 2,439,071	\$ 2,415,518
Adjustments for valuation	<u>934,283</u>	<u>934,283</u>	<u>621,945</u>
Total	<u>\$ 3,358,624</u>	<u>\$ 3,373,354</u>	<u>\$ 3,037,463</u>

1. The amount of recognized in profit or loss for financial assets at fair value through profit and loss during both the periods from January 1 to March 31, 2025 and 2024 was NT\$0.
2. The amount of dividend income recognized in profit or loss for financial assets at fair value through profit and loss for the periods from January 1 to March 31, 2025 and 2024 was NT\$4,795 and NT\$3,086, respectively.
3. The Group did not pledge financial assets at fair value through profit or loss as collateral.
4. For information on the fair value of financial assets at fair value through profit and loss, please refer to Note 12 (3).

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

<u>Item</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Non-current items:			
Equity Instrument			
Domestic investment			
Shares of TWSE/TPEX listed companies	\$ 3,910,803	\$ 3,910,803	\$ 3,574,587
Shares of the TPEX-listed companies	240,000	240,000	9,059
Unlisted stocks	50,411	50,411	50,411
Subtotal	4,201,214	4,201,214	3,634,057

Item	March 31, 2025	December 31, 2024	March 31, 2024
Adjustments for valuation			
Shares of TWSE/TPEX listed companies	3,242,128	2,751,687	1,678,334
Shares of the TPEX-listed companies	(41,800)	(41,800)	44,431
Unlisted stocks	<u>45,231</u>	<u>45,231</u>	<u>50,746</u>
Subtotal	<u>3,245,559</u>	<u>2,755,118</u>	<u>1,773,511</u>
Total	<u>7,446,773</u>	<u>6,956,332</u>	<u>5,407,568</u>
Foreign investments			
Shares of TWSE listed companies	<u>7,174,595</u>	<u>7,174,595</u>	<u>7,185,039</u>
Adjustments for valuation			
Shares of TWSE listed companies	(4,997,865)	(4,471,206)	(5,430,037)
Effects of exchange rate changes	(28,817)	(62,641)	(101,716)
Total	<u>2,147,913</u>	<u>2,640,748</u>	<u>1,653,286</u>
Total	<u>\$ 9,594,686</u>	<u>\$ 9,597,080</u>	<u>\$ 7,060,854</u>

1. The Group elected to classify the strategic investments in equity instruments as financial assets at fair value through other comprehensive income, amounting to NT\$9,594,686, NT\$9,597,080, and NT\$7,060,854 as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively.
2. In November 2024, the Group subscribed for 3,500 thousand shares of OBI Pharma, Inc., a TPEX-listed company, in its cash capital increase in an amount of NT\$224,000.
3. The equity instruments of Ruentex Interior Design Inc. (Ruentex Interior Design) held by the Group:
 - (1) Ruentex Interior Design was approved by the shareholders' meeting on May 27, 2024 to issue cash dividends from the original capital surplus contributed to by shareholders. The Group received cash dividends of NT\$51 on July 22, 2024. This was regarded as a reduction of the Group's original cost of the holding.
 - (2) In order to cooperate with the public underwriting before the initial listing on Taipei Exchange by Ruentex Interior Design, the board of directors approved by resolution, on March 26, 2024. The Group did not subscribe in proportion to the original shareholding, and the shareholding fell from 2.47% to 2.23%.
 - (3) Ruentex Interior Design was initially listed on Taipei Exchange (TPEX) on May 21, 2024. Therefore, the Group reclassified the shares held from the emerging stock market stock to the TPEX-listed stock. The adjustments to the cost and valuation gains are NT\$9,059 and NT\$44,431, respectively.

4. In April 2024, the Group participated in the capital increase by cash of the listed company, Tanvex BioPharma, Inc., and subscribed for 2,267 thousand shares in an amount of NT\$108,818.
5. In March 2024, the Group participated in the capital increase by cash of the TPEX-listed company, TaiMed Biologics, Inc., and subscribed for 649 thousand shares in an amount of NT\$53,204.
6. Sunny Friend Environmental Technology Co., Ltd., a TWSE-listed company held by the Group, was approved by the shareholders' meeting on May 24, 2024 to issue cash dividends from the original capital surplus contributed to by shareholders. The Group received cash dividends of NT\$3,995 on July 6, 2024. This was regarded as a reduction of the Group's original cost of the holding.
7. In June 2024, the Group participated in the capital increase by cash of AP Biosciences Inc., listed on the emerging stock market, and subscribed for 4,000 thousand shares in an amount of NT\$240,000.
8. In August 2024, Ruentex Engineering & Construction Co., Ltd., a TWSE-listed company held by the Group, carried out a capitalization of earnings. The Company received a stock dividend of 6,729 thousand shares based on its shareholding ratio.
9. Brogent Technologies Inc., a TPEX-listed company held by the Group, was approved by the shareholders' meeting on July 24, 2024 to issue cash dividends from the original capital surplus contributed to by shareholders. The Group received cash dividends of NT\$1,615 on October 9, 2024. This was regarded as a reduction of the Group's original cost of the holding.
10. The Group disposed of 15 thousand shares in Asensus Surgical (ASXC) held on August 22, 2024. The Group wrote off the initial holding cost of NT\$10,444 and the valuation loss of NT\$10,274.
11. Detail of the financial assets at fair value through other comprehensive income recognized under profit or loss and comprehensive income is as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
<u>Equity instruments at fair</u>		
<u>value through other</u>		
<u>comprehensive income</u>		
Changes in fair value		
recognized as other		
comprehensive income	<u>(\$ 36,218)</u>	<u>\$ 644,002</u>

12. The Group's maximum exposure to credit risk for financial assets at fair value through other comprehensive income, before consideration of associated collateral held and other credit enhancements, was NT\$9,594,686, NT\$9,597,080, and NT\$7,060,854 as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively.

13. For the details of the financial assets at fair value through other comprehensive income pledged as collateral, please refer to Note 8.
14. For information on the fair value of financial assets at fair value through other comprehensive income, please refer to Note 12 (3).

(VI) Financial assets at amortised cost

<u>Item</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current items:			
Time deposits with maturities over three months	<u>\$ 82,481</u>	<u>\$ 94,506</u>	<u>\$ 22,246</u>
Non-current items:			
Subordinated debts	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>
Time deposits pledged	<u>67,800</u>	<u>67,800</u>	<u>67,800</u>
Total	<u>\$ 317,800</u>	<u>\$ 317,800</u>	<u>\$ 317,800</u>

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

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest revenue	<u>\$ 2,710</u>	<u>\$ 4,369</u>

2. The coupon rate and the effective interest rate of the Nan Shan Life Insurance Company, Ltd.'s subordinated bonds with no maturity date held the Group at a par value of NT\$250,000 thousand are both 3.5%.
3. The Group's maximum exposure to credit risk for financial assets measured at amortized costs, before consideration of associated collateral held and other credit enhancements was NT\$400,281, NT\$412,306, and NT\$340,046 as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively.
4. Details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.
5. For information on the credit risk of financial assets at amortized cost, please refer to Note 12(2). The trading counterparties of the Group's certificates of deposit are financial institutions with great credit ratings, so the likelihood of default is estimated to be very low.

(VII) Investments accounted for using equity method

1. The details of the carrying amount of long-term equity investment are as follows:

	Carrying amount		
Name of the associate	March 31, 2025	December 31, 2024	March 31, 2024
Ruentex Development Co., Ltd. (Ruentex Development)	\$ 22,367,306	\$ 23,328,605	\$ 23,854,736
Ruen Chen Investment Holdings Ltd. (Ruen Chen Investment Holdings)	60,682,508	63,782,264	64,553,910
Nan Shan Life Insurance Co., Ltd. (Nan Shan Life Insurance)	725,933	760,239	775,901
Ruen Fu Newlife Corp. (Ruen Fu)	8,835	9,542	10,150
	<u>\$ 83,784,582</u>	<u>\$ 87,880,650</u>	<u>\$ 89,194,697</u>

2. The investment shareholder percentage is as follows:

Name of the associate	March 31, 2025	December 31, 2024	March 31, 2024
Ruentex Innovation	25.70%	25.70%	25.70%
Ruen Chen Investment Holdings	23.00%	23.00%	23.00%
Nan Shan Life Insurance	0.21%	0.21%	0.21%
Ruen Fu Newlife	40.00%	40.00%	40.00%

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

Name of the associate	January 1 to March 31, 2025	January 1 to March 31, 2024
Ruentex Innovation	\$ 776,067	\$ 1,623,607
Ruen Chen Investment Holdings	2,512,030	2,774,147
Nan Shan Life Insurance	26,006	28,753
Ruen Fu Newlife	(707)	(705)
	<u>\$ 3,313,396</u>	<u>\$ 4,425,802</u>

4. The basic information of the associates that are material to the Group are as follows:

Company name	Principal Place of Business	Shareholding percentage			Nature of relationship	Measurement method
		March 31, 2025	December 31, 2024	March 31, 2024		
Ruentex Innovation	Taiwan	25.70%	25.70%	25.70%	Diversification	Equity method
Ruen Chen Investment Holdings	Taiwan	23.00%	23.00%	23.00%	Diversification	Equity method

5. The summarized financial information of the associates that are material to the Group are as follows:

Balance Sheets

	<u>Ruentex Innovation</u>		
	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current Assets	\$ 47,011,258	\$ 44,451,869	\$ 41,348,188
Non-current assets	144,231,151	149,512,927	146,935,753
Current liabilities	(28,891,129)	(25,547,465)	(33,349,719)
Non-current liabilities	(54,756,204)	(56,615,450)	(43,060,995)
Equity	107,595,076	111,801,881	111,873,227
Non-controlling Interest	(10,373,225)	(10,481,990)	(8,766,663)
	<u>\$ 97,221,851</u>	<u>\$ 101,319,891</u>	<u>\$ 103,106,564</u>
Portion of the net assets of associates	\$ 24,986,014	\$ 26,039,212	\$ 26,498,387
Unrealized gains or losses on upstream transactions	(2,191)	(2,191)	(2,191)
Mutual shareholdings	(2,616,517)	(2,708,416)	(2,641,460)
Carrying amount	<u>\$ 22,367,306</u>	<u>\$ 23,328,605</u>	<u>\$ 23,854,736</u>
	<u>Ruen Chen Investment Holdings</u>		
	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current Assets	\$ 162,123,168	\$ 146,279,075	\$ 136,394,103
Non-current assets (Note 1)	5,501,892,492	5,493,140,523	5,418,126,477
Current liabilities	(20,922,783)	(19,381,724)	(51,618,730)
Non-current liabilities	(5,343,706,980)	(5,305,494,025)	(5,184,235,676)
Equity	299,385,897	314,543,849	318,666,174
Non-controlling Interest	(35,548,905)	(37,229,657)	(37,997,002)
	<u>\$ 263,836,992</u>	<u>\$ 277,314,192</u>	<u>\$ 280,669,172</u>
Portion of the net assets of associates	<u>\$ 60,682,508</u>	<u>\$ 63,782,264</u>	<u>\$ 64,553,910</u>

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

Statements of Comprehensive Income

	<u>Ruentex Innovation</u>	
	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Income	\$ 7,015,282	\$ 7,000,524

Current Net Profit (Note 2)	3,766,165	8,310,156
Other comprehensive income (loss) (net of tax)	(7,972,825)	1,747,790
Total Comprehensive Income (Loss), Current Period (Note 3)	<u>(\$ 4,206,660)</u>	<u>\$ 10,057,946</u>

Note 2: Included the net combined income attributable to non-controlling interests in Ruentex Development for the periods from January 1 to March 31, 2025 and 2024, in the amounts of NT\$386,472 and NT\$1,580,913, respectively.

Note 3: Included the net combined comprehensive income (loss) attributable to non-controlling interests in Ruentex Development for the periods from January 1 to March 31, 2025 and 2024, in the amounts of NT\$(\$108,765) and NT\$1,397,234, respectively.

	<u>Ruen Chen Investment Holdings</u>	
	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Income	<u>\$ 126,800,850</u>	<u>\$ 133,411,035</u>
Current Net Profit (Note 4)	12,195,962	13,470,196
Other comprehensive income (loss) (net of tax)	(27,353,914)	7,272,680
Total Comprehensive Income (Loss), Current Period (Note 5)	<u>(\$ 15,157,952)</u>	<u>\$ 20,742,876</u>

Note 4: Included the net combined income attributable to non-controlling interests in Ruen Chen Investment Holdings for the periods from January 1 to March 31, 2025 and 2024, in the amount of NT\$1,274,095 and NT\$1,408,689, respectively.

Note 5: Included the net combined comprehensive income (loss) attributable to non-controlling interests in Ruen Chen Investment Holdings for the periods from January 1 to March 31, 2025 and 2024, in the amounts of NT\$(\$1,680,752) and NT\$2,168,697, respectively.

6. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarized below:

As of March 31, 2025, December 31, 2024, and March 31, 2024, the carrying amounts of the Group's individually immaterial affiliates amounted to NT\$734,768, NT\$769,781, and NT\$786,051, respectively.

