

**CONTINENTAL HOLDINGS CORPORATION  
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

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

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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## Independent Auditors' Review Report

To the Board of Directors  
CONTINENTAL HOLDINGS CORPORATION:

### Introduction

We have reviewed the accompanying consolidated balance sheets of CONTINENTAL HOLDINGS CORPORATION and its subsidiaries as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$34,600,197 thousand and \$17,629,820 thousand, constituting 38.02% and 21.98% of consolidated total assets; and total liabilities amounting to \$16,545,023 thousand and \$11,896,386 thousand, constituting 26.76% and 23.77% of consolidated total liabilities as of March 31, 2025 and 2024, respectively; as well as the total comprehensive income amounting to \$8,399 thousand and \$(291,749) thousand, constituting 14.73% and (45.70)% of consolidated total comprehensive income respectively.

Furthermore, as stated in Note 6(h), the other equity accounted investments of the CONTINENTAL HOLDINGS CORPORATION and its subsidiaries in its investee companies of \$1,540,238 thousand and \$1,603,255 thousand as of March 31, 2025 and 2024, respectively, and its equity in net earnings on these investee companies of \$(5,250) thousand and \$4,882 thousand respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

### **Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of CONTINENTAL HOLDINGS CORPORATION and its subsidiaries as of March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Chen, Chung-Che and Han, Yi-Lien.

KPMG

Taipei, Taiwan (Republic of China)  
May 9, 2025

### **Notes to Readers**

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES****Consolidated Balance Sheets****March 31, 2025, December 31, 2024, and March 31, 2024****(Expressed in Thousands of New Taiwan Dollars)**

		<b>March 31, 2025</b>		<b>December 31, 2024</b>		<b>March 31, 2024</b>						<b>March 31, 2025</b>		<b>December 31, 2024</b>		<b>March 31, 2024</b>	
<b>Assets</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>			<b>Liabilities and Equity</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Current assets:</b>										<b>Current liabilities:</b>							
1100	Cash and cash equivalents (Note 6(a))	\$ 5,712,585	6	7,084,267	8	5,932,381	7	2100		Short-term borrowings (Note 6(o))		\$ 23,700,043	26	21,976,838	25	19,567,207	24
1139	Current financial assets for hedging (Note 6(d))	64,070	-	293,290	-	112,217	-	2110		Short-term notes and bills payable (Note 6(p))		1,200,000	1	200,000	-	800,000	1
1140	Current contract assets (Notes 6(aa) and 7)	5,488,074	6	5,092,716	6	5,479,879	7	2126		Current financial liabilities for hedging (Note 6(d))		-	-	3,039	-	45,929	-
1150	Notes receivable, net (Notes 6(e) and (aa))	2,824	-	605	-	66	-	2130		Current contract liabilities (Note 6(aa))		10,997,546	13	10,817,965	12	8,501,185	11
1170	Accounts receivable, net (Notes 6(e), (aa) and 7)	3,136,660	3	2,547,429	3	2,924,116	4	2170		Notes and accounts payable (Note 7)		6,788,256	8	6,992,556	9	6,037,443	8
1200	Other receivables, net (Notes 6(f) and 7)	572,903	1	539,151	1	392,544	-	2200		Other payables (Notes 6(y) and 7)		2,724,523	3	2,391,251	3	2,854,356	4
1220	Current tax assets	70,426	-	68,009	-	66,695	-	2230		Current tax liabilities		235,710	-	190,322	-	386,581	-
130X	Inventories (Notes 6(g) and 8)	35,720,153	40	33,580,461	38	31,042,483	39	2250		Current provisions (Note 6(t))		244,958	-	252,074	-	304,062	-
1410	Prepayments	1,522,704	2	1,541,623	2	1,485,985	2	2280		Current lease liabilities (Notes 6(s) and 7)		113,091	-	102,354	-	88,513	-
1479	Other current assets, others (Notes 6(a) and 8)	4,040,561	4	3,769,839	4	3,655,921	5	2310		Advance receipts		160,214	-	8,470	-	136,940	-
1480	Current assets recognised as incremental costs to obtain contract with customers	<u>551,616</u>	<u>1</u>	<u>506,333</u>	<u>1</u>	<u>277,198</u>	<u>-</u>	2320		Long-term liabilities, current portion (Note 6(r))		690,651	1	678,524	1	883,767	1
		<u>56,882,576</u>	<u>63</u>	<u>55,023,723</u>	<u>63</u>	<u>51,369,485</u>	<u>64</u>	2321		Bonds payable, current portion (Note 6(q))		1,999,459	2	-	-	-	-
								2399		Other current liabilities, others		<u>82,899</u>	<u>-</u>	<u>96,438</u>	<u>-</u>	<u>181,517</u>	<u>-</u>
												<u>48,937,350</u>	<u>54</u>	<u>43,709,831</u>	<u>50</u>	<u>39,787,500</u>	<u>49</u>
<b>Non-current assets:</b>										<b>Non-Current liabilities:</b>							
1510	Non-current financial assets at fair value through profit or loss (Note 6(b))	1,068,858	1	1,068,858	1	1,068,858	1			Bonds payable (Note 6(q))		-	-	1,999,278	2	1,998,736	3
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(c))	3,009,029	3	3,039,804	3	3,897,375	5	2530		Long-term borrowings (Note 6(r))		12,202,421	14	11,353,309	14	7,715,870	10
1550	Investments accounted for using equity method, net (Notes 6(h) and 7)	1,540,238	2	1,545,488	2	1,603,255	2	2570		Deferred tax liabilities		269,105	-	247,786	-	191,323	-
1600	Property, plant and equipment (Notes 6(k) and 8)	10,449,751	11	10,421,498	12	9,743,606	12	2580		Non-current lease liabilities (Notes 6(s) and 7)		103,899	-	34,580	-	50,437	-
1755	Right-of-use assets (Note 6(l))	216,136	-	134,212	-	138,486	-	2610		Long-term accounts payable (Note 6(v))		132,996	-	131,314	-	128,168	-
1760	Investment properties, net (Notes 6(m) and 8)	2,861,680	4	2,864,806	4	3,277,484	4	2640		Net defined benefit liability, non-current		92,604	-	94,382	-	107,038	-
1780	Intangible assets (Note 6(n))	6,363,581	7	5,105,658	6	2,174,778	3	2645		Guarantee deposits received		<u>92,934</u>	<u>-</u>	<u>85,674</u>	<u>-</u>	<u>70,060</u>	<u>-</u>
1840	Deferred tax assets	16,337	-	16,107	-	12,362	-					<u>12,893,959</u>	<u>14</u>	<u>13,946,323</u>	<u>16</u>	<u>10,261,632</u>	<u>13</u>
1932	Long-term accounts receivable (Notes 6(e) and (aa))	7,376,910	8	7,059,284	8	6,183,011	8			<b>Total liabilities</b>		<u>61,831,309</u>	<u>68</u>	<u>57,656,154</u>	<u>66</u>	<u>50,049,132</u>	<u>62</u>
1990	Other non-current assets, others (Note 6(f))	<u>1,212,114</u>	<u>1</u>	<u>1,111,719</u>	<u>1</u>	<u>727,647</u>	<u>1</u>			<b>Equity attributable to owners of parent (Note 6(y)):</b>							
		34,114,634	37	32,367,434	37	28,826,862	36	3100		Capital stock		8,232,160	9	8,232,160	9	8,232,160	10
								3200		Capital surplus		6,884,015	8	6,884,015	8	6,823,261	9
								3300		Retained earnings		9,596,096	10	10,420,629	12	9,331,005	12
								3400		Other equity		<u>1,729,044</u>	<u>2</u>	<u>1,697,857</u>	<u>2</u>	<u>2,505,237</u>	<u>3</u>
												<u>26,441,315</u>	<u>29</u>	<u>27,234,661</u>	<u>31</u>	<u>26,891,663</u>	<u>34</u>
								36XX		Non-controlling interests (Note 6(j))		<u>2,724,586</u>	<u>3</u>	<u>2,500,342</u>	<u>3</u>	<u>3,255,552</u>	<u>4</u>
										<b>Total equity</b>		<u>29,165,901</u>	<u>32</u>	<u>29,735,003</u>	<u>34</u>	<u>30,147,215</u>	<u>38</u>
<b>Total assets</b>		<u>\$ 90,997,210</u>	<u>100</u>	<u>87,391,157</u>	<u>100</u>	<u>80,196,347</u>	<u>100</u>			<b>Total liabilities and equity</b>		<u>\$ 90,997,210</u>	<u>100</u>	<u>87,391,157</u>	<u>100</u>	<u>80,196,347</u>	<u>100</u>

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES****Consolidated Statements of Comprehensive Income****For the three months ended March 31, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		<b>For the three months ended March 31</b>			
		<b>2025</b>		<b>2024</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenues (Notes (aa) and 7)</b>	\$ 7,402,881	100	6,160,949	100
5000	<b>Operating costs (Notes 6(g), (w), 7 and 12)</b>	<u>6,651,233</u>	<u>90</u>	<u>5,598,397</u>	<u>91</u>
	<b>Gross profit from operations</b>	<u>751,648</u>	<u>10</u>	<u>562,552</u>	<u>9</u>
	<b>Operating expenses (Notes 6(s), (w), (ab), 7 and 12):</b>				
6100	Selling expenses	82,610	1	78,927	1
6200	Administrative expenses	<u>464,643</u>	<u>6</u>	<u>421,621</u>	<u>7</u>
		<u>547,253</u>	<u>7</u>	<u>500,548</u>	<u>8</u>
	<b>Net operating income</b>	<u>204,395</u>	<u>3</u>	<u>62,004</u>	<u>1</u>
	<b>Non-operating income and expenses (Notes 6(ac) and 7):</b>				
7100	Interest income	25,554	-	19,861	-
7010	Other income	5,496	-	6,209	-
7020	Other gains and losses, net	35,578	-	58,516	1
7050	Finance costs, net(Notes 6(g) and 6(s))	(205,684)	(3)	(182,008)	(3)
7060	Share of profit (losses) of associates and joint ventures accounted for using equity method (Note 6(h))	<u>(5,250)</u>	<u>1</u>	<u>4,882</u>	<u>-</u>
		<u>(144,306)</u>	<u>(2)</u>	<u>(92,540)</u>	<u>(2)</u>
7900	<b>Income before tax</b>	60,089	1	(30,536)	(1)
7950	Less: Income tax expenses (Note 6(x))	<u>52,340</u>	<u>1</u>	<u>86,511</u>	<u>1</u>
	<b>Net income</b>	<u>7,749</u>	<u>-</u>	<u>(117,047)</u>	<u>(2)</u>
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that will not be reclassified to profit or loss</b>				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(30,775)	-	525,740	8
8317	Gains on hedging instrument	900	-	(24,338)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	<u>(29,875)</u>	<u>-</u>	<u>501,402</u>	<u>8</u>
8360	<b>Items that will be reclassified to profit or loss</b>				
8361	Exchange differences on translation of foreign financial statements	79,157	1	253,982	4
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	<u>79,157</u>	<u>1</u>	<u>253,982</u>	<u>4</u>
8300	<b>Other comprehensive income</b>	<u>49,282</u>	<u>1</u>	<u>755,384</u>	<u>12</u>
	<b>Total comprehensive income</b>	<u>\$ 57,031</u>	<u>1</u>	<u>638,337</u>	<u>10</u>
	<b>Net income, attributable to:</b>				
8610	Owners of parent	\$ 39,844	-	96,599	2
8620	Non-controlling interests	<u>(32,095)</u>	<u>-</u>	<u>(213,646)</u>	<u>(4)</u>
		<u>\$ 7,749</u>	<u>-</u>	<u>(117,047)</u>	<u>(2)</u>
	<b>Total comprehensive income attributable to:</b>				
8710	Owners of parent	\$ 71,031	1	768,287	12
8720	Non-controlling interests	<u>(14,000)</u>	<u>-</u>	<u>(129,950)</u>	<u>(2)</u>
		<u>\$ 57,031</u>	<u>1</u>	<u>638,337</u>	<u>10</u>
	<b>Earnings per share (Note 6(z))</b>				
9750	Basic earnings per share (NT dollars)	<u>\$ 0.05</u>		<u>0.12</u>	
9850	Diluted earnings per share (NT dollars)	<u>\$ 0.05</u>		<u>0.12</u>	

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the three months ended March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent												
							Total other equity						
	Capital stock		Retained earnings				Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments	Total other equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Common Stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total							
Balance at January 1, 2024	\$ 8,232,160	6,817,198	1,419,731	2,262,233	6,787,266	10,469,230	(673,352)	2,527,444	(20,543)	1,833,549	27,352,137	3,423,565	30,775,702
Net income	-	-	-	-	96,599	96,599	-	-	-	-	96,599	(213,646)	(117,047)
Other comprehensive income (loss)	-	-	-	-	-	-	170,286	525,740	(24,338)	671,688	671,688	83,696	755,384
Total comprehensive income (loss)	-	-	-	-	96,599	96,599	170,286	525,740	(24,338)	671,688	768,287	(129,950)	638,337
Appropriation and distribution of retained earnings:													
Cash dividends	-	-	-	-	(1,234,824)	(1,234,824)	-	-	-	-	(1,234,824)	-	(1,234,824)
Reversal of special reserve	-	-	-	(1,355,143)	1,355,143	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	6,063	-	-	-	-	-	-	-	-	6,063	(6,063)	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(32,000)	(32,000)
Balance at March 31, 2024	<u>\$ 8,232,160</u>	<u>6,823,261</u>	<u>1,419,731</u>	<u>907,090</u>	<u>7,004,184</u>	<u>9,331,005</u>	<u>(503,066)</u>	<u>3,053,184</u>	<u>(44,881)</u>	<u>2,505,237</u>	<u>26,891,663</u>	<u>3,255,552</u>	<u>30,147,215</u>
Balance at January 1, 2025	\$ 8,232,160	6,884,015	1,589,444	907,090	7,924,095	10,420,629	(499,349)	2,195,614	1,592	1,697,857	27,234,661	2,500,342	29,735,003
Net income	-	-	-	-	39,844	39,844	-	-	-	-	39,844	(32,095)	7,749
Other comprehensive income (loss)	-	-	-	-	-	-	61,062	(30,775)	900	31,187	31,187	18,095	49,282
Total comprehensive income (loss)	-	-	-	-	39,844	39,844	61,062	(30,775)	900	31,187	71,031	(14,000)	57,031
Appropriation and distribution of retained earnings:													
Cash dividends	-	-	-	-	(864,377)	(864,377)	-	-	-	-	(864,377)	-	(864,377)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	238,244	238,244
Balance at March 31, 2025	<u>\$ 8,232,160</u>	<u>6,884,015</u>	<u>1,589,444</u>	<u>907,090</u>	<u>7,099,562</u>	<u>9,596,096</u>	<u>(438,287)</u>	<u>2,164,839</u>	<u>2,492</u>	<u>1,729,044</u>	<u>26,441,315</u>	<u>2,724,586</u>	<u>29,165,901</u>

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the three months ended March 31, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Income before tax	\$ 60,089	(30,536)
<b>Adjustments:</b>		
Adjustments to reconcile profit and loss:		
Depreciation expense	120,112	136,116
Amortization expense	19,624	18,152
Interest expense (under operating costs)	205,503	181,827
Interest income	(25,554)	(19,861)
Amortization of issuance costs on bonds payable	181	181
Share of loss (gain) of associates and joint ventures accounted for using equity method	5,250	(4,882)
Loss on disposal of property, plant and equipment	-	27
Loss (gain) on disposal of property, plant and equipment (under construction costs)	678	(34,090)
Gain on disposal of investment properties	-	(57,534)
Warranty provisions (write-off) recognition	(4,418)	950
Gain on reversal of estimated account payable	-	(81)
<b>Total adjustments to reconcile profit and loss</b>	<b>321,376</b>	<b>220,805</b>
<b>Changes in operating assets and liabilities:</b>		
Changes in operating assets:		
Contract assets	(229,786)	(8,324)
Notes receivable	(2,219)	618
Accounts receivable	(1,070,752)	(457,616)
Other receivables	(36,221)	30,945
Inventories	(2,086,584)	(1,221,826)
Prepayments	21,137	(437,568)
Other current assets	(246,022)	(454,819)
Current assets recognised as incremental costs to obtain contract with customers	(45,283)	(3,319)
<b>Total changes in operating assets</b>	<b>(3,695,730)</b>	<b>(2,551,909)</b>
Changes in operating liabilities:		
Contract liabilities	210,912	1,179,741
Notes and accounts payable	(206,117)	(552,210)
Other payables	(528,048)	(299,701)
Provisions	(2,698)	(4,161)
Receipts in advance	151,529	88,608
Other current liabilities	(13,726)	118,097
Net defined benefit liability	(1,778)	(2,337)
<b>Total changes in operating liabilities</b>	<b>(389,926)</b>	<b>528,037</b>
<b>Total changes in operating assets and liabilities</b>	<b>(4,085,656)</b>	<b>(2,023,872)</b>
<b>Total adjustments</b>	<b>(3,764,280)</b>	<b>(1,803,067)</b>
Cash outflow generated from operations	(3,704,191)	(1,833,603)
Interest received	28,551	16,281
Interest paid	(286,646)	(228,996)
Income taxes refund (paid)	12,520	(1,326)
<b>Net cash flows used in operating activities</b>	<b>(3,949,766)</b>	<b>(2,047,644)</b>

See accompanying notes to financial statements.



