Stock Symbol: 1529

# Luxe Green Energy Technology Co., Ltd.

# (Originally: Luxe Electric Co., Ltd)

# Parent-Only Financial Statements and Independent Auditors' Report

FY2024 and FY2023

Address: 7F.-1, No. 114, Chenggong Rd., North Dist., Tainan City

Tel.: (06) 221-7189

# Luxe Green Energy Technology Co., Ltd.

# (Originally: Luxe Electric Co., Ltd)

# Parent Company Only Financial Statements

## Table of Content

## FY2024 and FY2023

Auditor’s Report

NO.23861130A

LUXE GREEN ENERGY TECHNOLOGY CO., LTD.:

**Audit opinions**

We have audited the separate balance sheet of Luxe Electric Co., Ltd. as of December 31, 2024 and 2023, and the separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flow for the period from January 1 to December 31, 2024 and 2023, and the notes to the parent company only financial statements (including the summary of significant accounting policies).

In our opinion, the financial statements referred to above present fairly, in all material respects, the parent company only financial position of Luxe Green Energy Technology Co., Ltd. as of December 31, 2024 and 2023, and the results of its operations and its cash flows from January 1 to December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

**Basis of audit opinion**

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the prevailing Generally Accepted Auditing Standards. Our responsibilities under such standards are further described in the “CPA’s responsibility for the audit of financial statements” section in this report. We are independent of Luxe Green Energy Technology Co., Ltd., and our conduct our affairs is in accordance with the Norms of Professional Ethics for Certified Public Accountants and fulfilled all other responsibilities thereunder. We believe that we have acquired sufficient and appropriate audit evidence to base our audit opinions.

**Key audit matters**

A key audit matter is one that, in our professional judgment, is most significant in relation to our audit of the parent company only financial statements of Luxe Green Energy Technology Co., Ltd for FY2024. Such matters were addressed during the overall audit of the parent company only financial statements and the process of forming the audit opinions, and thus we did not provide opinions separately towards such matters.

The following is a summary of the key audit matters of the parent company only financial statements of Luxe Green Energy Technology Co., Ltd in FY2024:

Long-term project payment receivables involving any unsettled litigation

As disclosed in Notes 5, 6(11) and 9(3) to the parent company only financial statements, as of December 31, 2024, the long-term project receivables of Luxe Green Energy Technology Co., Ltd amounted to NT$207,991 thousand (net of allowance for losses of NT$178,575 thousand and estimated late penalties). Because of the uncertain outcome of pending litigation, the recoverable amount of the long-term project receivables involves management's assumptions about the final judgment of the court. Accordingly, we have considered the above long-term receivables as a key audit matter.

The major audit procedures we conducted for this key audit matter include:

I. Review the recent verdict documents of the litigation and obtaining the legal confirmation of the appointed lawyer of the litigation to evaluate the reasonableness of the management's assumption.

II. Evaluate the completeness of the disclosure of this lawsuit by Luxe Green Energy Technology Co., Ltd.

Evaluation of Impairment of Property, Plant and Equipment, Right-of-Use Assets and Intangible Assets

As stated in Notes 4(9) and 5 of the parent company only financial statements, the balances of property, plant, and equipment, right-of-use assets, and intangible assets listed by Luxe Green Energy Technology Co., Ltd as of December 31, 2024, were NT$436,446 thousand. Luxe Green Energy Technology Co., Ltd. regularly conducts impairment tests on property, plant, and equipment, right-of-use assets, and intangible assets annually. Related tests were conducted to measure the recoverable amount of the respective cash-generating units by estimating future cash flows and discount rates Estimating future cash flows involves significant management judgment and major uncertainties. Therefore, the impairment assessment of property, plant, and equipment, right-of-use assets, and intangible assets is a key audit matter in our audit of Luxe Green Energy Technology Co., Ltd.'s financial reports.

The major audit procedures we conducted for this key audit matter include:

I. Obtain asset impairment-related documents of management's self-assessment and review whether there are impairment concerns.

II. When impairment indicators exist, verify the accuracy of management's calculation of the recoverable amount of the cash-generating unit and evaluate the reasonableness of management's hypothetical data of recoverable amount of the cash-generating unit.

Evaluation of Impairment of Investments Accounted for Using the Equity Method—Property, Plant and Equipment, Right-of-Use Assets and Intangible Assets

As stated in Notes 4(6) and 5 of the parent company only financial statements, the balances of property, plant, and equipment, right-of-use assets, and intangible assets listed by Luxe Green Energy Technology Co., Ltd's subsidiaries, Sen-Hsin Energy Co., Ltd. and Chin Lai International Development Co., Ltd., as of December 31, 2024, totaled NT$1,211,935 thousand and NT$203,197 thousand, respectively. The management's assessment process includes estimating future cash flows and discount rates to measure the recoverable amount of the cash-generating unit. Estimating future cash flows involves significant management judgment and major uncertainties. Therefore, the impairment assessment of investments accounted for using the equity method—property, plant, and equipment, right-of-use assets, and intangible assets is a key audit matter in our audit of Luxe Green Energy Technology Co., Ltd.'s financial reports.

The major audit procedures we conducted for this key audit matter include:

I. Obtain asset impairment-related documents of management's self-assessment and review whether there are impairment concerns.

II. When impairment indicators exist, verify the accuracy of management's calculation of the recoverable amount of the cash-generating unit and evaluate the reasonableness of management's hypothetical data of recoverable amount of the cash-generating unit.

**Responsibility of the management and governance unit for the parent company only financial statements**

The management was responsible for preparation of the parent company only financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and maintaining the necessary internal control related to the preparation of the parent company only financial statements to ensure that the parent company only financial statements were free of material misstatements due to fraud or errors.

In preparing the parent company only financial statements, management's responsibility also includes evaluating the ability of Luxe Green Energy Technology, Co., Ltd. to continue as a going concern, the related disclosures, and the basis of accounting for going concern, unless management intends to liquidate Luxe Green Energy Technology, Co., Ltd. or to cease operations, or there is no practical alternative to liquidation or cessation of operations.

The governance unit (including the Audit Committee) of Luxe Green Energy Technology, Co., Ltd. assumes the responsibility of overseeing the financial reporting process.

**CPA's responsibility for the audit of the Parent Company Only Financial Statements**

We audited the parent company only financial statements for the purpose of obtaining reasonable assurance about whether the parent company only financial statements were free of material misstatements due to fraud or errors and issuing an audit report. However, an audit performed in accordance with generally accepted auditing standards does not provide assurance that material misstatements in parent company only financial statements can be detected. The misstatements might be due to fraud or errors. If an individual or total amount misstated was reasonably expected to have an impact on the economic decision-making of users of the parent company only financial statements, the misstatements were deemed as material.

We conducted our audit in accordance with generally accepted auditing standards and applied our professional judgment and professional skepticism. We also performed the following works:

I. Identify and assess the risks of material misstatement of parent company only financial statements, whether due to fraud or error; design and implement appropriate policy responses to those risks; and obtain sufficient and appropriate evidence to form the basis of an opinion. Since fraud may involve collusion, forgery, omission on purpose, fraudulent statements or violation of internal control, we did not find that the risk of misstatements due to fraud was higher than the same due to errors.

II. We obtained an understanding of the internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Luxe Green Energy Technology Co., Ltd.

III. Evaluate the appropriateness of the accounting policies used by management and the reasonableness of the accounting estimates and related disclosures made by management.

IV. Based on the evidence obtained, we have reached a conclusion as to the appropriateness of management's adoption of the going concern basis of accounting and whether there is any material uncertainty about events or circumstances that may cast significant doubt about the ability of Luxe Green Energy Technology Co., Ltd. to continue as a going concern. If any material uncertainty was deemed to exist in such event or circumstance, we must provide a reminder in the parent company only financial statements for the users to pay attention to relevant disclosure therein, or amend our audit opinions when such disclosure was inappropriate. Our conclusion was drawn based on the audit evidence acquired as of the date of this audit report. However, future events or circumstances might result in a situation where Luxe Green Energy Technology Co., Ltd. would no longer have the ability to function as a going concern.

V. We evaluated the overall presentation, structure and contents of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements presented relevant transactions and events fairly.

VI. We acquired sufficient and appropriate audit evidence with respect to the parent company only financial information of the entities comprising Luxe Green Energy Technology Co., Ltd. to provide opinions regarding the parent company only financial statements. We were responsible for instruction, supervision and implementation of the audit cases, as well as formation of the audit opinions on Luxe Green Energy Technology Co., Ltd.

The matters for which we communicated with the governance unit include the planned audit scope and time, and major audit findings (including the significant deficiencies of internal control identified during the audit.)

We also provided a declaration of independence to the governance unit, which assured that we complied with the requirements related to independence in the Norms of Professional Ethics for Certified Public Accountants, and communicated all relationships and other matters (including relevant protective measures), which we considered to be likely to cause an impact on the independence of CPAs, to the governance unit.

We determined the key audit matters to be audited in the FY2024 parent company only financial statements of Luxe Green Energy Technology Co., Ltd. based on the matters communicated with the governance unit. Unless public disclosure of certain matters was prohibited by related laws or regulations or if, in very exceptional circumstances, we determined not to cover such matters in the audit report, as we could reasonably expect that the negative impact of the coverage was greater than the public interest brought thereby, we specified such matters in the audit report.

Baker Tilly Clock & Co

CPA:__________

Chia-Yu Lai

CPA:__________

Yin-Lai Chou

Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1050043092

(80) Tai-Tsai-Cheng (VI) No. 53585

March 4, 2025

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Parent Company Only Balance Sheet

December 31, 2024 and 2023

Unit: NT$ thousand

| Assets | | Note | December 31, 2024 | | December 31, 2023 | |
|---|---|---|---|---|---|---|
| Code | Accounting Items | | Amount | % | Amount | % |
| 11xx | Current assets | | | | | |
| 1100 | Cash | 6(1) | $ 104,442 | 4 | $ 55,595 | 3 |
| 1110 | Financial assets measured at fair value through profit or loss - current | 6(2) 6 (24) | 71,004 | 3 | 113,324 | 5 |
| 1140 | Contract assets - current | 6(18) | 6,130 | — | 36,242 | 2 |
| 1150 | Notes receivable | 6(4) | 467 | — | 1,090 | — |
| 1170 | Accounts receivable | 6(4) | 15,749 | 1 | 27,836 | 1 |
| 1180 | Accounts receivable - related parties | 6(4), 7 | 158 | — | 7,652 | — |
| 1200 | Other receivables | | 136 | — | 1,608 | — |
| 1210 | Other receivables - related parties | VII | 233 | — | 51,162 | 2 |
| 1220 | Income tax assets in current period | 6(21) | 62 | — | 77 | — |
| 1310 | Inventory | 6(5) | 276,808 | 12 | 160,309 | 8 |
| 1410 | Prepayment | 6(10) | 19,731 | 1 | 24,219 | 1 |
| 11xx | Total current assets | | 494,920 | 21 | 479,114 | 22 |
| 15xx | Non-current assets | | | | | |
| 1535 | Financial assets measured at amortized cost - non-current | 6(3) | 64,206 | 3 | 52,246 | 2 |
| 1550 | Investments Accounted For Using the Equity Method | 6(6) | 1,192,097 | 49 | 1,161,107 | 53 |
| 1600 | Property, plant and equipment | 6(7) | 360,693 | 15 | 173,945 | 8 |
| 1755 | Right-of-use assets | 6(8) | 73,290 | 3 | 27,998 | 1 |
| 1780 | Intangible assets | 6(9) | 2,463 | — | — | — |
| 1915 | Prepayment for equipment purchase | 6(10) | 8,831 | — | 83,521 | 4 |
| 1920 | Refundable deposit | | 5,516 | — | 10,357 | — |
| 1930 | Long-term notes and accounts receivable | 6(11) | 207,991 | 9 | 207,991 | 10 |
| 15xx | Total non-current assets | | 1,915,087 | 79 | 1,717,165 | 78 |
| 1xxx | Total Assets | | $ 2,410,007 | 100 | $ 2,196,279 | 100 |

(Continued on next page)

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Parent Company Only Balance Sheet (continued)

December 31, 2024 and 2023

Unit: NT$ thousand

| Liabilities and equity | | Note | December 31, 2024 | | December 31, 2023 | |
|---|---|---|---|---|---|---|
| Code | Accounting Items | | Amount | % | Amount | % |
| 21xx | Current liabilities | | | | | |
| 2100 | short-term borrowings | 6(12) | $ 275,000 | 12 | $ 130,000 | 6 |
| 2130 | Contract liabilities - current | 6(18) | 8,146 | — | 1,711 | — |
| 2170 | Accounts payable | 6(14) | 73,737 | 3 | 81,916 | 4 |
| 2180 | Accounts payable - related parties | 6(14) and 7 | 1,461 | — | 710 | — |
| 2220 | Other payables | | 11,591 | 1 | 16,636 | 1 |
| 2220 | Other payables - related parties | VII | 112 | — | 62 | — |
| 2230 | Income tax liabilities in current period | 6(21) | 1,694 | — | — | — |
| 2250 | Liability reserve - current | | 968 | — | 1,927 | — |
| 2280 | Lease liabilities - current | 6(8) | 6,142 | — | 9,516 | — |
| 2270 | Long-term borrowings maturing within one year | 6(13) | 2,125 | — | 3,105 | — |
| 2300 | Other current liabilities | | 792 | — | 529 | — |
| 21xx | Total current liabilities | | 381,768 | 16 | 246,112 | 11 |
| 25xx | Non-current liabilities | | | | | |
| 2540 | Long-term borrowings | 6(13) | 263,266 | 11 | 164,389 | 8 |
| 2550 | Liability reserve - non-current | | 225 | — | 975 | — |
| 2580 | Lease liabilities - non-current | 6(8) | 70,655 | 3 | 20,548 | 1 |
| 2645 | Deposit received | | 81 | — | 1,445 | — |
| 25xx | Total non-current liabilities | | 334,227 | 14 | 187,357 | 9 |
| 2xxx | Total liabilities | | 715,995 | 30 | 433,469 | 20 |
| 3xxx | Equity | 6(16) | | | | |
| 3110 | Common share capital | | 1,550,951 | 64 | 1,505,778 | 69 |
| 3200 | Capital reserve | | 87,226 | 3 | 87,226 | 4 |
| 3300 | Retained earnings | | | | | |
| 3310 | Legal reserve | | 44,258 | 2 | 30,456 | 1 |
| 3320 | Special reserve | | — | — | 194 | — |
| 3350 | Undistributed earnings | | 14,043 | 1 | 138,212 | 6 |
| 3400 | Other equity | | (2,466) | — | 944 | — |
| 3xxx | Total equity | | 1,694,012 | 70 | 1,762,810 | 80 |
| | Total Liabilities and Equity | | $ 2,410,007 | 100 | $ 2,196,279 | 100 |