<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
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Net income of current period	\$	12,190,325	\$	13,478,295
Other comprehensive income (loss) (net of tax)		(28,275,581)		6,243,457
Total Comprehensive Income (Loss), Current Period	\$	<u>16,085,256</u>	\$	<u>19,721,752</u>

7. (1) Among the investments accounted for under the equity method as of March 31, 2025 and 2024, the amounts for Ruentex Development, Ruen Chen Investment Holdings, and Nan Shan Life Insurance were measured according to the assessment on the financial reports reviewed by independent accountants, while the amount for Ruen Fu Newlife was measured according to the assessment on its financial reports for the same periods not reviewed by independent accountants.
- (2) Among the investments accounted for under the equity method as of December 31, 2024, the amount for Ruen Fu Newlife was measured according to the assessment on the financial reports audited by other independent auditors.
8. The fair value of the Group's investments accounted under equity method with quoted market prices is as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Ruentex Innovation	<u>\$ 25,657,653</u>	<u>\$ 31,359,377</u>	<u>\$ 25,694,221</u>

9. The Group holds 25.70% of Ruentex Development as the single largest shareholder of the company. Taking into account the attendance of past shareholders' meetings, it shows that other shareholders are actively participating in Ruentex Development's business decision-making. There are nine seats on the board of directors of Ruentex Development, only two of which are occupied by the Group, showing that the Group has no actual ability to lead the activities of Ruentex Development. Therefore, it is judged that the Group has no control over it and only has significant influence.
10. Ruentex Development, an investee measured under the equity method, adopts the equity method for measurement of the Group because of the mutual shareholdings with the Group. The investment gains and losses are calculated and adjusted based on the method adopted for the treasury stock.
11. (1) Due to the supply chain disruption caused by the global pandemic in the recent years and the Russo-Ukrainian War, and other factors that have raised global inflationary pressures, interest rates have surged in 2022, which has met the definition of an extreme scenario defined by the Insurance Capital Standard (ICS). Therefore, the Board of Directors of Nan Shan Life Insurance, an insurance investee directly and indirectly invested in by the Company through Ruen Chen Investment Holdings, passed a resolution on September 29, 2022 in accordance with IFRS 9 to change the

business model of financial assets management. For the affected financial assets, the collection of contractual cash flows and sales of financial assets were mainly replaced with the collection of contractual cash flows through the financial assets held. The reclassification of financial assets derived from the change of this business model is in alignment with the Accounting Research and Development Foundation's Letter Ji-Mi No. 0000000354 regarding the guidance on the reclassification of financial assets due to changes in the business model for managing financial assets in the insurance industry due to drastic changes in the international economic situation. The Company recognized the effect of reclassification of Nan Shan Life Insurance's assets in accordance with IAS 28 on October 1, 2022, including an increase of investments using the equity method by NT\$60,930,167, a decrease in deferred tax assets by NT\$834,365, and an increase in other equity by NT\$60,095,802. In accordance with the Letter Jin-Guan-Zheng-Fa No. 1110384722, when the distributable earnings are distributed, a special reserve for the changes in the fair value of the financial assets reclassified by Nan Shan Life Insurance should be provided in proportion to the shareholding using the equity method. Additionally, when there is a reversal of the change in the fair value of financial assets reclassified by Nan Shan Life Insurance, the Company may reverse the special reserve and distribute the special reserve in proportion to the shareholding using the equity method; the changes in the fair values of financial assets reclassified by Nanshan Life Insurance and the corresponding special reserve provided are disclosed in the notes to the annual financial statements. The information on the finances before and after the relevant reclassification dates is summarized as follows:

	<u>September 30, 2022</u> <u>(before reclassification)</u>	<u>Effects of</u> <u>reclassification</u>	<u>October 1, 2022</u> <u>(after reclassification)</u>
Consolidated total assets	\$ 59,509,663	\$ 60,095,802	\$ 119,605,465
Consolidated total liabilities	38,471,492	-	38,471,492
Consolidated total equity	21,038,171	60,095,802	81,133,973

- (2) Nan Shan Life Insurance reclassified financial assets on October 1, 2022 that were affected by significant changes in reclassification from being measured at fair value through other comprehensive income to being measured at amortized cost. As of December 31, 2024 and 2023, the fair value of the affected financial assets was NT\$1,011,103,167 and NT\$1,036,744,167, respectively. If Nan Shan Life Insurance had not reclassified these assets on October 1, 2022, the other equity would have been (NT\$344,651,654) and (NT\$256,308,182) as of December 31, 2024 and 2023. The after-tax change in fair value recognized in other comprehensive income (loss) for 2024 and 2023 was (NT\$88,343,472) and NT\$34,238,192, respectively.

- (3) As per Jin-Guan-Zheng-Fa No. 1110384722 and the Questions and Answers Regarding Public Companies' Applicability of the Provision of Special Reserves for Changes in the Fair Values of Financial Assets Reclassified by Insurance Investees, when the cumulative amount of changes in the fair values of the financial assets reclassified by an insurance investee in proportion to the shareholding using the equity method, the amount of the special reserve that should be available for the period (that is, the balance of the special reserve after provision and reversal) shall not exceed the carrying amount of the public company's investment in the insurance investee using the equity method for the period. Based on the aforementioned regulations, the special reserve that should have been appropriated by the Group as of December 31, 2024 and 2023, were NT\$90,499,194 and NT\$67,301,821, respectively; the cumulative amount appropriated as approved by the shareholders' meetings for both periods was NT\$19,799,058.
12. As instructed by the FSC on June 13, 2016, the Company issued a letter of undertaking for the investment in Nan Shan General Insurance Co., Ltd. (Referred herein as "Nan Shan General Insurance"; originally named as Chartis Taiwan Insurance Co., Ltd.), and the undertaking is as follows:
- (1) The Company undertakes to request Nan Shan Life Insurance to ensure its long-term operation in handling the investment in Nan Shan General Insurance according to the laws and FSC's commitment.
 - (2) The Company undertakes that after Nan Shan Life Insurance acquires 200,000 thousand ordinary shares of Nan Shan General Insurance, i.e. 100% issued shares with voting rights, when Nan Shan General Insurance has the needs for capital increase at any time, the Company will request Nan Shan Life Insurance to handle the capital increase for Nan Shan General Insurance according to the laws and the request of the competent authority.
 - (3) To fulfill the commitment of the Company and Ruen Chen Investment Holdings other shareholders on the long-term operation of Nan Shan General Insurance, in case where there is a need for capital increase for the Nan Shan General Insurance according to the laws or the request of competent authority such that new shares are to be issued for the capital increase, the Company and Ruen Chen Investment Holdings other shareholders undertake to request Nan Shan Life Insurance to hold at least a percentage of 51% on the number of outstanding ordinary shares.

13. In December 2024, Ruen Chen Investment Holdings carried out a cash capital increase, and the Group subscribed for shares totaling NT\$115,000 based on its shareholding ratio. In June 2024, Ruen Chen Investment Holdings conducted a capitalization of earnings, and the Group received a stock dividend of 400,085 thousand shares based on its shareholding ratio.
14. In September 2024, Nan Shan Life Insurance carried out a capitalization of earnings, and the Group received a stock dividend of 1,871 thousand shares based on its shareholding ratio.
15. Details of the Group's investments accounted under equity method pledged to others as collateral are provided in Note 8.

(VIII) Property, plant, and equipment

	<u>2025</u>							
	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Leased assets</u>	<u>Leasehold Improvements</u>	<u>Other equipment</u>	<u>Total</u>
January 1								
Cost	\$ 668,575	\$ 1,097,979	\$ 111,846	\$ 17,189	\$ 24,514	\$ 225,795	\$ 556,033	\$ 2,701,931
Accumulated impairment and depreciation	<u>-</u>	<u>(647,221)</u>	<u>(88,830)</u>	<u>(14,322)</u>	<u>(24,514)</u>	<u>(215,031)</u>	<u>(460,767)</u>	<u>(1,450,685)</u>
	<u>\$ 668,575</u>	<u>\$ 450,758</u>	<u>\$ 23,016</u>	<u>\$ 2,867</u>	<u>\$ -</u>	<u>\$ 10,764</u>	<u>\$ 95,266</u>	<u>\$ 1,251,246</u>
January 1	\$ 668,575	\$ 450,758	\$ 23,016	\$ 2,867	\$ -	\$ 10,764	\$ 95,266	\$ 1,251,246
Addition	-	-	6,810	-	-	2,474	1,105	10,389
Disposal - costs	-	-	(134)	-	-	(2,734)	(3,304)	(6,172)
Disposal - accumulated impairment and depreciation	-	-	134	-	-	1,906	3,304	5,344
Depreciation expense	-	(5,610)	(1,976)	(202)	-	(2,602)	(1,750)	(12,140)
Net exchange differences-Cost	-	-	-	60	-	-	100	160
Net exchange differences- accumulated impairment and depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>(60)</u>	<u>-</u>	<u>-</u>	<u>(98)</u>	<u>(158)</u>
March 31	<u>\$ 668,575</u>	<u>\$ 445,148</u>	<u>\$ 27,850</u>	<u>\$ 2,665</u>	<u>\$ -</u>	<u>\$ 9,808</u>	<u>\$ 94,623</u>	<u>\$ 1,248,669</u>
March 31								
Cost	\$ 668,575	\$ 1,097,979	\$ 118,522	\$ 17,249	\$ 24,514	\$ 225,535	\$ 553,934	\$ 2,706,308
Accumulated impairment and depreciation	<u>-</u>	<u>(652,831)</u>	<u>(90,672)</u>	<u>(14,584)</u>	<u>(24,514)</u>	<u>(215,727)</u>	<u>(459,311)</u>	<u>(1,457,639)</u>
	<u>\$ 668,575</u>	<u>\$ 445,148</u>	<u>\$ 27,850</u>	<u>\$ 2,665</u>	<u>\$ -</u>	<u>\$ 9,808</u>	<u>\$ 94,623</u>	<u>\$ 1,248,669</u>

	<u>2024</u>							
	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Leased assets</u>	<u>Leasehold Improvements</u>	<u>Other equipment</u>	<u>Total</u>
January 1								
Cost	\$ 668,575	\$1,097,079	\$ 110,119	\$ 17,068	\$ 24,514	\$ 218,867	\$ 836,897	\$2,973,119
Accumulated impairment and depreciation	<u>-</u>	<u>(624,903)</u>	<u>(85,842)</u>	<u>(13,392)</u>	<u>(24,514)</u>	<u>(212,365)</u>	<u>(633,394)</u>	<u>(1,594,410)</u>
	<u>\$ 668,575</u>	<u>\$ 472,176</u>	<u>\$ 24,277</u>	<u>\$ 3,676</u>	<u>\$ -</u>	<u>\$ 6,502</u>	<u>\$ 203,503</u>	<u>\$1,378,709</u>
January 1	\$ 668,575	\$ 472,176	\$ 24,277	\$ 3,676	\$ -	\$ 6,502	\$ 203,503	\$1,378,709
Addition	-	-	-	-	-	5,325	3,900	9,225
Disposal - costs	-	-	-	-	-	(4,678)	(2,092)	(6,770)
Disposal - accumulated impairment and depreciation	-	-	-	-	-	4,678	2,092	6,770
Depreciation expense	-	(5,565)	(1,935)	(202)	-	(1,701)	(1,586)	(10,989)
Transfer (Note)	-	-	-	-	-	-	2,250	2,250
Net exchange differences-Cost	-	-	-	76	-	-	232	308
Net exchange differences- accumulated impairment and depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>(76)</u>	<u>-</u>	<u>-</u>	<u>(211)</u>	<u>(287)</u>
March 31	<u>\$ 668,575</u>	<u>\$ 466,611</u>	<u>\$ 22,342</u>	<u>\$ 3,474</u>	<u>\$ -</u>	<u>\$ 10,126</u>	<u>\$ 208,088</u>	<u>\$1,379,216</u>
March 31								
Cost	\$ 668,575	\$1,097,079	\$ 110,119	\$ 17,144	\$ 24,514	\$ 219,514	\$ 841,187	\$2,978,132
Accumulated impairment and depreciation	<u>-</u>	<u>(630,468)</u>	<u>(87,777)</u>	<u>(13,670)</u>	<u>(24,514)</u>	<u>(209,388)</u>	<u>(633,099)</u>	<u>(1,598,916)</u>
	<u>\$ 668,575</u>	<u>\$ 466,611</u>	<u>\$ 22,342</u>	<u>\$ 3,474</u>	<u>\$ -</u>	<u>\$ 10,126</u>	<u>\$ 208,088</u>	<u>\$1,379,216</u>

Note: Reclassified from prepayments for business facilities.

Details of the Group's property, plant and equipment pledged to others as collateral are provided in Note 8.

(IX) Lease transactions - lessees

1. The Group's leased assets include the Zhonglun Building offices and other office premises. The lease terms were between 2022 and 2034 for the period of January 1 to March 31, 2025, and between 2020 and 2026 for the period of January 1 to March 31, 2024. The lease contracts are negotiated individually and contain different terms and conditions.
2. The lease terms for the leased company vehicles, storage and sales venues of the Group shall not exceed 12 months, and the underlying assets leased with low value are cash registers and related items for sales events.
3. The information of the right-of-use assets are as the following:

	<u>Buildings and structures</u>	
	<u>2025</u>	<u>2024</u>
January 1		
Cost	\$ 242,223	\$ 244,202
Accumulated depreciation	(183,294)	(143,622)
	<u>\$ 58,929</u>	<u>\$ 100,580</u>
January 1	\$ 58,929	\$ 100,580
Addition-Newly added lease contracts	111,853	-
Depreciation expense	(13,171)	(12,923)
Cost of derecognition	(55,442)	-
Accumulated depreciation on the de-booking date	55,442	-
Effects of exchange rate changes - cost	37	20
Effects of exchange rate changes - accumulated depreciation	(19)	(6)
March 31	<u>\$ 157,629</u>	<u>\$ 87,671</u>
March 31		
Cost	\$ 298,671	\$ 244,222
Accumulated depreciation	(141,042)	(156,551)
	<u>\$ 157,629</u>	<u>\$ 87,671</u>

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Total amount of lease liabilities	\$ 158,632	\$ 59,772	\$ 88,844
Less: Due within one year (listed as lease liabilities - current)	(51,911)	(41,795)	(47,628)
	<u>\$ 106,721</u>	<u>\$ 17,977</u>	<u>\$ 41,216</u>

5. The information on income (loss) related to the lease contract is as follows:

<u>Items affects the income of the current period</u>	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest expenses of lease liabilities	(\$ 661)	(\$ 245)
Expenses of short-term lease contracts	(2,629)	(2,529)
Expenses related to leases of low-value assets	(260)	(273)
	<u>(\$ 3,550)</u>	<u>(\$ 3,047)</u>

6. The information on net cash outflow from lease expenses is as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest expenses of lease liabilities	\$ 661	\$ 245
Expenses of short-term lease contracts	2,629	2,529
Expenses related to leases of low-value assets	260	273
Principal elements of lease payments	<u>13,011</u>	<u>13,049</u>
	<u>\$ 16,561</u>	<u>\$ 16,096</u>

(X) Lease transactions - lessor

1. The Group leases investment property based on operating lease contracts, and recognized rent income of NT\$26,726 and NT\$24,607 for the periods from January 1 to March 31, 2025 and 2024, respectively.

