Stock Symbol: 1529

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

(Originally: Luxe Electric Co., Ltd)

Consolidated Financial Statements and Independent Auditors' Report

FY2024 and FY2023

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

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Luxe Green Energy Technology Co., Ltd. and Its Subsidiaries
(Originally: Luxe Electric Co., Ltd.)
Consolidated Financial Statements
Table of Contents
FY2024 and FY2023

Statement of Consolidated Financial Statements of Affiliated Companies

Considering that the companies to be included into the consolidated financial statements of affiliated companies under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises” were the same as those to be included into the consolidated financial statements of the parent and subsidiaries under IFRS 10 in 2024 (from January 1 to December 31, 2024), and the related information to be disclosed in the consolidated financial statements of affiliated companies has already been disclosed in the said consolidated financial statements of the parent and subsidiaries. We hereby declare that consolidated financial statements of affiliated companies were prepared separately.

It is declared hereby.

Company Name: Luxe Green Energy Technology Co., Ltd. and its subsidiaries

Chairman: Chen Chien-Jen

March 4, 2025

Auditor’s Report

NO.23861130CA

LUXE GREEN ENERGY TECHNOLOGY CO., LTD.:

Audit opinions

We have audited the consolidated balance sheet of Luxe Green Energy Technology Co., Ltd. (Originally: Luxe Electric Co., Ltd.) and its subsidiaries (collectively referred to as the “Group”) as of December 31, 2024 and 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the period from January 1 to December 31, 2024 and 2023, and the notes to the consolidated financial statements (including the summary of significant accounting policies).

In our opinion, the said consolidated financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standards, interpretations and the statements of interpretation approved and released by the Financial Supervisory Commission, and thus presented fairly in all material aspects, the consolidated financial position of Luxe Green Energy Technology Co., Ltd. and its subsidiaries as of December 31, 2024 and 2023, and the consolidated financial performance and consolidated cash flows for the period from January 1 to December 31, 2024 and 2023.

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 the consolidated financial statements” section in this report. We are independent of Luxe Green Energy Technology Co., Ltd. and its subsidiaries 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.

Other matters

For the parent company only financial statements prepared by Luxe Green Energy Technology Co., Ltd. in FY2024 and FY2023, we had an independent auditors’ report issued with unqualified opinions for reference.

Key audit matters

Key audit matters are one that, in our professional judgment, is most significant in relation to our audit of the consolidated financial statements of Luxe Green Energy Technology Co., Ltd. and its subsidiaries for the year ended December 31, 2024. Such matters were addressed during the overall audit of the consolidated financial statements and the process of forming the audit opinions, and thus we did not provide opinions separately regarding such matters.

The following is a summary of the key audit matters of the consolidated financial statements of Luxe Green Energy Technology Co., Ltd. and its subsidiaries in FY2024:

Construction contracts

As stated in Notes 4(13) and 6(20) to the consolidated financial statements, Luxe Green Energy Technology Co., Ltd. and its subsidiaries' project revenue for FY2024 amounted to NT$168,879 thousand, which accounted for 24% of the total net operating revenue and had a significant impact on the consolidated financial statements. The project revenue of Luxe Green Energy Technology Co., Ltd. and its subsidiaries is recognized through the cost input ratio of project cost, based on the gradual satisfaction of performance obligations over time. In view of the fact that the estimated total cost of uncompleted construction projects and the construction cost invested will impact the accuracy of the recognition of construction revenue, we have included the area in the key audit matters of the year.

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

I. Understanding and examining the effectiveness of the design and implementation of the internal control system related to the estimated total construction cost and the recognition of relevant construction revenue.

II. Sampling the construction project progress schedule, construction contracts and construction cost invested in the current period, and re-calculating the percentage of the completed construction, in order to verify the accuracy of the recognition of construction revenue.

Long-term project payment receivables involving any unsettled litigation

As disclosed in Notes 5 and 6(13) to the consolidated financial statements, as of December 31, 2024, the long-term project receivables of Luxe Green Energy Technology Co., Ltd. and its subsidiaries 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 the 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. Evaluating the completeness of the disclosure of this lawsuit by Luxe Green Energy Technology Co., Ltd. and its subsidiaries.

<u>Evaluation of Impairment of Property, Plant and Equipment, Right-of-Use Assets and Intangible Assets</u>

As stated in Notes 4(10) and 5 of the consolidated financial statements, the balances of property, plant, and equipment, right-of-use assets, and intangible assets listed by Luxe Green Energy Technology Co., Ltd. and its subsidiaries as of December 31, 2024, were NT$1,897,044 thousand. Luxe Green Energy Technology Co., Ltd. and its subsidiaries regularly conduct 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. and its subsidiaries' 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 consolidated financial statements

The management was responsible for preparation of the consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and the statements of interpretation approved and released by the Financial Supervisory Commission and maintaining the necessary internal control related to preparation of the consolidated financial statements to ensure that the consolidated financial statements were free of material misstatement due to fraud or errors.

In preparing the consolidated financial statements, management's responsibility also includes evaluating the ability of Luxe Green Energy Technology Co., Ltd. and its subsidiaries to continue as a going concern, the related disclosures, and the basis of accounting for going concern, unless management intends to liquidate the Group 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. and its subsidiaries assumes the responsibility of overseeing the financial reporting process.

CPA’s responsibility for the audit of the consolidated financial statements

We audited the consolidated financial statements for the purpose of obtaining reasonable assurance about whether the consolidated financial statements were free of material misstatement 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 consolidated 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 consolidated financial statements, the misstatements were deemed 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 consolidated 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. and its subsidiaries.

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. and its subsidiaries 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 consolidated financial statements for the users to pay attention to the 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. and its subsidiaries would no longer have its ability to function as a going concern.

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

VI. We acquired sufficient and appropriate audit evidence with respect to the entities comprising Luxe Green Energy Technology Co., Ltd. and its subsidiaries to provide opinions regarding the consolidated 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. and its subsidiaries.

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 consolidated financial statements of Luxe Green Energy Technology Co., Ltd. and its subsidiaries 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

<u>Luxe Green Energy Technology Co., Ltd. and its subsidiaries</u>

<u>(Originally: Luxe Electric Co., Ltd)</u>

<u>Consolidated Balance Sheet</u>

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)	$	303,439	9	$	370,312	12
1110	Financial assets measured at fair value through profit or loss - current	6(2) 6(26)		137079	4		169932	5
1136	Financial assets measured at amortized cost - current	6(4)		—	—		11298	—
1140	Contract assets - current	6(20). VII		21385	1		43945	2
1150	Notes receivable	6(5)		467	—		1,090	—
1170	Accounts receivable	6(5)		55216	2		50366	2
1180	Accounts receivable - related parties	6(5), 7		56558	2		7746	—
1200	Other receivables			2642	—		4501	—
1210	Other receivables - related parties	VII		16397	—		55672	2
1220	Income tax assets in current period	6(23)		152	—		166	—
1310	Inventory	6(6)		276,808	8		160,309	5
1410	Prepayment	6(11)		80038	2		72069	2
1470	Other current assets	6(12)		4	—		—	—
11xx	Total current assets			950185	28		947406	30
15xx	Non-current assets							
1517	Financial assets at fair value through other comprehensive income or loss - non-current	6(3), 6(26)		24730	1		28397	1
1535	Financial assets measured at amortized cost - non-current	6(4)		202999	6		146047	5
1550	Investments recognized under the equity method	6(7)		1829	—		1852	—
1600	Property, plant and equipment	6(8)		1653232	49		1491015	47
1755	Right-of-use assets	6(9)		219171	6		133046	4
1780	Intangible assets	6(10)		24641	1		24472	1
1840	Deferred income tax assets	6(23)		1610	—		1299	—
1915	Prepayment for equipment purchase	6(11)		76149	2		136679	4
1920	Refundable deposit			22029	1		19430	1
1930	Long-term notes and accounts receivable	6(13)		207,991	6		207,991	7
15xx	Total non-current assets			2434381	72		2190228	70
1xxx	Total assets		$	3,384,566	100	$	3,137,634	100