(The attached notes are part of the parent-company only financial statements)

Chairman: Chen Chien-Jen President: Chen Lien-Tsung Chief Accounting Officer: Chien Shih-Chang

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Parent Company Only Comprehensive Income Statement

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

| Code | Item | Note | FY2024 | | FY2023 | |
|---|---|---|---|---|---|---|
| | | | Amount | % | Amount | % |
| 4100 | Net operating revenue | 6(18) | $ 346,603 | 100 | $ 499,170 | 100 |
| 5000 | Operating costs | | (304,844) | (88) | (423,658) | (85) |
| 5900 | Operating gross profit | | 41,759 | 12 | 75,512 | 15 |
| 5910 | Unrealized sales profit | | (317) | — | (47) | — |
| 5920 | Realized sales profit | | 78 | — | 46 | — |
| 5950 | Gross profit (net) | | 41,520 | 12 | 75,511 | 15 |
| 6000 | Operating expenses | | | | | |
| 6100 | Marketing expense | | (7,610) | (2) | (9,152) | (2) |
| 6200 | Administrative expense | | (30,122) | (9) | (34,162) | (7) |
| 6300 | R&D expense | | (5,628) | (2) | (5,033) | (1) |
| 6450 | Profit from reversal of expected credit impairment | | — | — | 39 | — |
| 6000 | Total operating expense | | (43,360) | (13) | (48,308) | (10) |
| 6900 | Net operating profit | | (1,840) | (1) | 27,203 | 5 |
| 7000 | Non-operating revenue and expenses | 6(19) | | | | |
| 7100 | Interest income | | 588 | — | 1,356 | — |
| 7010 | Other revenue | | 10,142 | 3 | 8,930 | 2 |
| 7020 | Other profits and losses | | (52,081) | (15) | 53,546 | 11 |
| 7050 | Financial cost | | (9,998) | (3) | (6,202) | (1) |
| 7070 | Share of profit/loss of subsidiaries under the equity method | | 34,668 | 10 | 53,050 | 11 |
| 7000 | Total non-operating revenue and expense | | (16,681) | (5) | 110,680 | 23 |
| 7900 | Pre-tax net profit (net loss) | | (18,521) | (6) | 137,883 | 28 |
| 7950 | Income tax profit (expense) | 6(21) | (1,694) | — | 140 | — |
| 8200 | Net profit (net loss) for the period | | (20,215) | (6) | 138,023 | 28 |
| 8300 | Other comprehensive income | | | | | |
| 8310 | Items not reclassified to profit or loss | | | | | |
| 8316 | Unrealized valuation loss on investments in equity instruments measured at fair value through other comprehensive income | | (3,410) | (1) | 1,138 | — |
| 8500 | Total current comprehensive income or loss | | $ (23,625) | (7) | $ 139,161 | 28 |
| | Earnings (losses) per share (NTD) | 6(17) | | | | |
| 9750 | Basic | | $ (0.13) | | $ 0.89 | |
| 9850 | Diluted | | $ (0.13) | | $ 0.89 | |

(The attached notes are part of the parent company only financial statements)

Chairman: Chen Chien-Jen President: Chen Lien-Tsung Chief Accounting Officer: Chien Shih-Chang

Luxe Green Energy Technology Co., Ltd.
(Originally: Luxe Electric Co., Ltd)
Parent Company Only Statement of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

| Code | Item | Common share capital | Capital reserve | Retained earnings: Legal reserve | Retained earnings: Special reserve | Retained earnings: Undistributed earnings | Other equity items: Unrealized valuation loss on financial assets measured at fair value through other comprehensive income | Total equity |
|---|---|---|---|---|---|---|---|---|
| A1 | Balance as of January 1, 2023 | $ 1,454,858 | $ 133,054 | $ 25,948 | $ 13 | $ 46,341 | $ (194) | $ 1,660,020 |
| B1 | Provision for legal reserve | – | – | 4,508 | – | (4,508) | – | – |
| B3 | Provision for special reserve | – | – | – | 181 | (181) | – | – |
| B9 | Common stock dividends | 41,463 | – | – | – | (41,463) | – | – |
| C13 | Distribution of share dividends from capital reserves | 9,457 | (9,457) | – | – | – | – | – |
| C15 | Distribution of cash dividends from capital reserve | – | (36,371) | – | – | – | – | (36,371) |
| D1 | in current period | – | – | – | – | 138,023 | – | 138,023 |
| D3 | Other comprehensive income in current period | – | – | – | – | – | 1,138 | 1,138 |
| D5 | Total current comprehensive income or loss | – | – | – | – | 138,023 | 1,138 | 139,161 |
| Z1 | Balance as of December 31, 2023 | 1,505,778 | 87,226 | 30,456 | 194 | 138,212 | 944 | 1,762,810 |
| B1 | Provision for legal reserve | – | – | 13,802 | – | (13,802) | – | – |
| B3 | Provision for special reserve | – | – | – | (194) | 194 | – | – |
| B5 | Cash dividend for shareholders | – | – | – | – | (45,173) | – | (45,173) |
| B9 | Common stock dividends | 45,173 | – | – | – | (45,173) | – | – |
| D1 | Net profit (net loss) for the period | – | – | – | – | (20,215) | – | (20,215) |
| D3 | Other comprehensive income in current period | – | – | – | – | – | (3,410) | (3,410) |
| D5 | Total current comprehensive income or loss | – | – | – | – | (20,215) | (3,410) | (23,625) |
| Z1 | Balance as of December 31, 2024 | $ 1,550,951 | $ 87,226 | $ 44,258 | $ – | $ 14,043 | $ (2,466) | $ 1,694,012 |

(The attached notes are part of the parent company only financial statements)

Chairman: Chen Chien-Jen President: Chen Lien-Tsung Chief Accounting Officer: Chien Shih-Chang

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Parent Company Only Cash Flow Statement

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

| Code | Item | FY2024 | FY2023 |
|---|---|---|---|
| AAAA | Cash flow from operating activities | | |
| A10000 | Net income (loss) before tax in the current period | $ (18,521) | $ 137,883 |
| A20010 | Income and expense items: | | |
| A20100 | Depreciation expense | 23,073 | 18,189 |
| A20200 | Amortization expense | 237 | — |
| A20300 | Gain from expected credit impairment | — | (39) |
| A20400 | Net (profit) loss from financial assets measured at fair value through profit or loss | 49,915 | (57,421) |
| A20900 | Financial cost | 9,998 | 6,202 |
| A21200 | Interest income | (588) | (1,356) |
| A21300 | Dividend income | (483) | (994) |
| A22400 | Share of gains of subsidiaries and affiliates recognized by the equity method | (34,668) | (53,050) |
| A22500 | Loss (profit) from disposal of property, plant, and equipment | 8 | (63) |
| A23900 | Unrealized sales profit | 317 | 47 |
| A24000 | Realized sales profit | (78) | (46) |
| A29900 | Profit from lease changes | — | (105) |
| A30000 | Changes in assets/liabilities related to operating activities | | |
| A31125 | Contract assets | 30,112 | 6,158 |
| A31130 | Notes receivable | 623 | 220 |
| A31150 | Accounts receivable | 12,087 | 955 |
| A31160 | Accounts receivable - related parties | 7,494 | (7,652) |
| A31180 | Other receivables | 1,563 | 77 |
| A31190 | Other receivables - related parties | 50,929 | (50,994) |
| A31200 | Inventory | (116,499) | (4,894) |
| A31230 | Prepayment | 4,488 | 4,386 |
| A31240 | Other current assets | — | 30 |
| A32125 | Contract liabilities | 6,435 | (3,433) |
| A32150 | Accounts payable | (8,179) | 11,284 |
| A32160 | Accounts payable - related parties | 751 | (18,844) |
| A32180 | Other payables | (5,370) | 5,478 |
| A32190 | Other payables - related parties | 50 | 10 |
| A32200 | Provisions | (1,709) | 134 |
| A32230 | Other current liabilities | 263 | 77 |
| A33000 | Cash inflow (outflow) from operations | 12,248 | (7,761) |
| A33100 | Interest received | 497 | 1,405 |
| A33200 | Dividend received | 483 | 994 |
| A33300 | Interest paid | (9,673) | (6,140) |
| A33500 | Income tax collected (paid) | 15 | (148) |
| AAAA | Net cash inflow (outflow) from operating activities | 3,570 | (11,650) |

(Continued on next page)

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Parent Company Only Cash Flow Statement (continued)

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

| Code | Item | FY2024 | FY2023 |
|---|---|---|---|
| BBBB | Cash flow from investing activities | | |
| B00040 | Acquisition of financial assets measured at amortized cost | (38,863) | — |
| B00050 | Disposal of financial assets measured at amortized cost | 26,903 | 103,397 |
| B00100 | Acquisition of financial assets at fair value through profit or loss | (7,595) | (2,151) |
| B01800 | Acquisition of investment under the equity method | — | (144,000) |
| B02400 | Capital reduction of investee company and return of share capital recognized under the equity method | 29 | 2,295 |
| B02700 | Acquisition of property, plant, and equipment | (140,978) | (26,531) |
| B02800 | Disposal of property, plant, and equipment | — | 121 |
| B03800 | Decrease in refundable deposit | 4,841 | 7,512 |
| B04500 | Acquisition of intangible assets | (2,700) | — |
| B07100 | Increase in prepayment for equipment | — | (35,193) |
| B07200 | Decrease in prepayment for equipment purchase | 13,571 | — |
| B07600 | Dividends received from subsidiaries | — | 34,568 |
| BBBB | Net cash outflow from investing activities | (144,792) | (59,982) |
| CCCC | Cash flow from financing activities | | |
| C00100 | Increase in short-term borrowings | 663,670 | 363,490 |
| C00200 | Decrease in short-term borrowings | (518,670) | (416,330) |
| C01600 | Borrowing of long-term borrowings | 250,000 | 6,800 |
| C01700 | Repayment of long-term borrowings | (152,103) | (2,011) |
| C03000 | Increase in deposit received | (1,364) | — |
| C03100 | Decrease in deposits received | — | 499 |
| C04020 | Repayment of principal for lease liabilities | (6,291) | (5,228) |
| C04500 | Allocation of cash dividends | (45,173) | (36,371) |
| CCCC | Net cash inflow (outflow) from financing activities | 190,069 | (89,151) |
| EEEE | Increase (decrease) in cash and cash equivalents for the period) | 48,847 | (160,783) |
| E00100 | Cash balance at beginning of period | 55,595 | 216,378 |
| E00200 | Cash balance at ending of period | $ 104,442 | $ 55,595 |

(Please refer to the notes to the parent company only financial statements)

Chairman: Chen Chien-Jen President: Chen Lien-Tsung Chief Accounting Officer: Chien Shih-Chang

Luxe Green Energy Technology Co., Ltd.
(Originally: Luxe Electric Co., Ltd)
Notes to the Parent Company Only Financial Statements
December 31, 2024 and 2023
(Amounts in NT$ thousand unless otherwise specified)

I. Corporate history

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

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

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

The parent company only financial statements are presented with the functional currency (NT$) of the Company.

II. Date and Procedure for Approval of Financial Statements

This parent company only financial report was approved by the Board of Directors on March 4, 2025 after being released.

III. Application of Newly Issued and Revised Standards and Interpretations

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

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

(II) IFRSs endorsed by the FSC in 2025

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

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

The Company has assessed that the application of the above standards and interpretations will not have a significant impact on the financial position and financial performance.

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

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

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

<u>IFRS 18 "Presentation and Disclosures of Financial Statements"</u>

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

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

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

IV. Summary of Significant Accounting Policies

(I) Statement of Compliance

The accompanying parent company only financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(II) Basis of Preparation

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

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

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

When preparing its parent company only financial statements, the Company prepares its financial statements using the equity method for its investments in subsidiaries. In order to make the current income, other comprehensive income and equity in the parent company only financial statements consistent with the current income, other comprehensive income and equity attributable to the owners of the Company in the consolidated financial statements, certain accounting differences between the parent company only basis and the consolidated basis are adjusted for "investments accounted for under the equity method", "share of profit or loss of subsidiaries, affiliates and joint ventures accounted for under the equity method", "share of other comprehensive income and loss of subsidiaries, affiliates and joint ventures accounted for under the equity method" and related equity items.