2. The Group has leased part of the right-of-use assets based on operating lease contracts and recognized rent income of NT\$6,439 and NT\$6,304 for the periods from January 1 to March 31, 2025 and 2024, respectively, and no variable lease payments were included.
3. Analysis to the due dates of lease payments leased as operating leases by the Group is as the following:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Within 1 year	\$ 91,670	\$ 84,160	\$ 80,423
1-2 years	74,955	74,590	68,266
2-3 years	74,784	74,437	68,181
3-4 years	73,999	74,113	68,125
4-5 years	73,970	73,978	68,140
More than 5 years	<u>720,184</u>	<u>738,676</u>	<u>729,281</u>
Total	<u>\$ 1,109,562</u>	<u>\$ 1,119,954</u>	<u>\$ 1,082,416</u>

(XI) Investment Real Estate

	<u>2025</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
January 1 (i.e. March 31)	<u>\$ 8,707,466</u>	<u>\$ 656,164</u>	<u>\$ 9,363,630</u>

	<u>2024</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
January 1 (i.e. March 31)	<u>\$ 8,143,547</u>	<u>\$ 658,016</u>	<u>\$ 8,801,563</u>

1. Rental income from investment real estate:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Rental income from investment real estate	<u>\$ 26,726</u>	<u>\$ 24,607</u>

2. Investment property fair value valuation basis

The investment property held by the Group is mainly the Yangmei Plant in Taoyuan City, the land in Wuqi, Taichung City, the land in Xinfeng Township, Hsinchu County, as well as the buildings and land of Ruen Fu Newlife (New Aspects) in New Taipei City, all of which are

mainly used for lease-out to earn rental income; the lease terms are about one to 23 years. Main assumptions and relevant explanation for March 31, 2025, December 31, 2024, and March 31, 2024, are as follows:

- (1) The locations, valuation methods, appraisal firms, names of the appraisers, and appraisal dates of the Group's main investment property are listed as follows:

	<u>March 31, 2025</u>			<u>December 31, 2024</u>		
	Land	Building, land and parking space	Building and land	Land	Building, land and parking space	Building and land
Objective						
Location	Hainchu County and Taichung City	Taoyuan City and New Taipei City	New Taipei City	Hainchu County and Taichung City	Taoyuan City and New Taipei City	New Taipei City
Appraisal method	The method of land development analysis	Income approach	Income approach	The method of land development analysis	Income approach	Income approach
Appraisal firm	Savills (Taiwan) Limited	Savills (Taiwan) Limited	Jhong-Ding Real Estate Appraisers Firm	Savills (Taiwan) Limited	Savills (Taiwan) Limited	Jhong-Ding Real Estate Appraisers Firm
Appraiser	Chang, Hung-Kai	Chang, I-Chih, Chang, Hung-Kai	Jian, Wu-Chi	Chang, Hung-Kai	Chang, I-Chih, Chang, Hung-Kai	Jian, Wu-Chi
Appraisal base date	March 31, 2025 (Note)			December 31, 2024		
	<u>March 31, 2024</u>					
	Land	Building, land and parking space	Building and land			
Objective						
Location	Hainchu County and Taichung City	Taoyuan City and New Taipei City	New Taipei City			
Appraisal method	The method of land development analysis	Income approach	Income approach			
Appraisal firm	Savills (Taiwan) Limited	Savills (Taiwan) Limited	Jhong-Ding Real Estate Appraisers Firm			
Appraiser	Chang, Hung-Kai	Chang, I-Chih, Yeh, Yu-Fen	Jian, Wu-Chi			
Appraisal base date	March 31, 2024 (Note)					

Note: A statement of validity on the original valuation report dated March 31, 2025 and 2024 has been obtained from the appraiser

- (2) Please refer to the table below for the information on the changes in the occupancy rates of the premises and parking spaces held by the Group and the amount of rental income, and the comparison between the local rents and rents from similar properties for the three months ended March 31, 2025 and 2024.

	<u>March 31, 2025</u>	
	<u>Building and land</u>	<u>Parking space</u>
	<u>(NT\$/ping/monthly)</u>	<u>(NT\$/space/monthly)</u>
Estimated rent of the project	\$160~\$780	\$2,500~\$15,000
Local rents, or the rental trends of similar property in the market	Equivalent to estimated rent	Equivalent to estimated rent
Occupancy rate	100%	100%
Rental growth rate	0.00%~2.00%	

	<u>December 31, 2024</u>	
	<u>Building and land</u>	<u>Parking space</u>
	<u>(NT\$/ping/monthly)</u>	<u>(NT\$/space/monthly)</u>
Estimated rent of the project	\$160~\$780	\$2,500~\$15,000
Local rents, or the rental trends of similar property in the market	Equivalent to estimated rent	Equivalent to estimated rent
Occupancy rate	100%	100%
Rental growth rate	0.00%~2.00%	

	<u>March 31, 2024</u>	
	<u>Building and land</u>	<u>Parking space</u>
	<u>(NT\$/ping/monthly)</u>	<u>(NT\$/space/monthly)</u>
Estimated rent of the project	\$150~\$770	\$2,500~\$15,000
Local rents, or the rental trends of similar property in the market	Equivalent to estimated rent	Equivalent to estimated rent
Occupancy rate	99%~100%	100%
Rental growth rate	0.00%~2.00%	

	<u>January 1 to March 31, 2025</u>	
	<u>Building and land</u>	<u>Parking space</u>
Income amount	\$ 27,068	\$ 94

	<u>January 1 to March 31, 2024</u>	
	<u>Building and land</u>	<u>Parking space</u>
Income amount	\$ 24,512	\$ 95

- (3) The Group mainly adopts the discounted cash flow analysis method under the income approach to measure the fair value; however, when said method cannot be adopted for undeveloped land, the land development analysis approach is adopted.

- (4) For the discounted cash flow method of the income approach appraisal method estimation process, the current lease contract rent is considered. If the operation period is assumed to exceed the current least contract period during the analysis period, the market rent is used for the evaluation. For the market rent, the rent of similar subject matters and factors affecting the price, including price negotiation, condition and price date, etc. are considered to perform analysis and comparison. In addition, the current lease market demand and consumer price index average change rate are also considered to determine the annual rent growth rate interval. Next, the idle loss and future net cash outflow of the subject matter during the analysis period are considered. Finally, during the end of the analysis period, the estimated disposition value of the subject matter is added and the net cash inflow during the analysis period is calculated, followed by using an appropriate discount rate to calculate total for estimation to the appraisal date. The future cash outflow refers to expenditures directly related to the operation, such as land value tax, house tax, insurance fee, management fee and repair expense. The actual expenditure incurred in the current year is used and the current operational status and future possible changes of the Company are considered in order to estimate the future cash flow.
- (5) The method of land development analysis appraisal method estimation process is to determine the land development content and expected development time, and to perform investigation, survey and analysis on various costs, relevant expenses and current environmental condition first, along with the collection of market information, in order to estimate the land or building area and total sales amount after the development or construction. In addition, appropriate profit margin and overall capital interest rate are used to calculate the land development analysis price on the appraisal date. When the estimated total sales amount increases, profit margin decreases or overall capital interest rate decreases, the fair value will increase. With regard to the future economy prediction, as the global economic and trading dynamics recover progressively after the epidemic control measures are relaxed, new emerging digital applications of high performance computation, IoT, automotive electronics are expanding, such that it is beneficial to the continuous growth of export orders and production of manufacturing industry. Nevertheless, the global inflation pressure is still high and variance of virus still exists, causing the increase of investment risk of companies, and the factory expansion plan can be affected. All of such unfavorable factors increase the risk of economic decline, and it is necessary to monitor subsequent development and implement response measures properly.
- (6) The Group does not have a development plan for the four land parcels located in Tai'an Section, Xinfeng Township, Hsinchu County, 18 land parcels in Taifeng Section,

Xinfeng Township, Hsinchu County, and four land parcels in the southern section of Wuqi District, Taichung City, it owns, and they, for the time being, are temporarily rented out as parking lots and for advertising. As such land parcels are undeveloped vacant lots, the fair values should be measured with the land development analysis approach. Key assumptions are as follows:

	<u>March 31, 2025 (Note)</u>		<u>December 31, 2024</u>	
	<u>Xinfeng Township, Hsinchu County</u>	<u>Wuqi District, Taichung City</u>	<u>Xinfeng Township, Hsinchu County</u>	<u>Wuqi District, Taichung City</u>
Estimated total sales amount	<u>\$ 1,902,574</u>	<u>\$ 22,079,285</u>	<u>\$ 1,902,574</u>	<u>\$ 22,079,285</u>
Profit margin	16.00%	24.00%	16.00%	24.00%
Overall capital interest rate	4.01%	3.86%	4.01%	3.86%
			<u>March 31, 2024 (Note)</u>	
			<u>Xinfeng Township, Hsinchu County</u>	<u>Wuqi District, Taichung City</u>
Estimated total sales amount			<u>\$ 1,048,772</u>	<u>\$ 18,898,905</u>
Profit margin			15.00%	24.00%
Overall capital interest rate			2.32%	3.76%

Note: A statement of validity on the original valuation report dated March 31, 2025 and 2024 has been obtained from the appraiser.

In addition to the lands at Xinfeng Township of Hsinchu County and Wuqi District of Taichung City yet to be developed, for the fair value of rest of the investment properties, the discounted cash flow method of the income approach is used to estimate the fair value.

- (7) Please refer to the following table for the discount rate interval. The two-year postal time deposit small amount deposit flexible interest rate announced by Chunghwa Post Co., Ltd. plus 0.75 percentage points is used. In addition, for the risk premium, the liquidity, risk, value addition and management difficulty level are considered according to the base interest rate, in order to perform comparison and determination.

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
	<u>2.770%~4.345%</u>	<u>2.770%~4.345%</u>	<u>2.770%~4.345%</u>
Discount rate	(Note)		(Note)

Note: A statement of validity on the original valuation report dated March 31, 2025 and 2024 has been obtained from the appraiser.

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

3. Please refer to Note 12(3) for the details of fair value of investment property.
4. The Group's investment property - land in the amount of NT\$4,488 in the Sihua Section in Yangmei belongs to agricultural land and was acquired in the name of a juridical corporate director's relative within the first degree of kinship. Both parties have signed a trust contract.
5. Details of the Group's investments property pledged to others as collateral are provided in Note 8.

(XII) Intangible Assets

	2025	2024
	<u>Computer software</u>	<u>Computer software</u>
January 1		
Cost	\$ 29,073	\$ 27,253
Accumulated amortization	(28,078)	(26,391)
	<u>\$ 995</u>	<u>\$ 862</u>
January 1	\$ 995	\$ 862
Addition	323	118
Amortization	(522)	(297)
March 31	<u>\$ 796</u>	<u>\$ 683</u>
March 31		
Cost	\$ 29,396	\$ 27,371
Accumulated amortization	(28,600)	(26,688)
	<u>\$ 796</u>	<u>\$ 683</u>

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

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Selling expenses	\$ 197	\$ 67
General & administrative expenses	<u>325</u>	<u>230</u>
	<u>\$ 522</u>	<u>\$ 297</u>

2. The Group did not pledge intangible assets as collateral.

(XIII) Non-current assets held for sale

In order to revitalize assets and increase working capital, the Board of Directors, on August 13, 2024, approved the sale of the land and plant of the Guanyin Plant in Guanyin District, Taoyuan City. Therefore, the related assets were reclassified to assets held for sale. Currently, the asset has been entrusted to Savills (Taiwan) Limited for public auction. However, the contract expired on December 31, 2024. The Group is still actively seeking a buyer, but as of May 14, 2025, the asset has not yet been sold.

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Property, plant, and equipment	<u>\$ 113,425</u>	<u>\$ 113,425</u>	<u>\$ -</u>

(XIV) Other non-current Assets

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Guarantee deposits paid	\$ 21,565	\$ 46,057	\$ 45,767
Land	15,190	15,190	15,190
Prepayments for business facilities	502	502	2,411
Defined benefit assets	38,820	37,897	11,804
Overdue receivable	4,088	4,088	4,088
Loss allowance - Overdue receivable	(4,088)	(4,088)	(4,088)
	<u>\$ 76,077</u>	<u>\$ 99,646</u>	<u>\$ 75,172</u>

(XV) Short-term borrowings

<u>Nature of loan</u>	<u>March 31, 2025</u>	<u>Interest rate collars</u>	<u>Guarantee</u>
Bank loan			
Secured loan	\$ -	-	Note
Credit Loan	<u>250,000</u>	1.78%	Nil
	<u>\$ 250,000</u>		

<u>Nature of loan</u>	<u>December 31, 2024</u>	<u>Interest rate collars</u>	<u>Guarantee</u>
Bank loan			
Secured loan	\$ -	-	Note
Credit Loan	<u>250,000</u>	1.78%	Nil
	<u>\$ 250,000</u>		

<u>Nature of loan</u>	<u>March 31, 2024</u>	<u>Interest rate collars</u>	<u>Guarantee</u>
Bank loan			
Secured loan	\$ -	-	Note
Credit Loan	<u>750,000</u>	1.65%~1.80%	Nil
	<u>\$ 750,000</u>		

Note: Please refer to Note 8 for details of the collateral provided by the Group for short-term borrowings.

(XVI) Other payables

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Salaries and bonuses payable	\$ 30,182	\$ 105,191	\$ 29,911
Employee compensation payable	51,730	64,256	36,513
Dividends payables	37,349	37,444	43,102
Interest payable	5,550	5,929	4,912
Payables for equipment	2,951	2,764	2,233
Others	<u>72,589</u>	<u>82,303</u>	<u>73,628</u>
	<u>\$ 200,351</u>	<u>\$ 297,887</u>	<u>\$ 190,299</u>

(XVII) Long-term borrowings

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Secured bank loan	\$ 3,845,000	\$ 3,845,000	\$ 3,520,000
Credit bank loan	<u>5,450,000</u>	<u>5,375,000</u>	<u>2,825,000</u>
	9,295,000	9,220,000	6,345,000
Less: Long-term borrowings due within one year or one operating cycle	<u>(825,000)</u>	<u>(625,000)</u>	<u>(600,000)</u>
	<u>\$ 8,470,000</u>	<u>\$ 8,595,000</u>	<u>\$ 5,745,000</u>
Maturity date range	2026.04.30 ~2027..09.13	2026.04.30 ~2027.09.13	2025.05.02 ~2026.06.26
Interest rate collars	1.78%~1.98%	1.73%~2.09%	1.68%~1.83%

1. The Group signed a credit agreement with CTBC Bank in June 2023 to provide financing to the Group. The credit period is from June 2023 to May 2025. The total credit limit is NT\$1,300,000, and as of March 31, 2025, the Group had drawn down a credit amount of NT\$550,000. The main commitments of the Group are as follows:

- (1) The Company reviews the annual and semi-annual consolidated statements audited by accountants every six months (every April and October).
- (2) The Group shall maintain a current ratio of not less than 100%, a debt ratio of not greater than 100%, an interest coverage ratio of not less than three times, and the net value of tangible assets of NT\$35,000,000 or above. The calculation of the aforementioned net value of tangible assets shall exclude the profit and loss effect on Ruen Chen Investment Holdings (calculated in proportion to the shareholding).
- (3) As per the general terms under Item B and the acceleration clause under Article 5 of the guaranty agreement signed between the Group and CTBC Bank, to secure its creditor's rights, CTBC Bank. In the event of matters specifically stipulated in the agreement with the effect in alignment of the acceleration clause may stop or reduce the loan at any time or shorten the credit period, or the principal and interest shall be deemed fully due.

2. The Group signed a credit agreement with Taipei Fubon Bank in July 2023 to provide financing to the Group. The credit period is from August 2023 to July 2025. The total credit limit is NT\$500,000, and as of March 31, 2025, the Group had drawn down a credit amount of NT\$0. The main commitments of the Group are as follows:

The Company follows up on the following criteria after drawdown and examines if the use of the loan exceeds the limit.

- (1) The Company reviews the consolidated financial statements audited by accountants every year.