(Continued on next page)

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

(Originally: Luxe Electric Co., Ltd)

Consolidated 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(14)	$ 275,000	8	$ 171,271	6
2130	Contract liabilities - current	6(20)	59516	2	6437	—
2150	Notes payable	6(16)	12586	—	9167	—
2160	Notes payable - related parties	6(16), 7	—	—	357	—
2170	Accounts payable	6(16)	83348	3	84011	3
2180	Accounts payable - related parties	6(16), 7	27181	1	221	—
2219	Other payables		38055	1	45711	1
2220	Other payables - related parties	VII	8736	—	1618	—
2230	Income tax liabilities in current period	6(23)	10985	—	4847	—
2250	Liability reserve - current		1485	—	2032	—
2280	Lease liabilities - current	6(9)	15087	—	15780	1
2322	Long-term borrowings maturing within one year	6(15)	62389	2	63368	2
2399	Other current liabilities		801	—	529	—
21xx	Total current liabilities		595169	17	405349	13
25xx	Non-current liabilities					
2540	Long-term borrowings	6(15)	816396	25	777783	25
2550	Liability reserve - non-current		2227	—	1678	—
2580	Lease liabilities - non-current	6(9)	212742	6	123163	4
2645	Deposit received		81	—	1,445	—
25xx	Total non-current liabilities		1031446	31	904069	29
2xxx	Total liabilities		1626615	48	1309418	42
31xx	Attributable to the shareholder's equity of the parent company	6(18)				
3110	Common share capital		1,550,951	46	1,505,778	48
3200	Capital reserve		87,226	3	87,226	3
3300	Retained earnings					
3310	Legal reserve		44,258	1	30,456	1
3320	Special reserve		—	—	194	—
3350	Undistributed earnings		14,043		138,212	4
3400	Other equity		(2,466)	—	944	—
31xx	Total equity attributable to parent company shareholders		1,694,012	50	1,762,810	56
36xx	Non-controlling equity		63939	2	65406	2
3xxx	Total equity		1757951	52	1828216	58
	Total Liabilities and Equity		$ 3,384,566	100	$ 3,137,634	100

(The attached notes are part of the consolidated financial statements)

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

Luxe Green Energy Technology Co., Ltd. and Its Subsidiaries

(Originally: Luxe Electric Co., Ltd.)

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

Code	Item	Note	FY2024 Amount	FY2024 %	FY2023 Amount	FY2023 %
4100	Net operating revenue	6(20)	$ 696,439	100	$ 752,370	100
5000	Operating costs		(566,883)	(81)	(594,290)	(79)
5900	Operating gross profit		129556	19	158080	21
5910	Unrealized sales profit		(317)	—	(47)	—
5950	Gross profit (net)		129239	19	158033	21
6000	Operating expenses					
6100	Marketing expense		(7,610)	(1)	(9,308)	(1)
6200	Administrative expense		(44,518)	(6)	(49,229)	(7)
6300	R&D expense		(5,628)	(1)	(5,033)	(1)
6450	Expected credit (impairment loss) gain		(15)	—	39	—
6000	Total operating expense		(57,771)	(8)	(63,531)	(9)
6900	Net operating profit		71468	11	94502	12
7000	Non-operating revenue and expenses	6(21)				
7100	Interest income		3183	—	3489	—
7010	Other revenue		8793	1	6715	1
7020	Other profits and losses		(58,694)	(8)	71823	10
7050	Financial cost		(28,100)	(4)	(22,659)	(3)
7060	Share of profit/loss of subsidiaries recognized under the equity method		427	—	437	—
7000	Total non-operating revenue and expense		(74,391)	(11)	59805	8
7900	Net income before tax (net loss)		(2,923)	—	154307	20
7950	Income tax expense	6(23)	(15,646)	(3)	(9,352)	(1)
8200	Net income (loss) in the current period		(18,569)	(3)	144955	19
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		(6,496)	(1)	2168	—
8500	Total current comprehensive income or loss		$ (25,065)	(4)	$ 147,123	19
8600	Net profit attributable to:					
8610	Parent company shareholders		$ (20,215)	(3)	$ 138,023	19
8620	Non-controlling equity		1646	—	6932	—
	Total		$ (18,569)	(3)	$ 144,955	19
8700	Total comprehensive income attributable to:					
8710	Parent company shareholders		$ (23,625)	(4)	$ 139,161	19
8720	Non-controlling equity		(1,440)	—	7962	—
	Total		$ (25,065)	(4)	$ 147,123	19
	Earnings (losses) per share (NTD)	6(19)				
9750	Basic		$ (0.13)		$ 0.89	
9850	Diluted		$ (0.13)		$ 0.89	

(The attached notes are part of the consolidated financial statements)

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

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

(Originally: Luxe Electric Co., Ltd)

Consolidated Statement of Changes in Equity

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

Code	Item	Attributable to the shareholder's equity of the parent company							Non-controlling equity	Total equity
				Retained earnings			Other equity items			
		Common share capital	Capital reserve	Legal reserve	Special reserve	Undistributed earnings	Unrealized valuation loss on financial assets measured at fair value through other comprehensive income	Total		
A1	Balance as of January 1, 2023	$ 1,454,858	$ 133,054	$ 25,948	$ 13	$ 46,341	$ (194)	$ 1,660,020	$ 60,213	$ 1,720,233
B1	Provision for legal reserve	–	–	4,508	–	(4,508)	–	–	–	–
B3	Provision for special reserve	–	–	–	181	(181)	–	–	–	–
B9	Common stock dividends	41,463	–	–	–	(41,463)	–	–	–	–
C13	Distribution of share dividends from capital reserves	9,457	(9,457)	–	–	–	–	–	–	–
C15	Distribution of cash dividends from capital reserve	–	(36,371)	–	–	–	–	(36,371)	–	(36,371)
D1	in current period	–	–	–	–	138,023	–	138,023	6932	144955
D3	Other comprehensive income in current period	–	–	–	–	–	1,138	1,138	1030	2168
D5	Total current comprehensive income or loss	–	–	–	–	138,023	1,138	139,161	7962	147123
O1	Cash capital decrease by subsidiary	–	–	–	–	–	–	–	(2,205)	(2,205)
O1	Cash dividends to shareholders of subsidiaries	–	–	–	–	–	–	–	(564)	(564)
Z1	Balance as of December 31, 2023	1,505,778	87,226	30,456	194	138,212	944	1,762,810	65406	1828216
B1	Provision for legal reserve	–	–	13,802	–	(13,802)	–	–	–	–
B3	Provision for special reserve	–	–	–	(194)	194	–	–	–	–
B5	Cash dividend for shareholders	–	–	–	–	(45,173)	–	(45,173)	–	(45,173)
B9	Common stock dividends	45,173	–	–	–	(45,173)	–	–	–	–
D1	Net profit (net loss) for the period	–	–	–	–	(20,215)	–	(20,215)	1646	(18,569)
D3	Other comprehensive income in current period	–	–	–	–	–	(3,410)	(3,410)	(3,086)	(6,496)
D5	Total current comprehensive income or loss	–	–	–	–	(20,215)	(3,410)	(23,625)	(1,440)	(25,065)
O1	Disposal of subsidiaries	–	–	–	–	–	–	–	(27)	(27)
Z1	Balance as of December 31, 2024	$ 1,550,951	$ 87,226	$ 44,258	$ –	$ 14,043	$ (2,466)	$ 1,694,012	$ 63,939	$ 1,757,951

(The attached notes are part of the consolidated financial statements)

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

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

(Originally: Luxe Electric Co., Ltd)