(III) Criteria for distinguishing current and non-current assets and liabilities

Current assets include:

1. Assets held primarily for trading purposes;
2. Assets expected to be realized within 12 months after the balance sheet date; and
3. Cash (excluding those restricted for exchange or settlement of liabilities more than 12 months after the balance sheet date).

Current liabilities include:

1. Liabilities held primarily for trading purposes;
2. Liabilities due for settlement within 12 months of the balance sheet date, and
3. liabilities for which the maturity date cannot be unconditionally extended to at least 12 months after the balance sheet date.

Liabilities that are not current assets or current liabilities are classified as noncurrent assets or noncurrent liabilities.

The Company engages in construction projects with a business cycle longer than one year. Therefore, assets and liabilities related to construction projects are classified as current or noncurrent based on the normal business cycle.

(IV) Foreign Currency

When preparing the Company's parent company only financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recorded in the functional currency at the exchange rates prevailing on the transaction dates.

Monetary items denominated in foreign currencies are retranslated at the end of each reporting period at the spot rate on that date, with the exchange differences recognized in profit or loss in the period in which they occur.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated at the exchange rates prevailing on the date when the fair value was determined, and the resulting exchange differences are recognized in profit or loss of the current period, except for those changes in fair value that are recognized in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

During preparation of the parent company only financial statements, the assets and liabilities of the Company's foreign operations are translated into NT$ at the exchange rate on the end date of the reporting period. Income and expense items are translated at average exchange rates for the period, and the resulting exchange differences are included in other comprehensive income and accrued in the financial statements of foreign operating companies translated under the equity method.

(V) Inventory

Inventories consist of raw materials, finished goods and work-in-process. Inventories are measured at the lower of cost or net realizable value. Comparisons between cost and net realizable value are made on an item-by-item basis, except for inventories of the same type. Net realizable value is the estimated selling price under normal circumstances less estimated costs to complete and estimated costs to complete the sale. The cost of inventories is calculated using the weighted-average cost (WAC) method.

(VI) Investments Accounted For Using the Equity Method

The Company adopts the equity method to account for its investments in subsidiaries, which are entities over which the Company has control.

Under the equity method, investments are recognized initially at cost and the carrying amount of the investment after acquisition is adjusted for any increase or decrease in the Company's share of the profit or loss of the subsidiary and other comprehensive income or loss and profit distribution. In addition, changes in the Company's other equity interests in subsidiaries are recognized in proportion to the Company's ownership interest.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the carrying amount of the investment and the fair value of the consideration paid or received is recognized directly in equity.

The Company assesses impairment by comparing the recoverable amount of a cash-generating unit with its carrying amount using the financial statements as a whole. If the recoverable amount of an asset subsequently increases, the reversal of the impairment loss is recognized as a gain, provided that the carrying amount of the asset after the reversal of the impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset, less amortization.

Unrealized gains or losses on downstream transactions with subsidiaries are eliminated in the parent company only financial statements.

(VII) Property, Plant, and Equipment

The property, plant, and equipment are recognized on the basis of the cost and subsequently measured based on the cost net of accumulated depreciations and accumulated impairment losses.

Except for land owned by the Consolidated Company, which is not depreciated, property, plant and equipment are depreciated separately over their useful lives on a straight-line basis for each significant component. The Company reviews the estimated useful lives, residual values and depreciation methods at least at the end of each year and defers the effect of changes in applicable accounting estimates.

When property, plant and equipment are derecognized, the difference between the net disposal price and the carrying amount of the assets is recognized in profit or loss.

(VIII) Intangible assets

1. Individually acquired

Individually acquired intangible assets with finite useful lives are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment losses. Intangible assets are amortized on a straight-line basis over their useful lives. The Consolidated Company reviews the estimated useful lives, residual values and amortization methods at least at each year-end and defers the effect of changes in applicable accounting estimates.

2. Acquired through business combination

Intangible assets acquired in a business combination are recognized at fair value at the date of acquisition and separately from goodwill, and are subsequently measured in the same manner as intangible assets acquired separately.

3. Derecognition

When an intangible asset is derecognized, the difference between the net disposal price and the carrying amount of the asset is recognized in profit or loss for the current period.

(IX) Impairment of Property, Plant and Equipment and Right-of-Use Assets

The Company assesses at each balance sheet date whether there is any indication that property, plant and equipment, and right-of-use assets may be impaired. If there is any indications of such impairments, the recoverable amount of the assets is estimated. If the recoverable amount of an individual asset cannot be estimated, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and the impairment loss is recognized in profit or loss.

When the impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised recoverable amount, provided that the increased carrying amount does not exceed the carrying amount (net of depreciation) that would have been determined had the impairment loss not been recognized in prior years. Reversals of impairment losses recognized in profit or loss.

(X) Financial Instruments

Financial assets and financial liabilities are recognized in the parent company only balance sheets when the Company becomes a party to the contractual provisions of the instrument.

For initial recognition of the financial assets and financial liabilities, when the financial assets or financial liabilities are not measured at fair value through profit and loss, they are measured at the fair value plus any transaction cost directly attributable to the acquisition or issuance of the financial assets or financial liabilities. Transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(XI) Financial Assets

Regular transactions of financial assets are recognized and derecognized using trade date accounting.

1. Types of measurements

The types of financial assets held by the Company are financial assets measured at fair value through profit or loss and financial assets measured at amortized cost.

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

Financial assets measured at fair value through profit or loss are measured at fair value with dividends, interest and gains or losses from remeasurements recognized in other gains and losses. Please refer to Note 6(24) for the determination of fair value.

(2) Financial assets carried at amortized cost

The Company's investment in financial assets is classified as financial assets carried at amortized cost if both of the following conditions are met:

A. The financial assets are held under an operating model whose objective is to hold financial assets for contractual cash flows; and

B. The contractual terms result in cash flows at a specific date, which are solely payments of principal and interest on the principal amount outstanding.

Financial assets carried at amortized cost (including cash, accounts receivable at amortized cost, notes receivable, other receivables, long-term notes and accounts receivable, and refundable deposits) are measured at amortized cost using the effective interest method to determine the total carrying amount less any impairment loss after initial recognition, with any foreign currency exchange gain or loss recognized in profit or loss.

2. Impairment of financial assets and contract assets

The Company assesses impairment losses on financial assets (including accounts receivable) and contract assets measured at amortized cost at each balance sheet date based on expected credit losses.

An allowance for impairment is recognized for accounts receivable and contract assets based on the expected credit loss over the life of the asset. Other financial assets are evaluated to determine whether there is a significant increase in credit risk since initial recognition. If there is no significant increase in credit risk, an allowance for loss is recognized based on the expected credit loss over 12 months, and if there is a significant increase in credit risk, an allowance for loss is recognized based on the expected credit loss over the expected lifetime of the asset.

Expected credit losses are the weighted-average credit losses weighted by the risk of default. The 12-month expected credit loss represents the expected credit loss arising from possible defaults within 12 months after the reporting date, while the expected credit loss over the life of the financial instrument represents the expected credit loss arising from all possible defaults during the expected life of the instrument.

For internal credit risk management purposes, the Company determines, without considering the collaterals held, that a default on a financial asset has occurred under the following circumstances:

(1) Any internal or external information indicating that it is impossible for a debtor to pay off the debts.

(2) Debts are overdue for more than 180 days unless there is reasonable and supportable information indicating that a delayed default basis is more appropriate.

The carrying amount of all financial assets is reduced by an allowance account.

3. Derecognition of financial assets

The Company derecognizes financial assets only when the contractual rights to the cash flows from the financial assets have lapsed or when the financial assets have been transferred and substantially all the risks and rewards of ownership of the assets have been transferred to other enterprises. When a financial asset is derecognized, the difference between the carrying amount of the financial asset and the consideration received is recognized in profit or loss.

(XII) Financial Liabilities and Equity Instruments

1. Classification of financial liabilities or equity instruments

Debt and equity instruments issued by the Company are classified as financial liabilities or equity based on the substance of the contractual agreements and the definitions of financial liabilities and equity instruments.

2. Equity instruments

An equity instrument is a contract that recognizes the Company's remaining interest in an asset less all of its liabilities. Equity instruments issued by the Company are recognized at the acquisition price less direct issuance costs.

3. Subsequent measurement of financial liabilities

   All financial liabilities are measured at amortized cost using the effective interest method.

4. Derecognition of financial liabilities

   When a financial liability is derecognized, the difference between the carrying amount and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(XIII) Provision for Liabilities

The amount recognized as a provision is the best estimate of the amount required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties of the obligation.

<u>Warranties</u>

Warranty obligations under construction contracts are recognized in income based on management's best estimate of the expenses required to settle the Company's obligations.

(XIV) Revenue Recognition

After the Company identifies performance obligations under customer contracts, the transaction price is apportioned to each performance obligation and revenue is recognized when each performance obligation is satisfied.

1. Merchandise sales revenue

   Revenue from merchandise sales is derived from the sale of electrical equipment. When the electrical equipment is inspected and delivered to the designated location, the customer has the right to set the price and use the product and has the primary responsibility for reselling it, and assumes the risk of obsolescence of the merchandise. The Company recognizes revenue and accounts receivable at that point in time.

2. Construction revenue

   For construction contracts that are under the control of the customer during the construction process, the Company recognizes revenue using the percentage of completion method. The Company measures the percentage of completion based on actual construction progress. The Company recognizes contract assets over time during the construction process and reclassifies them as accounts receivable upon billing. If the amount received exceeds the amount of revenue recognized, the difference is recognized as a contract liability.

3. Electricity sales revenue

   Revenues from electricity sales are based on the actual kilowatt hours generated and the rates agreed with Taiwan Power Company.

(XV) Leases

The Company assesses whether a contract is (or contains) a lease at the inception date of the contract.

1. Where the Company is the lessor

   Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other leases are classified as operating leases.

   Under operating leases, lease payments, net of lease incentives, are recognized as income on a straight-line basis over the term of the relevant lease. The original direct cost incurred to acquire an operating lease is added to the carrying amount of the underlying asset and recognized as an expense over the lease term on a straight-line basis.

2. Where the Company is the lessee

   Right-of-use assets and lease liabilities are recognized at the lease commencement date for all leases except for leases of low-value subject assets to which recognition exemptions apply and short-term leases where lease payments are recognized as an expense on a straight-line basis over the lease term.

   Right-of-use assets are measured initially at cost (including the original measurement of the lease liability, lease payments made prior to the lease commencement date less lease incentives received, original direct cost and estimated cost of restoration of the subject asset) and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, with adjustments for remeasurement of the lease liability. Right-of-use assets are presented separately in the parent company only balance sheets.

   Right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life or the end of the lease term.

   Lease liabilities are measured initially at the present value of the lease payments. If the interest rate implied by the lease is readily determinable, lease payments are discounted using that rate. If the interest rate is not readily determinable, the lessee's incremental borrowing rate is used.

   Subsequently, lease liabilities are measured at amortized cost using the effective interest method, and interest expense is allocated over the lease term. Lease liabilities are presented separately on parent company only balance sheets.

   Rentals under leases that do not depend on changes in indices or rates are recognized as expenses in the period in which they are incurred.

(XVI) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are included as part of the cost of that asset until substantially all of the activities necessary to bring the asset to its intended use or sale have been completed. Investment income earned on specific borrowings that are temporarily invested prior to the incurrence of qualifying capital expenditures is deducted from the cost of borrowings eligible for capitalization.

Except for the above, all other borrowing costs are recognized in profit or loss in the year in which they are incurred.

(XVII) Employee Benefits

1. Short-term employee benefits

   Short-term employee benefit-related liabilities are measured at the non-discounted amount expected to be paid in exchange for employee services.

2. Postemployment benefits

   Defined contribution pension plan benefits are recognized as an expense over the period of service rendered by employees.

(XVIII) Income Taxes

Income tax expense is the sum of current income tax and deferred income tax.

1. Current income tax

   The Company determines the current income (loss) based on the regulations of each jurisdiction in which the Company files income tax returns and calculates the amount of income tax payable (recoverable).

   Income tax on undistributed earnings is recognized in the year when the shareholders' meeting is held.

   Adjustments to prior years' income tax payable are included in the current period's income tax.

2. Deferred income tax

   Deferred income tax is calculated on temporary differences between the carrying amounts of assets and liabilities and the tax bases used to compute taxable income. Deferred income tax liabilities are generally recognized for all taxable temporary differences, while deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the temporary differences and loss carryforwards can be utilized.

   The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient tax assets will be available to allow recovery of all or part of the asset. Deferred income tax assets are reviewed at each balance sheet date and the carrying amount is increased to the extent that it is more likely than not that sufficient tax assets will be available to allow recovery of all or part of the assets.

   Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled or the asset is realized, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences of the manner in which the Company expects to recover or settle the carrying amounts of its assets and liabilities at the balance sheet date.

3. Current and deferred income taxes

Current and deferred income taxes are recognized in profit or loss.

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

In applying accounting policies, the Company's management is required to make judgments, estimates and assumptions that are based on historical experience and other relevant factors when the information is not readily available from other sources. Actual results may differ from those estimates.

Management reviews estimates and underlying assumptions on an ongoing basis. Revisions to estimates are recognized in the period in which they are made if they affect only the current period, or in the period in which they are made if they affect both the current and future periods.