- (2) The Group shall maintain a current ratio of no lower than 100%, a debt ratio of no greater than 100%, the times of interest earned of no fewer than three times, and the net value of tangible assets of no less than NT\$35,000,000.
3. The Group signed a credit agreement with EnTie Commercial Bank in April 2023 to provide financing to the Group. The credit period was from May 2023 to May 2025. The total credit limit was NT\$500,000, and as of March 31, 2025, the Group had drawn down a credit amount of NT\$250,000. The Group renewed the said credit agreement with EnTie Commercial Bank in March 2025, and the credit period is from March 2025 to March 2027. The main commitments of the Group are as follows:
 - (1) The Group should maintain a consolidated current ratio of 70% or more and a consolidated debt ratio of 120% or less.
 - (2) When the loan criteria fails to be met, Entie Commercial Bank bears no obligation to maintain the facility and, therefore, may terminate part or all of the facility.
4. In addition to the endorsement/guarantees and collateral provided by the Group for short-term borrowings, short-term notes payable, and long-term borrowings as in Notes 7 (2)-6 and 8, the amounts of guarantee notes issued are as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Guarantee notes	<u>\$ 40,582,800</u>	<u>\$ 40,582,800</u>	<u>\$ 42,905,900</u>

(XVIII) Other non-Current liabilities

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Guarantee deposits received	\$ 868,317	\$ 860,776	\$ 802,098
Others	<u>972</u>	<u>971</u>	<u>972</u>
	<u>\$ 869,289</u>	<u>\$ 861,747</u>	<u>\$ 803,070</u>

(XIX) Pensions

1. (1) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units

accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Group contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Group would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions to cover the deficit by next March.

- (2) For the periods from January 1 to March 31, 2025 and 2024, pension expenses were NT\$76 and NT\$200, respectively.
 - (3) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2025 amount to NT\$4,043.
2. (1) Effective on July 1, 2005, the Company and its domestic subsidiaries have established a defined pension plan under the Labor Pension Act covering all regular employees with R.O.C. nationality. Under the defined contribution pension plan in compliance with the Labor Pension Act, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (2) The Group's sub-subsidiary Shanghai Newzone Fashion Ltd. contributes a monthly amount equal to a fixed percentage of the local employees' monthly salaries and wages as a pension fund in accordance with the pension regulations in the People's Republic of China. The government administrates the pension fund, and other than the monthly contributions, the Group has no further obligations.
- (3) For the periods from January 1 to March 31, 2025 and 2024, pension expenses were NT\$3,739 and NT\$3,747, respectively.

(XX) Capital

1. As of March 31, 2025, the Company's authorized capital was NT\$15,000,000, and the paid-in capital was NT\$11,043,188 with a par value of NT\$10 per share; all shares are issued as ordinary shares. All proceeds from shares issued have been collected.
2. The Company's outstanding shares as of March 31, 2025, December 31, 2024, and March 31, 2024, were 1,104,319 thousand shares.

3. As for the treasury shares listed by the Company, there were 36,593 thousand shares held by the subsidiary, Gin-Hong Investment, as of March 31, 2025, December 31, 2024, and March 31, 2024 to protect its shareholders' equity. The information on the amount is as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Gin-Hong Investment	<u>\$ 552,479</u>	<u>\$ 552,479</u>	<u>\$ 552,479</u>

(XXI) Capital surplus

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

	2025					
	Issued at premium	Treasury share transactions	Changes in the ownership interests of subsidiaries as recognized	Changes in the associates' net value of equity	Others	Total
January 1	\$ 25,956,207	\$ 1,184,035	\$ 264	\$ 974,981	\$ 136,807	\$ 28,252,294
Changes in the equity of associates recognized based on shareholding percentage	-	-	-	(30)	-	(30)
Overdue dividends received by shareholders	-	-	-	-	(195)	(195)
Income tax effect	-	-	-	2	-	2
March 31	<u>\$ 25,956,207</u>	<u>\$ 1,184,035</u>	<u>\$ 264</u>	<u>\$ 974,953</u>	<u>\$ 136,612</u>	<u>\$ 28,252,071</u>

2024

	Issued at premium	Treasury share transactions	Changes in the ownership interests of subsidiaries as recognized	Changes in the associates' net value of equity	Others	Total
January 1	\$ 25,956,207	\$ 1,133,719	\$ -	\$ 955,836	\$ 125,750	\$ 28,171,512
Overdue dividends received by shareholders	-	-	-	-	(267)	(267)
March 31	<u>\$ 25,956,207</u>	<u>\$ 1,133,719</u>	<u>\$ -</u>	<u>\$ 955,836</u>	<u>\$ 125,483</u>	<u>\$ 28,171,245</u>
Income tax effect	-	-	-	2	-	2
March 31	<u>\$ 25,956,207</u>	<u>\$ 1,184,035</u>	<u>\$ 264</u>	<u>\$ 974,953</u>	<u>\$ 136,612</u>	<u>\$ 28,252,071</u>

(XXII) Retained earnings

1. As per the Articles of Incorporation, if after the annual closing of books, there is a profit, the Company shall, after having provided for income taxes and offset the accumulated losses of previous years, retain the 10% legal reserve; Where such legal reserve amounts to the total paid-in capital of the Company, this provision shall not apply. If the balance (distributable profits for the current year), together with the undistributed earnings in the previous year and retained or reversed special reserves prescribed by laws and regulations, are available for distribution, the Board shall present a proposal on dividends, or retention at a shareholders' meeting for resolution. The Company's dividend policy is based on the Company Law and its articles of incorporation. The Board of Directors proposes an annual distribution plan to the shareholder meeting, taking into account factors such as finance, business, management, and capital budgeting, as well as balancing shareholder interests and the company's long-term financial planning. However, shareholder dividends must be no less than 30% of the net profit after tax for the year, excluding the share of profit or loss of associates and joint ventures accounted for using the equity method, after the legally required statutory reserve and various special reserves have been appropriated. The cash dividend ratio must be no less than 30% of the total dividend distribution for the year.
2. Except for covering accumulated deficit or issuing new stocks or cash to shareholder in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
3. (1) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

- (2) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi No. 1010012865 Letter dated April 6, 2012, shall be reversed proportionately when the relevant Assets are used, disposed of or reclassified subsequently.
4. (1) The 2024 and 2023 earnings distribution proposals of the Company were made by the board of directors and approved by the shareholders' meetings on March 12, 2025 and June 27, 2024, respectively. The details are as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Amount</u>	<u>Dividend per share (NTD)</u>	<u>Amount</u>	<u>Dividend per share (NTD)</u>
Legal reserve	\$ 1,359,613		\$ 737,360	
Special reserve (Note)	26,817,495		(10,705,533)	
Cash dividends	-	\$ -	2,760,797	\$ 2.50
Total	<u>\$ 28,177,108</u>		<u>(\$ 7,207,376)</u>	

Note:

- a. The components of the special reserve provided for the 2024 distribution plan are as follows:
 - (a) As per Jin-Guan-Zheng-Fa No. 10901500221, regarding the investment property that the Company continues to adopt the fair value model for measurement, the net increase (decrease) in the fair value during the period and the net increase (decrease) in the fair value of the investees' investment property in the investment income recognized in proportion to the shareholding using the equity method during the year in the amount of NT\$927,634 were provided.
 - (b) (Pursuant to Jin-Guan-Zheng-Fa No. 1090150022, the Company provided NT\$4,621,973 for the net deduction of other equity incurred during this period.
 - (c) As mentioned in Note 6(7)11(3), as per Jin-Guan-Zheng-Fa No. 1110384722 and the Questions and Answers Regarding Public Companies' Applicability of the Provision of Special Reserves for Changes in the Fair Values of Financial Assets Reclassified by Insurance Investees, when the cumulative amount of changes in the fair values of the financial assets reclassified by an insurance investee in proportion to the shareholding using the equity method, the amount of the special reserve that should be available for the period (that is, the balance of the special reserve after provision and

reversal) shall not exceed the carrying amount of the public company's investment in the insurance investee using the equity method for the period. The Company provided a special reserve from the 2024 distributable earnings in accordance with the above regulations (a) and (b) and provided NT\$21,267,888 in accordance with the above-mentioned regulations.

b. The components of the special reserve provided for the 2023 distribution plan are as follows:

- (a) As per Jin-Guan-Zheng-Fa No. 10901500221, regarding the investment property that the Company continues to adopt the fair value model for measurement, the net increase (decrease) in the fair value during the period and the net increase (decrease) in the fair value of the investees' investment property in the investment income recognized in proportion to the shareholding using the equity method during the year in the amount of NT\$501,419 were provided.
- (b) Pursuant to Jin-Guan-Zheng-Fa No. 1090150022, the Company provided NT\$11,206,952 for the net deduction of other equity incurred during this period was reversed.

(2) According to the approval of the proposal made by the Board of Directors on March 12, 2025, the Company distributed cash at NT\$2.50 per share with the legal reserve, for a total amount of NT\$2,760,797.

(3) The above-mentioned 2024 distribution plan had not yet been resolved by the shareholders' meeting as of May 14, 2025.

5. Change of undistributed earnings is as follows:

	<u>2025</u>	<u>2024</u>
January 1	\$ 28,177,108	\$ 7,373,600
Changes in associates & joint ventures accounted for using equity method	26	-
Net income of current period	<u>3,297,596</u>	<u>4,467,889</u>
March 31	<u>\$ 31,474,730</u>	<u>\$ 11,841,489</u>

(XXIII) Other equity items

	<u>2025</u>					
	Unrealized valuation profit or loss	Foreign currency translation	Hedging reserve	Classification by the overlay approach	Property revaluation surplus	Total
January 1	(\$ 15,604,651)	(\$ 348,205)	\$ 215	(\$ 18,878,138)	\$ 65,929	(\$ 34,764,850)
Unrealized valuation profit or loss of financial assets:						
- Group	226,541	-	-	-	-	226,541
- Tax related to the group	21,844	-	-	-	-	21,844
- Associate	806,277	-	-	-	-	806,277
- Changes in disposal of associates	(26)	-	-	-	- (26)	(26)
- Tax related to the associates	(1,122)	-	-	-	- (1,122)	(1,122)
Foreign currency translation differences:						
- Group	-	48,184	-	-	-	48,184
- Tax related to the group	- (9,637)	-	-	-	- (9,637)	(9,637)
- Associate	-	13,384	-	-	-	13,384
- Tax related to the associates	-	-	-	-	-	-
Reclassification by the overlay approach:						
- Associate	-	-	- (8,229,092)	-	- (8,229,092)	(8,229,092)
- Tax related to the associates	-	-	-	39,287	-	39,287
March 31	<u>(\$ 14,551,137)</u>	<u>(\$ 296,274)</u>	<u>\$ 215</u>	<u>(\$ 27,067,943)</u>	<u>\$ 65,929</u>	<u>(\$ 41,849,210)</u>

	<u>2024</u>					
	Unrealized valuation profit or loss	Foreign currency translation	Hedging reserve	Reclassification by the overlay approach	Property revaluation surplus	Total
January 1	(\$ 14,350,788)	(\$ 539,008)	\$ 215	(\$ 15,307,985)	\$ 54,689	(\$ 30,142,877)
Unrealized valuation profit or loss of financial assets:						
- Group	592,591	-	-	-	-	592,591
- Tax related to the group	(37,435)	-	-	-	-(37,435)	(37,435)
- Associate	(791,541)	-	-	-	-(791,541)	(791,541)
- Tax related to the associates	(19,304)	-	-	-	-(19,304)	(19,304)
Foreign currency translation differences:						
- Group	-	115,479	-	-	-	115,479
- Tax related to the group	-(23,096)	-	-	-	-(23,096)	(23,096)
- Associate	-	23,131	-	-	-	23,131
- Tax related to the associates	-	-	-	-	-	-
Reclassification by the overlay approach:						
- Associate	-	-	-	2,700,188	-	2,700,188
- Tax related to the associates	-	-	-	59,351	-	59,351
March 31	<u>(\$ 14,606,477)</u>	<u>(\$ 423,494)</u>	<u>\$ 215</u>	<u>(\$ 12,548,446)</u>	<u>\$ 54,689</u>	<u>(\$ 27,523,513)</u>

(XXIV) Operating Revenue

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Revenue from contracts with customers:		
Revenue from sales of real estate	-	-
Revenue from sales of goods	\$ 615,624	\$ 671,505
Rental income	33,165	30,911
Other operating revenue	193	15
	<u>\$ 648,982</u>	<u>\$ 702,431</u>

1. Detail of customer contract income

The Group's revenue can be broken down into the major segments below:

<u>January 1 to March 31, 2025</u>	<u>Textile segment</u>	<u>Retail segment</u>	<u>Hypermarket segment</u>	<u>Total</u>
Departmental revenue	\$ 203,440	\$ 151,486	\$ 297,565	\$ 652,491
Revenue from internal department transactions	(27,640)	(9,227)	-	(36,867)
Revenue from contracts with external customers	<u>\$ 175,800</u>	<u>\$ 142,259</u>	<u>\$ 297,565</u>	<u>\$ 615,624</u>
January 1 to March 31, 2024	Textile segment	Retail segment	Hypermarket segment	Total
Departmental revenue	\$ 227,474	\$ 165,418	\$ 310,169	\$ 703,061
Revenue from internal department transactions	(22,332)	(9,224)	-	(31,556)
Revenue from contracts with external customers	<u>\$ 205,142</u>	<u>\$ 156,194</u>	<u>\$ 310,169</u>	<u>\$ 671,505</u>

2. Contract assets and liabilities (related parties included)

The Group did not recognize contract assets related to revenue from customer contracts as of March 31, 2025, December 31, 2024, and March 31, 2024. In addition, the contract liabilities recognized by the Group are as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Contract liabilities	<u>\$ 30,441</u>	<u>\$ 41,372</u>	<u>\$ 31,737</u>

(XXV) Operation cost

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Costs of clients' contracts		
Cost of sales of goods	<u>\$ 437,069</u>	<u>\$ 482,871</u>

(XXVI) Interest revenue

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest on cash in banks	\$ 33,789	\$ 29,625
Interest income from the financial assets measured at amortized costs	2,710	4,369
Imputed interest for deposit	19	3
	<u>\$ 36,518</u>	<u>\$ 33,997</u>

(XXVII) Other income

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Rent income	\$ 1,055	\$ 999
Dividend income		
Financial assets at fair value through profit or loss	4,795	3,086
Other income	8,997	9,696
	<u>\$ 14,847</u>	<u>\$ 13,781</u>

(XXVIII) Other gains and losses

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Gain (loss) on disposal of property, plant and equipment	(\$ 636)	\$ 15
Net foreign exchange gains	3,814	68,001
Others	(207)	(71)
	<u>\$ 2,971</u>	<u>\$ 67,945</u>

(XXIX) Financial Costs

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest Cost		
Bank loan and short-term notes and bills	\$ 43,494	\$ 33,987
Lease liabilities	661	245
Others	3,396	2,883
	<u>\$ 47,551</u>	<u>\$ 37,115</u>

(XXX) Additional information on the nature of costs and expenses

<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
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Raw materials and supplies consumed	\$	8,163	\$	5,789
Changes in inventories of finished goods and work-in-process		125,516		122,625
Changes in merchandise inventory		276,166		329,979
Contract processing expense		33,171		31,672
Gain from the price recovery (of inventory declines)	(	5,947)	(	7,194)
Employee benefit expense		104,975		107,805
Depreciation expenses for property, plant and equipment		12,140		10,989
Depreciation expenses for right-of-use assets		13,171		12,923
Amortization		522		297
Gain on reversal of expected credit impairment loss	(	1,708)	(	83)
Other operating costs and expenses		91,604		78,084
	\$	657,773	\$	692,886

(XXXI) Employee benefit expense

	January 1 to March 31, 2025	January 1 to March 31, 2024
Wages and salaries	\$ 84,504	\$ 87,392
Labor and Health Insurance costs	10,005	9,640
Pension expense	3,815	3,947
Directors' Remuneration	2,712	2,712
Other employment fees	3,939	4,114
	\$ 104,975	\$ 107,805

1. In accordance with the Articles of Incorporation of the Company, when the Company has a profit in a fiscal year, 0.3% to 0.5% of such profit shall be distributed as the employees' compensation; however, when the Company still has accumulated losses, amount still be reserved in advance to make up the losses. The remuneration to employees as stated in the preceding paragraph can be paid in cash or with stock dividends, and the object of distribution must include employees of the subordinate company that meet certain conditions.
2. For the periods from January 1 to March 31, 2025 and 2024, employees' compensation was estimated at NT\$9,934 and NT\$13,550, respectively. The aforementioned amounts

were estimated at 0.3% of the year's profitability and accounted for in salary expenses.