Consolidated Statement of Cash Flow

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	$ (2,923)	$ 154,307
A20010	Income and expense items:		
A20100	Depreciation expense	116,287	90,509
A20200	Amortization expense	2,531	2,294
A20300	Loss (profit) from expected credit impairment	15	(39)
A20400	Net loss (profit) on financial assets measured at fair value through profit or loss	55,140	(76,939)
A20900	Financial cost	28,100	22,659
A21200	Interest income	(3,183)	(3,489)
A21300	Dividend income	(2,215)	(1,281)
A22300	Share of interests of subsidiaries recognized under the equity method	(427)	(437)
A22500	Loss from disposal of property, plant, and equipment	8	84
A29900	Profit from lease changes	—	(105)
A30000	Changes in assets/liabilities related to operating activities		
A31125	Contract assets	22,560	24,333
A31130	Notes receivable	623	220
A31150	Accounts receivable	(4,865)	11,200
A31160	Accounts receivable - related parties	(48,812)	(2,686)
A31180	Other receivables	1,946	(2,449)
A31190	Other receivables - related parties	39,275	(37,755)
A31200	Inventory	(116,499)	(4,894)
A31230	Prepayment	(7,969)	1,799
A31240	Other current assets	(4)	5,539
A32125	Contract liabilities	53,079	35
A32130	Notes payable	3,419	7,244
A32140	Notes payable - related parties	(357)	253
A32150	Accounts payable	(663)	4,853
A32160	Accounts payable - related parties	26,960	(20,161)
A32180	Other payables	(7,870)	23,707
A32190	Other payables - related parties	7,118	(17,813)
A32200	Provisions	2	941
A32230	Other current liabilities	272	59
A33000	Cash inflow generated from operations	161,548	181,988
A33100	Interest received	3,096	3,536
A33200	Dividend received	2,215	1,281
A33300	Interest paid	(27,886)	(22,333)
A33500	Income tax paid	(9,805)	(13,784)
AAAA	Net cash inflow from operating activities	129,168	150,688

(Continued on next page)

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

(Originally: Luxe Electric Co., Ltd)

Consolidated Statement of Cash Flow (continued)

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

Code	Item	FY2024	FY2023
BBBB	Cash flow from investing activities		
B00010	Acquisition of financial assets measured at fair value through other comprehensive income	$ (2,829)	$ (951)
B00040	Acquisition of financial assets measured at amortized cost	(236,534)	(145,952)
B00050	Disposal of financial assets measured at amortized cost	190,880	198,721
B00100	Acquisition of financial assets at fair value through profit or loss	(25,532)	(24,270)
B00200	Disposal of financial assets measured at fair value through profit or loss	3,245	—
B02400	Capital reduction of investee company and return of share capital recognized under the equity method	450	—
B02700	Acquisition of property, plant, and equipment	(150,197)	(166,966)
B02800	Disposal of property, plant, and equipment	—	221
B03700	Increase in refundable deposit	(2,599)	—
B03800	Decrease in refundable deposit	—	10,414
B04500	Acquisition of intangible assets	(2,700)	—
B07100	Increase in prepayment for equipment	(50,130)	(77,544)
BBBB	Net cash outflow from investing activities	(275,946)	(206,327)
CCCC	Cash flow from financing activities		
C00100	Increase in short-term borrowings	663,670	436,666
C00200	Decrease in short-term borrowings	(559,941)	(506,035)
C01600	Borrowing of long-term borrowings	250,000	156,925
C01700	Repayment of long-term borrowings	(212,366)	(62,158)
C03000	Increase in deposit received	—	499
C03100	Decrease in deposits received	(1,364)	—
C04020	Repayment of principal for lease liabilities	(14,894)	(11,128)
C04500	Allocation of cash dividends	(45,173)	(36,371)
C05800	Changes in non-controlling equity	(27)	(2,769)
CCCC	Net cash inflow (outflow) from financing activities	79,905	(24,371)
EEEE	Decrease in cash and cash equivalents for the period	(66,873)	(80,010)
E00100	Cash balance at beginning of period	370,312	450,322
E00200	Cash balance at ending of period	$ 303,439	$ 370,312

(The attached notes are part of the consolidated financial statements)

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

Luxe Green Energy Technology Co., Ltd. and Its Subsidiaries

(Originally: Luxe Electric Co., Ltd.)

Notes to the Consolidated Financial Statements

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

II. Date and Procedure for Approval of Financial Statements

This consolidated financial report was issued on March 4, 2025, after being approved by the Board of Directors.

III. Application of Newly Issued and Revised Standards and Interpretations

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

endorsed by the Financial Supervisory Commission (hereinafter referred to as "FSC") and issued into effect. The application of the amended IFRSs approved and issued by the FSC has no significant impact on the accounting policies of the Company and the entities controlled by the Company (the "Group").

(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 Cosolidated 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 consolidated financial report, the Group is continuing to evaluate other impacts of various amendments on its financial position and financial performance of the Consolidated Company. The related impacts will be disclosed upon completion of the evaluation.

IV. Summary of Significant Accounting Policies

(I) Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs approved and issued by the FSC.

(II) Basis of Preparation

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

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

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

(III) 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 Consolidated 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) Basis of Consolidation

1. Principles Governing the Preparation of Consolidated Financial Statements

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

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

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

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

2. Subsidiaries Included in Consolidated Financial Statements

The subsidiaries included in this consolidated financial report consist of:

Name of the investment company	Investee company name	Nature of business	Percentage of shareholding (%) December 31, 2024	Percentage of shareholding (%) December 31, 2023	Description
The Company	Le Hua Investment Co., Ltd.	Investment	100	100	
The Company	Luxe Solar Energy Co., Ltd.	Energy Technical Services	100	100	
The Company	Sen-Hsin Energy Co., Ltd.	Energy Technical Services	100	100	
The Company	Chin Lai International Development Co., Ltd.	Energy Technical Services	100	100	
The Company	Wan Chuan Construction Co., Ltd.	Comprehensive Construction Activities	52.5	52.5	
The Company	Kai Shih Energy Co., Ltd.	Energy Technical Services	—	51	Note 1
Chin Lai International Development Co., Ltd.	Qun Li Energy Co., Ltd.	Energy Technical Services	100	100	

Note 1: Kai Shih Energy Co. completed its dissolution registration on June 29, 2023 and the liquidation procedures on January 16, 2024.

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

(V)Foreign Currency

The individual financial statements of each entity of the Consolidated Company are presented in the currency of the primary economic environment in which the entity operates (functional currency). In preparing the consolidated financial statements, the results of operations and financial position of each consolidated entity are translated into New Taiwan dollars (the Company's functional currency and the presentation currency of the consolidated financial statements).

In preparing the financial statements of each consolidated entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognized at the exchange rates prevailing on the dates of transactions. At the end of the reporting period, items denominated in foreign currencies are retranslated at the exchange rates prevailing on that date, and the resulting exchange differences are recognized in profit or loss in the year 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 in the current year, apart from those arising from 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 consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated into NTD 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, with the resulting exchange differences recorded in other comprehensive income and accumulated in the financial statements of foreign operating companies under equity and appropriately allocated to noncontrolling interests.

(VI) 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.

(VII)Investment in Affiliated Companies

The Consolidated Company applies the equity method to its investment in affiliated companies. Under the equity method, investments in affiliated companies are initially recognized at cost, and the carrying amount of the investment after acquisition increases or decreases in accordance with the Consolidated Company's share of profits or losses of the affiliated companies and other comprehensive income or loss and profit distribution.

In addition, changes in equity in affiliated companies are recognized on a proportional basis to shareholdings. If the Consolidated Company does not subscribe for new shares issued by an affiliated company in proportion to its shareholding, resulting in a change in its shareholding and a resulting increase or decrease in the net equity of the investment, the increase or decrease is adjusted to capital reserve- changes in the net equity of the related company recognized under the equity method and the investment accounted for under the equity method. If the balance of capital reserve from investments accounted for using the equity method is not sufficient, the difference is debited to retained earnings.

(VIII)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 Consolidated 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.

(IX) 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.

(X) Impairment of Property, Plant and Equipment, Right-of-Use Assets and Intangible assets

The Consolidated 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 Consolidated 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.

(XI) Financial Instruments

Financial assets and financial liabilities are recognized in the consolidated balance sheet when the Consolidated 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.

1. 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 Consolidated Company are financial assets measured at fair value through profit or loss and financial assets measured at amortized cost.

A. 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(26) for the determination of fair value.

B. Financial assets measured at amortized cost

The Consolidated 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.