Key sources of estimation and assumption uncertainty:

Long-term project payment receivables involving any unsettled litigation

As of December 31, 2024 and 2023, the Company had uncollected long-term construction receivables of NT$207,991 thousand (net of allowance for losses of NT$178,575 thousand and estimated overdue penalties) in prior years. Due to the pending litigation with Taiwan Power Company, the recovery of the project amount is subject to future court decisions. If the outcome of a future court judgment differs materially from the estimated amount of the impairment loss, the amount of the difference is recognized in profit or loss in the year of the judgment.

Evaluation of Impairment of Property, Plant and Equipment, Right-of-Use Assets and Intangible Assets

The impairment of property, plant, and equipment, right-of-use assets, and intangible assets is assessed based on the recoverable amount of these assets (i.e., the higher of the fair value of these assets less disposal costs or their value in use). Changes in market prices, future cash flows, or discount rates will affect the recoverable amount of these assets, which may result in the Consolidated Company needing to recognize additional impairment losses or reverse recognized impairment losses.

Evaluation of Impairment of Investments Accounted for Using the Equity Method—Property, Plant and Equipment, Right-of-Use Assets and Intangible Assets

The impairment of assets is assessed based on the recoverable amount of these assets (i.e., the higher of the fair value of these assets less disposal costs or their value in use). Changes in market prices, future cash flows, or discount rates will affect the recoverable amount of these assets, which may result in the Consolidated Company needing to recognize additional impairment losses or reverse recognized impairment losses.

## VI. Description of significant accounting items

### (I) Cash and cash equivalents

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Cash on hand | $ 188 | $ 138 |
| Bank deposits | 104,254 | 55,457 |
| Total | $ 104,442 | $ 55,595 |

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

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Financial assets - current | | |
| Non-derivative financial assets | | |
| Domestic listed (Over-the-Counter) stocks | $ 71,004 | $ 113,324 |

### (III) Financial assets measured at amortized cost - non-current

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Time deposits with an original maturity of more than 3 months | $ 63,557 | $ 51,915 |
| Reserve account | 649 | 331 |
| Total | $ 64,206 | $ 52,246 |

As of December 31, 2024 and 2023, the interest rate range of the time deposit with an initial maturity date over 3 months was 0.39% to 1.71% and 0.17% to 1.57%, respectively.

For information on pledges of financial assets measured at amortized cost, see Note 8.

### (IV) Notes receivable, accounts receivable and overdue receivables.

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Notes receivable | | |
| Measured at post-amortized cost | $ 467 | $ 1,090 |
| Accounts receivable - related parties | | |
| Measured at post-amortized cost | | |
| Total carrying amount | $ 15,907 | $ 35,488 |
| Less: Allowance for losses | — | — |
| Total | $ 15,907 | $ 35,488 |

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Overdue receivables | | |
| Due to business operations | $ 10,552 | $ 10,552 |
| Less: Allowance for losses | (10,552) | (10,552) |
| Total | $ — | $ — |

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

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

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

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

December 31, 2024

| | Less than 30 days | 31 to 90 days | 91 to 180 days | 181 to 360 days | 361 days or more | Total |
|---|---|---|---|---|---|---|
| Loss from expected credit impairment | －% | －% | －% | －% | －% | |
| Total carrying amount | $ 3,257 | $ 13,076 | $ 41 | $ － | $ － | $ 16,374 |
| Allowance for losses (expected credit losses over the life of the Company) | － | － | － | － | － | － |
| Cost after amortization | $ 3,257 | $ 13,076 | $ 41 | $ － | $ － | $ 16,374 |

December 31, 2023

| | Less than 30 days | 31 to 90 days | 91 to 180 days | 181 to 360 days | 361 days or more | Total |
|---|---|---|---|---|---|---|
| Loss from expected credit impairment | －% | －% | －% | －% | －% | |
| Total carrying amount | $ 10,986 | $ 23,243 | $ 2,349 | $ － | $ － | $ 36,578 |
| Allowance for losses (expected credit losses over the life of the Company) | － | － | － | － | － | － |
| Cost after amortization | $ 10,986 | $ 23,243 | $ 2,349 | $ － | $ － | $ 36,578 |

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

| | FY2024 | FY2023 |
|---|---|---|
| Balance at the beginning of period | $ — | $ 39 |
| Appropriation (reversal) in current period | — | (39) |
| Balance at the end of period | $ — | $ — |

(V) Inventory

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Finished goods | $ 13,012 | $ 2,048 |
| Work in process | 252,587 | 152,018 |
| Raw materials | 11,209 | 6,243 |
| Total | $ 276,808 | $ 160,309 |

1. 1. Operating costs related to inventories were NT$303,779 thousand and NT$423,658 thousand FY2024 and FY2023, respectively. The cost of goods sold for FY2024 and FY2023 included NT$1,065 thousand and NT$(331) thousand, respectively, for the decline in value of inventories and losses on doubtful accounts. The gain on decline in value of inventories is due to the elimination of part of the inventory that has been recognized as decline in value.
2. As of December 31, 2024 and 2023, none of the Company's inventories were pledged as collateral.
3. As of December 31, 2024 and 2023, there was no write-off of allowance for inventory losses due to obsolescence of inventories.

(VI) Investments Accounted For Using the Equity Method

1. Investment in subsidiaries

| | December 31, 2024 | | December 31, 2023 | |
|---|---|---|---|---|
| Investees | Carrying amount | Shareholding % | Carrying amount | Shareholding % |
| Le Hua Investment Co., Ltd. | $ 22,270 | 100 | $ 24,215 | 100 |
| Luxe Solar Energy Co., Ltd. | 3,636 | 100 | 5,512 | 100 |
| Sen-Hsin Energy Co., Ltd. | 865,938 | 100 | 839,373 | 100 |
| Chin Lai International Development Co., Ltd. | 228,319 | 100 | 218,454 | 100 |
| Wan Chuan Construction Co., Ltd. | 71,934 | 52.5 | 73,524 | 52.5 |
| Kai Shih Energy Co., Ltd. | — | — | 29 | 51 |
| Total | $ 1,192,097 | | $ 1,161,107 | |

1. On August 25, 2023, the Company participated in a cash capital increase amounting to NT$144,000 thousand for Sen-Hsin Energy Co., Ltd.
2. Kai Shih Energy Co. completed its dissolution registration on June 29, 2023 and the liquidation procedures on January 16, 2024.

## (VII) Property, Plant, and Equipment

| Item | FY2024 Balance at the beginning of period | Acquired | Disposed | Reclassification | Balance at the end of period |
|---|---|---|---|---|---|
| Cost | | | | | |
| Land | $ 61,045 | $ — | $ — | $ — | $ 61,045 |
| Buildings | 112,002 | 38,713 | — | — | 150,715 |
| Machinery Equipment | 43,024 | 33,319 | — | — | 76,343 |
| Office Equipment | 2,480 | 2,214 | (33) | — | 4,661 |
| Power Generation Equipment | 25,263 | — | — | — | 25,263 |
| Transport Equipment | 126 | — | — | — | 126 |
| Other Equipment | 44,794 | 9,999 | (73) | — | 54,720 |
| Leasehold improvements | 3,204 | 50,860 | — | — | 54,064 |
| Property under construction | — | 66,992 | — | — | 66,992 |
| Subtotal | 291,938 | 202,097 | (106) | — | 493,929 |
| Accumulated Depreciation and Impairment | | | | | |
| Buildings | 54,479 | 3,721 | — | — | 58,200 |
| Machinery Equipment | 17,540 | 6,457 | — | — | 23,997 |
| Office Equipment | 1,341 | 533 | (33) | — | 1,841 |
| Power Generation Equipment | 6,423 | 1,330 | — | — | 7,753 |
| Transport Equipment | 3 | 21 | — | — | 24 |
| Other Equipment | 37,673 | 2,152 | (65) | — | 39,760 |
| Leasehold improvements | 534 | 1,127 | — | — | 1,661 |
| Subtotal | 117,993 | 15,341 | (98) | — | 133,236 |
| Net amount | $ 173,945 | $ 186,756 | $ (8) | $ — | $ 360,693 |

| Item | FY2023 Balance at the beginning of period | Acquired | Disposed | Reclassification | Balance at the end of period |
|---|---|---|---|---|---|
| Cost | | | | | |
| Land | $ 46,969 | $ 14,076 | $ — | $ — | $ 61,045 |
| Buildings | 99,772 | 6,977 | — | 5,253 | 112,002 |
| Machinery Equipment | 31,936 | 12,238 | (1,150) | — | 43,024 |
| Office Equipment | 2,559 | 264 | (343) | — | 2,480 |
| Power Generation Equipment | 25,263 | — | — | — | 25,263 |
| Transport Equipment | — | 126 | — | — | 126 |
| Other Equipment | 43,410 | 1,761 | (377) | — | 44,794 |
| Leasehold improvements | 8,457 | — | — | (5,253) | 3,204 |
| Subtotal | 258,366 | 35,442 | (1,870) | — | 291,938 |
| Accumulated Depreciation and Impairment | | | | | |
| Buildings | 49,947 | 3,342 | — | 1,190 | 54,479 |
| Machinery Equipment | 14,993 | 3,697 | (1,150) | — | 17,540 |
| Office Equipment | 1,310 | 316 | (285) | — | 1,341 |
| Power Generation Equipment | 5,093 | 1,330 | — | — | 6,423 |
| Transport Equipment | — | 3 | — | — | 3 |
| Other Equipment | 36,253 | 1,797 | (377) | — | 37,673 |
| Leasehold improvements | 1,180 | 544 | — | (1,190) | 534 |
| Subtotal | 108,776 | 11,029 | (1,812) | — | 117,993 |
| Net amount | $ 149,590 | $ 24,413 | $ (58) | $ — | $ 173,945 |

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

| Item | Useful Life |
|---|---|
| Buildings | 3 to 35 years |
| Machinery Equipment | 2 to 15 years |
| Office Equipment | 2 to 5 years |
| Power Generation Equipment | 18 years |
| Transport Equipment | 3 years |
| Other Equipment | 2 to 20 years |
| Leasehold improvements | 9 years |

2. The Company's property, plant and equipment pledged as collaterals for long-term and short-term loans in December 31, 2024 and 2023. Please refer to Note 8 for details.

(VIII) Lease Agreements

1. Right-of-use assets

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Carrying amount of right-to-use assets | | |
| Buildings | $ 71,875 | $ 26,443 |
| Transport Equipment | 1,415 | 1,555 |
| Total | $ 73,290 | $ 27,998 |

| | FY2024 | FY2023 |
|---|---|---|
| Newly acquired right-of-use assets | $ 53,024 | $ 23,488 |
| Lease modification (lease cancellation) | $ — | $ 4,254 |
| Depreciation expense of right-of-use assets | | |
| Buildings | $ 6,771 | $ 6,351 |
| Transport Equipment | 961 | 809 |
| Total | $ 7,732 | $ 7,160 |

2. Leasing liabilities

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Carrying amount of lease liabilities | | |
| Current | $ 6,142 | $ 9,516 |
| Non-current | $ 70,655 | $ 20,548 |

The discount rate range for lease liabilities is as follows:

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Buildings | 2.13%~2.47% | 2.13%~2.47% |
| Transport Equipment | 1.70%~2.13% | 1.70%~2.13% |

3. Significant leasing activities and terms

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

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

4. Other Lease Information

| | FY2024 | FY2023 |
|---|---|---|
| Short-term lease expenses | $ 58 | $ — |
| Low-value asset lease expenses | $ 139 | $ 139 |
| Variable lease expenses not included in the measurement of lease liabilities | $ 279 | $ 298 |
| Total cash expenditure for leases (outflow) | $ (8,090) | $ (6,181) |

(IX) Other intangible assets

| Item | FY2024 | | | | |
|---|---|---|---|---|---|
| | Balance at the beginning of period | Acquired | Disposed | Reclassification | Balance at the end of period |
| Cost | | | | | |
| Computer software | $ — | $ 2,700 | $ — | $ — | $ 2,700 |
| Subtotal | — | 2,700 | — | — | 2,700 |
| Accumulated amortization and impairment | | | | | |
| Computer software | — | 237 | — | — | 237 |
| Subtotal | — | 237 | — | — | 237 |
| Net amount | $ — | $ 2,463 | $ — | $ — | $ 2,463 |

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

| Item | Useful Life |
|---|---|
| Computer software | 5 years |

(X) Prepayments

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Prepayment | $ 11,822 | $ 18,214 |
| Prepaid insurance fees | 284 | 264 |
| Prepaid pensions | 614 | 570 |
| Input tax | 750 | 4,849 |
| Tax overpaid retained for offsetting future tax payable | 5,581 | — |
| Others | 680 | 322 |
| Total | $ 19,731 | $ 24,219 |
| Prepayment for equipment purchase | $ 32,749 | $ 107,439 |
| Less: Accumulated impairment | (23,918) | (23,918) |
| Total | $ 8,831 | $ 83,521 |
| Current | $ 19,731 | $ 24,219 |
| Non-current | $ 8,831 | $ 83,521 |

For the assessment of the accumulated impairment on prepayment for equipment, please refer to Note 9(2).