Employees' compensation for 2024 as resolved by the board of directors was in agreement with the amount of NT\$41,706 recognized in the 2024 financial statements and would be paid in cash; and had not been paid as of March 31, 2025.

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

(XXXII) Income tax

1. Income tax expense:

(1) Components of Income tax expense:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Current income tax:		
Land value increment tax	\$ 24,690	\$ -
Overestimation on income tax for prior years	-	(79)
Total income tax for current period	<u>24,690</u>	<u>(79)</u>
Deferred income tax:		
Land value increment tax	(24,690)	-
Origination and reversal of temporary differences	<u>3,265</u>	<u>35,297</u>
Total deferred income tax	<u>(21,425)</u>	<u>35,297</u>
Income tax expense	<u>\$ 3,265</u>	<u>\$ 35,218</u>

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

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Changes in unrealized valuation (profit) loss -group	\$ 21,844	\$ 37,435

Differences on translation of foreign(operations - group	9,637)	23,096
Share of other comprehensive income from associates	38,165 (	40,047)
	<u>\$ 50,372</u>	<u>\$ 20,484</u>

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

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Capital surplus	<u>\$ 2</u>	<u>\$ -</u>

2. The Company's income tax returns through 2023 have been assessed as approved by the Tax Authority.

(XXXIII) Non-controlling Interest

	<u>2025</u>	<u>2024</u>
January 1	\$ 2,882,799	\$ 2,066,469
Net income of current period	10,529	10,848
Differences on translation of foreign operations	32,875	75,179
Changes in unrealized valuation profit or loss	(262,759)	51,411
March 31	<u>\$ 2,663,444</u>	<u>\$ 2,203,907</u>

(XXXIV) Earnings per share

	<u>January 1 to March 31, 2025</u>	
		Number of shares outstanding (thousand shares) at the end of the period
	<u>After-tax amount</u>	<u>Earnings per share (NTD)</u>
<u>Basic earnings per share</u>		
Net income attributable to ordinary shareholders of the parent	<u>\$ 3,297,596</u>	<u>1,043,663</u> <u>\$ 3.16</u>
<u>Diluted earnings per share</u>		
Net income attributable to ordinary shareholders of the parent	\$ 3,297,596	1,043,663

	<u>January 1 to March 31, 2025</u>		
	<u>After-tax amount</u>	<u>Number of shares outstanding (thousand shares) at the end of the period</u>	<u>Earnings per share (NTD)</u>
Dilutive potential ordinary shares effecting employee compensation	-	756	
Effects of the net income attributable to ordinary shareholders of the parent plus potential ordinary shares	<u>\$ 3,297,596</u>	<u>1,044,419</u>	<u>\$ 3.16</u>

	<u>January 1 to March 31, 2024</u>		
	<u>After-tax amount</u>	<u>Number of shares outstanding (thousand shares) at the end of the period</u>	<u>Earnings per share (NTD)</u>
<u>Basic earnings per share</u>			
Net income attributable to ordinary shareholders of the parent	<u>\$ 4,467,889</u>	<u>1,043,663</u>	<u>\$ 4.28</u>
<u>Diluted earnings per share</u>			
Net income attributable to ordinary shareholders of the parent	\$ 4,467,889	1,043,663	
Dilutive potential ordinary shares effecting employee compensation	-	541	
Effects of the net income attributable to ordinary shareholders of the parent plus potential ordinary shares	<u>\$ 4,467,889</u>	<u>1,044,204</u>	<u>\$ 4.28</u>

(XXXV) Cash flow supplementary information

- Investing activities paid partially by cash:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Acquisition of property, plant and equipment	\$ 10,389	\$ 9,225

Add: Other payables at the beginning of the period - payable on equipment	2,764	1,484
Less: Other payables at the end of the period - payable on equipment (	2,951) (	2,233)
Less: Other payables at the end of the period-Others	- (	31)
Cash payments for current period	<u>\$ 10,202</u>	<u>\$ 8,445</u>

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Purchase of intangible assets	\$ 323	\$ 118
Add: Other payables at the beginning of the period- Others	288	288
Less: Other payables at the end of the period-Others (	288) (	288)
Cash payments for current period	<u>\$ 323</u>	<u>\$ 118</u>

2. Investing activities received partially in cash:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Disposal of real estate properties, plants and equipment	\$ 828	\$ -
Add: Loss (gain) on disposal of property, plant and equipment (	636)	15
Add: Other receivables at the beginning of the period	<u>1,354</u>	<u>6,627</u>
Cash received during this period	<u>\$ 1,546</u>	<u>\$ 6,642</u>

(XXXVI) Liabilities from financing activities

2025

Short-term borrowings	Guarantee deposits received	Long-term borrowings (including loans due	Lease liabilities (including those due	Total liabilities from financing
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			within a year and due withing the operating cycles)	within 1 year)	activities
January 1	\$ 250,000	\$ 860,776	\$ 9,220,000	\$ 59,772	\$ 10,390,548
Changes of the financing cash flows	-	7,541	75,000	(13,011)	69,530
Addition-Newly added lease contracts	-	-	-	111,853	111,853
Other non-cash changes	-	-	-	18	18
March 31	<u>\$ 250,000</u>	<u>\$ 868,317</u>	<u>\$ 9,295,000</u>	<u>\$ 158,632</u>	<u>\$ 10,571,949</u>
<u>2024</u>					
	Short-term borrowings	Guarantee deposits received	Long-term borrowings (including loans due within a year and due withing the operating cycles)	Lease liabilities (including those due within 1 year)	Total liabilities from financing activities
January 1	\$ 350,000	\$ 789,609	\$ 14,645,000	\$ 101,879	\$ 15,886,488
Changes of the financing cash flows	400,000	12,489	(8,300,000)	(13,049)	(7,900,560)
Other non-cash changes	-	-	-	14	14
March 31	<u>\$ 750,000</u>	<u>\$ 802,098</u>	<u>\$ 6,345,000</u>	<u>\$ 88,844</u>	<u>\$ 7,985,942</u>

VII. Transaction with Related Parties

(I) Names of related parties and relationship

<u>Name of the related party</u>	<u>Relationship with the Group</u>
Ruentex Development Co., Ltd.	Associate (the investee company accounted for under the equity method by the Company)
Ruen Chen Investment Holdings Ltd.	Associate (the investee company accounted for under the equity method by the Company)
Ruen Fu Newlife Corp.	Associate (the investee company accounted for under the equity method by the Company)
Nan Shan Life Insurance Co., Ltd. (Nan Shan Life Insurance)	Associate (the investee company accounted for under the equity method by the Company)
Nan Shan General Insurance Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Xu-Zhan Development co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Engineering & Construction Co., Ltd. (Ruentex Engineering)	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Interior Design Inc.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruen Yang Construction Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Huei Hong Investment Co., Ltd.	Other related party (the Company's juridical person director)
Chang Quan Investment Co., Ltd.	Other related party (the Company's representative of juridical person director is the representative of the juridical person director of the company)
Ruentex Property Management and Maintenance Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruen Hua Dyeing & Weaving Co.,	Other related party (the Company's representative of juridical

<u>Name of the related party</u>	<u>Relationship with the Group</u>
Ltd.	person director is the representative of the juridical person director of the company)
Ruentex Xing Co. Ltd.	Other related party (the Company's juridical person director)
Ruentex Materials Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Security Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Construction & Development Co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Bai-Yi Development co., Ltd.	Other related party (subordinate company of an investee accounted for under the equity method by the Company)
Ruentex Construction & Engineering Co., Ltd.	Other related party (a member of the management of the subordinate company of an investee accounted for under the equity method by the Company is the representative of juridical person director of the company)
Shu-Tien Urology and Ophthalmology Clinic	Other related party (the Company's juridical person director)
Samuel Yen-Liang Yin	Other related party (the relative within the first degree of kinship of the representative of the juridical corporate director of the Company)
Hsu, Sheng-Yu	The Company's key management personnel
Hsu, Chih-Chang	The Company's key management personnel
TaiMed Biologics, Inc.	Other related party (the Company's representative of juridical person director is the representative of the juridical person director of the company)
OBI Pharma, Inc.	Other related party (the Company's substantial related party)
Sunny Friend Environmental Technology Co., Ltd.	Other related party (the Company's representative of juridical person director is the representative of the juridical person director of the company)
Tanvex BioPharma Inc.	Other related party (the Company's substantial related party)

(II) Significant transaction with related parties

1. Operating Revenue

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Sales:		
Associates	\$ 638	\$ 366
Other related parties	1,944	1,411
Rental income:		
Associates	29	29
Other related parties		
- Ruentex Engineering	21,569	20,042
- Other	85	86
	<u>\$ 24,265</u>	<u>\$ 21,934</u>

(1) The Group leased the land in the Sihua Section in Yangmei, Taoyuan City, and four

parcels of land in the Zhennan Section in Wuqi District, Taichung City, to other related parties under an operating lease. The negotiation between both parties determined the transaction price and the payment was collected according to the contract timeline signed by both parties. The lease term is from July 2017 to May 2040. The rents are reviewed and adjusted with the price index every year. The future minimum lease receivable for the irrevocable contract above is as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Less than one years	\$ 80,936	\$ 72,282	\$ 70,648
More than one year and less than five years	271,818	271,818	248,586
More than 5 years	<u>690,871</u>	<u>707,859</u>	<u>693,970</u>
	<u>\$ 1,043,625</u>	<u>\$ 1,051,959</u>	<u>\$ 1,013,204</u>

- (2) There is no significant difference in the Group's transactions prices and payment terms for goods sold between related parties and non-related parties.

2. Receivables from related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Notes receivable:			
Associates	\$ 151	\$ -	\$ -
Other related parties	<u>850</u>	<u>49</u>	<u>884</u>
	<u>\$ 1,001</u>	<u>\$ 49</u>	<u>\$ 884</u>
Accounts receivable:			
Associates	\$ 10	\$ 121	\$ 148
Other related parties	<u>2,277</u>	<u>1,017</u>	<u>2,313</u>
	<u>\$ 2,287</u>	<u>\$ 1,138</u>	<u>\$ 2,461</u>
Other receivables:			
Associates			
- Nan Shan Life Insurance	\$ 6,733	\$ 4,545	\$ 6,733
- Ruentex Development	555		
- Others	27	91	564
Other related parties	<u>2,353</u>	<u>191</u>	<u>1,412</u>
	<u>\$ 9,668</u>	<u>\$ 4,827</u>	<u>\$ 8,709</u>

- (1) Please refer to Note 6 (2) for the aging analysis of notes and accounts receivable.
- (2) Other accounts receivable are mainly receivables from related parties for services,

computer services, interest, etc.

3. Payables to related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Notes payable:			
Associates	\$ 64	\$ 34	\$ 32
Other related parties	-	410	-
	<u>\$ 64</u>	<u>\$ 444</u>	<u>\$ 32</u>
Accounts payable:			
Other related parties	\$ -	\$ 759	\$ 29
Other payables:			
Associates	\$ 88	\$ 90	\$ 95
Other related parties	274	1,372	261
	<u>\$ 362</u>	<u>\$ 1,462</u>	<u>\$ 356</u>

4. Non-operating income and expenses

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest revenue:		
Associates		
- Nan Shan Life Insurance	\$ 2,188	\$ 2,188
Other income:		
Associates	\$ 1,889	\$ 1,794
Other related parties		
- Ruentex Engineering & Construction	1,293	1,309
- Others	2,825	2,579
	<u>\$ 6,007</u>	<u>\$ 5,682</u>

(1) Interest income is mainly generated from the financial assets measured at amortized costs.

(2) Other income mainly refers to income from the computer services and management services provided to related parties.

5. Property transactions

Acquisition and disposal of financial assets

Please refer to the description of Note 6(5) and 7.

6. Endorsements or guarantees made by related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Key management personnel	<u>\$ 36,986,800</u>	<u>\$ 36,986,800</u>	<u>\$ 39,309,900</u>

7. Other

Please refer to Note 6(11) for details.

(III) Key management compensation information

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Wages and salaries and other short-term employee benefits	\$ 7,070	\$ 6,880
Post-employment benefits	132	311
Total	<u>\$ 7,202</u>	<u>\$ 7,191</u>

VIII. Pledged Assets

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

<u>Asset items</u>	<u>Carrying amount</u>		<u>March 31, 2024</u>	<u>For guarantee purpose</u>
	<u>March 31, 2025</u>	<u>December 31, 2024</u>		
Investments accounted for using equity method	\$ 8,197,855	\$ 8,596,482	\$ 9,076,345	For mid- and long-term loans, short-term borrowings, and issue of commercial paper
Inventories	36,836	36,836	46,545	Mid- and long-term loans
Property, plant, and equipment	912,998	915,797	924,194	Mid- and long-term loans
Financial assets at fair value through other comprehensive income	1,589,093	1,714,023	1,679,946	Mid- and long-term loans
acquired - non-Current Investment Real Estate	8,675,086	8,675,086	8,115,380	Mid- and long-term loans
Financial Assets at amortized cost- non-Current	67,800	67,800	67,800	For legal litigation, tariffs, bank secured loans, and short-term borrowings

IX. Significant Contingent Liabilities and Unrecognized Commitments

Except for those mentioned in Notes 6(7), (9), (10), (17) and 7, there are other material contingent liabilities and unrecognized contractual commitments as follows:

In November 1998, the Company and RT-MART International Co., Ltd. signed the entrusted

management and procurement agreement for the Zhonghe Hypermarket to authorize RT-MART International Co., Ltd. to provide the hypermarket management and joint procurement services. The agreement period is from November 1998 to December 2028 after multiple additions of supplementary agreements and extensions based on mutual agreement.