C. Investments in equity instruments measured at fair value through other comprehensive income or loss

At initial recognition, the Consolidated Company has an irrevocable option to designate investments in equity instruments that are not held-for-trading and for which contingent consideration is recognized by the non-acquirer of the business combination to be measured at fair value through other comprehensive income.

Investments in equity instruments measured at fair value through other comprehensive income are measured at fair value, with subsequent changes in fair value reported in other comprehensive income and accumulated in other equity. Upon disposal of investments, the accumulated gains and losses are transferred directly to retained earnings and are not reclassified to profit or loss.

Dividends from investments in equity instruments measured at fair value through other comprehensive income or loss are recognized in profit or loss when the rights to receive payments from the Consolidated Company are established, unless the dividends clearly represent a partial recovery of the cost of the investment.

(2) Impairment of financial assets and contract assets

The Consolidated 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 Consolidated Company determines, without considering the collaterals held, that a default on a financial asset has occurred under the following circumstances:

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

B. 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 Consolidated Company derecognizes financial assets only when the contractual rights to the cash flows from the financial assets lapse 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.

The difference between the carrying amount of the financial asset and the consideration received is recognized in profit or loss when the financial asset is derecognized as a whole at amortized cost.

2. Equity instruments

Equity instruments issued by the Consolidated Company are recognized at the acquisition price less direct issuance costs.

3. Financial liabilities

(1) Subsequent measurement of financial liabilities

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

(2) 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.

(XII) 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 Consolidated Company's obligations.

(XIII) Revenue Recognition

After the Consolidated 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 Consolidated Company recognizes revenue and accounts receivable at that point in time.

2. Construction revenue

The Consolidated Company recognizes revenue using the percentage-of-completion method for construction contracts in which the immovable property is under the control of the customer during the construction process. The Consolidated Company measures the percentage of completion based on actual construction progress. The Consolidated 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.

(XIV) Leases

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

1. Where the Consolidated 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 Consolidated 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 consolidated balance sheet.

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 in the consolidated balance sheet.

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.

(XV) 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.

(XVI) 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.

(XVII) Income tax

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

1. Current income tax

The Consolidated Company determines the current income (loss) based on the regulations of each jurisdiction in which the Consolidated 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 or 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 Consolidated 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 Consolidated 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 Consolidated 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 contract 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.

VI. Description of significant accounting items

(I)Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand	$ 345	$ 187
Bank deposits	263,094	370,125
Time deposits	40000	—
Total	$ 303,439	$ 370,312

(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	$ 137,079	$ 169,932

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

	December 31, 2024	December 31, 2023
Unlisted stocks	$ 24,730	$ 28,397

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

(IV)Financial assets measured at amortized cost

	December 31, 2024	December 31, 2023
Current		
Domestic investments		
Time deposits with an original maturity of more than 3 months	$ —	$ 11,298
Non-current		
Domestic investments		
Time deposits with an original maturity of more than 3 months	$ 89,079	$ 77,192
Reserve account	113,920	68,855
Total	$ 202,999	$ 146,047

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 1.705% and 0.17% to 1.57%, respectively.

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

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

	December 31, 2024	December 31, 2023
Notes receivable (including related party)		
Measured at post-amortized cost	$ 467	$ 1,090
Accounts receivable - related parties		
Measured at post-amortized cost		
Total carrying amount	$ 111,789	$ 58,112
Less: Allowance for losses	(15)	—
Total	$ 111,774	$ 58,112
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 Consolidated Company's policy is to deal only with creditworthy customers. The Consolidated Company recognizes an allowance for losses on accounts receivable on the basis of expected credit losses over the life of the receivable. The expected credit losses for the duration of the period are calculated using an allowance matrix, which takes into account the customer's past default history and current financial condition and industry outlook. Because the Consolidated Company's credit loss history shows that there is no significant difference in loss patterns among different customer groups, the allowance matrix does not further differentiate between customer groups and only uses the number of days of aging on the accounts receivable establishment date to determine the expected credit impairment rate.

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

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

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	－%	－%	36.59%	－%	－%	
Total carrying amount	$ 98,248	$ 13,967	$ 41	$ －	$ －	$ 112,256
Allowance for losses (expected credit losses over the life of the Company)	－	－	(15)	－	－	(15)
Cost after amortization	$ 98,248	$ 13,967	$ 26	$ －	$ －	$ 112,241

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	$ 33,516	$ 23,337	$ 2,349	$ －	$ －	$ 59,202
Allowance for losses (expected credit losses over the life of the Company)	－	－	－	－	－	－
Cost after amortization	$ 33,516	$ 23,337	$ 2,349	$ －	$ －	$ 59,202

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	15	(39)
Balance at the end of period	$ 15	$ －

(VI)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. 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 Consolidated 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.

(VII)Investments Accounted For Using the Equity Method

Individual Insignificant Subsidiaries

	December 31, 2024		December 31, 2023	
Investees	Carrying amount	Shareholdings %	Carrying amount	Shareholdings %
Park Ave Coworking Space Co., Ltd.	$ 1,829	22.5	$ 1,852	22.5

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

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

(VIII)Property, Plant, and Equipment

Item	January 1 to December 31, 2024				
	Balance at the beginning of period	Acquired	Disposed	Reclassification	Balance at the end of period
Cost					
Land	$ 61,045	$ —	$ —	$ —	$ 61,045
Buildings	112,002	36,307	—	—	148,309
Machinery Equipment	43,024	33,348	—	—	76,372
Office Equipment	2,480	2,435	(33)	—	4,882
Power Generation Equipment	1,600,425	63,625	—	—	1,664,050
Computer communication equipment	502	—	—	—	502
Transport Equipment	326	—	—	—	326
Other Equipment	46,151	10,566	(73)	—	56,644
Leasehold improvements	4,108	47,584	—	—	51,692
Property under construction	—	66,992	—	—	66,992
Subtotal	1,870,063	260,857	(106)	—	2,130,814
Accumulated Depreciation and Impairment					
Buildings	54,479	3,716	—	—	58,195
Machinery Equipment	17,540	6,464	—	—	24,004
Office Equipment	1,341	561	(33)	—	1,869
Power Generation Equipment	266,466	83,962	—	—	350,428
Computer communication equipment	167	168	—	—	335
Transport Equipment	87	54	—	—	141
Other Equipment	38,083	2,339	(65)	—	40,357
Leasehold improvements	885	1,368	—	—	2,253
Subtotal	379,048	98,632	(98)	—	477,582
Net amount	$ 1,491,015	$ 162,225	$ (8)	$ —	$ 1,653,232

Item	January 1 to December 31, 2023 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	32,248	12,238	(1,462)	—	43,024
Office Equipment	2,559	264	(343)	—	2,480
Power Generation Equipment	770,330	830,095	—	—	1,600,425
Computer communication equipment	—	—	—	502	502
Transport Equipment	200	126	—	—	326
Other Equipment	44,767	1,761	(377)	—	46,151
Leasehold improvements	9,361	—	—	(5,253)	4,108
Subtotal	1,006,206	865,537	(2,182)	502	1,870,063
Accumulated Depreciation and Impairment					
Buildings	49,947	3,342	—	1,190	54,479
Machinery Equipment	15,041	3,714	(1,215)	—	17,540
Office Equipment	1,310	316	(285)	—	1,341
Power Generation Equipment	200,315	66,151	—	—	266,466
Computer communication equipment	—	167	—	—	167
Transport Equipment	50	37	—	—	87
Other Equipment	36,564	1,896	(377)	—	38,083
Leasehold improvements	1,230	845	—	(1,190)	885
Subtotal	304,457	76,468	(1,877)	—	379,048
Net amount	$ 701,749	$ 789,069	$ (305)	$ 502	$ 1,491,015

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

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

2. The Group'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.

(IX)Lease Agreements

1. Right-of-use assets

	December 31, 2024	December 31, 2023
Carrying amount of right-to-use assets		
Buildings	$ 216,214	$ 130,370
Transport Equipment	2,957	2,676
Total	$ 219,171	$ 133,046