(XI) Long-term notes and accounts receivable

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Accounts receivable - Taiwan Power Company (Taichung Power Plant) (Note 1) | $ 355,600 | $ 355,600 |
| Accounts receivable - Taiwan Power Company (Offshore Wind Power Development In Taichung Port) | 17,226 | 17,226 |
| Estimated additional receivables from construction and engineering work | 13,740 | 13,740 |
| Less: Estimated overdue fines payable | (141,000) | (141,000) |
| Less: Allowance for losses | (37,575) | (37,575) |
| Subtotal of construction and engineering receivables | $ 207,991 | $ 207,991 |

1. The Company filed an arbitration case for the delayed completion of the Taichung Power Plant and Offshore Wind Power Development In Taichung Port of Taiwan Power Company (Taipower). The arbitration judgment was issued by the Chinese Construction Industry Arbitration Association(CCIAA) on January 19, 2010 (2008 Gong-Zhong-Xie-Jing-Zi No. 019) and a judgement was issued by the High Court on May 31, 2011 (2010 Zhong-Shang-Zi No. 501). The Company recorded NT$141,000 thousand in overdue penalties and NT$13,740 thousand in additional receivables due for construction work based on the arbitration judgement. However, the parties did not reach a consensus on the settlement amount, which resulted in the delay in payment by Taipower, so the accounts were reclassified as long-term accounts receivable. Please refer to Note 9(3) for details.
2. The Company considers the customer's past default record and current financial condition, as well as the possible outcome of future court decisions. If there is evidence that the counter-party is facing severe financial difficulties or the judgment may be unfavorable to the Company, and the Company cannot reasonably expect to recover the amount, the Company will directly write off the related receivables, but shall continue to pursue debt recovery activities and recognize the amount recovered in profit or loss.

(XII) Short-term borrowings

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Secured loans | $ 165,000 | $ 130,000 |
| Credit loans | 110,000 | — |
| Total | $ 275,000 | $ 130,000 |
| Interest Rate Range | 2.09%~2.10% | 2.15% |

For the guarantee of assets provided as short-term loans, please refer to Note 8.

(XIII) Long-term borrowings

| | December 31, 2023 | December 31, 2023 |
|---|---|---|
| Secured loans | $ 265,391 | $ 167,494 |
| Less: Loan maturity classified as due within one year | (2,125) | (3,105) |
| Long-term borrowings | $ 263,266 | $ 164,389 |
| Interest Rate Range | 2.10%~2.50% | 2.15%~2.38% |

The above-mentioned bank loans shall mature successively before January 2030.

Please refer to Note 8 for information on assets pledged as collateral for long-term borrowings.

(14) Trade payables:

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Accounts payable (including to related parties) | $ 75,198 | $ 82,626 |

1. The average credit period for accounts payable is generally 30 to 60 days for customers, and for outsourced projects, payment is made according to the contract period agreed to between the two parties. The Company upholds a financial risk management policy to ensure that all payables are repaid within the pre-agreed credit terms.
2. Please refer to Note 6(24) for disclosures of payables and other payables that are exposed to liquidity risk.

(XV) Post-employment benefit plans

1. Defined contribution plan

The Company's pension plan under the Labor Pension Act is a government-administered defined contribution plan that contributes 6% of employees' monthly salaries to the individual accounts under the Bureau of Labor Insurance. The pension cost recognized as expense in the parent company only comprehensive statements of income was NT$1,750 thousand and NT$1,555 thousand for FY2024 and FY2023, respectively.

(XVI) Equity

1. Common share capital

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

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

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

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

2. Capital reserve

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| May be used to make up losses, to distribute cash or to increase capital | | |
| Stock issuance in excess of par value | $ 87,226 | $ 87,226 |

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

3. Policy on retained earnings and dividends

In accordance with the provisions of the Company's Articles of Incorporation on the earnings distribution policy, if having a profit in the final accounting of the year, the Company shall first pay taxes and make up any cumulative losses in accordance with laws, and then set aside 10% of the said earnings as legal reserves, unless such legal reserves reach the amount of the Company’s paid-in capital. Any surpluses remaining shall then be subject to provision or reversal of special reserves, as the laws may require. If there is any residual balance, it shall be, together with the undistributed earnings carried from previous years, used as dividends for shareholders. The Board of Directors shall draft an earnings distribution proposal and submit it to the shareholders’ meeting for approval. Please refer to Note 6(20), for the policy on the distribution of employees and directors' remuneration under the amended Articles of Incorporation.

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

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

| | FY2023 | FY2022 |
|---|---|---|
| Legal reserve | $ 13,802 | $ 4,508 |
| Special reserve | $ (194) | $ 181 |
| Cash dividend | $ 45,173 | $ — |
| Share dividends | $ 45,173 | $ 41,463 |
| Cash dividend per share (NT$) | $ 0.3 | $ — |
| Share dividends (NT$) | $ 0.3 | $ 0.285 |

The Company's board of directors put forth the 2024 earnings distribution proposal on March 4, 2025. The 2024 earnings distribution proposal is pending a resolution by the shareholders' meeting scheduled on May 23, 2025.

(XVII) Earnings (losses) per share

1. Basic earnings (losses) per share

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

| | FY2024 | FY2023 |
|---|---|---|
| Net income (loss) attributable to owners | $ (20,215) | $ 138,023 |
| Weighted-average number of common shares for basic earnings per share calculation (in thousands) | 155,095 | 155,095 |
| Basic earnings (losses) per share (NTD) | $ (0.13) | $ 0.89 |

Earnings (losses) per share in the previous paragraph have been retroactively adjusted for the effect of share dividends, and the base date of which was set on August 2, 2024. The basic earnings per share was retroactively adjusted from NT$0.91 to NT$0.89 due to the retroactive adjustment to 2023 basic EPS.

2. Diluted earnings (losses) per share

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

| | FY2024 | FY2023 |
|---|---|---|
| Net income (loss) attributable to owners | $ (20,215) | $ 138,023 |
| Weighted-average number of common shares for basic earnings per share calculation (in thousands) | 155,095 | 155,095 |
| Impact of common stock with potential dilutive effects | | |
| Employee remuneration | — | 45 |
| Weighted-average number of common shares for the purpose of calculating diluted earnings per share | 155,095 | 155,140 |
| Diluted earnings (losses) per share (NTD) | $ (0.13) | $ 0.89 |

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

The diluted earnings per share was retroactively adjusted from NT$0.91 to NT$0.89 due to the retroactive adjustment to 2023 basic EPS.

(XVIII) Revenue from Customer Contracts

| | FY2024 | FY2023 |
|---|---|---|
| Construction and engineering revenue | $ 2,733 | $ 19,994 |
| Sales revenue | 335,096 | 415,808 |
| Electricity retailing revenue | 3,017 | 2,909 |
| Others | 5,757 | 60,459 |
| Total | $ 346,603 | $ 499,170 |

1. Contract balance

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Accounts receivable and notes receivable | $ 16,374 | $ 36,578 |
| Contract assets - current | | |
| Construction of photovoltaic power station | $ — | $ 6,371 |
| Sales of electrical equipment | 6,130 | 29,871 |
| Total | $ 6,130 | $ 36,242 |
| Contract liabilities - current | | |
| Construction of photovoltaic power station | $ 283 | $ 1,711 |
| Sales of electrical equipment | 7,863 | — |
| Total | $ 8,146 | $ 1,711 |

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

2. Breakdown of revenue from customer contracts

FY2024

| | Reportable segments | | |
|---|---|---|---|
| | Energy Business Group | Electrical Engineering Business Group | Total |
| Contract revenue type | | | |
| Construction and engineering revenue | $ 554 | $ 2,179 | $ 2,733 |
| Sales revenue | — | 335,096 | 335,096 |
| Electricity retailing revenue | 3,017 | — | 3,017 |
| Others | — | 5,757 | 5,757 |
| Total | $ 3,571 | $ 343,032 | $ 346,603 |
| Point in time for revenue recognition: | | | |
| At a certain point in time | $ 3,017 | $ 340,853 | $ 343,870 |
| To be satisfied over time | 554 | 2,179 | 2,733 |
| Total | $ 3,571 | $ 343,032 | $ 346,603 |

FY2023

| | Reportable segments | | |
|---|---|---|---|
| | Energy Business Group | Electrical Engineering Business Group | Total |
| Contract revenue type | | | |
| Construction and engineering revenue | $ 19,994 | $ — | $ 19,994 |
| Sales revenue | — | 415,808 | 415,808 |
| Electricity retailing revenue | 2,909 | — | 2,909 |
| Others | — | 60,459 | 60,459 |
| Total | $ 22,903 | $ 476,267 | $ 499,170 |
| Point in time for revenue recognition: | | | |
| At a certain point in time | $ 2,909 | $ 476,267 | $ 479,176 |
| To be satisfied over time | 19,994 | — | 19,994 |
| Total | $ 22,903 | $ 476,267 | $ 499,170 |

(XIX) Total Non-operating Revenue and Expense

1. Interest income

| | FY2024 | FY2023 |
|---|---|---|
| Bank deposits | $ 588 | $ 1,356 |

2. Other revenue

| | FY2024 | FY2023 |
|---|---|---|
| Dividend income | $ 483 | $ 607 |
| Rental revenue | 757 | 994 |
| Compensation income | 3,211 | 2,990 |
| Settlement income | 990 | — |
| Others | 4,701 | 4,339 |
| Total | $ 10,142 | $ 8,930 |

3. Other profits and losses

| | FY2024 | FY2023 |
|---|---|---|
| Gain (loss) on financial assets at fair value through profit or loss | $ (49,915) | $ 57,421 |
| Profit from lease changes | — | 105 |
| Gains (losses) from disposal of property, plant and equipment | (8) | 63 |
| Others | (2,158) | (4,043) |
| Net amount | $ (52,081) | $ 53,546 |

4. Financial cost

| | FY2024 | FY2023 |
|---|---|---|
| Interest on bank loans | $ 10,413 | $ 7,599 |
| Interest on lease liabilities | 1,323 | 516 |
| Less: Amounts of the qualified asset costs (included in property, plant and equipment and equipment prepayment) | (1,738) | (1,913) |
| Net amount | $ 9,998 | $ 6,202 |

Information on interest capitalization is as follows:

| | FY2024 | FY2023 |
|---|---|---|
| Amount of interest capitalized | $ 1,738 | $ 1,913 |
| Rate of capitalized interest | 1.89%~2.50% | 2.23% |

(XX) Remuneration to Employees and Directors

In accordance with the Company's Articles of Incorporation, the Company contributes no less than 1% and no more than 1% of the pre-tax benefit to employees' and directors' remuneration, respectively, for the year before the distribution of employees' and directors' remuneration. The estimated remuneration to employees from January 1 to December 31, 2024 and 2023 is as follows:

| | FY2024 | FY2023 |
|---|---|---|
| Employee remuneration | 1% | 1% |
| Remuneration to directors | 0% | 0% |

| | FY2024 | FY2023 |
|---|---|---|
| Cash | | |
| Employee remuneration | $ — | $ 1,393 |

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

There was no difference between the actual amount of employees' remuneration and the amount recognized in the parent company only financial statements for FY2023.

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

(XXI) Income Taxes

1. The major components of income tax expense (benefit) recognized in profit or loss:

| | FY2023 | FY2023 |
|---|---|---|
| Income tax for the current year | | |
| Additional taxes levied on undistributed earnings | $ 1,694 | $ — |
| Adjusted from the previous year | — | (140) |
| Deferred income tax | | |
| Income tax generated in the current year | — | — |
| Income tax expense (benefit) recognized in profit or loss | $ 1,694 | $ (140) |

2. The reconciliation of accounting income and income tax expense (benefit) is as follows:

| | FY2024 | FY2023 |
|---|---|---|
| Income tax expense on net income before income tax at statutory tax rate | $ (3,704) | $ 27,577 |
| Tax-exempt income | 9,886 | (12,083) |
| Non-deductible expenses for tax purposes | 118 | 10 |
| Net domestic investments recognized under the equity method | (6,934) | (10,610) |
| Additional taxes levied on undistributed earnings | 1,694 | — |
| Unrecognized temporary differences | (41) | (67) |
| Unrecognized loss carryforwards offset against current period | — | (4,827) |
| Unrecognized loss carryforward | 676 | — |
| Adjustment in the current year for the income tax expenses of the previous year | — | (140) |
| Others | (1) | — |
| Income tax expense (benefit) included in profit or loss | $ 1,694 | $ (140) |

3. Income tax assets and liabilities in the current period

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Income tax assets in current period | | |
| Tax refund receivable | $ 62 | $ 77 |
| Income tax liabilities in current period | | |
| Income taxes payable | $ 1,694 | $ — |

4. Deferred income tax assets not recognized in parent company only balance sheets

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Loss deductions | $ 113,717 | $ 125,727 |
| Temporary differences that can be deducted | 78,709 | 78,922 |
| Total | $ 192,426 | $ 204,649 |

5. The information on the Company's unused tax losses and the last deductible year as of December 31, 2024, is summarized as follows:

| Year of occurrence | Deductible amount | Final deduction year |
|---|---|---|
| FY2015 (authorized) | $ 86,597 | 2025 |
| FY2017 (authorized) | 24,752 | 2027 |
| 2024 (estimated) | 2,368 | 2034 |
| Total | $ 113,717 | |

6. Status of approved income taxes

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

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

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

| By function / By nature | 2024 | | | FY2023 | | |
|---|---|---|---|---|---|---|
| | Attributable to operating costs | Attributable to operating expenses | Total | Attributable to operating costs | Attributable to operating expenses | Total |
| Employee benefit expenses | | | | | | |
| Wage expenses | $ 30,227 | $ 17,020 | $ 47,247 | $ 21,077 | $ 19,556 | $ 40,633 |
| Labor and health insurance expenses | 3,133 | 1,489 | 4,622 | 2,435 | 1,409 | 3,844 |
| Pension expense | 979 | 771 | 1,750 | 813 | 742 | 1,555 |
| Remuneration to directors | — | 949 | 949 | — | 942 | 942 |
| Other employee benefit expenses | 1,266 | 1,767 | 3,033 | 991 | 2,113 | 3,104 |
| Depreciation expense | 18,847 | 4,226 | 23,073 | 13,722 | 4467 | 18,189 |
| Amortization expense | — | 237 | 237 | — | — | — |

(XXIII) Capital Risk Management

The Company is required to maintain sufficient capital to meet the doubtful assumptions as a going concern. Therefore, the Company manages its capital to ensure that it has the necessary financial resources and operating plans to meet its future needs for working capital, capital expenditures and debt repayment.