X. Significant Disaster Loss

None.

XI. Significant subsequent events

None.

XII. Others

(I) Capital management

The Group's capital management is to ensure its going concern and maintain the best capital structure to reduce capital cost, so as to provide returns to its shareholders. In order to maintain or adjust capital structure, the Group may adjust dividend distribution, return capital to shareholders, issue new shares or dispose assets to optimize the capital structure. The Group manages its capital through liabilities-to-capital ratio that is the ratio of net liabilities over total capital. The net liabilities is equal to total borrowings (including "current and non-current borrowings" on the consolidated financial statements) deducting cash and cash equivalents. Total capital is the "equity" stated on the consolidated balance sheet plus net liabilities.

The Group's strategy for year 2025 is consistent with that of year 2024. The Group's debt ratios as of March 31, 2025, December 31, 2024, and March 31, 2024, were as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Total borrowings	\$ 9,545,000	\$ 9,470,000	\$ 7,095,000
Less: Cash and cash equivalents	(4,172,109)	(3,858,445)	(3,665,477)
Net debt	5,372,891	5,611,555	3,429,523
Total equity	101,223,988	105,230,304	105,344,254
Total capital	<u>\$ 106,596,879</u>	<u>\$ 110,841,859</u>	<u>\$ 108,773,777</u>
Debt-to-total-capital ratio	5.04%	5.06%	3.15%

(II) Financial instruments

1. Type of financial instruments

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Financial assets			
Financial assets at fair value through	\$ 3,358,624	\$ 3,373,354	\$ 3,037,463

profit or loss - non-current			
Financial Assets at fair value through other comprehensive income acquired - non-Current	9,594,686	9,597,080	7,060,854
Financial assets at amortised cost			
Cash and cash equivalents	4,172,109	3,858,445	3,665,477
Notes receivable	-	2	189
Notes Receivable – related party	1,001	49	884
Accounts receivable	139,187	183,928	171,810
Accounts receivable - related party	2,287	1,138	2,461
Other receivables	15,541	180,435	15,381
Other receivables - related Party	9,668	4,827	8,709
Current and non-current financial assets at amortized cost/loans and receivables	400,281	412,306	340,046
Refundable deposits (listed as other non-current assets)	21,565	46,057	45,767
	<u>\$ 17,714,949</u>	<u>\$ 17,657,621</u>	<u>\$ 14,349,041</u>
	March 31, 2025	December 31, 2024	March 31, 2024
Financial liability			
Financial liabilities are carried at amortized cost			
Short-term borrowings	\$ 250,000	\$ 250,000	\$ 750,000
Notes payable	96,839	93,353	123,735
Notes Payable – related Party	64	444	32
Accounts Payable	202,446	203,900	197,062
Accounts Payable – related Party	-	759	29
Other payables	200,351	297,887	190,299
Other Payable - Related Party	362	1,462	356
Long-term borrowings (including due within one year or one operating cycle)	9,295,000	9,220,000	6,345,000
Guarantee deposits received (listed as other non-current liabilities)	868,317	860,776	802,098
	<u>\$ 10,913,379</u>	<u>\$ 10,928,581</u>	<u>\$ 8,408,611</u>
Lease liabilities - current and non-current	<u>\$ 158,632</u>	<u>\$ 59,772</u>	<u>\$ 88,844</u>

2. Risk management policies

- (1) The Group 's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

- (2) Risk management is carried out by the Group's Finance Department under policies approved by the Board of Directors. Finance Department identified, evaluates and hedges financial risks in close cooperation with the Group's operating units. The board of directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

3. Significant financial risks and degrees of financial risks

(1) Market risk

Foreign exchange risk

- A. The Group holds multiple investments in foreign operations, and net assets of such investments are exposed to foreign exchange risk. Also, the Group's business involves multiple non-functional currencies that may be impacted by changes to foreign exchange rate. Information for foreign-currency-denominated assets and liabilities that may be impacted by foreign exchange risk is as follows:

<u>March 31, 2025</u>				<u>Sensitivity analysis</u>		
Foreign currency (thousands)	Exchange rate	Carrying amount (NT\$)	Range of variation	Effects on profit and loss	Effects on other comprehensive income	
<u>Financial assets</u>						
<u>Monetary Items</u>						
USD:NTD	8,019	33.210	\$ 266,311 5%	\$ 13,316	\$ -	
HKD:NTD	800	4.270	3,416 5%	171	-	
CNY:NTD	3,052	4.573	13,957 5%	698	-	
<u>Financial liability</u>						
<u>Monetary Items</u>						
USD:NTD	\$ 46	33.210	\$ 1,528 5%	\$ 76	\$ -	
HKD:NTD	58	4.270	249 5%	12	-	
<u>December 31, 2024</u>				<u>Sensitivity analysis</u>		
Foreign currency (thousands)	Exchange rate	Carrying amount (NT\$)	Range of variation	Effects on profit and loss	Effects on other comprehensive income	
<u>Financial assets</u>						
<u>Monetary Items</u>						
USD:NTD	\$ 7,520	32.790	\$ 246,581 5%	\$ 12,329	\$ -	
HKD:NTD	1,717	4.220	7,246 5%	362	-	
CNY:NTD	1,057	4.478	4,733 5%	237	-	
<u>Financial liability</u>						
<u>Monetary Items</u>						
USD:NTD	\$ 97	32.790	\$ 3,181 5%	\$ 159	\$ -	
HKD:NTD	146	4.220	616 5%	31	-	
<u>March 31, 2024</u>				<u>Sensitivity analysis</u>		
Foreign currency	Exchange rate	Carrying amount (NT\$)	Range of	Effects on	Effects on other	

	<u>(thousands)</u>			<u>variation</u>	<u>profit and loss</u>	<u>comprehensive income</u>	
<u>Financial assets</u>							
<u>Monetary</u>							
<u>Items</u>							
USD:NTD	\$	5,176	32.000	\$	165,632 5%	\$ 8,282	\$ -
HKD:NTD		619	4.090		2,532 5%	127	-
CNY:NTD		10,830	4.408		47,739 5%	2,387	-
<u>Financial liability</u>							
<u>Monetary</u>							
<u>Items</u>							
USD:NTD	\$	76	32.000	\$	2,432 5%	\$ 122	\$ -
HKD:NTD		90	4.090		368 5%	18	-

- B. Foreign exchange risk has significant impact on the Group, and the foreign exchange gains (including realized and unrealized) on monetary items recognized were NT\$3,814 and NT\$68,001 for the periods from January 1 to March 31, 2025 and 2024, respectively.

Price risk

- A. The Group's debt and equity instruments exposed to price risk were the financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. In order to manage its equity instruments investment against price risk, the Group diversified its investment portfolio based on the limits set by the Group.
- B. The Group has mostly invested in equity instruments issued by domestic or foreign companies, and the prices of such equity instruments would change due to the change of the future value of investee companies. If the prices of these equity instruments had increased/decreased by 5% with all other variables held constant, gains or losses on equity instruments at fair value through other comprehensive income and available-for-sale financial assets for the three months ended March 31, 2025 and 2024, would have increased/decreased by NT\$479,734 and NT\$353,043, respectively.
- C. The Group has mostly invested in foreign debt instruments issued via privately offered fund, and the prices of such debt instruments would change due to the change of the future value of said instruments. If the prices of such debt instruments had increased/decreased by 5% with all other variables held constant, the net income after tax for the three months ended March 31, 2025 and 2024, arising from gains or losses on debt instruments at fair value through profit or loss would have increased or decreased by NT\$134,345 and NT\$121,499.

Cash flow and fair value interest rate risk

- A. The Group's interest rate risk arises from total borrowings with floating interest rates that expose the Group to cash flow interest rate risk. On March 31, 2025,

December 31, 2024, and March 31, 2024, the Group's borrowings issued at variable rates were mostly denominated in New Taiwan Dollars.

- B. The Group's borrowings were measured at amortized cost, and the interest rate is reset every year as specified in the contracts. Therefore, the Group is exposed to interest rate risk from any future market interest rate change.
- C. If interest rates on borrowings had been 0.5% higher or lower with all other variables held constant, profit after income tax for the three months ended March 31, 2025 and 2024, would have decreased/increased by NT\$9,545 and NT\$7,095, respectively, due to change of interest expenses of borrowings at the variable interest rate.

(2) Credit risk

- A. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on their contract obligations. Credit risk arises from outstanding accounts receivable that counterparties fail to deliver in accordance with the payment terms, and overdue receivables (listed as "other non-current assets"), in the categories of financial assets measured at fair value through profit and loss, financial assets measured at fair value through other comprehensive income, and contractual cash flows measured at amortized cost.
- B. The Group manages its credit risk based on a Group-oriented system. For corresponding banks and financial institutions, it is set that only those with an independent credit rating equal to or higher than the investment grade can be accepted as trading counterparties. Following the internal credit policies, before setting the terms and conditions for payments and delivery with a new customer, each entity of the Group should assess new customer's credit risk and conduct credit risk management. The internal risk control considers the financial position, past experience and other factors in order to assess the credit quality of customers. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilization of credit limits is regularly monitored.
- C. The Group uses the presumptions provided by IFRS 9 that a loan that is 90 days past due is credit-impaired.
- D. The Group uses IFRS to provide the following assumptions, to determine if the credit risks of the financial instrument significantly increased since the initial recognition.
 - (A) When the contractual payments overdue from the payment terms for more than 30 days, it is deemed the credit risks of the financial instrument significantly increased since the initial recognition.

- (B) With an external rating agency rated as investment grade at the balance sheet date, the financial asset will be regarded as having low credit risk.
- E. The indicators for determining the impairment of the debt instrument investment used by the Group are as follows:
- (A) The possibilities that an issuer has a significant financial difficulty, or will become bankrupt or financial reorganized;
- (B) Due to the financial difficulty of the issuer, such that the active market of the financial asset vanishes;
- (C) An issuer delay or fail to repay the interests or principals;
- (D) The unfavorable changes to the national or regional economic conditions leading to the default of an issuer.
- F. Receivables are grouped based on customer's types, and the Group applies the simplified approach using loss rate methodology to estimate the expected credit loss.
- G. After the collection procedures, the financial assets amount that cannot be reasonably estimated will be written-off. However, the Group will continue to continue to pursue the legal right of recourse to protect the claims.
- H. The Group considers customers' past default records and actual financial position to adjust historical and real-time information to assess the default possibility and estimate loss allowance for accounts receivable (including related parties) and overdue receivables, net (listed as "other non-current assets"). As of March 31, 2025, December 31, 2024, and March 31, 2024, the loss rate methodology is as follows:

		Past due 1-90 days	Past due 91 days and more	Each	Total
<u>March 31, 2025</u>	<u>Not overdue</u>				
Expected loss	0.00%~0.27%	1.57%	50%~100%	100%	
Total carrying amount (including related parties)	\$ 132,847	\$ 8,933	\$ 2,116	\$ 4,088	\$ 147,984
Allowance for losses	\$ 276	\$ 140	\$ 2,006	\$ 4,088	\$ 6,510
		Past due 1-90 days	Past due 91 days and more	Each	Total
<u>December 31, 2024</u>	<u>Not overdue</u>				
Expected loss	0.00%~0.25%	1.48%	50%~100%	100%	
Total carrying amount (including related parties)	\$ 168,827	\$ 16,739	\$ 3,630	\$ 4,088	\$ 193,284
Allowance for losses	\$ 324	\$ 247	\$ 3,559	\$ 4,088	\$ 8,218
		Past due 1-90 days	Past due 91 days and more	Each	Total
<u>March 31, 2024</u>	<u>Not overdue</u>				

Expected loss	0.00%~0.01%	0.08%	50%~100%	100%	
Total carrying amount (including related parties)	<u>\$ 164,527</u>	<u>\$ 9,734</u>	<u>\$ 36</u>	<u>\$ 4,088</u>	<u>\$ 178,385</u>
Allowance for losses	<u>\$ 8</u>	<u>\$ 7</u>	<u>\$ 11</u>	<u>\$ 4,088</u>	<u>\$ 4,114</u>

- I. Movements in relation to the Group applying the simplified approach to provide a loss allowance for accounts receivable and overdue receivables are as follows:

	<u>2025</u>	<u>2024</u>
	<u>Accounts receivable and overdue receivable</u>	<u>Accounts receivable and overdue receivable</u>
January 1	\$ 8,218	\$ 4,197
Gains on reversal of impairment loss	(1,708)	(83)
March 31	<u>\$ 6,510</u>	<u>\$ 4,114</u>

- J. The financial assets measured by the amortized cost accounted for by the Group are time deposits as a pledge and subordinated bonds. Because the cooperating financial institutions' credit ratings are good, and the Group has conducted transactions with many financial institutions to diversify the credit risk, the probability of default is expected to be very low.

(3) Liquidity risk

- A. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Finance Department. The financial department monitors rolling forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times, in order to prevent the Group from breaching relevant borrowing limits or term. Such forecasts also consider the credit financing plan, credit terms compliance and the conformity with the financial ratio target specified in the internal balance sheet.
- B. The Group invests surplus cash from all operating units in interest bearing current accounts, time deposits, and repurchasable bonds, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. As of March 31, 2025, December 31, 2024, and March 31, 2024, the Group's position held in the money market was NT\$4,052,098, NT\$3,794,989, and NT\$3,608,286, respectively.
- C. Detail of the loan credit not yet drawn down by the Group is as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Due within one year	\$ 5,710,000	\$ 5,910,000	\$ 5,210,000
Due longer than one year	23,300,000	23,850,000	26,700,000
	<u>\$ 29,010,000</u>	<u>\$ 29,760,000</u>	<u>\$ 31,910,000</u>

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

Non-derivative financial liabilities:

March 31, 2025	Within 1 year	Within 1-5 years	More than 5 years
Short-term borrowings (Note)	\$ 252,679	\$ -	\$ -
Notes payable	96,839	-	-
Notes Payable – related Party	64	-	-
Accounts Payable	202,446	-	-
Other payables	200,351	-	-
Other Payable - Related Party	362	-	-
Lease liabilities (Note)	54,142	56,032	58,859
Long-term borrowings (including due within one year or one operating cycle) (Note)	836,875	8,715,386	-

Non-derivative financial liabilities:

December 31, 2024	Within 1 year	Within 1-5 years	More than 5 years
Short-term borrowings (Note)	\$ 253,775	\$ -	\$ -
Notes payable	93,353	-	-
Notes Payable – related Party	444	-	-
Accounts Payable	203,900	-	-
Accounts Payable – related Party	759	-	-
Other payables	297,887	-	-
Other Payable - Related Party	1,462	-	-
Lease liabilities (Note)	51,719	70,924	-
Long-term borrowings (including due within one year or one operating cycle) (Note)	633,457	8,874,807	-

Non-derivative financial liabilities:

March 31, 2024	<u>Within 1 year</u>	<u>Within 1-5 years</u>	<u>More than 5 years</u>
Short-term borrowings (Note)	\$ 753,487	\$ -	-
Notes payable	123,735	-	-
Notes Payable – related Party	32	-	-
Accounts Payable	197,062	-	-
Accounts Payable – related Party	29	-	-
Other payables	190,299	-	-
Other Payable - Related Party	356	-	-
Lease liabilities (Note)	48,267	41,444	-
Long-term borrowings (including due within one year or one operating cycle) (Note)	606,956	5,903,870	-

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

- E. The Group did not expect the occurrence timing of cash flow of expiry date analysis would be significantly earlier, or the actual amount would significantly differ.