	FY2024	FY2023
Newly acquired right-of-use assets	$ 103,780	$ 24,824
Lease modification (lease cancellation)	$ —	$ 4,254
Depreciation expense of right-of-use assets		
Buildings	$ 16,219	$ 13,016
Transport Equipment	1,436	1,025
Total	$ 17,655	$ 14,041

2. Leasing liabilities

	December 31, 2024	December 31, 2023
Carrying amount of lease liabilities		
Current	$ 15,087	$ 15,780
Non-current	$ 212,742	$ 123,163

The discount rate range for lease liabilities is as follows:

	December 31, 2024	December 31, 2023
Buildings	2.10%~2.71%	2.13%~2.71%
Transport Equipment	1.7%~2.30%	1.7%~2.16%

3. Significant leasing activities and terms

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

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

4. Other Lease Information

	FY2024		FY2023	
Short-term lease expenses	$	375	$	1,683
Low-value asset lease expenses	$	584	$	559
Variable lease expenses not included in the measurement of lease liabilities	$	7,500	$	2,718
Total cash expenditure for leases (outflow)	$	(28,173)	$	(19,155)

(X)Other Intangible Assets

Item	January 1 to December 31, 2024 Balance at the beginning of period	Acquired	Disposed	Reclassification	Balance at the end of period
Cost					
Computer software	$ 665	$ 2,700	$ –	$ –	$ 3,365
Goodwill	1,265	–	–	–	1,265
Operating rights	32,417	–	–	–	32,417
Subtotal	34,347	2,700	–	–	37,047
Accumulated amortization and impairment					
Computer software	510	370	–	–	880
Operating rights	9,365	2,161	–	–	11,526
Subtotal	9,875	2,531	–	–	12,406
Net amount	$ 24,472	$ 169	$ –	$ –	$ 24,641

Item	January 1 to December 31, 2023 Balance at the beginning of period	Acquired	Disposed	Reclassification	Balance at the end of period
Cost					
Computer software	$ 1,167	$ –	$ –	$ (502)	$ 665
Goodwill	1,265	–	–	–	1,265
Operating rights	32,417	–	–	–	32,417
Subtotal	34,849	–	–	(502)	34,347
Accumulated amortization and impairment					
Computer software	377	133	–	–	510
Operating rights	7,204	2,161	–	–	9,365
Subtotal	7,581	2,294	–	–	9,875
Net amount	$ 27,268	$ (2,294)	$ –	$ (502)	$ 24,472

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

Item	Useful Life
Computer software	5 years
Operating rights	15 years

(XI)Prepayments

	December 31, 2024	December 31, 2023
Prepayment	$ 28,681	$ 19,052
Prepaid service charge	5,267	5,786
Prepaid insurance fees	2,421	2,060
Prepaid pensions	614	570
Input tax	35,739	43,267
Tax overpaid retained for offsetting future tax payable	5,789	315
Others	1,527	1,019
Total	$ 80,038	$ 72,069
Prepayment for equipment purchase	$ 100,067	$ 160,597
Less: Accumulated impairment	(23,918)	(23,918)
Total	$ 76,149	$ 136,679
Current	$ 80,038	$ 72,069
Non-current	$ 76,149	$ 136,679

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

(XII)Other Current Assets

	December 31, 2024	December 31, 2023
Others	$ 4	$ —

(XIII)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
Other receivables - Chou, Hsiu-Mei	$ 17,304	$ 17,304
Less: Allowance for losses	(17,304)	(17,304)
Subtotal	$ –	$ –

1. The Consolidated Company filed an arbitration case for the delayed completion of the Taichung Power Plant and Offshore Wind Power Development In Taichung Port of Taiwan Power Company (Taipower). The arbitration judgment was issued by the Chinese Construction Industry Arbitration Association (CCIAA) on January 19, 2010 (2008 Gong-Zhong-Xie-Jing-Zi No. 019) and a judgement was issued by the High Court on May 31, 2011 (2010 Zhong-Shang-Zi No. 501). The Company recorded NT$141,000 thousand in overdue penalties and NT$13,740 thousand in additional receivables due for construction work based on the arbitration judgement. However, the parties did not reach a consensus on the settlement amount, which resulted in the delay in payment by Taipower, so the accounts were reclassified as long-term accounts receivable. Please refer to Note 9(3) for details.
2. In August 2012, the Consolidated Company sold 1,300,000 shares of its equity-method investment in Dakang Insurance Brokerage Co., Ltd. at NT$48 per share, for a total consideration of NT$62,400 thousand. The transferee of the equity, Hsiu-Mei Chou, issued a promissory note when entering into the equity transfer contract and pledged the stocks to the Group. Since the transferee could not subsequently repay on time according to the contract, new agreements were entered into on March 25, 2013 and August 12, 2013, respectively, and an interest at an annual rate of 6% was imposed until March 25, 2014. As of December 31, 2024 and 2023, both the principal uncollected is NT$40,480 thousand and the interest receivable is NT$2,408 thousand. The Group has transferred it to the long-term accounts receivable and set

aside an allowance for loss of a percentage of 100%. Also in Q2, 2023, the Group wrote of NT$25,584 thousand. Besides, the Consolidated Company filed an action for payment of the note against Hsiu-Mei Chou's endorser, Dah Sing Network Technology Co., Ltd., on February 26, 2015. The action was dismissed by the court on February 3, 2016. The Consolidated Company filed an appeal against the dismissal on March 4, 2016 and the high court delivered its decision (2016 Chong-Shang-Zi No. 325) in favor of the Consolidated Company on May 9, 2017. However, Dah Sing Network Technology Co., Ltd. appealed the decision to the Supreme Court. On February 27, 2020, the Supreme Court ruled (2019 Tai-Shang-Zi No. 1237) that the original judgment, with the exception of the provisional execution, was abrogated and remanded the case to the Taiwan High Court for retrial. On December 22, 2020, the High Court ruled in favor of the Consolidated Company (2020 Zhong-Shang-Geng-Yi-Zi No. 38). Provided that it is pending for the trial of the Supreme Court. It is assessed that the possibility to recover the payment is minimal, and thus the Group has not reversed the recognized loss allowance.

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

(XIV)Short-term Borrowings

	December 31, 2024	December 31, 2023
Secured loans	$ 165,000	$ 130,000
Credit loans	110,000	41,271
Total	$ 275,000	$ 171,271
Interest Rate Range	2.09％~2.10％	2.15％~2.41％

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

(XV)Long-term Borrowings

	December 31, 2024	December 31, 2023
Secured loans	$ 878,785	$ 841,151
Less: Loan maturity classified as due within one year	(62,389)	(63,368)
Long-term borrowings	$ 816,396	$ 777,783
Interest Rate Range	2.1%~2.55%	2.15%~2.42%

The above-mentioned bank loans shall mature successively before January 2038. Please refer to Note 8 for information on assets pledged as collateral for long-term borrowings.

(XVI)Notes and Accounts Payable

	December 31, 2024	December 31, 2023
Notes payable (including to related parties)	$ 12,586	$ 9,524
Accounts payable (including to related parties)	110,529	84,232
Total	$ 123,115	$ 93,756

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 Group upholds a financial risk management policy to ensure that all payables are repaid within the pre-agreed credit terms.
2. For disclosures of payables and other payables that are exposed to liquidity risk, please refer to Note 6(26).

(XVII)Post-employment benefit plans

1. Defined contribution plan

The Consolidated Company's pension plan under the Labor Pension Act is a government-administered defined contribution plan that contributes 6% of employees' monthly salaries to the individual accounts under the Bureau of Labor Insurance. The pension cost recognized as expense in the consolidated statements of income was NT$2,127 thousand and NT$1,877 thousand for FY2024 and FY2023, respectively.

(XVIII)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(22), 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.