(XXIV) Financial Instruments

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

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

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

(1) Fair value hierarchy

| | December 31, 2024 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets at fair value through profit or loss | | | | |
| Domestic listed (Over-the-Counter) stocks | $ 71,004 | $ – | $ – | $ 71,004 |

| | December 31, 2023 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets at fair value through profit or loss | | | | |
| Domestic listed (Over-the-Counter) stocks | $ 113,324 | $ – | $ – | $ 113,324 |

There were no transfers between Level 1 and Level 2 fair value measurements from January 1 to December 31, 2024 and 2023.

3. Types of financial instruments

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Financial Assets | | |
| Financial assets at fair value through profit or loss | $ 71,004 | $ 113,324 |
| Financial assets carried at amortized cost (Note 1) | 398898 | 415537 |
| Total | $ 469,902 | $ 528,861 |
| Financial liabilities | | |
| Measured at amortized cost (Note 2) | $ 627,373 | $ 398,263 |
| Lease liabilities | 76797 | 30064 |
| Total | $ 704,170 | $ 428,327 |

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

Note 2: The balance consists of financial liabilities measured at amortized cost, including long-term loans (including long-term borrowings due within one year), notes payable, accounts payable, other payables and guarantee deposits.

4. Financial risk management objectives and policies

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

(1) Market risk

A. Interest rate risk

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

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Fair value interest rate risk | | |
| Financial Assets | $ 64,206 | $ 52,246 |
| Financial liabilities | 351797 | 160064 |
| Cash flow rate risk | | |
| Financial Assets | $ 104,156 | $ 55,275 |
| Financial liabilities | 265391 | 167494 |

Sensitivity analysis

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

If interest rates were to increase/decrease by 0.25%, with all other variables held constant, the Company's pre-tax income would increase/decrease by NT$1,091 thousand and NT$606 thousand for FY2024 and FY2023, respectively, due to the Company's exposure to interest rate risk on cash flows from variable rate deposits and borrowings.

B. Other price risk

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

Sensitivity analysis

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

If equity prices increased/decreased by 1%, net income before income tax would have increased/decreased by NT$710 thousand and NT$1,133 from January 1 to December 31, 2024 and 2023 respectively, due to the increase/decrease in the fair value of financial assets at fair value through profit or loss.

The increase in sensitivity of the Company to equity investments was mainly due to the increase in equity investments.

(2) Credit risk

Credit risk refers to the risk of financial loss due to default on contractual obligations by counter-parties. As of the balance sheet date, the Company's maximum exposure to credit risk due to non-performance by counter-parties is mainly due to non-collection of customer accounts.

As of December 31, 2024 and 2023, the percentages of accounts receivable from the top ten customers to the Company's accounts receivable were 67.48% and 96.01%, respectively, and the credit concentration risk of the remaining accounts receivable was relatively insignificant.

(3) Liquidity risk

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

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

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

| | December 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Less than 6 months | 6 months to 1 year | 1 to 2 years | More than 2 years | Total |
| Non-derivative financial liabilities | | | | | |
| Non-interest-bearing liabilities | $ 80,671 | $ — | $ — | $ — | $ 80,671 |
| Floating rate instruments | 279817 | 3864 | 9701 | 273957 | 567339 |
| Lease liabilities | 3817 | 3738 | 6998 | 76914 | 91467 |
| Total | $ 364,305 | $ 7,602 | $ 16,699 | $ 350,871 | $ 739,477 |

More information on the analysis of lease liabilities due:

| | Less than 1 year | 1 to 5 years | 6 to 10 years | 11 to 15 years | 16 to 20 years |
|---|---|---|---|---|---|
| Lease liabilities | $ 7,555 | $ 22,420 | $ 23,240 | $ 23,019 | $ 15,233 |

| | December 31, 2023 | | | | |
|---|---|---|---|---|---|
| | Less than 6 months | 6 months to 1 year | 1 to 2 years | More than 2 years | Total |
| Non-derivative financial liabilities | | | | | |
| Non-interest-bearing liabilities | $ 91,662 | $ — | $ — | $ — | $ 91,662 |
| Floating rate instruments | 133692 | 3854 | 9627 | 164885 | 312058 |
| Lease liabilities | 4135 | 5938 | 11677 | 9612 | 31362 |
| Total | $ 229,489 | $ 9,792 | $ 21,304 | $ 174,497 | $ 435,082 |

More information on the analysis of lease liabilities due:

| | Less than 1 year | 1 to 5 years | 6 to 10 years | 11 to 15 years | 16 to 20 years |
|---|---|---|---|---|---|
| Lease liabilities | $ 10,073 | $ 19,427 | $ 947 | $ 915 | $ — |

B. Financing amount

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Unsecured bank loan credit line | | |
| - Amount utilized | $ 110,000 | $ — |
| -Unutilized amount | 280000 | — |
| Total | $ 390,000 | $ — |
| Guaranteed Bank credit line | | |
| - Amount utilized | $ 434,800 | $ 299,800 |
| -Unutilized amount | 1000 | 100000 |
| Total | $ 435,800 | $ 399,800 |

VII. Related Party Transactions

The transactions between the Company and its related parties were as follows

(I) Names of related parties and their relationships

| Name of related party | Relationship with the Company |
|---|---|
| Sen-Hsin Energy Co., Ltd. (hereinafter referred to as "Sen-Hsin") | Subsidiary |
| Luxe Solar Energy Co., Ltd. (hereinafter referred to as "Luxe Solar") | Subsidiary |
| Chin Lai International Development Co., Ltd. (hereinafter referred to as "Chin Lai") | Subsidiary |
| Wan Chuan Construction Co., Ltd. (hereinafter referred to as "Wan Chuan Construction") | Subsidiary |
| Qun Li Energy Co., Ltd. (hereinafter referred to as "Qun Li") | Subsidiary |
| Le Hua Investment Co., Ltd. (hereinafter referred to as "Le Hua") | Subsidiary |
| Ching Tien Energy and System Co., Ltd. (hereinafter referred to as "Ching Tien Energy") | Other related party |
| Chao Hsing Energy Co., Ltd. (hereinafter referred to as "Chao Hsing Energy") | Other related party |
| Sel Tech Co., Ltd. | Other related party |

| Name of related party | Relationship with the Company |
| --- | --- |
| (hereinafter referred to as "SEL Tech") | |
| Quintain Steel Co., Ltd. (hereinafter referred to as "Quintain") | Other related party |
| Chateau Rich Hotel Co., Ltd. (hereinafter referred to as "Chateau Rich") | Other related party |
| Chateau International Development Co., Ltd. (hereinafter referred to as "Chateau International") | Other related party |
| Mei Chi Interior Design and Engineering Co., Ltd. (hereinafter referred to as "Mei Chi Interior Design") | Other related party |
| Wan-Hou Machinery and Electrical Engineering Co., Ltd. (hereinafter referred to as Wan-Hou Machinery and Electrical Engineering") | Other related party |
| Asahi Enterprises Corp. (hereinafter referred to as "Meiyu Industrial") | Other related party |
| Chao Ming Sheng Co., Ltd. (hereinafter referred to as "Chao Ming Sheng") | Other related party |
| Castle Applied Inc. (hereinafter referred to as "Castle Applied") | Other related party |

(II) Operating revenue

| | FY2024 | FY2023 |
| --- | --- | --- |
| Ching Tien Energy | $ — | $ 472 |
| Sel Tech Co., Ltd. | 4981 | 7288 |
| Chao Hsing Energy Co., Ltd. | — | 13195 |
| Subsidiary | 1057 | — |
| Other related party | 257 | — |
| Total | $ 6,295 | $ 20,955 |

1. The revenue from subcontracting photovoltaic equipment projects including installation construction. These projects are subcontracted to Sel Tech Co., Ltd. The financial statements of the Company present the construction revenue after deducting the cost of the outsourcing. Prices and payment terms are based on individual agreements between the parties for each project.

| | Construction and engineering revenue | Construction and engineering cost | Net amount |
| --- | --- | --- | --- |
| FY2024 | | | |
| Ching Tien Energy | $ — | $ — | $ — |
| Chao Hsing Energy Co., Ltd. | — | — | — |
| Total | $ — | $ — | $ — |
| FY2023 | | | |
| Ching Tien Energy | $ 2,079 | $ 1,607 | $ 472 |
| Chao Hsing Energy Co., Ltd. | 20795 | 16240 | 4555 |
| Total | $ 22,874 | $ 17,847 | $ 5,027 |

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

(III) Purchase (including construction cost)

| | FY2024 | FY2023 |
|---|---|---|
| Sel Tech Co., Ltd. | $ — | $ 17,847 |
| Wan-Hou Machinery and Electrical Engineering | 1639 | 2806 |
| Wan Chuan Construction Co., Ltd. | 6762 | 15581 |
| Total | $ 8,401 | $ 36,234 |

(IV) Accounts Receivables From Related Parties

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Accounts receivable | | |
| Sel Tech Co., Ltd. | $ 158 | $ 7,652 |
| Other receivables | | |
| Subsidiary | $ 233 | $ 256 |
| Sel Tech Co., Ltd. | — | 50906 |
| Total | $ 233 | $ 51,162 |

No guarantee is received for amounts outstanding from related parties.

Tainan City Government terminated the contract for the solar power generation system around the detention basins of Water Resources Bureau, Tainan City Government. The construction has not yet started, thus the Company will apply to the contractor, Sel Tech Co., Ltd., for a refund of the prepayment amounted to NT$50,906 thousand. As of December 31, 2024, the uncollected amount has all been recovered.

(V) Accounts Payable to Related Parties

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Accounts payable | | |
| Wan Chuan Construction Co., Ltd. | $ — | $ 676 |
| Sel Tech Co., Ltd. | 34 | 34 |
| Wan-Hou Machinery and Electrical Engineering | 1427 | — |
| Total | $ 1,461 | $ 710 |
| Other payables | | |
| Other related party | $ 112 | $ 62 |

(VI) Endorsements and Guarantees

See Table 2 for endorsement guarantees for subsidiaries.

(VII)Prepayment for Equipment

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Wan Chuan Construction Co., Ltd. | $ — | $ 34,429 |
| Sel Tech Co., Ltd. | — | 32000 |
| Quintain Steel Co., Ltd. | 750 | — |
| Total | $ 750 | $ 66,429 |

As of December 31, 2024, Wan Chuan Construction Co., Ltd. and the Company entered a contract for renovation and new plant construction, with the total price of NT$63,286 thousand, which will be disbursed according to the progress of the project. Prices and payment terms are based on individual agreements between the parties for each project. In addition, all have been reclassified to property, plant, and equipment after acceptance in 2024. Please refer to note 7(9).

The Company purchased solar power equipment and installation and storage systems from Sel Tech Co., Ltd.; the total contractual price is NT$40,000 thousand as of December 31, 2023, which will be paid according to the progress of the project. Prices and payment terms are based on individual agreements between the parties for each project. As of December 31, 2024, payment has been completed, and it is still in the acceptance stage and has not been reclassified to property, plant, and equipment.

(VIII) Lease Agreements

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Right-of-use assets | | |
| Meiyu Industrial Co., Ltd. | $ 64,805 | $ 17,339 |
| Lease liabilities - current | | |
| Meiyu Industrial Co., Ltd. | $ 3,051 | $ 6,718 |
| Lease liabilities - non-current | | |
| Meiyu Industrial Co., Ltd. | $ 64,971 | $ 12,456 |
| Interest expense | | |
| Meiyu Industrial Co., Ltd. | $ 1,104 | $ 250 |

The Company leases office space and plants from a related party, and the terms of the transaction are monthly lease payments.