(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION AND ITS SUBSIDIARIES****Consolidated Statements of Cash Flows(CONT'D)****For the three months ended March 31, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets for hedging	(893,602)	(285,713)
Disposal of financial assets for hedging	1,120,683	204,482
Acquisition of property, plant and equipment	(20,574)	(51,411)
Disposal of property, plant and equipment	10	34,600
Non-current other receivables	(65,790)	(76,314)
Acquisition of intangible assets	(1,262,057)	(391,612)
Disposal of investment properties	-	62,850
Other financial assets	(24,509)	968,050
Other non-current assets	(9,245)	(4,271)
Prepayments for business facilities	(25,876)	(13,042)
<b>Net cash flows (used in) from investing activities</b>	<b>(1,180,960)</b>	<b>447,619</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	10,450,260	13,433,421
Decrease in short-term borrowings	(8,776,080)	(9,881,000)
Increase in short-term notes and bills payable	2,900,000	1,830,000
Decrease in short-term notes and bills payable	(1,900,000)	(1,830,000)
Increase in long-term borrowings	1,866,083	1,440,000
Decrease in long-term borrowings	(1,011,940)	(4,329,123)
Guarantee deposits received	7,259	(621)
Other payables	-	26,640
Payment of lease liabilities	(23,157)	(19,844)
Change in non-controlling interests	238,244	(32,000)
<b>Net cash flows from financing activities</b>	<b>3,750,669</b>	<b>637,473</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>8,375</b>	<b>16,792</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,371,682)</b>	<b>(945,760)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>7,084,267</b>	<b>6,878,141</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 5,712,585</b>	<b>5,932,381</b>

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

## **CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

**For the three months ended March 31, 2025 and 2024**

**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

#### **(1) Company history**

CONTINENTAL HOLDINGS CORPORATION ( “CHC” or “the Company”) was established through shares exchange with Continental Engineering Corp. (“CEC”) on April 8, 2010 and CEC became 100% - owned by the Company. On the same day, the Company was approved to be a listed Company by the FSC. The consolidated financial statements as of March 31, 2025 consist of the Company and all of its subsidiaries (“the Group”), and the interests in a jointly controlled entities and associates. Please refer to Note 14 for the Group’s main businesses.

#### **(2) Approval date and procedures of the consolidated financial statements**

The consolidated financial statements were approved and authorized for issue by the Board of Directors on May 9, 2025.

#### **(3) New standards, amendments and interpretations adopted**

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS21 “Lack of Exchangeability”

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group’s anticipated adoption of the new amendments beginning on January 1, 2026, are expected to have the following impacts:

- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>• A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li> <li>• Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> <li>• Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul>	January 1, 2027

(Continued)

## CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

#### (4) Summary of material accounting policies:

##### (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" (hereinafter referred to the Regulations), and IAS 34 “Interim Financial Reporting” which was endorsed and issued into effect by FSC. These consolidated financial statements do not include all of the information required by the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for the year-end consolidated financial statements.

Except for the following, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2024.

##### (b) Basis of consolidation

##### (i) Subsidiaries included in the consolidated financial statements

Investor Company	Subsidiary	Main Business	Percentage of ownership			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company and CCLC	Continental Engineering Corp. (CEC)	Civil, Building and M&E engineering	100.00 %	100.00 %	100.00 %	
The Company and CCLC	Continental Development Corp. (CDC)	Real estate development on residential, commercial, hotels and communities	100.00 %	100.00 %	100.00 %	
The Company and CCLC	HDEC Corp. (HDEC)	Environmental project development & Water treatment	100.00 %	100.00 %	100.00 %	
The Company	Continental Consulting Limited Company (CCLC)	Management Consulting	100.00 %	100.00 %	100.00 %	Note I

(Continued)

# CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

Investor Company	Subsidiary	Main Business	Percentage of ownership			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
CEC	CEC International Corp. (CIC)	Investment and holding	-	-	100.00 %	Note H and I
CEC	CEC International Corp. (India) Private Limited (CICI)	Civil and Building engineering	100.00 %	100.00 %	100.00 %	Note I
CEC	CEC International Malaysia Sdn. Bhd. (CIMY)	Civil and Building engineering	85.14 %	85.14 %	85.14 %	Note I
CEC	Continental Engineering Corporation(Hong Kong) Limited (CEC HK)	Civil and Building engineering	100.00 %	100.00 %	100.00 %	Note I
CDC	CDC Commercial Development Corp. (CCD)	Real estate development and lease	80.65 %	80.65 %	80.65 %	Note I
CDC	MEGA Capital Development Sdn. Bhd. (MEGA)	Real estate development on hotels	55.00 %	55.00 %	55.00 %	Note I
CDC	Bangsar Rising Sdn. Bhd. (BANGSAR)	Real estate development on residential	60.00 %	60.00 %	60.00 %	Note I
CDC	CDC Asset Management Malaysia Sdn. Bhd. (CDCAM)	Management consulting	100.00 %	100.00 %	100.00 %	Note I
CDC	CDC US Corp.	Investment and holding	100.00 %	100.00 %	100.00 %	Note I
CDC US Corp.	CDC Investment Management LLC	Investment management	100.00 %	100.00 %	100.00 %	Note I
CDC US Corp.	Trimosa Holdings LLC	Investment and holding	70.88 %	70.88 %	70.88 %	Note I
Trimosa Holdings LLC	950 Investment LLC	Investment and holding	100.00 %	100.00 %	77.22 %	Note G and I
950 Investment LLC	950 Property LLC (950P)	Real estate development on residential	100.00 %	100.00 %	100.00 %	Note I
950 Investment LLC	950 Hotel Property LLC (950H)	Hotel industry	100.00 %	100.00 %	100.00 %	Note I
950 Investment LLC	950 Retail Property LLC	Real estate lease and management	100.00 %	100.00 %	100.00 %	Note I
950 Hotel Property LLC	950 F&B LLC	Liquor sale	100.00 %	100.00 %	100.00 %	Note I
HDEC	HDEC Construction Corp. (SDC)	Construction of underground pipeline and environmental protection project, plumbing	100.00 %	100.00 %	100.00 %	Note I
HDEC	North Shore Environment Corp. (NSC)	Sewer system design and construction in Danshui area, New Taipei City	100.00 %	100.00 %	100.00 %	Note A and I
HDEC	Blue Whale Water Technologies Corp. (BWC)	Feng Shan River wastewater reclamation and reuse BTO project in Kaohsiung City	51.00 %	51.00 %	51.00 %	Note B and I
HDEC	HDEC (Puding) Environment Corp. (PDC)	Pu Ding area sewerage construction in Taoyuan City	100.00 %	100.00 %	100.00 %	Note C and I
HDEC	HDEC-CTCI (Linhai) Corp. (LHC)	Linhai wastewater reclamation and reuse BTO project in Kaohsiung City	55.00 %	55.00 %	55.00 %	Note D and I
HDEC	HDEC(Ciaotou) Corp. (CTC)	Ciaotou wastewater reclamation and reuse BTO project in Kaohsiung City	100.00 %	100.00 %	100.00 %	Note E and I
HDEC	HDEC(Chengxi) Corp. (CXC)	Aninan area incineration plant renewal in Tainan City	100.00 %	100.00 %	100.00 %	Note F and I

Note A: NSC was founded as a Special Purpose Company (SPC) to build then operate Danshui Area Sewer System BOT project in New Taipei City. The sewer system construction and facility will be transferred to the authority at the end of the concession period without condition.

(Continued)

## CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- Note B: BWC was founded as a SPC to perform the contract for Feng Shan River wastewater reclamation and reuse, which is a BTO project in Kaohsiung City. Upon the completion of the wastewater treatment plant, BWC will transfer all the operating assets to the authority and be engaged by the authority to operate the wastewater treatment plant and water recycling plant. BWC will transfer the operating rights to the authority without condition at the end of the operating period.
- Note C: PDC was founded as a SPC to build then operate Pu Ding area sewer system, which is a BOT project in Taoyuan City. The Pu Ding area sewer system will be transferred to the authority at the end of the concession period without condition.
- Note D: LHC was founded as a SPC to perform the contract for Kaohsiung coastal area wastewater reclamation and reuse, which is a BTO project in Kaohsiung City. Upon the completion of the wastewater treatment plant, BWC will transfer all the operating assets to the authority and be engaged by the authority to operate the wastewater treatment plant and water recycling plant. BWC will transfer the operating rights to the authority without condition at the end of the operating period.
- Note E: CTC was founded as a SPC to perform the contract for Kaohsiung Ciaotou water recycling, which is a BTO project in Kaohsiung City. Upon the completion of the water recycling plant, CTC will transfer all the operating assets to the authority and be engaged by the authority to operate the water recycling plant. CTC will transfer the operating rights to the authority without condition at the end of the operating period.
- Note F: CXC was founded as a SPC in accordance with the investment contract for the BOT of the Tainan Chengxi area waste incineration plant. The Chengxi area waste incineration plant will be transferred to the authority at the end of the concession period without condition.
- Note G: In 2024, the company acquired non-controlling interest, resulting in an increase in this shareholding ratio from 77.22% to 100%.
- Note H: The company underwent liquidation procedures in March 2024 as resolved by the management of CEC. In August 2024, the directors approved a capital reduction to offset losses and a repatriation of liquidation proceeds of USD 49 thousand to its investing company, CEC. The liquidation process was completed in January 2025.
- Note I: The Company is a non-significant subsidiary, and its financial statements have not been reviewed.

(ii) Subsidiaries excluded from the consolidated financial statements: None.

(c) Employee benefits

The pension cost for an interim period was calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off event.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty**

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated financial statements, estimates and underlying assumptions are consistent with the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2024.

**(6) Explanation of significant accounts**

Except for the following disclosures, there were no significant differences in the disclosures of significant accounts between the consolidated financial statements for the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 6 for the related information of the consolidated financial statements for the year ended December 31, 2024.

(a) Cash and cash equivalents

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Cash	\$ 25,126	24,558	23,546
Cash in banks	2,870,599	4,182,663	3,348,168
Cash in transit	-	13	-
Time deposits	640,960	946,502	1,792,113
Cash equivalents	<u>2,175,900</u>	<u>1,930,531</u>	<u>768,554</u>
	<u><b>\$ 5,712,585</b></u>	<u><b>7,084,267</b></u>	<u><b>5,932,381</b></u>

- (i) The cash and cash equivalents were not pledged as collateral.
- (ii) Please refer to Note 8 for the time deposits in pledge and restricted bank deposits reclassified to other current assets.
- (iii) Please refer to Note 6(ad) for the sensitivity analysis and interest rate risk of financial assets and liabilities.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Mandatorily measured at fair value through profit or loss:			
Non-derivative financial assets			
Stocks of unlisted company	\$ <u><b>1,068,858</b></u>	<u><b>1,068,858</b></u>	<u><b>1,068,858</b></u>

(i) The aforementioned financial assets were not pledged as collateral.

(ii) Please refer to note 6(ad) for the credit risk and market risk.

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Equity investments at fair value through other comprehensive income:			
Listed common share — Evergreen Steel Corp.	\$ 2,256,839	2,287,614	3,192,915
Unlisted common share — Xinrong Enterprise	747,866	747,866	700,770
Unlisted common share — Metro Consulting Service Ltd.	<u>4,324</u>	<u>4,324</u>	<u>3,690</u>
Total	\$ <u><b>3,009,029</b></u>	<u><b>3,039,804</b></u>	<u><b>3,897,375</b></u>

(i) The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term for strategic purposes.

(ii) There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments for the three months ended March 31, 2025 and 2024.

(iii) The aforementioned financial assets were not pledged as collateral.

(iv) Please refer to note 6(ad) for the credit risk and market risk.

(Continued)



**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(d) Financial instruments used for hedging

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Cash flow hedge:			
Financial assets used for hedging	\$ 64,070	293,290	112,217
Financial liabilities used for hedging	-	(3,039)	(45,929)
Total	<u>\$ 64,070</u>	<u>290,251</u>	<u>66,288</u>

(i) The Group is exposed to certain foreign exchange risk arising from the payments made to overseas companies for the purchase of facilities, preparation of overseas related investment and some construction projects involving foreign consultant design fees, etc. The foreign exchange risk is estimated to be high, therefore, the Group decided to use derivative financial instruments for hedging purposes.

(ii) The items hedged and the hedge instrument held by the Group were as follows:

<b>Item Hedged</b>	<b>Hedge instrument</b>	<b>Hedge instrument designated to be hedge and fair value</b>		
		<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Expected foreign assets	Foreign deposits	\$ 61,578	288,659	111,169
	Change in value of Foreign currency	\$ 1,028	4,631	1,048
Expected cash flow period		2025~2026	2024~2025	2024~2025

<b>Item Hedged</b>	<b>Hedge instrument</b>	<b>Hedge instrument designated to be hedge and fair value</b>		
		<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Expected foreign assets (liabilities)	Forward exchange	\$ 1,464	(3,039)	(45,929)
Amount (National principal)		JPY352,500 thousand	JPY352,500 thousand	JPY4,371,750 thousand
Delivery Date		2025.04~2025.05	2025.02~2025.03	2024.05~2025.03

(iii) The transactions of cash flow hedges for the three months ended March 31, 2025 and 2024, were all effective.