4. Non-controlling equity

	FY2024	FY2023
Balance at the beginning of period	$ 65,406	$ 60,213
Cash capital decrease by subsidiary	—	(2,205)
Cash dividends of subsidiaries	—	(564)
Net profit for the period attributable to noncontrolling interests	1646	6932
Other comprehensive income or loss attributable to noncontrolling interests:		
Financial assets measured at fair value through other comprehensive income or loss	(3,086)	1030
Decrease in non-controlling interests in subsidiaries due to disposals	(27)	—
Balance at the end of period	$ 63,939	$ 65,406

(XIX)Earnings (losses) per share

1. Basic earnings (losses) per share

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

	FY2024	FY2023
Net profit (loss) attributable to owners of parent company (NT$ thousand)	$ (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 of the parent company	$ (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 Consolidated Company has the option to pay employees in stock or cash, the calculation of diluted earnings (losses) per share assumes that employee remuneration will be paid in stock and is included in the weighted-average number of common shares outstanding for the purpose of calculating diluted earnings (losses) per share when the potential common shares have a dilutive effect. The dilutive effect of these potential common shares will continue to be considered in the calculation of diluted earnings (losses) per share before the number of shares awarded to employees is determined in the following year's shareholders' resolution. 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.

(XX)Revenue from Customer Contracts

	FY2024	FY2023
Revenue from Customer Contracts		
Construction and engineering revenue	$ 168,879	$ 122,773
Sales revenue	334,132	415,808
Electricity retailing revenue	187,671	153,330
Others	5,757	60,459
Total	$ 696,439	$ 752,370

1. Contract balance

	December 31, 2024	December 31, 2023
Accounts receivable and notes receivable	$ 112,241	$ 59,202
Contract assets - current		
Construction of photovoltaic power station	$ —	$ 8,376
Construction and engineering	15,255	5,698
Sales of electrical equipment	6,130	29,871
Total	$ 21,385	$ 43,945
Contract liabilities - current		
Construction of photovoltaic power station	$ 1,363	$ 2,790
Construction and engineering	50,290	3,647
Sales of electrical equipment	7,863	—
Total	$ 59,516	$ 6,437

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	Construction Business Group	Others	Total
Contract revenue type					
Construction and engineering revenue	$ 1,585	$ 2,179	$ 165,115	$ —	$ 168,879
Sales revenue	—	334,132	—	—	334,132
Electricity retailing revenue	187,671	—	—	—	187,671
Others	—	5,757	—	—	5,757
Total	$ 189,256	$ 342,068	$ 165,115	$ —	$ 696,439
Point in time for revenue recognition:					
At a certain point in time	$ 187,671	$ 339,889	$ —	$ —	$ 527,560
To be satisfied over time	1,585	2,179	165,115	—	168,879
Total	$ 189,256	$ 342,068	$ 165,115	$ —	$ 696,439

FY2023

	Reportable segments				
	Energy Business Group	Electrical Engineering Business Group	Construction Business Group	Others	Total
Contract revenue type					
Construction and engineering revenue	$ 22,518	$ —	$ 100,255	$ —	$ 122,773
Sales revenue	—	415,808	—	—	415,808
Electricity retailing revenue	153,330	—	—	—	153,330
Others	—	60,459	—	—	60,459
Total	$ 175,848	$ 476,267	$ 100,255	$ —	$ 752,370
Point in time for revenue recognition:					
At a certain point in time	$ 153,330	$ 476,267	$ —	$ —	$ 629,597
To be satisfied over time	22,518	—	100,255	—	122,773
Total	$ 175,848	$ 476,267	$ 100,255	$ —	$ 752,370

(XXI)Non-operating Income and Expenses

1. Interest income

	FY2024	FY2023
Bank deposits	$ 3,183	$ 3,489

2. Other revenue

	FY2024	FY2023
Dividend income	$ 2,215	$ 1,281
Compensation income	3,211	2,990
Settlement income	990	—
Others	2,377	2,444
Total	$ 8,793	$ 6,715

3. Other profits and losses

	FY2024	FY2023
Gain (loss) on financial assets at fair value through profit or loss	$ (55,140)	$ 76,939
Profit from lease changes	—	105
Loss from disposal of property, plant, and equipment	(8)	(84)
Others	(3,546)	(5,137)
Net amount	$ (58,694)	$ 71,823

4. Financial cost

	FY2024	FY2023
Interest on bank loans	$ 25,674	$ 24,323
Interest on lease liabilities	4,820	3,067
Less: Amounts of the qualified asset costs (included in property, plant and equipment and equipment prepayment)	(2,394)	(4,731)
Net amount	$ 28,100	$ 22,659

Information on interest capitalization is as follows:

	FY2024	FY2023
Amount of interest capitalized	$ 2,394	$ 4,731
Rate of capitalized interest	1.89%~2.54%	1.95%~2.38%

(XXII)Remuneration to Employees and Directors

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

(XXIII)Income Taxes

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

	FY2024	FY2023
Current income tax		
Generated in the current period	$ 12,581	$ 9,654
Additional taxes levied on undistributed earnings	3,376	100
Adjusted from the previous year	—	(183)
Deferred income tax		
Generated in the current period	(311)	(219)
Income tax expense recognized in profit or loss	$ 15,646	$ 9,352

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

	FY2024	FY2023
Income tax expense on net income before income tax at statutory tax rate	$ 7,859	$ 42,001
Tax-exempt income	10,401	(16,085)
Non-deductible expenses for tax purposes	118	21
Net domestic investments recognized under the equity method	(6,767)	(10,660)
Additional taxes levied on undistributed earnings	3,376	100
Unrecognized temporary differences	(35)	(44)
Unrecognized loss carryforwards offset against current period	—	(4,827)
Adjustment in the current year for the income tax expenses of the previous year	—	(183)
Adjustment of the deferred income tax expenses for the previous year during the current year	—	(31)
Unrecognized loss carryforward	696	—
Others	(2)	(940)
Income tax expense recognized in profit or loss	$ 15,646	$ 9,352

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	$ 152	$ 166
Income tax liabilities in current period		
Income taxes payable	$ 10,985	$ 4,847

4. Deferred income tax assets and liabilities

The changes in deferred income tax assets and liabilities are as follows:

	FY2024			
	Balance at the beginning of period	Recognized in gain (loss)	Recognized in other comprehensive income	Balance at the end of period
Deferred income tax assets				
Loss of end-of-life assets	$ 1,299	$ 311	$ —	$ 1,610

	FY2023			
	Balance at the beginning of period	Recognized in gain (loss)	Recognized in other comprehensive income	Balance at the end of period
Deferred income tax assets				
Loss of end-of-life assets	$ 1,142	$ 157	$ —	$ 1,299
Deferred income tax liabilities				
Unrealized valuation benefits	$ (62)	$ 62	$ —	$ —

5. The amount of deferred income tax assets not recognized in the consolidated balance sheet:

	December 31, 2024	December 31, 2023
Loss deductions	$ 115,604	$ 127,631
Temporary differences that can be deducted	78,709	96,537
Total	$ 194,313	$ 224,168

6. The information on the unused tax losses and the last deductible year for entities within the Consolidated Company as of December 31, 2024, is summarized as follows:

Year of occurrence	Deductible amount	Final deduction year
The Company		
2015 (authorized)	$ 86,597	2025
2017 (authorized)	24,752	2027
2024 (estimated)	2,368	2034
	$ 113,717	
Subsidiary - Chun-Li		
2023 (declared)	$ 303	2033
2024 (estimated)	322	2034
	$ 625	
Subsidiary - Le Yang		
2015 (authorized)	$ 68	2025
2016 (authorized)	475	2026
2017 (authorized)	157	2027
2019 (authorized)	123	2029
2020 (authorized)	132	2030
2021 (assessed)	464	2031
2022 (authorized)	171	2032
2023 (declared)	53	2033
2024 (estimated)	98	2034
	$ 1,741	

7. Status of approved income taxes

The income tax returns of the Company and its subsidiaries for FY 2022 have been examined and approved by the tax authorities.