(III) Fair value information

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

- Level 1: Quoted prices (unadjusted) in active markets for identical Assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Group's investment in listed stocks is included.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability. It includes the investment in stocks listed in the TWSE and TPEX via private placement, part of the investment in stocks listed in the emerging stock market, investment in equity instruments without an active market, and investment property.

2. The carrying amounts of the Group's financial instruments not measured at fair value, including cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivable, other receivables, other financial assets recognized in other current assets and other non-current assets, long-term notes and accounts receivable, short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, long-term accounts payable and other financial liabilities recognized in other non-current liabilities, are approximate to their fair values.
3. Classification of financial instruments and non-financial instruments at fair value based on the natures, characteristic and risk, and fair value level is as follows:

March 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss - non-current				
Non-derivative financial assets				
- Foreign privately offered fund	\$ -	\$ -	\$ 3,358,624	\$ 3,358,624
Financial assets at fair value through other comprehensive income acquired - non-Current				
Equity instrument investment				
- Domestic TWSE- and TPEX-listed stocks	\$ 7,152,931	\$ -	\$ -	\$ 7,152,931
- Domestic stocks listed in TPEX	-	-	198,200	198,200
- Domestic unlisted stocks	-	-	95,642	95,642
- Foreign listed stocks	2,147,913	-	-	2,147,913
Subtotal	\$ 9,300,844	\$ -	\$ 293,842	\$ 9,594,686
Investment property (Note)	\$ -	\$ -	\$ 9,363,630	\$ 9,363,630
Total	\$ 9,300,844	\$ -	\$ 13,016,096	\$ 22,316,940
December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss - non-current				
Non-derivative financial assets				
- Foreign privately offered fund	\$ -	\$ -	\$ 3,373,354	\$ 3,373,354
Financial assets at fair value through other comprehensive income acquired - non-Current				
Equity instrument investment				
- Domestic TWSE- and TPEX-listed stocks	\$ 6,662,490	\$ -	\$ -	\$ 6,662,490
- Domestic stocks listed in TPEX	-	-	198,200	198,200
- Domestic unlisted stocks	-	-	95,642	95,642
- Foreign listed stocks	2,640,748	-	-	2,640,748
Subtotal	\$ 9,303,238	\$ -	\$ 293,842	\$ 9,597,080
Investment property (Note)	\$ -	\$ -	\$ 9,363,630	\$ 9,363,630
Total	\$ 9,303,238	\$ -	\$ 13,030,826	\$ 22,334,064

March 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss - non-current				
Non-derivative financial assets				
- Foreign privately offered fund	\$ -	\$ -	\$ 3,037,463	\$ 3,037,463
Financial assets at fair value through other comprehensive income acquired - non-Current				
Equity instrument investment				
- Domestic TWSE- and TPEX-listed stocks	\$ 5,252,921	\$ -	\$ -	\$ 5,252,921
- Domestic stocks listed in TPEX	-	-	53,490	53,490
- Domestic unlisted stocks	-	-	101,157	101,157
- Foreign listed stocks	1,653,286	-	-	1,653,286
Subtotal	\$ 6,906,207	\$ -	\$ 154,647	\$ 7,060,854
Investment property (Note)	\$ -	\$ -	\$ 8,801,563	\$ 8,801,563
Total	\$ 6,906,207	\$ -	\$ 11,993,673	\$ 18,899,880

Note: Investment property subsequently measured at fair value

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

- (1) The Group used market quoted prices as fair values (that is, Level 1) of investment in stocks listed in TWSE and TPEX and partial investment in stocks listed in the emerging stock market, and the quoted prices are the closing prices.
- (2) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).
- (3) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- (4) For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. Such type of valuation model is normally applied to derivative financial instruments. Certain inputs used in the valuation model are not

observable at market, and the Group must make reasonable estimates based on its assumptions. For the impacts of non-market observable parameters on financial instrument valuation, please refer to Note XII(3)10 for details.

- (5) The fair value valuation techniques adopted by the Group for the investment property measured at fair value are in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and such fair values are measured by the Group or outsourced using the income approach. The related assumptions and input values are as follows:
 - (A) Cash Flow: It is evaluated based on the existing lease contracts, local rents, or the rental trends of similar property in the market, excluding those that are too high or too low. If there is an end-of-period value, the present value of the end-of-period value may be added.
 - (B) Analysis Period: If there is no specific period for income, the analysis period should not exceed ten years in principle; if there is a specific period for income, it should be estimated based on the remaining period.
 - (C) Discount Rate: It is estimated with the risk premium approach at a certain interest rate, with the individual characteristics of investment property considered. The so-called constant interest rate refers to a benchmark that cannot be lower than the two-year postal time deposit small amount deposit flexible interest rate announced by Chunghwa Post Co., Ltd. plus 0.75 percentage points.
 - (D) Growth Rate: It is adjusted with reference to the average movement of the consumer price index over the past ten years.
- (6) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on Current market conditions.
- (7) The Group includes credit risk valuation adjustment in the fair value calculation for financial instruments and non-financial instruments to reflect the counterparty credit risk and the credit quality of the Group.

5. There was no transfer between the Level 1 and the Level 2 fair values for the three months ended March 31, 2025 and 2024.
6. The following table shows the change of Level 3 fair value for the periods from January 1 to March 31, 2025 and 2024:

	<u>2025</u>		
	Debt instruments at fair value through profit or loss	Equity instruments at fair value through other comprehensive income	Total
January 1	\$ 3,373,354	\$ 293,842	\$ 3,667,196
Decrease in the current period	(14,730)	-	(14,730)
March 31	<u>\$ 3,358,624</u>	<u>\$ 293,842</u>	<u>\$ 3,652,466</u>
	<u>2024</u>		
	Debt instruments at fair value through profit or loss	Equity instruments at fair value through other comprehensive income	Total
January 1	\$ 3,030,078	\$ 154,647	\$ 3,184,725
Purchase for current period	7,385	-	7,385
March 31	<u>\$ 3,037,463</u>	<u>\$ 154,647</u>	<u>\$ 3,192,110</u>

7. Please refer to Note 6(5) for the transfers at Level 3 during the three months ended March 31, 2025 and 2024.
8. Accounting Department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value. Investment properties are valued according to the valuation method and parameter assumptions announced by the Financial Supervisory Commission, or they are appraised by external appraisers.
9. The significant non-observable input value quantified information and significant non-observable input value change sensitivity analysis for the valuation model used in relation to the Level 3 fair value measurements are as follows:

March 31, 2025

	<u>Fair value</u>	<u>Valuation techniques</u>	<u>Significant unobservable inputs</u>	<u>Interval</u>	<u>Relationship between inputs and fair value</u>
Investment Real Estate	\$ 4,295,838	The discounted cash flow method of the income approach	Long-term rental income growth rates and discount rates	Note 1	The higher the growth rate of long-term rental income, the higher the fair value; the higher the discount rate, the lower the fair value.
"	5,067,792	The method of land development analysis	Profit margin and overall capital interest rate	Note 2	As the profit margin decreases, the fair value is higher; as the overall capital interest rate increases, the fair value is lower
Non-derivative Equity Instrument:					
Shares of domestic TPEX-listed companies	198,200	Market approach	First quartile of the equity multiplier for comparable companies	2.42%	The higher the equity multiplier, the higher the fair value estimate
Domestic unlisted stocks	700	Asset-Based Approach	Not applicable	Not applicable	Not applicable
"	94,942	Market approach	Discount for lack of marketability	14.13%~21.04%	The higher the degree of lack of liquidity, the lower the fair value estimate
Foreign privately offered fund	3,358,624	Asset-Based Approach	Not applicable	Not applicable	Not applicable
December 31, 2024					
	<u>Fair value</u>	<u>Valuation techniques</u>	<u>Significant unobservable inputs</u>	<u>Interval</u>	<u>Relationship between inputs and fair value</u>
Investment Real Estate	\$ 4,295,838	The discounted cash flow method of the income approach	Long-term rental income growth rates and discount rates	Note 1	The higher the growth rate of long-term rental income, the higher the fair value; the higher the discount rate, the lower the fair value.
"	5,067,792	The method of land development analysis	Profit margin and overall capital interest rate	Note 2	As the profit margin decreases, the fair value is higher; as the overall capital interest rate increases, the fair value is lower
Non-derivative Equity Instrument:					
Shares of domestic TPEX-listed companies	198,200	Market approach	First quartile of the equity multiplier for comparable companies	2.42%	The higher the equity multiplier, the higher the fair value estimate
Domestic unlisted stocks	700	Asset-Based Approach	Not applicable	Not applicable	Not applicable
"	94,942	Market approach	Discount for lack of marketability	14.13%~21.04%	The higher the degree of lack of liquidity, the lower the fair value estimate
Foreign privately offered fund	3,373,354	Asset-Based Approach	Not applicable	Not applicable	Not applicable

March 31, 2024					
	<u>Fair value</u>	<u>Valuation techniques</u>	<u>Significant unobservable inputs</u>	<u>Interval</u>	<u>Relationship between inputs and fair value</u>
Investment Real Estate	\$ 4,025,693	The discounted cash flow method of the income approach	Long-term rental income growth rates and discount rates	Note 1	The higher the growth rate of long-term rental income, the higher the fair value; the higher the discount rate, the lower the fair value.
"	4,775,870	The method of land development analysis	Profit margin and overall capital interest rate	Note 2	As the profit margin decreases, the fair value is higher; as the overall capital interest rate increases, the fair value is lower
Non-derivative Equity Instrument:					
Shares of domestic TPEX-listed companies	53,490	Market approach	Discount for lack of marketability	3.48%	The higher the degree of lack of liquidity, the lower the fair value estimate
Domestic unlisted stocks	700	Asset-Based Approach	Not applicable	Not applicable	Not applicable
"	100,457	Market approach	Discount for lack of marketability	14.49%~20.89%	The higher the degree of lack of liquidity, the lower the fair value estimate
Foreign privately offered fund	3,037,463	Asset-Based Approach	Not applicable	Not applicable	Not applicable

Note 1: Please refer to Note 6(11) for the range of long-term rental income growth rates and the range of discount rates.

Note 2: Please refer to Note 6(11) for the profit margin and overall capital interest rate.

10. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurements. For financial assets classified as Level 3, if there is a change in the valuation parameters, then the impact on profit or loss or other comprehensive income is as follows:

		March 31, 2025		March 31, 2025	
		Recognized in profit and loss		Recognized as other comprehensive income	
		Favorable changes	Adverse changes	Favorable changes	Adverse changes
Financial assets	Inputs	Changes			
Equity Instrument	Lack of marketability				
	Marketability discount	±10%	\$ -	\$ -	\$ 29,384 (\$ 29,384)
Debt instrument	Lack of marketability				
	Marketability discount	±10%	\$ 335,862 (\$ 335,862)	\$ -	\$ -
			Recognized in profit and	Recognized in other	

			loss on December 31, 2024		comprehensive income on December 31, 2024	
	Inputs	Changes	Favorable changes	Adverse changes	Favorable changes	Adverse changes
Financial assets						
Equity Instrument	Lack of marketability					
	Marketability discount	±10%	\$ -	\$ -	\$ 29,384	(\$ 29,384)
Debt instrument	Lack of marketability					
	Marketability discount	±10%	\$ 337,335	(\$ 337,335)	\$ -	\$ -

			Recognized in profit and loss on March 31, 2024		Recognized in other comprehensive income on March 31, 2024	
	Inputs	Changes	Favorable changes	Adverse changes	Favorable changes	Adverse changes
Financial assets						
Equity Instrument	Lack of marketability					
	Marketability discount	±10%	\$ -	\$ -	\$ 15,465	(\$ 15,465)
Debt instrument	Lack of marketability					
	Marketability discount	±10%	\$ 303,746	(\$ 303,746)	\$ -	\$ -

XIII. Additional Disclosure

(I) Significant transaction information

1. Loans to others: None.
2. Endorsement/guarantee provided for others: None.
3. Significant marketable securities held at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to Table 1.
4. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: None.
5. Accounts receivable from related parties of at least NT\$100 million or 20% of the paid-in capital: None.
6. Business relationship between the parent and subsidiaries and status of the important transactions: Please refer to Table 2.

(II) Information on Investees

Names, locations and other information of investees (not including investees in China): Please refer to Table 3.

(III) Information on Investments in China

1. Basic information: Please refer to Table 4.
2. Significant transactions that occur directly or indirectly through a business in a third region and investees in China: Please refer to Table 2.

XIV. Segment Information

(I) General information

Management has determined the reportable operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group's Chief Operating Decision-Maker operate businesses and evaluate departmental performance from an industry perspective; the Group currently focuses on the textile, retail, hypermarket, construction, and investment businesses.