(IX) Acquisition of property, plant, and equipment

The prices for the Company's acquisition of property, plant and equipment from related parties (including prepayment for equipment purchase reclassified to property, plant and equipment after acceptance in this year) are summarized as follows:

| | FY2024 | FY2023 |
|---|---|---|
| Quintain Steel Co., Ltd. | $ — | $ 126 |
| Sel Tech Co., Ltd. | 40000 | — |
| Wan Chuan | 63286 | — |
| Mei-Chi | 3429 | — |
| Total | $ 106,715 | $ 126 |

(X) Transactions with other related parties

| | FY2024 | | FY2023 | |
|---|---|---|---|---|
| Rental revenue | | | | |
| Subsidiary | $ | 505 | $ | 360 |
| Other related party | | 36 | | 32 |
| Total | $ | 541 | $ | 392 |
| Miscellaneous income | | | | |
| Subsidiary | $ | 2,640 | $ | 2,280 |
| Expenditure on repairs | | | | |
| Other related party | $ | 723 | $ | 147 |
| Rent expenses | | | | |
| Other related party | $ | 48 | $ | – |
| Miscellaneous expenses | | | | |
| Other related party | $ | 1,133 | $ | 50 |

(XI) Remuneration for senior management

| | FY2024 | | FY2023 | |
|---|---|---|---|---|
| Short-term employee benefits | $ | 8,395 | $ | 6,899 |
| Postemployment benefits | | 233 | | 173 |
| Total | $ | 8,628 | $ | 7,072 |

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

VIII. Assets Pledged as Collateral

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

| | December 31, 2024 | | December 31, 2023 | |
|---|---|---|---|---|
| Financial assets measured at amortized cost - current and non-current (reserve account) | $ | 649 | $ | 331 |
| Financial assets measured at amortized cost - current and non-current (pledged time deposits) | | 63557 | | 51915 |
| Property, plant and equipment | | 130767 | | 113063 |
| Total | $ | 194,973 | $ | 165,309 |

IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

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

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

| | December 31, 2024 | | December 31, 2023 | |
|---|---|---|---|---|
| Performance guarantee | $ | 63,557 | $ | 51,915 |
| Guarantee notes for construction projects | | 20770 | | 19915 |
| Total | $ | 84,327 | $ | 71,830 |

(II) The Company and Aircom Pacific Inc. jointly developed an in-flight connection system for use in the passenger cabin of an aircraft for a total contract price of NT$28,750 thousand (US$909,000), of which NT$23,918 thousand (US$762,000) had been paid as of December 31, 2024. The Company has no plan to continue the operation of the business, and no manpower is currently committed to the venture; therefore, a total impairment loss of NT$23,918 thousand was recorded in 2015 for the prepaid equipment.

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

1. Taipower shall extend the construction period for each wind turbine (#1, #2, #3 and #4 turbines) of Taichung Power Plant by 290 calendar days.
2. Taipower shall extend the work period of 563 calendar days for each wind turbine (#1-#4) of the first group of wind turbines in the Taichung Harbor Area; 756 calendar days for each wind turbine (#5-#8) of the second group; 773 calendar days for each wind turbine (#9-#12) of the third group; 663 calendar days for each wind turbine (#13-#18) of the fourth group.
3. Taipower shall calculate the completion date of the sub-projects of Taichung Power Plant and Taichung Harbor Area by adding 120 calendar days to the last date of completion of the commercial transfer of each site (#3 wind turbine of Taichung Power Plant; #11 wind turbine of Taichung Port Area) as the last completion date of the site.
4. Taipower shall pay the Company NT$13,740 thousand and interest at 5% per annum from September 28, 2007 to the date of settlement.

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

The Company filed a lawsuit with the Taipei District Court on September 5, 2013, requesting Taipower to pay the Company NT$401,631 thousand and on August 25, 2016, the Taipei District Court ruled (2013 Jian-Zi No. 274) that Taipower should pay the Company NT$309,690,000, plus interest at 5% per annum from April 14, 2012 to the date of full settlement. Taipower appealed against the judgment and filed an appeal. On May 29, 2020, the Taiwan High Court ruled in (2016 Jian-Shang-Zi No.74) that Taipower should pay the Company NT$301,955 thousand, including NT$250,070 thousand from April 14, 2012, and the remaining NT$51,885 thousand with interest at 5% per annum from the day after the judgment was finalized until the date of settlement. Based on the above judgement, the Company filed an appeal with the Supreme Court in which Taipower was required to pay the Company NT$16,045 thousand and interest at 5% per annum from April 14, 2012 to the date of settlement. Taipower objected the judgment and re-appealed again. On August 16, 2023, the Taiwan Supreme Court ruled (2021 Tai-Shang-Zi No. 690) that the original judgment ordered Taipower to pay again and dismissed the remaining appeals of Taipower. In addition, the litigation fees were partially discarded and was sent for a remanded trial.

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

(IV) The Company placed an order of 54 blades to Umoe (a Dutch company) on June 22, 2005 and authorized it to deal with their transport. Umoe (a Dutch company) authorized another company for this transport matter. A batch of the blades was affected by severe weather during the transport and 15 blades were damaged as a result. Umoe (a Dutch company) found that the procurement agreement was entered into based on the FOB conditions and, thus, asked the Company to reimburse the freight paid on behalf of the Company. On August 16, 2010, the Company received a notice from Taiwan Banqiao District Court about the suit at Oslo District Court, Norway. The JuridiskByra law firm in Norway was authorized for the suit. Oslo District Court made a decision against the Company on April 11, 2011 and required that the Company should pay a compensation of EUR 222 thousand (ca. NT$7,359 thousand) and a sum of legal expenses of NOK 404 thousand (ca. NT$1,258 thousand) with delay interest. As there is no mutual recognition of judicial decisions based on treaties or agreements between Taiwan and Norway, the Company has not received any notice from the court to enforce the above compensation as of December 31, 2024.

(V) As of December 31, 2024 and 2023, the Company had entered into contracts for solar power generation equipment, and the total amount due, less the amount paid, was NT$0 and NT$30,952 thousand, respectively.

X. Catastrophic Losses: None.

XI. Significant Post-Term Events: None.

XII. Other Matters: None.

XIII. Notes for Disclosures

(I) Information on Material Transactions:

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

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

(III) Investments in Mainland China: None.

(IV) Information on major shareholders: Name, amount and percentage of shares held by shareholders with a 5% or more ownership: see Table 5.

XIV. Operating Segment Information

Please refer to the consolidated financial statements for FY2024.

Table 1

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Loans to others

From January 1, 2024 to December 31, 2024

Unit: NT$ thousand

| Number (Note 1) | Lending company | Borrower | Current account | Related party | Maximum amount for the period (Note 5) | Balance at the end of period (Note 5) | Actual amount | Interest rate range (%) | Nature of the loaning of funds (Note 4) | Business transaction amount | Reasons for the necessity of short-term financing | Allowance for bad debt | Collateral | | Limit of loans to individual borrowers (Note 3) | Total limit of loans (Note 3) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | Name | Value | | |
| 1 | n Chuan Construction Co., Ltd. | Castle Applied Inc. | Other receivables - related parties | Yes | $ 10,000 | $ 10,000 | $ 10,000 | 4% | 2 | $ — | Operating turnover | $ — | — | — | $ 14,022 | $ 56,089 |

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

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

1. The total amount of loans shall not exceed 40% of the net amount in the most recent financial report.
2. To the extent that there is a business transaction between the loaning of funds and the business transaction between the two parties (the "business transaction amount" refers to the higher of the purchase or sale amount between the two parties) .

   Where there is a need for short-term financing, the individual amount of loan shall not exceed 10% of the net value in the most recent financial report.

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

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

Note 4: Nature of the loaning of funds:

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

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

Table 2

# Luxe Green Energy Technology Co., Ltd.

## (Originally: Luxe Electric Co., Ltd)

## Endorsement and guarantees for others:

## January 1 to December 31, 2024

Unit: NT$ thousand

| Number (Note 1) | Company name of the guarantor | Target of endorsement and guarantee | | Endorsement and guarantee limit for a single company (Note 3) | Maximum endorsement and guarantee balance for the period | Ending balance of endorsement and guarantee | Actual amount | Endorsement and guarantee amount secured by assets | Ratio of cumulative guarantee amount to net worth of the most recent financial statements (%) | Maximum amount of endorsement and guarantee (Note 3) | Endorsement and guarantee from parent to subsidiary (Note 4) | Endorsement and guarantee from subsidiary to parent company (Note 4) | Endorsement and guarantee for Mainland China (Note 4) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Company name | Relationship (Note 2) | | | | | | | | | | |
| 0 | The Company | Sen-Hsin Energy Co., Ltd. | 2 | $ 847,006 | $ 450,000 | $ 450,000 | $ 117,574 | $ — | 26.56 | $ 1,694,012 | Y | N | N |
| 0 | The Company | Chin Lai International Development Co., Ltd. | 2 | $ 847,006 | $ 450,000 | $ 150,000 | $ 68,965 | $ — | 8.85 | $ 1,694,012 | Y | N | N |

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

(1) The issuer is entered as 0.

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

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

(1) Companies with business relationship.

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

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

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

Table 3

# Luxe Green Energy Technology Co., Ltd.

## (Originally: Luxe Electric Co., Ltd)

## Breakdown of marketable securities held at the end of the period

December 31, 2024

Unit: NT$ thousand

| Company held | Type and Name of Marketable Securities | Relationship between the issuer of the securities and the Company | Accounting Item | End of period | | | | Remarks |
|---|---|---|---|---|---|---|---|---|
| | | | | Shares | Carrying amount | Shareholding ratio (%) | Market price or equity net value | |
| The Company | Shares - Chateau International Development Co., Ltd. | Other related party | Financial assets measured at fair value through profit or loss - current | 2045485 | 69342 | 1.43 | 69342 | |
| | Shares - Concord International Securities Co., Ltd. | None | Financial assets measured at fair value through profit or loss - current | 114239 | 1662 | 0.03 | 1662 | |
| Le Hua Investment Co., Ltd. | Shares - Concord International Securities Co., Ltd. | None | Financial assets measured at fair value through profit or loss - current | 1342926 | 19540 | 0.32 | 19540 | |
| | Shares - Chateau International Development Co., Ltd. | Other related party | Financial assets measured at fair value through profit or loss - current | 62956 | 2134 | 0.04 | 2134 | |
| Luxe Solar Energy Co., Ltd. | Shares - Chateau International Development Co., Ltd. | Other related party | Financial assets measured at fair value through profit or loss - current | 74067 | 2511 | 0.05 | 2511 | |
| Wan Chuan Construction Co., Ltd. | Castle Applied Inc. | Other related party | Financial assets at fair value through other comprehensive income or loss - non-current | 2641233 | 23489 | 9.43 | 23489 | |
| | Wan-Hou Machinery and Electrical Engineering Co., Ltd. | Other related party | Financial assets at fair value through other comprehensive income or loss - non-current | 95000 | 1241 | 19 | 1241 | |
| | Shares - Concord International Securities Co., Ltd. | None | Financial assets measured at fair value through profit or loss - current | 2447990 | 35618 | 0.58 | 35618 | |
| | Shares - Chateau International Development Co., Ltd. | Other related party | Financial assets measured at fair value through profit or loss - current | 185000 | 6272 | 0.13 | 6272 | |

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

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

Table 4

## Luxe Green Energy Technology Co., Ltd.

## (Originally: Luxe Electric Co., Ltd)

## Information about the investee company, its location, ......, etc.

January 1 to December 31, 2024

Unit: NT$ ’000/thousand shares

| Name of the investment company | Name of investee company | Location | Main business scope | Investment amount | | Held at the end of the period | | | Income (loss) of the investee for the period | Gain (loss) on investment recognized in the period | Notes |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | End of period | End of last year | Shares | Ratio (%) | Par value | | | |
| The Company | Le Hua Investment Co., Ltd. | Taiwan | Reinvestment business | $ 22,000 | $ 20,000 | 2200 | 100 | $ 22,270 | $ (1,945) | $ (1,945) | |
| | Luxe Solar Energy Co., Ltd. | Taiwan | Energy Technical Services | 5286 | 4826 | 546 | 100 | 3,636 | (1,876) | (1,876) | |
| | Sen-Hsin Energy Co., Ltd. | Taiwan | Energy Technical Services | 813000 | 813000 | 81300 | 100 | 865,938 | 26565 | 26565 | |
| | Chin Lai International Development Co., Ltd. | Taiwan | Energy Technical Services | 214110 | 202320 | 19179 | 100 | 228,319 | 12265 | 10104 | (Note 1) |
| | Wan Chuan Construction Co., Ltd. | Taiwan | Comprehensive Construction Activities | 63000 | 63000 | 6300 | 52.5 | 71,934 | 9080 | 1820 | (Note 2) |
| Chin Lai International Development Co., Ltd. | Qun Li Energy Co., Ltd. | Taiwan | Energy Technical Services | 32889 | 32889 | 2900 | 100 | 29411 | (232) | (232) | |
| Wan Chuan Construction Co., Ltd. | Park Ave Coworking Space Co., Ltd. | Taiwan | Indoor Decoration | 1800 | 2250 | 180 | 22.5 | 1829 | 1900 | 427 | |

Note 1: The investment gain or loss recognized in the current period includes a gain of NT$12,265 thousand less amortization of operating rights of NT$2,161 thousand.

Note 2: The investment gains and losses recognized in the current period include the current gain of NT$4,768 thousand less the unrealized gross profit of NT$2,983 thousand from upstream transactions, and add the realized gross profit of NT$35 thousand.