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

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

By function / By nature	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	$ 35,976	$ 23,127	$ 59,103	$ 25,805	$ 25,945	$ 51,750
Labor and health insurance expenses	3,676	2,025	5,701	2,845	1,740	4,585
Pension expense	1,192	935	2,127	993	884	1,877
Remuneration to directors	—	949	949	—	942	942
Other employee benefit expenses	1,587	2,263	3,850	1,134	2,306	3,440
Depreciation expense	111,276	5,011	116,287	85,496	5,013	90,509
Amortization expense	—	2,531	2,531	—	2,294	2,294

(XXV)Capital Risk Management

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

(XXVI)Financial Instruments

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

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

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

   (1) Fair value hierarchy

	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	$ 137,079	$ –	$ –	$ 137,079
Financial assets at fair value through other comprehensive income or loss - non-current				
Domestic TWSE (TPEx) unlisted stocks	–	–	24730	24730
	$ 137,079	$ –	$ 24,730	$ 161,809

	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	$ 169,932	$ –	$ –	$ 169,932
Financial assets at fair value through other comprehensive income or loss - non-current				
Domestic TWSE (TPEx) unlisted stocks	–	–	28397	28397
	$ 169,932	$ –	$ 28,397	$ 198,329

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

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

	Financial assets at fair value through other comprehensive income or loss - non-current	
	FY2024	FY2023
Balance at the beginning of period	$ 28,397	$ 25,278
Acquired during the period	2,829	951
Recognized in other comprehensive income	(6,496)	2168
Balance at the end of period	$ 24,730	$ 28,397

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

3. Types of financial instruments

	December 31, 2024	December 31, 2023
Financial Assets		
Financial assets at fair value through profit or loss	$ 137,079	$ 169,932
Financial assets carried at amortized cost (Note 1)	867,738	874,453
Financial assets measured at fair value through other comprehensive income or loss	24730	28397
Total	$ 1,029,547	$ 1,072,782
Financial liabilities		
Measured at amortized cost (Note 2)	$ 1,323,772	$ 1,154,952
Lease liabilities	227,829	138,943
Total	$ 1,551,601	$ 1,293,895

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

(1) Market risk

A. Interest rate risk

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

	December 31, 2024	December 31, 2023
Fair value interest rate risk		
Financial Assets	$ 202,999	$ 157,345
Financial liabilities	502,829	310,214
Cash flow rate risk		
Financial Assets	299,584	367,294
Financial liabilities	878,785	841,151

Sensitivity analysis

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

If interest rates were to increase/decrease by 0.25%, with all other variables held constant, the Consolidated Company's pre-tax income would increase/decrease by NT$2,136 thousand and NT$1,613 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 Consolidated Company has equity price risk due to its investment in domestic listed securities. The management of the Consolidated Company manages the risk by holding different risky investment portfolios.

Sensitivity analysis

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

If equity prices increased/decreased by 1%, net income (loss) before income tax would have increased/decreased by NT$1,371 thousand and NT$1,699 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 Consolidated Company's sensitivity to stock investments has declined, mainly due to fluctuations in stock prices.

(2) Credit risk

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

As of December 31, 2024 and 2023, the percentages of accounts receivable from the top ten customers to the Consolidated Company's accounts receivable were 62.55% and 69.82%, respectively, and the credit concentration risk of the remaining accounts receivable was relatively insignificant.

(3) Liquidity risk

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

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

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

	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	$ 161,868	$ —	$ —	$ 81	$ 161,949
Floating rate instruments	317,039	40,726	82,347	823,240	1,263,352
Lease liabilities	10,072	9,742	19,034	231,382	270,230
Total	$ 488,979	$ 50,468	$ 101,381	$ 1,054,703	$ 1,695,531

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	$ 19,814	$ 69,823	$ 80,605	$ 72,532	$ 27,456

	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	$ 131,487	$ —	$ —	$ 1,445	$ 132,932
Floating rate instruments	212,764	41,040	82,977	783,146	1,119,927
Lease liabilities	8,605	10,156	20,364	121,765	160,890
Total	$ 352,856	$ 51,196	$ 103,341	$ 906,356	$ 1,413,749

More information on the analysis of lease liabilities due:

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

B. Financing amount

	December 31, 2024	December 31, 2023
Unsecured bank loan credit line		
- Amount utilized	$ 110,000	$ 59,611
-Unutilized amount	280000	63,264
Total	$ 390,000	$ 122,875
Guaranteed Bank credit line		
- Amount utilized	$ 1,223,640	$ 1,088,640
-Unutilized amount	186,575	120,700
Total	$ 1,410,215	$ 1,209,340

VII. Related Party Transactions

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

(I)Names of related parties and their relationships

Name of related party	Relationship with the Company
Ching Tien Energy and System Co., Ltd. (hereinafter referred to as "Ching Tien Energy")	Other related party
Chao Hsing Energy Co., Ltd. (hereinafter referred to as "Chao Hsing Energy")	Other related party

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

(II)Operating revenue

	FY2024	FY2023
Sel Tech Co., Ltd.	$ 4,980	$ 7,288
Ching Tien Energy	—	472
Quintain Steel Co., Ltd.	77,541	24,666
Chao Hsing Energy Co., Ltd.	—	13195
Wan-Hou Machinery and Electrical Engineering	7,984	—
Château International	5,340	—
Other related party	1,590	1,026
Total	$ 97,435	$ 46,647

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

	Construction and engineering revenue	Construction and engineering cost	Net amount
2024			
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 Group 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	12,658	2806
Mei-Chi	9,302	—
Jinghao	2,643	—
Other related party	1,215	1,905
Total	$ 25,818	$ 22,558

(IV)Contract Assets

	December 31, 2024	December 31, 2023
Quintain Steel Co., Ltd.	$ 1,698	$ —

(V)Contract liabilities

	December 31, 2024	December 31, 2023
Quintain Steel Co., Ltd.	$ 49,402	$ 3,350
Other related party	693	—
	$ 50,095	$ 3,350

(VI)Accounts Receivables From Related Parties

	December 31, 2024	December 31, 2023
Accounts receivable		
Château International	$ 6,405	$ —
Quintain Steel Co., Ltd.	43,575	—
Wan-Hou Machinery and Electrical Engineering	4,751	—
Sel Tech Co., Ltd.	158	7,652
Other related party	1,669	94
Total	$ 56,558	$ 7,746
Other receivables		
Castle Applied Inc.	$ 10,000	$ —
Sel Tech Co., Ltd.	6,397	55672
Total	$ 16,397	$ 55,672

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.

(VII)Accounts Payable to Related Parties

		December 31, 2024		December 31, 2023
Notes payable				
Castle Applied Inc.	$	—	$	357
Accounts payable				
Mei-Chi	$	1,054	$	66
Castle Applied Inc.		—		62
Jinghao		—		59
Sel Tech Co., Ltd.		24,462		34
Other related party		1,665		—
Total	$	27,181	$	221
Other payables				
Quintain Steel Co., Ltd.	$	4	$	845
Wan-Hou Machinery and Electrical Engineering		259		573
Sel Tech Co., Ltd.		8,321		153
Other related party		152		47
Total	$	8,736	$	1,618

(VIII)Prepayment for Equipment

		December 31, 2024		December 31, 2023
Sel Tech Co., Ltd.	$	57,086	$	70,296
Other related party		750		—
Total	$	57,836	$	70,296

The Consolidated Company’s prepayment for equipment to Sel Tach Co., Ltd., is mainly for the purchase of solar power generation equipment and installation on December 31; the total prices signed into contracts were NT$297,856 thousand and NT$937,911 thousand, respectively, and will be paid according to the progress of the project. Prices and payment terms are based on individual agreements between the parties for each project.

The amounts transferred to property, plant and equipment for FY2024 and FY2023 were NT$35,090 thousand and NT$437,869 thousand, respectively. Please refer to note 7(10).

(IX)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.