(e) Notes and accounts receivable(including related-party)

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Notes receivable	\$ 2,824	605	66
Accounts receivable	3,136,660	2,547,429	2,924,116
Long-term accounts receivable	7,376,910	7,059,284	6,183,011
Less: Allowance for bad debts	-	-	-
	<u>\$ 10,516,394</u>	<u>9,607,318</u>	<u>9,107,193</u>

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes receivable, accounts receivable and long-term accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information. The expected credit losses of the notes receivable, accounts receivable and long-term accounts receivable were as follows:

	<b>March 31, 2025</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not overdue	\$ 10,173,481	-	-
Pass due less than one year	285,869	-	-
Pass due over one year	57,044	-	-
	<b>\$ 10,516,394</b>		<b>-</b>
	<b>December 31, 2024</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not overdue	\$ 9,300,549	-	-
Pass due less than one year	250,475	-	-
Pass due over one year	56,294	-	-
	<b>\$ 9,607,318</b>		<b>-</b>
	<b>March 31, 2024</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not overdue	\$ 9,004,001	-	-
Pass due less than one year	46,651	-	-
Pass due over one year	56,441	-	-
	<b>\$ 9,107,093</b>		<b>-</b>

The notes and accounts receivable were not pledged as collateral.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(f) Other receivables

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Other receivables — lending of capital (including other non-current assets)	\$ 1,039,704	973,914	754,348
Other receivables — lawsuit	401,854	398,256	150,630
Other receivables — related parties	4,495	7,649	5,895
Other (including other non-current assets)	238,477	195,924	172,818
Less: Allowance for bad debts	-	-	-
	<u><u>\$ 1,684,530</u></u>	<u><u>1,575,743</u></u>	<u><u>1,083,691</u></u>

Please refer to Note 6(ad) for the credit risk information.

(g) Inventories

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Hotel:			
Catering	\$ 5,589	6,416	6,847
Real estate:			
Real estate held for sale	10,209,630	10,245,433	12,421,248
Land held for development	5,647,474	4,142,070	4,528,641
Building construction in progress	20,413,709	19,469,421	14,587,122
Prepayment for land	1,939	276,864	47,254
Subtotal	36,272,752	34,133,788	31,584,265
Less: Allowance for impairment loss	(558,188)	(559,743)	(548,629)
	<u><u>\$ 35,720,153</u></u>	<u><u>33,580,461</u></u>	<u><u>31,042,483</u></u>

- (i) For the three months ended March 31, 2025 and 2024, the details of the cost of inventory were as follows:

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Inventory that has been sold	\$ 133,643	231,343
Write-down (reversal) of inventories	(7,431)	309,550
Total	<u><u>\$ 126,212</u></u>	<u><u>540,893</u></u>

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Capitalizing interest costs were as follows:

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Capitalized interests	\$ <u>62,289</u>	<u>35,121</u>
Capitalization interest rate	<u>2.5%~6.48%</u>	<u>2.118%~6.59%</u>

(iii) Please refer to Note 8 for the inventories of the Group had been pledged as collateral.

(h) Investments accounted for using equity method

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Associates	\$ <u>1,540,238</u>	<u>1,545,488</u>	<u>1,603,255</u>

(i) Associates

The Group's significant associates were as follows:

Name of associates	Nature of Relationship with the Group	Main operating location/Registered Country of the Company	Percentage of ownership or voting power		
			March 31, 2025	December 31, 2024	March 31, 2024
CTCI - HDEC (Chungli) Corp. (CTCI - HDEC)	SPC, mainly responsible for the sewerage system BOT project in Chung-Li area, Taoyuan City.	Taiwan	49.00 %	49.00 %	49.00 %
Fanlu Construction Industry Co., Ltd. (Fanlu)	Real estate	Taiwan	35.00 %	35.00 %	35.00 %

The financial figures of the Group's significant associates are summarized in the following tables. In order to reflect the adjustments made to the fair value upon share acquisition and the differences in accounting policies, adjustments for the amounts presented on the financial statements of associates in accordance with IFRSs has been made to such financial figures.

1) Summary of CTCI - HDEC's financial figures

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Current assets	\$ 717,214	698,547	484,878
Non-current assets	3,361,815	3,223,403	2,918,576
Current liabilities	(584,642)	(545,964)	(526,107)
Non-current liabilities	(1,742,720)	(1,628,718)	(1,164,690)
Net assets	\$ <u>1,751,667</u>	<u>1,747,268</u>	<u>1,712,657</u>

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	For the three months ended March 31	
	2025	2024
Revenues	\$ <u>131,353</u>	<u>255,859</u>
Net income / Total comprehensive income	\$ <u>4,397</u>	<u>35,986</u>
Net assets attributable to the Group, beginning balance	\$ 856,162	821,569
Total comprehensive income attributable to the Group	2,155	17,633
Net assets attributable to the Group, ending balance	\$ <u>858,317</u>	<u>839,202</u>

2) Summary of Fanlu's financial figures

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 6,029,429	7,087,603	7,056,353
Non-current assets	158,796	148,326	61,338
Current liabilities	(4,239,828)	(5,266,373)	(824,630)
Non-current liabilities	-	-	(4,110,000)
Net assets	\$ <u>1,948,397</u>	<u>1,969,556</u>	<u>2,183,061</u>

	For the three months ended March 31	
	2025	2024
Revenues	\$ <u>920,120</u>	<u>-</u>
Net loss/ Total comprehensive income	\$ <u>(21,159)</u>	<u>(36,431)</u>
Net assets attributable to the Group, beginning balance	\$ 689,326	776,804
Total Comprehensive income attributable to the Group	(7,405)	(12,751)
Net assets attributable to the Group, ending balance	\$ <u>681,921</u>	<u>764,053</u>

- (ii) The aforementioned investments accounted for using equity method were not pledged as collateral.
- (iii) The investments accounted for using equity method, net income (losses) and other comprehensive income attributable to the Group were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Changes in a parent's ownerships in a subsidiary

The Group did not have any transaction with non-controlling interests between January 1 and March 31, 2025.

In March, 2024, the Group acquired the equities of Trimosa Holdings LLC Corporation and 950 Investment LLC Corporation for USD \$1,000 thousand in cash. For details on the changes in ownership interests, please refer to Note 4(b).

The effects of the changes in shareholdings were as follows:

	<b>Amount</b>
Carrying amount of non-controlling interest on acquisition	\$ 38,063
Consideration paid to non-controlling interests	(32,000)
Capital surplus - changes in ownership interests in subsidiaries	<u><u>\$ 6,063</u></u>

(j) Material non-controlling interest of subsidiaries

<b>Subsidiaries</b>	<b>Country of registration</b>	<b>Equity ownership of non-controlling interest</b>		
		<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
CDC US Corp. and subsidiaries	The United States	29.12 %	29.12 %	29.12 %

The following information of the aforementioned subsidiaries have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Adjustments were made to reflect the fair value adjustment made during the acquisition and relevant difference in accounting principles between the Company and its subsidiaries as at the acquisition date. Intra-group transactions were not eliminated.

Summary of CDC US Corp. and subsidiaries' financial figures

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Current assets	\$ 4,433,326	4,398,762	4,728,944
Non-current assets	5,329,725	5,299,901	5,285,869
Current liabilities	(3,815,863)	(4,965,743)	(4,643,045)
Non-current liabilities	(133,443)	(131,314)	(128,168)
Net assets	<u><u>\$ 5,813,745</u></u>	<u><u>4,601,606</u></u>	<u><u>5,243,600</u></u>
Non-controlling interest	<u><u>\$ 1,552,030</u></u>	<u><u>1,346,412</u></u>	<u><u>1,946,088</u></u>

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Revenues	<b>\$ 164,798</b>	<b>104,308</b>
Net loss	(184,446)	(484,667)
Other comprehensive income	-	-
Total comprehensive income	<b>\$ (184,446)</b>	<b>(484,667)</b>
Net loss attributable to non-controlling interest	<b>\$ (53,671)</b>	<b>(219,049)</b>
Total comprehensive income attributable to non-controlling interest	<b>\$ (53,671)</b>	<b>(219,049)</b>

(k) Property, plant and equipment

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Transportation equipment</u>	<u>Computer equipment</u>	<u>Office equipment</u>	<u>Operating equipment</u>	<u>Total</u>
Cost or deemed cost:								
Balance at January 1, 2025	\$ 2,765,320	7,395,305	1,269,387	214,758	127,734	204,675	156,145	12,133,324
Additions	-	1,462	11,979	3,384	2,506	-	1,243	20,574
Reclassification	-	-	655	-	-	-	-	655
Disposals	-	-	(2,505)	(2,372)	(178)	(10)	-	(5,065)
Effect of exchange rate changes	11,895	95,443	773	22	56	557	2,351	111,097
Balance at March 31, 2025	<b>\$ 2,777,215</b>	<b>7,492,210</b>	<b>1,280,289</b>	<b>215,792</b>	<b>130,118</b>	<b>205,222</b>	<b>159,739</b>	<b>12,260,585</b>
Balance at January 1, 2024	\$ 2,342,257	6,878,889	1,361,207	200,455	98,792	181,660	141,827	11,205,087
Additions	-	-	13,758	10,135	2,373	23,700	1,445	51,411
Reclassification	-	(13,288)	53,472	-	1,229	371	-	41,784
Disposals	-	-	(106,127)	(4,741)	-	(29)	(35)	(110,932)
Effect of exchange rate changes	19,958	216,814	2,086	133	209	1,832	4,341	245,373
Balance at March 31, 2024	<b>\$ 2,362,215</b>	<b>7,082,415</b>	<b>1,324,396</b>	<b>205,982</b>	<b>102,603</b>	<b>207,534</b>	<b>147,578</b>	<b>11,432,723</b>
Depreciation :								
Balance at January 1, 2025	\$ -	703,882	577,463	136,323	76,974	141,875	75,309	1,711,826
Depreciation	-	44,809	29,648	5,578	4,559	5,051	6,002	95,647
Disposals	-	-	(1,827)	(2,362)	(178)	(10)	-	(4,377)
Effect of exchange rate changes	-	6,005	190	22	48	263	1,210	7,738
Balance at March 31, 2025	<b>\$ -</b>	<b>754,696</b>	<b>605,474</b>	<b>139,561</b>	<b>81,403</b>	<b>147,179</b>	<b>82,521</b>	<b>1,810,834</b>
Balance at January 1, 2024	\$ -	486,207	821,700	126,549	65,409	130,441	44,547	1,674,853
Depreciation	-	42,291	54,028	4,845	2,653	3,970	6,601	114,388
Disposals	-	-	(106,127)	(4,232)	-	(29)	(7)	(110,395)
Effect of exchange rate changes	-	7,796	328	130	188	571	1,258	10,271
Balance at March 31, 2024	<b>\$ -</b>	<b>536,294</b>	<b>769,929</b>	<b>127,292</b>	<b>68,250</b>	<b>134,953</b>	<b>52,399</b>	<b>1,689,117</b>
Carrying amounts:								
Balance, at January 1, 2025	<b>\$ 2,765,320</b>	<b>6,691,423</b>	<b>691,924</b>	<b>78,435</b>	<b>50,760</b>	<b>62,800</b>	<b>80,836</b>	<b>10,421,498</b>
Balance at March 31, 2025	<b>\$ 2,777,215</b>	<b>6,737,514</b>	<b>674,815</b>	<b>76,231</b>	<b>48,715</b>	<b>58,043</b>	<b>77,218</b>	<b>10,449,751</b>
Balance at March 31, 2024	<b>\$ 2,362,215</b>	<b>6,546,121</b>	<b>554,467</b>	<b>78,690</b>	<b>34,353</b>	<b>72,581</b>	<b>95,179</b>	<b>9,743,606</b>

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# CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

- (i) Please refer to Note 6(ac) for the details of the gain and loss on disposal of property, plant and equipment.
- (ii) Please refer to Note 8 for the property, plant and equipment had been pledged as collateral for long-term borrowing, short-term borrowing and constructions guarantee.
- (l) Right-of-use assets

	<u>Land</u>	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Total</u>
<b>Cost:</b>				
Balance at January 1, 2025	\$ 88,320	181,806	5,477	275,603
Additions	88,125	14,614	622	103,361
Disposals	(5,829)	(9,913)	-	(15,742)
Effect of exchange rate changes	-	164	-	164
Balance at March 31, 2025	<u>\$ 170,616</u>	<u>186,671</u>	<u>6,099</u>	<u>363,386</u>
Balance at January 1, 2024	\$ 66,620	171,365	6,463	244,448
Additions	6,298	13,812	-	20,110
Disposals	-	(7,561)	-	(7,561)
Effect of exchange rate changes	-	350	-	350
Balance at March 31, 2024	<u>\$ 72,918</u>	<u>177,966</u>	<u>6,463</u>	<u>257,347</u>
<b>Depreciation and impairment losses:</b>				
Balance at January 1, 2025	\$ 51,687	86,675	3,029	141,391
Depreciation	6,083	14,828	428	21,339
Disposals	(5,829)	(9,731)	-	(15,560)
Effect of exchange rate changes	-	80	-	80
Balance at March 31, 2025	<u>\$ 51,941</u>	<u>91,852</u>	<u>3,457</u>	<u>147,250</u>
Balance at January 1, 2024	\$ 33,920	71,617	2,430	107,967
Depreciation	4,818	13,005	527	18,350
Disposals	-	(7,561)	-	(7,561)
Effect of exchange rate changes	-	105	-	105
Balance at March 31, 2024	<u>\$ 38,738</u>	<u>77,166</u>	<u>2,957</u>	<u>118,861</u>
<b>Carrying amounts:</b>				
Balance at January 1, 2025	<u>\$ 36,633</u>	<u>95,131</u>	<u>2,448</u>	<u>134,212</u>
Balance at March 31, 2025	<u>\$ 118,675</u>	<u>94,819</u>	<u>2,642</u>	<u>216,136</u>
Balance at March 31, 2024	<u>\$ 34,180</u>	<u>100,800</u>	<u>3,506</u>	<u>138,486</u>

(Continued)



**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(m) Investment properties

	<b>Owned</b>		
	<b>Land and improvements</b>	<b>Buildings</b>	<b>Total</b>
Cost or deemed cost:			
Balance at January 1, 2025	\$ 2,863,996	635,621	3,499,617
Balance at March 31, 2025	<u>\$ 2,863,996</u>	<u>635,621</u>	<u>3,499,617</u>
Balance at January 1, 2024	\$ 7,963,125	698,510	8,661,635
Reclassification	(4,729,055)	-	(4,729,055)
Disposals	(4,825)	(1,288)	(6,113)
Balance at March 31, 2024	<u>\$ 3,229,245</u>	<u>697,222</u>	<u>3,926,467</u>
Depreciation and impairment losses :			
Balance at January 1, 2025	\$ 349,356	285,455	634,811
Depreciation	-	3,126	3,126
Balance at March 31, 2025	<u>\$ 349,356</u>	<u>288,581</u>	<u>637,937</u>
Balance at January 1, 2024	\$ 349,356	297,046	646,402
Depreciation	-	3,378	3,378
Disposals	-	(797)	(797)
Balance at March 31, 2024	<u>\$ 349,356</u>	<u>299,627</u>	<u>648,983</u>
Carrying amounts:			
Balance at January 1, 2025	<u>\$ 2,514,640</u>	<u>350,166</u>	<u>2,864,806</u>
Balance at March 31, 2025	<u>\$ 2,514,640</u>	<u>347,040</u>	<u>2,861,680</u>
Balance at March 31, 2024	<u>\$ 2,879,889</u>	<u>397,595</u>	<u>3,277,484</u>
Fair value:			
Balance at March 31, 2025			<u>\$ 4,903,325</u>
Balance at December 31, 2024			<u>\$ 4,903,325</u>
Balance at March 31, 2024			<u>\$ 4,759,317</u>