Table 5

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Name of Major Shareholders

December 31, 2024

| Name of major shareholders | Shares | |
|---|---|---|
| | Shares held | Shareholding ratio (%) |
| Quintain Steel Co., Ltd. | 15568543 | 10.03% |
| Concord International Securities Co., Ltd. | 13754943 | 8.86% |
| Pao Li Tou Investment Co., Ltd. | 10833893 | 6.98% |
| Asahi Enterprises Corp. | 9043420 | 5.83% |

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

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

# § THE FOLLOWING TABLE SUMMARIZES THE SIGNIFICANT ACCOUNTING ITEMS

| Item | Number/Index |
|---|---|
| Schedule of Assets, Liabilities and Equity | |
| Schedule of Cash | Table 1 |
| Schedule of financial assets carried at amortized cost | Note 6(3) |
| Schedule of Notes Receivable | Table 2 |
| Schedule of Accounts Receivable (Including Related Parties) | Table 3 |
| Schedule of Receivables | Table 4 |
| Schedule of Inventory | Table 5 |
| Schedule of changes in investments accounted for under the equity method | Table 6 |
| Schedule of changes in property, plant and equipment | Note 6(7) |
| Schedule of Changes in Right-of-Use Assets | Table 7 |
| Schedule of Deposits and Guarantees | Table 8 |
| Schedule of Short-term Borrowings | Note 6(12) |
| Schedule of Accounts Payable (including Related Parties) | Table 9 |
| Schedule of Other Payables (including related parties) | Table 10 |
| Schedule of Long-term Borrowings | Note 6(13) |
| Schedule of Deferred Income Tax Liabilities | Note 6(21) |
| Schedule of Profit and Loss | |
| Schedule of Operating Income | Table 11 |
| Schedule of Operating Costs | Table 12 |
| Schedule of Manufacturing Costs | Table 13 |
| Operating Expenses | Table 14 |
| Details of employee benefits, depreciation, amortization, and other operating expenses | Table 15 |

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Cash

December 31, 2024

Table 1

Unit: NT$ thousand

| Item | Amount |
| --- | --- |
| Cash on hand | $ 188 |
| Bank deposits | |
| Cheque deposits | 98 |
| Demand deposits | 104156 |
| Total | $ 104,442 |

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Notes Receivable

December 31, 2024

Table 2

Unit: NT$ thousand

| Name of Customer | Amount |
|---|---|
| Company A | $ 228 |
| Company B | 164 |
| Company C | 75 |
| Total | $ 467 |

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Accounts Receivable (Including Related Parties)

December 31, 2024

Table 3

Unit: NT$ thousand

| Name of Customer | Amount |
|---|---|
| Non-related party | |
| Company A | $ 4,910 |
| Company B | 4652 |
| Company C | 2120 |
| Company D | 1256 |
| Company E | 1015 |
| Others (Note) | 1796 |
| Total | 15,749 |
| Less: Allowance for losses | — |
| Net amount | $ 15,749 |
| | |
| Related party | |
| Company F | $ 158 |
| Less: Allowance for losses | — |
| Net amount | $ 158 |

Note: The balance of each account listed does not exceed 5% of the balance of this accounting item.

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Receivables

December 31, 2024

Table 4

Unit: NT$ thousand

| Name of Customer | Amount |
|---|---|
| Company A | $ 4,835 |
| Company B | 3219 |
| Company C | 1,409 |
| Company D | 1076 |
| Others (Note) | 13 |
| Total | 10552 |
| Less: Allowance for losses | (10,552) |
| Net amount | $ — |

Note: The balance of each account listed does not exceed 5% of the balance of this accounting item.

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Inventory

December 31, 2024

Table 5

Unit: NT$ thousand

| Item | Amount | |
|---|---|---|
| | Cost | Net realizable value(Note) |
| Finished goods | $ 17,908 | $ 24,780 |
| Work in process | 253752 | 370027 |
| Raw materials | 33620 | 33678 |
| Merchandise | 102 | 168 |
| Subtotal | 305382 | $ 428,653 |
| Less: Allowance for loss on decline in value of inventories | (28,574) | |
| Total | $ 276,808 | |

Note: See Note 4 for the net realizable value basis.

# Luxe Green Energy Technology Co., Ltd.

## (Originally: Luxe Electric Co., Ltd)

## Schedule of changes in investments accounted for under the equity method

## FY2024

Table 6

Unit: NT$ thousand

| Name | Balance at the beginning of the year | | Changes in the current year | | | | | | | | Balance at the end of year | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Shares (thousand shares) | Amount | Shares (thousand shares) | Increase | Gain (loss) on investment | Cash dividends received | Unrealized sales profit | Shares (thousand shares) | Disposed | Others (Note 1) | Shares (thousand shares) | Shareholding ratio (%) | Amount | Market price or equity net value | Evaluation basis | Provision of guarantees or pledges |
| Le Hua Investment Co., Ltd. | 2000 | $ 24,215 | – | $ – | $ (1,945) | $ – | $ – | – | $ – | $ – | 2000 | 100 | $ 22,270 | $ 22,270 | Equity method | None |
| Luxe Solar Energy Co., Ltd. | 500 | 5,512 | – | – | (1,876) | – | – | – | – | – | 546 | 100 | 3,636 | 3,636 | 〃 | 〃 |
| Sen-Hsin Energy Co., Ltd. | 81300 | 839,373 | – | – | 26565 | – | – | – | – | – | 81300 | 100 | 865,938 | 865,938 | 〃 | 〃 |
| Chin Lai International Development Co., Ltd. | 18000 | 218,454 | – | – | 10104 | – | (239) | – | – | – | 19179 | 100 | 228,319 | 228,319 | 〃 | 〃 |
| Kai Shih Energy Co., Ltd. | 25 | 29 | – | – | – | – | – | (25) | (29) | – | – | – | – | – | 〃 | 〃 |
| Wan Chuan Construction Co., Ltd. | 6300 | 73,524 | – | – | 1820 | – | – | – | – | (3,410) | 6300 | 52.5 | 71,934 | 71,934 | 〃 | 〃 |
| Total | | $ 1,161,107 | | $ – | $ 34,668 | $ – | $ (239) | | $ (29) | $ (3,410) | | | $ 1,192,097 | $ 1,192,097 | | |

Note 1: Recognition of financial assets carried at fair value through other comprehensive income.

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Changes in Right-of-Use Assets

FY2024

Table 7

| Item | Amount at beginning of period | Increase in the current period | Decrease in the current period | Balance at the end of period |
|---|---|---|---|---|
| Cost | | | | |
| Buildings | $ 33,804 | $ 52,203 | $ — | $ 86,007 |
| Transport Equipment | 2755 | 821 | (807) | 2769 |
| Subtotal | 36559 | 53024 | (807) | 88776 |
| Cumulative depreciation | | | | |
| Buildings | 7361 | 6771 | — | 14132 |
| Transport Equipment | 1200 | 961 | (807) | 1354 |
| Subtotal | 8561 | 7732 | (807) | 15486 |
| Total | $ 27,998 | $ 45,292 | $ — | $ 73,290 |

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Deposits and Guarantees

December 31, 2024

Table 8

Unit: NT$ thousand

| Item | Amount |
|---|---|
| Refundable deposit | |
| Performance guarantee | $ 5,516 |

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Accounts Payable (including Related Parties)

December 31, 2024

Table 9

Unit: NT$ thousand

| Name of Vendor | Amount |
|---|---|
| Non-related party | |
| Company A | $ 25,228 |
| Company B | 11602 |
| Company C | 8667 |
| Company D | 8608 |
| Company E | 3828 |
| Others (Note) | 15804 |
| Subtotal | 73,737 |
| Related party | |
| Others (Note) | 1,461 |
| Total | $ 75,198 |

Note: The balance of each account listed does not exceed 5% of the balance of this accounting item.

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Other Payables (including related parties)

December 31, 2024

Table 10

Unit: NT$ thousand

| Name of Vendor | Amount |
|---|---|
| Salaries and bonuses payable | $ 4,984 |
| Labor costs payable | 1213 |
| Equipment payable | 1,555 |
| Insurance premiums payable | 775 |
| Interest payable | 703 |
| Others (Note) | 2361 |
| Subtotal | 11,591 |
| Related party | |
| Others (Note) | 112 |
| Total | $ 11,703 |

Note: The balance of each account listed does not exceed 5% of the balance of this accounting item.

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Operating Income

FY2024

Table 11

Unit: NT$ thousand

| Item | Quantity | Amount |
|---|---|---|
| System engineering | | $ 2,733 |
| Electricity retailing revenue | 597,858 kWh | 3,017 |
| VT & CT | 14,202 units | 281444 |
| Switchboard | 109 | 51977 |
| Others (Note) | | 7433 |
| Total | | 346604 |
| Less: Sales returns and discounts | | (1) |
| Net operating revenue | | $ 346,603 |

Note: The amount of line items listed does not exceed 10% of this accounting item.

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Operating Costs

FY2024

Table 12

Unit: NT$ thousand

| Item | Amount |
|---|---|
| Cost of goods sold | |
| Merchandise at the beginning of period | $ 102 |
| Add: Purchases for the period | — |
| Less: Merchandise at the end of period | (102) |
| Purchase and sales costs | — |
| Raw materials at the beginning of period | 28708 |
| Add: Net raw materials purchased for the period | 455001 |
| Less: Raw materials at end of period | (33,620) |
| Direct raw material consumption | 450089 |
| Direct labor | 20563 |
| Manufacturing expenses | 52679 |
| Processing costs | 20758 |
| Manufacturing costs | 544089 |
| Goods in process at the beginning of period | 152280 |
| Less: Transferred to expenses | (6,066) |
| Transferred to equipment | (121,591) |
| Goods in process at the end of period | (253,752) |
| Finished goods cost | 314960 |
| Finished goods at the beginning of period | 6727 |
| Less: Finished goods at the end of period | (17,908) |
| Total cost of goods sold | 303779 |
| Operating costs | |
| Loss on decline in value of inventories | 1065 |
| Total operating costs | $ 304,844 |

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Schedule of Manufacturing Costs

FY2024

Table 13

Unit: NT$ thousand

| Item | | Amount |
|---|---|---|
| Salary expense | $ | 9,664 |
| Miscellaneous expense | | 5179 |
| Depreciation | | 18,847 |
| Insurance premium | | 3561 |
| Power expense | | 3169 |
| Others (Note) | | 12259 |
| Total | $ | 52,679 |

Note: The amount of line items listed does not exceed 5% of this accounting item.

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

Operating Expenses

FY2024

Table 14

Unit: NT$ thousand

| Item | Marketing expense | Administrative expense | R&D expense | Expected credit loss | Total |
|---|---|---|---|---|---|
| Salary expense | $ 3,153 | $ 13,985 | $ 831 | $ — | $ 17,969 |
| Miscellaneous expense | 44 | 4519 | 69 | — | 4632 |
| Depreciation | 985 | 3098 | 143 | — | 4,226 |
| Insurance premium | 352 | 1349 | 86 | — | 1787 |
| Freight charges | 1840 | 2 | 2 | — | 1844 |
| Labor service expense | 120 | 3649 | — | — | 3769 |
| Expected credit loss | — | — | — | — | — |
| Others (Note) | 1116 | 3520 | 4497 | — | 9133 |
| Total | $ 7,610 | $ 30,122 | $ 5,628 | $ — | $ 43,360 |

Note: The amount of line items listed does not exceed 5% of this accounting item.

Luxe Green Energy Technology Co., Ltd.

(Originally: Luxe Electric Co., Ltd)

A Summary of the Employee Benefits, Depreciation and Amortization Expense Function:

Table 15

Unit: NT$ thousand

| | FY2024 | | | FY2023 | | |
|---|---|---|---|---|---|---|
| | Operating costs | Operating expenses | Total | Operating costs | Operating expenses | Total |
| Employee benefit expenses | | | | | | |
| Wage expenses | $ 30,227 | $ 17,020 | $ 47,247 | $ 21,077 | $ 19,556 | $ 40,633 |
| Labor and health insurance expenses | 3,133 | 1,489 | 4,622 | 2,435 | 1,409 | 3,844 |
| Pension expense | 979 | 771 | 1,750 | 813 | 742 | 1,555 |
| Remuneration to directors | − | 949 | 949 | − | 942 | 942 |
| Other employee benefit expenses | 1,266 | 1,767 | 3,033 | 991 | 2,113 | 3,104 |
| | $ 35,605 | $ 21,996 | $ 57,601 | $ 25,316 | $ 24,762 | $ 50,078 |
| Depreciation | $ 18,847 | $ 4,226 | $ 23,073 | $ 13,722 | $ 4,467 | $ 18,189 |
| Amortization | − | 237 | 237 | − | − | − |

Note : The number of the employees in the year and in the previous year was 96 and 80, respectively, and the number of the directors who were not employees were nine for the both year.

1. The average employee benefits expense for the year was NT$651 thousand (‘total employee benefits expense - total remuneration of directors for the year’/’number of employees - number of directors who did not serve as employees concurrently for the year’). The average employee benefits expense for the pervious year was NT$692 thousand (‘total employee benefits expense - total remuneration of directors for the previous year’/ ‘number of employees - number of directors who did not serve as employees concurrently for the year’).
2. The average employee wages for this year was NT$543 thousand (‘total wages and salaries for the year’ / ‘number of employees - number of directors who did not serve as employees concurrently for the year’). The average employee wages for this year was NT$572 thousand (‘total wages and salaries for the previous year’ / ‘number of employees - number of directors who did not serve as employees concurrently for the previous year’).
3. The average employee wage adjustment is 5.07% (‘average employee wages of the year - average employee wages of the previous year’ / ‘average employee wages of the previous year’).
4. Remuneration policy for directors, independent directors, managers and employees of the Company:
   (1) The remuneration of directors includes compensation, retirement pensions, directors' remuneration and business execution expenses, of which the compensation and business execution expenses are authorized by the Company's Articles of Incorporation to be considered by the Board of Directors and the Compensation Committee based on the value of their participation and contribution to the Company's operations and with reference to the usual standards in the industry.
   (2) The Company has established an Audit Committee with no remuneration for supervisors.
   (3) The remuneration of the President and Vice President includes salary and bonus, which are determined by the position held, the responsibility assumed and the contribution to the Company with reference to the general market rate.
   (4) The remuneration of employees includes salary and bonus, and the salary of new employees is approved by the supervisor of the employing unit and submitted to the supervisor of authority and responsibility. In the future, employees with excellent performance may be reviewed by the supervisor of the unit and proposed for salary adjustment or promotion.
   (5) The main remuneration principles of the Company are linked to the performance of duties and performance results, and have a positive correlation with the operating performance, and the amount of payment is disclosed in accordance with the law.