(X)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
Chateau-Fulang	$ —	$ 18,957
Sel Tech Co., Ltd.	76,190	437,869
Other related party	3429	126
Total	$ 79,619	$456,952

(XI)Transactions with other related parties

	December 31, 2024	December 31, 2023
Other revenue		
Other related party	$ 321	$ 71
Interest income		
Castle Applied Inc.	$ 181	$ —
Expenditure on repairs		
Other related party	$ 5,995	$ 5,553
Rent expenses		
Other related party	$ 2,933	$ 893
Miscellaneous expenses		
Other related party	$ 1,368	$ 567

(XII)Incentives to senior management

	FY2024	FY2023
Short-term employee benefits	$ 12,099	$ 8,349
Postemployment benefits	233	173
Total	$ 12,332	$ 8,522

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)	$ 113,920	$ 68,855
Financial assets measured at amortized cost - current and non-current (pledged time deposits)	89,079	88,490
Property, plant and equipment	1,192,160	1,348,930
Total	$ 1,395,159	$ 1,506,275

IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

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

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

	December 31, 2024	December 31, 2023
Performance guarantee	$ 89,079	$ 83,490
Performance guarantee letter	23,003	23,003
Guarantee notes for construction projects	20770	19915
Total	$ 132,852	$ 126,408

(II) The Consolidated Company and Aircom Pacific Inc. jointly developed an in-flight connection system for use in the passenger cabin of an aircraft for a total contract price of NT$28,750 thousand (US$909,000), of which NT$23,918 thousand (US$762,000) had been paid as of 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 Group for Taiwan Power Company in its Taichung Power Plant and Taichung Port area. Many factors that were beyond the control of the Group, such as delayed provision of land, frequent change of the wind turbine sites, and changes in design and construction methods on the side of Taipower as well as the bankruptcy of a subcontractor, the Dutch wind generator supplier, typhoons and severe weather, occurred after the commencement of the works and resulted in a significant increase of the required construction period for the project. For this, the Group asked for extension of the construction period according to the contract and, thus, run into contractual disputes with Taipower. The Chinese Construction Industry Arbitration Association made the arbitral award (Gong-Zhong-Xie-(Jing)-Zi No. 019, 2008) on January 19, 2010 with the text described below:

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

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

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

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

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

(V) As of December 31, 2024 and 2023, the Consolidated Company had entered into contracts for solar power generation equipment, and the total amount due, less the amount paid, was NT$159,775 thousand and NT$290,455, respectively.

X. <u>Catastrophic Losses</u>: None.

XI. <u>Significant Post-Term Events</u>: None.

XII. <u>Other Matters</u>: None.

XIII. <u>Notes for Disclosures</u>

(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.
10. Other: Business relationships and material transactions between parents and subsidiaries: see Table 5.

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

(III) Investments in Mainland China: None.

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

XIV. <u>Department Information</u>

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

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

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

Construction business group - comprehensive construction projects.

(I)Segment Revenue and Operating Results

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

	January 1 to December 31, 2024				
	Energy Business Group	Electrical Engineering Business Group	Construction Business Group	Others	Total
Segment operating revenue	$ 189,256	$ 342,068	$ 165,115	$ —	$ 696,439
Segment operating profit or loss	$ 64,174	$ 37,241	$ 10,932	$ (40,879)	$ 71,468
Interest income					3183
Other revenue					8793
Other profits and losses					(58,694)
Share of profit or loss of subsidiaries recognized under the equity method					427
Financial cost					(28,100)
Pre-tax net profit in current period					$ (2,923)

	January 1 to December 31, 2023				
	Energy Business Group	Electrical Engineering Business Group	Construction Business Group	Others	Total
Segment operating revenue	$ 175,848	$ 476,267	$ 100,255	$ —	$ 752,370
Segment operating profit or loss	$ 65,138	$ 61,089	$ 7,860	$ (39,585)	$ 94,502
Interest income					3489
Other revenue					6715
Other profits and losses					71823
Share of profit or loss of subsidiaries recognized under the equity method					437
Financial cost					(22,659)
Pre-tax net profit in current period					$ 154,307

(II)Revenue from major products: Please refer to Note 6(20).

(III)Geographical information: The Consolidated Company has no operating income from foreign countries.

(IV)Key Customer Information

The Consolidated Company's revenues from a single customer amounting to 10% or more of the Consolidated Company's total revenues are as follows:

	FY2024		FY2023	
	Amount	%	Amount	%
Customer A	$ 467,379	67	$ 524,019	70
Customer B	77,372	11	—	—
Total	$ 544,751	78	$ 524,019	70

Table 1

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

(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	ın 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. and its subsidiaries

(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. and its subsidiaries

(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	2,045,485	69,342	1.43	69,342	
	Shares - Concord International Securities Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	114,239	1,662	0.03	1,662	
Le Hua Investment Co., Ltd.	Shares - Concord International Securities Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	1,342,926	19,540	0.32	19,540	
	Shares - Chateau International Development Co., Ltd.	Other related party	Financial assets measured at fair value through profit or loss - current	62,956	2,134	0.04	2,134	
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	74,067	2,511	0.05	2,511	
Wan Chuan Construction Co., Ltd.	Castle Applied Inc.	Other related party	Financial assets at fair value through other comprehensive income or loss - non-current	2,641,233	23,489	9.43	23,489	
	Wan-Hou Machinery and Electrical Engineering Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income or loss - non-current	95,000	1,241	19	1,241	
	Shares - Concord International Securities Co., Ltd.	None	Financial assets measured at fair value through profit or loss - current	2,447,990	35,618	0.58	35,618	
	Shares - Chateau International Development Co., Ltd.	Other related party	Financial assets measured at fair value through profit or loss - current	185,000	6,272	0.13	6,272	

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. and its subsidiaries

(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	2,200	100	$ 22,270	$ (1,945)	$ (1,945)	
	Luxe Solar Energy Co., Ltd.	Taiwan	Energy Technical Services	5,286	4,826	546	100	3,636	(1,876)	(1,876)	
	Sen-Hsin Energy Co., Ltd.	Taiwan	Energy Technical Services	813,000	813,000	81,300	100	865,938	26,565	26,565	
	Chin Lai International Development Co., Ltd.	Taiwan	Energy Technical Services	214,110	202,320	19,179	100	228,319	12,265	10,104	(Note 1)
	Wan Chuan Construction Co., Ltd.	Taiwan	Comprehensive Construction Activities	63,000	63,000	6,300	52.5	71,934	9,080	1,820	(Note 2)
Chin Lai International Development Co., Ltd.	Qun Li Energy Co., Ltd.	Taiwan	Energy Technical Services	32,889	32,889	2,900	100	29,411	(232)	(232)	
Wan Chuan Construction Co., Ltd.	Park Ave Coworking Space Co., Ltd.	Taiwan	Indoor Decoration	1,800	2,250	180	22.5	1,829	1,900	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. and its subsidiaries

(Originally: Luxe Electric Co., Ltd)

Business relationships and material transactions between parent and subsidiary

January 1 to December 31, 2024

Unit: NT$ thousand

Number (Note 1)	Name of the transactional party	Counterparty	Relationship with the transactional party (Note 2)	Transactions (Note 6)			
				Accounting item	Amount	Transactional terms and conditions	As a percentage to consolidated total revenue or total assets (%)
0	The Company	Wan Chuan Construction Co., Ltd.	1	Cost of goods sold	$ 6,762	(Note 4)	1
1	Wan Chuan Construction Co., Ltd.	Luxe Green Energy Technology Co., Ltd.	2	Construction and engineering revenue	40,831	(Note 4)	6
		Sen-Hsin Energy Co., Ltd.	3	Construction and engineering revenue	136	(Note 4)	—
				Unearned sales revenue	904	(Note 4)	—
		Chin Lai International Development Co., Ltd.	3	Construction and engineering revenue	3,715	(Note 4)	1
				Unearned sales revenue	1,457	(Note 4)	—
		Qun Li Energy Co., Ltd.	3	Construction and engineering revenue	67	(Note 4)	—

Note 1: The description of the numbering column is as follows:
1. The issuer is entered as 0.
2. The investee companies are numbered in order by company, starting from the Arabic numeral 1.

Note 2: There are three types of relationship with the transactional party, and the types are indicated as follows:
1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary company.

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

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

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

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

Table 6

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

(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.	15,568,543	10.03%
Concord International Securities Co., Ltd.	13,754,943	8.86%
Pao Li Tou Investment Co., Ltd.	10,833,893	6.98%
Asahi Enterprises Corp.	9,043,420	5.83%

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

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