Please refer to Note 8 for the investment properties had been pledged as collateral for long-term borrowings and construction guarantee.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(n) Intangible assets

	<b>Goodwill</b>	<b>Service Concession Agreements</b>	<b>Other</b>	<b>Total</b>
Cost:				
Balance at January 1, 2025	\$ 30,249	5,642,668	5,063	5,677,980
Additions	-	1,277,482	-	1,277,482
Effect of exchange rate changes	-	-	65	65
Balance at March 31, 2025	<u>\$ 30,249</u>	<u>6,920,150</u>	<u>5,128</u>	<u>6,955,527</u>
Balance at January 1, 2024	\$ 30,249	2,265,842	4,742	2,300,833
Additions	-	391,612	-	391,612
Effect of exchange rate changes	-	-	200	200
Balance at March 31, 2024	<u>\$ 30,249</u>	<u>2,657,454</u>	<u>4,942</u>	<u>2,692,645</u>
Amortization and impairment loss:				
Balance at January 1, 2025	\$ -	572,322	-	572,322
Amortization	-	19,624	-	19,624
Balance at March 31, 2025	<u>\$ -</u>	<u>591,946</u>	<u>-</u>	<u>591,946</u>
Balance at January 1, 2024	\$ -	499,715	-	499,715
Amortization	-	18,152	-	18,152
Balance at March 31, 2024	<u>\$ -</u>	<u>517,867</u>	<u>-</u>	<u>517,867</u>
Carrying amounts:				
Balance at January 1, 2025	<u>\$ 30,249</u>	<u>5,070,346</u>	<u>5,063</u>	<u>5,105,658</u>
Balance at March 31, 2025	<u>\$ 30,249</u>	<u>6,328,204</u>	<u>5,128</u>	<u>6,363,581</u>
Balance at March 31, 2024	<u>\$ 30,249</u>	<u>2,139,587</u>	<u>4,942</u>	<u>2,174,778</u>

(i) Amortization expenses of intangible assets are recorded under operating costs.

(ii) The intangible assets were not pledged as collateral.

(o) Short-term borrowings

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Unsecured loans	\$ 9,348,530	8,160,538	7,753,432
Secured loans	14,371,313	13,837,750	11,813,775
Less: Sponsorship fee for the joint loan bank	(19,800)	(21,450)	-
	<u>\$ 23,700,043</u>	<u>21,976,838</u>	<u>19,567,207</u>
Unused credit limit	<u>\$ 36,375,610</u>	<u>35,813,533</u>	<u>25,232,042</u>
Range of interest rate	<u>1.88%~7.4%</u>	<u>1.88%~7.65%</u>	<u>1.78%~8.5%</u>

Please refer to Note 8 for the details of the related assets pledged as collateral.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(p) Short-term notes and bills payable

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Bills payable	<u>\$ 1,200,000</u>	<u>200,000</u>	<u>800,000</u>

Please refer to Note 8 for details of the related assets pledged as collateral.

(q) Bonds payable

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Secured ordinary bonds issued	\$ 2,000,000	2,000,000	2,000,000
Unamortized discount on bonds payable	(541)	(722)	(1,264)
Less : current portion	<u>(1,999,459)</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>1,999,278</u>	<u>1,998,736</u>

(i) There were no issued, repurchased or redeemed of bonds payable for the three months ended March 31, 2025 and 2024. Please refer to Note 6(q) for the related information of the consolidated financial statements for the year ended December 31, 2024.

(ii) Please refer to Note 6(ac) for the interest expenses.

(r) Long-term borrowings

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Unsecured loans	\$ 5,001,000	4,606,000	3,820,000
Secured loans	7,900,873	7,434,788	4,789,246
Less: current portion	(690,651)	(678,524)	(883,767)
Less: sponsorship fee for the joint loan bank and Quota Establishment Fee	(8,801)	(8,955)	(9,609)
Total	<u>\$ 12,202,421</u>	<u>11,353,309</u>	<u>7,715,870</u>
Unused credit limit	<u>\$ 11,414,372</u>	<u>12,217,766</u>	<u>18,979,042</u>
Range of interest rate	<u>2.125%~7.7605%</u>	<u>2.125%~7.7605%</u>	<u>1.96%~7.76047%</u>

(i) Please refer to Note 8 for the details of the related assets pledged as collateral.

(ii) The loan agreement requires the Group to maintain certain financial ratios; please refer to Note 6(r) of the consolidated financial statements for the year ended December 31, 2024. The Group did not violate any terms in its loan agreements as of March 31, 2025, December 31 and March 31, 2024.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(s) Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Current	\$ <u>113,091</u>	<u>102,354</u>	<u>88,513</u>
Non-current	\$ <u>103,899</u>	<u>34,580</u>	<u>50,437</u>

Please refer to Note 6(ad) for the maturity analysis.

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31	
	2025	2024
Interest on lease liabilities	\$ <u>977</u>	<u>732</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>2,888</u>	<u>2,645</u>
Expenses relating to short-term leases	\$ <u>9,895</u>	<u>10,545</u>
Expenses relating to leases of low-value, excluding short-term leases of low-value assets	\$ <u>3,499</u>	<u>1,685</u>

The amounts recognized in the statement of cash flows were as follows :

	For the three months ended March 31	
	2025	2024
Total cash outflow for leases	\$ <u>40,416</u>	<u>35,451</u>

(i) Real estate leases

The Group leases land and buildings for its office space, work station and staff dormitory which leases typically run for a period of one to ten years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in local price indices.

(ii) Other leases

In addition, the Group leases office equipment, machinery and parking spot, with lease terms of one to three years which are short-term, leases of low-value, or variable lease payments items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(t) Provision

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Warranties	\$ 144,195	145,765	175,408
After-sales service	67,720	68,848	72,735
Onerous contract	33,043	37,461	55,919
	<b>\$ 244,958</b>	<b>252,074</b>	<b>304,062</b>

There were no significant changes of provision for the three months ended March 31, 2025 and 2024 . Please refer to Note 6(t) for the related information of the consolidated financial statements for the year ended December 31, 2024.

(u) Operating leases

There were no significant additions of operating leases for the three months ended March 31, 2025 and 2024. Please refer to Note 6(u) for the related information of the consolidated financial statements for the year ended December 31, 2024.

(v) Long-term accounts payable

The Group established subsidiaries in the United States in 2017.

Due to the agreements entered into by the Group with its prior shareholders, the Group will have to pay after the completion of the construction projects of its subsidiaries. Unpaid amount to March 31, 2025, December 31 and March 31, 2024, are \$132,996 thousand, \$131,314 thousand and \$128,168 thousand, respectively.

(w) Employee benefits

(i) Defined benefit plans

There were no material market volatility, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2024 and 2023.

Expenses recognized in profit or loss :

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Operating costs	\$ 342	260
Operating expenses	687	720
	<b>\$ 1,029</b>	<b>980</b>

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Defined contribution plans

According to the defined contribution plans, the contributions of the Group to the Bureau of Labor Insurance for the employees' pension benefits were as follows:

		<b>For the three months ended March 31</b>	
		<b>2025</b>	<b>2024</b>
Operating costs	\$	14,779	13,300
Operating expenses		9,162	7,944
	\$	<u><b>23,941</b></u>	<u><b>21,244</b></u>

(x) Income Tax

(i) Income tax expenses

		<b>For the three months ended March 31</b>	
		<b>2025</b>	<b>2024</b>
Current income tax expenses			
Current period	\$	52,064	80,452
Land value increment tax		276	6,059
	\$	<u><b>52,340</b></u>	<u><b>86,511</b></u>

(ii) Status of approval of income tax

- 1) The Company's income tax returns for the year up to 2019 have been assessed by the tax authorities.
- 2) The Group's income tax returns have been assessed by the tax authorities were as follows:

<u><b>Year of assessed</b></u>	<u><b>Company</b></u>
2019	CEC, and CDC
2023	PDC, HDEC, CCLC, CXC, CCD (2021 not yet assessed), BWC, LHC, NSC, SDC and CTC

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Global minimum top-up tax

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

The Group had subsidiaries registered in Malaysia and Hong Kong, where local governments have enacted or substantively enacted legislation regarding the Pillar Two Income Tax Act, which took effect from January 1, 2025. The Group assessed that it did not have a significant impact on its consolidated financial statement for the first quarter of 2025. The Group will continue to monitor the impact of the Pillar Two Income Tax Act on its future financial performance.

(y) Capital and other equity

Except for the following disclosure, there were no significant changes for capital and other equity for the three months ended March 31, 2025 and 2024. For the related information, please refer to Note 6(y) of the consolidated financial statements for the year ended December 31, 2024.

(i) Capital surplus

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Additional paid-in capital	\$ 6,397,913	6,397,913	6,397,913
Treasury share transactions	406,518	406,518	406,518
Change in ownership interests in subsidiaries	79,584	79,584	18,830
	<u><b>\$ 6,884,015</b></u>	<u><b>6,884,015</b></u>	<u><b>6,823,261</b></u>

In accordance with the R.O.C. Company Act, the realized capital surplus can only be reclassified as share capital or distributed as cash dividends after offsetting losses. The aforementioned capital surplus includes share premiums and donation gains. In accordance with the Securities Offering and Issuance Guidelines, the amount of capital surplus to increase share capital shall not exceed 10% of the actual share capital amount.

(ii) Retained earnings

In accordance with the Company's articles of incorporation, net income of the current period should firstly be offset against losses in the previous years and income tax, then with 10% of which be appropriated as legal reserve. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. In addition, special reserve will be appropriated base on operating requirements and regulations. The remaining net income plus the undistributed earnings shall be distributed according to the distribution plan. If the Company incurs no accumulated deficit, a minimum of 30% of the amount of shareholders' dividends shall be distributed based on the net earnings, and at least 30% of the total dividends shall be distributed in cash.

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## CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The distribution plan shall issue new shares, which should be proposed by the Board of Directors and submitted to the shareholders' meeting for approval, and pay cash dividends which should be adopted by a majority votes of the directors present at the board meeting attended by two-thirds of the directors, thereafter, to be reported at the shareholders' meeting.

1) Legal Reserve

When the Company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, as required, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of paid in capital.

2) Special Reserve

The Company applied the exemptions at the first-time adoption of IFRSs Accounting Standards increased its retained earnings by \$4,448,666 thousand, which were resulted from unrealized revaluation increments, exchange differences on translation of foreign financial statements, and the fair value of investment properties being used as the cost on initial recognitions at the transition date, as well as the amount of \$2,592,640 thousand being appropriated to special reserve according to Ruling issued by the FSC. The aforementioned special reserve may be reversed in proportion with the usage, disposal, or reclassification of the related assets, and then, be distributed afterwards. In the first quarter of 2024, the Company reclassified \$1,355,143 thousand to retained earnings due to the realization of assets. As of March 31, 2025, December 31 and March 31, 2024, the special reserve related to all IFRSs adjustments amounted to \$907,090 thousand.

A portion of current-period earnings and undistributed prior-period earnings shall be reclassified as special earnings reserve during earning distribution. The amount to be reclassified should equal the current-period total net reduction of other stockholders' equity. Similarly, a portion of undistributed prior-period earnings shall be reclassified as special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other stockholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other stockholders' equity shall qualify for additional distributions.

3) Earnings distribution

The amounts of cash dividends on the appropriations of earnings for 2024 and 2023 had been approved during the board meeting on March 5, 2025, and March 8, 2024, respectively. The other distributions on the appropriations of earnings for 2024 and 2023 had been approved during the shareholders' meeting on June 17, 2025 and June 3, 2024, respectively. The relevant dividend distributions to shareholders were as follows:

	<b>2024</b>		<b>2023</b>	
	<b>Amount per share (NT dollars)</b>	<b>Total Amount</b>	<b>Amount per share (NT dollars)</b>	<b>Total Amount</b>
Dividends distributed to common shareholders:				
Cash	\$ <u>1.05</u>	<u>864,377</u>	<u>1.50</u>	<u>1,234,824</u>

(Continued)



**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Other equity

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments	Total
Balance at January 1, 2025	\$ (499,349)	2,195,614	1,592	1,697,857
Exchange differences on foreign operations	61,062	-	-	61,062
Unrealized gains from financial assets measured at fair value through other comprehensive income	-	(30,775)	-	(30,775)
Change in fair value of hedging instrument	-	-	900	900
Balance at March 31, 2025	<u>\$ (438,287)</u>	<u>2,164,839</u>	<u>2,492</u>	<u>1,729,044</u>
Balance at January 1, 2024	\$ (673,352)	2,527,444	(20,543)	1,833,549
Exchange differences on foreign operations	170,286	-	-	170,286
Unrealized gains from financial assets measured at fair value through other comprehensive income	-	525,740	-	525,740
Change in fair value of hedging instrument	-	-	(24,338)	(24,338)
Balance at March 31, 2024	<u>\$ (503,066)</u>	<u>3,053,184</u>	<u>(44,881)</u>	<u>2,505,237</u>

(z) Earnings per share

	For the three months ended March 31	
	2025	2024
<b>Basic earnings per share</b>		
Net income attributable to ordinary shareholders	<u>\$ 39,844</u>	<u>96,599</u>
Weighted average number of ordinary shares (Basic)	<u>823,216</u>	<u>823,216</u>
Basic earnings per share (NT dollars)	<u>\$ 0.05</u>	<u>0.12</u>
<b>Diluted earnings per share</b>		
Net income attributable to ordinary shareholders (after adjusting the effects of all dilutive potential ordinary shares)	<u>\$ 39,844</u>	<u>96,599</u>
Weighted average number of ordinary shares (Basic)	823,216	823,216
Effect of dilutive potential ordinary shares		
Effect of the employee share bonus	156	289
Weighted average number of ordinary shares (after adjusting the effects of all dilutive potential ordinary shares)	<u>823,372</u>	<u>823,505</u>
Diluted earnings per share (NT dollars)	<u>\$ 0.05</u>	<u>0.12</u>

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(aa) Revenue from contracts with customers