(II) Segment Information

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

	January 1 to March 31, 2025						
	Textile segment	Retail segment	Hypermarket segment	Construction segment	Investment segment	Internal write-off	Total
Revenue from external customers	\$ 175,800	\$ 142,259	\$ 303,890	\$ 26,840	\$ 193	\$ -	\$ 648,982
Internal revenue	27,640	9,227	-	3,624	1,428	(41,919)	-
Departmental revenue	\$ 203,440	\$ 151,486	\$ 303,890	\$ 30,464	\$ 1,621	(\$ 41,919)	\$ 648,982
Operating net income (loss) from the department to be reported	(\$ 29,167)	\$ 2,698	(\$ 1,513)	\$ 20,726	(\$ 1,535)	\$ -	(\$ 8,791)
Share of profit or loss on associates accounted for using the equity method	\$ -	\$ -	\$ -	\$ -	\$ 3,338,632	(\$ 25,236)	\$ 3,313,396
Dividend income	\$ -	\$ -	\$ -	\$ -	\$ 4,795	\$ -	\$ 4,795
Financial Costs	(\$ 43,634)	(\$ 18)	(\$ 937)	(\$ 3,412)	\$ -	\$ 450	(\$ 47,551)
Interest revenue	\$ 4,686	\$ 3	\$ 15	\$ 115	\$ 31,714	(\$ 15)	\$ 36,518
	January 1 to March 31, 2024						
	Textile segment	Retail segment	Hypermarket segment	Construction segment	Investment segment	Internal write-off	Total
Revenue from external customers	\$ 205,142	\$ 156,194	\$ 316,472	\$ 24,608	\$ 15	\$ -	\$ 702,431
Internal revenue	22,332	9,224	-	3,623	1,536	(36,715)	-
Departmental revenue	\$ 227,474	\$ 165,418	\$ 316,472	\$ 28,231	\$ 1,551	(\$ 36,715)	\$ 702,431
Operating net income (loss) from the department to be reported	(\$ 7,077)	(\$ 374)	(\$ 600)	\$ 18,978	(\$ 1,382)	\$ -	\$ 9,545
Share of profit or loss on associates accounted for using the equity method	\$ -	\$ -	\$ -	\$ -	\$ 4,447,485	(\$ 21,683)	\$ 4,425,802
Dividend income	\$ -	\$ -	\$ -	\$ -	\$ 3,086	\$ -	\$ 3,086
Financial Costs	(\$ 34,176)	(\$ 27)	(\$ 501)	(\$ 2,897)	\$ -	\$ 486	(\$ 37,115)
Interest revenue	\$ 6,012	\$ 3	\$ 14	\$ 74	\$ 27,908	(\$ 14)	\$ 33,997

(III) Reconciliation for segment income (loss)

1. The Group's business in the textile department, retail department, and construction department are determined as negotiated by the participating parties; sales made by the Wholesale Business Department are handled as regular sales. The revenue from external parties reported to the Chief Operating Decision-Maker is measured in a manner consistent with the revenue in comprehensive income statements.
2. Reconciliation for segment income (loss) and profit before tax from continuing operations for the three months ended March 31, 2025 and 2024, is as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Income/loss from the department to be reported	(\$ 8,791)	\$ 9,545
Share of profit or loss on associates accounted for using the equity method	3,313,396	4,425,802
Financial Costs	(47,551)	(37,115)
Interest revenue	36,518	33,997
Other income	14,847	13,781
Other gains and losses	2,971	67,945
Income before tax from continuing operations	<u>\$ 3,311,390</u>	<u>\$ 4,513,955</u>

Ruentex Industries Ltd. and Subsidiaries
Significant securities held at the end of the period (not including investments in subsidiaries, associates and jointly controlled entities)
March 31, 2025

Attached Table 1

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

Company holding the securities	Type and name of the securities (Note 1)	Relationship with the securities issuer (Note 2)	Account recognized	Shares	End of the period		Fair value	Remark
					Carrying amount	Shareholding percentage		
					(Note 3)			(Note 4)
Ruentex Industries Ltd.	Magi Capital Fund II, L.P.	—	Financial assets at fair value through profit or loss - non-current	-	\$ 347,985	5.23	\$ 347,985	
	Hopu USD Master Fund III, L.P.	—	"	-	3,010,639	3.80	3,010,639	
	Shares of Ruentex Engineering & Construction Co., Ltd.	A subordinate company of the investee accounted for under the equity method	Financial assets at fair value through other comprehensive income - non-current	23,550,359	4,156,638	9.10	4,156,638	
	Shares of Save & Safe Corporation	—	"	4,267,233	73,012	2.51	73,012	
	Shares of Ruentex Interior Design Inc.	A subordinate company of the investee accounted for under the equity method	"	333,773	79,605	2.23	79,605	
	Shares of Huiyang Venture Capital Co., Ltd.	—	"	70,000	700	2.56	700	
	Shares of Uni Airways Corporation	—	"	695,077	21,930	0.18	21,930	
	Shares of Pacific Resources Corporation	—	"	7,886	-	1.05	-	
	Shares of Brogent Technologies Inc.	—	"	3,230,310	344,028	4.58	344,028	Note 9
	Shares of TaiMed Biologics	The Company's representative of the juridical person director is the representative of the juridical person director of the company	"	10,910,228	960,100	4.00	960,100	Note 8
	Shares of OBI Pharma, Inc.	Substantive related party of the Company	"	12,858,385	750,930	4.89	750,930	Note 6
	Shares of Sunny Friend Environmental Technology Co., Ltd.	The Company's representative of the juridical person director is the representative of the juridical person director of the company	"	3,994,233	325,530	3.07	325,530	Note 7
	Shares of AP Biosciences Inc.	-	"	4,000,000	198,200	4.71	198,200	
	Shares of Tanvex BioPharma, Inc.	Substantive related party of the Company	"	5,767,039	363,323	2.42	363,323	
	Shares of Ruentex Materials Co., Ltd.	The Company is a juridical person director of the company.	"	7,139,530	172,777	4.76	172,777	
	Subordinated debts of Nan Shan Life Insurance	One of the Company's affiliates is a controlled company of the company.	Amortized cost financial Assets - non-Current	-	250,000	-	250,000	
Gin-Hong Investment Co., Ltd.	Shares of Ruentex Industries Ltd.	The Company	Financial assets at fair value through other comprehensive income - non-current	36,593,388	2,162,669	3.31	2,162,669	
Concord Greater China Limited.	Shares of Sun Art Retail Group Ltd.	—	"	231,204,324	1,895,510	2.42	1,895,510	
Sinopac Global Investment Ltd.	Shares of OPKO Health Inc. (OPK)	—	"	4,571,665	252,029	0.67	252,029	
	Shares of Gogoro Inc. (GGR)	—	"	41,647	374	0.02	374	

Note 1: Securities indicated in the Table refer to shares, bonds, beneficiary certificates and securities derived from the items mentioned above within the scope of IFRS No.9.

Note 2: Not required to be filled in for the issuers of securities that are not related parties.

Note 3: Please fill in the value carried at adjusted fair value less accumulated impairment losses for those measured at fair value and the value varied at acquisition cost or amortized cost less accumulated impairment losses for those not measured at fair value.

Note 4: The securities listed that are limited to their use due to the provision of security, pledge loans or others in accordance with the contract shall indicate the number of shares provided for guarantee or pledge, the amount of guarantee or pledge and the limits on the use in the in the column of "Remarks".

Note 5: The securities listed in this schedule are determined by the Company based on the principle of materiality.

Note 6: The provision of 8,000 thousand shares, a total of NT\$467,200 thousand was pledged to financial institutions for financing loans.

Note 7: The provision of 2,310 thousand shares, a total of NT\$188,265 thousand was pledged to financial institutions for financing loans.

Note 8: The provision of 6,700 thousand shares, a total of NT\$589,600 thousand was pledged to financial institutions for financing loans.

Note 9: The provision of 3,230 thousand shares, a total of NT\$344,028 thousand was pledged to financial institutions for financing loans.

Ruentex Industries Ltd. and Subsidiaries
Business relationship between the parent and subsidiaries and status of the important transactions
For the Three Months Ended March 31, 2025

Attached Table 2

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

<u>Transaction information</u>							
No.							
(Note 1)	Name of the transaction party	Transaction counterparty	Relationship with the counterparty (Note 2)	Account	Amount	Terms and conditions of transaction	As a percentage of the consolidated total operating revenue or total assets (Note 3)
0	Ruentex Industries Ltd.	Kompass Global Sourcing Solutions Ltd.	1	Sales revenue	\$ 11,594	Notes 4	1.79
1	Ruentex Industries Ltd. (Shanghai)	Ruentex Industries Ltd.	2	Sales revenue	25,273	"	3.89
"	"	"	2	Accounts receivable	15,705	"	0.01

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

(1) Please fill in "0" for the parent.

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

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

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

(1) Parent and its subsidiary

(2) Subsidiary and its parent

(3) Subsidiary and the other subsidiary

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

Note 4: The price shall be set according to negotiations between the two parties.

Note 5: Transactions amounting to NT\$10,000 shall be disclosed. The information shall be also disclosed from the asset side and revenue side.

Ruentex Industries Ltd. and Subsidiaries											
The name of the invested company, the location and other relevant information (excluding the invested companies in China)											
For the Three Months Ended March 31, 2025											
Unit: NT\$ thousands											
(Except as Otherwise Indicated)											
Name of the investing company	Name of the investee company	Location	Main business items	Original investment amount		Holding at the end of period			Current profit and loss of the investee company	Gains and losses on investment recognized for the current period	Remark
				End of the current period	End of last year	Shares	Percentage	Carrying amount			
Ruentex Industries Ltd.	Ruentex Development Co., Ltd.	Taiwan	Congregate housing and commercial building rental and sale and operation of department store business	\$ 4,967,308	\$ 4,967,308	730,987,267	25.70	\$ 22,367,306	\$ 3,019,622	\$ 776,067	The investee company accounted for under the equity method (Note 1)
Ruentex Industries Ltd.	Nan Shan Life Insurance Co., Ltd.	Taiwan	Personal insurances, including life insurance, health insurance, damage insurance or annuity.	436,800	436,800	31,359,432	0.21	725,933	12,192,091	26,006	The investee company accounted for under the equity method
Ruentex Industries Ltd.	Ruen Fu Newlife Corp.	Taiwan	Senior Citizen's housing and buildings general affairs administration	74,785	74,785	1,200,000	40.00	8,835	(1,766)	(707)	The investee company accounted for under the equity method
Ruentex Industries Ltd.	Shing Yen Construction & Development Co., Ltd.	Taiwan	Construction Business	1,024,200	1,024,200	28,783,037	50.94	294,778	1,255	735	Subsidiary of the Company
Ruentex Industries Ltd.	Kompass Global Sourcing Solutions Ltd.	Taiwan	International Trade	173,800	173,800	5,705,969	100.00	66,884	3,022	3,022	Subsidiary of the Company
Ruentex Industries Ltd.	Gin-Hong Investment Co., Ltd.	Taiwan	General Investment	170,500	170,500	20,696,358	55.00	55,639	(120)	(66)	Subsidiary of the Company
Ruentex Industries Ltd.	Ruen Chen Investment Holdings Ltd.	Taiwan	General Investment	17,999,800	17,999,800	7,584,595,000	23.00	60,682,508	10,921,867	2,512,030	The investee company accounted for under the equity method (Note 2)
Ruentex Industries Ltd.	Full Shine International Holdings Ltd.	British Virgin Islands (BVI)	General Investment	536,074	536,074	19,500,000	100.00	1,993,452	16,136	16,136	Subsidiary of the Company
Ruentex Industries Ltd.	Concord Greater China Limited.	British Virgin Islands (BVI)	General Investment	672,764	672,764	17,580,000	42.42	1,342,925	9,171	3,890	Subsidiary of the Company
Ruentex Industries Ltd.	Gold Leaf International Group Co., Ltd.	British Virgin Islands (BVI)	International Trade	17,223	17,223	500,000	100.00	9,940	53	53	Subsidiary of the Company
Ruentex Industries Ltd.	East Capital International Limited.	British Virgin Islands (BVI)	General Investment	137,423	137,423	4,208,000	100.00	34,714	329	329	Subsidiary of the Company
Ruentex Industries Ltd.	New Zone International Limited.	Samoan Islands	General Investment	438,416	438,416	13,792,000	100.00	109,763	1,137	1,137	Subsidiary of the Company
Full Shine International Holdings Ltd.	Sinopac Global Investment Ltd.	Cayman Islands	General Investment	627,608	627,608	19,500,000	49.06	971,578	12,002	5,888	Sub-subsidiary of the Company
Sinopac Global Investment Ltd.	Concord Greater China Limited.	British Virgin Islands (BVI)	General Investment	807,135	807,135	6,452,000	15.57	492,865	9,171	1,428	Subsidiary of the Company

Note 1: The provision of 81,180 thousand shares, a total of NT\$2,484,008 thousand was pledged to financial institutions for financing loans.
Note 2: The provision of 714,163 thousand shares, a total of NT\$5,713,847 thousand was pledged to financial institutions for financing loans.

Ruentex Industries Ltd. and Subsidiaries
Information of investments in mainland China-Basic information
For the Three Months Ended March 31, 2025

Attached Table 4

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

Name of the invested companies in China	Main business items	Paid-in capital	Investment method	The accumulated amount remitted from Taiwan to invest in China at the beginning of the current period	The investment amount remitted out or back for the current period		The accumulated amount remitted from Taiwan at the end of the current period	Current profit and loss of the investee company	Shareholding percentage of direct or indirect investment by the Company	Gains and losses on investment recognized for the current period	Carrying amount of investments at the end of the period	Investment income remitted back by the end of the current period	Remark
Ruentex Industries Ltd. (Shanghai)	Production and sales of garment products	\$ 591,138	Note 1	\$ 591,138	Remit out	Remit back	\$ 591,138	\$ 1,500	100.00	\$ 1,500	\$ 139,292	\$ -	Note 2 (2)-3 and Note 4
		(USD 17,800)		(USD 17,800)		-	(USD 17,800)						

Note 1: The investment method is the subsidiary directly entering into China to make an investment.

Note 2: In the column of gains and losses on investment recognized for the current period:

- (1) In the case of preparation where no gain or loss on investment has occurred, please specify.
- (2) The basis for recognition of gains and losses on investment is divided into the following three categories, which should be specified.
 1. The financial statements reviewed by an international accounting firm having a business cooperation relationship with an ROC accounting firm.
 2. The financial statements reviewed by a certified public accountant of the parent in Taiwan.
 3. Other financial statements that have not been reviewed by a certified public accountant during the same period.

Note 3: The relevant figures in this table shall be presented in New Taiwan Dollars. If any relevant figures involve foreign currencies, they shall be converted to New Taiwan dollars at the exchange rate on the financial reporting date.

Note 4: The consolidated shareholding percentage of the Company and its subsidiaries.

Note 5: The profit or loss on the investee for the current period and the carrying amounts of the investments at the end of the period shall be added up first and then converted into US dollars before converted into New Taiwan dollars at the exchange rate.

The accumulated amount remitted from Taiwan to invest in China at the end of the current period	The investment amount approved by the Investment Board, Ministry of Economic Affairs	The investment limit approved by the Investment Board, Ministry of Economic Affairs
\$ 2,077,923	\$ 2,151,012	\$ 60,734,392
(USD 59,645 thousand) (EUR 2,700,000)	(USD 64,770 thousand)	

Note 1: According to the limit set out in the "Principles for the review of investment or technical cooperation in China" of the Investment Commission, Ministry of Economic Affairs, the current limit is 60% of a company's net worth.

Note 2: If any foreign currency is involved in the figures related to the Table, it shall be converted to New Taiwan dollars at the exchange rate on the financial reporting date.