(i) Disaggregation of revenue

For the three months ended March 31, 2025				
	<b>Construction Engineering</b>	<b>Real Estate Development</b>	<b>Environmental Project Development &amp; Water Treatment</b>	<b>Total</b>
Primary geographical markets:				
Taiwan	\$ 4,051,869	181,691	2,929,238	7,162,798
Other	4,129	235,954	-	240,083
	<u><b>\$ 4,055,998</b></u>	<u><b>417,645</b></u>	<u><b>2,929,238</b></u>	<u><b>7,402,881</b></u>
Main products:				
Construction engineering	\$ 4,045,439	-	-	4,045,439
Environmental project development & water treatment	-	-	2,929,238	2,929,238
Real estate revenue	-	155,384	-	155,384
Rental revenue	4,615	32,391	-	37,006
Other	5,944	229,870	-	235,814
	<u><b>\$ 4,055,998</b></u>	<u><b>417,645</b></u>	<u><b>2,929,238</b></u>	<u><b>7,402,881</b></u>
For the three months ended March 31, 2024				
	<b>Construction Engineering</b>	<b>Real Estate Development</b>	<b>Environmental Project Development &amp; Water Treatment</b>	<b>Total</b>
Primary geographical markets:				
Taiwan	\$ 4,039,089	639,844	1,308,487	5,987,420
Other	6,933	166,596	-	173,529
	<u><b>\$ 4,046,022</b></u>	<u><b>806,440</b></u>	<u><b>1,308,487</b></u>	<u><b>6,160,949</b></u>
Main products:				
Construction engineering	\$ 4,031,790	-	-	4,031,790
Environmental project development & water treatment	-	-	1,308,487	1,308,487
Real estate revenue	-	578,035	-	578,035
Rental revenue	5,650	30,308	-	35,958
Other	8,582	198,097	-	206,679
	<u><b>\$ 4,046,022</b></u>	<u><b>806,440</b></u>	<u><b>1,308,487</b></u>	<u><b>6,160,949</b></u>

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Contract balances

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Notes receivable	\$ 2,824	605	66
Accounts receivable (including long-term accounts receivable)	10,513,570	9,606,713	9,107,127
Less: Allowance for impairment	-	-	-
<b>Total</b>	<b><u>\$ 10,516,394</u></b>	<b><u>9,607,318</u></b>	<b><u>9,107,193</u></b>
Contract assets-construction engineering	\$ 1,283,274	1,053,089	1,066,246
Contract assets-retention receivables	4,204,800	4,039,627	4,413,633
<b>Total</b>	<b><u>\$ 5,488,074</u></b>	<b><u>5,092,716</u></b>	<b><u>5,479,879</u></b>
Contract liabilities-construction engineering	\$ 4,858,560	4,955,614	5,294,959
Contract liabilities-environment project development & water treatment	113,063	257,861	56,028
Contract liabilities-advance real estate receipts	6,013,221	5,601,364	3,146,071
Contract liabilities-advance rent receipts	12,702	3,126	4,127
<b>Total</b>	<b><u>\$ 10,997,546</u></b>	<b><u>10,817,965</u></b>	<b><u>8,501,185</u></b>

- 1) Please refer to Note 6(e) for the accounts receivable and allowance for impairment.
- 2) Please refer to Note 6(t) for the onerous contracts.
- 3) The amounts of revenue recognized for the three months ended March 31, 2025 and 2024 that were included in the contract liability balance at the beginning of the year were \$17,903 thousand and \$96,302 thousand, respectively.
- 4) Please refer to Note 9 for the amounts of the above contracts.

(ab) Remuneration for employees and directors

Based on the Company's articles of incorporation, remuneration for employees and directors is appropriated at the rate of 0.5% and a rate no more than 0.5%, respectively, of the income before tax. The Company should make up its prior years' accumulated deficit before any appropriation of profits. Employees of subsidiaries may also be entitled to the employee remuneration of the Company, which can be settled in the form of cash or stock.

For the three months ended March 31, 2025 and 2024, the Company estimated its employee remuneration to be \$200 thousand and \$763 thousand and its director's remuneration to be \$0. The estimated amounts mentioned above are calculated based on income before tax, excluding the remuneration to employees and directors of each period, multiplied it by the percentage of remuneration to employees and directors as specified in the Company's articles. These remunerations were expensed under operating expenses in the respective periods. If the distribution in the following year is different from the estimate, the difference will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

For the year ended December 31, 2024 and 2023, the Company amounted its employee remuneration to be \$6,722 thousand and \$9,961 thousand and its director's remuneration to be \$0, there were no differences with the actual distribution. Related information would be available at the Market Observation Post System website.

Related information would be available at the Market Observation Post System website.

(ac) Non-operating income and expenses

(i) Interest income

	For the three months ended March 31	
	2025	2024
Interest income from bank deposits	\$ 18,015	13,155
Other interest income	7,539	6,706
	<b>\$ 25,554</b>	<b>19,861</b>

(ii) Other income

	For the three months ended March 31	
	2025	2024
Gain on overdue payables written off	-	81
Other income-other	5,496	6,128
	\$ 5,496	6,209

(iii) Other gains and losses

	For the three months ended March 31	
	2025	2024
Net losses on disposals of property, plant and equipment	\$ -	(27)
Net gains on disposals of investment properties	-	57,534
Net foreign exchange gains (losses)	35,578	2,813
Other	-	(1,804)
	<b>\$ 35,578</b>	<b>58,516</b>

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iv) Financial costs

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Interest expenses-borrowings	\$ 276,323	211,511
Interest expenses-bonds payables (including amortization expenses)	6,098	6,098
Interest expenses-lease liabilities	977	732
Less: capitalized interest and other	(77,714)	(36,333)
	<b><u>\$ 205,684</u></b>	<b><u>182,008</u></b>

(ad) Financial instruments

(i) Credit risk

1) Credit risk exposure

As of March 31, 2025, December 31 and March 31, 2024, the Group's maximum credit risk exposure resulting from un-collectability of accounts receivable from transaction parties and financial losses from offering financial guarantee was as follows:

- The book value of financial assets and contract assets recognized on the balance sheet; and
- The financial guarantee provided by the Group amounted to \$5,175,675 thousand, \$5,175,675 thousand and \$5,850,675 thousand, respectively.

2) Credit risk concentrations

Clients of the Group are concentrated in the real estate development industry and government entities. To minimize credit risks, the Group assesses the financial positions of the clients periodically and requests collateral or guarantees if necessary. The Group also evaluates the collectability of receivables and the provision for doubtful accounts on a regular basis. The relevant losses on bad debts are generally under the Group's expectation.

3) Receivables of credit risk

Please refer to Nnote 6(e) for the credit risk exposure of notes receivable, accounts receivable and long-term accounts receivable.

Other financial assets at amortized cost includes other receivables.

All of these financial assets are considered to have low risk, and thus the impairment provision recognized during the period was limited to 12 months expected losses. There were no recognition or reversal of impairment losses for the three month ended March 31, 2025 and 2024

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Liquidity risk

The Group manages and maintains appropriate positions of cash and cash equivalents, as well as the resources of funding which are adequate and cost-effective to ensure that it has sufficient liquidity to meet its operation requirements for at least 12 months in the future.

The followings table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-5 years</u>	<u>More than 5 years</u>
<b>March 31, 2025</b>					
Non-derivative financial liabilities					
Secured loans	\$ 22,243,585	24,930,411	3,621,648	15,967,202	5,341,561
Unsecured loans	14,349,530	15,038,507	8,789,813	6,239,124	9,570
Short-term notes and bills payable	1,200,000	1,200,000	1,200,000	-	-
Bonds payable (including current portion)	1,999,459	2,011,000	2,011,000	-	-
Accounts and notes payable	6,788,256	6,788,256	3,555,201	3,069,519	163,536
Other payables	2,724,523	2,724,523	1,593,410	1,131,113	-
Guarantee deposit received	92,934	92,934	978	83,987	7,969
Long-term accounts payable	132,996	132,996	-	132,996	-
Lease liabilities	216,990	228,008	85,342	136,047	6,619
	<u><u>\$ 49,748,273</u></u>	<u><u>53,146,635</u></u>	<u><u>20,857,392</u></u>	<u><u>26,759,988</u></u>	<u><u>5,529,255</u></u>
<b>December 31, 2024</b>					
Non-derivative financial liabilities					
Secured loans	\$ 21,242,133	23,851,821	3,657,705	14,903,046	5,291,070
Unsecured loans	12,766,538	13,489,509	6,318,528	7,170,981	-
Short-term notes and bills payable	200,000	200,000	200,000	-	-
Bonds payable	1,999,278	2,022,000	11,000	2,011,000	-
Accounts and notes payable	6,992,556	6,992,556	3,830,502	2,996,663	165,391
Other payables	2,391,251	2,391,251	1,280,224	1,111,027	-
Guarantee deposit received	85,674	85,674	963	76,723	7,988
Long-term accounts payable	131,314	131,314	-	131,314	-
Lease liabilities	136,934	142,431	70,970	64,569	6,892
	<u><u>\$ 45,945,678</u></u>	<u><u>49,306,556</u></u>	<u><u>15,369,892</u></u>	<u><u>28,465,323</u></u>	<u><u>5,471,341</u></u>
<b>March 31, 2024</b>					
Non-derivative financial liabilities					
Secured loans	\$ 16,594,383	19,430,217	3,412,722	13,233,872	2,783,623
Unsecured loans	11,572,461	12,875,427	5,353,932	7,521,495	-
Short-term notes and bills payable	800,000	800,000	800,000	-	-
Bonds payable	1,998,736	2,022,000	11,000	2,011,000	-
Accounts and notes payable	6,037,443	6,037,443	2,947,669	2,861,504	228,270
Other payables	2,854,356	2,854,356	1,757,654	1,096,702	-
Guarantee deposit received	70,060	70,060	430	17,028	52,602
Long-term accounts payable	128,168	128,168	-	128,168	-
Lease liabilities	138,950	143,437	66,307	75,608	1,522
	<u><u>\$ 40,194,557</u></u>	<u><u>44,361,108</u></u>	<u><u>14,349,714</u></u>	<u><u>26,945,377</u></u>	<u><u>3,066,017</u></u>

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## CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

#### (iii) Currency risk

##### 1) Exposure to currency risk

	March 31, 2025			December 31, 2024			March 31, 2024			
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	
<b>Financial Assets</b>										
<u>Monetary items</u>										
USD : NTD	\$	8,812	33.2050	292,618	16,282	32.7850	533,788	7,072	32.0000	226,294
HKD : NTD		5,916	4.2680	25,249	8,235	4.2220	34,769	17,567	4.0890	71,833
MYR : NTD		138,214	7.4728	1,032,849	138,214	7.3389	1,014,343	140,966	6.7728	954,735
INR : NTD		517,172	0.3880	200,663	517,172	0.3829	198,025	1	0.3839	-
USD : MYR		303	4.4320	10,061	343	4.4755	11,243	2,437	4.7205	77,976
<b><u>Financial Liabilities</u></b>										
<u>Monetary items</u>										
USD : MYR		21,450	4.4320	712,247	21,450	4.4755	703,238	21,450	4.7205	686,400

##### 2) Sensitivity analysis

The Group's exchange rate risk comes mainly from currency exchange gains and losses on the translation of the foreign cash and cash equivalents, accounts receivable, other receivables, borrowings, accounts payable, other payables, etc. A strengthening (weakening) of 1% of the NTD against foreign currencies for the three months ended March 31, 2025 and 2024 would have increased or decreased the income before tax by \$7,960 thousand and by \$5,365 thousand, and the equity by \$532 thousand and \$1,079 thousand due to cash flow hedges, respectively. The analysis assumes that all other variables remain constant and is performed on the same basis for prior year.

##### 3) Foreign exchange gains or losses of monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months ended March 31, 2025 and 2024, foreign exchange gain (loss) (including realized and unrealized portions) amounted to \$35,578 thousand and \$2,813 thousand, respectively.

#### (iv) Interest rate risk

Please refer to the notes on liquidity risk management for Group's interest rate exposure to its financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure in interest rates on the derivative and non-derivative financial instruments on the reporting date.

Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

If the interest rate increases or decreases by 1%, the Group's income before tax will decrease or increase by \$77,641 thousand and \$94,544 thousand for the three months ended March 31, 2025 and 2024, respectively, with all other variable factors remain constant. This is mainly due to the Group's borrowing at variable rates.

(v) Other market price risk

The sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

Price of securities at the reporting date	For the three months ended March 31			
	2025		2024	
	Other comprehensive Income after tax	Net Income	Other comprehensive Income after tax	Net Income
Increase 1%	\$ <u>30,090</u>	<u>10,689</u>	<u>38,974</u>	<u>10,689</u>
Decrease 1%	\$ <u>(30,090)</u>	<u>(10,689)</u>	<u>(38,974)</u>	<u>(10,689)</u>

(vi) Fair value of financial instruments

1) Categories and fair value of financial instruments

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required :

	Carrying amount	March 31, 2025			
		Fair Value			
		Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>					
Unlisted common shares	\$ 1,068,858	-	-	1,068,858	1,068,858
<b>Financial assets for hedging</b>	\$ 64,070	64,070	-	-	64,070
<b>Financial assets at fair value through other comprehensive income</b>					
Listed common shares	\$ 2,256,839	2,256,839	-	-	2,256,839
Unlisted common shares	752,190	-	-	752,190	752,190
Subtotal	3,009,029	2,256,839	-	752,190	3,009,029
<b>Total</b>	<b>\$ 4,141,957</b>	<b>2,320,909</b>	<b>-</b>	<b>1,821,048</b>	<b>4,141,957</b>

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>December 31, 2024</b>				
	<b>Carrying amount</b>	<b>Fair Value</b>			
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets at fair value through profit or loss</b>					
Unlisted common shares	\$ 1,068,858	-	-	1,068,858	1,068,858
<b>Financial assets for hedging</b>	\$ 293,290	293,290	-	-	293,290
<b>Financial assets at fair value through other comprehensive income</b>					
Listed common shares	2,287,614	2,287,614	-	-	2,287,614
Unlisted common shares	752,190	-	-	752,190	752,190
Subtotal	\$ 3,039,804	2,287,614	-	752,190	3,039,804
<b>Total</b>	<b>\$ 4,401,952</b>	<b>2,580,904</b>	<b>-</b>	<b>1,821,048</b>	<b>4,401,952</b>
<b>Financial liabilities for hedging</b>	<b>\$ 3,039</b>	<b>3,039</b>	<b>-</b>	<b>-</b>	<b>3,039</b>
<b>March 31, 2024</b>					
	<b>Carrying amount</b>	<b>Fair Value</b>			
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets at fair value through profit or loss</b>					
Unlisted common shares	\$ 1,068,858	-	-	1,068,858	1,068,858
<b>Financial assets for hedging</b>	\$ 112,217	112,217	-	-	112,217
<b>Financial assets at fair value through other comprehensive income</b>					
Listed common shares	\$ 3,192,915	3,192,915	-	-	3,192,915
Unlisted common shares	704,460	-	-	704,460	704,460
Subtotal	3,897,375	3,192,915	-	704,460	3,897,375
<b>Total</b>	<b>\$ 5,078,450</b>	<b>3,305,132</b>	<b>-</b>	<b>1,773,318</b>	<b>5,078,450</b>
<b>Financial liabilities for hedging</b>	<b>\$ 45,929</b>	<b>45,929</b>	<b>-</b>	<b>-</b>	<b>45,929</b>

2) Valuation techniques for financial instruments measured at fair value

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Measurements of financial instrument with an active market are as follows:

- Listed stock are financial assets which have standard provision and trade in an active market, and their fair value are determined by market quoted price respectively.

Measurements of fair value of financial instruments without an active market are based on a valuation technique. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique including a model using observable market data at the reporting date.

(Continued)

## CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Measurements of financial instrument without an active market are as follows:

- Equity instruments without quoted price: The Group extrapolated fair value by present earning value method. The main assumption is cash flow from future earnings based on investors' expectation, and the cash flow is discounted by rate of return which is based on the time value of currency and investment risk.
- Equity instruments without quoted price: The Group extrapolated fair value by market approach. The main assumption is surplus multiplier based on comparable quoted market price. The estimates include adjustments of lack of market liquidity.

3) Transfer between Levels

There were no transfers of levels for the three months ended March 31, 2025 and 2024.

4) The movement of Level 3

	<b>Financial assets at fair value through profit or loss</b>	<b>Financial assets at fair value through other comprehensive income</b>
	<b>Non-derivative financial assets mandatorily measured at fair value through profit or loss</b>	<b>Equity instruments without quoted market price</b>
Balance at March 31, 2025 (the beginning of the year)	\$ <u>1,068,858</u>	<u>752,190</u>
Balance at March 31, 2024 (the beginning of the year)	\$ <u>1,068,858</u>	<u>704,460</u>

5) Quantified information for significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include "financial assets at fair value through profit or loss – equity investments" and "financial assets at fair value through other comprehensive income– equity investments".

The fair value measurement was categorized as Level 3 in the hierarchy of equity instruments without active market has several significant unobservable inputs. The significant unobservable inputs of equity instruments without an active market are not related because they are independent from each other.

<b>Item</b>	<b>Valuation Technique</b>	<b>Significant unobservable input</b>	<b>Relationship between input and fair value</b>
Financial assets at fair value through profit or loss-equity investments without an active market	Discounted cash flow method	Return on equity (March 31, 2025, December 31 and March 31, 2024 were 11.0732%, 11.0732% and 11.2466%, respectively)	The higher return of equity, the lower the fair value.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

<b>Item</b>	<b>Valuation Technique</b>	<b>Significant unobservable input</b>	<b>Relationship between input and fair value</b>
Financial assets at fair value through other comprehensive income-equity investments without an active market	Market Method	<ul style="list-style-type: none"> <li>· The multiplier of price-to-earnings ratio (March 31, 2025, December 31 and March 31, 2024 were 17.61, 17.61 and 17.17, respectively)</li> <li>· Market illiquidity discount (March 31, 2025, December 31 and March 31, 2024 were 75%)</li> </ul>	<ul style="list-style-type: none"> <li>· The higher multiplier of price-to-earnings ratio, the higher the fair value.</li> <li>· The higher market illiquidity discount, the lower the fair value.</li> </ul>
Financial assets at fair value through other comprehensive income-equity investments without an active market	Income Method	<ul style="list-style-type: none"> <li>· The growth rate of earnings-per-share (March 31, 2025, December 31 and March 31, 2024 were 0%)</li> <li>· Weighted average cost of capital (March 31, 2025, December 31 and March 31, 2024 were 5%)</li> </ul>	<ul style="list-style-type: none"> <li>· The higher the growth rate of earnings-per-share, the higher the fair value.</li> <li>· The higher weighted average cost of capital, the lower the fair value.</li> </ul>

6) Fair value measurements in level 3 - sensitivity analysis of reasonable possible alternative assumptions

The valuation for Level 3 financial instruments is reasonable. However, the result may change if applying different evaluation model or parameter. For fair value measurements in level 3, changing one or more assumptions would have the following effects:

		Change	Profit or loss		Other comprehensive income	
	Input	up or down	Favorable change	Unfavorable change	Favorable change	Unfavorable change
March 31, 2025						
Financial assets at fair value through profit or loss						
Equity instruments without an active market	Return on equity	1%	\$ 3,799	(3,780)	-	-
Financial assets at fair value through other comprehensive income						
Equity instruments without an active market	Market liquidity discount	5%	\$ -	-	49,858	(46,858)
Equity instruments without an active market	Weighted average cost of capital	1%	\$ -	-	192	(181)

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

		Change up or down	Profit or loss		Other comprehensive income	
	Input		Favorable change	Unfavorable change	Favorable change	Unfavorable change
December 31, 2024						
Financial assets at fair value through profit or loss						
Equity instruments without an active market	Market liquidity discount	1%	\$ 3,799	(3,780)	-	-
Financial assets at fair value through other comprehensive income						
Equity instruments without an active market	Market liquidity discount	5%	\$ -	-	49,858	(49,858)
Equity instruments without an active market	Weighted average cost of capital	1%	\$ -	-	192	(181)
March 31, 2024						
Financial assets at fair value through profit or loss						
Equity instruments without an active market	Return on equity	1%	\$ 2,956	(2,941)	-	-
Financial assets at fair value through other comprehensive income						
Equity instruments without an active market	Market liquidity discount	5%	\$ -	-	46,718	(46,718)
Equity instruments without an active market	Weighted average cost of capital	1%	\$ -	-	164	(155)

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using the valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

(ae) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note 6(ae) of the consolidated financial statements for the year ended December 31, 2024.

(af) Capital Management

The objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to Note 6(af) for the further details of the consolidated financial statements for the year ended December 31, 2024.

(ag) Non-cash investing and financing activities

(i) Please refer to Note 6(l) for the acquisition right-of-use assets by leasing.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Reclassification of assets:

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Prepayments for business facilities reclassified to property, plant and equipment	\$ 665	42,493
Investment properties reclassified to inventories	-	4,729,055
	<b>\$ 665</b>	<b>4,771,548</b>

(iii) Reconciliation of liabilities arising from financing activities were as follow:

	<b>January 1, 2025</b>	<b>Cash flows</b>	<b>Non-cash changes</b>			<b>March 31, 2025</b>
			<b>Foreign exchange movement</b>	<b>Other</b>	<b>Changes in lease payments</b>	
Short-term borrowings	\$ 21,976,838	1,674,180	47,375	1,650	-	23,700,043
Long-term borrowings (including due within one year)	12,031,833	854,143	6,943	153	-	12,893,072
Lease liabilities	136,934	(23,157)	34	-	103,179	216,990
Bonds payable (including due within one year)	1,999,278	-	-	181	-	1,999,459
	<b>\$ 36,144,883</b>	<b>2,505,166</b>	<b>54,352</b>	<b>1,984</b>	<b>103,179</b>	<b>38,809,564</b>

	<b>January 1, 2024</b>	<b>Cash flows</b>	<b>Non-cash changes</b>			<b>March 31, 2024</b>
			<b>Foreign exchange movement</b>	<b>Other</b>	<b>Changes in lease payment</b>	
Short-term borrowings	\$ 15,865,691	3,552,421	175,845	(26,750)	-	19,567,207
Long-term borrowings (including due within one year)	11,459,928	(2,889,123)	28,679	153	-	8,599,637
Lease liabilities	138,424	(19,844)	260	-	20,110	138,950
Bonds payable	1,998,555	-	-	181	-	1,998,736
	<b>\$ 29,462,598</b>	<b>643,454</b>	<b>204,784</b>	<b>(26,416)</b>	<b>20,110</b>	<b>30,304,530</b>

**(7) Related-party transactions**

(a) Parent Group and Ultimate Controlling Party

Montrion Corporation is the parent company of the Group.

(b) Names and relationship with related parties

<b>Name of related party</b>	<b>Relationship with the Group</b>
CTCI-HDEC (Chungli) Corp. (CTCI-HDEC)	Investment for using equity method (Associate)
Fanlu Construction Industry Co., Ltd. (Fanlu)	Investment for using equity method (Associate)
Han-De Construction Co., LTD	Other related party

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Name of related party	Relationship with the Group
Wei-Dar Development Co., Ltd.	Other related party
Metropolis Property Management Corporation	Other related party
TSRC Corporation	Other related party
WFV Corporation	Other related party
Hao Ran Foundation	Other related party
La Mer Corporation	Other related party
Wang o Fan	Other related party

(c) Significant transaction with related parties

(i) Contracted construction

For the three months ended March 31, 2025	Total Contract Amount (Before tax)	Current Amount	Accumulated Amount
Associate (CTCI-HDEC)	\$ <u>6,607,731</u>	<u>64,396</u>	<u>1,384,633</u>
Associate (Fanlu)	\$ <u>2,015,271</u>	<u>32,426</u>	<u>1,922,438</u>
For the three months ended March 31, 2024			
Associate (CTCI-HDEC)	\$ <u>6,607,731</u>	<u>203,751</u>	<u>1,177,291</u>
Associate (Fanlu)	\$ <u>2,035,092</u>	<u>234,342</u>	<u>1,466,803</u>

According to contracted construction regulations, the construction contract price is determined based on the budget of each construction, plus reasonable administrative handling fees. The amount shall be approved by the management team.

(ii) Labor services revenue

	For the three months ended March 31
	2025                      2024
Associates	\$ <u>12,680</u> <u>2,964</u>

The group provided the operation and maintenance services of the sewage treatment plant. The terms and pricing of transactions are not significantly difference from general transactions.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Other operating revenues

	For the three months ended March 31	
	2025	2024
Associates	\$ 1,792	1,196
Other related parties	2,160	1,940
	<u>\$ 3,952</u>	<u>3,136</u>

The Group provides engineering and project management consulting services to the related parties. The terms and pricing of transactions are not significantly difference from general transactions.

(iv) Purchases

	For the three months ended March 31	
	2025	2024
Other related parties	\$ 43	29

The price and the payment term concluded with related parties are not significantly different to the price and payment term concluded with external third parties.

(v) Contract Assets

	March 31, 2025	December 31, 2024	March 31, 2024
Associates	<u>\$ 202,074</u>	<u>211,418</u>	<u>290,168</u>

(vi) Receivables from related parties

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable-Other related parties	\$ 756	1,071	2,037
Accounts receivable-Associates	158,416	39,258	4,562
Other receivables-Other related parties	-	79	511
Other receivables-Associates	4,495	7,570	5,384
	<u>\$ 163,667</u>	<u>47,978</u>	<u>12,494</u>

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(vii) Payables to related parties

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Other payables-Other related parties	<u>\$ 241</u>	<u>433</u>	<u>787</u>

(viii) Rental

1) Rental revenues

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Other related parties	<u>\$ 780</u>	<u>757</u>

The rental is in reference to the nearby rental market value for parking spaces, and is paid on a monthly basis.

2) Rental costs

The Group leased an office building and a warehouse from other related parties. For the three months ended March 31, 2025 and 2024, the Group recognized the amount of \$59 thousand and \$79 thousand as interest expenses, respectively. As of March 31, 2025, December 31 and March 31, 2024, the balance of lease liabilities amounted to \$12,466 thousand, \$13,565 thousand and \$16,798 thousand, respectively.

(ix) Transaction of properties

In March 2024, the Group sold transportation equipment to other related parties for \$495 thousand (before tax), without losses on disposal of assets, wherein the full amount had been fully collected as of the reporting date.

(x) Endorsements and Guarantees

	<b>Guarantee classification</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Associate (CTCI-HDEC)	Guarantee for bank loans	\$ 3,089,675	3,089,675	2,207,675
Associate (Fanlu)	Guarantee for bank loans	<u>2,086,000</u>	<u>2,086,000</u>	<u>3,643,000</u>
		<u>\$ 5,175,675</u>	<u>5,175,675</u>	<u>5,850,675</u>

(xi) Other

1) Interest revenues

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Associates	<u>\$ 1,014</u>	<u>1,159</u>

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Other expenses

For the three months ended March 31	
2025	2024
Other related parties	
\$ <u>9,133</u>	<u>8,229</u>

3) Other income

For the three months ended March 31	
2025	2024
Associates	1,745
Other related parties	21
\$ <u>1,766</u>	<u>1,706</u>

(d) Key Management Personnel Transaction

For the three months ended March 31	
2025	2024
Short-term employee benefits	
\$ <u>75,070</u>	<u>66,577</u>

As of March 31, 2025 and 2024, the Group provides seventeen vehicles at a cost of \$29,300 thousand and sixteen vehicles at a cost of \$25,711 thousand, respectively, for the key management personnel.

**(8) Assets pledged as security**

Asset	Purpose of pledge	March 31, 2025	December 31, 2024	March 31, 2024
Inventories (development corp.)	Loan collateral	\$ 23,123,262	22,139,040	22,617,305
Restricted deposits (other current assets)	Time deposits collateral	136,529	129,110	200,821
Property, plant and equipment	Loan collateral and construction guarantee	8,648,882	8,588,568	7,634,580
Investment properties, net	Loan collateral and construction guarantee	<u>2,324,138</u>	<u>2,326,807</u>	<u>3,137,258</u>
Total		<u>\$ 34,232,811</u>	<u>33,183,525</u>	<u>33,589,964</u>

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(9) Significant commitments and contingencies**

(a) Major commitments were as follows:

(i) The Group's details of sales of completed construction and real estate were listed below:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31 2024</b>
Total sales of completed construction and real estate	\$ <u>26,225,552</u>	<u>26,431,468</u>	<u>12,764,674</u>
Receipts based on the contracts	\$ <u>6,013,221</u>	<u>5,601,364</u>	<u>3,146,071</u>

(ii) As of March 31, 2025, December 31 and March 31, 2024, the Group has entered into contracts for the purchase of land but for which it has not received the legal title amounted to \$0 thousand, \$1,497,287 thousand and \$151,050 thousand, within which, \$0 thousand, \$274,925 thousand and \$45,315 thousand had been paid.

(iii) Total price of the construction contracts entered into by the Group and the total collected/billed amounts according to the contract are listed below:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Total contract amount—NTD	\$ 223,028,203	192,841,434	152,871,024
—INR	35,084,322	35,084,322	35,074,796
—HKD	4,162,379	4,162,379	4,585,034
—MOP	853,803	853,803	982,544
Accumulated billing amount	136,926,210	143,549,241	135,410,353

(iv) Service Concession agreements

The Group has entered into a service concession plan on sewage treatment with the government in the form of either a BOT project (Build–operate–transfer) or a wastewater reclamation and reuse BTO project (Build–transfer–operate). The primary terms of the contracts are summarized as follows:

- 1) During the project concession period, in accordance with the government's appointed service form, the Group (i) provides construction, operation and maintenance to the facilities for sewage treatment, and (ii) acquires the construction and operation right of the wastewater reclamation and reuse facilities as well as the sewage treatment facilities.
- 2) The Group has the right to use the aforesaid facilities and land to provide related sewage treatment services during the concession period, and obtains interest based on the price in the construction contract and price index.
- 3) The government will control and supervise the Group's service scope leveraged from the use of the facilities.

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- 4) When there is significant violation to the clause in the service concession agreement, both the Group and the government will be able to terminate the agreement.
- 5) During the concession period, the Group is the nominal registrant entitled to the ownership of the land and sewage treatment facilities. After the concession period, in accordance with the construction and operation agreement, the plants and facilities shall be restored back to their normal operating conditions and reverted to the government without conditions.
- 6) Three years before the expiration date, the Group is entitled to submit an application for extending the contract; if the Group's operating performance is qualified to apply for a renewal of contract, it is given a preferential right to submit the renewal application to the authority.
- 7) The Group's construction and operation contracts with the government were as follows:

<b>The subsidiary as an operator</b>	<b>Location</b>	<b>Grantor</b>	<b>Agreement type</b>	<b>Concession period</b>
NSC	Danshui area	New Taipei City	BOT of wastewater	May 2005~ May 2040
PDC	Pu Ding area	Taoyuan City	BOT of wastewater	January 2021~December 2055
BWC	Kaohsiung area	Kaohsiung City	BTO of wastewater reclamation and reuse	August 2016~August 2033
LHC	Kaohsiung area	Kaohsiung City	BTO of wastewater reclamation and reuse	October 2018~December 2036
CTC	Kaohsiung area	Kaohsiung City	BTO of wastewater reclamation and reuse	October 2022~October 2040
CXC	Tainan area	Tainan City	BOT of incineration plant	February 2023~February 2048

- (v) The Group's outstanding stand by letter of credit are as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Outstanding stand by letter of credit	<u><u>\$ 105,307</u></u>	<u><u>194,446</u></u>	<u><u>1,444,722</u></u>

- (b) Contingent liability:

- (i) As of March 31, 2025, December 31 and March 31, 2024, the Group provided promissory notes for contract performance, issuance of commercial paper, and construction warranty, amounted to \$60,737,779 thousand, \$60,740,048 thousand and \$55,171,550 thousand, respectively.
- (ii) As of March 31, 2025, December 31 and March 31, 2024, promissory notes receivable for construction contracts amounted to \$16,641,059 thousand, \$16,730,887 thousand and \$15,017,969 thousand, respectively.

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**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Other

- (i) In April 2005, the Group filed a lawsuit against Kao Nan Region Construction Office for the East West Expressway (Kao Nan), demanding for the compensation fee of \$466,671 thousand for the dispute concerning the extension of the construction of the highway between Wujia and Shangliao. During the 2nd verdict in February 2014, Taiwan High Court Kaohsiung Branch decided that Kao Nan should pay the amount of \$243,206 thousand to the Group (including interest). However, the Group disagreed with the Court's decision and appealed to the Supreme Court regarding the matter. On the other hand, Kao Nan also appealed to the Supreme Court stating that the compensation amount decided by the High Court was unreasonable. In June 2014, the Supreme Court overturned the decision made by the High Court during the 2nd verdict and handed over this case back to the High Court for another decision. In September 2018, Taiwan High Court Kaohsiung Branch decided that Kao Nan should pay the amount of \$318,498 thousand to the Group (excluding interest). Both the Group and Kao Nan Region Construction Office appeal against the decision. In March 19, 2020, the Supreme Court decided the Group won partially in this case and the Kao Nan Construction Office should pay the amount of \$91,411 thousand (excluding interest) to the Group, who had received the amounts of \$86,667 thousand and \$5,909 thousand (both including interest) in May and July of 2020, respectively. The remaining amount of \$238,295 thousand (excluding interest) has been handed back to the High Court for reconsideration. The case is still in progress as of the reporting date.
- (ii) In the Indian Metro project of "Design and construction of TBM tunnel and underground stations bw chandpole, Badi chouper and reversal line", the Group and the client Jaipur Metro Rail Corporation Limited (JMRC), have disputes over the repair warranty and other contract-related expense claims. Due to the disputes, JMRC requested the bank to encash the guarantee bond \$250,925 thousand (INR\$646,713 thousand) that guaranteed by the bank for the Group on April 5, 2024. In order to maintain a good creditworthiness record, the Group provided the guarantee bond (recorded as other receivable) to the bank, wherein JMRC was able to receive the whole amount on April 8, 2024. The aforementioned project has started operations in September 2020. The Group believes that the project has been completed and delivered in accordance with the contract and has fulfilled its warranty and repair obligations. As the result, the Group is not convinced by JMRC's reasons for requesting the encashment of the guarantee bond and are seeking legal remedies to request JMRC to return the encashed project guarantee bond.

**(10) Losses due to major disasters: None**

**(11) Subsequent events: None**

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(12) Other**

(a) Personnel expenses, depreciation, depletion and amortization are summarized as follows:

	For the three months ended March 31, 2025			For the three months ended March 31, 2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	462,758	240,750	703,508	401,853	205,602	607,455
Labor and health	43,341	20,975	64,316	32,987	15,933	48,920
Pension	16,556	10,053	26,609	14,812	9,402	24,214
Others	51,081	25,552	76,633	50,415	31,813	82,228
Depreciation	104,548	15,564	120,112	123,833	12,283	136,116
Amortization	19,624	-	19,624	18,152	-	18,152

(b) Seasonal operation :

The Group's operation do not affect by seasonal or periodicity reason.

(Continued)

## (English Translation of Financial Report Originally Issued in Chinese)

**CONTINENTAL HOLDINGS CORPORATION**  
**Notes to Consolidated Financial Statements**

**(13) Other disclosures****(a) Information on significant transactions**

The following information on significant transactions are disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers:

**(i) Loans provided to other parties:**

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 2)	Transaction amount for businesses between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Maximum amount of loans provided to a single enterprise (Note 1)	Maximum amount of loans (Note 1)
													Item	Value		
0	CHC	CDC	Other receivables	Yes	300,000	300,000	300,000	1.92%	2	-	Replenish working capital	-	-	-	5,288,263	10,576,526
1	CDC	Bangsar Rising Sdn. Bhd.	Other receivables	Yes	322,825	322,825	313,858	2.50%	2	-	Land purchases and operation requirements	-	-	-	6,639,616	6,639,616
1	CDC	MEGA Capital Development Sdn. Bhd.	Other receivables	Yes	888,846	888,846	718,991	2.50%	2	-	Land purchases and operation requirements	-	-	-	6,639,616	6,639,616
1	CDC	Grand River D.Limited	Other receivables	No	1,218,595	1,218,595	1,039,704	2.525%	2	-	Operation requirements	-	-	-	6,639,616	6,639,616
2	CEC	CDC	Other receivables	Yes	1,000,000	1,000,000	1,000,000	Taibor+0.5%	2	-	Operation requirements	-	-	-	2,847,760	2,847,760
3	CDC US Corporation	950 Investment LLC	Other receivables	Yes	506,377	506,377	506,377	5.00%	2	-	Operation requirements	-	-	-	1,318,758	1,318,758

Note 1: The total amount of loans provided to others is limited to 40% of net equity value. The amount of loans to a single business enterprise is limited to 20% of net equity value. Relevant calculation are as follows:

CHC:

Maximum amount of loans is limited to 40% of net equity value: \$26,441,315 thousand  $\times$  40% = 10,576,526 thousand

Maximum amount of loans provided to a single business enterprise is limited to 20% of net equity value: \$26,441,315 thousand  $\times$  20% = 5,288,263 thousand

The total amount of loans provided to others is limited to 40% of net equity value. The amount of loans to a single business enterprise is limited to 40% of net equity value. Relevant calculation are as follows:

CDC:

Maximum amount of loans is limited to 40% of net equity value: \$16,599,039 thousand  $\times$  40% = 6,639,616 thousand

Maximum amount of loans provided to a single business enterprise is limited to 40% of net equity value: \$16,599,039 thousand  $\times$  40% = 6,639,616 thousand

The total amount of loans provided to others is limited to 40% of net equity value. The amount of loans to a single business enterprise is limited to 40% of net equity value. Relevant calculation are as follows:

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**CONTINENTAL HOLDINGS CORPORATION**  
**Notes to Consolidated Financial Statements**

CEC:

Maximum amount of loans is limited to 40% of net equity value: \$7,119,401 thousand  $\times$  40% = 2,847,760 thousand

Maximum amount of loans provided to a single business enterprise is limited to 40% of net equity value: \$7,119,401 thousand  $\times$  40% = 2,847,760 thousand

CDC:

Maximum amount of loans is limited to 40% of net equity value: \$3,296,895 thousand  $\times$  40% = 1,318,758 thousand

Maximum amount of loans provided to a single business enterprise is limited to 40% of net equity value: \$3,296,895 thousand  $\times$  40% = 1,318,758 thousand

Note 2: The above transactions were eliminated when preparing the consolidated financial statements.

Note 3: Financing purposes:

- 1) Business dealings: 1
- 2) Short-term financing needs: 2

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Maximum amount of guarantees and endorsements for a specific enterprise	Highest balance of guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements over net worth in the latest financial statements	Maximum amount of guarantees and endorsements	Parent company' sendorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary' s endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	CHC	HDEC	2	105,765,260	4,320,882	4,320,882	1,782,882	-	16.34 %	105,765,260	Y	N	N
0	CHC	CEC	2	105,765,260	15,208,200	15,208,200	6,488,372	-	57.52 %	105,765,260	Y	N	N
1	CEC	CDC	4 and 7	14,238,802	1,071,000	1,071,000	69,039	-	15.04 %	14,238,802	N	N	N
2	CDC	CDC US Corporation	2	33,198,078	166,025	166,025	-	-	1.00 %	33,198,078	N	N	N
2	CDC	CCD	2	33,198,078	1,885,000	1,885,000	1,885,000	-	11.36 %	33,198,078	N	N	N
2	CDC	BANGSAR RISING SDN. BHD.	2 and 6	33,198,078	188,315	188,315	49,715	-	1.13 %	33,198,078	N	N	N
2	CDC	MEGA Capital Development Sdn. Bhd.	2 and 6	33,198,078	413,651	413,651	391,736	-	2.49 %	33,198,078	N	N	N
2	CDC	950 Property LLC	2 and 6	33,198,078	753,421	753,421	728,059	-	4.54 %	33,198,078	N	N	N
2	CDC	950 Hotel Property LLC & 950 Retail Property LLC	2 and 6	33,198,078	2,165,630	2,165,630	1,642,590	-	13.05 %	33,198,078	N	N	N
2	CDC	Fanlu	6	33,198,078	2,086,000	2,086,000	1,177,167	-	12.57 %	33,198,078	N	N	N
3	CCD	CDC	3	10,676,580	5,250,000	5,250,000	2,286,937	4,729,055	196.69 %	10,676,580	N	N	N
4	HDEC	NSC	2	47,097,216	2,495,000	2,495,000	1,620,000	-	42.38 %	47,097,216	N	N	N

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No.	Name of guarantor	Counter-party of guarantee and endorsement		Maximum amount of guarantees and endorsements for a specific enterprise	Highest balance of guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements over net worth in the latest financial statements	Maximum amount of guarantees and endorsements	Parent company' sendorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary' s endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
4	HDEC	PDC	2	47,097,216	2,045,000	2,045,000	1,149,500	-	34.74 %	47,097,216	N	N	N
4	HDEC	CTC	2	47,097,216	3,100,000	3,100,000	2,331,000	-	52.66 %	47,097,216	N	N	N
4	HDEC	LHC	2 and 6	47,097,216	1,100,000	1,100,000	462,363	-	18.68 %	47,097,216	N	N	N
4	HDEC	BWC	2 and 6	47,097,216	229,500	229,500	25,500	-	3.90 %	47,097,216	N	N	N
4	HDEC	CTCI-HDEC	6	47,097,216	3,089,675	3,089,675	1,325,675	-	52.48 %	47,097,216	N	N	N
4	HDEC	CEC	4 and 5	47,097,216	183,586	183,586	183,586	-	3.12 %	47,097,216	N	N	N
4	HDEC	CXC	2	47,097,216	4,900,100	4,900,100	3,010,000	-	83.23 %	47,097,216	N	N	N
4	HDEC	CDC	4	47,097,216	1,251,600	1,251,600	1,223,522	-	21.26 %	47,097,216	N	N	N
5	SDC	HDEC	3	386,736	100	100	100	-	0.21 %	386,736	N	N	N
5	SDC	NSC	4	386,736	100	100	100	-	0.21 %	386,736	N	N	N
6	950 Investment LLC	950 Hotel Property LLC	2	9,352,462	66,410	66,410	66,410	-	1.42 %	9,352,462	N	N	N

Note 1: According to the policy of CHC, the total amount of endorsements/guarantees is limited to four times the net equity value in accordance with the Company's most recent financial statements: \$26,441,315 thousand  $\times 4 = \$105,765,260$  thousand

The total amount of endorsements/guarantees provided to a single business is limited to four times the net equity value in accordance with the Company's most recent financial statements: \$26,441,315 thousand  $\times 4 = \$105,765,260$  thousand

According to the policy of CEC, the total amount of endorsements/guarantees is limited to six times the net equity value in accordance with the Company's most recent financial statements in the event of joint liability in joint ventures with other companies in the same industry: \$7,119,401 thousand  $\times 6 = \$42,716,406$  thousand

The total amount of endorsements/guarantees provided to a single business is limited to three times the net equity value in accordance with the Company's most recent financial statements: \$7,119,401 thousand  $\times 3 = \$21,358,203$  thousand

According to the policy of CEC, the total amount of endorsements/guarantees is limited to two times the net equity value in accordance with the Company's most recent financial statements except in the event of joint liability in joint ventures with other companies in the same industry: \$7,119,401 thousand  $\times 2 = \$14,238,802$  thousand

The total amount of endorsements/guarantees provided to a single business is limited to two times the net equity value in accordance with the Company's most recent financial statements: \$7,119,401 thousand  $\times 2 = \$14,238,802$  thousand

According to the policy of CDC, the total amount of endorsements/guarantees is limited to two times the net equity value in accordance with the Company's most recent financial statements: \$16,599,039 thousand  $\times 2 = \$33,198,078$  thousand

The total amount of endorsements/guarantees provided to a single business is limited to two times the net equity value in accordance with the Company's most recent financial statements: \$16,599,039 thousand  $\times 2 = \$33,198,078$  thousand

According to the policy of CCD the total amount of endorsements/guarantees is limited to four times the net equity value in accordance with the Company's most recent financial statements: \$2,669,145 thousand  $\times 4 = \$10,676,580$  thousand

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The total amount of endorsements/guarantees provided to a single business is limited to four times the net equity value in accordance with the Company's most recent financial statements:  $\$2,669,145 \text{ thousand} \times 4 = \$10,676,580 \text{ thousand}$

According to the policy of HDEC, the total amount of endorsements/guarantees is limited to eight times the net equity value in accordance with the Company's most recent financial statements:  $\$5,887,152 \text{ thousand} \times 8 = \$47,097,216 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to eight times the net equity value in accordance with the Company's most recent financial statements:  $\$5,887,152 \text{ thousand} \times 8 = \$47,097,216 \text{ thousand}$

According to the policy of SDC, the total amount of endorsements/guarantees is limited to eight times the net equity value in accordance with the Company's most recent financial statements:  $\$48,342 \text{ thousand} \times 8 = \$386,736 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to eight times the net equity value in accordance with the Company's most recent financial statements:  $\$48,342 \text{ thousand} \times 8 = \$386,736 \text{ thousand}$

According to the policy of 950 Investment LLC, the total amount of endorsements/guarantees is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$4,676,231 \text{ thousand} \times 2 = \$9,352,462 \text{ thousand}$

The total amount of endorsements/guarantees provided to a single business is limited to two times the net equity value in accordance with the Company's most recent financial statements:  $\$4,676,231 \text{ thousand} \times 2 = \$9,352,462 \text{ thousand}$

Note 2: Seven categories between relationship with the endorser/guarantor:

- 1) Having business relationship.
- 2) The endorser / guarantor parent company directly and indirectly holds more than 50% of voting shares of the endorsed / guaranteed subsidiary.
- 3) The endorser / guarantor subsidiary which directly and indirectly be held more than 50% voting shares by the endorsed / guaranteed parent company.
- 4) The endorser / guarantor company and the endorsed / guaranteed party both be held more than 90% by the parent company.
- 5) Company that is mutually protected under contractual requirements based on the needs of the contractor.
- 6) Company that is endorsed by its shareholders in accordance with its shareholding ratio because of the joint investment relationship.
- 7) Performance guarantees for presale contracts under the Consumer Protection Act.

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(iii) Securities held as of March 31, 2025 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account name	Ending balance				Note
				Shares/Units	Carrying value	Percentage of ownership (%)	Fair value	
CEC	Evergreen Steel Corp.	-	Non-current financial assets at fair value through other comprehensive income	25,645,907	2,256,839	6.15 %	2,256,839	
CEC	Xinrong Enterprise	-	Non-current financial assets at fair value through other comprehensive income	12,256,347	747,866	8.45 %	747,866	
CEC	Metro Consulting Service Ltd.	-	Non-current financial assets at fair value through other comprehensive income	300,000	4,324	6.00 %	4,324	
CEC	International Property & Finance Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	26,301	-	1.64 %	-	
CEC	Shin Yu Energy Development Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	22,405,297	-	9.00 %	-	
CDC	Grand River D. Limited	-	Non-current financial assets at fair value through profit or loss	51,436,803	1,068,858	10.00 %	1,068,858	

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
CEC	CDC	Related party of the Company	Construction contract	(712,684)	14.89%	Same as those in general transactions	-	-	568,837	10.33%	
CDC	CEC	Related party of the Company	Construction project	712,684	85.33%	Same as those in general transactions	-	-	(568,837)	63.03%	
HDEC	CXC	Parent and subsidiary	Construction contract	(336,228)	33.78%	Same as those in general transactions	-	-	1,005,988	43.38%	
CXC	HDEC	Parent and subsidiary	Construction project	336,228	22.63%	Same as those in general transactions	-	-	(1,005,988)	59.92%	
HDEC	CTC	Parent and subsidiary	Construction contract	(277,325)	27.87%	Same as those in general transactions	-	-	477,058	20.57%	
CTC	HDEC	Parent and subsidiary	Construction project	277,325	46.22%	Same as those in general transactions	-	-	(477,058)	99.60%	

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**CONTINENTAL HOLDINGS CORPORATION**  
**Notes to Consolidated Financial Statements**

(v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
CEC	CDC	Related party of the Company	Accounts receivable 568,837	4.34	-	-	241,987	-
CEC	Fanlu	Associate	Accounts receivable 123,179	1.32	-	-	-	-
HDEC	CXC	Parent and subsidiary	Accounts receivable 1,005,988	1.79	-	-	126,000	-
HDEC	CTC	Parent and subsidiary	Accounts receivable 477,058	2.79	-	-	-	-
HDEC	CTCI-HDEC	Associate	Accounts receivable 237,311	1.64	-	-	136,441	-

(vi) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	CHC	HDEC	1	Other receivables	1,702	Same as those in normal transactions	-%
		HDEC	1	Interest revenues	1,547	Same as those in normal transactions	0.02%
		CDC	1	Other receivables	300,411	Same as those in normal transactions	0.33%
		CDC	1	Interest revenues	1,420	Same as those in normal transactions	0.02%
1	CCLC	CEC	3	Operating revenues	48,123	Same as those in normal transactions	0.65%
		CEC	3	Accounts receivable	18,849	Same as those in normal transactions	0.02%
		CDC	3	Operating revenues	10,502	Same as those in normal transactions	0.14%
		CDC	3	Accounts receivable	3,888	Same as those in normal transactions	-%
		HDEC	3	Operating revenues	17,782	Same as those in normal transactions	0.24%
		HDEC	3	Accounts receivable	6,826	Same as those in normal transactions	0.01%
2	CEC	CDC	3	Operating revenues	712,684	Same as those in normal transactions	9.63%
		CDC	3	Accounts receivable	257,956	Same as those in normal transactions	0.28%
		CDC	3	Contract asset	310,881	Same as those in normal transactions	0.34%
		CDC	3	Other receivables	1,000,003	Same as those in normal transactions	1.10%
		CDC	3	Interest revenues	5,172	Same as those in normal transactions	0.07%
		CCLC	3	Administrative expenses	48,123	Same as those in normal transactions	0.65%
		CCLC	3	Other payables	18,849	Same as those in normal transactions	0.02%
3	CDC	CHC	2	Other payables	300,411	Same as those in normal transactions	0.33%
		CHC	2	Interest expense	1,420	Same as those in normal transactions	0.02%
		CEC	3	Operating costs	712,684	Same as those in normal transactions	9.63%
		CEC	3	Account payable	568,837	Same as those in normal transactions	0.62%
		CEC	3	Other payables	1,000,003	Same as those in normal transactions	1.10%
		CEC	3	Interest expense	5,172	Same as those in normal transactions	0.07%
		MEGA	3	Other receivables	933,900	Same as those in normal transactions	1.03%

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**CONTINENTAL HOLDINGS CORPORATION**  
**Notes to Consolidated Financial Statements**

No.	Name of company	Name of counter-party	Relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
		MEGA	3	Interest revenues	4,396	Same as those in normal transactions	0.06%
		BANGSAR	3	Other receivables	364,357	Same as those in normal transactions	0.40%
		BANGSAR	3	Interest revenues	1,919	Same as those in normal transactions	0.03%
		CCLC	3	Administrative expenses	10,502	Same as those in normal transactions	0.14%
		CCLC	3	Other payables	3,888	Same as those in normal transactions	-%
		CCD	3	Other-non-current liabilities -other	330,000	Same as those in normal transactions	0.36%
4	CCD	CDC	3	Guarantee deposits received	330,000	Same as those in normal transactions	0.36%
5	MEGA	CDC	3	Other payables	933,900	Same as those in normal transactions	1.03%
		CDC	3	Interest expense	4,396	Same as those in normal transactions	0.06%
6	BANGSAR	CDC	3	Other payables	364,357	Same as those in normal transactions	0.40%
		CDC	3	Interest expense	1,919	Same as those in normal transactions	0.03%
7	HDEC	CHC	2	Other payables	1,702	Same as those in normal transactions	-%
		CHC	2	Interest expense	1,547	Same as those in normal transactions	0.02%
		NSC	3	Operating revenue	53,400	Same as those in normal transactions	0.72%
		NSC	3	Account receivable	30,585	Same as those in normal transactions	0.03%
		SDC	3	Operating costs	39,918	Same as those in normal transactions	0.54%
		SDC	3	Account payable	30,938	Same as those in normal transactions	0.03%
		PDC	3	Operating revenues	25,688	Same as those in normal transactions	0.35%
		PDC	3	Account receivable	7,132	Same as those in normal transactions	0.01%
		PDC	3	Contract assets	66,704	Same as those in normal transactions	0.07%
		CTC	3	Operating revenues	277,325	Same as those in normal transactions	3.75%
		CTC	3	Account receivable	325,815	Same as those in normal transactions	0.36%
		CTC	3	Contract assets	151,243	Same as those in normal transactions	0.17%
		CXC	3	Operating revenues	336,228	Same as those in normal transactions	4.54%
		CXC	3	Account receivable	839,360	Same as those in normal transactions	0.92%
		CXC	3	Contract assets	166,628	Same as those in normal transactions	0.18%
		CCLC	3	Administrative expenses	17,782	Same as those in normal transactions	0.24%
		CCLC	3	Other payables	6,826	Same as those in normal transactions	0.01%
8	NSC	HDEC	3	Operating costs	53,400	Same as those in normal transactions	0.72%
		HDEC	3	Account payable	30,585	Same as those in normal transactions	0.03%
9	SDC	HDEC	3	Operating revenue	39,918	Same as those in normal transactions	0.54%
		HDEC	3	Contract assets	30,938	Same as those in normal transactions	0.03%
		PDC	3	Operating revenue	39,412	Same as those in normal transactions	0.53%
		PDC	3	Account receivable	18,806	Same as those in normal transactions	0.02%
		PDC	3	Contract assets	10,063	Same as those in normal transactions	0.01%
10	PDC	HDEC	3	Operating costs	25,688	Same as those in normal transactions	0.35%
		HDEC	3	Account payable	73,836	Same as those in normal transactions	0.08%
		SDC	3	Operating costs	39,412	Same as those in normal transactions	0.53%
		SDC	3	Account payable	28,869	Same as those in normal transactions	0.03%
11	CTC	HDEC	3	Operating costs	277,325	Same as those in normal transactions	3.75%
		HDEC	3	Account payable	477,058	Same as those in normal transactions	0.53%
12	CXC	HDEC	3	Operating costs	336,228	Same as those in normal transactions	4.54%
		HDEC	3	Account payable	1,005,988	Same as those in normal transactions	1.10%

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Note 1: For transactions between the Company and its subsidiaries, numbers are assigned as follows:

- 1) 0 represents the Company.
- 2) 1~11 represent subsidiaries

Note 2: Relationships are as follows:

- 1) 1. the Company to subsidiary.
- 2) 2. subsidiary to the Company.
- 3) 3. subsidiary to other subsidiary.

(b) Information on investees:

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2025	December 31, 2024	Shares	Percentage of ownership	Carrying value			
CHC	CEC	Taiwan	Civil, Building and M&E engineering	6,884,583	6,884,583	372,061,987	99.99 % (Note 2)	6,814,130	89,743	48,993	Note 1
CHC	CDC	Taiwan	Real estate development on residential, commercial, hotels and communities	6,220,745	6,220,745	666,733,726	99.99 % (Note 2)	16,599,036	(176,354)	(176,354)	Note 1
CHC	HDEC	Taiwan	Environmental project development & Water treatment	2,860,365	2,860,365	400,799,852	99.99 % (Note 3)	5,887,150	200,275	200,275	Note 1
CHC	CCLC	Taiwan	Management consulting	20,000	20,000	-	100.00 %	26,214	1,214	1,214	-
CEC	CEC International Corp. (India) Private Limited	India	Civil and Building engineering	497,839	497,839	73,981,492	100.00 %	11,453	(1,618)	Disclosure not required	-
CEC	CEC International Malaysia SDN. BHD	Malaysia	Civil and Building engineering	179,257	179,257	22,340,476	85.14 %	5,778	(115)	"	-
CEC	Continental Engineering Corporation(Hong Kong) Limited	Hong Kong	Civil and Building engineering	10,815	10,815	3,000,000	100.00 %	862	(14)	"	-
CDC	BANGSAR RISING SDN. BHD.	Malaysia	Real estate development on residential	4,444	4,444	600,000	60.00 %	(36,380)	(3,185)	"	-
CDC	CCD	Taiwan	Real estate development and lease	976,539	976,539	48,198,292	80.65 %	2,139,538	(16,278)	"	-
CDC	Fanlu	Taiwan	Real estate development on residential and hotels	915,950	915,950	91,595,000	35.00 %	681,921	(21,159)	"	-
CDC	MEGA Capital Development SDN. BHD.	Malaysia	Real estate development on hotels	7,375	7,375	825,000	55.00 %	(142,981)	620	"	-

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**Notes to Consolidated Financial Statements**

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2025	December 31, 2024	Shares	Percentage of ownership	Carrying value			
CDC	CDC US Corporation	The U.S.	Investment and holding	5,500,673	4,420,559	5,000,000	100.00 %	4,261,715	(130,775)	Disclosure not required	-
CDC	CDC Asset Management Malaysia Sdn. Bhd.	Malaysia	Management consulting	7,524	7,524	1,000,000	100.00 %	10,162	165	"	-
HDEC	SDC	Taiwan	Construction of underground pipeline and environmental protection project, plumbing	49,600	49,600	3,000,000	100.00 %	58,736	10,394	"	-
HDEC	NSC	Taiwan	Environmental project	1,112,000	1,112,000	166,000,000	100.00 %	2,890,855	46,055	"	-
HDEC	BWC	Taiwan	Environmental project	362,100	362,100	37,740,000	51.00 %	457,502	28,973	"	-
HDEC	PDC	Taiwan	Environmental project	540,000	540,000	63,026,000	100.00 %	662,316	5,691	"	-
HDEC	CTCI-HDEC	Taiwan	Environmental project	786,940	786,940	81,046,000	49.00 %	858,317	4,397	"	-
HDEC	LHC	Taiwan	Environmental project	385,000	385,000	39,600,000	55.00 %	470,122	25,647	"	-
HDEC	CTC	Taiwan	Environmental project	850,000	850,000	85,000,000	100.00 %	878,582	6,112	"	-
HDEC	CXC	Taiwan	Environmental project	1,500,000	1,500,000	152,891,000	100.00 %	1,761,289	75,506	"	-
CCLC	CEC	Taiwan	Civil, Building and M&E engineering	1	1	84	- % (Note 4)	2	89,743	"	-
CCLC	CDC	Taiwan	Real estate development on residential, commercial, hotels and communities	3	3	113	- % (Note 4)	3	(176,354)	"	-
CCLC	HDEC	Taiwan	Environmental project development & Water treatment	1	1	148	- % (Note 5)	2	200,275	"	-

Note 1: The information on investment income/loss was derived from the investees' financial statements audited by the auditors for the same period.

Note 2: The shareholding ration is 99.99998% at the end of the period.

Note 3: The shareholding ration is 99.99996% at the end of the period.

Note 4: The shareholding ration is 0.00002% at the end of the period.

Note 5: The shareholding ration is 0.00004% at the end of the period.

(c) Information on investment in Mainland China: None

(Continued)

**CONTINENTAL HOLDINGS CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(14) Segment information**

For the three months ended March 31, 2025						
	<u>Construction Engineering</u>	<u>Real Estate Development</u>	<u>Environmental project Development &amp; Water Treatment</u>	<u>Investment</u>	<u>Adjustment and write-off</u>	<u>Total</u>
Revenues:						
Segment revenues from external customers	\$ 4,055,998	417,645	2,929,238	-	-	7,402,881
Intersegment revenues	<u>731,214</u>	<u>-</u>	<u>-</u>	<u>150,535</u>	<u>(881,749)</u>	<u>-</u>
Total revenues	<u>\$ 4,787,212</u>	<u>417,645</u>	<u>2,929,238</u>	<u>150,535</u>	<u>(881,749)</u>	<u>7,402,881</u>
Reportable segment profit or loss	<u>\$ 89,736</u>	<u>(233,710)</u>	<u>277,883</u>	<u>41,058</u>	<u>(114,878)</u>	<u>60,089</u>
For the three months ended March 31, 2024						
	<u>Construction Engineering</u>	<u>Real Estate Development</u>	<u>Environmental project Development &amp; Water Treatment</u>	<u>Investment</u>	<u>Adjustment and write-off</u>	<u>Total</u>
Revenues:						
Segment revenues from external customers	\$ 4,046,022	806,440	1,308,487	-	-	6,160,949
Intersegment revenues	<u>541,740</u>	<u>-</u>	<u>-</u>	<u>273,849</u>	<u>(815,589)</u>	<u>-</u>
Total revenues	<u>\$ 4,587,762</u>	<u>806,440</u>	<u>1,308,487</u>	<u>273,849</u>	<u>(815,589)</u>	<u>6,160,949</u>
Reportable segment profit or loss	<u>\$ 64,249</u>	<u>(215,867)</u>	<u>174,825</u>	<u>153,166</u>	<u>(206,909)</u>	<u>(30,536)</u>

(Continued)